

**FAYETTEVILLE CITY COUNCIL
WORK SESSION MINUTES
LAFAYETTE CONFERENCE ROOM
MAY 2, 2016
5:00 P.M.**

Present: Mayor Nat Robertson

Council Members Katherine K. Jensen (District 1); Kirk deViere (District 2); H. Mitchell Colvin, Jr. (District 3) (arrived at 5:06 p.m.); Chalmers McDougald (District 4); Robert T. Hurst, Jr. (District 5); William J. L. Crisp (District 6); Larry O. Wright, Sr. (District 7); Theodore Mohn (District 8); James W. Arp (District 9)

Others Present: Doug Hewett, Interim City Manager
Karen McDonald, City Attorney
Kristoff Bauer, Deputy City Manager
Rochelle Small-Toney, Deputy City Manager
Jay Reinstein, Assistant City Manager
Cheryl Spivey, Chief Financial Officer
Scott Shuford, Planning and Code Enforcement Director
Rob Stone, Engineering and Infrastructure Director
Kevin Arata, Corporate Communications Director
Jim Palenick, Economic and Business Development Director
Victor Sharpe, Community Development Director
Michael Gibson, Parks, Recreation and Maintenance Director
Andrew Holland, Assistant to the City Manager
Mark Brown, PWC Customer Relations Director
Kecia Parker, Real Estate Manager
James Warner, Employment Coordinator, Department of Veterans Affairs
Cynthia Wilson, Action Pathways Director
Will Deaton, Comprehensive Planning Manager
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 Arp moved to approve the agenda with moving Item 4.07 up to Item 4.0A.

SECOND: Council Member Wright

VOTE: UNANIMOUS (9-0)

4.0 OTHER ITEMS OF BUSINESS

4.A Veterans Affairs Job Placement Program Presentation

Mr. Jay Reinstein, Assistant City Manager, stated on March 18, 2016, a meeting was conducted with himself; Mayor Robertson; Council Member Jensen; Mr. Andrew Holland, Assistant to the City Manager; and Mr. James Warner, Employment Coordinator with the Department of Veterans Affairs, to discuss the "Disabled Veterans Placement Program". On April 7, 2016, Mr. Warner was introduced to the Senior Management Team and presented the program details, a video, and answered questions from staff. There are over 2,000 disabled veterans currently enrolled in this program with experience ranging from human resources, accounting, audit, recreation, mechanical, inspections and

more. His presentation was well received by all departments who were asked to identify departmental needs and to develop job descriptions for the available opportunities to ensure that skill sets are matched successfully with positions. Mr. Reinstein introduced Mr. Jim Warner, Employment Coordinator with the Department of Veterans Affairs. Mr. Warner provided an overview of the program and provided a handout, and stated this is a win-win program.

Mr. Andrew Holland, Assistant to the City Manager, stated he has a projection of 30 work experience opportunities for participants in this program.

Discussion ensued.

Consensus of Council was to move forward with participating in the Disabled Veterans Placement Program.

4.01 Partnership and Lease with Action Pathways

Ms. Kecia Parker, Real Estate Manager, introduced this item and stated Action Pathways is a non-profit organization that provides services to the citizens of the City of Fayetteville. The current Head Start Center for the Bonnie Doone district must be removed from its current location due to a major construction project. Action Pathways has contacted the City interested in entering into a mutually beneficial partnership for future development in the area. They are requesting to lease approximately 1.5 acres within the Roy Turner Park on Blanton Road. This lease would have terms that would follow the North Carolina General Statutes and have a value based on the public purpose of community educational programs that Action Pathways would be providing to the community. By entering into the lease for a term of five years with the option to extend for two more terms, the City would be continuing to add an educational component to the community. Also, by adding a constant presence to the park, the partnership would add a degree of safety to the area. Action Pathways currently has a Head Start program being offered in the Head Start Ashton Woods Center located on Stein Road. Due to a major construction project in that area, they have been asked to remove the current commercial grade modular units that have been in place since 2000. These house four classrooms and a commercial grade kitchen. There are approximately 51 local children and their parents that are served via this center. Action Pathways would like to partner with the City of Fayetteville so that they may continue to serve the community in the capacity as they have been. They would like to enter into a lease with the City of Fayetteville for the compensation of the public purpose of community educational programs that they are offering to the community for a term of five years with the option to extend for two more terms. The area would be located in the Roy Turner Park on Blanton Road and would allow for a continued educational component for the community. Also, there would be an added element of safety by adding a constant public presence within the park area.

