

**FAYETTEVILLE CITY COUNCIL
WORK SESSION MINUTES
LAFAYETTE ROOM
APRIL 7, 2014
5:00 P.M.**

Present: Mayor Nat Robertson

Council Members Kathy Jensen (District 1); Kady-Ann Davy (District 2) (arrived at 5:10 p.m.); Mitchell Colvin (District 3); Chalmers McDougald (District 4); Robert T. Hurst, Jr. (District 5); William J. L. Crisp (District 6); Lawrence O. Wright, Sr. (District 7); Theodore Mohn (District 8); James W. Arp, Jr. (District 9)

Others Present:

Theodore Voorhees, City Manager
Kristoff Bauer, Deputy City Manager
Rochelle Small-Toney, Deputy City Manager
Jay Reinstein, Assistant City Manager
Karen McDonald, City Attorney
Jeff Bradford, Assistant City Attorney
Scott Shuford, Development Services Director
Rusty Thompson, Engineering & Infrastructure Director
Victor Sharpe, Community Development Director
Harold Medlock, Police Chief
Rebecca Rogers-Carter, Strategic Initiatives Manager
Steven Blanchard, PWC CEO/General Manager
Dwight Miller, PWC Chief Financial Officer
Gloria Wrench, PWC Purchasing Manager
Mark Brown, PWC Customer Relations Director
Pamela Megill, City Clerk
Members of the Press

1.0 CALL TO ORDER

Mayor Robertson called the meeting to order.

2.0 INVOCATION

The invocation was offered by Council Member Wright.

3.0 APPROVAL OF AGENDA

MOTION: Council Member Crisp moved to approve the agenda.

SECOND: Council Member Wright

VOTE: UNANIMOUS (10-0)

4.0 OTHER ITEMS OF BUSINESS

4.1 Redevelopment Toolbox

Mr. Scott Shuford, Development Services Director, presented this item with the aid of a PowerPoint presentation and stated the following is a collection of ordinances recommended to provide a variety of options for addressing issues associated with oversupply of commercially zoned land and neighborhood vitality. Staff is referring to this suite of ordinances as the "redevelopment toolbox." Each ordinance is summarized below.

Cottage Developments

This code amendment provides for cottage developments in all residential zoning districts.

Cottage developments are small single family homes clustered around a common open space area, generally at greater density than the underlying zoning would allow for more traditional single family development. The impact of the density increase is offset by the size of the homes. This style of development is becoming more common as an infill development strategy that is compatible with surrounding development.

This ordinance is the result of considerable research on how such ordinances have been developed in other jurisdictions. All cottage development projects will require a Neighborhood Compatibility Permit.

Adaptive Reuse

This code amendment is intended to implement several infill development, community compatibility, and economic development goals through the creation of an Overlay District that allows for and provides incentives for adaptively reusing valuable buildings.

Fayetteville has a stock of fine older buildings that greatly contribute to the City's quality of life and urban character. Due to design, location, and/or condition, these buildings may become functionally obsolete for use under their current zoning. An example of this might be a very large older home on a large lot in a single family zoning district; the home may be too large for continued use as a single family home and the only value it may have for the owner is through demolition of the house and subdivision of the site into several lots. Adaptively reusing the building and lot in their current arrangement for multifamily and/or limited office uses may well be a much better option for the owner, neighborhood, and City relative to the subdivision option.

All adaptive reuse projects will require a Neighborhood Compatibility Permit.

Regional Activity Center Overlay District

This code amendment is intended to allow the establishment of Regional Activity Center Overlay Districts in order to recognize and protect areas of the city that have significant economic development importance from land uses otherwise allowed in the underlying zoning district(s) and to preserve established patterns of development as desired. An example of how this district might work involves the area around Cross Creek Mall. This is one of our most significant shopping and restaurant areas and it is centered on the City's "100% corner," a term-of-art in the commercial real estate industry describing the most significant commercial corner in a community. A Regional Activity Center Overlay District for this area might recognize restaurant and large-scale shopping uses as the most significant uses in the district and limit uses such as bars and nightclubs, small-scale retail establishments like tobacco shops, small-scale used-car lots, ministorage, etc. that would ordinarily be allowed in the underlying zoning district since these uses might be incompatible with the land uses that anchor the economic significance of the area.

