

Thursday – May 23, 2024 - 11:00 a.m.
Agenda Briefing Worksession
For May 28, 2024, Council Meeting

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

City Council held an agenda briefing worksession to discuss the upcoming and future
agenda items. In addition, City Council reviewed upcoming City Council committees that will be
taking place during the next two weeks.

Discussion occurred on the following other issues and updates:

- Quarterly Update on Capital Improvement Program
- Fiscal Year 2025 Budget

At 12:55 p.m., Mayor Manheimer adjourned the agenda briefing worksession.

Tuesday – May 28, 2024- 5:00 p.m
Regular Meeting

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

Absent: Councilwoman Maggie Ullman

PLEDGE OF ALLEGIANCE

Mayor Manheimer led City Council in the Pledge of Allegiance.

I. PROCLAMATIONS:

A. PROCLAMATION PROCLAIMING JUNE 2024 AS “ASHEVILLE’S 12TH ANNUAL POLLINATION CELEBRATION! MONTH

Councilwoman Turner read the proclamation proclaiming June 2024 as “Asheville’s 12th
Annual Pollination Celebration! Month: She presented the proclamation to Virginia Currie, and
others, who briefed City Council on some activities taking place during the month..

II. CONSENT AGENDA:

At the request of Councilwoman Roney, Consent Agenda Items “G.1 and G.2” were
removed from the Consent Agenda for discussion and/or individual votes.

A. APPROVAL OF THE COMBINED MINUTES OF THE AGENDA BRIEFING WORKSESSION HELD ON MAY 9, 2024, AND THE FORMAL MEETING HELD ON MAY 14, 2024

B. ORDINANCE NO. 5079 - ORDINANCE AMENDING SECTION 7-3-11 OF CHAPTER 7 OF THE CODE OF ORDINANCES FOR THE PURPOSE OF REVISING THE TERMS OF THE DOWNTOWN COMMISSION AND ASHEVILLE-BUNCOMBE RIVERFRONT COMMITTEE REPRESENTATIVES ON THE DESIGN REVIEW COMMITTEE TO COINCIDE WITH THE TERMS OF THEIR RESPECTIVE APPOINTING COMMITTEES

Action Requested: Adoption of an amendment to Article III, Section 7-3-11 of Chapter 7 of the Code of Ordinances for the purpose of revising the committee terms on the Design Review Committee (DRC).

Background:

- On February 23, 2021 the Asheville City Council adopted Ordinance No. 4855, "Ordinance Amending Chapter 7 of the Code of Ordinances of the City of Asheville to establish new standards for hotel development."
- Ordinance No. 4855, adopted on February 23, 2021, established new standards for hotel development and also formalized the city's design review process and established the Design Review Committee (DRC).
- On January 25, 2022, via Ordinance No. 4926, changes to the DRC included reducing the number of appointments that must come from both the Downtown Commission (DTC) and Asheville Area Riverfront Redevelopment Commission (AARRC) from four seats to three, and making the remaining three seats to be appointed at large by the City Council (for a total of nine seats all appointed by City Council).
- Since those appointments were made, it has come to the attention of City staff that committee terms are not consistent with their representing board; and thus, should be revised that all terms of the Downtown Commission representatives and the Asheville-Buncombe Riverfront Commission representatives on the Design Review Committee should be concurrent with the terms of their respective board.

Council Goal(s):

- An Equitable and Diverse Community
- A Well-Planned & Livable Community

Committee(s):

- Design Review Committee (DRC) - February 15, 2024 - informational review
- Design Review Committee (DRC) - March 21, 2024 - unanimous negative recommendation -
 - Concern about possibly reducing continuity and experience of DRC members.
 - If adopted by City Council as proposed, the Clerk's Office will monitor this Committee to address concern and appointment scheduling.
- Planning & Zoning Commission (PZC) - April 3, 2024 - voted unanimously (6-0) to recommend change.
- Boards & Commissions Committee - April 9, 2024 - voted unanimously (3-0) to recommend change.

Fiscal Impact:

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

Motion:

- Motion to approve the proposed wording amendment to Article III, Section 7-3-11 of Chapter 7 of the Code of Ordinances for the purpose of revising the committee terms on the Design Review Committee.

C. RESOLUTION NO. 24-105 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH ROCK CREEK GRADING LLC FOR THE FISCAL YEAR 2024 BRIDGE MAINTENANCE PROJECT

Action Requested: Adoption of a resolution authorizing the City Manager to execute a contract with Rock Creek Grading, LLC. in the amount of \$368,000.00 plus a 12% contingency of \$44,160.00 (\$412,160.00 total) for the FY 2023-24 Bridge Maintenance contract.

Background:

- The North Carolina Department of Transportation performs periodic inspections of City-owned bridges
- The inspections provide recommendations for maintenance.
- This contract is intended to address these recommendations for bridges on Beaver Valley Road, Chestnut Street, Chunns Cove Road, Depot Street, Faircrest Road and Meadowview Road.
- The contract was advertised on March 12, 2024, and bids were opened on April 9, 2024.
- The following bids were received:

Rock Creek Grading, LLC. of Burnsville, NC
\$368,000.00
Cinderella Partners of Indian Trail, NC
\$526,400.40
IPC Paving, LLC DBA IPC Structure of Hendersonville, NC
\$1,299,870.00

Vendor Outreach Efforts:

- Funding for this contract was previously budgeted and is available in the General Capital Projects Fund, as a result the outreach and engagement followed the City's business inclusion processes.
- This process at a minimum requires staff to outreach businesses that have a documented contracting disparity directly and/or through prime contractors.
- 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 Minority & Women-Owned Business Enterprise (MWBE) service providers for subcontracted services.
- Staff also checked the NC Historically Underutilized Business and NCDOT MWBE databases for potential contractors along with the City of Asheville ABI database.
- No companies from an identified disparity group (Black American or Hispanic) were found in the ten-county search area.
- No companies from an identified disparity group submitted a bid for the project.
- The contractor anticipates self-performing all of the work on this contract.

Council Goal(s):

- A Well-Planned and Livable Community

Committee(s):

- None

Pro(s):

- The award of this contract will result in maintenance being performed on six City-owned bridges

Con(s):

- Construction will cause access delays to the impacted neighborhoods.

Fiscal Impact:

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

Motion:

- Motion to adopt a resolution authorizing the City Manager to execute a contract with Rock Creek Grading, LLC. in the amount of \$368,000.00 plus a 12% contingency of \$44,160.00 (\$412,160.00 total) for the FY 24 Bridge Maintenance contract.

RESOLUTION BOOK NO. 45 - PAGE 15

D. RESOLUTION NO. 24-106 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH KESSLER CONSULTING INC. FOR SOLID WASTE MASTER PLANNING SERVICES

Action Requested: Adoption of a resolution authorizing the City Manager to execute a contract with Kessler Consulting Inc. for solid waste master planning services for an amount not to exceed \$350,000.

Background:

- Council approved funding in the amount of \$350,000 in the FY 2023-24 budget for a solid waste master plan.
- The purpose of the solid waste master plan is to evaluate the City of Asheville's existing solid waste management system and provide short- and long-term recommendations to improve and enhance the efficiency and quality of the system and increase waste reduction and diversion.
- Conducting a solid waste master planning process is listed as a high-impact activity in the Council-approved Municipal Climate Action Plan.

Vendor Outreach Efforts:

- Funding for this project is provided through the City General Fund and the Sanitation Division operating budget. As a result, the outreach and engagement followed the City's business inclusion processes.
- Staff utilized the NC HUB vendor portal to identify individuals and firms for direct outreach. RFP respondents performed outreach for subcontracting utilizing the newly approved MWBE participation requirement of 8.39% for General Services.
- Staff issued a Request for Proposals in December 2023 and received four responsive proposals from the following firms:
 - NewGen Strategies & Solutions, LLC of Colorado: \$327,370
 - Geosyntec Consultants, Inc. of Florida: \$344,000
 - Raftelis Financial Consultants, In.c of North Carolina: \$324,500
 - Kessler Consulting, Inc. of Florida: \$329,800
- Proposals were reviewed by a panel and Kessler Consulting, Inc. (KCI) was selected as the prime consultant for the project.
- KCI, founded in 1988, is a niche firm that specializes in developing and implementing strategic, practical, and sustainable solid waste plans and in optimizing the business and operational efficiencies of solid waste management systems.
- KCI is headquartered in Tampa, FL with numerous satellite offices, including one in Boone, NC. KCI's proposed team includes three North Carolina-based members, two of which currently reside in Asheville, and a Project Manager who has roots in Asheville.

- The selected vendor has proposed to utilize a local MWBE, Aisha Adams Media, to assist with stakeholder engagement, equity and inclusion analysis, and climate resilience analysis.

Council Goal(s):

- Clean, Safe, and Healthy Environment
- Well Planned and Livable Community
- Financially Resilient City

Committee(s):

- **3/14/2023: Policy, Finance and HR Committee:** Staff presented recommendations to increase the solid waste fee to, in part, support funding for a solid waste master plan in the FY24 budget. Update only with no vote.
- **11/28/2023: Environment and Safety Committee:** Staff presented an overview of the solid waste master plan project, including background, scope of work, deliverables, and estimated timeline. Informational only with no vote.

Pro(s):

- Supports [Resolution 14-27](#) to reduce waste by 50% by 2035
- Addresses Council's strategic priorities to Improve and Expand Core Services and to focus on Neighborhood and Climate Resilience
- Engages in a high-impact activity listed in the City's Municipal Climate Action Plan

Con(s):

- None

Fiscal Impact:

- Funding for this contract is available in the Public Works Department operating budget.

Motion:

- Motion to adopt a resolution authorizing the City Manager to execute a contract with Kessler Consulting Inc. for solid waste master planning services for an amount not to exceed \$350,000.

RESOLUTION BOOK NO. 45 - PAGE 16

E. RESOLUTION NO. 24-107 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ACCEPT GRANT FUNDS FROM THE N.C. DEPT. OF ENVIRONMENTAL QUALITY FOR A 2024 COMMUNITY WASTE REDUCTION AND RECYCLING GRANT; AND TO AUTHORIZE THE CITY MANAGER TO EXECUTE ALL DOCUMENTS

Action Requested: Adoption of a Resolution authorizing the City Manager to accept grant funding from the N.C. Dept. of Environmental Quality (NCDEQ) for a 2024 Community Waste Reduction and Recycling (CWRAR) Grant; and to authorize the City Manager to execute all documents.

