

**FAYETTEVILLE CITY COUNCIL
WORK SESSION MINUTES
COUNCIL CHAMBER, CITY HALL
APRIL 3, 2023
5:00 P.M.**

Present: Mayor Mitch Colvin

Council Members Kathy Jensen (District 1); Shakeyla Ingram (District 2) (departed at 6:21 p.m.); Mario Benavente (District 3); D. J. Haire (District 4); Johnny Dawkins (District 5); Derrick Thompson (District 6); Brenda McNair (District 7); Courtney Banks-McLaughlin (District 8); Deno Hondros (District 9)

Others Present: Douglas Hewett, City Manager
Karen McDonald, City Attorney
Adam Lindsay, Assistant City Manager
Kelly Olivera, Assistant City Manager
Jeffrey Yates, Assistant City Manager
Jodi Phelps, Chief of Staff
Kemberle Braden, Police Chief
Chris Cauley, Economic and Community Development Director
Rob Stone, Construction Management Director
Loren Bymer, Marketing and Communication Director
Lisa Harper, Senior Assistant City Attorney
Lachelle Pulliam, Assistant City Attorney
Pamela Megill, City Clerk
Members of the Press

1.0 CALL TO ORDER

Mayor Colvin called the meeting to order at 5:00 p.m.

2.0 INVOCATION

The invocation was offered by Council Member Haire.

3.0 PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Colvin and City Council.

3.0 APPROVAL OF AGENDA

MOTION: Council Member Ingram moved to approve the agenda.

SECOND: Council Member Haire

VOTE: UNANIMOUS (10-0)

4.0 OTHER ITEMS OF BUSINESS

4.01 Downtown Municipal Service District Rate and Contract Award

Mr. Chris Cauley, Economic and Community Development Director, presented this item with the aid of a PowerPoint presentation and stated this year, City Council is asked to consider the award of a contract for downtown management and a renewal of the Municipal Service District (MSD) Tax Rate. The rate has previously been authorized for a period of five years via a resolution of City Council.

On June 26, 1978, the Fayetteville City Council created a Municipal Service District (MSD) for the downtown area. The purpose of the Downtown Municipal Service District is to finance and support downtown services and activities that are in addition to or to a greater extent than those activities financed, provided, or maintained for the entire City.

Each year, the City establishes the tax rate for the district and identifies the proposed expenditures. For several years, the tax rate has remained .10 cents per \$100.00 value.

The North Carolina General Statutes do not set a time limit on how long a municipal service district may exist. The Fayetteville City Council chose to limit the period for the Downtown MSD to five years. Since 1983 the City Council has continued the district every five years. The current period of the District expires June 30, 2023.

On June 26, 2017, City Council authorized a contract with Cool Spring Downtown District, Inc., to provide enhanced services for an arts and entertainment focused downtown municipal service district. Services included Economic Vitality and Development; Art and Design Enhancements; Promotion and Marketing; Special Events and Programming; and Partnership, Organizational Support and Conflict Resolution. The contract was for a one-year term with two options for renewal. On June 22, 2020, City Council authorized a three-year contract with Cool Spring Downtown District for downtown management services. The Request for Proposals is currently out for a new contract and staff is proposing a five-year contract to coincide with the renewal of the MSD Tax Rate.

Changes to law around how cities establish Municipal Service Districts and contract with downtown management entities changed in 2015. North Carolina General Statute 160A-536 allows for the City to enter into a contract with a private agency to provide services, facilities, functions, or promotional and developmental activities in a municipal service district. The same law requires that input from the property owners is considered, a formal bid process is followed, and a public hearing is required prior to entering into a contract.

For Fiscal Year 2023, the total cost of the contract is \$220,000.00 and is funded from revenues generated by the Municipal Service District property tax rate and a transfer from the General Fund. A one-time appropriation of fund balance in the amount of \$50,000.00 was made in Fiscal Year 2023.

Discussion ensued.

Consensus of Council was to accept this report and move the item forward.

4.02 2023-2024 Housing and Urban Development Annual Action Plan for Community Development Block Grant, HOME Investment Partnerships, and Housing Opportunities for People with HIV/AIDS Programs

Mr. Chris Cauley, Economic and Community Development Director, presented this item with the aid of a PowerPoint presentation and stated Council is asked to review and consider the proposed Housing and Urban Development (HUD) Annual Action Plan (AAP) to implement the Community Development Block Grant (CDBG), the Home Investment Partnership (HOME), and the Housing Opportunities for People with HIV/Aids (HOPWA) Programs. The AAP provides a concise summary of the actions, activities, and the specific federal resources that will be used each year to address the priority needs and specific goals identified by the Five-Year Consolidated Plan. The AAP is developed by staff and recommended by the Fayetteville Redevelopment Commission (FRC). Council will be asked to adopt this AAP and amend the current year AAP at the April 24, 2023, regular Council meeting.

The current Five-Year Consolidated Plan was adopted by City Council for the program year period from 2020 to 2024. The Consolidated Plan is designed to help states and local jurisdictions to assess their affordable housing and community development needs and market conditions, and to make data-driven, place-based investment decisions. The consolidated planning process serves as the framework for a community-wide dialogue to identify housing and community

development priorities that align and focus funding from CDBG, HOME, and HOPWA.

The Annual Action Plan describes projects and activities that implement the Consolidated Plan. It sets forth a description of activities for the use of funds that are expected to become available in the upcoming fiscal year. The 2023-2024 AAP is based on priorities, goals, and objectives of the 2020-2024 Consolidated Plan. The plan contains goals, objectives, and implementation strategies for each of the activities to be funded or implemented.

