



Agenda

Greenville City Council

May 19, 2014
6:00 PM
City Council Chambers
200 West Fifth Street

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I. Call Meeting To Order

II. Invocation - Council Member Smiley

III. Pledge of Allegiance

IV. Roll Call

V. Approval of Agenda

- **Public Comment Period**

The Public Comment Period is a period reserved for comments by the public. Items that were or are scheduled to be the subject of public hearings conducted at the same meeting or another meeting during the same week shall not be discussed. A total of 30 minutes is allocated with each individual being allowed no more than 3 minutes. Individuals who registered with the City Clerk to speak will speak in the order registered until the allocated 30 minutes expires. If time remains after all persons who registered have spoken, individuals who did not register will have an opportunity to speak until the allocated 30 minutes expires.

VI. Consent Agenda

1. Minutes from the February 10, 2014 City Council meeting

VII. New Business

2. Discussion of Potential Bond Referendum

VIII. Comments from Mayor and City Council

IX. City Manager's Report

X. Adjournment



City of Greenville, North Carolina

Meeting Date: 5/19/2014
Time: 6:00 PM

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- Title of Item:** Minutes from the February 10, 2014 City Council meeting
- Explanation:** Proposed minutes from the City Council meeting held on February 10, 2014, are presented for review and approval.
- Fiscal Note:** There is no direct cost to the City.
- Recommendation:** Review and approve minutes from the City Council meeting held on February 10, 2014
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PROPOSED MINUTES
MEETING OF THE CITY COUNCIL
CITY OF GREENVILLE, NORTH CAROLINA
MONDAY, FEBRUARY 10, 2014



A regular meeting of the Greenville City Council was held on Monday, February 10, 2014, in the Council Chambers, located on the third floor at City Hall, with Mayor Allen M. Thomas presiding. Mayor Thomas called the meeting to order at 6:00 p.m. Council Member Kandie Smith gave the invocation, followed by the Pledge of Allegiance.

Those Present:

Mayor Allen M. Thomas, Mayor Pro-Tem Calvin R. Mercer, Council Member Kandie Smith, Council Member Rose H. Glover, Council Member Marion Blackburn, Council Member Rick Smiley, Jr. and Council Member Richard Croskery

Those Absent:

None

Also Present:

City Manager Barbara Lipscomb, City Attorney David A. Holec, City Clerk Carol L. Barwick and Deputy City Clerk Polly W. Jones

APPROVAL OF THE AGENDA

Upon motion by Council Member Blackburn and second by Council Member Croskery, the agenda was approved as presented by unanimous vote.

PUBLIC COMMENT PERIOD

Joanne Kollar – 123 N. Harding Street

Ms. Kollar, a University Neighborhood Revitalization Initiative (UNRI) Committee member and Tar River University Neighborhood Association (TRUNA) homeowner, stated that in January 2013, she and another Committee member led a tour of a section of the TRUNA neighborhood, pointing out code violations to Committee members, City officials and others in attendance. She said that within the past year, the only improvement to the neighborhood has been the on-street parking by non-residents. She pointed out that the streets and yards are still littered with trash, cars are parked on bare earth, and many homes are dilapidated and house more than four residents. Ms. Kollar stated that the Committee's efforts could have been accomplished without the imposition of the UNRI Overlay on the TRUNA neighborhood, and added that allowing four unrelated individuals



to live together in a rental home has not contributed to improvement. She stated that, in fact, the four-unrelated rule has added to the neighborhood's ongoing decline. Despite City Council's claim that it wants to protect neighborhoods, Ms. Kollar pointed out that the imposition of the UNRI has not encouraged homeowners to move into the neighborhood. She said that it has had the opposite effect, with at least two homeowners leaving the neighborhood within the last year. Ms. Kollar said if the City Council is sincere in its concern for maintaining quality neighborhoods, it will restore the three unrelated occupancy limit, make code enforcement proactive by increasing the number of code enforcement officers, and implement a rental registry for code violations to prevent further decline of the neighborhood.

