Alderman Adella Gray
Ward 1 Position 1

Alderman Sarah Marsh
Ward 1 Position 2

Alderman Mark Kinion
Ward 2 Position 1

Alderman Matthew Petty
Ward 2 Position 2

Alderman Justin Tennant
Ward 3 Position 1

Alderman Martin W. Schoppmeyer, Jr.
Ward 3 Position 2

Alderman John La Tour
Ward 4 Position 1

Alderman Alan T. Long
Ward 4 Position 2

Mayor Lioneld Jordan
City Attorney Kit Williams
City Clerk Sondra E. Smith

City of Fayetteville Arkansas
City Council Meeting
July 21, 2015

A meeting of the Fayetteville City Council was held on July 21, 2015 at 5:30 p.m. in Room 219 of the City Administration Building located at 113 West Mountain Street, Fayetteville, Arkansas.

Mayor Jordan called the meeting to order.

PRESENT: Alderman Adella Gray, Sarah Marsh, Mark Kinion, Matthew Petty, Martin Schoppmeyer, John La Tour, Alan Long, Mayor Lioneld Jordan, City Attorney Kit Williams, Deputy City Clerk Lisa Branson, Staff, Press, and Audience.

ABSENT: Alderman Justin Tennant

Pledge of Allegiance:

Mayor's Announcements, Proclamations and Recognitions: None

City Council Meeting Presentations, Reports and Discussion Items:

City Council Presentation of the 2014 Annual Audit Report presented by Paul Becker

Paul Becker, Finance Director gave the 2014 Audit Report. He stated the report is on the City of Fayetteville website for review and the city was issued a clean opinion.

Agenda Additions: None

Consent:

Approval of the July 7, 2015 City Council meeting minutes.

Approved

Homeland Security Investigations Task Force Funding: A resolution to approve a budget adjustment in the amount of $8,077.00 recognizing funding from the Homeland Security Investigations Task Force for the purchase of a new forensic computer system by the Police Department.

Resolution 117-15 as recorded in the office of the City Clerk

Federal and State Law Enforcement Revenue: A resolution to approve a budget adjustment in the total amount of $100,993.00 recognizing revenue associated with federal and state law enforcement forfeitures and proceeds from the sale of a used vehicle on govdeals.com.

Resolution 118-15 as recorded in the office of the City Clerk

2015-2016 Justice Assistance and State Drug Crime Enforcement Grant: A resolution to authorize acceptance of the 2015-2016 Justice Assistance and State Drug Crime Enforcement Grant for federal and state funding in the amount of $242,610.00, and to approve a budget adjustment.

Resolution 119-15 as recorded in the office of the City Clerk

Insituform Technologies, Inc.: A resolution to approve a contract extension with Insituform Technologies, Inc. in an amount not to exceed $330,000.00 for sewer rehabilitation using cured-in-place sanitary sewer linings.

Resolution 120-15 as recorded in the office of the City Clerk

Gallagher Benefits Services: A resolution to approve the annual renewal contract with Gallagher Benefits Services in the amount of $57,600.00 for the provision of city employee benefits broker services.

Resolution 121-15 as recorded in the office of the City Clerk

Northwest Arkansas Economic Development District, Inc. General Improvement Fund Grant: A resolution to authorize acceptance of a General Improvement Fund Grant through the Northwest Arkansas Economic Development District, Inc. in the amount of $50,000.00 for the purchase of soccer goals for the Regional Park, and to approve a budget adjustment.

Resolution 122-15 as recorded in the office of the City Clerk

Garver, LLC Task Order No. 3: A resolution to approve Task Order No. 3 with Garver, LLC in the amount of $23,500.00 for design, bidding and construction oversight services for the Airport Airfield Marking Rehabilitation Project, to accept a 90/10 grant from the Arkansas Department of Aeronautics in the amount of $179,880.00, and to approve a budget adjustment.

Resolution 123-15 as recorded in the office of the City Clerk

Bid No. 15-39 Goodwin & Goodwin, Inc.: A resolution to award Bid No. 15-39 and authorize a contract with Goodwin & Goodwin, Inc. in the amount of $755,654.50 for the construction of the Mission Boulevard and Old Wire Road Intersection Water and Sewer Improvements Project, to approve a project contingency in the amount of $113,000.00, and to approve a budget adjustment.

