

**FAYETTEVILLE CITY COUNCIL
WORK SESSION MINUTES
LAFAYETTE CONFERENCE ROOM
FEBRUARY 6, 2017
5:00 P.M.**

Present: Council Members Katherine K. Jensen (District 1); Kirk deViere (District 2); H. Mitchell Colvin, Jr. (District 3); 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)

Absent: Mayor Nat Robertson

Others Present: Douglas Hewett, City Manager
Karen McDonald, City Attorney
Kristoff Bauer, Deputy City Manager
Jay Reinstein, Assistant City Manager
Jim Palenick, Economic and Business Development Director
Rob Stone, Engineering and Infrastructure Director
Kevin Arata, Corporate Communications Director
Michael Gibson, Parks, Recreation and Maintenance Director
Victor Sharpe, Community Development Director
Tracey Broyles, Budget and Evaluation Director
Scott Shuford, Planning and Code Enforcement Director
Rebecca Rogers-Carter, Strategic Program Analytics Director
Anthony Wade, Human Relations Director
Dwayne Campbell, Chief Information Officer
Will Deaton, Senior Planner
Eloise Sahlstrom, Urban Designer
Joseph Utley, Cumberland County Tax Administrator
Gregory McElveen, Assistant Dean, School of Economics, FSU
Crystal Morphis, CEO, Creative Economic Development Consulting
Pam Carter, B Street Coalition
Michael Pennick, Fayetteville Area Habitat for Humanity Revitalization Director
Pamela Megill, City Clerk
Members of the Press

1.0 CALL TO ORDER

Mayor Pro Tem Colvin called the meeting to order.

2.0 INVOCATION

The invocation was offered by Council Member McDougald.

3.0 APPROVAL OF AGENDA

MOTION: Council Member Wright moved to approve the agenda.
SECOND: Council Member McDougald
VOTE: UNANIMOUS (9-0)

4.0 OTHER ITEMS OF BUSINESS

4.01 Property Revaluation Process Update

Mr. Joseph Utley, Cumberland County Tax Administrator, presented this item with the aid of a PowerPoint presentation and stated he is providing the results of the revaluation process and the revised valuation of taxable property for the City. Revaluation notices were scheduled to be distributed to citizens by the Tax Office on January 31, 2017, and valuation reports were to be sent to all

municipalities on the afternoon of February 2, 2017. Taxable property values are preliminary subject to the completion of the established appeals process. North Carolina law requires that property be revalued for tax purposes at least every eight years. The intent of the revaluation process is to equalize the valuations of all property to 100 percent of the fair market value. The last revaluation in Cumberland County was effective January 1, 2009. The current process will establish taxable values as of January 1, 2017, to be used for Fiscal Year 2017-2018 ad valorem tax billings. N.C.G.S. § 159-11(e) requires that the Fiscal Year 2017-2018 budget include a statement of the revenue-neutral tax rate for the budget and specifies the method by which it must be calculated. The statute provides the following definition: The revenue-neutral property tax rate is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue that would have been produced for the next fiscal year by the current tax rate if no reappraisal had occurred. Mr. Utley further stated the bottom line is, County-wide, the total real property taxable value has declined 2.9 percent, the estimated net reduction in value is \$560,421,825.00, which equates to \$4,147,122.00 (at the County rate of \$0.74). Mr. Utley provided an overview of the assessed value change by property type, the assessed value shift in the tax base, the assessed value for residential, the assessed value for commercial, and the total assessed value municipality change for residential and commercial. Mr. Utley said there has been a 62 percent reduction on property values, 29 percent of properties had a value increase and 9 percent of properties were no value change. Mr. Utley also provided an overview of the appeal process.

Mayor Pro Tem Colvin and Council members thanked Mr. Utley for the presentation.