Andrew Morehead – 409 S. Harding Street

Mr. Morehead expressed his gratitude to the UNRI Committee for its service to TRUNA. He pointed out that the Committee's work has led to many positive changes for neighborhood betterment and has drawn attention to strategies in the City's neighborhood plan that needed attention. However, Mr. Morehead expressed his belief that the positive results of the UNRI Overlay, such as parking improvements, would have occurred without an expanded occupancy standard. He pointed out that 43 permits have been issued for conversion to housing four unrelated individuals, which equates to approximately 8% of the homes in TRUNA. Mr. Morehead said that the 33% increase in the landlords' income will not provide enough incentive to make improvements to their properties, or to convert the homes back to single-family homeownership. He pointed out that the promised reduction in crime and improved appearance of the permitted properties is not apparent. Mr. Morehead also mentioned that residents of TRUNA have filed a lawsuit against the City due to the effects of the UNRI Overlay, and as a result, tax revenues from these individuals and other Greenville citizens have been used to pay over \$20,000 of legal fees. He said that the increased density simply places more pressure on the City to enforce codes, increase trash collection and pay for additional police presence.

Elizabeth Semple – 1107 N. Overlook

Ms. Semple, who spoke on behalf of the University Neighborhood Association, stated that she supported the efforts of the UNRI Committee and its recommendations. She clarified that the members of the University Neighborhood Association are local owners who are invested in their properties and strive to make a difference in the neighborhood. Ms. Semple pointed out that since the UNRI Overlay has been in place, there have been many positive changes in the neighborhood, such as a decrease in crime and an improvement in parking. In addition, she said that the property owners have been able to reinvest in their properties to bring them up to code in order to be more competitive for higher-end tenants.

Michael Saad – 307 King George Road

Mr. Saad stated that he is a member of the UNRI panel and an investor in properties adjoining the UNRI district. He said that he is pleased about the changes that have taken



place as a result of the UNRI Overlay, such as parking. Mr. Saad expressed his understanding of residents' concerns about the four-unrelated rule, but stated that the profit brought in by the additional residents allows the investors to continue to make improvements to their properties. He said that the 43 permits that were issued equate to 43 additional residents in the neighborhood, which is not a drastic impact. In addition, Mr. Saad pointed out that those individuals were possibly already living in the neighborhood illegally before the permits were issued.

CONSENT AGENDA

City Manager Lipscomb introduced items on the Consent Agenda, reading out the title of each as follows:

1. Minutes from the January 25-26, 2013 Annual Planning Session, the March 25, 2013 Workshop on Budget and Bradford Creek, and the May 9 and June 13, 2013 City Council meetings
2. Resolutions granting and authorizing the execution of easements for the Pitt County-City of Greenville Airport Authority (Resolution No. 002-14) (Resolution No. 003-14)
3. Extension of Memorandum of Understanding with East Carolina University relating to the Lucille W. Gorham Intergenerational Center
4. Resolution approving the extension to the lease agreement with the State of North Carolina for the school building at the Lucille W. Gorham Intergenerational Center (Resolution No. 004-14)
5. Resolution approving the extension of the lease agreement with the State of North Carolina for the first floor of the Lessie Bass Building located at 1100 Ward Street (Resolution No. 005-14)
6. Resolution approving the extension of the lease agreement with Lucille W. Gorham Intergenerational Community Center, Inc. for the second floor of the Lessie Bass Building located at 1100 Ward Street (Resolution No. 006-14)
7. Resolution approving the extension of the lease agreement with the Little Willie Center, Inc., of Pitt County for the rectory and annex buildings at the Lucille W. Gorham Intergenerational Center (Resolution No. 007-14)