Resolution 124-15 as recorded in the office of the City Clerk

Alderman Marsh moved to accept the Consent Agenda as read. Alderman Gray seconded the motion. Upon roll call the motion passed 7-0. Alderman Tennant was absent.

Unfinished Business:

RZN 15-5044 (4065 E. Huntsville Rd./The Plaza): An ordinance rezoning that property described in Rezoning Petition RZN 15-5044, for approximately 16.02 acres, located at 4065 E. Huntsville Road from R-PZD 08-3071, Residential Planned Zoning District Bridgedale Plaza to RSF-7, Residential Single Family, 7 Units Per Acre, NS, Neighborhood Services, and CS, Community Services. ***At the June 2, 2015 City Council meeting, this ordinance was left on the first reading. At the June 16, 2015 City Council meeting, this ordinance was left on the second reading. At the July 7, 2015 City Council meeting, this ordinance was left on the third reading and tabled to the July 21, 2015 City Council meeting.***

Jeremy Pate, Director of Development Services stated the applicant requested this item to be tabled until August 4, 2015.

Alderman Long moved to table the ordinance to the August 4, 2015 City Council meeting. Alderman Marsh seconded the motion. Upon roll call the motion passed 7-0. Alderman Tennant was absent.

This ordinance was Tabled to the August 4, 2015 City Council meeting.

Public Hearing:

Bear State Bank/Garlan and Georgia Reading Trust Condemnation and Possession: A resolution to authorize the City Attorney to seek condemnation and possession of certain lands owned by Bear State Bank, formerly known as First Federal Bank, or its assigns, and the Garlan and Georgia Reading Trust needed for the extension of Rupple Road from Persimmon Street to Martin Luther King, Jr. Boulevard.

Chris Brown, City Engineer gave a brief description of the resolution.

City Attorney Kit Williams: We will continue to attempt to see if we can work out a settlement. Bear State Bank is possibly going to sell their property. If it is assigned to some other person, then that's who we would have to file the condemnation claim against. This allows us to obtain possession of the property so that construction can begin.

Alderman La Tour: Ordinarily, condemnation is a heavy hand approach. It sounds like we are doing all we can to negotiate and gain the property. I support the effort to do that and hold condemnation as a last resort.

Alderman Petty moved to approve the resolution. Alderman Marsh seconded the motion. Upon roll call the resolution passed 7-0. Alderman Tennant was absent.

Resolution 125-15 as recorded in the office of the City Clerk

East Mission Boulevard Municipal Multipurpose Property Owners' Improvement District No 34: An ordinance to establish and lay off East Mission Boulevard Multipurpose Property Owners' Improvement District No. 34 of Fayetteville, Arkansas.

City Attorney Kit Williams: I received notification that they had difficulty having their banker agree to allow this. They have decided to ask that the item be tabled indefinitely.

Alderman Marsh moved to table the ordinance indefinitely. Alderman Gray seconded the motion. Upon roll call the motion passed 7-0. Alderman Tennant was absent.

This ordinance was Tabled Indefinitely.

New Business:

Arkansas Highway and Transportation Department Payment: A resolution to approve a payment of $170,000.00 to the Arkansas Highway and Transportation Department for the additional cost of a shared use path on the Highway 112 bridge across Interstate 49.

Chris Brown, City Engineer gave a brief description of the resolution.

Alderman Petty: Thank you to Chris Brown for working with the Highway Department. I think we ended up with a solution that is about as good as it can get.

Alderman Petty moved to approve the resolution. Alderman Marsh seconded the motion. Upon roll call the resolution passed 7-0. Alderman Tennant was absent.

Resolution 126-15 as recorded in the office of the City Clerk

VAC 15-5078 (East of 4148 W. MLK Blvd./Hollands Subdivision): An ordinance to approve VAC 15-5078 submitted by city staff for property located east of 4148 W. Martin Luther King Boulevard to vacate undeveloped street right-of-way.

City Attorney Kit Williams read the ordinance.

Jeremy Pate, Director of Development Services gave a brief description of the ordinance. The Planning Commission voted 9-0 in favor of the request.

Alderman Gray moved to suspend the rules and go to the second reading. Alderman Marsh seconded the motion. Upon roll call the motion passed 7-0. Alderman Tennant was absent.

City Attorney Kit Williams read the ordinance.