Ms. Parker introduced Ms. Cynthia Wilson, Action Pathways Director. Ms. Wilson stated Action Pathways would like to relocate to the Roy Turner Park.

Consensus of Council was to move this item forward.

4.02 Consideration of the Community Development 2016-2017 Annual Action Plan

Mr. Victor Sharpe, Community Development Director, presented this item with the aid of a PowerPoint presentation and stated City Council considered the proposed 2016-2017 Annual Action Plan at its regular meeting on April 25, 2016, and voted to table the item until the May 2, 2016, work session for further consideration. Based on the direction given to staff at this meeting, other proposals are being made available to City Council for consideration. The proposals include budget options to reallocate funds for revitalization in a

targeted area designated by City Council. The other item is a proposal to consider the designation of Neighborhood Revitalization Strategy Areas (NRSA). This action would be consistent with the FY 17 Target for Action under Neighborhood Revitalization. NRSA's offer enhanced flexibility in undertaking economic development, housing, and public service activities using Community Development Block Grant funds. The HUD guidance for Revitalization Strategy Areas is included in the agenda packet. The proposed 2016-2017 Annual Action Plan is the second year of the 2015-2019 Consolidated Plan. The 2016-2017 Annual Action Plan includes a proposed budget of \$3,215,564.00. A draft copy of the action plan has been made available in various locations for review and comments for 30 days from March 29, 2016, through April 27, 2016. A spreadsheet is included in the agenda packet that includes the funding amounts for the current proposed activities. This spreadsheet is offered as a guide to determine the areas of funding in which the Council may want to reduce or increase. A total of \$438,500.00 has been identified for Council's consideration in this review. The reallocated funds will be targeted for revitalization efforts in an area decided upon by Council. Our goal is to provide the Council with other options to address revitalization. The following is a list of areas for consideration of targeted revitalization efforts: Bonnie Doone, Deep Creek Road, Massey Hill, Murchison Road, Bunce Road, B Street, Old Wilmington Road and Orange Street/Hillsboro Street. This list is not conclusive and staff will need to gather all of the demographic information to assist City Council in determining the area to target for revitalization. Staff recommends that we come back in August to discuss City Council's preference for a target neighborhood. Revitalization efforts include a number of activities such as housing repairs, removal of slum and blighted properties, creation of affordable housing, economic opportunities for businesses, neighborhood facility improvements, and infrastructure improvements and accessibility. The City is currently carrying our neighborhood revitalization efforts through its partnership with Habitat for Humanity in the B Street and the Bunce Road areas and has recently completed neighborhood revitalization activities in the Old Wilmington Road area.

Discussion ensued.

MOTION: Council Member Crisp moved to suspend the rules for this item.

SECOND: Mayor Pro Tem Colvin

VOTE: UNANIMOUS (10-0)

MOTION: Council Member deViere moved to approve the plan to include the \$458,500.00 for the revitalization and bring this item back to the June 27, 2016.

SECOND: Mayor Pro Tem Colvin

VOTE: PASSED by a vote of 7 in favor to 3 in opposition (Council Members McDougald, Wright and Arp)

4.03 Creation of a Gateway Overlay District in City Code Chapter 30

Mr. Scott Shuford, Planning and Code Enforcement Director, presented this item with the aid of a PowerPoint presentation and stated this amendment would create a generic overlay district focused on the most prominent "gateway" corridors in the community and the issues and opportunities most common to all the corridors. Placement of the overlay standards on any particular area would involve a separate zoning hearing process, at which time the specific overlay could be tailored to unique uses or characteristics of that gateway area. In 2014 Council members created a Gateway Committee to focus on how the City might foster attractive, distinctive entryways into the City. Most recently, the committee asked for a gateway overlay ordinance that would guide land uses and major visual elements on major gateways. At a November 2015 City Council work session, staff presented a summary of the features typically found in such overlays. Special standards for development in gateway areas often include signs, landscaping, property uses, property access, and building

design standards. Council members expressed interest in higher standards linked to some incentives, although changes to property access and building design standards were unnecessary. The draft overlay was prepared and recommended for approval by the Planning Commission at its meeting in January. There have been several initiatives to address both the public and private roles in improving gateways and the resources for those areas. The draft Gateway Corridor Overlay ordinance provides modified standards to guide private investment along the gateway areas where the overlay is applied. It would make changes, including some incentives for current businesses to comply.

Mayor Robertson stated he has no problem supporting the beautification of the gateways, but does have a problem with further regulating businesses, and further stated he would vote against this as we are crippling the mom and pop businesses.