8. Resolution accepting dedication of rights-of-way and easements for Arbor Hills South, Phase 3 (Resolution No. 008-14)
9. Supplemental Municipal Agreement with the North Carolina Department of Transportation for Design and Construction of South Tar River Greenway Phase 3 – Pitt Street to Moye Boulevard
10. Economic Development Grant Applications
11. Resolution declaring a 40' Coastal Trailer as surplus and authorizing its disposition to the City of New Bern (Resolution No 009-14)
12. Ordinance amending the Manual of Fees to address the C. M. Eppes Alumni Parade (Ordinance No. 14-008)
13. Various tax refunds greater than \$100
14. Budget ordinance amendment #6 to the 2013-2014 City of Greenville budget (Ordinance 13-026) (Ordinance No. 14-009)

Council Member Croskery moved to approve all items on the Consent Agenda. Council Member Blackburn seconded the motion, which passed by unanimous vote.

NEW BUSINESS

PRESENTATIONS BY BOARDS AND COMMISSIONS

BOARD OF ADJUSTMENT

Mr. Scott Shook, the Chairman of the Board of Adjustment, presented its annual report. He said that the Board is comprised of 11 citizens; nine who are appointed by the City Council and two who are appointed by County Commissioners. In addition, the Board is supported by the City's departments. Mr. Shook said that the Board has specifically defined powers which include hearing and deciding administrative decisions of permit officials, special use permits, variances, zoning regulations and interpretations of official zoning maps and zoning ordinances. He said that a public hearing is held for each case that is brought before the Board. The public hearings are publicized in the newspaper and notices are sent to owners of adjacent properties, inviting them to attend. Board voting rules require a 4/5th majority vote; however, special use permits require a simple majority vote. Mr. Shook said that the Board acts in a quasi-judicial capacity on all items and ex parte contact is not permitted. He stated that testimony must be sworn and the Board must confine its



decisions to the evidence presented at the hearing. Any appeal of the Board's decision is taken directly to Superior Court. Mr. Shook mentioned that in 2013, the Board considered 18 requests for special use permits and one variance request. He said that typical special use permits include child daycare facilities, mental health facilities, public and private clubs, game facilities, home occupations, and automobile repair.

Council Member Smith asked if the Board provided exceptions for businesses that are required to move as a result of City construction, such as during the 10th Street Connector project. Mr. Shook said that the Board does not have standard exceptions, but considers each case individually based on the facts at hand.

HUMAN RELATIONS COUNCIL

Mr. Byung Lee, Chairman of the Human Relations Council, thanked the City Council for its support over the past several years. He said that since its inception over 42 years ago, the Human Relations Council has promoted understanding and better human relations among all citizens in Greenville through education, advocacy, communication, and appreciation of diversity. Mr. Lee stated that the Human Relations Council does the following:

1. Builds harmony among the citizens of Greenville, regardless of race, religion, culture, education or background.
2. Studies and researches present prejudice and discrimination.
3. Prevents unethical and unlawful discrimination by providing education material and programs.
4. Partners and consults with the City, State and Federal government regarding human relations matters.
5. Makes recommendations to the City Council regarding procedures, programs or policies that promote diversity and inclusiveness.
6. Fosters communication about human rights.

Mr. Lee mentioned several events hosted by the Human Relations Council. He said that each September, the Human Relations Council hosts an Inclusive Community Breakfast and invites a guest speaker. For this years' breakfast, Mr. Lee said that rather than having a guest speaker, the citizens of Greenville will be invited to provide insight on how to improve human relations throughout the community. Mr. Lee stated that each February, the Human Relations Council observes Human Relations Month. During that month, the Human Relations Council hosts the annual Community Service Awards Ceremony and Reception to recognize individuals who have worked for inclusivity in the community.



Also, the Human Relations Council hosts an Annual Christmas Luncheon honoring senior citizens and their service to the community. Mr. Lee closed by saying that the Human Relations Council will continue to work hard for inclusivity in Greenville.

