

COUNCIL MINUTES

The City Council of the City of Raleigh met in a regular session at 1:00 p.m. on Tuesday, June 20, 2017 in the City Council Chamber, Room 201 of the Raleigh Municipal Building, Avery C. Upchurch Government Complex, 222 W. Hargett Street, Raleigh, North Carolina, with the following present.

Mayor Nancy McFarlane
Councilor Kay C. Crowder
Councilor Mary-Ann Baldwin
Councilor Corey D. Branch
Councilor David Cox
Councilor Bonner Gaylord
Councilor Russ Stephenson
Councilor Dickie Thompson

Mayor McFarlane called the meeting to order and invocation was rendered by Father Misaeil Abou El Kheir, St. Mary Coptic Orthodox Church. The Pledge of Allegiance was led by Council Member Baldwin. The following items were discussed with action taken as shown.

AGENCY GRANTEE PRESENTATION

AGENCY GRANTEE PRESENTATION – LEGAL AID OF NORTH CAROLINA – RECEIVED

Victor Boone, Legal Aid of North Carolina, talked about the work of their organization which focuses on domestic violence, issues related to housing, affordable housing, availability of housing, various sheltering issues, mortgages, children, educational, seniors, wills, power of attorney, termination, social security, tenant rights, human trafficking and transportation issues.

Attorney Boone talked about the relationship with the City pointing out one can get all types of information about their group on their website, what they do, their functions, etc. He expressed appreciation to the Council for their contributions in the past, current contributions and their hope for continued contributions. He stated with any reduction in funding they lose the ability to address concerns and talked about the importance of the City's contributions.

CONSENT AGENDA

CONSENT AGENDA – APPROVED AS AMENDED

Mayor McFarlane presented the consent agenda indicating all items on the consent agenda are considered to be routine and may be enacted by one motion. If a Council Member requests discussion on an item, the item will be removed from the consent agenda and considered separately. She stated the vote on the consent agenda would be a roll call vote.

Mayor McFarlane stated she had received a request from Council Member Cox to withdraw the item relating to use of cash as payment and a request from Council Member Crowder to remove the encroachment request relating to precision Drive and related streets and Lenoir Street. Without objection, those items were withdrawn from the consent agenda. Council Member Baldwin moved approval of the consent agenda as amended. Her motion was seconded by Council Member Thompson and a roll call vote resulted in all members voting in the affirmative. The Mayor ruled the motion adopted on an 8-0 vote. The items on the consent agenda were as follows.

TRANSPORTATION BOND – 2017 – VARIOUS ACTIONS TAKEN

During the June 6 meeting Council adopted the Resolution for a Fall 2017 Transportation Bond Referendum not to exceed \$206,700,000. To proceed with the referendum during the upcoming municipal election, Council must take the following actions at the June 20 meeting:

1. Introduction and passage on first reading of the bond order authorizing \$206,700,000 Transportation Bonds;
2. Direct the CFO to file with the City Clerk
 - a. A Sworn Statement of Debt and
 - b. A Statement of Estimated Interest;
3. Call for a public hearing on the bond order at the July 5, 2017 Council meeting; and
4. Direct the City Clerk to publish the bond order and related Notice of Public Hearing.

Included with the agenda packet were suggested proceedings prepared by bond counsel as well as the following list of projects proposed for financing with bond proceeds.

Project/Program	District(s)	Project Goal(s)	FY19	FY20	FY21	FY22	Total	%
Old Wake Forest Road - North (Atlantic to Capital)*	A	Street Capacity	\$1.00	\$7.60			\$8.6	4.16%
Dixie Forest Road (Spring Forest to Atlantic)	A	Major Catalytic	\$0.60	\$1.00			\$1.6	0.77%
Tryon Rd. Part C (Lake Wheeler to NS RR)*	D	Street Capacity	\$1.00	\$5.80			\$6.8	3.29%
Poole Rd. Widening (Maybrook to Barwell)*	C	Street Capacity	\$3.30	\$6.50			\$9.8	4.74%
Blue Ridge Rd. Widening (Duraleigh to Crabtree Valley)*	E	Street Capacity	\$2.00	\$8.50			\$10.5	5.08%
Barwell Road - South (Rock Quarry to Berkeley Lake)	C	Street Capacity	\$1.60	\$0.70	\$8.50		\$10.8	5.22%

Six Forks Rd. Corridor Plan (I-440 to Spring Forest)*	A	Street Capacity + Major Catalytic	\$9.50	\$9.50	\$10.50		\$29.5	14.27%
Blount Person Two Way Conversion (Hoke to Delway)	C	Major Catalytic	\$0.85	\$5.25			\$6.1	2.95%
Wake Forest Roundabout (Brookside)	C	Major Catalytic	\$0.30	\$2.00			\$2.3	1.11%
Rock Quarry Road - A (Crech to Sunnybrook)*	C	Street Capacity		\$1.10	\$1.10	\$8.00	\$10.2	4.93%
Trawick Road - West (Capital to Marsh Creek)	B	Street Capacity		\$0.65	\$0.70	\$3.55	\$4.9	2.37%
Marsh Creek Road (Trawick to New Hope)	B	Street Capacity		\$0.69	\$1.27	\$3.84	\$5.8	2.81%
Atlantic Avenue (Highwoods to New Hope Church)	B	Street Capacity		\$1.00	\$3.25	\$7.35	\$11.6	5.61%
Carolina Pines Ave (Lake Wheeler to S. Saunders)	D	Major Catalytic		\$1.50	\$0.80	\$8.30	\$10.6	5.13%
Leesville Road - B (Oneal to Westgate)	E	Street Capacity		\$1.50	\$2.30	\$7.80	\$11.6	5.61%
West Street Extension - South (Martin to Cabarrus)	D	Major Catalytic	\$10.00				\$10.0	4.84%
NCDOT Project Partnerships	All	Major Catalytic	\$7.50	\$7.50			\$15.0	7.26%
Streetscapes	All	Major Catalytic	\$1.00	\$1.00	\$1.00	\$1.00	\$4.0	1.94%
Major Corridor/Small Area Plan Implementation	All	Major Catalytic	\$1.00	\$1.00	\$1.00	\$1.00	\$4.0	1.94%
Corridor Sidewalk Improvements	All	Major Catalytic	\$2.50	\$2.50	\$2.50	\$2.50	\$10.0	4.84%
Neighborhood Corridor/Small Area Plan Implementation	All	Neighborhood Connections/Enhancements	\$0.50	\$0.50	\$0.50	\$0.50	\$2.0	0.97%
Safe Routes to School Projects	All	Neighborhood Connections/Enhancements	\$0.50	\$0.50	\$0.50	\$0.50	\$2.0	0.97%
Neighborhood Sidewalk Improvements (Non Petition)	All	Neighborhood Connections/Enhancements	\$0.40	\$0.40	\$0.40	\$0.40	\$1.6	0.77%
Neighborhood Sidewalk Petitions	All	Neighborhood Connections/Enhancements	\$0.60	\$0.60	\$0.60	\$0.60	\$2.4	1.16%
Neighborhood Traffic Management	All	Neighborhood Connections/Enhancements	\$1.00	\$1.00	\$1.00	\$1.00	\$4.0	1.94%
Transit Supporting Projects (Sidewalk/Shelter/Etc)	All	Transit Supportive Infrastructure	\$0.25	\$0.25	\$0.25	\$0.25	\$1.0	0.48%

WTP Project Participation (Transit Project Betterments)	All	Transit Supportive Infrastructure	\$1.50	\$1.50	\$1.50	\$1.50	\$6.0	2.90%
Public-Private Partnerships and Cost Sharing Fund	All	Public-Private Partnerships and Cost Sharing	\$1.00	\$1.00	\$1.00	\$1.00	\$4.0	1.94%
Bond Package Total			\$47.9	\$71.0	\$38.7	\$49.1	\$206.7	100%

Recommendation: Introduce and pass the bond order authorizing \$206,700,000 Transportation Bonds; direct the CFO to file with the City Clerk a Sworn Statement of Debt and a Statement of Estimated Interest; call for a public hearing on the bond order at its July 5, 2017 meeting at 7:00 p.m.; direct the City Clerk to publish the bond order and the related Notice of Public Hearing scheduled for 7:00 p.m. at its July 5, 2017 meeting. Upheld on Consent Agenda Baldwin/Thompson - 8 ayes. See Ordinance 720.

SALE OF SURPLUS PROPERTY – EQUIPMENT – RESOLUTION ADOPTED

City Council approval is required for sales of City equipment estimated to exceed \$30,000 in value. Vehicle Fleet Services has one (1) farm tractor from Public Utilities which is estimated to exceed \$30,000 in value. This equipment is no longer needed and is now considered surplus.

Recommendation: Approval of the resolution authorizing the sale. Upheld on Consent Agenda Baldwin/Thompson - 8 ayes. See Resolution 478.

EAST COLLEGE PARK INFRASTRUCTURE – TA LOVING INCORPORATED – AMENDMENT #2 – APPROVED – VARIOUS ACTIONS TAKEN

The East College Park Infrastructure project is a two and a half year project involving the replacement of utility infrastructure (water and sewer mains) and storm drainage infrastructure in an area of eight city blocks. All work is being performed on a live infrastructure system; existing homeowners are being tied into the new system as the project progresses. Infill mixed income housing will be built in a Neighborhood Revitalization Strategy Area context on the 140 lots the City assembled with CDBG and city bond funds.

The City has contracted with TA Loving to construct necessary infrastructure. This contract amendment expands the scope of the contract to include elements not covered in the original scope of services; specifically the amendment provides for stormwater and other improvements associated with the five townhome sites as well as the extension and realignment of Boyer Street as depicted in the East College Park development plan approved by City Council on June 7, 2016.

The original scope of work consisted of removal and replacement of live infrastructure systems which include water, sewer, and storm drains as well as milling and paving, curb and gutter, utility coordination, and erosion control activities. The original contract scope was based on the construction of only single-family detached units; the 2016 inclusion of townhomes to the plan - while expanding choice and price points for the eventual buyer - necessitates additional

infrastructure work, particularly in addressing stormwater requirements. If the townhome development was being undertaken outside of a City project, the cost of stormwater and related improvements would be passed on to the buyer. In this particular situation the intent is to deliver townhome sites to the selected builder with all necessary improvements in place so that affordable purchase prices can be maintained.

The approved development plan also recommends a 330' extension of Boyer Street, which was also not addressed by the original contract scope.

The contract amendment will be funded with Community Development Block Grant Funds and will not exceed \$1,200,000. All work is scheduled to be completed by June 2018. Funding is appropriated in the FY2016-17 operating budget, the recently adopted FY2017-18 operating budget, and the Capital Improvement Plan. The project is currently ahead of schedule. A budget transfer totaling \$348,725 is necessary to consolidate appropriations; the source of funds is the Southeast Raleigh Affordable Housing capital project.

Name of Project:	East College Park Infrastructure Contract
Managing Division:	Housing & Neighborhoods – Community Development Division
Reason for Council Action:	Contract amendment >\$150,000 (policy)
Vendor:	TA Loving Company
Original Contract	\$5,043,500(Awarded 03/4/2016)
Amendment #1:	\$0 (Regulatory Retainage Change)
Current Encumbered:	\$5,043,500
Amount of this Amendment:	\$1,200,000
Encumber with the Approval:	\$1,200,000
Budget Transfer Required:	\$348,725

Recommendation: Authorize the City Manager to execute a contract amendment in an amount not to exceed \$1,200,000. Authorize a budget transfer in the amount of \$348,725; accounting details were included with the agenda packet. Upheld on Consent Agenda Baldwin/Thompson - 8 ayes. See Ordinance 722 TF 297.

