

**FAYETTEVILLE CITY COUNCIL
WORK SESSION MINUTES
LAFAYETTE ROOM
JANUARY 7, 2013
5:00 P.M.**

Present: Mayor Anthony G. Chavonne

Council Members Keith Bates, Sr. (District 1); Kady-Ann Davy (District 2); Robert A. Massey, Jr. (District 3); Darrell J. Haire (District 4); Bobby Hurst (District 5); William J. L. Crisp (District 6); Valencia A. Applewhite (District 7) (arrived at 5:06 p.m.); Wade Fowler (District 8); James W. Arp, Jr. (District 9)

Others Present:

Ted Voorhees, City Manager
Kristoff Bauer, Assistant City Manager
Karen McDonald, City Attorney
Brian Meyer, Assistant City Attorney
Katherine Bryant, Interim Police Chief
Lisa Smith, Chief Financial Officer
Scott Shuford, Development Services Director
David Nash, Planner II
Rusty Thompson, Engineering and Infrastructure Director
Bradley Whited, Airport Director
Victor Sharpe, Community Development Director
Eloise Sahlstrom, Planner II
Pamela Megill, City Clerk
Members of the Press

1.0 CALL TO ORDER

Mayor Chavonne called the meeting to order.

2.0 INVOCATION

The invocation was offered by Council Member Haire.

3.0 APPROVAL OF AGENDA

MOTION: Council Member Massey moved to approve the agenda.

SECOND: Council Member Bates

VOTE: UNANIMOUS (10-0)

4.0 OTHER ITEMS OF BUSINESS

4.1 Community Development - Hope VI Business Park Redevelopment Plan

Mr. Victor Sharpe, Community Development Director, presented this item and stated the purpose of the item was to further discuss the Redevelopment Plan for the Hope VI Business Park. He further stated the Fayetteville-Cumberland County Chamber of Commerce had hired MKSK to complete the plan. He provided background information on the plan and advised that 12 recommendations, the conceptual plan details preferred option, and an aerial rendering had been established for Council's consideration. He introduced Mr. Craig Gossman, Consultant, MSKS.

Mr. Gossman provided a handout of the draft Market Based Redevelopment Plan for the Hope VI Business Park. He stated the Hope VI Business Park was comprised of approximately nine acres at the southwest corner of Gillespie and Blount Streets and was less than a mile south of the center of downtown Fayetteville. He further stated in the original Hope VI area identification, the site was earmarked for revitalization along with other areas. He explained the site was largely in residential use and there was an historic property, the former home of Dr. E. E. Smith, at the corner of Blount and Chase Streets. He further explained there was insufficient population to support either a shopping center or a supermarket and stated "flex" space would offer the most potential, which could include a mix of commercial uses. He stated there was a demand for this type of space in a central location and with relatively low development costs and variability in building sizes, design, and location, the product could be easily adapted to the

Hope VI property.

A brief discussion period ensued.

Mr. Voorhees stated the key element with the project was the elimination of blight.

Consensus of the Council was to bring this item to the January 28, 2013, City Council meeting for further discussion of the report and recommendations on how to acquire the remaining parcels of land.

4.2 Annual Update on Community Wellness Plan

Ms. Katherine Bryant, Interim Chief of Police, presented this item with the aid of a power point presentation and stated the Community Wellness Plan was presented to City Council and citizens in April 2009. She explained the plan was a broad-range community policing plan based on the guiding principles of operational efficiency, community partnerships, crime prevention, and information technology. She provided an overview of the measurements for success which included an increase in community participation through the formation of new community watch groups or the reestablishment of older groups; building relationships in the community and developing community partnerships in the neighborhoods; a reduction in overall crime, violent crime, crime committed by youth offenders, and traffic related deaths and injuries; and an increase in recruiting and retaining qualified applicants for the position of police officer. She advised all future progress reports would be provided to the City Manager on a quarterly basis.

Mayor Chavonne announced a change in the order of the agenda and stated Item 4.4 would be presented before Item 4.3.

4.4 General Development Review Information and Recent Development Review Process Enhancements

Mr. Rusty Thompson, Engineering and Infrastructure Director, and Mr. Scott Shuford, Development Services Director, presented this item with the aid of a power point presentation.