4.02 City Dam Policy Revision

Mr. Kristoff Bauer, Deputy City Manager, presented this item and provided Council with a draft policy pertaining to lakes, dams, and municipal service districts. Mr. Bauer stated Hurricane Matthew resulted in unprecedented flooding in the City. Four dams supporting City streets were damaged, including Greenock Avenue (Arran Lake Dam), McFadyen Drive (Devonwood Lower Dam), Mirror Lake Drive (Mirror Lake Dam), and Siple Avenue (Rayconda Upper Dam). The current City policy directs that the City will reconstruct the roadway, but will not repair the dam. The current policy will allow the City to reconstruct a dam only if the property owners take responsibility for the majority of the costs in excess of that for repairing the roadway alone. To assist the community in raising the necessary funds to repair and maintain the dam, the policy allows for the formation of a Municipal Service District ("MSD"). At the January 3, 2017, City Council work session, Council instructed staff to make recommendations to update the existing City policy related to repairing dams. Issues addressed in the proposed revisions include clarifying the process for forming an MSD, addressing how potential supplemental funding should be utilized, and removing references to a loan program. Additional issues that Council may consider include how the policy may apply to dams that do not have a City street over them and potential requirements regarding the conversion of private lakes to public amenities. Mr. Bauer displayed maps of private dams and stated the map identifies the four dams discussed above and previously discussed in the memorandum included in the agenda packet and with Council. It also identifies Loch Lommond which is a private lake impounded by a private dam with no public road. That dam was also breached and the current policy would not support any role for the City in responding to this problem. The revised draft opens the MSD process to private dams of this kind. The revised policy replaces the revolving loan program with the option of forming a MSD. That option is discussed in length in the memorandum included in the agenda packet. Changes to several sections accomplish this fundamental change. One key issue that remains unsettled is the financing options available to the City when utilizing a MSD. Two of the identified structures may fit into the City-owned dams category. The policy as written would require the

formation of an MSD and would limit the City's commitment to 110 percent of the road reconstruction cost. No changes have been made to this section. Section VII of the draft policy has been added with the intent of addressing what happens should FEMA reimbursement dollars or other non-City funding become available to support projects within the scope of the policy. The new Section VIII requires public access to, but not public ownership of, lakes created, protected, or reconstituted through the operation of this policy.

Discussion ensued.

Consensus of Council was to allow staff additional time to conduct further research on this item, and to move the item forward; no specific date was provided.

4.03 FEMA Mitigation Grant

Mr. Douglas Hewett, City Manager, introduced this item and introduced Mr. Donald Kunish, Deputy Director, Post Disaster Programs at Tetra Tech EM Inc. Mr. Hewett stated the Robert T. Stafford Disaster Relief and Emergency Assistance Act provides FEMA the authority to fund the restoration of eligible facilities that have sustained damage due to a presidentially declared disaster. It also contains a provision for the consideration of funding additional measures that will enhance a facility's ability to resist similar damage in future events. Only FEMA is authorized to interpret and implement the Stafford Act and regulations issued pursuant to the Stafford Act. Only FEMA has the authority to determine which hazard mitigation measures it will fund. Mitigation measures must be cost effective. Potential mitigation measures are determined to be cost effective and eligible if they (1) do not exceed 100 percent of the project cost, (2) are appropriate to the disaster damage, (3) will prevent future similar damage, and (4) are directly related to the eligible damaged elements, and do not increase risks or cause adverse effects to the property or elsewhere. Generally, FEMA pays up to 75 percent of costs. The remaining 25 percent will need to be identified.

Discussion ensued.

Consensus of Council was to direct staff to go for the largest pool (all 4) of mitigation dollars that are available.

4.04 Presentation of Preliminary Results of Research as Funded by Department of Defense Office of Economic Adjustment Grant to Study Regional Economic Impacts of Possible Troop Cut-Backs at Fort Bragg