NORTH FOREST OFFICE CONDOMINIUMS OWNERS ASSOCIATION, INC. – REIMBURSEMENT CONTRACT – APPROVED

This reimbursement contract is for conveyance of 3,005.00 square feet of additional right-of-way along Spring Forest Road and Departure Drive and 2,568.28 square feet of permanent slope easement along Spring Forest Road associated with development plan case SR-39-2016. Conveyances are recorded at the Wake County Registry in Book of Maps 2016, Page 29. The total reimbursable amount claimed by the applicant for this contract is \$13,896.81, payable to North Forest Office Condominiums Owners Association, Inc.

The amount of reimbursement has been certified by staff. The reimbursement is in accordance with Unified Development Ordinance Section 8.6.3. This is a priority two reimbursements located within benefit area number two.

Recommendation: Authorize the City Manager to execute the reimbursement contract. Upheld on Consent Agenda Baldwin/Thompson - 8 ayes.

GORALEIGH PARATRANSIT SERVICES – CONTRACT WITH SHARED RIDE TRANSPORTATION SERVICES – MANAGER AUTHORIZED TO SIGN CONDITIONALLY

GoRaleigh is managed by the Department of Transportation and operates fixed-route, contract, and subscription paratransit services throughout the Raleigh jurisdiction and portions of Wake County. The City provides curb-to-curb transportation services to individuals who meet the qualifications of the American with Disabilities Act during the same hours of operation as fixed-route service. The GoRaleigh Access service operates within a width of ¾ of a mile on each side of a GoRaleigh fixed-route and utilizes GoRaleigh Access standard vans, cutaway vehicles, and participating taxi companies.

Under the current transportation model a Mobility Manager coordinates scheduling and dispatch services, and multiple transportation service providers to perform trips, one of these providers being MV Transportation.

On March 6, 2017, Wake Coordinated Transportation Service (WCTS) and the GoRaleigh Access program released RFP #17-020, a joint request for proposals (RFP) for paratransit and human service transportation services. The approach outlined in the RFP was designed to promote accountability of the selected vendor in an effort to receive a superior level of service. Additionally, by procuring a joint vendor with Wake County, both agencies will experience efficiencies due to the economy of scale of services. GoRaleigh Access will continue to utilize existing taxi vendors for the majority of ADA para-transit trips performed; this service model has not changed.

On April 13, 2017, three responses were received. Each proposal was carefully reviewed, based on established criteria, by a committee consisting of staff from Wake County and the City of Raleigh’s Department of Transportation. The RFP process was coordinated by Wake County Procurement staff. The RFP Review Committee considered all responses received based upon the following weighted criteria: Qualifications and Experiences (30%), Approach to Providing Transit Services and Support (30%), and Cost Proposal (40%).

In late May of 2017, WCTS and City of Raleigh staff completed the RFP process and selected MV Transportation, Inc. as the most qualified vendor. The contract details submitted for approval include a contract term of five (5) years, with two (2), two (2) year renewal options.

Pricing Options	Five Year Costs	Annualized
Extended Dispatching	\$ 179,557 Fixed	\$ 35,911

Verification/Billing	\$ 318,997	Fixed	\$ 63,799
GPS Hardware/Software	\$ 8,775	Fixed	\$ 1,755
Airtime-Data Tablets	\$ 38,244	Fixed	\$ 7,649
Revenue Hours Projected	\$5,470,531	Variable 3%	\$1,030,400
Fuel Actual Projected	\$ 796,370	Variable 3%	\$ 150,000
Totals	\$6,812,454		\$1,362,491

The cost of the contract for the initial five year period is projected to be \$6,812,454. This contract will begin August 31, 2017.

Recommendation: Authorize the City Manager to execute the contract, subject to terms and conditions acceptable to the City Attorney. Upheld on Consent Agenda Baldwin/Thompson - 8 ayes.

ELEVATORS, ESCALATORS, AND DUMBWAITERS – OTIS ELEVATOR COMPANY CONTRACT AMENDMENT NUMBER 5 – APPROVED

The Facilities and Operations Division of the Engineering Services Department is responsible for ensuring the elevators, escalators, and dumbwaiters are safe and stay in good operation condition citywide. A professional services contract was executed July 3, 2013 with Otis Elevator Company for preventative maintenance services. The original contract was for three years with the option to renew for two additional years. Contract amendment number five includes extending services for only one year from July 1, 2017 through and including June 30, 2018 under the terms of the initial agreement and subsequent amendments. The amendment will be \$248,538 for the duration of the amendment and requires Council approval because it will exceed the monetary threshold for professional services.

Name of Project:	Elevators, Escalators, and Dumbwaiters Preventive Maintenance
Managing Division:	Engineering Services – Facilities and Operations
Reason for Council Review:	Contract Amount > \$150,000
Vendor:	Otis Elevator Company
Prior Contract Activity:	Original Contract \$695,484
Amendment Number One:	\$4,356
Amendment Number Two:	\$4,092
Amendment Number Three:	\$234,996
Amendment Number Four:	\$945
Amount of this Amendment:	\$248,538
Current Encumbrance:	\$939,873
Budget Transfer:	No
Encumbered with this Approval:	\$1,188,411

Recommendation: Authorize the City Manager to execute the amendment in an amount not to exceed \$248,538. Upheld on Consent Agenda Baldwin/Thompson - 8 ayes.

PERRY CREEK/NEUSE RIVER INTERCEPTOR PARRALLEL PROJECT – CONTRACT WITH WK DICKSON – AUTHORIZED

Nine professional services proposals for qualifications were received on December 20, 2016 for the Perry Creek/Neuse River Interceptor Parallel Project. The project will include approximately 11,900 feet of gravity sewer which will parallel or replace the existing Perry Creek Outfall and part of the Neuse River Interceptor. The project was identified in the 2014 Sanitary Sewer Capacity Study to eliminate surcharging, overflows during peak wet weather, and provide for future growth. This contract for preliminary engineering services includes preliminary design alternatives evaluation, condition assessment of existing infrastructure, preliminary geotechnical evaluation and stream and wetland delineation. Once a detailed scope for final design has been identified, staff will request a contract amendment for final design and construction services. The funds are budgeted in the FY2017 and proposed FY2018 Capital Improvement Program.

Name of Project:	Perry Creek/Neuse River Interceptor Parallel Project
Managing Division:	Public Utilities – Capital Improvements Division
Approval Request:	Contract Award
Reason for Council Review:	RFQ Selection
Original CIP Project Budget:	\$1,300,000
Vendor:	WK Dickson
Prior Contract Activity:	None
Encumbered with this Approval:	\$539,821

Recommendation: Authorize the City Manager to execute contract with WK Dickson in the amount not to exceed \$539,821. Upheld on Consent Agenda Baldwin/Thompson - 8 ayes.

SAFETY PATROL – OFF-STREET PARKING DECKS – CONTRACT WITH DOWNTOWN RALEIGH ALLIANCE – APPROVED

The City has an existing contract for security services with Downtown Raleigh Alliance (DRA) to provide security patrols for parking decks and surface parking lots in the downtown area. The current contract expires June 30, 2017 and a new contract has been proposed to continue this service for the period July 1, 2017 to June 30, 2018. The contract amount for the patrolling of eight parking decks and four surface lots is \$488,014, which reflects a three percent increase from the current contract.

Name of Project:	DRA Safety Patrol FY18
Managing Division:	Transportation – Parking
Request Reason:	Contract Amount > \$150,000
Vendor:	Downtown Raleigh Alliance
Prior Contract Activity:	\$329,589 (TO 32-09, FY10)
	\$339,477 (TO 38-10, FY11)
	\$367,043 (TO 23-11, FY12)
	\$425,985 (TO 35-12, FY13)

	\$432,375 (TO 44-13, FY14)
	\$455,646 (TO 46-14, FY15)
	\$469,315 (TO 45-15, FY16)
	\$477,800 (TO 40-16, FY17)
Previous Budget Transfers:	None
Budget Transfer:	None
New Project Budget:	\$488,014
Currently Encumbered:	\$0
Amount of this Contract:	\$488,014
Encumbered with this approval:	\$488,014

Recommendation: Authorize the City Manager to execute the Contract with Downtown Raleigh Alliance. Contingent upon funding allocated in the FY2018 proposed budget. Upheld on Consent Agenda Baldwin/Thompson - 8 ayes.

PEOPLESOFT TECHNOLOGY ENHANCEMENTS – ERP ANALYSTS, INC. – AMENDMENT NUMBER FIVE – APPROVED

Since 2009 the City has utilized the Oracle PeopleSoft Enterprise Resource Planning software to automate Finance and HR functions throughout the city. The system provides the city with process efficiencies for key business processes via automation and centralization of data, which improves reporting, customer service and increases security. The cross departmental ERP Center of Excellence works to maintain and enhance city business processes by means of the delivered software.

In February 2017, council approved a contract for functional consulting services to assist in requirements gathering, testing and training needs. This functional work resulted in the identification of the specific technical tasks required to implement the software to City specifications. This item addresses the technical software development and system configuration needs of the project.

Staff recommends an amendment to the existing managed services agreement with ERP Analysts, Inc. to provide additional technical implementation services for the Procurement Technology Enhancements project. In September 2015, the City entered into an initial managed services contract with the vendor to provide ongoing operational support of the PeopleSoft system; support for various maintenance aspects of the software is contracted out and not performed by in-house resources. An amendment is needed at this time to expand support to the implementation of the new procurement modules. The amendment will not exceed \$200,000, which falls within the appropriated capital budget for this project.

Name of Project:	Purchasing Technology Enhancements
Managing Division:	Finance Department – ERP Center of Excellence
Request Reason:	Contract amendment approval (contract amendments > \$150,000)
Cause of Contract Amendment:	Project technical implementation needs

Vendor:	ERP Analysts, Inc.
Prior Contract Activity:	Original Contract \$100,000
Amendment One:	\$204,000
Amendment Two:	\$200,000
Amendment Three:	\$85,000
Amendment Four:	\$216,000
Amount of this Amendment:	\$200,000

Recommendation: Authorize the City Manager to execute the contract amendment. Upheld on Consent Agenda Baldwin/Thompson - 8 ayes.

PAINTING – EXTERIOR AND INTERIOR OF VARIOUS PARK FACILITIES – BID AWARDED TO ROSE PAINTING, LLC

In order to maintain public facilities, the Parks, Recreation and Cultural Resources Department utilize contractual services to paint the interior and exterior of buildings each year.

A Request for Proposals process was completed and three vendors submitted responses. Following staff review, the proposal submitted by Rose Painting, LLC was selected based on experience, references and pricing. The contract includes Anderson Point, Barwell Road, Greystone, Green Road, Halifax, Lake Johnson, Marsh Creek, Millbrook Community Center, Peach Road and Powell Drive. For services to be performed under this contract, the City shall pay the vendor an amount not to exceed \$183,116.

Recommendation: Authorize the City Manager to execute the contract in an amount not to exceed \$183,116. Upheld on Consent Agenda Baldwin/Thompson - 8 ayes.