Background:

- On February 13, 2024, City Council passed Resolution 24-31 authorizing the City Manager to apply for the Community Waste and Recycling Grant from the N.C. Department of Environmental Quality.
- In 2014, City Council passed Resolution 14-27 adopting a waste reduction goal of 50 percent by 2035.

- The CWRAR grant will provide funding to support programming that increases awareness and drives education around how to ‘Recycle Right’ in order to reduce contamination in the recycling stream and improve, protect, and preserve our recycling program.
- Educating Asheville residents and businesses about what can go in their recycling carts will help to reduce contamination, reduce Material Recovery Facility (MRF) disposal tonnages and costs, ensure that our MRF has marketable commodities, and support the long-term viability of our recycling program.
- Grant funds will be used to purchase outreach and educational materials and to fund an educational media campaign.
- The City’s contracted Material Recovery Facility, Curbside Management, supports the development and implementation of this recycling outreach campaign.
- Other internal COA departments that are supporting this campaign include the Office of Sustainability and the Communications and Public Engagement team (CAPE).

Vendor Outreach Efforts:

- N/A

Council Goal(s):

- Improve and Expand Core Services
- Neighborhood and Climate Resilience

Committee(s):

- N/A

Pro(s):

- Increase waste reduction and recycling contamination awareness with City residents and businesses
- Reduce recycling contamination rates and deliver a clean stream of recyclables to our contracted Material Recovery Facility (MRF), Curbside Management, and help reduce MRF disposal tonnages and associated costs
- Leverage City waste reduction programming funds to help develop and implement an educational recycling outreach campaign through printed materials and media outlets

Con(s):

- None

Fiscal Impact:

- Funding for the required \$7,000 local match has been identified within the Public Works Department operating budget.
- The grant funding, matching funds, and associated expenses will be included in the FY 2024-25 Proposed Budget.

Motion:

- Motion to authorize the City Manager to accept the N.C. Dept.. of Environmental Quality (NCDEQ) 2024 Community Waste Reduction and Recycling Grant in the amount of \$35,000, with a matching amount from the City in the amount of \$7,000; and to authorize the City Manager to execute all documents.

RESOLUTION BOOK NO. 45 - PAGE 17

F. RESOLUTION NO. 24-108 - RESOLUTION AUTHORIZING THE SALE OF ONE2013 FREIGHTLINER VACUUM TRUCK WHICH IS BEYOND ITS USEFUL LIFE AND DEEMED SURPLUS CITY PERSONAL PROPERTY

Action Requested: Adoption of a resolution authorizing the sale of one (1) 2013 Freightliner Vacuum Truck which is beyond its useful life and deemed surplus City personal property.

Background:

- The City's Water Department identified one (1) vacuum truck as surplus personal property, with no anticipation of future utilization by the City.
- The vac truck is a jet vac truck, which is the same as what stormwater uses.
- The vac truck can be used to clean drains and also for clearing debris around pipes, valves, and other water infrastructure.
- The 2013 Freightliner Vacuum Truck is expected to sell for more than \$30,000.
- All bids are solicited through online auction.
- Pursuant to N.C.G.S. §160A-266, the Sale and Disposal of Personal Property valued at \$30,000 or more must be approved by the City Council.
- The City's Purchasing Manager has authority to dispose of personal property valued at less than \$30,000 by private negotiation and sale.

Vendor Outreach Efforts:

- Not Applicable

Council Goal(s):

- A Financially Resilient City

Committee(s):

- None

Pro(s):

- Prudent asset management
- Space utilization eliminates the need to store large, unused equipment
- Competitive process yielded market price

Con(s):

- None

Fiscal Impact:

- The vehicle is fully depreciated and the Water Fund will recognize the entire amount as revenue.
- Estimated revenue from the sale of fixed assets is already budgeted in the Water Fund.

Motion:

- Motion to adopt a resolution authorizing the sale of one (1) 2013 Freightliner Vacuum Truck which is beyond its useful life and deemed surplus City personal property.

RESOLUTION BOOK NO. 45 - PAGE 18

G. RESOLUTION FOR CITY COUNCIL TO ACCEPT THE OFFICE OF NATIONAL DRUG CONTROL POLICY 2024 HIGH INTENSITY DRUG TRAFFICKING AREAS (HIDTA) GRANT ON BEHALF OF THE ASHEVILLE HIDTA BRANCH; AND AUTHORIZE THE CITY MANAGER TO SIGN ALL OF THE APPROPRIATE DOCUMENTS

BUDGET AMENDMENT TO ACCEPT THE 2024 HIDTA GRANT

These actions were removed from the Consent Agenda for discussion and/or individual votes.

H. RESOLUTION NO. 24-110 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT AMENDMENT WITH SMART BUILDERS CONSTRUCTION FOR THE MURPHY-OAKLEY PLAYGROUND RENOVATION PROJECT

Action Requested: Adoption of a resolution authorizing the City Manager to increase the contract with Smart Builders Construction in the amount of \$20,000, for the Murphy Oakley Fence and Curb Change Order.

Background:

- The Murphy Oakley playground renovation is Asheville's first inclusive playground and is currently under construction.
- Additional picket style fencing is needed around the inclusive playground. A picket style of fence provides the required safety around the playground.
- Also, additional construction work has been added to the original project scope due to unanticipated curb work that is required on the north side of the parking lot.
- The original contractor selection process included a formal advertised bid on May 10, 2023 with bids received June 22, 2023. Not enough bids were received and the project was readvertised on June 23, 2023. The bids were opened on July 6, 2023. The lowest responsive/responsible bidder was Smart Builders Construction and a contract was entered into with them for \$441,516.00.
- Construction is expected to be substantially completed by June 1, 2024.

Vendor Outreach Efforts:

- Outreach was performed for the original bid and no new vendors are needed for this increase of fencing and curbing. Initial outreach included staff performing outreach to minority and women owned businesses through solicitation processes using the State's Interactive Purchasing System and requesting prime contractors to reach out to Minority & Women-Owned Business Enterprise (MWBE) service providers for subcontracted services.
- Additionally, the contractor performed outreach and has a minority contractor performing 7% of the construction contract.

Council Goal(s):

- A well-planned and livable community

Committee(s):

- None

Pro(s):

- No delay in construction completion.

Con(s):

- Additional project cost and administrative time required to revise the contract amount.

Fiscal Impact:

- Funding for this contract was previously budgeted and is available in the Parks Bond Program Fund.

Motion:

- Motion to adopt a resolution authorizing the City Manager to increase the contract with Smart Builders Construction in the amount of \$20,000, for the Murphy Oakley Fence and Curb Change Order.

RESOLUTION BOOK NO. 45 - PAGE 20

I. RESOLUTION NO. 24-111 - RESOLUTION APPROVING THE ISSUANCE OF UP TO \$28,000,000 MULTIFAMILY HOUSING REVENUE BONDS TO PROVIDE FINANCING FOR MERIBEL LP'S MULTI-FAMILY DEVELOPMENT LOCATED AT 171 MONTICELLO ROAD IN WEAVERVILLE TO SATISFY SECTION 147(f) OF THE INTERNAL REVENUE CODE, WITH NO CITY FINANCIAL OBLIGATION ASSOCIATED WITH THE BONDS OR ANY DEBT TAKEN ON BY THE DEVELOPER

Action Requested: Request of the Housing Authority for City Council to adopt a resolution approving the issuance of up to \$28,000,000 Multifamily Housing Revenue Bonds to provide financing for Meribel LP's multi-family development located at 171 Monticello Road in Weaverville to satisfy Section 147(f) of the Internal Revenue Code, with no City of Asheville financial obligation associated with the bonds or any debt taken on by the developer.

Background:

- The Asheville Housing Authority was created by the City of Asheville in 1940 in accordance with Chapter 157 of the NC General Statutes.
- It is a public body and is independent from the City with its own powers as outlined in North Carolina General Statute Chapter 157.
- The Housing Authority is governed by a Board of Commissioners, consisting of 7 members, who serve for a 4 year term and are appointed by the Mayor of the City of Asheville.
- The Internal Revenue Service requires that any bonds issued by the Housing Authority for developments such as the one described herein, have the financing plan approved by the City Council, following a public hearing with respect to such plan.
- Meribel LP, a North Carolina limited partnership (the "Borrower") has requested that the Asheville Housing Authority (the "Issuer") issue up to \$28,000,000 in multifamily housing revenue bonds for the acquisition and construction of a 156-unit affordable rental development known as Meribel located on a 10.26 acre site at 171 Monticello Road in Weaverville, North Carolina, parcel identified as PIN 973360350300000 in the Buncombe County Registry.
- The project will consist of 5 residential buildings. There will be a mix of 1,2 and 3-bedroom units. Units will be set aside for individuals and families at 30% or less (58 units), 60% or less (24 units) and 80% or less (74 units) of Area Median Income ("AMI").
- The affordability period will be 30 years.
- LDG Development is the developer and is an affiliate of the owner. Gateway Property Management, LLC will be the manager of this project.
- Construction is scheduled to commence in June 2024 and has an expected completion date of July 2026.
- Staff notes that approval does not obligate the City in any way to issue or pay for the bonds, or for any debt taken on by the developer.

Council Goals:

- Quality Affordable Housing

Pro(s):

- 156 units of new housing affordable to households at or below 30%, 60% and 80% of AMI will be constructed.

- The affordability period will be at least 30 years.

Con(s):

- None.

Fiscal Impact:

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

Motion:

- Motion to adopt a resolution approving the issuance of up to \$28,000,000 Multifamily Housing Revenue Bonds to provide financing for Meribel LP's multi-family development located at 171 Monticello Road in Weaverville to satisfy Section 147(f) of the Internal Revenue Code, with no City of Asheville financial obligation associated with the bonds or any debt taken on by the developer.

In response to the opposition of the Housing Authority issuing bonds by Paul Howell, Mayor Manheimer explained that (1) the Housing Authority is a separate entity from the City of Asheville; and (2) the developer is actually not the Housing Authority. She explained that this is a privately-owned housing provider that is using these funds to do their own project which will accept vouchers. She said the City of Asheville has no financial liability.