Live-Work Units

This code amendment is intended to accommodate a mixed residential/commercial use of property known as live-work. A live-work unit can be defined as a building or space within a building that is used jointly for commercial and residential purposes where the residential use of the space is secondary or accessory to the primary use as a place of work. Since a live-work unit as defined above is predominately commercial in nature, it should be regarded as the equivalent of 0.5 residential unit for the purpose of applying density requirements.

The parking requirement for a live-work unit should be based on the parking required for the nonresidential use plus one space for the residential use. Live-work units should be allowed in any zoning district that allows a mix of commercial and residential uses (i.e., virtually all zoning districts that are not exclusively residential).

This amendment provides for an added option for entrepreneurship development and accommodates an increasingly-popular form of land use that can reduce trip generation by mixing uses.

Urban Agriculture Uses

This code amendment is intended to establish a new land use involving specific types of low impact agricultural uses that are geared toward meeting the needs of local markets. No livestock would be allowed under the amendment, but the cultivation of fruits and vegetables and of fish and shellfish would be permitted in the Limited Commercial and Community Commercial districts as well as the two industrial zoning districts. This will broaden the types of uses which can be established in these districts and provide for a new land use which is starting to become popular in some communities.

Small Subdivision Alternative Access Standards

This code amendment is intended to create reduced access standards for very small lot single-family subdivisions (four lots or less) to encourage redevelopment of areas with access problems. Instead of requiring a public or private street to be created, this amendment would

enable up to four lots to be accessed off a very high quality "driveway."

Research and Technology Production Uses

This code amendment is intended to establish a new land use involving various types of high tech manufacturing and production. These types of uses are generally required to locate in industrial areas currently; the amendment would allow their use in the Limited Commercial and Community Commercial districts as well as the two industrial zoning districts. These sorts of uses are compatible with commercial land uses and this amendment would broaden the opportunity for redeveloping existing commercial properties.

Suburban Activity Center Overlay (SACO) District

The purpose of the Suburban Activity Center Overlay (SACO) District is to facilitate infill development and redevelopment in key areas along arterial road corridors. The resulting concentrated mixture of uses in a walkable development pattern is intended to achieve a critical mass of predominantly mixed-use development to:

- Create centers of activity;
- Enhance the viability of existing businesses;
- Promote reinvestment and redevelopment;
- Implement adopted plans;
- Serve as a catalyst for future compatible development and redevelopment in the vicinity of the node;
- Ensure reasonable access from flanking development to retail and neighborhood services; and
- Increase the efficiency and utilization of transportation facilities and services.

This overlay district was developed for implementing the Ramsey Street Corridor Plan but can be applied on any corridor.

Following the presentation a brief discussion period ensued.

This item was for informational purposes only.

4.2 Fayetteville – Cumberland Liaison Committee Items

a) Strategic Comparison Report

Ms. Rebecca Rogers-Carter, Strategic Initiatives Manager, presented this item and stated on March 20, 2014, City and County staff presented a Strategic Comparison report to the Fayetteville – Cumberland Joint Liaison Committee on commonalities found between the City and County Strategic Plans. The intent of the study was to discover similarities in the two organizations' stated goals in an effort to identify partnerships and strengthen relationships. The Fayetteville - Cumberland Joint Liaison Committee voted to bring the Strategic Comparison forward to the full boards as an informational item. Ms. Rogers-Carter stated the mission statements are similar in that they both focus on quality services to the citizens and highlight fiscal responsibility. The vision statements are similar in that they focus on a regional destination, economic development and cultural pursuits. Ms. Rogers-Carter stated the similarities for the core values are that they both encompass attributes we want to see in our workforce and leaders: respect, professionalism, integrity/ethics, responsibility/accountability, and commitment/excellent customer service. The comparison between the strategic plans as they relate to safety are crime reduction and improvement of emergency and fire response (911), emergency management, and court related issues (pre-trial release, post-arrest, specialty courts). Examples of collaboration are participation in the Safe Streets Symposium on April 11, studying a red light camera program, and discussing E911 consolidation. The County's goal included health initiatives. Ms. Rogers-Carter provided an overview of the comparisons of economic development related to strategic initiatives and said the City states it will have a strong, diverse, and viable local economy and the County states it will promote economic development by creating and retaining jobs and providing career opportunities, quality education, and cultural and recreational services. The comparison as it relates to Infrastructure/Built Environment is effective zoning, land use, codes and inspections, and gateway and beautification efforts for corridors; blight. For the City this also included streets, sidewalks, and storm water. For the County, this includes assessing the County's space needs