Alderman Marsh moved to suspend the rules and go to the third and final reading. Alderman Long seconded the motion. Upon roll call the motion passed 7-0. Alderman Tennant was absent.

Alderman La Tour: This is an example of an ordinance where I can support reading all three readings in one meeting. It's non-controversial.

City Attorney Kit Williams read the ordinance.

Mayor Jordan asked shall the ordinance pass. Upon roll call the ordinance passed 7-0. Alderman Tennant was absent.

Ordinance 5786 as Recorded in the office of the City Clerk

VAC 15-5080 (Weir & Salem Rds./Holcomb Heights Subdivision): An ordinance to approve VAC 15-5080 submitted by Riverwood Homes for property located at Weir & Salem Roads to vacate Weir Road right-of-way and portions of existing utility easements within the Holcomb Heights Subdivision.

City Attorney Kit Williams read the ordinance.

Jeremy Pate, Director of Development Services gave a brief description of the ordinance. The Planning Commission voted 9-0 in favor of the request. Staff is recommending approval.

Alderman Gray moved to suspend the rules and go to the second reading. Alderman Marsh seconded the motion. Upon roll call the motion passed 7-0. Alderman Tennant was absent.

City Attorney Kit Williams read the ordinance.

Alderman Gray moved to suspend the rules and go to the third and final reading. Alderman Marsh seconded the motion. Upon roll call the motion passed 7-0. Alderman Tennant was absent.

City Attorney Kit Williams read the ordinance.

Mayor Jordan asked shall the ordinance pass. Upon roll call the ordinance passed 7-0. Alderman Tennant was absent.

Ordinance 5787 as Recorded in the office of the City Clerk

Raising Cane's Building Appeal: A resolution to grant the appeal of Ken's Signs and to approve the requested variance for the length of neon lighting for Raising Cane's building.

Jeremy Pate, Director of Development Services gave a brief description of the resolution. The Planning Commission voted 5-4 against the request. Staff is not recommending approval of the request.

Raising Cane's Applicant stated she was requesting an additional 25 feet of neon lighting. She presented photos of other Raising Cane locations to show what the building would look like with the additional 25 feet of neon lighting. She stated the additional lighting would make the building more visible on College Avenue from both directions.

Alderman La Tour: If we go from 75% to 84%, could I tell a difference?

Jeremy Pate, Director of Development Services: Probably not. This is a technical requirement. The Planning Commission and City Council had to draw a line with creating the ordinance. It is an exemption to the requirement that all lighting has to be shielded and directed downward. Anywhere else that we allow exterior lighting within the city, you can't actually see the bulb or the source of the light. This prevents blinding light or distracting people as they are driving by. This is a safety issue and City Council felt 75% was an allowance they were comfortable with.

Alderman La Tour: You would agree that by its nature, neon lights aren't meant not to be shielded. It's the outline of the building.

Jeremy Pate: Sure. We've seen both applications. We have seen some that are shielded and reflected from an interior mirror type system which seems to work pretty well. We've also seen that several restaurants in our business park have neon. They all meet this requirement. I don't know that you would be able to tell that 75% versus 84%, the other way of your question.

Alderman La Tour: I urge the City Council to accommodate Raising Cane's. It's not a very obvious difference. This is a way we can show the business community that we are in favor of business.

Alderman Long: How many other variances have we granted with neon lighting?

Jeremy Pate: I don't recall any. I believe there might have been one before the Planning Commission and City Council, but I can't recall what that might have been. Collier's on Dickson Street may have received a variance. They were replacing an existing old 50's type fixture but I don't recall.

Alderman Petty: We have considered exemptions of the sign ordinance in the past.

City Attorney Kit Williams: This is not part of the sign ordinance. This is part of our outdoor lighting ordinance.

Alderman Petty: When we discuss the sign ordinance you talk about how exemptions may weaken the ordinance in our defense in court. Do you also feel that would be true of our lighting ordinance?

City Attorney Kit Williams: It is a different issue. You have to look at the sign ordinance in relation to the First Amendment and protections that people have for communications. This is a lighting ordinance, so it's not the same thing. I don't think it weakens the ordinance if you do grant a variance.