RESOLUTION BOOK NO. 45 - PAGE 21

J. RESOLUTION NO. 24-112 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A SERVICE AND COST SHARE AGREEMENT WITH BUNCOMBE COUNTY FOR CENTRALIZED DATA ENTRY

Action Requested: Resolution authorizing approval of a Service and Cost Share Agreement with Buncombe County for Centralized Data Entry.

Background:

- The City of Asheville and Buncombe County have long standing interlocal agreements regarding the provision of certain joint public safety-related technology and data services.
- Those services are rendered through the Centralized Data Entry (CDE) Division of the Buncombe County Bureau of ID.
- A Service and Cost Share Agreement is necessary to establish rights and obligations for CDE and data entry services provided by the City and County.
- Historically, the City of Asheville has covered 45% of CDE costs and the County has paid 55%. Thanks to a revised governance structure and coordination with other jurisdictions benefitting from CDE, the City's current share for these services has been reduced from 45% to 30.2% with Woodfin, Black Mountain, and Weaverville all contributing to the system for the first time in Fiscal Year 2024-25.
- Under the new agreement, the County will provide the City and other participating jurisdictions with cost estimates during budget development based on their proportionate share of CDE service areas.
- CDE service areas include:
 - RMS master name record entry and maintenance,
 - Arrest data entry, and
 - Booking data entry.
- This agreement has a one year term initiating on July 1, 2024, and will renew annually if not earlier terminated.

Council Goal(s):

- A Financially Resilient City

Pro(s):

- Provides authorization to continue key public safety technology services and authorizes the City to fund the associated interlocal agreement.

Con(s):

- None

Fiscal Impact:

- Funding for the first year of this agreement is available in the Police Department operating budget.
- Future years will be planned during the annual budget development process.

Motion:

- Motion to authorize the City Manager to execute a Service and Cost Share Agreement with Buncombe County for Centralized Data Entry.

RESOLUTION BOOK NO. 45 - PAGE 24

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

Councilwoman Turner moved for the adoption of the Consent Agenda (with the deletion of Consent Agenda Items G.1 and G.2. This motion was seconded by Councilwoman Smith and carried unanimously.

ITEMS REMOVED FROM THE CONSENT AGENDA FOR INDIVIDUAL VOTES

G. RESOLUTION NO. 24-109 - RESOLUTION FOR CITY COUNCIL TO ACCEPT THE OFFICE OF NATIONAL DRUG CONTROL POLICY 2024 HIGH INTENSITY DRUG TRAFFICKING AREAS (HIDTA) GRANT ON BEHALF OF THE ASHEVILLE HIDTA BRANCH; AND AUTHORIZE THE CITY MANAGER TO SIGN ALL OF THE APPROPRIATE DOCUMENTS

ORDINANCE NO. 5080 - BUDGET AMENDMENT TO ACCEPT THE 2024 HIDTA GRANT

Action Requested: Adoption of a resolution to accept the 2024 High Intensity Drug Trafficking Areas (HIDTA) Grant on behalf of the Asheville HIDTA branch and authorize the City Manager to execute all documents associated with the grant; and adopt a budget amendment in the City's Special Revenue Fund in the amount of \$154,638.00.

Background:

- The purpose of the HIDTA program is to reduce drug trafficking and especially production in the United States, specifically in areas where drug-related activities are having a significant harmful impact.
- This unit does not focus on, or adopt cases, that are for simple possession, but focuses only on cases that deal in trafficking, manufacturing, and distribution of illegal drugs.
- The Asheville Police Department acts only as the fiduciary for the grant.
- When expenses are incurred, the fiduciary settles the claims using appropriated City of Asheville funds and then requests a 100% reimbursement from the federal government.
- The Asheville HIDTA is the direct beneficiary of the grant funds and not the Asheville Police Department.
- The Asheville HIDTA is comprised of members of the United States Drug Enforcement

Administration, one officer from the Asheville Police Department, and various individuals from the Sheriff Offices of several Western North Carolina Counties.

- A United States Drug Enforcement Administration supervisor, who is the Asheville HIDTA manager, determines how grant funds will be expended.
- All members of the Asheville HIDTA receive reimbursement when they incur qualified expenses conducting Asheville HIDTA business.
- The Office of National Drug Control Policy has determined that the City of Asheville is eligible to manage this grant totaling \$154,638.
- Grant funds are used for overtime, travel, services and supplies.
- All expenses are tracked and audited by local and federal authorities.

Vendor Outreach Efforts:

- None. Funding for this grant is provided by the Office of National Drug Control Policy (ONDCP).

Council Goal(s):

- A Connected and Engaged Community

Committee(s):

- The Environment & Safety Committee approved to move the application of this grant forward to City Council on 7/25/2023 with a 3-0 vote. On 5/2/2024 we were notified of the grant award and this action will be to accept it.

Pro(s):

- Fosters partnerships with federal and local law enforcement agencies.

Con(s):

- None

Fiscal Impact:

- Matching funds are not required for this grant.

Jonathan Wainscott spoke in support of acceptance of this grant.

Councilwoman Roney said we are having serious public safety issues in our community and though we are having these conversations one at a time, she looked forward to having community conversations around quality equity service outcomes and long-term planning budget strategies.

Councilwoman Mosley moved to adopt a resolution to accept the 2024 High Intensity Drug Trafficking Areas (HIDTA) Grant on behalf of the Asheville HIDTA branch and authorize the City Manager to execute all documents associated with the grant; and adopt a budget amendment in the City's Special Revenue Fund in the amount of \$154,638.00. This motion was seconded by Councilwoman Smith and carried on a 5-1 vote, with Councilwoman Roney voting "no."

RESOLUTION BOOK NO. 45 - PAGE 19
ORDINANCE BOOK NO. 35 - PAGE 278

III. PRESENTATIONS & REPORTS:

A. MANAGER'S REPORT

EMPLOYEE RECOGNITIONS

City Manger Campbell said that City of Asheville employees are heroes in many ways. We want to acknowledge their exemplary work all of the time, but especially when employees do something extraordinary. She would like to recognize Public Works employee Jonathon Ballard and Promise Boseman and the students of the City of Asheville Youth Leadership Academy (CAYLA) program.

Regarding Jonathon Ballard, Stormwater Operations Manager, she said that he was awarded the NC Chapter - American Public Works Association H.W. Kueffner Award for (1) outstanding achievement in local government service, (2) promotions and departmental growth; (3) list of achievements which distinguish the nominee; and (4) personal attributes.

C. Maie Armstrong and Rachel Ingham, APWA Awards & Scholarships Committee Co-Chairs then presented Jonathon Ballard, Stormwater Operations Manager, with the American Public Works Association (APWA) the H.W. Kueffner award for 2024. The award is for outstanding achievement in local government service. This award, named for Mr. Herbert William Kueffner, Public Works Director for the City of Durham from 1930-1958, is given annually to a public works employee for outstanding achievement in local government service. Nominees are evaluated based on criteria such as their employment history, accomplishments, and personal attributes. This year's award winner began work with the City of Asheville as a Senior Equipment Operator in 2015. Over the last 9 years, he has been promoted twice – first to Labor Crew Supervisor and more recently to Stormwater Operations Manager. He was nominated by a peer who stated that he has a can-do attitude and uses his time, talents, and knowledge to be a successful part of the organization. He takes pride in a job well done, and this pride is displayed whether he is in the ditches, completing paperwork, or stepping up to fill in as needed. He is the go to in Stormwater; however, employees in Sanitation, Streets, Fleet, and Parks and Recreation all know they can call on him for answers or to lend a hand. He doesn't just sit behind a desk – he is out in the field meeting citizens, looking at future projects, and supporting his crews. Outside of the City of Asheville, he spends time doing what he does best, helping others. He is a firefighter with the Reynold Fire Department, and he enjoys hunting in his spare time. On behalf of the NC-APWA, we are pleased to name Jonathon Ballard as the 2024 H.W. Kueffner award recipient.

Regarding Promise Boseman, Workforce Development Coordinator/CAYLA Program Leader, Promise Boseman has grown through several roles at the City, including in Human Resources and Community and Economic Development, and now as the Workforce Development Coordinator/CAYLA program leader. An Asheville native, Promise leads by example for the CAYLA students by eagerly accepting new challenges, creatively adapting, and pushing herself to grow. She excels in the many public speaking opportunities presented by this role. During the recent CAYLA graduation, seniors spoke about the importance of the program on their social lives, academics, and career opportunities and how Promise was a key part of that experience. Promise successfully supported students in researching, applying for, and securing scholarships. This year, the CAYLA program had 24 graduating seniors, receiving more than \$1,029,920 in scholarships.

QUARTERLY UPDATE ON THE CAPITAL IMPROVEMENT PROGRAM

Capital Projects Director Jade Dundas outlined the following key takeaways from his presentation as follows: (1) Changing circumstances (bidding, scope changes, design review, etc.) can impact project delivery schedules and cause changes in the project information; (2) Project delivery schedules are variable and are dependent on many factors including review requirements from external funding partners such as the federal government and/or NCDOT, and

unique circumstances with the location and topography of a project; and (3) Staff is focused on improving capital project communications across all platforms.

Assistant Director of Parks & Recreation Pete Wall provided an update on the Walton Street Park.

Mr. Dundas then provided information on the College/Patton Avenue work; Downtown restrooms; and McCormick Field.

Regarding New Haw Creek and Johnston Boulevard 2016 GO Bond projects, (1) Original funding not sufficient to build project - received Federal funding in 2018; (2) Federal funding requirements, NCDOT ROW, challenges with land acquisition have slowed progress; (3) Recent NCDOT identified design challenges - Guardrail conflict on Johnston; and (4) Several different project managers throughout the life of the projects. He then showed the New Haw Creek timeline.

Upcoming Council actions include (1) McCormick Field - June - Guaranteed Maximum Price/Contract Amendment; (2) Southside Ped Improvements - June - Construction Award; (3) Nasty Branch - July - Construction Award; (4) Parking Garages - July - Construction Award; (5) New Haw Creek Sidewalk - July - Construction Award; (6) Johnston Blvd Sidewalk - August - Construction Award; and (7) Municipal Building Repairs and Restoration - September - Construction Award.

2016 Bond lessons learned include (1) More detailed upfront scoping work is needed (a) Better budget development; (b) Less need for value engineering; and (c) Less time spent seeking additional funding; (2) Federal funding is important but presents challenges throughout project development; (3) Do not bundle projects with one design firm; and (4) Balance the amount specificity listed for projects - Budgets for various projects required significant adjustments with additional scope work.