Dr. Anthony Wade, Human Relations Director, introduced this item and stated the City of Fayetteville was awarded a Department of Defense, Office of Economic Adjustment Grant, totaling \$299,563.00, to be pursued and completed during the project period January 1, 2016, through March 31, 2017, (as later extended to June 30, 2017, due to Hurricane Matthew). The purpose of the grant was to engage in and conduct detailed analysis and survey research associated with the question of how cutbacks of 1,000, 2,000, and/or 3,000 troops assigned to Fort Bragg could affect the local and regional economy of Hoke, Harnett, and Cumberland Counties along with the City of Fayetteville. Then, once the impacts are quantified, strategies would be presented for the local jurisdictions to counter possible negative effects. In administering and fulfilling the grant, the City solicited proposals from qualified economic research firms to conduct the research and provide a final report with outcomes and recommendations. The City selected the proposal provided by the joint team of Fayetteville State University (FSU) and Creative Economic Development Consulting of Elkin, NC. The FSU/Creative Team engaged a Steering Committee of stakeholders representing Fayetteville and the three-county region, and pursued their data collection and exhaustive research efforts throughout 2016 and into the New Year. Their efforts are now largely

complete and they are prepared to offer a summary presentation of their findings and recommendations that will be published in the final grant report.

Dr. Wade introduced Gregory McElveen, Assistant Dean School of Economics, FSU; and Crystal Morphis, CEO, Creative Economic Development Consulting. Mr. McElveen and Ms. Morphis provided an overview of the draft report with the aid of a PowerPoint presentation and stated in 2015, the Army announced a planned reduction of 40,000 active duty U.S. military personnel over the next few years in response to federal budget challenges and reduced U.S. roles in military conflicts around the world. Thousands more civilian jobs working for the Army are projected to be reduced as well. While specific personnel reductions to be made at Fort Bragg have been uncertain, as the largest U.S. Army base by population, Fort Bragg has already begun to experience reductions in troop strength. Recognizing that military installations can have a significant impact on their region's economy, the U.S. Congress allocated funds to the Department of Defense Office of Economic Adjustment (OEA) to help regions assess and mitigate economic risks associated with reductions in force at local military installations. The City of Fayetteville applied for, and was awarded, a grant from the OEA to determine the prospective regional impact of troop reductions at Fort Bragg and to develop strategies to drive growth to offset military reductions. This aligned closely with the City of Fayetteville's strategic plan. The counties included in the scope of the grant award include Cumberland, Hoke, and Harnett. While specific future reductions in personnel at Fort Bragg have yet to be determined, the City of Fayetteville contracted with Creative Economic Development Consulting and Fayetteville State University to assess potential impacts associated with a range of prospective troop reduction scenarios—including reductions of 1,000, 2,000, and 3,000 active duty military personnel. With a total active duty force at Fort Bragg of approximately 50,000 and another 9,000 civilians, a reduction of 3,000 from the military payroll would represent an approximate 5 percent decline from current levels.

Discussion ensued.

Council Member Arp stated the Command Sergeant Major of the Army, Daniel A. Daily, announced on January 27, 2017, that the army is no longer in drawdown and expects to expand by 20,000 troops this year, with an offering of up to a \$10,000.00 re-enlistment bonus for certain soldiers. Council Member Arp also stated we should be looking at the reserve numbers as well; we need to capture that as well. Ms. Morphis stated she would caution complacency, and encourage diversification.

Mayor Pro Tem Colvin stated Item 4.010 will be the next item, due to guests in the audience having an interest in this item.

4.010 City Council Agenda Item Request - Jubilee House Recognition and Rezoning

Mr. Douglas Hewett, City Manager, stated this item was requested by Mayor Robertson, the purpose of the request is to authorize a resolution recognizing the Jubilee House's mission and its purpose as a nonprofit managed by Family Endeavors. Also to direct staff to follow the recommendations from Assistant City Attorney Lisa Harper; the recommendation being to rezone the property to Office and Institution (O/I), Conditional Zoning (CZ) with the condition that the property will be used for a group or transitional home by a nationally recognized group for the benefit of veterans and their families.

Discussion ensued.

Consensus of Council was to direct staff to send the item to the Zoning Commission; to follow the normal process of rezoning with the item to come before Council as a rezoning and a Special Use Permit request.