MID-YEAR REPORT ON UPTOWN GREENVILLE CONTRACT FOR SERVICES

Ms. Bianca Shoneman, Executive Director of Uptown Greenville, presented the report to the City Council. She said that Uptown Greenville was established in 1984, and promotes quality cultural, social and economic development in the Center City. Ms. Shoneman said Uptown Greenville has had a phenomenal year, and presented the following highlights from 2013:

- Relocation of seven businesses within the Uptown district
- 300,000 square feet of residential development
- 43,000 gross square feet of new and adaptive reuse projects
- Seven building up-fits
- Construction of one new private parking deck, which will complement the City's new public parking deck
- Expansion of five businesses in the Uptown district
- Creation of 113 new full or part-time jobs

Ms. Shoneman said that these investments represent approximately \$43 million in private equity for the Center City, and is the largest net gain of private equity in its history. In addition to business ventures in the area, Ms. Shoneman pointed out that Uptown Greenville also celebrates Greenville's cultural efforts. She said that Uptown Greenville collaborated with several organizations to create new events, such as Street Food, Umbrella Market Farm Tour, Holiday Market, Eat Drink Art, and the Game Day Shuttle. In addition to the new events, Ms. Shoneman said that Uptown Greenville continued to host Umbrella Market, Freeboot Friday, and the Uptown Artwalk. These events drew 23,000 people to the Uptown district in 2013. Ms. Shoneman mentioned that the work done by Uptown Greenville is mainly done with the help of volunteers, and pointed out that the organization leverages nearly 600 volunteers per year.

PRESENTATION OF THE FINAL REPORT OF THE UNIVERSITY NEIGHBORHOOD REVITALIZATION INITIATIVE (UNRI) COMMITTEE

Community Development Director Merrill Flood stated that the City Council established the UNRI Committee on October 11, 2012 and appointed a diverse group of members on November 8, 2012. He said that the Committee met from December 19, 2012 through January 21, 2014, and immediately began working on initiatives that were provided by the City Council.



The Committee included the following individuals:

- David Carpenter
- Paul Clifford
- Joanne Kollar
- Philip Rogers
- Michael Saad
- James Sullivan
- Chris Woelkers

Mr. Flood presented several objectives that the City Council established for the Committee, which include the following:

- Establish a temporary citizen working group for a period of up to 12 months, composed of two appointees each by City officials elected by the district (District Council Person, At-Large Council Person, and Mayor) to assist in implementation of items described below and further define and execute additional revitalization efforts in the Overlay district.
- Pursue funding sources to establish favorable terms and low interest loans and grants for revitalization of properties for citizens in the Overlay district with the goal of encouraging transition/up-fit over a period to owner occupied homes.
- Pursue a parking permit plan for the Overlay district which includes permits by right to all legal residents and/or employees in the Overlay district with valid driver's licenses as well as a set number of available permits for purchase to East Carolina University students, staff and faculty. Funds generated will be dedicated to increased code enforcement, trash collection, lighting, security and marketing of best practices for the Overlay district.
- Launch an active community watch program joining together residents, law enforcement, neighborhood and University groups in the Overlay district.
- Attach unpaid code violation fees to property tax bills of property owners

Mr. Flood said that the Committee evaluated several issues suggested by the City Council and other issues throughout the University neighborhood, including code enforcement, marketing, refuse collection, property conditions, community watch, loan programs, and billing of violations. He pointed out that the Committee also suggested an ordinance that would limit parking to residents only during prescribed times of day. Mr. Flood said that since the City Council approved the parking ordinance in June 2013, the amount of non-resident parking and number of parking tickets issued has decreased by 60%. In addition



to the creation of the on-street parking ordinance, Mr. Flood said that the Committee discussed the establishment of rear yard parking standards for the neighborhood. After canvassing the neighborhood, the Committee noticed many homes where the rear yards were used as parking lots, and determined that those parking areas should be screened and improved. After being approved by the City Council and the Planning and Zoning Commission, the ordinance was adopted on September 12, 2013. Mr. Flood said that the enforcement of rear yard parking standards will help maintain the residential character of the homes in the University neighborhood.