PERSONNEL CHANGES – VARIOUS CHANGES – VARIOUS - APPROVED

The proposed position reclassifications below has been reviewed by the Human Resources Department. The fiscal impact of the reclassification will be absorbed within existing salary and benefit appropriations.

Housing & Neighborhoods

Reclassification of a vacant Senior Customer Service Representative (Job Code 000068, PG 27, Position Control Number 4084) to Senior Business Assistance Program Manager (Job Code 000476; PG 40). The position will support economic development efforts in the Office of Economic Development & Innovation.

Public Utilities

PU Service Specialist (Job Code 004906); Pay Grade 24; Vacant in Position Control Number: 00003892) to Senior Systems Analyst/Programmer (New Position; Pay Grade 37). This reclassification is a 13 pay grade increase. The position is needed to ensure data management and data integrity within the Public Utilities Department for the purpose of system modeling, asset management, project planning and supporting field operations. This is achieved through

management of GIS databases, application development for web mapping including PUMA and various Collector applications, digitizing as-builts of new construction projects and providing data and map products for internal and external customers.

This request for a position reclassification is a reflection of the evolution of demands being placed on the GIS section. To work efficiently with the data from Cityworks and Mobile applications rather than manual editing will require custom GIS software tools, analysis models and applications for automation and quality control of GIS processes to improve data availability and data quality. Improved workflow efficiencies and data quality are critical to ensure GIS data is available and accurate for departmental consumption. The addition of high end GIS analysis skills and knowledge will also assist in system modeling and asset management analysis.

Recommendation: Authorize the positions reclassification. Upheld on Consent Agenda Baldwin/Thompson - 8 ayes.

ENCROACHMENT REQUESTS – CRUSADER DRIVE AND EAST LANE STREET/NORTH TARBORO STREET/OAKWOOD AVENUE/HILL STREET AND MILBURNIE ROAD – APPROVED CONDITIONALLY

The agenda presented the following encroachment requests.

618 Crusader Drive

A request has been received from Level 3 Communications to install 1,400 feet of underground fiber optic cable.

East Lane Street/North Tarboro Street/Oakwood Avenue/Hill Street And Milburnie Road

A request has been received from MCNC to install 8,890 feet of underground fiber optic cable and 12 hand holes to access existing conduit.

Recommendation: Approve the encroachments subject to completion of a liability agreement and documentation of proof of insurance by the applicant. Upheld on Consent Agenda Baldwin/Thompson - 8 ayes.

BUDGET AMENDMENTS AND TRANSFERS – VARIOUS – ORDINANCE ADOPTED

A budget transfer is necessary to consolidate residual funding from completed capital projects into the Stormwater System Repairs general account in order to utilize the funding for stormwater system repair projects with primarily focus on unplanned, emergency repairs of existing public stormwater infrastructure. Due to an increase in high-priority repair projects following impacts from recent heavy rains, the FY 2017 allocation of \$500,000 has been nearly exhausted. Project residuals totaling \$232,318 will be transferred from various projects to this action in order to supplement the account.

Transfers included allocations relating to the East College Park Development Project and distribution of funding from the sale of the Plummer T. Hall House. Accounting details were included in the agenda packet.

Recommendation: Approval of the budget amendments and transfers. Upheld on Consent Agenda Baldwin/Thompson - 8 ayes. See Ordinance 722 TF 297.

E.M. JOHNSON WATER TREATMENT PLANT/CLEARWELL REHABILITATION PHASE 1 – MANAGER AUTHORIZED TO CONTRACT WITH ENGLISH CONSTRUCTION COMPANY

Two construction bids (Re-Advertised Bid Opening) were received May 25, 2017 for the E.M. Johnson 12 MG Clearwell Rehabilitation Phase 1 project. The 12 million gallon clearwell is composed of three clearwell sections constructed at various times over the years (1965, 1972 and 1980). During the phase 1 rehabilitation 36-inch influent valves, 42-inch effluent sluice gates and 16-inch drain valves for each clearwell section will be removed and replaced. Work in this phase will also include the underwater repair of concrete expansion joints and the leak testing of the various existing concrete construction joints and cracks in preparation for the Phase 2 portion of the Rehabilitation project. English Construction Company, Inc. was the low bidder in the amount of \$2,880,925 with a 1% Minority and Women Business Enterprise (MWBE) participation plan. The office of MWBE and Public Utilities have reviewed the documentation and verified that a good faith effort to gain MWBE participation was made. The funds are budgeted in the FY2017 and proposed FY2018 Capital Improvement Program.

Name of Project:	E.M. Johnson Water Treatment Plant 12 Million Gallon Clearwell Rehabilitation Phase 1
Managing Division:	Public Utilities – Capital Improvements Division
Approval Request:	Bid Award
Reason for Council Review:	Formal Bid Award
Original CIP Project Budget:	\$3,600,000
Construction Bid Award:	\$2,880,925
Vendor:	English Construction Company, Inc.
Prior Contract Activity:	None
Encumbered with this Approval:	\$2,880,925

Recommendation: Award the contract to English Construction Company in the amount of \$2,880,925 and authorize the City Manager to execute the contract. Upheld on Consent Agenda Baldwin/Thompson - 8 ayes.

DUKE ENERGY CENTER FOR PERFORMING ARTS – FIRE SAFETY UPGRADE PROJECT – MANAGER AUTHORIZED TO EXECUTE CONTRACT WITH J. WAYNE POOLE, INC.

On June 1, 2017, three bids were received for the Duke Energy Center for Performing Arts (DECPA) – Raleigh Memorial Auditorium Fire Safety Upgrades Project. This project involves

improvements to the fire alarm system, egress, and lighting at the Raleigh Memorial Auditorium at DECPA. The lowest bid received was from J. Wayne Poole, Inc. for \$1,410,200 including 10 percent construction contingency. The Business Assistance Program Office has reviewed documentation demonstrating good faith effort for Minority and Woman Business Enterprise (MWBE) participation and there will not be MWBE involvement in this contract.

Name of Project:	DECPA – RMA Fire Safety Upgrades – Fire Alarm System, Egress and Lighting Improvements
Managing Division:	Engineering Services – Construction Management
Approval Requested:	Bid award
Reason for Council Review:	Formal bid award
Vendor:	J. Wayne Poole, Inc.
Prior Contract Activity:	N/A
Budget Transfer:	No
Encumbered with this approval:	\$1,410,200

Recommendation: Award the bid to J. Wayne Poole, Inc. in an amount not to exceed \$1,410,200 and authorize the City Manager to execute the contract. Upheld on Consent Agenda Baldwin/Thompson - 8 ayes.

TRAFFIC – VARIOUS CHANGES – APPROVED – ORDINANCE ADOPTED

The agenda presented the following recommended changes to the Traffic Code.

Speed Limit Reduction – Dell Drive And Follow Me Way

It is recommended that the speed limit be reduced from 35 mph to 25 mph Dell Drive and Follow Me Way. Dell Drive and Follow Me Way are both classified as Neighborhood Local and are constructed to typical residential street standards. Staff received a signed petition representing at least 75 percent of residents or property owners along each street in support of a speed limit reduction.

No Parking -1900 Fairview Road

It is recommended that a No Parking Zone be established on the north side of the 1900 block of Fairview Road.

A petition was received from the affected homeowners of the 1900 block of Fairview Road to restrict parking along the north side of the roadway. This request was due to constant concerns about the lack of access for emergency vehicles when cars are parked along both sides of the roadway, as well as issues with citizens parking too close to the residents’ driveways making it impossible to see oncoming traffic.

No Parking Zone – Charles Drive

It is recommended that a No Parking Zone be established on the east side of the 2200 Block of Charles Drive.

Staff received a request from the Crabtree Chiropractic Center that their employees and patrons were having problems turning onto Charles Drive from Lead Mine Road, and vice versa, due to vehicles continuously parking along both sides of Charles Drive which limits sight distance and impacts safety margins in the travel lanes. The proposed change will also ensure adequate clearance for emergency vehicles in the event of an emergency.

Multi-Way Stops – Alm Street And Hiking Trail

It is recommended that multi-way stops be installed at the intersection of Alm Street at Bruckhaus Street and at the intersection of Hiking Trail at Cub Trail. Alm Street and Bruckhaus Street are both classified as Two-Lane Avenues. Hiking Trail is classified as a Neighborhood Street and Cub Trail is classified as a Neighborhood Local. These intersections meet or exceed the criteria specified in Section Four of the Neighborhood Traffic Management Program (NTMP) adopted by the Raleigh City Council.

Rosengarten Residential Parking Permit “R” Zone

It is recommended that a Two-Hour Residential Parking Permit Zone be established for the Rosengarten Park community.

Staff has been working with the residents in this area since November, 2016 concerning daily parking congestion on their streets. After a period of monitoring, it was determined this problem was largely the result of downtown employees parking outside of the downtown periphery to avoid paying for parking, as well as an overflow of parkers from the train station. Staff subsequently received petitions from the residents of the Community requesting that their blocks be zoned residential permit parking. Many of these homes do not have driveways and residents must rely on on-street availability. This will be Controlled Parking Residential Area “R”. The request has met the requirements of City Code Section 11-2182.

Further to this request, staff also recommends that a No Parking Zone be established on the west side of the 500 block of Florence Street in order to improve two-way traffic flow and ensure adequate clearance for emergency vehicles in the event of an emergency. Staff has spoken with the Assistant Director of Project Enlightenment, the sole property on the west side of the block, and they are in full support of the proposed changes.

Recommendation: Approve and authorize the appropriate changes in the traffic schedule as included in the agenda packet. Upheld on Consent Agenda Baldwin/Thompson - 8 ayes. See Ordinance 723.

END OF CONSENT AGENDA

FINANCE – PETTY CASH PROCEDURE – ORDINANCE ADOPTED

The Fiscal Control Act states that payments by cash are not allowed and directs that all bills, invoices, salaries, or other claims be paid by check or draft on an official depository. In 2015 the North Carolina General Assembly, realizing that many municipalities use petty cash accounts for small dollar items and emergencies, officially allowed local governments to use petty cash. This new rule stipulates that a unit's governing board adopt an ordinance authorizing the use of cash, and to specify the limits of the use of cash. The Finance department has reduced the number of petty cash accounts in use; these are small dollar transactions with adequate controls in place. A draft ordinance was included with the agenda packet.

Council Member Cox pointed out he withdrew this from the consent agenda pointing out he understands the City has been using the petty cash procedure for quite some time and have specific limits of \$25 per day and where the funding would come from. He questioned why not put the limits in the ordinance. Finance Director Allison Bradsher indicated that would be up to Council. She stated it was not included in the Ordinance as it would require coming to Council any time the internal policy is changed. She stated this is used very little and mostly with businesses that do not accept credit cards. Council Member Cox questioned if there is any unintended consequences if the limits were put in the ordinance with Finance Director Bradsher indicating, there would be no unintended consequences other than any changes in the internal policy having to come back to Council. She explained there are internal audits that are performed. Council Member Cox questioned who has been setting the policy on the amounts in the past. Finance Director Bradsher indicated the department would make the recommendation and the City Manager would approve. Council Member Cox moved approval of the ordinance with the amendment that it include the limits of \$150 and \$25 per day as explained. His motion was seconded by Council Member Crowder.