Alderman Kinion: This is a tough intersection to navigate because of Shiloh Drive, Millsap Road, and the addition of the flyover. I would like to consider granting this because it helps their brand. I'm not sure this is a place to do it and add any more distraction. We need to consider this from a safety issue. I won't be able to support this.

A discussion followed about the overall length of lighting that can be allowed on the property.

Alderman La Tour stated he doesn't believe it will raise a big safety issue.

Alderman Marsh: This is an appeal. How did the Planning Commission vote?

Jeremy Pate: It was a 5-4 vote. Our test is whether there is a hardship and that is how we apply consistency to all businesses. We could not find in favor of that.

Alderman Marsh: I don't view brand identity as a hardship that would be worthy of exception in this case. I think the signage is very apparent and I don't think there is a visibility issue. We need to hold all our businesses to the same standards so people can know what to expect and there are no allegations of favoritism.

Alderman La Tour moved to approve the resolution. Alderman Schoppmeyer seconded the motion. Upon roll call the resolution failed 2-5. Aldermen Schoppmeyer and La Tour voting yes. Aldermen Gray, Marsh, Kinion, Petty, and Long voting no. Alderman Tennant was absent.

This resolution failed.

Arkansas Legacy LLC Appeal: An ordinance rezoning that property described in Rezoning Petition RZN 15-5066, for approximately 3.98 acres, located at 1338 and 1326 W. Cleveland Street from RMF-24, Residential Multi-Family, 24 units per acre and RSF-4, Residential Single-Family, 4 units per acre to DG, Downtown General subject to a Bill of Assurance.

City Attorney Kit Williams read the ordinance.

Jeremy Pate, Director of Development Services gave a brief description of the ordinance. He stated it was an appeal of a decision by the Planning Commission to recommend denial of a rezoning with a 9-0 vote. He stated that a project with a higher density situated more compactly on the property could be appropriate. He stated that he doesn't believe that Downtown General is the appropriate designation of a development on the property.

Alderman Kinion: The Bill of Assurance goes with the property and the zoning. It stays with it regardless of the sale of the property, correct?

Jeremy Pate: That is correct. It does not matter who the owner is or what plans they have, the Bill of Assurance runs with the land unless the City Council votes to change that.

Alderman Kinion: There are some accommodations in this Bill of Assurance that is comforting, but I probably can't support this.

Alderman Petty: You may support a higher density than RSF-4. I know that to the east it is RMF-24 and to the west it is RMF-4. Do you think somewhere in the middle?

Jeremy Pate: I think so. I've been asked what is the number I am going to support. It is very difficult for a staff person to answer. The details are what matter with a project that is appropriately designed and with the surrounding context being considered. When you transition out a property, even four acres can make a big difference.

Jeremy Pate briefly explained why staff recommended a PZD for the property.

Alderman Gray: Would you give us some idea of what you think would work and be a good plan.

Jeremy Pate: The plan that has been developed is a good start. It is the manner in which it's presented. The details are what matter. RSF-4 is relatively easy to develop a project. It does not make financial sense, is what we have heard from the applicant. If this were a lot into Sunset or off of Oliver, I don't think we would be recommending anything more than RSF-4 because it is very clear where that boundary is. Along Cleveland is a little different in our opinion. I know we have some disagreement with the neighborhood on that. Some of the neighborhood believes that Cleveland should be the line that is held. Downtown General can lead to further policy decisions even more into the neighborhood. How much it's encroached is a concern for us.

A discussion followed regarding the transition from RSF-4 to the north and west and RMF-24 to the east.

Mayor Jordan: The applicant has asked to make a presentation. We have not allowed to show the layout of what you are going to do. We didn't do that with the Neighborhood Market. This is about rezoning.

Brian Teague, Community By Design: I am representing the owners of the property, the Jeske Family, who are Arkansas Legacy LLC. I've been working with the owners for about 18 months and getting them on board with the City Plan 2030 goals with the Future Land Use Plan goals. I feel that we have done a good job of incorporating all that into our proposal.

A discussion followed about staying focused on the rezoning and not showing the design or plans.

City Attorney Kit Williams: When you first submitted the Bill of Assurance it had a site design and you were incorporating that into your Bill of Assurance. At that point in time that could have been shown. Now that you have removed that, it is no longer part of the zoning decision.

Brian Teague: Could we show the scale of the buildings that we are proposing since we are limiting the height to 30 feet and limiting the use to single, two, and three family?