Project communication improvements include a new Communications Specialist to (1) Process evaluation focus (a) Facilitating public access to project related information; (b) Building consistency/cohesion in communications processes; and (c) Supporting project management staff; and (2) Evaluation of the communications tools (a) Review of dashboard content and presentation; and (b) Opportunities to improve communication tools.

Regarding the update on the Walton Street Park, Councilwoman Roney said that as we are having the conversation about the bonds, neighbors who are hearing support for the Malvern Hills Pool are asking why you didn't listen to them about the Walton Street Pool. It helps to see what the current plan is and that we are engaging neighbors. Those public spaces, like libraries, pools and parks, are places we spend our time outside of work, school or home are so important to neighborhood resiliency. She noted that some requests by the Walton Street community and the Southside community still don't feel heard. As we get closer to what it will look like in the future, it would help to have more updates to what it looks like for the remaining infrastructure of the Walton Street pool.

Councilwoman Roney asked about why we can't queue up other projects since the College/Patton Avenue sidewalk project is delayed, impacting our local businesses through their biggest part of the season, and start that repair in September. Public Works Director Greg Shuler explained that this is an in-house project and most of the money is being used for labor. City Manager Campbell said that staff will provide more detailed information for Council.

IV. PUBLIC HEARINGS:

A. PUBLIC HEARING ON THE FISCAL YEAR 2025 ANNUAL OPERATING BUDGET

Finance Director Tony McDowell said that this is the public hearing on the City of Asheville Fiscal Year (FY) 2024-25 Proposed Annual Budget and inclusion of public input in City Council's consideration of the budget. This public hearing was advertised on May 17, 2024.

Background:

- The FY 2024-25 Proposed Annual Budget was presented to City Council on May 14, 2024, and totals \$249.6 million.
- In summary the Proposed Budget includes the following:
 - No change to the current property tax rate;
 - A focus on employee compensation and benefits, which includes a 4.11% salary increase for all permanent employees, which will allow the City to bring its minimum salary for full-time permanent staff up to the local pledged annual living wage rate for 2024;
 - Strategic utilization of fund balance to advance Council's priorities and balance budget;
 - Continued funding for essential community services in a time of rising costs; and
 - Recommendations for a \$75M November 2024 General Obligation (GO) Bond referendum that will provide additional resources to address the City's infrastructure needs.
- A detailed copy of the Proposed Budget is available for public review in the City Clerk's office, as well as on the City's website (www.ashevillenc.gov).
- In accordance with the North Carolina Local Government Budget and Fiscal Control Act (G.S. 159-12), a summary of the Proposed Budget along with a notice of the public hearing was published on May 17, 2024.
- As noted above, adoption of the FY 2024-25 Budget Ordinance is scheduled for June 11, 2024, at the regularly scheduled City Council meeting.
- The Proposed Budget may be adjusted by City Council before adoption.
- It may also be changed by budget amendment after adoption, with the only exception being the property tax rate, which cannot be changed once the budget is adopted.

Council Goal(s):

- A Financially Resilient City

Pro(s):

- Provides the opportunity for the public to comment on the Proposed Annual Operating Budget for FY 2024-25.

Con(s)

- None

Fiscal Impact:

- No impact to conducting the public hearing.

Motion:

- Conduct the public hearing on the Proposed Annual Operating Budget for FY 2024-25 and include public input in City Council's consideration of the budget.

Mr. McDowell outlined the following key takeaways from this presentation as follows: (A) he Fiscal Year (FY) 2024-25 Proposed Budget totals \$249.6 million and includes: (1) No change to the current property tax rate; (2) A focus on employee compensation and benefits; (3) Strategic utilization of fund balance to advance Council's priorities and balance the budget; (4) Continued funding for essential community services in a time of rising costs; and (5) Recommendations for a \$75M November 2024 General Obligation (GO) Bond referendum that will provide additional resources to address the City's infrastructure needs.

He said a public comment session was held during the City Council meeting on January 23. Budget priorities survey was conducted via Public Input from January 23 until February 23. And, today will be the budget public hearing.

Public input received to date includes (1) Service priorities include additional investment in: (a) Affordable Housing & Homelessness; (b) Community Safety & Emergency Response; and (c) Facilities Maintenance; (2) Strong support for Community Responder Program; (3) Housing decisive capital priority (Greenways, sidewalks, and road resurfacing also highly ranked); and (4) Support for more comprehensive capital investments at fewer locations (e.g. streetscaping vs resurfacing only), and maintaining current resources.

He then reviewed the operating budget highlights, using charts for expenditures - all funds; revenues - all funds; and typical residential household impact (FY 25 Annual Increase of \$19.98). **Recommended changes to salary and benefits include (1) 4.11% compensation increase for all staff, meeting annual salary of Just Economics pledged living wage rate; (2) State-mandated increase in employer retirement contribution; (3) Additional employer contribution to cover increasing healthcare costs; and (4) Reinstate retiree health benefit.** Recommended new investments for the General Fund include (1) Community Responder Program; (2) Public Safety Drone Program & Radio System Support; and (3) Yard Waste & Brush Collection Support. Recommended new investments for the Enterprise Funds include (1) Stormwater Maintenance Crew & Development Review Staff; (2) Water Capital Engineer & Maintenance Crew; (3) Concrete Maintenance Crew; and (4) Transit Operations RFP Support. The operating budget summary is as follows: (1) Funds compensation to pledged annual living wage in an equitable way and avoids compression; (2) Maintains existing services with minimal operating cost increases; and (3) Invests in strategic enhancements where additional revenues are available.

Mr. McDowell then gave highlights of the Capital Improvement Program (CIP), using a chart of the FY 25 CIP overview of the General Fund. FY 25 CIP project examples in the General Fund include (1) Municipal Building structural maintenance; (2) City Hall HVAC; (3) Fire apparatus, bus, & other vehicle replacements; (4) Street resurfacing & sidewalk maintenance; and (5) Ongoing Park maintenance & improvements. FY 25 CIP project examples in the Enterprise Funds are water system and parking garage maintenance. Regarding identified capital needs, (1) Over \$350 million planned in five-year CIP (including enterprise funds); (2) Over \$800 million of projects identified during the budget process; and (3) Recommend GO Bond program to address gap (a) \$75M November GO Bond vote; and (b) First Council action on GO Bonds will occur at the May 28th meeting.

Councilwoman Roney noted that even though it says we are meeting the annual salary of the Just Economics pledge living wage rate, we are not. We are running parallel to the Just Economics pledge living wage rate of \$19/hour but we are not eligible because we don't pay our temporary staff or firefighters but there also no pledge involved and we're not planning to get to \$22.10. It's a mark in our community, but we keep mentioning it like we are pledging, but we are not.

Mayor Manheimer said that at our last couple of meetings, there were a lot of questions around different options to facilitate raises for staff and trying to help Council understand the fiscal

impact of each of the different options. For example, what it looks like to do a 6% raise for all staff and not dip below our 15% threshold for our Fund Balance and what the implications would be, or a 6% for all first responders and 4.11% for all other City staff. Some scenarios have property tax increase components. The highest one is 2.45 cents which would be an annual increase of \$85.94 a year for the average valued homeowner. She stressed that City Council is not voting on the budget at this time and that they are only listening to the public.

Mayor Manheimer opened the public hearing at 6:03 p.m.

Ten individuals spoke in support of raising firefighter salaries to a living wage, along with other public safety employees and lower paid staff.

Mayor Manheimer closed the public hearing at 6:43 p.m.

There was a brief discussion regarding the options and fiscal impacts of each.

Mayor Manheimer said that City Council will consider adoption of the budget at their June 11, 2024, formal meeting.

B. PUBLIC HEARING TO CONSIDER THE CONDITIONAL ZONING OF 21 LONDON ROAD FROM COMMERCIAL INDUSTRIAL DISTRICT TO RESIDENTIAL EXPANSION - CONDITIONAL ZONE AND TO AMEND THE FUTURE LAND USE MAP FROM INDUSTRIAL/MANUFACTURING TO URBAN CORRIDOR

ORDINANCE NO. 5081 - ORDINANCE TO CONDITIONALLY ZONE 21 LONDON ROAD FROM COMMERCIAL INDUSTRIAL DISTRICT TO RESIDENTIAL EXPANSION - CONDITIONAL ZONE AND TO AMEND THE FUTURE LAND USE MAP FROM INDUSTRIAL/MANUFACTURING TO URBAN CORRIDOR

Urban Planner Will Palmquist said that this is the consideration of an ordinance to conditionally zone 21 London Road from Commercial Industrial District to Residential Expansion - Conditional Zone, and to amend the Future Land Use Map from Industrial/Manufacturing to Urban Corridor. This public hearing was advertised on February 16 and 23, 2024. On February 27, 2024, this public hearing was continued to March 26, 2024, per the applicant's request. On March 26, 2024, this public hearing was continued to this date, per the applicant's request.

Project Location and Contacts:

- The project site totals 2.63 acres located at 21 London Rd (PIN 9647-89-2135)
- Owner: London Asheville LLC

Summary of Petition:

Project Site

- The project area consists of one property totalling 2.63 acres located at 21 London Rd and is identified in the Buncombe County land records as PIN 9647-89-2135)
- The site is currently zoned Commercial Industrial (CI), which is the predominant zoning for the surrounding area.
- The site is currently vacant with the previously existing 1-story garage building recently demolished.
- Sweeten Creek is located to the northeast of the property with a 30'-wide stream buffer located on the property.
- Given the size of the project (over 50 residential dwelling units) a conditional zoning to the Residential Expansion - Conditional Zone (RES EXP - CZ) district is required.

- Based on the Living Asheville Comprehensive Plan Future Land Use Map (FLUM) the property is currently designated “Industrial/Manufacturing”, which reserves land with good access to transportation systems to support the economic section for light industry and office or business incubators.
- While Industrial/Manufacturing may include opportunities for housing for workers who may live amongst or adjacent to the industry or other businesses in the area, the property is adjacent to properties along Sweeten Creek Rd and London Rd designated as “Urban Corridor.” Therefore, a change to the Future Land Use map is recommended.

Overall Project Proposal

- New building construction includes a new six-story building with a total of 208 units of multi-family housing.
- Four stories of residential construction are proposed above two stories of structured parking
- Other site improvements include structured parking, new sidewalks, and a pool and amenity area.