4.05 Comprehensive Plan Update Progress

Mr. Will Deaton, Comprehensive Planner, and Ms. Eloise Sahlstrom, Urban Designer, provided an overview of the comprehensive plan progress. Mr. Deaton stated City Council directed staff to prepare an update to the 2010 Plan as a strategic priority in the 2016 Strategic Plan. Staffing for an in-house update was provided in the corresponding year's budget. At Council's direction, staff's approach for this update has been to study subareas of the City that are likely to undergo significant change over the next 20 to 30 years. The first subarea studied was the Cape Fear River. The River Plan and the River Overlay District were adopted by City Council on May 23, 2016. This was followed by the adoption of a rezoning action that implemented the land use component of the River Plan on June 27, 2016. The River Plan is available on the website. Currently, two other subareas are under similar study--the Haymount neighborhood and the VA Center area in the western part of the City. The latter is being referred to as the Medical Village subarea. Two meetings have been held in each of these subareas and a significant amount of public input has been collected. Staff is in the process of developing draft subarea plans to share with the public prior to bringing those plans to the Planning Commission and City Council. City Council's decision to financially support the Civil War History Center in the Haymount neighborhood will further shape the Haymount Plan. Staff is seeking assistance from the Triangle Chapter of the Urban Land Institute with regard to how the History Center can be leveraged to support compatible redevelopment in this area of Haymount. In the Medical Village subarea, there appears to be public support for utilizing the Regional Activity Center planning tool adopted by City Council to guide development toward a land use pattern that will promote a significant medical presence in the area in support of the existing VA Center and future development of a medical oriented training center on 60 acres of land owned by FTCC. Depending on whether a formal ULI Technical Assistance Panel is convened, we anticipate the Haymount Plan coming to City Council in late spring or late summer. The Medical Village Plan and implementing ordinance will be brought forward in the spring.

Ms. Salstrom stated staff also received assistance from the 96th Civil Affairs Division in other areas of the City that will be studied as subareas for the comprehensive plan update, including Bonnie Doone, Massey Hill, and Shaw Heights. This land use information will assist staff in crafting plans for these subareas and expediting our work products in these areas. In addition, staff is utilizing the Cumberland County Climate Resiliency Plan and the Cumberland-Hoke FEMA Hazard Mitigation Plan to develop a Resiliency Element for the Comprehensive Plan Update. The Resiliency Element will receive public comment and City Council consideration in the spring.

Mr. Scott Shuford, Planning and Code Enforcement Director, stated at this point it appears that we are on track to complete the Comprehensive Plan Update in 2018 as projected.

Discussion ensued.

Consensus of Council was to direct staff to continue.

4.06 Discussion of a request by Habitat for Humanity for the donation of lots for the construction of affordable housing in the B Street neighborhood and an update on other activities in the area.

Mr. Victor Sharpe, Community Development Director, presented this item and stated the Fayetteville Area Habitat for Humanity (FAHFH) is requesting the City of Fayetteville to donate them seven lots located in the B Street area to continue neighborhood revitalization efforts in conjunction with the B Street Coalition. The agenda package includes a map of the location of the parcels. The B Street Coalition was formed with local residents, churches, business owners, City

Departments, Fayetteville Technical Community College, and the Fayetteville Area Habitat for Humanity. Fayetteville Area Habitat for Humanity plans to use the lots to construct single-family affordable housing. The City of Fayetteville has acquired seven parcels of land in the B Street neighborhood utilizing the Affordable Housing Development Fund. This program was established to provide opportunities for the development of future affordable housing throughout the City. The purpose of acquiring the parcels was to make them available to FAHFH to construct affordable housing in the B Street neighborhood. The efforts of the B Street Coalition is a partnership that includes City Departments. The B Street neighborhood is one of two that was selected by City Council to participate in the inaugural Target Area Revitalization Program. This program has been put on hold until next year to allow for the implementation of the Disaster Recovery Housing Repair Program. The parcels requested by FAHFH will be used to construct single-family affordable housing which contributes to the overall revitalization efforts. Once houses are constructed on the parcels, they will be returned back to the tax roll. The City expended \$59,073.30 to acquire the seven parcels in the B Street area.