Mr. Shuford stated staff had prepared a presentation which covered general development review information, including people and processes, along with some suggested changes to current public hearing processes involving development review applications, such as rezoning and special use permits. He further stated staff held two meetings to listen to developer concerns regarding the stormwater and development ordinances and responded by reviewing the concerns and identifying processes and ordinance inconsistencies that could be improved.

He further stated the results were shared with the development community and they were advised the City was receptive to the development review process being continuously improved.

He provided a presentation describing the development review process enhancements. He then provided an overview of the roles of the City Council, Zoning Commission, Planning Commission, Board of Adjustment, and Historic Resources Commission with regard to development review, in addition to the roles of various administrative staff, including the City Manager and the Technical Review Committee with regard to development review. He explained the development review processes, from building permits to zoning permits, and provided flowcharts to illustrate three common project types, in particular quasi-judicial applications--special use permits and variances--and annexation procedures. He further provided suggested changes to standard and quasi-judicial hearing procedures and stated there could be an opportunity for additional learning on quasi-judicial proceedings and other development review processes through the University of North Carolina, School of Government. Mr. Thompson then provided information on recent staff efforts to enhance the development review process to address issues identified by the development community, including the following:

- Bonding - Changes to the timing and extent of the City's stormwater and street lighting bonding requirements.
- Pond Inspections - Procedures to enhance communication with on-site contractor.
- Design and Construction Standards - Adjustments to specific types of stormwater pipe installation requirements and procedures were made.

- Building and Stormwater Inspections - Various adjustments to enhance consistency of review and field communication.
- Plan Review - Adjustments to Technical Review Committee review processes and communication and coordination with NCDOT to reduce number of site plan re-submittals and improve efficiency of traffic impact analysis and driveway permitting.
- Fire Protection Standards - Discussion of concerns related to recently adopted fire protection standards (fire flow) and the administrative ability for practical flexibility.
- Development/Zoning Standards modifications - Numerous amendments to the development ordinance and map to enhance flexibility and address practical issues, including landscaping and tree preservation, parking lot screening/building location, and errors in "translating" one zoning district to another.

A brief discussion period ensued.

4.3 Airport Updates on Air Service and Economic Impact Study

Mr. Bradley Whited, Airport Director, presented this item with the aid of a power point presentation. He stated beginning February 14, 2013, United Airways would operate three round-trip direct flights to Washington-Dulles (IAD) from Fayetteville Regional Airport. He provided the flight schedules for the three round-trip flights and reported that US Airways would continue to operate the one round-trip direct flight to Washington-Reagan (DCA) per day which began on March 13, 2012. He stated the estimated number of passengers at the Fayetteville Regional Airport for 2012 was 506,575.

4.5 Public Works Commission - Discussion of Term Limits

Council Member Hurst, Appointment Committee Chair, presented this item and stated the City had 23 active boards and commissions that aid the Mayor and City Council in governing effectively. He provided the following timeline of the Public Works Commission (PWC):

1. March 4, 1905 - The PWC was created through an act of the State Legislature, to manage, operate, and supervise the three utilities of electric, water, and sanitary sewer as well as to be responsible for operating City market stalls, and to test weights and measures. The Act establishing the PWC specified that the Board of Aldermen, now the City Council, would appoint three Commissioners for a period of three years each with staggered terms.
2. 1981 - A fourth Commissioner was added to the membership and the term limit was extended to four-year terms.
3. December 2, 1996 - City Council Policy No. 110.2, appointments to boards and commissions, was revised to read as follows: "No appointment of the City Council to any board or commission shall be for a period greater than two (2) years".
4. March 23, 2009 - Council revised City Council Policy No. 110.2, boards and commissions terms, which specified "Members of the Public Works Commission who shall be eligible to serve up to three four-year terms".