Site Layout and Design

- Maximum building height for multifamily buildings in the RES EXP district is 60 feet.
- The maximum building height of the proposed project is 74 feet.
 - The project is seeking a technical modification for maximum building height.
- Maximum density in the RES EXP district is 20 units/acre or 50 units/acre if at least 20% of the dwelling units are affordable at 80% AMI.
- The proposed project’s density is 79.1 units/acre.
 - The project is seeking a technical modification for maximum residential density.
- Front yard, rear yard and side yard setbacks of 15 feet are required in the RES EXP district.
- The project proposes no front yard setback, 5' side yard setbacks, and a 10' rear yard setback.
 - The project is seeking a technical modification for setbacks.
- Maximum impervious surface in the RES EXP district for multifamily uses is 80%.
- The proposed project would result in a total impervious area of 63%.

Access, Sidewalks and Parking

- Access to the site will be provided by two entrances into the proposed structured parking.
- The main pedestrian entrances to the building are at the eastern end of the north elevation and the southern end of the west elevation.
- A total of 223 parking spaces are proposed for the project. Based on the number of bedrooms and dwelling units, the minimum/maximum number of required parking spaces is 208/412 for the RES EXP district.
- Bicycle parking is required at a rate of 5% of the total number of vehicle parking spaces, which equates to 11 required bicycle parking spaces. The project is proposing 99 bicycle parking spaces.
- The pedestrian network in general along Sweeten Creek Rd and at the intersection of London Rd is problematic with few crosswalks and many areas without a sidewalk.
- NCDOT has a planned roadway improvement project for Sweeten Creek Rd (currently slated for construction in 2031) but it does not include this section of roadway.
- The City’s Transportation Department is currently assessing the feasibility of a sidewalk along London Rd, between Sweeten Creek and W. Chapel Roads.
- The RES EXP district requires new 10 foot-wide sidewalks be constructed, both along the primary access corridor and internally throughout the site.
- The project is proposing a new 10.5'-wide sidewalk along London Rd. The project proposes 5'-wide sidewalks internal to the site.

- The project is seeking a technical modification for sidewalks internal to the site and for the required sidewalk on Sweeten Creek Rd. The project has a very small portion of its property fronting on Sweeten Creek Rd and the roadway is constrained as it travels east across the bridge, which is not on the subject property.
- London Road is served by Asheville Rides Transit (ART) route S1. The closest transit stop (#648) is located at the corner of Sweeten Creek and London Roads, approximately 150' north of the subject property.
 - As recommended by City transit planning staff, the project proposes relocating this bus stop to an area adjacent to the project, with the exact final location to be determined, and improved to a bus shelter.

Landscaping / Open Space / Tree Canopy

- Landscape requirements apply, including street trees, building impact, and parking deck landscaping.
- Street trees are required as being one small maturing tree for every 30 linear feet of property abutting a street, as there are overhead utilities present, which equates to 16 trees required along London Rd.
- The applicant is proposing 12 large maturing trees in tree grates, which would be required if there were no overhead utilities.
 - The project is requesting a technical modification for the required street tree on Sweeten Creek Rd.
 - The project is seeking a technical modification for street trees to be located in tree grates instead of a planting strip.
- Exposed parking decks are required to plant a minimum of one tree and two shrubs for every 30 linear feet of the parking structure's perimeter, with trees being planted within 20 feet of the structure. The project has 250 linear feet of exposed parking deck, and proposes the required 8 trees and 16 shrubs.
- Building impact landscaping is required as being one tree and two shrubs for every 1,000 square feet of building footprint, equalling 64 trees and 128 shrubs.
- Open Space is required at a rate of 50% of the site, or a rate of 20% of the site if the project meets the incentive requirements for either enhanced stormwater or affordable housing. Open space can be further reduced to 15% if the proposed open space meets certain design and operational standards. The project proposes 50% open space as required, equaling 1.35 acres.
- The project proposes to meet Tree Canopy Preservation requirements of 16% through a combination of 12% preservation and 4% plantings. The project site is classified as "Suburban" under the Tree Canopy Preservation standards, with a classification of "Class C". The site has an existing tree canopy of 37%.

Technical Modifications

- The project is seeking technical modifications to development standards through the conditional zoning process including:
 - Maximum building height of 75' instead of the 60' maximum.
 - Maximum residential density of 80 units/acre instead of the 20 units/acre maximum.
 - Setbacks of 0' for the front yard, 5' for the side yards, and 10' for the rear yard, instead of the required 15' setback for all yards.
 - 5'-wide sidewalks internal to the site instead of the required 10'-wide standard,
 - No sidewalk as required on Sweeten Creek Rd.
 - No street tree (1) as required on Sweeten Creek Rd.
 - Street trees to be located in tree grates along London Road where a planting strip is required.

- No bike lanes into the development.

Consistency with the Comprehensive Plan and Other Plans:

Living Asheville Comprehensive Plan (2018)

- The proposed development supports a number of goals in the Living Asheville Comprehensive Plan, including:
 - **Encourage Responsible Growth** - by providing infill development in targeted growth areas.
 - **Make Streets More Walkable, Comfortable and Connected** - by eliminating gaps in the city-wide sidewalk network..
 - **Improve the Multimodal Transportation System** - by enhancing transit-supportive infrastructure such as bus shelters.
- The proposed rezoning is compatible with the proposed Future Land Use designation of "Urban Corridor", which is proposed, in part, as "redevelopment in the form of mixed-use residential, commercial and office uses that place emphasis on pedestrian-friendly amenities and infrastructure".

Compatibility Analysis:

- The proposed multi-family project is compatible with the surrounding land uses, including:
 - Commercial and mixed-uses along Sweeten Creek Rd and London Rd, as well as in and around Biltmore Village.
 - Multi-family residential uses, planned and existing, to the north of the project site along Fairview Rd.
 - Residential single-family uses to the southwest and east of the project site.

Council Goal(s):

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

Committee(s):

- Technical Review Committee (TRC) - December 18, 2023 - approved with conditions.
- Planning & Zoning Commission (PZC) - February 7, 2024 - approved (Vote 6:0)

Staff Recommendation:

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

Mr. Palmquist reviewed the existing and proposed zoning, the aerial imagery and the future land use map. About the site plan, (1) Vacant site, 30'-wide stream buffer; (2) New 6-story multi-family building; (3) 208 residential dwelling units; (4) Other site improvements: structured parking, sidewalks, and a pool/amenity area; (5) 223 parking spaces, 99 bike parking spaces; (6) Access by two new driveways into parking garage; (7) 10.5'-wide sidewalk on London Rd, 5'-wide sidewalks internally; and (8) ART route S1 and stop #648. Regarding the landscape plan, (1) Landscaping standards: street tree, building impact, and parking deck screening; (2) Open space at 50% of site (1.35 acres); and (3) Tree Canopy Preservation standards met through combination of preservation and new tree plantings. Regarding conditions, (1) A new bus stop and shelter, designed to standard city specifications, will be installed adjacent to the project with the final location to be determined in coordination with City staff; (2) Technical modifications: (a) Maximum building height of 75' instead of the 60' maximum; (b) Maximum residential density of 80 units/acre instead of the 20 units/acre maximum; (c) Setbacks of 0' for the front yard, 5' for the side yards, and 10' for the rear yard, instead of the required 15' setback for all yards; (d) 5'-wide sidewalks internal to the site instead of the required 10'-wide standard; (e) No sidewalk as required on Sweeten Creek Rd; (f) No street tree (1) as required on Sweeten Creek Rd; (g) Street trees to be located in tree grates along London Road where a planting strip is required; and (h)

No bike lanes into the development. He then showed building elevations, along with an architectural rendering. He showed pictures of the different street views from various angles. He said the Technical Review Committee approved the project with conditions. The Planning & Zoning Commission voted to approve the project. He then explained how the project was consistent with the Living Asheville Comprehensive Plan. He said that staff concurs with the Planning & Zoning Commission and recommends approval of the proposed conditional zoning.

Mr. Derek Allen, attorney representing the applicant, responded to various questions from City Council, some being, but are not limited to: is the project either available for a renewable energy plan or does it have a renewable energy plan; is there a plan for a sidewalk on Sweeten Creek Road on the other side of the bridge; was a Traffic Impact Study performed and if so, what did it show for that area; and what was the outcome of the neighborhood community meeting. Mr. Allen then read a condition that “the applicant will make good faith efforts to follow (and will expect its subcontractors to follow) the principles set forth in the Federal Procurement Regulations of 24 CFR 85.36(e) regarding contracting with small and minority firms and women’s business enterprises, as modified as follows: (a) applicant will take affirmative steps to assure that minority firms and women’s business enterprises are used where possible; and (b) affirmative steps will include (i) placing qualified small and minority businesses and women’s business enterprises on solicitation lists; (ii) assuring that small and minority businesses, and women’s business enterprises are solicited whenever they are potential sources; (iii) dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women’s business enterprises; (iv) conducting job fairs in minority neighborhoods; (v) working with the YMI, Mountain BizWorks and other local non-profit agencies that serve the minority communities in Asheville; and (vi) requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in this section.”

Mr. Warren Suggs, civil engineer for the project, said that even though a Traffic Impact Analysis was not required for this project, they performed one, which the N.C. Dept. of Transportation agreed with their findings. He said that 80% of the traffic will go toward Sweeten Creek Road and 20% will move towards Shiloh.

Mayor Manheimer opened the public hearing at 7:39 p.m.

Robert Robinson spoke in support of this conditional zoning.

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

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

Councilwoman Roney moved to approve the conditional zoning request for the property located at 21 London Road from Commercial Industrial (CI) to Residential Expansion - Conditional Zone (RES EXP-CZ) as well as an amendment to the Future Land Use Map from Industrial/Manufacturing to Urban Corridor (with the addition of the condition Mr. Allen read regarding good faith efforts) and find that the request is reasonable, is in the public interest, is consistent with the city’s comprehensive plan and meets the development needs of the community in that the request: 1) Provides infill development in targeted growth areas; 2) Eliminates gaps in the city-wide sidewalk network; and, 3) Enhances transit-supportive infrastructure such as bus shelters. This motion was seconded by Vice-Mayor Kilgore and carried on a 5-1 vote with Councilwoman Turner voting “no.