and developing a maintenance plan. Comparisons as related to communications are citizen engagement, communications plans, collaboration between governmental units, citizen academies, state legislation delegation meetings, and the Federal Advocacy Program. Comparisons as related to Organizational are excellent customer service, human resources, technology, automation, service delivery, citizen feedback on services, employee surveys, service optimization and efficiencies, strategic planning, organizational benchmarking and performance management, and the Federal Advocacy Program. The final comparison was related to being a desirable place to live, work, and recreate through Fayetteville-Cumberland Parks and Recreation, leisure and cultural, solid waste, recycling, airport and transit, and leverage of the Cape Fear River.

b) Red Light Camera Program

Mr. Kristoff Bauer, Deputy City Manager, presented this item and stated during the committee meeting, an update was also provided on red light cameras. Staff has been working on methods of implementing this program consistent with state law. That research has identified a strategy that would require a local bill to provide specific authorization. Staff has discussed this issue with Senator Meredith and he is willing to submit a local bill in this session should Council pass a resolution requesting the same.

Mr. Bauer stated there are three issues related to a potential red-light camera program that Council may consider:

1. Is Council interested in requesting a local bill by passing a resolution on April 14?

Consensus of Council was to review the resolution at the April 14, 2014, meeting.

2. The current statutory limit for the civil penalty charged by a red-light camera program is \$50. While a formal RFP has not yet been issued, staff's research has indicated that a vendor may require from \$38 to \$46 per citation leaving very little excess revenue for transmission to the School District. Does Council wish to add to the local bill specific authority to charge up to \$75 per citation?

Consensus of Council was to increase the charge up to \$100.

3. While a red-light program is completely administered by the City, the School District may benefit from revenue generated thereby, and the County has expressed some interest in supporting such a program. Does the Council wish to develop a joint City, County, and School District resolution in support of the requested local bill?

Consensus of Council was to request support from the County and the School District.

4.4 Community Development 2014-2015 Annual Action Plan

Mr. Victor Sharpe, Community Development Director, presented this item and stated City Council approved an incentive agreement on September 13, 2010 for the development of Embassy Suites Hotel and Conference Center now located on Lake Valley Drive. The incentive offers a property tax grant back under the Economic Development Incentive Program as administered by the Fayetteville Cumberland County Chamber of Commerce. This incentive was approved for 5 years at the rates of 60% for the first two years, 55% for the next two years, and 50% for the last year of the amount of property taxes actually paid. The total project cost was projected correctly at \$30 million. Once completed the agreement states the project is to consist of a direct investment of at least \$25 million. The agreement defines the direct investment as the cumulative total of the increase in taxable ad valorem value of all land, buildings, real property improvements, furniture, fixtures, and equipment purchased as part of the project. Based on the assessed values as provided by the Cumberland County tax records the total increase in taxable value is \$22,017,772, which is 88% of the required amount of direct investment. MBM Hospitality paid property taxes in the amount of \$100,401.04. In addition to meeting a minimum direct investment threshold, the project was to create a minimum of 76 new full and part-time jobs and this obligation has been met.

A brief discussion ensued.

Consensus of Council was to consider an addendum to the current signed agreement that changes the required direct investment from \$25 million to \$22 million and grant the award at \$70,280.73 at the April 28, 2014, City Council meeting.