City Attorney Kit Williams: I guess you could show the height of the building. It's hard to make a decision without seeing your slide. Jeremy, have you looked at their slide?

Jeremy Pate: I have. It is basically the same presentation as the Planning Commission. There are site plans relevant to the development you have all seen. The scale and elevations would bring the character of the height limitation. I would limit comments just to the height and single, two, and three family units.

Brian Teague gave a brief power point presentation of the rezoning request. He stated he felt that the proposal of 13 units per acre is quite humble. He stated looking at the Future Land Use Plan it makes the property a city neighborhood area. He stated the designation encourages more densely developed neighborhoods with a wide spectrum of non-residential and residential uses. He believes the precedent has been set for Downtown General with the Walker Park neighborhood. He stated it would allow the property owner to construct traditional densities. He stated lesser lot area and street frontage requirements would allow the owner to build densities using single and two family unit types, instead of big apartment buildings. He stated approval would create the certainty that the bank needs in order to give us financing to create detailed development plans for a large scale development process. He stated a PZD was not chosen because the development process was unpredictable. He believes the increased tree preservation requirements of a PZD are inappropriate for the infill location. He believes the appeal was appropriate. He stated that the proposal was very inconsistent with the city's long range planning goals.

Alderman La Tour: If you aren't allowed to develop the property, what do you think is the most likely result of that?

Brian Teague: The family is emotionally tied to the property. They want to do something that creates a legacy they can be proud of. They are ready to do something with the property. If we

aren't able to find an economically feasible way to do that, then we would likely end up selling the property.

Alderman La Tour: Who would be most likely to buy it?

Brian Teague: In the last 18 months there have been two college housing developers.

Alderman Long: During the Ward 4 meetings we met twice for over three hours. I provided you a very valuable time period in which to present questions and receive information. You had the opportunity to receive feedback. We spoke on the phone last week and one thing you didn't tell us you wanted was more of a consensus on the density on the property.

Brian Teague: At the last ward meeting we asked what density that the people who were at the meeting felt would be appropriate. We didn't get an answer to that question. We have offered to meet with the neighbors to discuss the project since the ward meeting.

A discussion followed about the neighbors meeting with the developers to discuss the project.

Ken Gardner, 909 Hall spoke in opposition of the ordinance.

George Hamilton, 1400 West Cleveland stated the community is not supportive of the ordinance. He stated the PZD would be a more sensible zoning.

Archie Schaffer, 1404 West Cleveland stated Downtown General is an inappropriate rezoning. He stated the PZD process is the appropriate way to rezone.

Alderman Marsh: What is the neighborhood envisioning?

Archie Schaffer: The type of development they have proposed is something we think would be appropriate, if it is done the right way.

Paul Jeske, 2820 Riverside Drive in Salem, Oregon. He stated he grew up at 1326 West Cleveland. He stated he is trying to protect and contribute to the neighborhood. He stated he knew that the standards for tree retention weren't appropriate and that is why he didn't ask for a PZD zoning category. He stated he was getting a mixed message from city staff about the Bill of Assurance. He stated stewardship is very important to him. He spoke in favor of the ordinance.

Mayor Jordan: Do you feel you were encouraged to do a PZD from the staff?

Paul Jeske: Yes

Mayor Jordan: The Urban Forester told you he didn't feel the PZD would work for the tree preservation?

Paul Jeske: The tree canopy requirement of 25% in the PZD was appropriate.

Mayor Jordan: Was that letter submitted to the Planning Commission?

Paul Jeske: I don't think they saw it.

Mayor Jordan: Jeremy, do you know?

Jeremy Pate: I don't know. We can check the packet. It's not something that is typically submitted in a zoning application.

City Attorney Kit Williams: If they had been asking for a PZD, maybe it would have been included, but they weren't asking for a PZD.

Alderman Long: One of things important to your family in going forward is certainty?

Paul Jeske: To have some degree of predictability.

Alderman Long: Like we discussed last week, the only certainty when it comes to zoning or developments are where you are at right now. You mentioned that Planning staff couldn't give you a density that would be approved, they couldn't give you the tree preservation amount that would be approved, and they couldn't give you the number of parking spaces, if you did go with a PZD that would have to be required. This is because they can't approve those things.

Paul Jeske: I understand they make recommendations to you. It is ultimately appropriate for the City Council to make that decision.