Discussion took place on what happens now if someone needs to make a purchase and it is over the \$25 and whether there have been any problems, etc. Finance Director Bradsher indicated there have been no problems it has just been determined that the City's petty cash policy needed to be authorized by ordinance to bring our policy into compliance. She stated the ordinance simply allows us to use our current petty cash procedure. The motion as stated was put to a roll call vote which resulted in all members voting in the affirmative. The Mayor ruled the motion adopted on an 8-0 vote. See Ordinance 721.

ENCROACHMENT REQUEST – PRECISION DRIVE/DATA COURT/TARHEEL DRIVE/ST. ALBANS DRIVE/NEW HOPE CHURCH ROAD/SAWMILL ROAD/HORIZON DRIVE AND HILBURN DRIVE – APPROVED CONDITIONALLY: ENCROACHMENT – LENOIR STREET – STAFF TO PROVIDE ADDITIONAL INFORMATION

The agenda ended a request has been received from Sprint Communications to install 5,795 feet of underground conduit and 8 hand holes along Precision Drive/Data Court/Tarheel Drive/St. Albans Drive/New Hope Church Road/Sawmill Road/Horizon Drive and Hilburn Drive.

A request has been received from Mobilite LLC to install 47 foot wooden utility pole with antenna equipment at top for an overall height of 47 feet. The agenda indicated additional information was included in the agenda packets.

Recommendation: Approve the encroachments subject to completion of a liability agreement and documentation of proof of insurance by the applicants.

Council Member Crowder indicated she withdrew these items from the consent agenda pointing out we are receiving a lot of requests for cell towers and everyone knows that they are needed for service coverage, etc. She questioned why these towers could not be incorporated into existing poles or underground sources and asked if we need to come up with some type additional requirements, etc. She stated she is concerned about the location of the utility pole with the antenna equipment proposed on Lenoir Street and questioned if it could be put at some other location as she sees this as a potential safety hazard.

Noah Otto, Development Services, pointed out when the requests are received, if the City sees a safety problem they do work with the applicant on other locations. He talked about the locational requirements and stated as far as the Lenoir Street location is concerned this seems to be the best location. Council Member Crowder questioned if it could be placed outside the right-of-way. Mr. Otto again talked about looking at the location, needs, etc., and stated staff has been working with staff from Greensboro, Charlotte and Winston-Salem to come up with a model ordinance/location criteria, etc. He stated however there is a bill pending in the General Assembly that limits the City's ability on some of this type infrastructure.

Council Member Crowder pointed out the City goes through a lot of trouble relating to the replacement of trees, etc., and keeping things out of the right-of-way but then allow this type encroachment. She questioned how many of this type encroachment has been approved recently with Mr. Otto talking about the number of applications and the number in the system. Mr. Otto pointed out once the General Assembly takes action on eh pending legislation, staff would like to move forward with the model ordinance. He stated once the model ordinance is drafted by the various cities, the city attorneys could look at the ordinance to determine if we comply with all of the new requirements. He stated at that time hopefully they could put an item in work session to get guidance and talk about the proposal.

Council Member Stephenson asked how this technology merges with existing technology and Council Member Crowder questioned if there is another location along Lenoir Street for this particular tower. Mr. Otto pointed out he would be glad to continue working with the company to review possible other locations. Council Member Crowder moved approval of the request by Spirit Communications to install the 5,795 feet of underground conduit and 8 hand holes as requested but hold the request from Mobilite, LLC to install the wooden utility pole on Lenoir Street and asked staff to go back and work the company on other possible locations. Her motion was seconded by Council Member Branch.

Council Member Gaylord talked about the photographs showing the proposed location and questioned if the proposed site were moved to the other side of the railroad, if it would meet the requirements. Mr. Otto stated he could not answer that as he knows there are specific requirements about locations and certain service requirements. Council Member Crowder pointed out she understands we need coverage but we also need to protect the public's interest the motion to approve the request by Spirit Communications and ask staff to do further research on the request by Mobilite on Lenoir Street was put to a vote which resulted in all members voting in the affirmative. The Mayor ruled the motion adopted on an 8-0 vote.

REPORT AND RECOMMENDATION OF THE PLANNING COMMISSION

REZONING Z-1-17 – FALLS OF NEUSE ROAD – PUBLIC HEARING SET FOR JULY 5, 2017

This is a request to rezone property from Neighborhood Mixed Use-Three Stories-Parking Limited-Conditional Use (NX-3-PL-CU) to that same category, but with revised conditions. The property is located along the east side of Falls of Neuse Road at its intersection with Strickland Road. The request is consistent with the Future Land Use Map and most pertinent policies of the Comprehensive Plan. Conditions limit permitted uses; limit total commercial use to 60,000 square feet; provide a transit easement and shelter; and address impacts on adjacent properties.

The Planning Commission recommends approval of Certified Recommendation 11787 by a vote of 7-0. Staff suggests a public hearing date of July 5, 2017.

Recommendation: Set a public hearing for the proposed rezoning on July 5, 2017.

Planning Commission Chair Braun and Planning Director Bowers were present to answer questions. Council Member Stephenson moved approval of the recommended action. His motion was seconded by Council Member Crowder and a roll call vote resulted in all members voting in the affirmative. The Mayor ruled the motion adopted on an 8-0 vote.

REZONING Z-8-17 – FOX ROAD – PUBLIC HEARING AUTHORIZED FOR JULY 5, 2017

This is a request to rezone property from Residential-4 (R-4) to Residential-10-Conditional Use (R-10-CU). The property is located northeast of the Fox Road and Malone Court intersection.

The request is consistent with the Comprehensive Plan. Conditions prohibit the construction of the apartment building type.

The Planning Commission recommends approval of CR-11786 by a vote of 7 to 0. Staff suggests a public hearing date of July 5, 2017.

Recommendation: Authorize Public Hearing on July 5, 2017. Council Member Crowder moved approval of the recommendation to schedule the hearing. Her motion was seconded by

Council Member Branch and a roll call vote resulted in all members voting in the affirmative. The Mayor ruled the motion adopted on an 8-0 vote.

TC-3-17 – ACCESSORY DWELLING UNIT OVERLAY DISTRICT – PUBLIC HEARING AUTHORIZED FOR JULY 5, 2017

TC-3-17 is a proposal to create an Accessory Dwelling Overlay District (-ADOD). The proposed text change would add standards for accessory dwelling units to the UDO and make them applicable to this new overlay district. If this text change is approved, neighborhoods could request the application of the overlay district via the rezoning process, permitting the construction of Accessory Dwelling Units, subject to all pertinent -ADOD and other zoning regulations.

The Planning Commission recommends approval of CR-11785 by a vote of 7 to 0. Staff suggests a public hearing date of July 5, 2017.

Recommendation: Authorize public hearing on July 5, 2017. Council Member Crowder moved approval. Her motion was seconded by Council Member Branch and put to a vote which resulted in all members voting in the affirmative. The Mayor ruled the motion adopted on an 8-0 vote.

SPECIAL ITEMS

REZONING Z-4-17 – M.E. VALENTINE DRIVE – PUBLIC HEARING AUTHORIZED FOR JULY 5, 2017

This is a request filed by Stanhope Center, POA and Provident Group Stanhope Properties to rezone property from Planned Development with Special Residential Parking Overlay District (PD w/SRPOD) to Residential Mixed Use-12 Stories-Conditional Use with Special Residential Parking Overlay District (RX-12-CU w/SRPOD). The property is located along the south side of M.E. Valentine Drive, east of Concord Street.

The request is consistent with the Future Land Use Map and pertinent policies of the Comprehensive Plan. Conditions restrict certain uses, limit overall development intensity and building height, and provide for a transit easement and bicycle parking. The Planning Commission recommends approval of the request.

This request was received by the City Council on May 2, 2017. A signed version of the conditions recommended for approval by the Planning Commission had not yet been provided, preventing a public hearing date from being set at that meeting or at subsequent City Council meetings.

The UDO states that the City Council shall conduct a public hearing following the receipt of the case from the Planning Commission, and that notice for that hearing be provided within 60 days of receipt. In order to meet this code requirement, City Council must take action during the June

20, 2017 meeting to authorize a public hearing. If a signed copy of the conditions recommended by the Planning Commission has not yet been provided prior to the June 20, 2017 meeting, City Council must authorize the hearing using the January 27, 2017 version that accompanied the original petition.

Planner Bynum Walter explained the time requirements pointing out additional conditions have not been received; however, because of the statutory time limits, the public hearing has to be set within 60 days which would require a public hearing on July 5, 2017. She stated the conditions the Planning Commission had recommended the applicant submit have not been received. She presented information on the conditions included in the original submission, what the Planning Commission had recommended but not received and explained the hearing would have to go forth with the conditions as originally submitted. She pointed out once the hearing is held and closed the Council could hold the item and the applicant could submit conditions. In response to questions, she explained the time line and procedure.

Attorney Mack Paul explained about the reason for the rezoning was to allow some changes in the courtyard easement area. Council Member Baldwin moved approval of the July 5, 2017 public hearing. Her motion was seconded by Council Member Crowder. Mayor McFarlane pointed out the original case had a number of conditions and she understands that some of those conditions have not been met and asked that it be checked on. The motion was put to a vote which resulted in all members voting in the affirmative. The Mayor ruled the motion adopted on an 8-0 vote.

PUBLIC PRIVATE PARTNERSHIPS APPROVED; ANNUAL REPORTS/REVIEW TO BE SUBMITTED

During the March 31 work session, staff discussed a potential framework for public/private partnerships with the City Council. Based on Council feedback, staff has developed and will present a draft public/private partnership policy for evaluating future investment partnerships for transportation infrastructure.

Transportation Director Michael Rogers provided a brief history of review of a possible public/private partnership policy. He explained at the June 6, 2017 Council Meeting, the City Council approved a motion prioritizing the following three projects for consideration as a public private partnership.

Highwoods Boulevard sidewalk from Atlantic Avenue to Capital Boulevard.
Oberlin Road Roundabout at Van Dyke Avenue
YMCA Street Improvements at Rock Quarry Road

He stated these three projects would likely use a majority of the public private partnerships (P3) funding recommended for inclusion in the 2017 transportation bond package however if all three projects were advanced there would still be sufficient funds available for distribution.

City of Raleigh Public/Private Partnership Policy

Purpose

The purpose of this policy shall be to assist City staff with determining the types of private projects that the City should consider supplementing with public funds. These agreements with private developers or other entities would facilitate the installation of improvements with public benefits above and beyond what a private party could accomplish on their own. This policy should not be used to assist with costs associated with development-related impacts or exactions.

Eligibility

Any project considered for a public/private partnership should meet at least one or more of the following weighted criteria:

1. The project is recommended in an adopted area or corridor plan. (10)
2. The project is already included in the adopted Capital Improvement Program. (10)
3. The project is within the top quartile of previous City project rankings adopted by the City Council. (10)
4. The project is located within an Economic Development area, as described in Map ED-1 in the adopted 2030 Comprehensive Plan. (5)
5. The project is consistent with City's Adopted Street Plan, as described in Map T-1 in the adopted 2030 Comprehensive Plan. (5)
6. The project is within an identified Safe Routes to School project area. (5)
7. The project would provide direct benefit to the Wake Transit Plan. (10)
8. The project is within 0.25 miles of city-funded affordable housing project. (10)
9. The project provides access to a public amenity (school, library, etc.). (10)
10. The project addresses a documented safety concern. (10)
11. The private partner offers a higher degree of financial participation. (5)
12. The project enhances the character of an area. (10)

Projects shall be scored against the criteria as weighted above. Projects with a minimum score of **XX** shall be considered for funding.

