

**FAYETTEVILLE CITY COUNCIL
WORK SESSION MINUTES
LAFAYETTE CONFERENCE ROOM, CITY HALL
AUGUST 7, 2023
5:00 P.M.**

Present: Mayor Mitch Colvin

Council Members Katherine K. Jensen (District 1); Shakeyla Ingram (District 2); Mario Benavente (District 3); D. J. Haire (District 4); Johnny Dawkins (District 5); Derrick Thompson (District 6); Brenda McNair (District 7) (arrived at 5:05 p.m.); Courtney Banks-McLaughlin (District 8); Deno Hondros (District 9)

Others Present: Douglas Hewett, City Manager
Karen McDonald, City Attorney
Adam Lindsay, Assistant City Manager
Jodi Phelps, Chief of Staff
Kemberle Braden, Police Chief
Gerald Newton, Development Services Director
Chris Cauley, Economic and Community Development Director
Rob Stone, Construction Management Director
Michael Gibson, Parks, Recreation and Maintenance Director
Jody Picarella, Chief Financial Officer
Loren Bymer, Marketing and Communications Director
Lachelle Pulliam, Assistant City Attorney
Lisa Harper, Senior Assistant City Attorney
Chester Green, Senior Planner
James Rutherford, Housing and Code Enforcement Division Manager
Chester Green, Senior Planner
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 Ingram.

3.0 PLEDGE OF ALLEGIANCE

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

3.0 APPROVAL OF AGENDA

MOTION: Mayor Pro Tem Dawkins moved to approve the agenda.

SECOND: Council Member Haire

VOTE: UNANIMOUS (9-0)

4.0 OTHER ITEMS OF BUSINESS

4.01 St. Avold Sister City Delegation Visit Presentation

Ms. Kris Johnson, Saint Avold Friendship Alliance (Sister City Program), presented this item and stated in September 2023 the Friendship Alliance will be recognizing the 30th anniversary of the City of Fayetteville's adoption of Saint Avold, France, as its International Sister City. To mark this occasion, a four-person delegation of dignitaries will be visiting Fayetteville, to include the Mayor of St. Avold, Monsieur Rene Steiner. This will be the first time that a Mayor of St. Avold has visited Fayetteville.

The delegation will arrive on September 25, 2023, and depart October 1, 2023. A special celebration dinner is planned for September 27, 2023.

Ms. Johnson stated they had been fundraising for quite some time and requested funding from the City for the St. Avold event in the sum of \$10,000.00.

Discussion ensued.

Consensus of Council was to award the Saint Avold Friendship Alliance \$10,000.00 to provide funding for the 30th Anniversary celebrations.

4.02 Report by PBMAres of the Audit and Financial Results for the Year Ended June 30, 2022, and Results of the 2021 Pension Census Data Attestation

Ms. Jody Picarella, CPA, MBA, Chief Financial Officer, introduced Mr. Robbie Bittner, CPA, MBA, partner in PBMAres, and stated he will present the auditor's report and financial results. Mr. Robbie Bittner stated the City Council's audit firm, PBMAres, has completed their audit for the fiscal year ended June 30, 2022, and the 2021 Pension Census Data Attestation. The report and attestation results were presented to and approved by the Audit Committee on August 7, 2023. The audited financial report and attestation results are available in the agenda packet.

Mr. Bittner presented the report with the aid of a PowerPoint presentation. He presented the following: Types of Opinions, General Fund Balance, Debt Analysis, Compliance Results, Reporting Requirements, Major Programs Tested, Material Compliance Violation and Material Weakness - Timeliness of Audited Financial Statements Submission, Material Weakness - FEMA Revenue and Receivable, Auditors Required Communications, and Performance Indicators.

Discussion ensued.

Consensus of Council was to accept the report.