In addition to the ordinances to address parking issues in the University neighborhood, Mr. Flood mentioned several other recommendations that were discussed by the Committee, including the following:

- Develop and fund a rental dwelling conversion incentive program for those who convert an existing rental dwelling to an owner occupied dwelling.
- Continue to enforce current ordinances and insure that code enforcement actions are pursued aggressively with proper resources. Reconsider the development of a property inspection program as allowed by the North Carolina General statutes with appropriate support and resources.
- Continue refuse collection programs recently initiated by the Public Works Department with emphasis on those programs implemented during the beginning and ending of the semesters and following Halloween.
- Develop a streetscape master plan program for the University Area and its major corridors.
- Work with East Carolina University to maintain a presence and active participation in the neighborhood area. Encourage East Carolina University appoint a staff person to work with landlords and renters.
- With City Council approval, allow the UNRI Committee to meet at least on a quarterly basis to evaluate the programs and policies established by the current committee. The committee realizes that new committee members may be established by City Council.

Council Member Blackburn said that the UNRI Committee's report outlines recommendations that can be positive, but any discussion must take place within the historic and policy context. She pointed out that the report came about 18 months after the Overlay was imposed upon the University neighborhood, despite objections from its residents. She stated further that the Overlay spawned a lawsuit almost immediately, and



as a result, the City spent over \$20,000 of taxpayer money to defend the Overlay. Council Member Blackburn said that over the past three months, she has met separately with engaged landlords and equally engaged homeowners. Through those meetings, common ground was achieved, and now the City will be able to move forward in an intentional and equitable manner. Since the Committee's report will apply to the Overlay, Council Member Blackburn said that global conversation must take place, including reconsideration of Overlay Zoning and four-unrelated occupancy. She stated further that City Attorney Holec suggested that this particular discussion should take place as part of a separate agenda discussion.

Council Member Blackburn made a motion to continue discussion of the UNRI Committee report to the Thursday, February 13, 2014 City Council meeting, with the addition of an agenda item to reconsider the Overlay Zoning Map and text amendment. Council Member Smiley seconded the motion.

Council Member Smith offered a friendly amendment to the original motion to approve the Committee report at the current City Council Meeting and address the additional agenda item at the Thursday City Council meeting.

Mayor Pro-Tem Mercer asked if accepting the report meant that the City Council was adopting the recommendations. Mr. Holec clarified that accepting the report does not give direction that the City Council has adopted the recommendations, but stated further that if the report is accepted, staff will develop the recommendations per City Council instruction.

Council Member Smith said that she did not see the report as a continuing conversation, but merely the result of a year of hard work on behalf of the Committee. She pointed out that the report is agreeable, and there is nothing controversial that would warrant further conversation.

Council Member Glover asked for further explanation regarding the UNRI Committee's recommendation to continue meeting for another year. Mr. Flood stated that the Committee felt it would be beneficial to have a group of this nature to meet routinely, perhaps quarterly, to examine issues in the University neighborhood.

There being no further discussion, the original motion to continue discussion of the UNRI Committee report to the Thursday, February 13, 2014 City Council Meeting, with the addition of an agenda item to reconsider the Overlay Zoning Map and text amendment, passed by a 4 to 2 vote. Council Members Smith and Glover cast the dissenting votes.



REVIEW OF THURSDAY, FEBRUARY 13, 2014, AGENDA

The Council did a cursory review of the Thursday, February 13, 2014, City Council agenda and reviewed nominations for appointments to Boards and Commissions.

COMMENTS FROM THE MAYOR AND CITY COUNCIL

The Mayor and City Council Members made comments about past and future events.