In no case shall the City consider a financial partnership for improvements that are necessary to mitigate a traffic or environmental impact generated by a development plan and required by either the City or by a state agency.

Funding

The City Council shall consider designating a funding source for Public/Private Partnerships on an annual basis as part of the Capital Improvement Program. This policy shall not obligate the City to enter into a partnership if funds are not sufficient to meet the proposed terms of the agreement.

Terms

The following terms shall be a starting point for developing an agreement:

- Design – The Developer shall be responsible for 100% of the costs associated with design and survey required to develop construction plans for the project.
- Permitting – The Developer shall be responsible for 100% of the costs associated with all permitting requirements necessary to initiate construction of the project.
- Right-of-way and Easements – The Developer shall be responsible for providing 100% of the right-of-way and easements necessary to construct the project.
- Construction – The City and the Developer shall each contribute 50% to the cost of the project. In no case shall the City contribute more than 50% of the cost of a project.
- Construction Administration – The Developer shall be responsible for providing for 100% of all costs associated administering the construction of the project, including any materials testing associated with construction.
- Financial – Upon the execution of the agreement, the Developer shall deposit with the City all funds necessary to cover their costs for the project as outlined above.

Approval Process

The following process will be used to advance projects for public funding partnerships.

1. Staff will evaluate the request from a developer to enter into a public/private partnership. The staff review will determine if the improvements requested by the developer would otherwise be required by a development-related activity, and if there is sufficient public benefit that would result from such a partnership.
2. If staff determines that a project has sufficient eligibility and public benefit, then staff will draft a legal agreement with terms consistent with the standard terms included in this policy. If alternate terms are proposed, the City Manager's office shall be involved with determining the adequacy and appropriateness of any alternate terms.
3. Once the terms have been mutually agreed to by both parties, the draft agreement shall be submitted for approval to the City Council.
4. In the event staff does not advance a project for Council consideration based upon the evaluation criteria or other eligibility, the applicant may appeal directly to the City Council for consideration

Mr. Rogers pointed out this policy was developed as there will be projects coming in and there needs to be a way to evaluate. He explained staff will evaluate requests from a developer that is, consider the public benefit, etc., staff would draft an agreement for submission to the City Council for approval. The criteria also includes an appeal process. He indicated the standard terms of the agreement include the following:

- Design – 100% developer
- Permitting – 100 developer
- Right of way and Easements – 100 developer

- Construction Administration – 100% developer
- Construction – 50% city and 50% developer

Mr. Rogers highlighted the information pointing out there are guidelines. He stated as the city starts receiving requests for new projects, this is the process that would be used to consider and make recommendations. He went over the proposed criteria and weighting and gave examples of how the previous projects would rate and how it would be used to consider requests. He stated the suggestion has been that the minimum score be 20 and talked about other projects and how they would be rated under the proposal.

Discussion took place with Council Member Stephenson asking for clarification about the public benefit and how that enters into the discussion with Transportation Director Rogers explaining the guidelines, what would be considered as public benefit such as creation of jobs, consistency with the plans, equity, community benefit, etc. He stated the City Council would have the final decision. Council Member Thompson talked about being good stewards of the taxpayers' money and the competitiveness that could enter into the projects and expressed concerns about inflated construction cost which may benefit a developer. Transportation Director Rogers pointed out all cost estimates, designs, etc., would be verified by City staff.

Council Member Gaylord talked about a 20 point minimum score stating that is probably a good starting point but as we proceed we may get more qualified projects and talked about the possibility of this becoming political the need for the threshold to be higher. Council Member Branch talked about the need to keep an eye on this and may be 20 could be used as a pilot for the first year, and see how it works out but stressed the need for periodic review. How to keep it from becoming political and the need to review was talked about after which Council Member Baldwin moved approval of the policy with the minimum score of 20 and with the understanding there would be an annual review of the program. Her motion was seconded by Council Member Gaylord and a roll call vote resulted in all members voting in the affirmative. The Mayor ruled the motion adopted on an 8-0 vote.

REPORT AND RECOMMENDATION OF THE CITY MANAGER

AFFORDABLE HOUSING GOALS – UPDATE – REVISED GOALS APPROVED

During the February 17, 2017 work session, the Housing and Neighborhoods Department outlined affordable housing production goals and a review of affordable housing tools used by the City of Asheville and the Town of Chapel Hill. At that time, the Department indicated that an "aspirational goal" of 6,700 units over a ten year period would be feasible by fully utilizing available resources. Staff was directed to provide follow-up information comparing Raleigh's affordable housing commitment to peer cities and addressing the issue of "net loss" within the affordable housing stock.

A follow-up report submitted to Council in April found that Raleigh commits more funding to affordable housing than peer cities, with Asheville being the single outlier. The report also addressed the functioning of the market in creating "naturally occurring affordable housing" and

the inability to adequately calculate a net loss as a result. Despite having a population growth substantially above peer cities, Raleigh is still more affordable and has a slightly lower percentage of cost-burdened renters. This phenomenon was largely attributed to the City's unconstrained market which produces supply in response to demand. With respect to production goals, the report noted that there were many unknowns relative to the impacts of proposed tax reform on the low income housing tax credit industry.

Since the follow-up report staff has been in conversation with multiple tax credit developers who have further confirmed the challenges in the current market. The affordable housing market is unpredictable due to potential policy changes with 4% Low Income Housing Tax Credit program projects being most adversely impacted. Most notably, a 4%, 180 unit affordable rental project awarded tax credits in 2016, with previous gap financing from the City awarded in 2001, is now questionable.

The previously noted "aspirational" goal of 6,700 affordable units over a ten year period was based on 400 units of annual production through the 4% program. Given the continued uncertainty in the affordable housing market, staff believes an "aggressive" goal of 300 units annually to be more realistic. Coupled with production under the 9% program, the total number of tax credit units annually would be reduced from 550 to 450. It should be noted that such a production level would still be substantially higher than the 125 annual units produced before the adoption of the Affordable Housing Improvement Plan.

Looking further out, should the 4% program continue to have limited utility or be eliminated altogether, alternatives that might be considered is a greater focus on the purchase of existing units or a voucher program. While these are possible options, neither alternative would leverage other financial resources to the extent that the 4% program does. In the context of this information, a revised production goal of 5,700 units is the staff recommendation.

The following elements of the adopted Strategic Plan are linked to this recommendation:

Strategic Plan – Safe, Vibrant, and Healthy Community

- Objective 2: Preserve and increase the supply of housing for all income groups, including those with supportive service needs.
- Initiative 2.3: Seek new partnerships for the development of mixed-income housing in or near the Downtown area.
- Initiative 2.4: Pursue affordable housing goals as outlined in the Affordable Housing Improvement Plan and approved by City Council.

Recommendation: Adopt the revised affordable housing production goal of 5,700 units over a ten (10) year period.

Assistant City Manager Adams-David introduced the item and talked about the information that has been provided.

Housing and Neighborhoods Director Larry Jarvis stated staff is asking the Council to adopt the revised affordable housing goals. He went over information on what constitutes affordable housing. He stated persons are generally eligible for some type housing assistance if they have incomes below 80% of the area median income. He stated we have almost 32,000 households which are considered cost burden as they pay more than 30% of their income towards housing. He stated here we are just looking at rental but the good news is that when compared to peer cities nationally we are more affordable. He talked about comparisons with various cities and the income limits and the number of cost burden rentals. He went over past figures compared to now. He stated despite the fact that Raleigh is growing rapidly we are still better off than a lot of our peer cities. He talked about some of the market dynamics and pointed out one of the biggest is rights allowed by Raleigh zoning which allows the market to respond to the rental demand. He stated the market is constantly creating what we call "Naturally Occurring Affordable Housing" (NOAH) as properties age. He stated an example of that is the garden type apartments that were built in the 80s which represent the bulk of what we all Naturally Occurring Affordable Housing and referred to areas of the City where there are large concentrations of this type housing. He talked about the fact that we can track the demolition of apartments but we cannot accurately calculate net loss because of NOAH.

Mr. Jarvis talked about what the city is doing to address the situation and pointed out the City Council passed the Affordable Housing Plan and Location Policy in the Fall 2015, passed a penny on the property tax in the summer of 2016, took action making affordable rental production a top priority, committing to and producing more affordable rental units and land disposition. He talked about the units in the pipeline and pointed out there are some external factors at work such as the tax reform uncertainty which has adversely impacted the 4% program, greater financial gaps associated with proposed tax reform and the long term picture being unclear making investors hesitant.

Housing and Neighborhoods Director Jarvis indicated given all of this information, staff recommends the City reduce our 4% goal from 400 units to 300 units annually and coupled with the 150 units in the 9% program would produce a total of 450 units or the equivalent of 4,500 units over 10 years. He stated adding that to the other forms of assistance, it would bring the annual number of affordable units to 570 per year (450 rental; 50 home rehabs; 20 homeownership and 50 down payment assistance) or 5,700 every 10 years. He talked about opportunities such as consulting with the School of Government on affordable housing incentive programs that will actually allow the private sector to take advantage of the program; having a round table discussion with market rate apartment developers to explore how to make housing more affordable. He stated if the 4% program goes away it is suggested that we proactively seek to preserve affordable units through acquisition and/or consider voucher programs. He talked about the Wake County Housing Plan and working together to look at innovative ways to address the situation. He talked about Seattle, Washington which is looking at partnering with the private community to create what is called an amenity free zone or apartments, that is, units that are fairly standard but do not have all of the amenities such as fitness centers, swimming pools, barbecue pits, fire pits, etc. They are stripped down because they want them to be affordable. They may not be as affordable to low income people but are more affordable than luxury units that that we are seeing put on the ground.

Mayor McFarlane stated she had been talking with a group of developers who are interested in having that kind of discussion and she would be happy to provide the names when and if the staff gets to that point. Mr. Jarvis talked about the 4% program and how we need to be proactive in preserving affordable housing units through acquisition, working with problems, possibility of considering a voucher program, etc.

Council Member Gaylord indicated he heard of an idea recently and while he has not vetted it at all it was intriguing and that was rather than offering vouchers, offer insurance for rent payments to landlords with Mr. Jarvis pointing out he would be happy to look into that.

Council Member Branch questioned how far along the City is in consulting with the School of Government that is where do we stand in that conversation. Mr. Jarvis talked about how it had been discussed over the years and pointed out they will be in contact with and working with the School of Government. Council Member Baldwin suggested meeting with Wake County also.

Council Member Stephenson talked about our current zoning and whether there are negative impacts on affordable housing and how it is developed pointing out one of the things relates to required parking and the impact that might have on the development of affordable housing. He stated we talk about development of affordable housing in locations that have good access to transit and he would be interested to hear what the representatives of the Institute of Government would have to say about that and would have to say about the amenity free zoning. He stated he would like to have information on the wisdom of reducing or eliminating parking requirements and associated with units being developed for affordable housing. He also stated he understood Mr. Jarvis to say it is difficult to track the loss of affordable units but pointed out we have a number of apartment and realtor associations which track rents throughout the Triangle and it seems that that would be a good way to get some measure of the rental rates that fall into the NOAH. He stated that should give us some trend lines. He also talked about the charts that were presented relating to rates going up, rental incomes declining, the gaps that everyone is having to deal with and if we could get that type information it would help the City know whether we are in reality, winning or losing as it relates to net affordable units.