4.3 Affordable Housing Project Updates and Direction

Mr. Chris Cauley, Economic and Community Development Director, presented this item and stated the Economic and Community Development Department has been proactive and responsive to a variety of private developers interested in affordable housing since adoption of policies that expanded the types of activities undertaken with housing funds. City Council is asked to review each of the proposals presented by staff and outside developers, then provide consensus direction to proceed with one or more development partners.

The following projects are proposed for Council's review and consensus direction:

Step Up on Eastern: This nonprofit entity has a national track record and is partnered with an experienced developer. They propose to acquire and rehabilitate the Night Inn on 511 S. Eastern Boulevard for the purpose of providing 137 single-room occupancy units aimed primarily at persons experiencing homelessness. The project requires \$3.4 million in the form of a 0 percent interest forgivable loan with a term of 20 years. Funding for this project would come from a special allocation of HOME funds that is limited to this purpose. Additional funding in the amount of \$2 million from ARPA will assist with startup and supportive services but leaves a gap for that purpose. The project is also planning to seek support from the County for supportive service funding and the Fayetteville Metropolitan Housing Authority (FMHA) for rental support in the form of

project based vouchers and other assistance such as Housing Choice Voucher referrals.

Consensus of Council was to move the Step-Up on Eastern project forward.

Fayetteville Gardens: Orbach Affordable Housing is a nationally recognized private developer proposing to rehab 100 units of family apartment rentals that are 40 years old. The property is located at 2915 Gordons Way (off of Raeford Road). While this project does not create additional affordable housing, it seeks to address ADA accessibility, energy efficiency, and much needed repairs. This project is already secured affordable housing with a 20-year contract with HUD for voucher support. The project requires a \$1.25 million loan and the terms of the loan are not yet set but would likely be in the form of a 2 percent interest loan with a balloon payment at the end of 20 years. The developers are requesting ARPA funding.

Consensus of Council was to move the Fayetteville Gardens project forward.

Hillside Manor: Hillside Manor-FMHA, LLC, is a privately owned affordable housing development (associated with FMHA) in need of substantial repairs to address health, safety, and accessibility. Funding in the amount of \$1.8 million would come from the City's annual allocation of HOME funds, the terms of the loan are not yet set but would likely be in the form of a 2 percent interest loan with a balloon payment at the end of 20 years.

Consensus of Council was to move the Hillside Manor project forward.

S. Cool Spring Street: Innovative Builds, Inc., is a private developer producing 8 rental units by renovating an existing property. The property has previously been declared a nuisance property by the City and substantial rehabilitation is needed to bring up to current requirements. Funding in the amount of \$400,000.00 would come from the City's annual allocation of HOME funds, the development requires a 2 percent interest loan fully amortized over 30 years.

Consensus of Council was to move the S. Cool Spring Street project forward.

Blanton Green II: The City loaned this development \$380,000.00 in 2009 with HOME funds. The current term of the loan is for 20 years at 2 percent interest with a balloon payment at the end of the term. The primary mortgage matures on November 1, 2033, but the City's loan is currently due to be fully repaid. The property management company is requesting that the City extend its loan terms to match the primary mortgage. If the City does not extend, the management company will have to refinance all the debt, resulting in a higher interest rate. Blanton Green II's rents are significantly lower than the rents at new developments and the current requirements by the North Carolina Housing Finance Agency. Refinancing would require higher rents to support the new debt service requirements.

Consensus of Council was to table the Blanton Green II project until after Mayor Colvin has met with United Management Properties representatives. Date to be determined.

Mayor Colvin recessed the meeting at 6:33 p.m., and reconvened the meeting at 6:44 p.m.

4.04 Murchison Choice Neighborhood Community Center Opportunity

Mr. Chris Cauley, Economic and Community Development Director, presented this item and stated City staff solicited proposals from May 19 to June 18, 2023. The City sought to partner with a nonprofit organization to develop a community center on Murchison Road and provide supportive services outlined by the community through the Murchison Choice Planning process:

- Establish free or low-cost mental health services
- Develop a youth and teen enrichment center
- Create tutoring programs leveraging local resources

Within the process, the City would finance the acquisition and rehabilitation of a commercial facility to make a visible impact on the revitalization efforts put forward in the Murchison Choice Transformation Plan. The City made clear that it would not provide operational funding for this effort but is acting as a catalyst for community based efforts. The respondents are required to operate the facility for a term of 20 years, support two or more uses above, and partner with established groups in the community.