CITY MANAGER'S REPORT

DEMONSTRATION OF CITY COMPASS

Communications Manager Steve Hawley presented City Compass, which is an integrated system that includes an online reporting tool and a smart phone application. Mr. Hawley clarified that City Compass is compatible with iPhone, Android and Blackberry systems. City Compass was developed in response to technical issues with the Web QA system, which was difficult to use and provided poor customer service. It is one system that combines Web QA and Mobile 311, which makes it more cost effective and increases ease of use. Additionally, IT will now only have one system to support. Mr. Hawley said that City Compass simplifies the process by which citizens make service requests. In the Web QA system, citizens were required to create an account in order to request service. City Compass will be faster and more efficient. Mr. Hawley said that City Compass was created by Public Stuff, and utilizes GPS technology in smart phones, as well as the GIS technology utilized by the IT Department. He showed the City Council the service request page on City Compass, which had pins on a map of the City that correspond with the issues that have been submitted by citizens and City staff. Mr. Hawley said that users of the site may either log in using Facebook, by entering an e-mail address and password, or remain completely anonymous. He pointed out that the downside to remaining anonymous is that it will be more difficult for the person making a report to keep track of the status of a particular request. Mr. Hawley instructed the City Council on how to submit a new service request, and said that after the request is submitted, it is forwarded directly to the appropriate staff member. City Compass is accessible either by computer or by phone, and is free to download. Users who would prefer to call in service requests may contact a 24-hour toll-free number, and do not have to depend on a City staff member to be available. In addition to service requests, Mr. Hawley said that users could also access a link to NextBus, which



provides access to the ECU bus routes. He added that eventually, the GREAT bus system route will also be available on NextBus. The City Compass application also has links to the City's calendar of events, Sheppard Memorial Library, and entertainment in Greenville.

MULTI-FACILITY IMPROVEMENT PROJECT

Public Works Director Kevin Mulligan presented an update of the Multi-Facility Improvement Project, which has been approved and budgeted for by the City Council. The City recently purchased a building on Hooker Road that will be renovated, and will house some of the departments and equipment that is currently located at a facility on Third Street. Mr. Mulligan said that the driving force behind the project is the state of the Third Street facility, which is in poor condition and would be costly to renovate. Mr. Mulligan said that the project includes four fundamental pieces, which are listed below:

- The facilities, personnel and equipment from the Recreation and Parks and Public Works Departments will be relocated from the Third Street and Public Works Landscape Management facilities to the Hooker Road facility. The Hooker Road facility will be renovated to accommodate the relocation. Although the departments will remain separate, the end result will be greater efficiency of the departments and their use of equipment.
- Facilities and Landscape Management from the Recreation and Parks and Public Works Departments will be housed in the facility currently occupied by the Purchasing Division. That facility will also be renovated. The equipment from these departments will also be relocated to maximize efficiency.
- The Purchasing Division, which was housed in the Public Works facility, will be relocated to City Hall. In addition, the entire Human Resources and Finance Departments will be relocated within City Hall, which will allow the departments to be more easily accessible.
- Within the Public Works yard, staff is proposing a 2,800 square-foot Police Evidence Storage facility. The facility may either entirely house police evidence storage or a large portion.

Mr. Mulligan said that the estimated cost of the project is \$880,000, which was approved in the budget. The construction is scheduled to span over the next six to nine months. He explained that many of the facilities have undergone little improvement since the 1950's, and therefore, the best course of action would be to demolish them. The other buildings are in dire need of rehabilitation.



EMERGENCY AND ADVERSE WEATHER PAY POLICY

City Manager Lipscomb requested an exception to the City's Emergency and Adverse Weather Pay Policy. The policy states that, in the event of the closure of City offices due to inclement weather, City employees will receive full pay for the first day of the closure, but must utilize four hours of vacation time on the second day of closure. She stated that City offices were closed for two full days, Wednesday, January 29 and Thursday, January 30, 2014, due to the icy conditions. Additionally, she said that non-essential employees were told not to report to work and essential employees were told that they would receive overtime pay. However, Human Resources came across the policy, which City employees were unaware of. City Manager Lipscomb expressed her concern because no one knew about the policy, and as a result, City staff was unable to inform employees that they would be required to use four vacation hours for the closure of the second day. She requested that City employees receive full pay for both the first and second days of City office closure, and in the future, City employees would be advised of the policy in advance. Also, City Manager Lipscomb requested that the City Council examine all of the City's employment policies, including this one, in the future.