Council Member Baldwin moved approval of the Affordable Housing Goal for 2017 to 2027 be 5,700 affordable units over a ten year period. Her motion was seconded by Council Member Gaylord and put to a vote which resulted in all members voting in the affirmative. The Mayor ruled the motion adopted on an 8-0 vote.

Council Member Cox questioned if there is any information on how long people remain cost burdened, is it for life or is it because of change of jobs, salary increases, decreases, is there a trend pointing out this talks to the question of social ability, that is, the ability of people being able to move up from the bottom into higher levels of income, etc. He stated he does not know if that information is available or how hard it would be to get but he would be interested in having that information. Mr. Jarvis stated he could do some research and report back.

SPECIAL COMMITTEES

RALEIGH HISTORIC DEVELOPMENT COMMISSION – PLUMMER T. HALL HOUSE – VARIOUS ACTIONS TAKEN

The Raleigh Historic Development Commission (RHDC) has been tasked with the sale of an historic property located at 814 Oberlin Road, the Plummer T. Hall House. A Request for Proposals (RFP) was issued in February 2017. One proposal was received and evaluated by staff and the RHDC. The proposal from Preservation North Carolina for \$245,750 meets all requirements of the RFP. Capital Area Preservation also recommends that the proposal be accepted. In addition to the acceptance of the proposal, staff and the RHDC seek authorization to utilize funds from the RHDC-administered City Preservation Revolving Fund to allow the proposer to complete this project. Budget amendments which total \$561,750 are necessary; accounting details were included with the agenda packet.

Recommendation:

1. Accept the proposal for The Historic Preservation Foundation of North Carolina (a.k.a. Preservation North Carolina) to purchase and rehabilitate the Rev. Plummer T. Hall House at 814 Oberlin Road for not less than \$245,750.
2. Authorize staff to execute land sales contracts, leases, and related documents associated with the conveyance of the improved lot.
3. Authorize staff to disburse \$175,000 from the Preservation Revolving Loan Fund.
4. Authorize budget amendments totaling \$561,750 to execute the agreement.

Tania Tully, City Planning, explained the issue and responded to questions relative to funding budget amendments, etc. Council Member Baldwin moved approval of the recommendations action as outlined. Her motion was seconded by Council Member Gaylord and a roll call vote resulted in all members voting in the affirmative. The Mayor ruled the motion adopted on an 8-0 vote. See Ordinance 722 TF 297.

BEE CITY USA – REQUEST FOR RESOLUTION TO PARTICIPANT – APPROVED – RESOLUTION ADOPTED

Megan Anderson, Office of Sustainability, pointed out the Environmental Advisory Board and the Parks, Recreation and Greenway Advisory Board has been working on the issue relative to participating in Bee City USA.

Ms. Anderson introduced Dave Toms, Member of each group who will be presenting the Council with an option to designate Raleigh as a Bee City USA Member. She stated she is very happy to be presenting this opportunity to the Council at this time pointing out it is National Pollinator Week. The US Department of Agriculture and the US Department of Interior designated this week to bring attention to the issue of declining pollinator populations and habitat. She stated since one out of every three bites of food we eat is made possible by a pollinator species the

importance of supporting and preserving pollinator habitat in the community is important. She stated staff from a number of departments including Sustainability, Planning and the Urban Design Center, Parks, Recreation and Cultural Resources and Public Utilities have been working with the Boards on reviewing the application and are in support of the Bee City USA designation as a pilot project for the City. She stated the Office of Sustainability will be launching information on its website that gives an overview of the many great projects and work that several departments are already doing to support pollinators.

Mr. Toms talked about the urban agricultural movement and the importance of the work pointing out the logical next step would be to designate Raleigh a Bee City USA member. He indicated the policy and program suggests various projects being impacted by our food, and water supply, talked about reduced pollinators, Raleigh Urban Programs and the work of the Sustainability office and requested the Council to adopt the resolution as included in the agenda packet.

Council Member Baldwin questioned if the group is looking at the downtown Raleigh Market as a participant with Ms. Anderson pointing out they have. Ms. Anderson talked about sponsorship work from various entities pointing out this is not just the city but a community effort. Council Member Baldwin moved adoption of the resolution. Her motion was seconded by Council Member Stephenson and put to a vote which passed unanimously. The Mayor ruled the motion adopted on an 8-0 vote. See Resolution 479.

Later in the meeting, Alice Hinman, who had requested permission to speak under request and petitions, thanked the Council for adoption of the resolution and presented Council on Bee City.

REQUEST AND PETITIONS OF CITIZENS

UNFIT BUILDING – 106 COLLETON ROAD – REQUEST FOR ADDITIONAL TIME – APPROVED

Joseph Lee was at the meeting to request additional time to complete the repairs at 106 Colleton Road. He talked about his work to make the repairs at 106 Colleton Road pointing out he was late coming to the meeting as he was meeting with his architect. They have the plans ready, financing in place, building has been totally gutted, debris removed, got his permits and his money is in place.

In response to questioning from Council Member Branch, Mr. Lee stated he is asking for five months additional time pointing out he feels he can get it done in 3 or 4 months but is asking for 5 months just in case.

Discussion took place relative to the number of extensions that have been granted, the possibility of granting a 2 to 3 month extension and at that time if substantial progress is being made additional time could be granted. Council Member Baldwin moved to grant three months extension and if the city can say substantial progress has been made additional time could be considered or if no progress has been made the City could proceed with demolition. The motion was seconded by Council Member Gaylord. Various Council Members expressed concern about

additional time being granted, not being encouraged by the past history and concern that Mr. Lee will not fulfill his promises to complete the work. Mr. Lee again talked about what he has done, talked about the considerable progress he has made, the fact that he has his plans and money in place, etc. He talked about the complications of addressing a situation such as this.

The motion was put to a vote which resulted in all members voting in the affirmative except Council Member Crowder who voted in the negative. The Mayor ruled the motion adopted on a 7-1 vote.

PARKING – ACCESSIBLE CURBSIDE SPACES – REFERRED TO ADMINISTRATION TO WORK WITH MAYOR’S COMMITTEE ON PERSONS WITH DISABILITIES

Mark Ezzell, 616 East Whitaker Mill Road was at the meeting to talk about downtown parking and lack of wheelchair accessible curbside parking. He talked about Federal laws and his feeling that Raleigh violates the Federal laws as it relates to wheelchair accessible curbside parking. He talked about what is done in other major cities in North Carolina which provide wheelchair accessible curbside parking and the lack of similar parking in Raleigh and referred to the handicapped parking spaces in front of the Avery C. Upchurch Government Complex. He stated one will find several reserved spaces but they are not wheelchair accessible. He talked about the danger of one having to go out into the line of traffic to utilize some of the spaces and problems he has had in finding spaces for various events he tried to attend in the downtown area. He talked about the need to resolve this situation, make spots available and accessible for wheelchairs and asked the Council to work with the enforcement team so they understand. He stated we need to take the lead from some of the other cities as to how to address the issues but asked that we not go back to previous policy of allowing handicapped parkers to use a space indefinitely.

Mayor McFarlane questioned the best way to address this issue and ask about discussions with the Mayor’s Committee for Services to Persons with Disabilities. Transportation Director Rogers indicated staff would be happy to look into the issue and work with the committee. He stated some work is already in progress and they would be happy to flush out the details relative to this issue in the study. Council Member Baldwin stated she knew how these studies go but there seems to be a sense of urgency with this issue as we much provide wheelchair accessible curbside parking and comply with Federal law. She stated she had asked that this be looked at in the parking study. Council Member Branch questioned when an update would be provided with Transportation Director Rogers indicated very soon. The item was referred to Administration to work with the Mayors Committee.

MATTERS SCHEDULED FOR PUBLIC HEARINGS**PUBLIC NUISANCES – VARIOUS LOCATIONS – HEARING – RESOLUTION ADOPTED**

This was a hearing to consider adoption of a resolution to confirm as a lien against the property listed below the charges for the abatement of public nuisances.

<u>LOCATION & DISTRICT</u>	<u>PROPERTY OWNER</u>	<u>TAX ID NO.</u>	<u>COST OF ABATEMENT</u>
619 Cumberland Street (C)	Dorothy Mitchell & Mary M. Overton & Edith Mitchell & Virginia Ann Burt	0047741	828.00
602 Hay Lane	Jeffrey T. & Joyce P. Moore	0087002	1,125.00
4351 Old Poole Rd (C)	Claude R. Trotter Jr.	0062539	8,718.00
1217 S Person St (C)	Edward Joseph Lee, Heirs	0041358	1,036.00

The City Clerk reported 4351 Old Poole Road should be withdrawn as the charges have been paid.

The Mayor opened the hearing on each item with the exception of 4351 Old Poole Road. No one asked to be heard on any of the locations. The Mayor closed the hearing. Council Member Baldwin moved adoption of a resolution confirming the liens as advertised. Her motion was seconded by Council Member Crowder and a roll call vote resulted in all members voting in the affirmative. The Mayor ruled the motion adopted on an 8-0 vote.

UNFIT BUILDING DEMOLITION – 2806 CROYDON STREET – HEARING – ORDINANCE ADOPTED

This was a hearing to consider adopting an ordinance pursuant to Article 11.6.13 of UDO for the demolition of the unfit building at 2806 Croydon Street. The Mayor opened the hearing no one asked to be heard thus the hearing was closed. Council Member Baldwin moved adoption of the ordinance for the demolition of the unfit building at 2806 Croydon Street. Her motion was seconded by Council Member Thompson and a roll call vote resulted in all members voting in the affirmative. The Mayor ruled the motion adopted on an 8-0 vote. See Ordinance 724.

UTILITY EXTENSION AGREEMENT – 264 INVESTMENTS, LLC REQUEST – HEARING – CONTINUED UNTIL JULY 5, 2017 MEETING

This is a hearing to consider a request from 264 Investments, LLC to enter into utility extension agreement to extend a gravity sanitary sewer main to property located at 1745 Old Bunn Road in the Town of Zebulon jurisdiction. Following the hearing, the Council may take action to approve, deny or refer the item to committee.

Assistant Public Utilities Director Aaron Bower explained the utility extension agreement policy which was adopted by Resolution 2013-837, went over the objectives of the agreement, highlighting the fact that should a developer be unsuccessful in acquiring off-site easements, the City may enter into an agreement with the developer to extend service to the property. The cost of the extension is paid for by the developer construction is administered by the City. Before entering into an agreement, a public hearing is required.

Public Utilities Director Bower provided a map showing the location of the property and the location of the needed sewer extension. He stated the property is within the Town of Zebulon's jurisdiction and is known as the Barrington Subdivision. There is already a pump station; however, there is a small strip of land the developer needs in order to tie onto the offsite sewer. He pointed out staff recommends that following the hearing, that the City Council authorize the City Manager to enter into a utility extension agreement with 264 Investment LLC for the extension of sanitary sewer to the property known as Barrington Subdivision within the Town of Zebulon upon determination that a good faith effort has been made to obtain the off-site easements. He stated the Town of Zebulon has annexed the property and has approved a special use permit for the extension therefore the City of Raleigh is required to provide service. Mayor McFarlane questioned if there was discussion between the City of Raleigh and the town of Zebulon before the property was annexed with Mr. Bower indicating that occurred.