Alderman Long: I know you were there at the first Ward 4 meeting where we discussed this. It was months ago. You brought your development proposal. We appreciated that and it gave the neighborhood an opportunity to give valuable feedback. We are talking about the process. I remember discussing with you about the parking, tree preservation, density, and the things you asked Planning for information on. They did talk about that. When you came back about a month ago, nothing had changed in a major sense. I think there was a lot of direction given.

Paul Jeske: I agree and appreciated the comments. I take responsibility for not clearly communicating back to you or other residents where we were at. I want to be in discussion with the neighbors. I thought the PZD wasn't going to get us there because I didn't know where we would end up.

A discussion followed about having the Urban Forester speak after public comment.

James McCartney, University Heights stated the density of the project would lower his property value. He spoke in opposition of the ordinance.

Aubrey Shepherd, 1101 South Duncan stated he doesn't want huge standing trees to be destroyed. He stated he would like a zoning that would protect rich soil. He spoke in opposition of the ordinance.

Teresa Turk, 1408 West Cleveland stated the area has a lot of traffic and is very congested. She spoke in opposition of the ordinance.

Ken Eastin, Urban Forester: I don't know if the memo was included in the Planning Commission packet. Brian did use it to make the presentation to the Planning Commission. I met with Brian at the site and he went over the plans for the project. I embraced the plans. I thought it was very good plans for development of that site. Working within the PZD zoning designation, that does require 25% canopy preservation. When we say 25% preservation, that does not always work out that way, that's the starting point, but there are other avenues within the ordinance to allow development to occur and still be able to work within that zoning designation. What we want to see is 25% preservation on site. On a small site like this, it is difficult. I believe I said that in my memo. I never said that it was not appropriate. I said it was difficult to achieve. In lieu of 25% preservation, there are other avenues. There is mitigation on-site and mitigation off-site. City Council approved mitigation in city parks nearby. The final option available is anything that can't be accommodated in any of the above categories can be paid into the Tree Escrow fund. I stated in my memo that I am happy to work with the developer and the consultant to pursue any of the other options and make this an acceptable project.

Mayor Jordan: You advised them it would be difficult, but not impossible to make a PZD work?

Ken Eastin, Yes. They approached the Downtown General zoning at that time. I didn't feel that was appropriate and based on staff's suggestions of a PZD I felt like that gave us a process and means to work with the client.

City Attorney Kit Williams: Something would be able to be worked out. Ken has worked with many developers. He's not turned down a development because of the Tree Preservation ordinance. It may be more expensive if they had to pay into the Tree Escrow fund, but not where the project could not be built.

Ken Eastin: There are some projects similar to this that wound up with no actual on-site preservation, other projects with very limited on-site preservation, but that total preservation was met through the other options.

Alderman La Tour: What's the charge if I am developing something and I can't make the tree preservation requirements on-site and I decide I want to pay into the escrow fund, is there a charge per tree?

Ken Eastin stated that there is a charge. He continued to explain the mathematical process for pricing.

Alderman La Tour stated one acre could cost $135,000 for high priority trees.

City Attorney Kit Williams: You don't have to preserve 100% of your tree canopy. Downtown General requires 10% and PZD's require 25%.

Jeremy Pate stated the Project Cleveland approval has expired. It is no longer an approved PZD therefore the zoning is null and void. He gave the definitions of a PZD.

Alderman Marsh: How tall is the building across the street from this project? It's on the University campus.

Jeremy Pate: I think, 12 stories.

A discussion followed about the process of a large scale development project.

Alderman Long stated bad zoning decisions shouldn't be made because the University of Arkansas could possibly buy the property. He stated Downtown General isn't a good fit for the area.

Alderman Petty stated he wished density wouldn't dominate a conversation because there are ways to build with a good outcome. He stated there is a failure of the zoning codes. He stated a decision will have to be made whether to accept a Bill of Assurance as a compromise or a PZD accepted as a compromise. He stated our code isn't sustainable and needs to be fixed.

This ordinance was left on the First Reading

City Council's Intention to Purchase the Fayetteville Chamber of Commerce Building: A resolution to express the City Council's intention to investigate a possible purchase of the Fayetteville Chamber of Commerce building on Mountain Street.