To provide an opportunity for community feedback, four in-person meetings were held throughout the months of February and March. A press release, social media campaign, and YouTube were used to promote awareness. The City translated the public notices into Spanish and published them in a local Spanish newspaper, continuing a trend towards greater inclusivity. A draft copy of the plan was made available online and in various locations throughout the City for review and comments for 30 days from February 15 through March 19, 2023.

The City's CDBG allocation for next year is \$1,767,834.00 compared to \$1,607,129.00 for the current year. The HOME allocation for next year is \$1,121,285.00 compared to \$1,081,233.00 for the current year. The HOPWA allocation for next year is \$860,712.00 compared to \$757,245.00 for the current year. This results in an increase of \$304,224.00 for all programs. Program Income is anticipated in the amount of \$712,410.00 and the City is required to match HOME in the amount of \$280,322.00.

Five Low-Income Housing Tax Credit projects submitted for gap financing. This is a competitive process and only one or two developments will be awarded tax credits. Each development is recommended for a conditional commitment of funds.

The HOME Investment Partnership Grant requires a 25 percent match in the amount of \$280,322.00. Additionally, the grant reimburses the City approximately \$70,458.00 (CDBG) and \$22,316.00 (HOME) through the annually prepared cost allocation plan for the cost of internal service support.

Provide feedback regarding the proposed 2023-2024 Economic & Community Development Annual Action Plan.

Discussion ensued.

Consensus of Council was to accept this report.

4.03 Parks and Recreation Projects Report Card

Mr. Rob Stone, Construction Management Director, presented this item with the aid of a PowerPoint presentation and stated in March 2016, Fayetteville voters passed a \$35 million bond referendum for parks and recreation. To date, eight substantial projects have been completed totaling over \$3 million. The completed projects include multiple splash pads, renovations to several parks, the Rowan Street Skateboard Park, and Jordan Soccer Complex improvements. The major projects currently in progress include the Bill Crisp Senior Center, Senior Center East, McArthur Road Sports Complex, the Tennis Center, D. Gilmore Therapeutic Center, Mable C. Smith Park, Dr. Martin Luther King Jr. Park, and Cape Fear River Park. All but one of the eight remaining bond projects are in the process of design, bidding, or construction.

The major bond projects currently in progress include Bill Crisp Senior Center, Senior Center East, the Mazarick Tennis Center, D. Gilmore Therapeutic Center, Mable C. Smith Park, McArthur Road Sports Complex, Cape Fear River Park, and Dr. Martin Luther King Jr. Park. The City has experienced significant construction cost increases

and supply chain disruptions in the last year, which have resulted in schedule and budget adjustments as the projects continue to move forward. The Cape Fear River Park and the McArthur Sports Fields are underfunded to move forward to the next steps. The McArthur Sports Complex design is complete and staff intends to apply for Defense Community Investment Program Federal Grant.

Discussion ensued.

Consensus of Council was to accept the report.

4.04 Council Member Training on Evidentiary Hearings for Special Use Permits

Ms. Lisa Harper, Senior Assistant City Attorney, presented this item with the aid of a PowerPoint presentation and stated the purpose of evidentiary hearings for special use permits is a detailed review of individual applications to determine whether the City's ordinances have been met based on competent material and substantial evidence. The applicant must show that the special use:

1. Complies with the Ordinance;
2. Is in harmony in the area in which it is located;
3. Does not materially endanger the public health or safety;
4. Is in general conformity with the City's adopted land use plans and policies;
5. Will not substantially injure the value of the abutting land, or the special use is a public necessity; and
6. Complies with all other relevant City, State, and Federal laws and regulations.

N.C.G.S. § 160D-406 requires that an evidentiary hearing be held before the governing body before granting a special use permit and that (1) the individuals must have standing to speak, (2) the testimony must be given under oath, (3) the witnesses must be available to be cross-examined by opposing party, (4) the decision must be by a majority of the deciding body, and (5) there be no time limit.

Decisions are to be made within a reasonable time, based on competent, material, and substantial evidence, and in writing, approved by the board, and signed by the chair or authorized member.

Discussion ensued.

This item was for information purposes only.

4.05 City Council Agenda Item Request - One Stop Fayetteville Elections - Mayor Colvin

Mayor Colvin presented this item and asked for Council to support an additional polling station for the November 2023 Municipal Election. The estimated cost for an additional polling station is \$28,000.00. Mayor Colvin recommended adding the Cliffdale Recreation Center.

Discussion ensued.

Consensus of Council was to move this item forward; have staff provide additional research.

4.06 City Council Agenda Item Request - Downtown Nighttime Landscaping - Mayor Colvin

Mayor Colvin presented this item and stated many municipalities in North Carolina have nighttime landscaping in their downtown areas to promote the downtown night life. This landscaping can be in the form of LED lighting on their parking decks and other buildings and up-lighting on trees or buildings.

This request is to gain Council consensus to research and report back with findings regarding nighttime landscaping options, costs, and possible partnerships.

Discussion ensued.

Consensus of Council was to move this item to the Council Corridor Committee.

4.07 City Council Agenda Item Request - Festival Park Operations - Mayor Colvin

Mayor Colvin presented this item and stated he would like to maximize the use of Festival Park by the outsourcing of programs and maintenance; the potential additional events, not to interfere with the regular local events.

Consensus of Council was to move this item forward.

5.0 ADJOURNMENT

There being no further business, the meeting adjourned at 6:42 p.m.