Brief discussion took place with Council Members asking questions for clarification as to the location of the existing pump station, room for gravity flow, and the fact that it is not in the primary or secondary watershed.

Mayor McFarlane opened the hearing.

Charles Walker representing 264 Investments LLC gave a background of the development of this property pointing out the needed easement is owned by the same property owners that the land for the subdivision was purchased. He talked about the various attempts his clients have made to secure the easement including an offer to purchase the strip of land rather than just getting an easement. He stated they have made no less than 10 separate offers including easements, purchasing easement, purchasing the land, trading land etc., but they cannot come to any agreement with the property owners. He stated if they cannot get this easement or rights to the land the only option is adding another pump station within 200 feet of the existing pump station. He talked about the configuration of the land, gravity flow, acquisition of the property in the beginning, etc.

Kim Bunn, 504 Parks Village Road, Zebulon, stated she has done everything she can to come to an agreement, she was even going to give the developer 14 acres in exchange for 9 acres around her home. She stated no matter what she asked for or offered it is not accepted. She stated she has even offered to sell them the 27 acres but they did not want that. In response to questioning from Council Member Crowder, Ms. Bunn pointed out she was one of three owners who sold the land for the development. A debate took place between Mr. Walker and Ms. Bunn as to what has and has not occurred. Mr. Walker pointed out he sent the last version to Ms. Bunn's attorney

as late as yesterday morning. Council Member Thompson indicated there seems to be some miscommunication somewhere and he would like for the private parties to try to work this out rather than involving the city. Mr. Walker stated he would be glad to make additional attempts; however as far as trading of land, Ms. Bunn does not own the total tract, she only owns one-third. Ms. Bunn pointed out her brother and sister will allow her to purchase and they have all agreed to sell to Mr. Walker. Ms. Bunn contended she had not received anything yesterday. Council Member Crowder suggested that all of the offers be made by certified mail.

Discussion took place as to how to proceed with City Attorney McCormick indicating if the Council so desires the hearing could be continued until July 5, pointing out no renotification would be required and that would allow all an opportunity to try to resolve the issue.

Mike Jordan, 933 Old Knightdale Road, pointed out his company has attempted 10 or 12 times to purchase the easement or swap land or whatever. He stated he is the developer for 264 Investments and he would be glad to try one more time to work this out.

Mayor McFarlane announced the hearing would be continued until July 5, 2017 and hopefully the issue could be resolved by that time.

REZONING A-32-16 – HILLSBOROUGH STREET – HEARING – CONTINUED UNTIL JULY 5, 2017

This is a continuation of a public hearing to consider a request from Kathleen C. Hammon to rezone approximately 0.34 acres from Neighborhood Mixed Use-Four Stories-Shopfront (NX-4-SH) and Residential-6 (R-6), both w/Special Residential Parking Overlay District (SRPOD), to Neighborhood Mixed Use-Five Stories-Shopfront-Conditional Use (NX-5-SH-CU) and Residential Mixed Use-Three Stories-Conditional Use (RX-3-CU), both with SRPOD. The property is located at the northeast corner of the intersection of Hillsborough Street and Bagwell Avenue. Conditions limit the number and size of residential units and overall height, specify building materials, and limit construction on the portion proposed to be rezoned RX-3-CU. The proposal is inconsistent with certain height and transition policies of the Comprehensive Plan, but is consistent with the Future Land Use Map and several relevant Comprehensive Plan policies and would provide additional housing in a corridor well-served by transit. The Planning Commission recommends approval of the request.

The request was received by City Council on February 21, 2017. The City Council considered this item on March 7, 2017 and held the public hearing open. On March 21, 2017, the hearing was again held open. On April 18, 2017, the item was referred to the Growth and Natural Resources Committee. The Committee returned the item to the City Council for a continuation of the public hearing on June 20, 2017. New zoning conditions cannot be offered until the public hearing has been closed.

Recommendation: City Council may choose to either continue or close the public hearing. At the conclusion of the public hearing, the City Council may act on the request, refer to committee or hold for further discussion.

Mayor McFarlane stated the hearing is open.

Ted Van Dyk, New City Design Group, gave a history of this case, went over the CAC's recommendations relating to limiting the 3 bedroom units to 50%, no renting by room, reducing height of building, on Hillsborough Street, removing the dilapidated rental housing adding fence, etc. He stated another option would be to allow a couple of more weeks to allow the team to evaluate the four-story option. He stated they are willing to work on that and if that worked out they wouldn't have to request the front parcel to be rezoned. He talked about the amount of money that had been invested to purchase the property and the fact that his team has been working with the community for almost a year.

Council Member Crowder expressed appreciation to Mr. Van Dyk and his team for working so diligently with the citizens. She stated however this proposal is inconsistent with the comprehensive plan, inconsistent with height regulations, there is a feeling that some of the conditions that have been offered might not be legal and she felt the citizens had been willing to give a lot but she understands they are asking for 4 stories and the application is for five stories.

Mr. Van Dyk indicated he would be willing to look at 4 stories on the front but they would have to look at that to see if the mix would work. Council Member Crowder indicated the Council has allowed 60 days but nothing has happened and now Mr. Van Dyk is requesting another two weeks. Whether two weeks would make a difference and the clear direction from Council that they wanted to see some type substantial movement but stating their willingness to hold the item for two weeks with a clear understanding that they did not want to see the case come back still at 5 stories.

Without objection, the hearing was continued until July 5, 2017.

EVIDENTIARY HEARINGS

SUBDIVISION S-73-16 – LOTS 21 AND 22 ADDITION TO IDLEWILD SUBDIVISION – HEARING – CONTINUED UNTIL JULY 5, 2017

An evidentiary hearing request has been received from Stoney Chance, Chance & Associates, on behalf of Stuart Cullinan, North State Street LLC, for approval of a proposed preliminary subdivision, S-73-2016, Lots 21 & 22 Addition to Idlewild Subdivision. The applicant requests preliminary subdivision approval as per Code § 10.2.5.E.3.a.i. and Code § 10.1.8. of the City of Raleigh Unified Development Ordinance.

The City Clerk has been notified of the request and an Evidentiary Hearing has been scheduled for the City Council meeting on June 20, 2017.

Included in the agenda packet is the preliminary subdivision application. The evidentiary hearing for this approval is being held pursuant to Code § 10.2.5.E.3.a.i. and Code § 10.1.8 of the City of Raleigh Unified Development Ordinance.

Recommendation: The Raleigh Historic Development Commission (RHDC) is responsible for review and recommendation regarding subdivision approvals of all historic designations. At its December 20, 2016 meeting, the RHDC recommended with a 10/1 vote that the amended subdivision application be approved. A prior subdivision request reviewed by the Certificate of Appropriateness (COA) Committee of the RHDC was also recommended for approval at the November 28, 2016 COA Committee meeting. The Committee determined that buildings that are not incongruous with the character of the landmark could be built on the proposed new lot and that easements be placed on the property to protect the house and the apartment.

Since the dwelling is designated as a historic landmark, the City Council is responsible for final action of this subdivision approval.

Mayor McFarlane turned the meeting over to City Attorney McCormick to chair during this evidentiary hearing. City Attorney McCormick indicated because this is a historic structure it requires consideration and/or the subdivision requires approval from the City Council.

The City Clerk sworn in those who stated they plan to speak.

Attorney Isabel Mattox (sworn) explained this is the historic Delany House located at 210-212 North State Street. She stated her client is asking for the subdivision which will allow him an opportunity to have funds to save the house. She stated she had checked with Planning and the City Attorney and she understands there are no specific regulations or specific standards for approval. It is a regular subdivision process. She stated she and her client will provide testimony as well as testimony from Historic Planner Tania Tully, has a sworn affidavit from Dan Becker, Former Executive Director of the Raleigh Historic Development Commission and Stoney Chance, Chance & Associates Land Planning Services.

Stewart Cullinan (sworn) pointed out the property is a .35 acre tract. He acquired it in July 2016 with the vision to restore and provide long-term preservation of the Delany House. He stated the entire property is a Historic Landmark so any development would have to go through the Raleigh Historic Development Commission to have the property subdivided in order to build two additional homes on the property. He stated they had received approval from RHDC. He talked about the study of the area characteristics, how the future homes he wants to develop would fit in with the neighborhood, presented photographs of housing build around the same time, showed the subdivision which would provide for three lots, 3D models of how the houses would look which he called farm house style, and explained this subdivision would provide him with the ability to restore the Delany home, build two new houses and add preservation easements for the Delany House. He talked about the shotgun houses in this part of town and pointed out one of the new homes is projected to be 33 feet wide and the other 22 to 24 feet wide and talked about the side setbacks. He responded to questions about the setbacks and driveway and cross access and how all of that would need to go through the Raleigh Historic Development Commission. Mr. Cullinan stated he wants to develop something that is consistent with the neighborhood.

Council Member Gaylord indicated as he is understanding the funds from the sale of the new houses would be used to restore and/or rehab the Delany House. He questioned however if the Council can legally assure that will happen. Mr. Cullinan talked about the preservation easement which would be a part of the recording process and how that would prevent demolition of the existing house. Council Member Stephenson stated however a preservation easement would not ensure that the funds from the sale of the homes would be utilized to restore and preserve the Delany House. Whether that could be a part of the preservation easement was questioned with City Attorney McCormick indicated he is not sure there is such a mechanism. He stated what the Council is looking at today is a subdivision of land not what can be built, will be built but a simple subdivision. Discussion also took place on crossing the lot line or the setbacks with the City Attorney pointing out he thought they had already received Board of Adjustment approval.

Other discussion took place as to when the preservation easement would be made with Mr. Cullinan pointing out it would be upon recordation of the lot. City Attorney McCormick indicated this would have to go through site plan approval and locations of driveways, etc. would be determined. What a preservation easement really means, when it would be recorded and the impact was talked about.

In response to questioning, Mr. Cullinan talked about the separation between the house which Mr. Cullinan indicated would be somewhere between 5 and 7 feet, Mr. Cullinan's commitment to saving the addition to the Delany House which was constructed in 1930 or 40 which was not a part of the original house but is important to the history of the house and talked about that history how that addition was used in the past as was whether the Delany House would be demolished if the subdivision is not approved. The adjacency and the review by the RHDC which recommends that the subdivision be approved was talked about.

Attorney Mattox presented the following exhibits and explained their relevance and support of the case:

- Exhibit A – Delany House Subdivision, 210-212 North State Street dated November 7, 2016
- Exhibit B – Raleigh Historic Development Commission Minutes of Business held on December 20, 2016 when this item was discussed and approved
- Exhibit C - Affidavit from Dan Becker relating to conformance with RHDC guidelines, etc.
- Exhibit D – Affidavit from Stoney Chance relative to design alternates and variance complying with subdivision plans/UDO
- Exhibit E – Design adjusted staff response dated 3/16/2017 and signed by Kenneth W. Ritchie, Development Services
- Exhibit F – Minutes of the February 6, 2017 Raleigh Board of Adjustment

Tania Tully (sworn) testified to the process and testimony which would be allowed.

Lengthy questions and answers followed relative to the current setbacks, the fact that this is not a conversion, notice about the COA hearing, whether a historic preservation entity is or will be

involved, feeling on the part of Attorney Mattox that the preservation easement would remove any threat of demolition, conversation from the community, number of community meetings held with Mr. Cullinan pointing out he continues to receive positive support from the neighborhood and notification to the neighbors about this subdivision request.