Alderman Gray gave a brief description of the resolution. She stated she would like it be evaluated before allowing the building to be sold to someone else. She would like a committee to explore the option of who would be a good group to move into the building.

Alderman Kinion: We own all the adjacent property to this small parcel. For continuity and planning, it would be wise to take a look at it. It creates the opportunity to have services in a single location without a break. We have to look at the cost and what the return we would get at the cost.

Mayor Jordan: Mr. Clark approached me and said he was going to purchase a property on the square. He offered to sale the Chamber of Commerce building to the city. I assigned staff to look into the feasibility of the city needing the building and space. I assigned that task to Paul Becker. He spent several weeks with the staff studying whether we needed the building or not. The price that we were looking at was $900,000. We had Wade Abernathy at Facilities Management take a look at it. I told Mr. Clark we would have to look at what it would cost to renovate the building. It could cost up to $300,000 to renovate the building with an investment of about $1.2 million of city money.

We just remodeled the basement of City Hall which provided us with office space. I spoke with the Chief of Police whether he thought it was the type of building he wanted and he did not feel they needed it. There was a study done in 2011 on our future space needs for the next 25 years.

Staff felt like we did not need the building. I met with Mr. Clark and told him I did not feel that we needed the building.

Paul Becker, Finance Director: Back in 2011 when we were approached to buy the old Bank One building, we did an analysis on what we thought the potential expansion of necessary staff would be. We asked staff what they felt they may need through 2025. It is on the high side because staff is going to tell you what they like, not necessarily what's going to happen or what they absolutely need. That was a potential forty positions throughout the people that were housed on the campus down here. If we look at what has happened in 2011 and today in 2015, we have not added staff down here. We have .7 full time employees less than we had back then. If I look forward at what we can afford going through 2025, I do not believe we are going to have major staff increases in the administration. We will very likely have some expansion in public safety, in the Police Department and in the Fire Department. The Fire Department would be housed out in the current stations or we would have to look at other space.

In the CIP Plan, we have an unfunded request to finance a new police facility at some point in the future. To purchase that property, I believe we would have to take that out of existing funds or a fund balance. We are in the budget process right now and there are other priorities. Based on that, I recommended to Lioneld that we did not have immediate need for space, and that immediate need is going through 2025. We have the parking facility on Dickson Street going in. We will have a couple of unfinished liner buildings we could use for staff, we could move the parking people from here down there. I don't see our Billing/Collections units expanding as much as we had thought at one time because we are starting to go more and more with electronic servicing with customers.

Parks doesn't feel that splitting the department at this point in time would be efficient. We do have a long range plan when the Regional Park is completed to move them out there. Fleet and Transportation, it doesn't make any sense to try and move them. We gave it a pretty good look, what we felt were the needs of the City. I made that recommendation to Lioneld. Lioneld factored it into what we considered he may have as priorities in the future. As far as staffing we did a pretty exhaustive study. That's how I came to the conclusion. It's not something that Lionled and I just cursory looked at and weren't interested in. We did take all factors into consideration.

Don Marr, Chief of Staff: Paul did the assessment this year and in 2011 I did the assessment. We considered 1 East Center on the square. Going back and looking at that report, we don't think there would be much difference other than the fact that we would probably be projecting out further the headcount increases that the city would have rather than being 2025 because we haven't seen that employee headcount growth in the last five year period when that report was initially done.

You also had a letter that was handed out tonight that I want to speak to specifically. They talked about spokespersons of the city indicating that the city had short term needs for space as well. I think that's a misinterpretation of an article that took place on July 3rd when the city was contacted by the Northwest Arkansas Times reporter, Joel Walsh who asked me as Chief of Staff, if the city purchased this facility, what would be the potential uses that would be considered. The response to that question was potentially the Parks Department in terms of front public space, where we had talked about that at 1 East Center presentation rather than sending people to an industrial site. The

only department we saw immediate growth in the future was the Police Department. The chief has been very clear that he prefers a new facility on I-49 for access purposes as opposed to a Downtown expansion for multiple reasons and that is in the master study of the Police Department report. If we did do that in the future then we have a 12,000 square foot building sitting right behind us for future needs that would be able to be expanded upon. We didn't see there was any need to pursue additional space. That article, if it was misinterpreted that we have an immediate need for short term space, we don't. We communicated a hypothetical, if we had it, what would be potential uses.