C. PUBLIC HEARING TO CONSIDER THE CONDITIONAL ZONING OF 57 MAX STREET FROM RS-8 RESIDENTIAL SINGLE-FAMILY HIGH DENSITY DISTRICT TO RM-8 RESIDENTIAL MULTI-FAMILY MEDIUM DENSITY DISTRICT - CONDITIONAL ZONE

ORDINANCE NO. 5082 - ORDINANCE TO CONDITIONALLY ZONE 57 MAX STREET FROM RS-8 RESIDENTIAL SINGLE-FAMILY HIGH DENSITY DISTRICT TO RM-8 RESIDENTIAL MULTI-FAMILY MEDIUM DENSITY DISTRICT - CONDITIONAL ZONE

Urban Planner Clay Mitchell said that this is the consideration of an ordinance to consider the conditional zoning of 57 Max Street from RS-8 Residential Single-Family High Density District to RM-8 Residential Multi-Family Medium Density District - Conditional Zone for the purpose of adaptive reusing the Cappadocia Church into 3 residential units. This public hearing was advertised on May 17 and 24, 2024.

Project Location and Contacts:

- The project site totals 0.266 acres at 57 Max Street | Pin: 9648-59-7392
- Owner: Preservation Society of Asheville and Buncombe County Inc.

Summary of Petition:

Project Site

- The project site consists of one property totalling 0.266 acres, and is located at 57 Max Street across from the Stephens-Lee Community Center.
- The project site is occupied by the vacant Cappadocia Church building.
- The property was acquired by the Preservation Society to protect the building from demolition in the East End neighborhood.
- The project is seeking a conditional zoning to permit the preservation of the building and its adaptive reuse for three multi-family units.
- The site is designated as "Traditional Neighborhood" on the city's Future Land Use (FLU) Map.
- A change in Future Land Use is not required. Living Asheville.
- The project is located in the East End/Valley Street neighborhood.

Overall Project Proposal

- The project proposes to convert the existing church building into 3 residential units with associated infrastructure.
- The existing church building has historical importance to the East End Neighborhood and is owned by the Preservation Society of Asheville and Buncombe County Inc.
- The facade elements of the existing building will be substantially preserved.
- The project includes 3 residential units, four parking spaces, bicycle parking, and a new access from Max Street.
- The requirements of UDO Sec. 7-10-8 Neighborhood-scale multifamily design standards do not apply due to the adaptive reuse of a historically significant existing building.

Access, Sidewalks and Parking

- Access to the site is proposed by a new drive access from Max Street northeast of the intersection with Old Max Street.
- The driveway is shown as 12 feet in width widening to 16 feet in width for the parking aisle.
- The project will provide compliant parking for vehicles and bicycles.
- Sidewalks are shown on site and reconstructed along Max Street.
- The applicant is coordinating with City Transportation on the proper configuration of Old

- Max Street along the frontage of the property.
- Parking is along the side of the building and grading will take place requiring a retaining wall to the east that will be 9' max height and facing toward the property with landscaping at the top and bottom of the wall.

Landscaping & Buffer Requirements

- The rezoned property abuts RS-8 and requires a 20' property buffer along the eastern boundary.
 - The applicant is seeking a technical modification for the required 20 foot property buffer to the adjacent property zoned RS-8.
 - The change in grade and associated retaining wall faces internal to the site and additional plantings along the top of the wall mitigate visual impacts to the abutting property.
- The site has been configured to accommodate additional landscaping and dedicated space for resident use as garden spaces.
 - The project proposes to provide 3 dedicated 4' by 8' garden plots for residents at the base of the retaining wall.
- Tree Canopy Protection required at 15% will be achieved through planting one tree for 1.48% and the remainder paid as fee in lieu.

Technical Modifications - The project is seeking the following technical modifications through the conditional zoning process:

- The project shows a modified landscaping and required type A 20' buffer along the eastern edge of the property to accommodate several requirements and improvements to the site.
 - The site changes in topography from the RS-8 district which includes a 5' to 9' (max) height retaining wall facing internal to the site.
 - At the top of the retaining wall, a row of 23 evergreen shrubs screen the abutting parcel.
 - At the base of the retaining wall buffer plantings will include 7 trees and 50 shrubs.
 - The buffer area to the southeast of the property at the base of the retaining wall accommodates the required safe accessible dispersal area.

Consistency with the Comprehensive Plan and Other Plans:

Living Asheville Comprehensive Plan (2018)

- The proposed development supports a number of goals in the Living Asheville Comprehensive Plan, including:
 - **Encourage Responsible Growth** - by prioritizing greater densities of development overall as a means of achieving more walkable and efficient urban environments and as a tool to help protect and preserve open space and the natural environment.
 - **Increase and Diversify the Housing Supply** - by increasing the supply and variety of housing types, especially in existing neighborhoods and proximity to schools, transit, and public amenities.
 - **Promote Great Architecture and Urban Design to Enhance Placemaking** - by promoting adaptive reuse as a means of conserving materials, history, and embodied energy in buildings.
- The proposed development is compatible with the Future Land Use designations of "Traditional Neighborhood":
 - **Traditional Neighborhood:** "In a traditional neighborhood, the types of housing can vary and often include a mix of housing types such as single family with accessory dwelling units, duplexes, townhomes and multifamily apartments

usually located seamlessly together.

Compatibility Analysis:

- The proposed adaptive reuse and 3 unit multi-family project is generally compatible with the surrounding land uses, including:
 - The site abuts RM-8 districts along the southern and eastern boundary.
 - Includes the adaptive reuse and general preservation of an existing building of historic significance.
 - Medium density single-family residential land uses located in the surrounding vicinity on smaller lots.
 - The existing building is preserved resulting in no increased height, mass, or floor area.

Council Goal(s):

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

Committee(s) Review:

- The required neighborhood meeting provided a substantial engagement opportunity for the community.
- Technical Review Committee (TRC) - March 18, 2024 - Approved with conditions.
- Planning & Zoning Commission (PZC) - May 1, 2024 - Recommend Approve, 5-0.

Staff Recommendation:

- Staff supports this rezoning request based on the reasons stated above.

Mr. Mitchell reviewed the aerial imagery map. Site details include (1) Located in the legacy neighborhood of East End; (2) Future Land Use - Traditional Neighborhood; (3) Across the street from Stephens-Lee Community Center; (4) Existing building to be rehabilitated; (5) Property abuts "paper street"/alley; (6) Property owner is The Preservation Society of Asheville and Buncombe; (7) Site is walkable to downtown; and (8) N5 Transit Route on nearby Martin Luther King Drive. About the site plan (the current zoning is RS-8 and the proposed zoning is RM-8 Conditional Zone, (1) Adaptive reuse of existing church building to 3 multi-family residential units and associated infrastructure; (2) 0.266 Acres Total; (3) Site currently has no driveway access. Land partially fronts on Old Max Street; (4) Primary frontage and access to be constructed from Max Street. Maximum driveway grade is 19.6%; (5) New construction: Parking lot, Retaining walls, Sidewalk (internal & Max St.), Garden area, and Landscaping; and (6) 4 total parking spaces, 1 accessible, 2 bicycle. (Meeting CoA requirements). Regarding the landscape plan, (1) Landscaping standards: Street trees and buffer to RS zone required; (2) Open Space not required; (3) 20' buffer required - technical modification requested; (4) Parking, street buffer and building do not apply; (5) TCP (met with on site planting 10.2% and fee in lieu); (6) Open space not required; (7) Retaining wall landscaping details indicate natural or artificial stone; and (8) Tenant garden spaces. The technical modification regarding the buffer is (1) Modification for buffer width and plantings - Required = 20' from RS District; and (2) Average width reduced to 14.2': (a) Accommodation for safe disposal area; (b) Part of buffer area dedicated to garden spaces for residents; and (c) Modified planting counts to achieve optimal design and screening proposed as: (i) 4 small deciduous trees; (ii) 11 large shrubs (all evergreen); (iii) 23 medium shrubs (all evergreen and at top of retaining wall); and (iv) 26 small shrubs (all deciduous). The Technical Review Committee and the Planning & Zoning Commission voted to approve the project. He then explained how the project was consistent with the Living Asheville Comprehensive Plan, the East End Vision Plan and the Compatibility Analysis. He said that based upon the application materials and our analysis thereof, staff finds that the application is

consistent with several of the City of Asheville goals, ordinances, and adopted plans for the location and use. Accordingly, staff concurs with the Planning & Zoning Commission's recommendation to approve the Conditional Zoning petition.

In response to Councilwoman Roney, Mr. Mitchell said that he has not talked with the applicants about renewable energy plans since this is an adaptive reuse of an historic building; however, there will be energy efficiency improvement funding from the state, but the state has not released its program information yet.

Jessie Landl, Executive Director of the Preservation Society of Asheville-Buncombe County, was excited to explain how the project came to be and how they worked with the neighborhood. Their goal is that the three units be affordable structures

Mayor Manheimer opened the public hearing at 7:58 p.m.

Robert Robinson spoke in support of this conditional zoning, noting that the Unified Development Ordinance needs revisions as conditional zonings are burdensome and expensive for developers.

Jim Abbott said that the East End/Valley Street Neighborhood Association strongly supports this conditional zoning.

Councilwoman Smith spoke in support of adaptive reuse of churches for affordable housing. She noted it would be a great benefit to keep neighborhoods in tact and faith-based communities to keep their properties alive

Mayor Manheimer closed the public hearing at 8:04 p.m.

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

Councilwoman Mosley moved to approve the conditional zoning request for the property located at 57 Max Street from Residential Single-Family High Density (RS-8) to Residential Multi-Family Medium Density - Conditional Zone (RM-8-CZ) and find that the request is reasonable, is in the public interest, is consistent with the city's comprehensive plan and meets the development needs of the community in that the request: 1) prioritizes greater densities of development overall as a means of achieving more walkable and efficient urban environments and as a tool to help protect and preserve open space and the natural environment; 2) increases the supply of housing in proximity to jobs, schools, transit and public amenities; and, 3) by promoting adaptive reuse as a means of conserving materials, history, and embodied energy in buildings. This motion was seconded by Vice-Mayor Kilgore and carried unanimously.