Mayor Pro Tem Colvin stated the proposed ordinance will have no effect on current businesses; this is an opportunity for beautification of our gateways.

Council Member Wright stated this is a fine example of gridlock and why our City looks the way it does today, we have to have more courage, we all agree we need to do something about our gateways, if other cities can do this, we can do it too.

Council Member Jensen stated it is hard to rent properties, we are killing small businesses; I cannot vote for this.

Council Member Arp stated if an automobile dealership wanted to locate at one of the gateways; this plan could restrict future business growth.

Council Member Crisp expressed concerns over some of the proposed prohibitions.

Council Member Mohn asked when are we going to identify gateways; not corridors, we need a definition.

Consensus of Council was to move forward with this framework, identify the gateways, and for staff to work with the Gateway Committee and discuss the text amendment language, bringing recommendations back to Council at a future work session.

Mayor Robertson called for a recess at 7:00 p.m. Mayor Robertson reconvened the meeting at 7:10 p.m.

4.04 Draft Cape Fear River Plan and Overlay

Mr. Scott Shuford, Planning and Code Enforcement Director, introduced this item and introduced Mr. Will Deaton, Comprehensive Planning Manager. Mr. Deaton presented this item with the aid of a PowerPoint presentation and stated City Council directed staff to prepare a future land use plan and associated regulations to address future development of the City's Cape Fear River area. Consequently, we have made the River area the first subset of the City's Comprehensive Plan update. Staff has developed the draft Cape Fear River Plan and River Overlay District. After Council work session review, we will hold public hearings in May about the draft plan and text for the proposed River Overlay District. If approved by Council, we will initiate the rezoning actions necessary to implement the future land use portion of the plan. Mr. Deaton commented that of the six top cities in the state, we are the only one with a river running through the downtown, and we are not using it.

Council Member Arp stated this is a great plan, and asked for the timeline. Mr. Shuford responded on May 23, 2016, Council will vote for the overlay, then vote for a zoning action within the next four

months, and then the parcel by parcel analysis will take place in the fall.

Discussion ensued.

Consensus of Council was to bring this item back to the May 23, 2016, regular meeting, and to schedule a river tour during the month of June.

4.05 Parks and Recreation Bond Package Project Prioritization

Mr. Kristoff Bauer, Deputy City Manager, presented this item and stated the draft financial plan was developed to identify the minimum tax change, effective July 1, 2016, required to support the proposed capital program. That plan, consistent with the expressed interest of Council, did not include any expenses unsupported by debt. The timing and size of the three included debt issuances being driven primarily by the financial analysis. The financial plan now needs to be developed to include land acquisition and design activities. Council has not had an opportunity to prioritize or otherwise direct the planned timing of the construction of the projects to be completed. That timing is constrained primarily by the financial plan; that is how quickly the projects can be financed within the 1.35 cent of dedicated revenue; but is also constrained by organizational capacity to manage project development and completion. Staff has provided a planning tool allowing the Council to adjust the timing of the projects and see how that corresponds or differs from the draft financial plan. The objective in using this tool is to minimize the target budget as project timing is adjusted. A lower number reflects a closer correspondence with the draft financial plan and increases the potential of that plan being able to be implemented within the dedicated financial resources. It is also necessary to have the capacity to successfully manage the design and construction of these projects. While capacity exists to manage some of the smaller projects, additional capacity will be needed to adequately support the larger projects. That capacity could come from new staff resources, contract resources, or a combination thereof. One option to consider is the utilization of a program management consultant. There are a number of large engineering and architectural service firms that provide this service. They would not participate in design, but would manage the capital program to include working with the Council to set priorities. The cost of this service is estimated at 3 percent or so of estimated project cost. If Council would like to consider this, or other program management and delivery alternatives, then staff can provide a presentation exploring alternatives for discussion and consideration by Council at a future meeting. Council Members Mohn and deViere provided suggested project plans. Council Member Mohn's proposal is very close to the spending plan included in the previous financial plan and, therefore, is very likely to be able to be implementable within the existing allocated financial resources. If Council supports this plan, then staff can use it to develop more detailed financial and operational implementation plans. Council Member deViere's proposal deviates significantly from the previous financial plan and cannot be supported by the current dedicated resources. It does, however, provide an opportunity for staff to share key concepts regarding the financial implementation of programs of this kind. Staff will work over the next few days to prepare that information for presentation and discussion with Council on Monday. This information may assist Council in its deliberation regarding alternatives. The City utilized a contract Financial Advisor ("FA") to assist in answering the Council's questions prior to the bond referendum. With a \$35 million program to implement, staff issued an RFP for FA services to ensure that a competitive price was secured. Staff is interviewing the lowest price firm on April 28, 2016, and will attempt to engage them in providing some preliminary information to support Council's discussion as mentioned above. This capital program is being supported by the 1.35 cent dedicated property tax levy.