Staff received three partially complete submissions and extended the deadline an additional week to allow for all three submittals to explain how they would fund the various operations proposed within the facility. One proposal did not move forward and staff met with the two nonprofits who fully responded.

The nature of American Rescue Plan funding requires the City to be strategic with investing one-time funds to build community capacity. The nature of this one-time investment will require ongoing monitoring of the use of the facility and financial position of the nonprofit. If any part of the agreement fails, the City will need to find a new operator or foreclose on the facility to recoup the investment.

Both submittals appear to have the operational plans and financial resources to conduct business in the facility. A majority of the services offered by either respondent are the result of community partnerships that collocate services in the needed area.

WAY2REAL, LLC: A nonprofit helmed by Dr. Tony Haire who has an established tie to the community and has been a business owner for over 25 years. The nonprofit has an eight-member board of directors and extensive partnerships with government agencies, nonprofit organizations, and mental health providers.

United Ministries in Christ Church: A nonprofit led by Apostle Dr. D. Phils Montgomery. Described as a community church, this nonprofit has spent 14 years working in Fayetteville to provide counseling services and other community based supports. One respondent proposes to rent a small portion of the facility to provide worship services for community churches. This causes an additional burden on monitoring for grant compliance and could set a precedent that the City financially support other inherently religious activities throughout the community.

Discussion ensued.

Mr. Douglas Hewett, City Manager, stated staff has a very clear recommendation of WAY2REAL.

Further discussion ensued.

Mr. Douglas Hewett, City Manager, stated he is pulling this item from the agenda and will bring it back at a later time.

4.05 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 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 McArthur Sports Fields is underfunded to move forward to the next steps. The McArthur Sports Complex design is complete and staff applied for Defense Community Investment Program Federal Grant in order to cover the cost of construction, however, the grant requires a 30 percent match.

Mr. Stone stated the Cape Fear River Park is currently in limbo; we have completed the concept but we are in a holding pattern to see exactly how we want to take the next steps forward. The original \$2.4 million bond proceeds allotted to the Cape Fear River Park will not be enough; contractors are predicting the vision for the park will cost \$9.38 million. Mr. Douglas Hewett, City Manager, stated previous City Councils had elected to prioritize other projects over the Cape Fear River Park due to demand from the community for improvements in more active types of recreation, like recreation centers and tennis courts.

Mayor Colvin thanked Mr. Stone for his presentation.

4.06 Proposed Amendments to the Boarded Up Structures Ordinance

Mr. Jim Rutherford, Housing and Code Enforcement Manager, presented this item and stated the text amendment in the agenda packet represents a suggested update to the City's Code of Ordinances, Chapter 14, as proposed by the City Council and recommended by the City's Planning Commission.

During the June 5, 2023, work session, discussion of the proposed text amendment, City Council requested additional information regarding the ability of owners of boarded commercial buildings to rebuild or redevelop their properties based on current development standards. City Planning and Zoning staff, City Engineering/Traffic Services staff and North Carolina Department of Transportation officials were asked to review and provide comment on the list of 32 vacant boarded commercial structures, this information is also included in the agenda packet.

Discussion ensued.

Consensus of Council was to direct staff to move the proposed amendment forward for a formal vote at a regular meeting. Council Members Jensen, Banks-McLaughlin, and Hondros were opposed to the consensus vote.

4.07 Public Works Commissioner Appointment Discussion

Council Member Haire (Appointment Committee Chair) presented this item and stated the Appointment Committee met on June 29, 2023, to discuss and consider recommendations for appointments for the

Fayetteville Advisory Committee on Transit (FACT), the Stormwater Advisory Board, and the Public Works Commission.