ORDINANCE BOOK NO. 35 - PAGE 288

V. UNFINISHED BUSINESS:

- A. RESOLUTION NO. 24-113 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH ILLUMINATED LEADERSHIP SOLUTIONS FOR A COMMUNITY FACILITATOR TO SUPPORT PLANNING AND IMPLEMENTATION OF THE BOOSTING THE BLOCK PROJECT FUNDED BY THE MELLON FOUNDATION**

ORDINANCE NO. 5083 - BUDGET AMENDMENT FOR THE BOOSTING THE BLOCK PROJECT

Downtown Projects Manager Dana Frankel said that this is the consideration of adoption of a resolution authorizing the City Manager to execute a contract with Illumined Leadership Solutions for community engagement and overall support through implementation of the Boosting the Block project funded by the Mellon Foundation; and an associated budget amendment in the amount of \$3,000,000.

Background:

- City Council adopted “Reimagining Pack Square Plaza: A Vision Plan” (Pack Square Plaza Vision Plan) at their September 26, 2023 meeting as a result of a planning and engagement process led by the McAdams Company and City and County staff.
- The City received a \$3,000,000 grant from the Mellon Foundation’s Monuments Project to move the following elements of the plan forward: design and engineering for reshaping Pack Square; design, engineering and construction to better connect The Block and enhance its cultural character (“Boosting the Block”); and programming and education around more inclusive storytelling and history efforts in our community.
- The first proposed investment in the Boosting the Block project is hiring a Community Facilitator to lead engagement and support all aspects of community organizing, planning, conceptual design and implementation of the project deliverables.
- Boosting the Block project deliverables include construction of a physical gateway and cultural corridor between Pack Square and The Block; increased capacity of neighborhood anchors to shape and influence the future of The Block; enhanced public spaces and programming that authentically narrates the past, present and future of The Block; and consensus and implementation of neighborhood identity of and marketing for The Block.
- An RFP process to hire a Community Facilitator launched on November 17, 2023; 11 proposals were received; 2 rounds of interviews took place by a selection committee that included City and County staff and community representatives
- A collaborative partnership between Illumined Leadership Solutions and BennettWeston Consulting was selected based on their qualifications, experience and proposed approach to the project.
- The facilitator is anticipated to work for 27-30 months, the entire length of the Boosting the Block project.

Vendor Outreach Efforts:

- Staff conducted outreach to all MWBE vendors registered with the City of Asheville that provide services related to communications, project management, consulting and community development as well as additional outreach to local business and community organizations.
- Prime contractors were also required to reach out to Minority & Women-Owned Business Enterprise (MWBE) service providers for subcontracted services.
- The selected vendor (Illumined Leadership Solutions) and the partnering firm (BennetWeston Consulting) are both MWBE certified.
- There will be additional City contracting opportunities as part of the Boosting the Block project including for a consulting artist/creative strategist, community coordinator, marketing/promotion related needs, event production, design/engineering and construction.
- Illumined Leadership Solutions and BennettWeston Consulting will coordinate with City staff to contract with local MWBE vendors.

Council Goal(s):

- An Equitable and Diverse Community
- A Well-Planned and Livable Community

Committee(s):

- March 13, 2023 - Planning and Economic Development Committee recommended that City Council authorize staff to apply for and accept Mellon Foundation funding to implement the Pack Square Plaza Vision Plan, including design and construction of a gateway corridor on S.Market Street to connect Pack Square and The Block
- April 11, 2023 - City Council adopted a resolution to authorize staff to apply for and accept Mellon Foundation funding to implement the Pack Square Plaza Vision Plan, including design and construction of a gateway corridor on S.Market Street to connect Pack Square and The Block
- August 14, 2023 - Planning and Economic Development Committee recommended approval of the Pack Square Plaza Vision Plan
- September 26, 2023 - City Council adopted the Pack Square Plaza Vision Plan
- February 12, 2024 - Planning and Economic Development Committee voted 3-0 to recommend that City Council authorize staff to execute a \$180,000 contract with the selected Community Facilitator.
- March 7, 2024 - Staff presented information about the RFP evaluation process to City Council as part of the Agenda Briefing.
- March 12, 2024 - Staff presented information about the RFP evaluation process as well as additional information requested in the Agenda Briefing. No vote occurred.

Pro(s):

- This grant-funded project will implement aspects of the community's vision as laid out in the Pack Square Plaza Vision Plan as applicable to The Block.
- The hiring of a community facilitator will support further engagement and planning on aspects of design and programming, and ensure implementation that's aligned with the community's vision.

Con(s):

- None

Fiscal Impact:

- Funding for this contract is available as part of the associated budget amendment.
- While matching funds are not required for this grant, additional funding in the General Capital Projects Fund has been identified to support the Boosting the Block project.
- Staff will work to assess City funding capacity and identify other funding opportunities (beyond the existing Mellon Foundation grant) to implement future phases of the Pack Square Vision Plan.

Ms. Frankel highlighted the following key takeaways from her presentation: (1) Boosting the Block is one of three projects funded by a \$3 million grant from the Mellon Foundation that will build on and implement recommendations of the Pack Square Plaza Vision Plan (in this case, specific to The Block area - Eagle/S.Market Streets); (2) The Boosting the Block project will include extensive and strategic community engagement, and will ultimately result in construction of a physical gateway and cultural corridor between Pack Square and The Block, along with enhanced public spaces and increased community capacity; (3) An RFP and extensive evaluation process took place to select a community facilitator to support all aspects of community organizing, planning, design and project implementation; (4) A collaborative partnership between Illumined Leadership Solutions and BennettWeston Consulting was selected based on their qualifications, experience and proposed approach to the project. Both firms are MWBE certified; (5) There are additional local contracting opportunities as part of the project for a community coordinator, consulting artist/creative strategist, marketing/promotion, event production, design/engineering and construction; and (6) With May 28 City Council authorization of the community facilitator contract, anticipated project kick-off is July 2024. The Mellon Foundation funding is available through Dec 2026.

She outlined the following City Council actions/directions as follows: (1) Apr. 11, 2023: City Council adopts resolution to authorize staff to apply for and accept Mellon Foundation funds to implement recommendations of the Pack Square Plaza Vision Plan; (2) Sept. 26, 2023: City Council adopts the Pack Square Plaza Vision Plan; (3) Feb. 12, 2024: City Council's PED Committee recommends authorization for staff to execute a \$180,000 contract for a community facilitator to support the Boosting the Block project following an RFP and selection process; (4) Feb. 27, 2024: City Council requests more information about community facilitator selection process; (5) March 7, 2024: Staff provide presentation at agenda briefing with more information about community facilitator selection process; (6) Mar. 12, 2024: Consideration to authorize community facilitator contract; no vote taken; and (7) May 28, 2024: City Council to consider authorizing staff to execute a \$180,000 contract with Illumined Leadership Solutions (partnering with BennettWeston Consulting), both NC-based Black and women-owned business, for community facilitator services to support the Boosting the Block project following an RFP and selection process.

Regarding Boosting the Block, (1) One of three projects funded by the Mellon Foundation Monuments Project Initiative; (2) Boosting the Block (\$1.8M) (a) A physical gateway and cultural corridor between Pack Square and The Block; (b) Enhanced public spaces and programming in alignment with the community's vision and in a way that authentically narrates the past, present, and future of The Block; (c) Consensus and implementation of neighborhood identity and marketing for The Block; and (d) Increased capacity of neighborhood stakeholders to help shape and influence the future of The Block; (3) Reframing the Square (\$1.1M) - Design and engineering for Pack Square Plaza (based on Vision); and (4) Sharing our Stories (\$163,400) - Partnership with Buncombe County Library to expand history and story-telling initiatives.

Regarding the community facilitator scope and role, it will be to support all aspects of community organizing, planning, communications, design and implementation of project outcomes. This includes (1) Communications and Engagement (a) Lead engagement and serve as a liaison for City and community; (b) Foster authentic collaboration and facilitate successful outcomes; and (c) Ensure appropriate engagement on other Mellon Foundation projects; (2) Project Management (a) Create and manage work plan in alignment with City, community and grant; (b) Plan and execute learning opportunities, temporary activations and events to support the design and implementation process; and (c) Facilitate capacity building for the further establishment and success of the neighborhood; and (3) Strategic Planning (a) Compile research and plans to lay a foundation for strategic planning and investment; and (b) Expand community participation and explore partnerships to support the long-term well being of the district and elevate outcomes. The \$180,000 budget available for 27-30 month contract

Project resources and next steps include (1) 2.5 year work plan to be developed by community facilitator in collaboration with community stakeholders and city/county staff; (2) Broader public engagement to take place with focus on communities with connections to The Block (past, present, future); (3) Local community coordinator under a separate contract to be hired to support additional community involvement during year 1 of project, and capacity building for The Block Collaborative; (4) Additional local contracting opportunities: Community coordinator (~\$25,000); Creative strategist/consulting artist (~\$12,500); Marketing/promotion/advertising (~\$15,000); Community celebration production (~\$15,000); Design/Engineering (\$166,325); and Construction (up to \$1,638,250); and (5) Project page: www.ashevilenc.gov/boostingtheblock.

Councilwoman Roney was pleased that 100% of the applicants are MWBE, which speaks to the work that our staff and the community did around engagement. She felt that no matter what happens with the decision, it will positively impact the outcomes of our disparity study. She knows that takes relationships and time. She noted that four applicants are local companies which is a potential opportunity to invest in capacity building for this and other projects but she

hears and acknowledges community concerns that the resulting recommendation is currently missing subject matter experts, like local history and zoning impacts that she hears will be critical for the project's success. She appreciated the subject matter experts on local issues may include non-local companies including displaced people, and she appreciated the City's stated commitment on this process moving forward; however, she could not support the action today

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

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

Councilwoman Mosley moved to authorize the City Manager to execute a contract with Illuminated Leadership Solutions to serve as Community Facilitator - leading community engagement and supporting all aspects of community organizing, planning, design and implementation of the Boosting the Block project in a total contract amount not to exceed \$180,000. This motion was seconded by Vice-Mayor Kilgore and carried 5-1 with Councilwoman Roney voting "no".

RESOLUTION BOOK NO. 45 – PAGE 25

Councilwoman Mosley moved to authorize the associated budget amendment in the amount of \$3,000,000. This motion was seconded by Vice-Mayor Kilgore and carried unanimously.