Discussion ensued.

Consensus of Council was to direct staff to engage a consultant to provide program management services and to also direct staff to move the projects in the direction of the updated model/scenario provided by Council Member deViere and bring this back to Council for further review.

4.06 Proposed City Banner Program

Mr. Michael Gibson, Parks, Recreation and Maintenance Director, presented this item with the aid of PowerPoint presentation and stated Mayor Robertson approached staff last fall and expressed interest in having banners and brackets installed in Fayetteville along certain thoroughfares. Staff returned to the Committee with feedback along with preliminary estimates for the installation of banner hanger hardware. Staff was asked by the Committee to research the estimated cost of such a program and bring the proposal to a Council work session for direction. The City currently only installs banners on the light fixtures along the promenade in Festival Park. City utility operations do install wreaths on light poles in the downtown during the holiday season.

Discussion ensued.

Consensus of Council was to direct staff to research best practices of this item in peer cities and provided unanimous support of this item concept.

4.07 This item was moved to Item 4.A.

4.08 The City's Property Tax Grant-Back Economic Incentive Policy In Response to Mayor Robertson's Initiative to Expand Opportunities for Business Expansion and Relocation

Consensus of Council was to not discuss this item this evening and to bring it back for discussion at the June 6, 2016, City Council work session.

4.09 City Manager Recruitment Strategy

Mr. Doug Hewett, Interim City Manager, presented this item and stated City Council requested this item be placed on the May 2, 2016, work session to discuss recruitment strategies for the next City Manager. Following the resignation of the former City Manager on April 12, 2016, the City Council appointed an Interim City Manager. During the April 25, 2016, dinner meeting, City Council discussed various options for recruiting a City Manager. City Council requested additional information regarding the last City Manager search and directed this item be placed on the May 2, 2016, City Council work session for further discussion. Staff has proposed \$50,000.00 in an April 25, 2016, budget ordinance amendment to cover any anticipated costs for the use of executive search firms, candidate travel, and other possible needs.

Discussion ensued.

Consensus of Council was to direct staff to budget \$40,000.00 for a City Manager executive search firm, candidate travel, and other possible needs, effective fiscal year 2016-17.

4.10 Council Member Kirk deViere - Agenda Item Request - Joint Homelessness Initiative

Council Member deViere presented this item and stated his concept would be to reorganize the Continuum of Care (CoC) as a separate 501C that is owned by City and County similar to the joint economic development group. The entity could be funded with City, County, and Federal dollars and opens the opportunity for private funding from

community initiatives. The board of the CoC would consist of appointees from City, County, and potentially private sector (funding partners) and the day-to-day management is conducted by an Administrator. Board develops a three-year action plan with goals and metrics for measurement based on direction from funding partners and community. CoC will request services from services agency that meet the established requirements to assist in goal attainment of the action plan. The CoC can monitor the service agency for execution of their contracts to create a layer of transparency and accountability of funds and goal attainment. CoC makes quarterly updates to City and County on progress towards goals. Executive Director can research and apply for grants to augment funding sources.

Discussion ensued.

Consensus of Council was to move forward with this item; to meet with all parties, and cause a framework.

4.11 Council Members Larry Wright and Kirk deViere - Agenda Item Request - Summer Youth Paid Internship Program

Council Member deViere presented this item and stated he would like to see the creation of a youth internship pilot program for a partnership with City, Business Community, County, and Workforce Development Board. This is a four-week paid program during the month of June focused on STEM-related or career-tracked jobs. The Workforce Development Youth Services has a framework for youth internship programs but is not fully executed due to funding requirements. Leverage the existing framework and program in place at Workforce Development to assist in the management of the program. Recruitment of the youth would come from the many mentoring programs in the community as well as the faith community. Recruitment of businesses to support the jobs (job partners) would come through the Chamber of Commerce and their members. Additional job opportunities could be available through the City, PWC, Cape Fear Valley Hospital, and County. Job partners would share 50 percent of the cost of the intern. The investment for the program is \$1,360.00 per intern.

Discussion ensued.

Consensus of Council was to direct staff to move this item forward.

5.0 ADJOURNMENT

There being no further business, the meeting adjourned at 9:12 p.m.