Attorney Mattox highlighted Mr. Becker's affidavit.

Stoney Chance (sworn) went through his affidavit (Exhibit D).

Michael Walters (sworn) City of Raleigh testified on compliance of the proposed subdivision as it relates to code requirements.

How to proceed from this point was discussed including the fact that once a decision is made by Council the item has to come back to Council for final approval of findings and conclusions, whether the Delany relatives have reviewed and are in agreement, how addition homes could be put on the lot without destroying the historic property.

Whether the applicants are required to answer questions was questioned with Council Member Thompson pointing out he would like for the applicant to testify that the house will not be demolished. The goal of all to preserve the house and when the next opportunity for discussion would take place. Mr. Cullinan pointed out at this point he didn't know what was going to be built that he has to get the subdivision and they he would go through the RHDC process and they would determine setbacks, etc. Whether this plan could work with building only one house was talked about as was the possibility of demolishing the addition and leaving the main house with it being pointed out RHDC has found that the addition contributes to the historic value. What constitutes a demo or restoration was talked about.

By consensus, it was agreed to continue the hearing to the July 5, 2017.

**REPORT AND RECOMMENDATION OF ECONOMIC DEVELOPMENT AND
INNOVATION COMMITTEE**

NO REPORT

**ECONOMIC DEVELOPMENT AND INNOVATION COMMITTEE – NEXT MEETING
SCHEDULED FOR AUGUST 22, 2017**

Mayor McFarlane indicated the Economic Development and Innovation Committee will not be meeting again until August 22, 2017

**REPORT AND RECOMMENDATION OF THE GROWTH AND NATURAL
RESOURCES COMMITTEE**

NO REPORT

**REPORT AND RECOMMENDATION OF THE SAFE, VIBRATE, AND HEALTHY
NEIGHBORHOODS COMMITTEE**

NO REPORT

**REPORT AND RECOMMENDATION OF THE TRANSPORTATION AND TRANSIT
COMMITTEE**

NO REPORT

Chairperson Branch reported the Transportation and Transit Committee would be meeting on June 27, 2017. (Clerk's Note: It was later determined that that meeting would be canceled.)

REPORT OF MAYOR AND COUNCIL MEMBERS

POND – REQUIREMENTS FOR FENCING – REPORT REQUESTED

Council Member Cox pointed out there is a resident in his district which has a pond on her property. They want to put a fence around the pond but there is an easement going to the pond and the fence would have to cross the easement therefore staff requires access to the easement which requires the fence have gates. The gates are very very expensive. The property owner and her architect have found that sliding rails could be used and would be less expensive however city's ordinances would not allow the sliding panels, it would have to be gates. He asked that staff clarify what constitutes a gate and clarification as to why panels would not be allowed. He asked staff to look into this and bring a report back.

FAIR HOUSING HEARING BOARD - POSSIBILITY OF HEARING CASES – INFORMATION REQUESTED

Council Member Branch pointed out he is the liaison to the Fair Housing Hearing Board. He asked that staff and the City Attorney work with the Board as to their ability to actually hear cases. He stated now Fair Housing cases have to go to the state and they are extremely busy. The item was referred to the attorney and staff.

TRANSITIONAL ZONING – MAYOR ASKED FOR A REPORT

Mayor McFarlane indicated there has been a lot of discussion relative to transition from residential to office. She talked about situations where something looks like a residential unit but it is actually an office and she asked about creating some type zoning category dealing with this type transition. Planning Director Bowers pointed out in adoption of the UDO there was discussion about looking at frontages that would allow that type development. He stated he thinks it is in the UDO but probably does not go far enough and he would be glad to bring a report back on various options.

AGENDA SYSTEM – OPTION FOR NOTIFYING PUBLIC

Council Member Gaylord expressed appreciation and thanked the staff who helped implement the new agenda system. He stated he feels it will help citizen engagement and transparency. He questioned what the City can do to inform the public about the link such as putting signage out, letting people know where to find the link, etc. He asked staff to provide options.

APPOINTMENTS

APPOINTMENTS – VARIOUS ACTIONS TAKEN

The City Clerk reported the following results of the ballot vote:

Environmental Advisory Board – Todd Kennedy – 7 (All but Cox)

Raleigh Historic Development Commission – Two Vacancies – Nick Fountain – 8 (All Council Members)

Council Member Baldwin nominated Jannette Coleridge Taylor. Council Member Stephenson nominated J. Gaston B. Williams. The item will be carried over to the next meeting.

NOMINATIONS

APPEARANCE COMMISSION – VARIOUS ACTIONS TAKEN

The City Clerk reported the terms of Asa M. Fleming, Cari Jones and David Kelly are expiring. Mr. Fleming is not eligible for reappointment due to length of service. Ms. Jones and Mr. Kelly are eligible for reappointment. Ms. Jones would like to be considered for reappointment. The City Clerk indicated she had not heard from Mr. Kelly. Council Member Branch moved that the Council suspend the rules and reappoint Cari Jones. His motion was seconded by Council Member Baldwin and put to a vote which passed unanimously. The Mayor ruled the motion adopted.

Council Member Branch nominated Bernard Thaxton. The vacancy will be carried over to the next meeting.

BOARD OF ADJUSTMENT – KAREN KEMERAIT – REAPPOINTED

The City Clerk reported the term on the Board of Adjustment of Karen Kemerait is expiring. She is eligible for reappointment and would like to be considered for reappointment. Council Member Baldwin moved the Council suspend the rules and reappoint Ms. Kemerait by acclamation. Her motion was seconded by Council Member Thomas and put to a vote which passed unanimously. The Mayor ruled the motion adopted on an 8-0 vote.

CENTENNIAL AUTHORITY – TERMS EXPIRING – TO BE PLACED ON JULY 5 AGENDA

The City Clerk reported the terms of Bill Mullins and Jesse Taliaferro on the Centennial Authority are expiring. Both are eligible for reappointment and would like to be considered for reappointment. Council Member Thompson asked that this item be held until the next meeting. Without objection it was agreed to place the item on the July 5, agenda.

GREATER RALEIGH CONVENTION AND VISITORS BUREAU – KEVIN B. MCATEER – REAPPOINTED; THOMAS “SKIP” HILL – TERM EXTENDED FOR ONE YEAR

The City Clerk reported the terms of Kevin B. McAteer (representative of owner/operator of hotel/motel or taxable establishment) and Thomas “Skip” Hill on the Greater Raleigh Convention and Visitors Bureau are expiring. Mr. McAteer is eligible and recommended for reappointment. Mr. Hill is not eligible for reappointment due to length of service; however the chair of the Greater Raleigh Convention and Visitors Bureau has asked that he be considered for reappointment because of his position on the Executive Board. Council Member Baldwin moved that the Council suspend its rules and reappoint Mr. McAteer and continue Mr. Hill’s term for one year. Her motion was seconded by Council Member Gaylord and put to a vote which passed unanimously. The Mayor ruled the motion adopted on an 8-0 vote.

HISTORIC CEMETERIES ADVISORY BOARD – BARDEN CULBRETH – REAPPOINTED

The City Clerk reported the term of Barden Culbreth on the Historic Cemeteries Advisory Board is expiring. He is eligible for reappointment and would like to be considered for reappointment. Council Member Baldwin moved the Council suspend its rules and reappoint Mr. Culbreth by acclamation. Her motion was seconded by Council Member Stephenson and a roll call vote resulted in all members voting in the affirmative. The Mayor ruled the motion adopted on an 8-0 vote.

HISTORIC RESOURCES AND MUSEUMS ADVISORY BOARD – JOE E. MOBLEY – REAPPOINTED

The City Clerk reported the term of Joe E. Mobley on the Historic Resources and Museum Advisory Board is expiring. He is eligible for reappointment and would like to be considered for reappointment. Council Member Baldwin moved the Council suspend its rules and reappoint Mr. Mobley by acclamation. Her motion was seconded by Council Member Thompson and put to a vote which passed unanimously. The Mayor ruled the motion adopted on an 8-0 vote.

PLANNING COMMISSION – RODNEY SWINK – REAPPOINTED

The City Clerk reported the term of Rodney Swink on the Planning Commission is expiring. He is eligible for reappointment and would like to be considered for reappointment. Council

Member Baldwin moved that Council suspend its rules and reappoint Mr. Swink by acclamation. Her motion was seconded by Council Member Gaylord and put to a vote which passed unanimously. The Mayor ruled the motion adopted on an 8-0 vote.

HOUSING APPEALS BOARD – VACANCY ANNOUNCED

The City Clerk reported the term of Shirley E. Hicks on the Housing Appeals Board is expiring. She is not eligible for reappointment due to length of service. No nominations were made.

RALEIGH SISTER CITIES – VARIOUS ACTIONS TAKEN

The City Clerk reported the City Council appointed three members of the Raleigh Sister Cities Board. All three terms – Robyn Coward, Stan Kimer and Jeanne Tedrow are expiring. Mr. Kimer and Ms. Tedrow wish to be considered for reappointment. Ms. Coward does not wish to be considered. The City Clerk reported William Dodge had submitted his name for consideration. Council Member Thompson moved that the Council reappoint Mr. Kimer and Ms. Tedrow and consider Mr. Dodge at the next meeting. His motion was seconded by Council Member Crowder and a roll call voted resulted in all members voting in the affirmative. The Mayor ruled the motion adopted on an 8-0 vote.

SUBSTANCE ABUSE ADVISORY COMMISSION – VACANCY ANNOUNCED

The City Clerk reported she had received a letter of resignation from Angie Thompson. No nominations were made.

REPORT AND RECOMMENDATION OF THE CITY CLERK

MINUTES – VARIOUS – APPROVED

Council Members received in their agenda packet copies of the minutes of the June 5, and June 12, 2017 Budget Work Sessions. Council Member Stephenson moved approval as presented. His motion was seconded by Council Member Crowder and a roll call vote resulted in all members voting in the affirmative. The Mayor ruled the motion adopted on an 8-0 vote.

TAXES – RESOLUTION ADOPTED

Council Members received in their agenda packet a resolution adjusting, rebating or refunding penalties, exemptions and relieving interest for the late listening of property for ad valorem taxes. Council Member Stephenson moved approval as presented. His motion was seconded by Council Member Crowder and a roll call vote resulted in all members voting in the affirmative. The Mayor ruled the motion adopted on an 8-0 vote. See Resolution 481.

CLOSED SESSION

CLOSED SESSION - HELD

Mayor McFarlane stated a motion is in order to enter closed session pursuant to G.S. 1430-318.11(a)(4) for the purpose of considering the location or relocation of two businesses or industries to Raleigh and to discuss any incentives that may be involved in any such move and pursuant to G.S. 143-318.11(a)(3) to consult with legal counsel regarding the following matter:

1. Board of Adjustment Case A-79-17
2. An additional potential legal matter

Council Member Baldwin moved approval as read. Her motion was seconded by Council Member Branch and put to a vote which passed unanimously. The Council went into closed session at 4:10 p.m.

The Council reconvened in open session at 4:35 p.m. The Mayor announced that the Council gave direction to staff involving a Board of Adjustment case, legal matters and two matters concerning potential location or relocation of businesses to the area.

Adjournment: There being no further business, Mayor McFarlane announced the meeting adjourned at 4:36 p.m.

Gail G. Smith
City Clerk

jt/CC06-20-17