4.4 Community Development 2014-15 Annual Action Plan

Mr. Victor Sharpe, Community Development Director, presented this item with the aid of a PowerPoint presentation and stated the 2014-2015 Annual Action Plan is based on priorities, goals, and objectives of the 2010-2015 Consolidated Plan. This plan is a comprehensive plan addressing the City's housing, homeless, community development and economic development needs through 2015. The plan contains goals, objectives, and implementing strategies for each of the plan's elements. The Annual Action Plan describes the activities to be funded or implemented. The 2014-2015 Annual Action plan is consistent with the 2010-2015 Consolidated Plan. In an effort to provide citizens an opportunity to participate in the process of developing the Annual Action Plan, the Community Development staff held four citizen participation meetings. These meetings were held in various locations throughout the City. A staff public hearing was held on February 18, 2014 and the Fayetteville Redevelopment Commission will hold the official public hearing on April 10, 2014. A draft copy of the plan will be made available in various locations for review and comments for 30 days from April 1, 2014 through April 30, 2014. A presentation of the proposed budget and activities will be made at the meeting. This information is being provided to City Council for feedback prior to consideration of adoption at the April 28, 2014 City Council meeting. Any necessary adjustments will be made along with any recommendations by the Fayetteville Redevelopment Commission at their upcoming public hearing on April 10, 2014.

Mr. Sharpe said the City's Community Development Block Grant (CDBG) allocation for next year is \$1,316,282, compared to \$1,362,046 for the current year. This results in a decreased amount of \$45,764. The HOME Investment Partnership Grant (HOME) allocation for next year is \$618,840 compared to \$575,873 for the current year. This results in an increase of \$42,967. The net difference is a reduction of \$2,797 between the two grants.

Mr. Sharpe said staff is recommending a new program – Repair of Mobile Homes; a program that would allow up to \$5,000 in assistance for repairs. Council Member Arp asked if this program would be counterproductive to the city's efforts of trying to reduce the number of mobile homes in the city. A discussion ensued pertaining to mobile homes located inside the city limits.

Consensus of Council was to consider the Community Development 2014-2015 Annual Action Plan at the April 28, 2014, City Council meeting.

4.5 Phase 2 Cape Fear River Trail Funding

Mr. Rusty Thompson, Engineering and Infrastructure Director, presented this item and stated this item had been tabled from the March 24, 2014 City Council regular meeting agenda. Mr. Thompson stated a funding request for \$2.0 million from the Clean Water Trust Fund for the second phase of the trail was made in August 2006. Funding was awarded for \$1.3 million in August 2009. In addition, a request to NCDOT for funding was granted February 2008 for \$1.0 million. The City matched these grants with \$345,000 of general funds which provided a total project funding of \$2,645,000. In 2012, the City was successful moving the project forward by dividing the project into three separate projects to reduce review times with NCDOT and CSX. This allowed the City to bid the first section and gain an understanding of the true costs due to compliance with State and Federal minimum design standards which did not exist for Phase 1. Based on bids received the costs were 47% higher. Staff presented the CIP plan to Council as part of the budget planning process and provided information that prices were significantly higher than budgeted and requested an additional \$1.0 million in the current year and \$500K in FY 2015. In addition, we advised we were planning to apply for a FAMPO grant to help offset the increase in construction costs. Staff was successful in receiving a grant of \$600K from FAMPO for the last section of the trail.

Mr. Thompson stated the issues:

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| Construction cost for Section "B" | \$1,350,690 |
| Estimated Cost for Section "A" | \$2,181,000 |
| Estimated Cost for Section "C" | \$800,000 |

Mr. Thompson continued, primarily to new design and environmental standards, and requirements for the structures are significantly different from the previous project. The

alignment of the trail was lengthened 0.3 mile to go around the water plant and through the Texfi property adding approximately \$300 K to the project. The budget impact is for FY 2014 requesting an additional \$900K in funding from the Risk Management Inter Fund Loan, and for FY 2015 requesting an additional \$200K to construct the last section of Phase two of the trail. Mr. Thompson concluded by stating staff recommends a Council fund the remaining sections of the Cape Fear River Trail.

Discussion ensued. Council Member Jensen stated concerns regarding lack of sufficient parking spaces in the northern section of the trail.

Consensus of Council was to bring this item back for consideration at the April 28, 2014, regular City Council meeting.

Mayor Robertson recessed the meeting at 7:10 p.m.

Mayor Robertson reconvened the meeting at 7:20 p.m.