Discussion ensued.

Consensus of Council was to move this item forward for an official vote at the February 27, 2017, City Council regular meeting.

4.07 Update on Catalyst Site 1/1A activities.

Mr. Victor Sharpe, Community Development Director, presented this item and stated In January of 2013, the City began acquiring property in Catalyst Site 1 of the Murchison Road Redevelopment Plan area. Later in 2013, Catalyst Site 1 became the possible location for the proposed baseball stadium project. As the City continued the acquisition of property in Catalyst Site 1 and acquired from all property owners interested in selling, it became necessary to condemn the remaining parcels to complete site control. The City condemned the remaining parcels and is currently working with the City Attorney's Office to complete this process. There are six remaining parcels left to be acquired through the condemnation process. This process should be completed by the end of this summer. Five parcels on the western edge of Catalyst Site 1 (Former V-Point and Paye Funeral Home parcels) have not been acquired and were not included in the condemnation approval. The footprint of the baseball stadium did not include these parcels. The redevelopment area was expanded and funding allocated in the CIP in 2015 to include acquisition of parcels in Catalyst Site 1A. City staff is continuing the pursuit of acquiring parcels in Catalyst Site 1A. The Parks, Recreation and Maintenance Department has cleared the underbrush at Catalyst Site 1 on two occasions thus far and will continue to maintain the site by keeping the underbrush cut at least twice a year as needed. The Red Rock Global Study included Catalyst Site 1 as one of the four focus areas for redevelopment. The overall plan recommends that the City work with its existing alliances and partnerships to prioritize its action plan to leverage the projects approved in the Parks and Recreation Bond Package to drive economic development outcomes through the strategic leveraging of parks and recreational investment to create public destinations that would then attract private development interest in adjacent areas. Catalyst Site 1 is included in an initiative that proposes the creation and branding of a recreation and entertainment area downtown that is focused on families and fans. Funding is currently budgeted to complete the acquisition of parcels in Catalyst Sites 1 and 1A. The total amount budgeted was \$1,625,000.00 with \$690,602.00 remaining.

Discussion ensued.

Consensus of Council was to accept the report.

4.08 Recommended Capital and Technology Improvement Plans for Fiscal Years 2018 through 2022

Ms. Tracey Broyles, Budget and Evaluation Director, presented this item and provided Council with a hard copy of the Capital and Technology Improvement Plans for FY 2018-2022. Ms. Broyles asked Council to e-mail all questions to her, and once all of the answers to all questions have been compiled, questions with answers will be sent to the whole Council.

Consensus of Council was agreement to e-mail all questions on this item to Ms. Broyles.

Mayor Pro Tem Colvin stated Item 4.013 will be the next item for discussion as we have guests.

4.013 City Council Agenda Item Request - Youth Internships

Council Members Wright and deViere presented this item. Council Member Wright stated this program began as a satellite.

Council Member deViere stated this is a partnership with Cumberland County Schools.

Council Member Crisp stated this is the future, let's get it done!

Council Member Arp asked if the County was contributing to this program. Council Member deViere responded the County is not contributing or participating.

Consensus of Council was to move this item forward.

4.09 Presentation of Bid Proposals for City of Fayetteville Recycling Contract

Mr. Kristoff Bauer, Deputy City Manager, presented this item with the aid of a PowerPoint presentation and stated the City has contracted with Waste Management for residential recycling collection since the inception of the program in 2008. That service level consists of once-a-week collection of comingled or unsorted containerized recyclables from residential properties. Customers were provided with 32-gallon containers and given the option to purchase 90-gallon containers. Council had discussed the potential of exploring expanding the City's recycling program to commercial properties during the March 4, 2013, Council work session and provided direction at that time to not consider expanding the service further. Understanding that the current recycling contract extension is set to expire in June 2017, the issue was briefed to Council in February 2015. Council directed staff to have an assessment of collection services completed by a third party. That report was completed and presented during the May 4, 2015, Council work session. That study made a number of recommendations regarding potential operational changes related to recycling with the most notable being moving to a single waste collection stream and utilizing a sorting program; what is referred to as a "dirty MeRF (Materials Reclamation Facility)." At the conclusion of the report, no consensus direction regarding any changes in recycling operations was provided. Staff initiated a Request For Proposal "RFP" process to identify candidates for continuation of the current contracted recycling service model. The RFP was issued with the following three alternates:

1. Continuation of the current level of service;
2. Every other week collection service; or
- 2B. Every other week collection service with the contractor owning and providing up to 90 gallon carts (currently the City owns and maintains recycling carts).