Council Member Hurst stated currently the PWC consisted of four members appointed by the City Council to serve four-year staggered terms. He explained the Commissioners elect a chairman, vice chairman, secretary, and a treasurer and meet on the second and fourth Wednesday of each month. He advised at the November 27, 2012, Appointment Committee meeting, Council Member Crisp moved to discuss the term limits for members serving on the PWC at the January 7, 2013, City Council work session and Mayor Chavonne seconded the motion and the vote was unanimous (3-0). He stated Mr. Steven Blanchard, CEO/General Manager, in his letter from the agenda packet was requesting that Council consider removing the term limits for PWC Commissioners so that the City does not arbitrarily lose an excellent PWC Commissioner due to term limits.

Council Member Crisp stated he recommended two terms as the limit for PWC members. He further stated all members were replaceable and 12 years was too long to serve continuously on a board or commission.

Council Member Fowler stated the Council should not require limits on others that the Council would not impose on itself. He further stated Council members were not subjected to term limits.

Council Member Hurst stated the two newly appointed PWC members would be participating in a forthcoming orientation, and recommended the current three-term limit remain in effect.

Council Member Haire stated he was in favor of a two-term limit for PWC members.

Mayor Chavonne invited the City Manager to share his thoughts on the current status of the PWC. Mr. Ted Voorhees, City Manager, stated it was critical to advance the community and it was very unusual to have a municipally-owned facility to have such a high level of autonomy. He stated the PWC currently had several secondary functions, such as corporate development, public information, human resources, and a finance department that were not an integral part to its mission and the Charter stated PWC should serve the interest of the City which had not been the case.

A brief discussion period followed on what direction the Council should provide to Mr. Voorhees regarding the governance of the PWC.

Mayor Chavonne stated the issues Mr. Voorhees had brought forward were complex and a special meeting would be required to discuss these issues in depth.

Mayor Chavonne asked for a show of hands for those in favor of two term limits for PWC members. There was no consensus.

Mayor Chavonne asked for a show of hands for those in favor of keeping the three term limits for PWC members. There was no consensus.

Consensus of the Council was to bring the PWC term limits item to an official vote at the February 14, 2013, regular City Council meeting.

Consensus of the Council was to discuss the PWC at the February 4, 2013, work session.

Consensus of the Council was to place an item on the 2013 Council Retreat agenda to discuss governance of the PWC or discuss at an earlier meeting if possible.

4.6 Overview of Distribution of Sales Tax Proceeds: State Statutes and Interlocal Agreement

Ms. Lisa Smith, Chief Financial Officer, presented this item with the aid of a power point presentation. She explained North Carolina cities and counties were receiving a portion of the sales tax proceeds generated from sales within each county and across the state. She stated the governing body of each county was determining how sales tax was to be distributed among the county and its municipalities. She explained the two methods of distribution were per capita and ad valorem. She further explained sales tax historically had been distributed on a per capita basis in Cumberland County. She stated as local municipal populations grew through annexation, the County's share of sales tax distributions declined. She further stated in 2003, local municipalities entered into an interlocal agreement with Cumberland County in order to maintain the per capita distribution method and the agreement was requiring municipalities receiving population increases due to annexation to make certain reimbursements to Cumberland County and other municipalities. She reported the agreement was scheduled to expire on June 30, 2013, and the purpose of the presentation was to provide City Council with an overview of the state statutes regarding sales tax distributions, the current interlocal agreement, and the potential financial impact of a change to the ad valorem distribution method. She advised if the ad valorem distribution method was adopted, the net financial impact to the City would be significant. She further advised The City's estimated net annual loss resulting from termination of the existing interlocal agreement and adoption of the ad valorem distribution method would be \$4.1 million based on fiscal year 2012 sales tax data. She concluded by stating this item was for information purposes only.

4.7 Hire Fayetteville First Budget Amendment Funding a Purchasing Program Review

Mr. Kristoff Bauer, Assistant City Manager, presented this item and presented background information on City Council Policy No. 135.2, Hire Fayetteville First Jobs Creation Policy, which was adopted on July 9, 2012. He stated staff presented a timeline and action plan for implementing the program during the September 4, 2012, Council work session which included the steps necessary to complete a disparity study as directed by the policy. He further stated on October 1, 2012, the Council discussed the definition of "Locally Owned Businesses" to be used in the adopted policy and staff developed the following definition: "Local Business shall be those

that demonstrate they pay business personal or real property taxes to Cumberland County, hold a valid City of Fayetteville Privilege License if applicable, and have their principle place of business in Cumberland County or employ at least two Cumberland County residents at a place of business within Cumberland County." He stated at the November 5, 2012, Council work session, Council discussed and confirmed the definition of "Locally Owned Business" and staff presented a scope of work and cost estimate for the disparity study and recommended a \$300,000.00 budget amendment. He reported the majority of Council present did not support moving forward with the budget amendment and requested staff instead return to the December 3, 2012, work session with the following:

1. Recommended revisions to City Council Policy No. 135.2 consistent with Council discussion; and
2. Identifying specific actions that could be taken in pursuit of improving accountability of City purchasing practices and easing and promoting participation of local businesses in the process.

Mr. Bauer stated during the December 3, 2012, work session, Council agreed with the City Manager that it would be valuable to get assistance in reviewing the City's current purchasing practices and recommended programs and activities in furtherance of Council's interests in the matter. He stated staff contacted three of the five or six national firms that work in the area of Historically Underutilized Businesses and each recommended that the City hire a consultant to perform a program review. He stated this would include examining current practices and discussing with Council what was possible. He stated one consultant advised that this was often an important precursor to a disparity study and another commented that the City needed to get its tracking system in place before a disparity study could be implemented effectively. He stated staff took action to initiate a vendor registration system which would utilize webforms and other resources to collect data on the vendors used by the City including PWC. He stated staff met with a local vendor, and had another national contact, regarding software specifically designed to track the vendor information they were attempting to capture. He stated they were implementing a system to capture what they could with the existing system and would bring enhancements forward during the FY 14 budget process. He stated the cost range for a program review was between \$20,000.00 and \$75,000.00 depending on vendor and scope. He stated the budget amendment would appropriate \$50,000.00 for the purpose. He stated if consistent with Council discussion, staff would place the amendment on a Council meeting for consideration and if passed, would issue a RFP for a program review and have a contractor on board in February. He concluded by stating the review usually takes between two and four months to complete.

Council Member Haire stated he was in favor of a full disparity study.

Council Member Applewhite stated she was in agreement with Council Member Haire and inquired how much was too much to level the field for local businesses.

Council Member Bates stated he was in opposition of funding a Program Review.

Council Member Massey stated he was in favor of a complete disparity study with a budget amendment to fund it.

Mayor Pro Tem Arp inquired if it was possible for the City to conduct the Program Review internally. Mr. Ted Voorhees, City Manager, responded that the City did not have that level of staff expertise and therefore an outside consultant would be necessary.

Mayor Pro Tem Arp stated he was in favor of the Program Review.

Mayor Chavonne called for an informal vote by a show of hands of those in favor of the Program Review. In favor were Council Members Chavonne, Arp, Hurst, and Davy. With only four voting in favor, the proposal failed.

Mayor Chavonne called for an informal vote by a show of hands of those in favor of a disparity study. In favor were Council Members Haire, Applewhite, Crisp, Massey, and Davy. With only five voting in favor, the proposal failed.

4.8 City Council Request(s):

(a) Council Member Bates - Code Enforcement Software

Council Member Bates provided a handout of a program that tracks and notifies property owners of code violations. He stated the program provided easy tracking, greater homeowner responsibility, and streamlined the notification process. He requested staff review the handout and corresponding information and report back to the Council.

Consensus of Council was to direct staff to review the Code Enforcement software program information provided by Council Member Bates.

(b) Mayor Pro Tem Arp - Operating Protocols for Mayor and City Council

Mayor Pro Tem Arp stated the objective of the proposal was to review their "House Rules" and the process and procedures of request for action by the Mayor and City Council to the City Manager and staff. He stated based on input from the City Manager, Council could consider amending the established process and procedures as necessary to ensure unity of effort and facilitate maximum use of staff time.

Mr. Ted Voorhees, City Manager, stated the University of North Carolina, School of Government, was willing to provide a facilitator to assist with the process of establishing protocols.

Consensus of Council was to request the facilitator be present immediately following the January 23, 2013, City Council agenda briefing meeting.

5.0 ADJOURNMENT

There being no further business, the meeting adjourned at 9:30 p.m.