ORDINANCE BOOK NO. 35 – PAGE 296

VI. NEW BUSINESS:

A. GENERAL OBLIGATION BOND(S)

RESOLUTION NO. 24-114 - RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ASHEVILLE, NORTH CAROLINA, DIRECTING THE PUBLICATION OF NOTICE OF INTENTION TO APPLY TO THE LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF BONDS

RESOLUTION NO. 24-115 - RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ASHEVILLE, NORTH CAROLINA, MAKING CERTAIN STATEMENTS OF FACT CONCERNING PROPOSED BOND ISSUE AND AUTHORIZING THE APPLICATION TO THE LOCAL GOVERNMENT COMMISSION

Finance Director Tony McDowell said that this is the consideration of 1) a Resolution of the City Council of the City of Asheville, North Carolina, Directing the Publication of Notice of Intention to Apply to the Local Government Commission for Approval of Bonds; and 2) Resolution of the City Council of the City of Asheville, North Carolina Making Certain Statements of Fact Concerning Proposed Bond Issue and Authorizing the Application to the Local Government Commission.

Background:

- Capital Improvement Programs (CIP) are vital for the development and maintenance of essential infrastructure such as roads, sidewalks, public buildings, parks, recreational facilities, housing and public safety.
- Effective CIP's utilize a diverse mix of revenue sources to fund projects, including debt, grants, fees, and pay-go cash.

- General Obligation (GO) Bond debt is secured by the full faith, credit and taxing power of the municipality, which should result in the lowest possible interest rates for financing a capital project.
- Asheville voters provided a substantial boost to the City's CIP in November 2016 with passage of \$74 million in GO Bonds to fund investments in transportation, parks and recreation, and affordable housing.
- The last of the 2016 GO Bond debt was issued in September 2023, and all of the \$74 million from 2016 Bond has been spent, encumbered, or committed to specific projects.
- To help address ongoing capital needs and provide another infusion of new resources into the City's CIP, Council directed staff to begin the process of preparing for a November 2024 GO Bond Referendum as part of this budget process.
- That extensive planning process has led staff to recommend that Council move forward with a \$75 million GO Bond referendum in November 2024 with funding directed to the following categories:
 - Affordable Housing: \$25 million
 - Transportation: \$20 million
 - Parks and Recreation: \$15 million
 - Public Safety: \$15 million
- The statutory requirements that are part of the legal process for holding a GO Bond referendum include applying to the Local Government Commission for approval, holding a public hearing on the proposed bond orders, setting of the special referendum, and certification of the results.
- The current action is the first of four City Council actions.
- This first action will specifically authorize: (1) Publication of a notice of intent to apply to the Local Government Commission; and (2) Certain statements of fact concerning the proposed bonds and application to the Local Government Commission.
- Next Steps include:
 - On June 25, 2024, the bond orders will be introduced, and the City Council will be asked to set a public hearing on the bond orders for July 23, 2024.
 - On July 23, the City Council will be asked to hold a public hearing on each of the bond orders, adopt the bond orders, and set a special bond referendum (including the form and language on the ballot).
 - After the November vote, the City Council will be asked to adopt a resolution certifying and declaring the results of the special bond referendum. This action will occur after the Buncombe County Board of Elections certifies the results of the vote.

Council Goal(s):

- A Financially Resilient City

Pro(s):

- Provide enhanced funding for transportation, parks and recreation, affordable housing, and public safety infrastructure needs as identified in City master plans and Council strategic goals utilizing GO Bonds, which come with the lowest possible interest rates.
- Ensures City's compliance with North Carolina General Statutes.

Con(s)

- None

Fiscal Impact:

- A GO bond commits the full faith and credit of the City of Asheville to repayment of the bonded debt. An additional tax levy will be required to fund the debt service on the bonds. If the GO bonds are approved in November 2024, this additional tax levy will be

considered by and adopted by City Council as part of the Fiscal Year (FY) 2025-26 budget.

Finance Director Tony McDowell outlined his presentation with the following key takeaways: (1) Capital investment in facilities, equipment and infrastructure is essential to effective service delivery; (2) Staff has undertaken extensive planning efforts to identify and prioritize capital investment needs; (3) Additional resources are needed to meet identified capital needs; (4) Voter-approved General Obligation (GO) Bonds are an effective tool for providing additional capital resources; and (5) Council action tonight will initiate the legal process for placing a GO Bond on the November 2024 ballot.

He then gave an overview of (1) Capital Process Overview; (2) GO Bond Referendum Process; and (4) GO Bond Category & Funding Recommendations. Identifying and prioritizing capital needs are (1) Projects originate from many sources including City Council Strategic Priorities, action plans and master plans, resident requests, community engagement, Asheville's National Community Survey © results and staff analysis; (2) Plans and studies identify needs and help to prioritize (e.g., corridor studies, GAP Plan, Comprehensive Facilities Study); (3) Sustainability, equity, core service delivery, and other goals; (4) Community engagement opportunities during plans/studies and project development; and (5) Holistic approach to planning includes project coordination to limit impact on community and available funding from City CIP and other sources. He said the CIP is primarily funded with Limited Obligation (LOBs) debt and supported by ~\$16M annual contribution from the General Fund. The FY25-29 Capital Improvement Program (CIP) primarily consists of maintenance projects. Limited capacity to add projects/costs within existing resources.

Regarding the GO Bond referendum process, he explained GO Bonds are (1) Long-term borrowing tool (typically 20 years) in which a local government pledges its full faith and credit (taxing power) to repay the debt; (2) Requires voter approval; (3) Generally comes with the lowest interest rate; (4) NC law requires that general categories of use must be identified on the ballot and voted on separately; and (5) Bond votes can only be held during a regular election when the polls are open across the entire jurisdiction. Eligible uses for GO bonds include Public buildings; Facilities for fire fighting and law enforcement; Auditoriums, civic centers and public gatherings; Facilities for parks and recreation; Streets and sidewalks; Public transportation facilities; and Housing projects for the benefit of persons of low/moderate income.

He said as of January 1, 2024 ballot language must include: (1) A statement that the bond may result in tax increases and the potential property tax increase that could be needed to fund the bond; (2) The estimated bond cost over its total life - Per bond counsel recommendation, staff will utilize LGC-approved interest rate assumptions of 5.344% for tax exempt debt and 5.5921% for taxable debt; and (3) *The potential property tax rate increase shown on the ballot will likely be higher than the actual increase that will be required.* He then provided the following GO bond timeline and Council actions: (1) Required Council actions prior to November: May 28 - Intent to apply; June 25 - Introduce bond orders and set public hearing; July 23 - Hold public hearing, adopt bond order and set referenda; (2) November 5 - Referendum vote; (3) December 10 - City Council adopts Resolution Certifying and Declaring Results of Special Bond Referendum; (4) Jan/Feb 2025 - LGC Approval of Bond Orders & City Council adoption of budget amendment. (If approved); and (5) June 2025 - Council sets tax property tax rate that reflects revaluation and bond passage.

He said that the City's recommendation is still for the \$75 M package for Housing is \$25 M; Transportation \$20 M; Parks & Recreation \$15 M; and Public Safety \$15 M. For a \$90 M package, it would be \$20 M Housing; \$25 M Transportation; \$20 M Parks & Recreation; and \$25 M Public Safety. The \$90 M package would include facility maintenance (LOBs) of \$10 M. The estimated property tax impact on \$75 M would be an increase of \$101. The estimated property

tax impact on \$90 M GO & \$10 M LOBS) would be an increase of \$135. He then gave examples of each of the categories.

The next GO bond steps include (1) Additional information over the course of required Council actions to include referenda on ballot - June 25 - Introduce bond orders and set public hearing; and July 23 - Hold public hearing, adopt bond order and set referenda; and (2) City Manager's Office, CAPE, Finance & Management Services staff and outside organization(s) will coordinate communication and engage the community leading up to the November 2024 vote.

Councilwoman Roney wanted to make sure that the Climate Justice Initiative and Vulnerability Index which includes heat mapping is one of the plans that is used in prioritizing capital needs.

Mayor Manheimer requested details on the possible two new sidewalk improvement projects of Fairview Road and Tunnel Road.

In response to Councilwoman Roney, Mr. Dundas said that we have reached out to Buncombe County with our plans on the Oakley Complex, noting that the scope of this, and the other projects, have not been finalized.

City Manager Campbell said that we know we can manage the \$75 M bond package; however, staff is not against the \$100 M bond package. We just want to be sure we can staff up and make sure we can deliver the projects in a timely manner to gain confidence by the community, especially for future bond packages.

Mr. McDowell said that we need the amounts for the bond package at this meeting, noting that we can designate higher bond amounts at this time and reduce them at the bond adoption order on July 23.

There was considerable discussion on the amounts of the bond packages (noting that there is still time for community engagement before the July 23 public hearing and adoption of bond order).

Sally Grau urged Council to put their commitment to earmark \$3 M into the GO Bonds for the Malvern Hills pool in writing.

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

Councilwoman Turner moved to approve (1) a Resolution of the City Council of the City of Asheville, North Carolina, Directing the Publication of Notice of Intention to Apply to the Local Government Commission for Approval of Bonds; and (2) a Resolution of the City Council of the City of Asheville, North Carolina Making Certain Statements of Fact Concerning Proposed Bond Issue and Authorizing the Application to the Local Government Commission. Each Resolution shall be updated from the Staff Report proposal to reflect the following bond amounts: \$20 Million for Affordable Housing; \$20 Million for Transportation; \$20 Million for Parks and Recreation, and \$20 Million for Public Safety. This motion was seconded by Vice-Mayor Kilgore and carried on a 5-1 vote, with Councilwoman Mosley voting "no."

RESOLUTION NO. 24-114 - RESOLUTION BOOK NO. 45 – PAGE 26
RESOLUTION NO. 24-115 - RESOLUTION BOOK NO. 45 – PAGE 28

VII. INFORMAL DISCUSSION AND PUBLIC COMMENT:

Several individuals spoke to City Council about various matters, some being, but are not limited to: request to condemn all antisemitism speech; request to adopt a living wage policy to adjust City employee pay in order to keep on track with the local cost of living; request for Council to adopt a resolution calling for a ceasefire in Gaza; opposition to the creation of a Business Improvement District; need to preserve the Malvern Hills Pool; need to protect the southside community farm from eviction; need to increase firefighter's pay; and request to have Candace Pickens Memorial Park become a City park in perpetuity.

VIII. ADJOURNMENT:

Mayor Manheimer adjourned the meeting at 9:37 p.m.

CITY CLERK

MAYOR