4.6 Purchasing Overview

Ms. Gloria Wrench, PWC Purchasing Manager, presented this item with the aid of a PowerPoint presentation and stated the Purchasing Department consists of eight staff members. The responsibilities of the Purchasing Department are the oversight and management of purchasing process for the City of Fayetteville and PWC, process on-line requisitions for various goods, equipment, services, construction and repair projects, initiate and manage formal and informal bids, develop bid specifications and facilitate the evaluation of bids. Additional responsibilities include making recommendations of the award of bids to the Commission and City Council, maintaining bid files and providing feedback to vendors, researching products and sources of supply, responding to internal and external inquiries and the administration and compliance with Disadvantaged Business Enterprise (DBE)/ Historically Underutilized Business (HUB) contracting requirements. Ms. Wrench provided an overview statistics for purchase orders and bids for the past four years. Ms. Wrench also provided an overview of the statutory requirements and exceptions as related to purchasing and bidding. Ms. Wrench addressed DBE's and HUB's and provided an explanation of their respective definitions and applicability. Ms. Wrench concluded her presentation with an overview of the vendor selection and notification procedures.

This item was for informational purposes only.

4.7 PWC Fiber Network Operational Summary

Mr. Mark Brown, Senior Customer Programs Officer presented this item with the aid of a PowerPoint presentation and stated a fiber network is a series of cables used to transmit voice, data and video at high speeds, electronic switches that control the flow of information and determine available speed, it is a series of computer servers that manage the overall network. The PWC Commission fiber Lease Policy was approved by the city Council on July 1, 2001, the policy authorizes PWC to lease fiber capacity to other governmental units through inter-local agreements and authorizes PWC to lease fiber capacity to third parties for up to a term of ten years, and it requires all fiber agreements to be approved by the PWC Commission and the City Council. Mr. Brown provided an overview of the fiber optic services. Mr. Brown stated as of May 31, 2013, the total investment in the network is approximately \$10.3 million, and the annual cost of operating the network is approximately \$3.3 million. The annual leasing revenue (excluding PWC internal use) is \$921,000. This represents a recovery of 27.8% of the annual operating cost.

This item was for information purposes only.

4.8 2014 State Legislative Agenda

Mr. Ted Voorhees, City Manager, presented this item and stated the 2014 Short Session of the North Carolina General Assembly reconvenes on May 14, 2014. Fayetteville's legislative delegation's support and advocacy is instrumental in assisting the City with acquiring authority to establish certain programs and in securing community assets. In an effort to ensure that key issues impacting the City of Fayetteville remain at the forefront of the N.C. General Assembly, the City develops a state legislative agenda. Each year, the City administration reviews various legislative issues that could impact the citizens and/or businesses of Fayetteville. Our State

Legislative Delegation met with both City Council and the City's Senior Management Team on March 17, 2014 to review the proposed state legislative agenda for the 2014 Short Session of the N.C. General Assembly. Issues are vetted and a draft agenda was presented to the City Manager for further review and consideration. Mr. Voorhees provided Council with the draft of the 2014 State Legislative Agenda for Council's consideration:

Discussion ensued.

Consensus was to bring the State Legislative Agenda items back to Council for consideration and possible action in the form of a resolution at the April 28 City Council meeting.

4.09 Impounding Vehicle Briefing

Police Chief, Harold Medlock provided a briefing to the Council on issues related to impounding vehicles due to Driving while Intoxicated (DWI), Driving License Revocation, Expiration of License, and No Insurance Provider. Mayor Robertson stated this likened to the Broken Windows theory as related to vehicles.

Consensus of Council was for the Police Chief to proceed with enforcement plans.

5.0 CLOSED SESSION

MOTION: Council Member Arp moved to go into closed session for discussion of litigation in the matters of *Mark Wilderman v. Cumberland County and City of Fayetteville* and *Darrell Handelsman v. Cumberland County and City of Fayetteville*.

SECOND: Council Member Hurst

VOTE: UNANIMOUS (10-0)

The regular session recessed at 8:41 p.m. The regular session reconvened at 9:15 p.m.

MOTION: Council Member Mohn moved to go into open session.

SECOND: Council Member Hurst

VOTE: UNANIMOUS (10-0)

6.0 ADJOURNMENT

There being no further business, the meeting adjourned at 9:15 p.m.