Mr. Holec said that the policy came about in 1999 following Hurricane Floyd. He explained that on the first full day of City office closure, employees receive regular pay. He stated further that for a second day of closure, so long as there is not a third, employees receive half of their regular pay while the other half is credited against vacation time. Mr. Holec explained that if the City offices are closed for three or more subsequent days, employees will receive full pay and no charge against vacation time. He mentioned a provision in which employees have a three-month period to gain back lost vacation leave. Mr. Holec stated that the City will allow full payment for employees for both days for this instance, but in the future, the City will follow the policy that is in place with the understanding that it will be revisited and improved.

City Manager Lipscomb asked if we should consider her request relating to this policy at the Thursday meeting. Mayor Thomas said that seems prudent.

ADJOURNMENT

Mayor Pro-Tem Mercer moved to adjourn the meeting, seconded by Council Member Blackburn. There being no further discussion, the motion passed by unanimous vote and Mayor Thomas adjourned the meeting at 8:29 p.m.



Prepared By:

Sara Ward, Clerical Assistant
City Clerk's Office

Respectfully submitted,

Carol L. Barwick, CMC
City Clerk



City of Greenville, North Carolina

Meeting Date: 5/19/2014
Time: 6:00 PM

Title of Item: Discussion of Potential Bond Referendum

Explanation: **Abstract:** City Council decided at their May 8, 2014, meeting to discuss a potential bond referendum at their regularly scheduled May 19, 2014, meeting. Staff will present information regarding the bonding process and potential programs for City Council's review and discussion.

Explanation: City Council decided at their May 8, 2014, meeting to discuss a potential bond referendum at their regularly scheduled May 19, 2014, meeting. Staff has previously provided City Council with background materials related to the City's 2004 bond program, bond programs conducted in other communities, and the City's capital needs.

Specific issues that City Council will need to consider and provide direction regarding include:

- **Campaign Structure.** Does City Council want to select a Bond Advocacy Committee as was done in 2004? Beyond general advocacy efforts, what role would this committee have in shaping the actual bond questions and programs (project lists)? What type of public input does City Council desire for developing the bond questions and programs? Will polling be used? What type of public education efforts will the City conduct and what funding should be budgeted for this purpose?

- **Timing.** When should the referendum appear on the ballot? Based on State law, the next two opportunities for a City bond proposal to appear on the ballot are November 2014 (6 months) or November 2015 (18 months).

- **Tax Rate Needed to Fund Bond.** Any proposed bond will require a tax increase to fund the debt service associated with the issuance. While rates and terms vary, it is estimated that a \$.01 tax rate increase will generate \$597k in FY 15, which should cover the debt service on a \$7M issuance financed for 20 years. The bond funding is used to cover all aspects of specified capital

projects and the cost of debt issuance. City Council should consider the total tax increase needed to fund various levels of bond programs. Examples are provided below:

- \$.02 tax increase - \$14M bond
- \$.03 tax increase - \$21M bond
- \$.04 tax increase - \$28M bond
- \$.05 tax increase - \$35M bond
- \$.06 tax increase - \$42M bond
- \$.07 tax increase - \$49M bond

*The City's current tax rate is \$.52 per \$100 valuation.

- **Bond Questions and Programs.** What specific questions does City Council want to be included in the referendum? State law (NCGS 159-48) provides the specific purposes for which municipalities can borrow money and issue bonds. Bond questions which appear on the ballot must be categorized in accordance with this statute. As such, bond questions are generally associated with substantive areas of capital needs such as "parks and recreation facilities", "streets and sidewalks", "law enforcement facilities", "library facilities", etc. Once the questions are developed, the specific program or project list must be finalized for each question.

Fiscal Note: No direct fiscal impact associated with discussion.

Recommendation: Hear staff presentation and provide clear direction regarding issues identified above.

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