The Appointment Commission made recommendations for appointments to FACT and Stormwater and agreed to bring the PWC appointment to the full Council to make a recommendation. Council Member Haire stated he would like to re-open the PWC appointment. Council Member Banks-McLaughlin stated she was opposed to re-opening the PWC appointment as we already have six qualified applicants.

Discussion ensued.

Consensus of Council was to invite all current PWC applicants to interview with the City Council. Council Members Haire and Thompson were opposed to the consensus vote.

4.08 City Manager Update - Public Safety

Mr. Kemberle Braden, Police Chief, presented this item and provided an update on the recent criminal activities that took place at the Seabrook Park and surrounding areas. The Police Chief also briefed the Council on gun possession and gun violence.

Discussion ensued.

Mayor Colvin stated he would be calling a special meeting to discuss Public Safety.

4.08 City Council Agenda Item Request - Special Forces Memorial Park - Mayor Pro Tem Dawkins

LTC (Ret.) Kirk Windmueller presented this item and stated the National Special Forces Green Beret Memorial is honoring the legendary elite U.S. Army Special Forces "Green Beret" soldiers of every era and the legacy of the Special Forces Regiment a magnificent world-class monumental memorial park to be placed near Fort Liberty in North Carolina.

LTC (Ret.) Kirk Windmueller stated the National Special Forces Green Beret Memorial Foundation is asking for the City to enter into an agreement to lease two parcels of land; approximately nine acres for \$1.00, for a period of 99 years or whatever the maximum is allowed. Construction is estimated to begin in 5 years' time.

Council Member Ingram expressed concerns that this request would conflict with the design plan for Veterans Park II

Discussion ensued.

Consensus of Council was to direct the legal staff to work with Special Forces to develop an agreement for the two parcels of land at a cost of \$1.00 for a period of 99 years. Council Member Ingram was opposed to the consensus vote.

4.09 City Council Agenda Item Request - Special Use Permit Ordinance - Mayor Colvin

Mayor Colvin presented this item and stated he is seeking Council support to direct staff to research the number of items it takes to trigger a Special Use Permit and compare the City's results with our peer Cities.

Discussion ensued.

Consensus of Council was to move this item forward; direct staff to research the number of items it takes to necessitate a Special Use Permit and report back with findings.

4.010 City Council Agenda Item Request - Shorten Compliance and Hedge Bushes Ordinance - Council Member Haire

Council Member Haire presented this item and stated he is seeking Council support to direct staff to research how we can shorten compliance time, when a violation is identified.

Discussion ensued.

Consensus of Council was to direct staff to research how we can shorten compliance time once a violation has been identified. Council Member Hondros was opposed to the consensus vote.

4.011 City Council Agenda Item Request - Brunswick Avenue: No Parking - Council Member Benavente

Council Member Benavente presented this item and stated the Cottonade Community has an entrance at the intersection of Yadkin Road and Brunswick Road, about 500 yards from an entrance to Fort Liberty. For years this entrance has been a de facto "Park and Ride" lot for folks who either do not have or have lost permission to drive on base. The residents regularly have to clean up trash and litter and illegal dumping as a result. Council Member Benavente provided several photographs to illustrate the problem and asked for Council support to impose a No-Parking zone with towing enforcement.

Discussion ensued.

Consensus of Council was to direct staff to rezone the Yadkin/Brunswick/Halifax area of concern to a No-Parking Zone with towing enforcement.

4.012 City Council Agenda Item Request - Traffic Calming Policy Review - Council Member Benavente

Council Member Benavente presented this item and stated he is seeking Council support to direct staff to review all current traffic calming measures and alternate measures and report back findings to Council.

Discussion ensued.

Consensus of Council was to direct staff to research our current traffic calming measures and alternate measures and report back to Council.

5.0 ADJOURNMENT

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