Mr. Bauer continued that three proposals were received (the summary is included in the agenda package). Waste Management is the lowest bid provider for options 1 and 2. Republic Services is the lowest bid provider for option 2B. The low bid for option 1 is just under a 5 percent increase from the current contract cost. The bid for option 2 of every other week service with the City continuing to provide carts and maintenance represents a 31 percent reduction in the annual contract cost when compared with the current budget. Option 2B represents a change in service level, but an increase in contract cost. The net cost of this option, after any savings to the City for reduced cart maintenance expenses, has not been fully analyzed. This would also mean a change in service provider. If option 1 or 2 is selected, then the contract would remain with the current services provider of Waste Management. If option 2B is selected, then the contract would be awarded to Republic Services. This change in service provider may require a negotiated extension with Waste Management in order to provide both companies adequate time to transition.

Discussion ensued.

Consensus of Council was to direct staff to go with Option One.

4.011 City Council Agenda Item Request - Catalyst Site 1 Amendment

Mayor Pro Tem Colvin recused himself from discussion of this item as he has a relative that is a property owner in the area of Catalyst Site 1.

Council Member Arp stated this would be a good example for a zoning overlay of the area, and defining what you would and would not like in that area.

Council Member deViere stated the new Rowan Street Bridge will have an impact.

Council Member Wright asked if we are trying to acquire more property towards Cumberland Road.

Mr. Douglas Hewett, City Manager, stated there has been a lot of discussion over what we are going to put in Catalyst Site 1, but we do not have a definite plan. I understand there is an interest for an overlay, and one option may be to continue to acquire property in the area, staff is looking for guidance from City Council.

Council Member Wright stated he does not want the Parks and Recreation Bond Projects Committee making decisions without discussion by the whole Council.

Council Member McDougald stated there does need to be development in that area, we may need to look long range regarding Smith Recreation Center, there are a lot of things that need to happen.

Consensus of Council was to direct staff to work on an overlay plan, conduct further study of the area, and provide comprehensive maps.

4.012 City Council Agenda Item Request - Expungement Clinic Resolution

Mayor Pro Tem Colvin presented this item and stated Life is Worth Living - Project Fresh Start, Inc., is working with the District Attorney's office, Legal Aid, and myself along with other organizations to hold informational meetings to assist eligible citizens in having their criminal records expunged. The first meeting will take place on February 11, 2017, at 11:00 a.m. at Heal the Land Ministries (Council Member Wright's church). During the meetings, individuals with criminal records who cannot afford an attorney will learn about the expungement process and receive assistance in

completing questionnaires that will help determine if they are eligible for expungement. Mayor Pro Tem Colvin asked for Council support of this program.

Discussion ensued.

Consensus of Council was to direct staff to prepare a Resolution of Support for this program with no funding associated with it.

4.014 City Council Agenda Item Request - FAST Bus Stop Review

Mayor Pro Tem Colvin presented this item and stated a few days ago, a 16-year-old girl exited one of our buses, and went around the front of the bus to cross Murchison Road, and was hit by a passing car, and ultimately died of her injuries a couple of days later. Mayor Pro Tem Colvin asked for a review of the FAST procedural reviews, and suggested staff look at additional ways to make exiting the buses safer.

Council Member Arp stated we need an educational component for both the riders and the drivers.

Discussion ensued.

Consensus of Council was to direct staff to look into additional safety measures and report back.

5.0 ADJOURNMENT

There being no further business, the meeting adjourned at 8:52 p.m.