Alderman Petty: Did you examine any revenue generating opportunities if we were to purchase the building and lease it until we needed the space for ourselves?

Paul Becker: I did not.

Alderman Marsh: If the city were to purchase this building, then we would no longer be collecting property taxes off this property?

Paul Becker: That is correct. We would file for an exemption.

Alderman Long: In looking at this building it doesn't have that many offices.

Paul Becker: If it was purchased, we would have do some remodeling. It could cost $200,000 to $300,000.

Alderman Gray: Have we added back all the full time employees that we got rid of during the recession?

Don Marr: No, we have not.

Alderman Gray: Do we have any plans too?

Don Marr: In 2011 when we did the assessment, our head count today is about three quarter of a head count less than when we did the last one without any particular need. The direction we have gotten from the Council is not really an increase in any area other than our public safety area as we evaluate the statistics moving forward with the growth of our city. Those individuals aren't necessarily targeted within our Downtown campus. Certainly not our Fire Department which is at multiple stations or any new station location for quicker response times. The long term strategic plan is a future police center that is more located centrally to I-49 for access issues, because of our growth on the western part of the city.

Alderman Gray: There wouldn't be any advantage to the Police Department using that building until we build a new police station?

Greg Tabor, Chief of Police: I would take a new or used building as long as it was the correct building. When we did the space needs study in 2006 or 2007, it said we needed around 60,000 square feet and five to seven acres. Right now we are very inefficient. We have officers assigned at four different locations and equipment at two other locations. If we were to temporarily move

over here, we now have people at five different locations. I would rather us survive where we are at today, then divide once again and have the inefficiencies it causes.

Alderman Gray: This building is so close to your present location. I've heard from some folks in the Police Department that it is very crowded.

Greg Tabor: At some point in the future it will have to be looked at.

Alderman Gray: You all deserve a new building on I-49. As soon as we can do that I am all for it. I haven't seen any plans in the next year or two.

Alderman Kinion: When I thought about this I didn't see it as an immediate use situation. I saw it as an investment and a future use opportunity. The property and building has value, but also in the long range growth of Downtown, the central core and city services. It makes sense to have continuity of all the property here or at least to look at that and grow if we needed too. It should be looked at as a revenue generating opportunity if we aren't going to use it. The intent of the resolution is not to say this is what we are going to do. The intent of the resolution is to take an objective look at a global situation.

Alderman Petty: I see the logic in essentially banking this land away for future needs. I only see that working out if there is a way to cover the carrying cost in the meantime. I would be skeptical of making any kind of an offer that didn't have an end to end plan in place. In the past, members of this body up here have made strong statements that the city should never be a landlord. I disagree with that in certain circumstances. Every city hall I've visited in a larger city has a coffee shop and often an independent visitor's bureau on its ground floor. I'm inclined to vote against it because even with the long view there is another two acres that is just a parking lot across the street that I know we own. There is another three acres that's south of that and another two acres a block away that is owned by the Off Street Improvement District. I don't see there being a risk of not having land to exist on.

Alderman Long: We have to think of the best way to leverage our assets right now. There are a lot of urgent needs that the city has. I appreciate the intent.

Alderman Marsh discussed community vitality and how to ensure success of Downtown. She stated what kills Downtowns are empty storefronts. She stated not many people use Mountain Street because there are no storefronts on it. She believes whatever goes into the building needs a storefront with retail and commercial spaces. She has concerns about taking a valuable property off the property tax roll. She stated she had other funding priorities for the year and is concerned how projects will be supported if $1.3 million is taken out of reserves. She stated she isn't opposed to taking an objective look at purchasing the property, but doesn't believe it is the right choice for the city.

A discussion followed about tabling the item for further evaluation.

Alderman Kinion stated his intent was to start a public dialogue and create more time to look at opportunities and options.

Alderman La Tour moved to table the ordinance to the August 4, 2015 City Council meeting. Alderman Long seconded the motion. Upon roll call the motion passed 7-0. Alderman Tennant was absent.

This ordinance was Tabled to the August 4, 2015 City Council meeting.

Announcements:

Don Marr, Chief of Staff: There will be a special meeting on July 23, 2015 to discuss the Council's input on the contract for the city's next Economic Development contract at 5:30 p.m. in Room 326.

The Gulley Park concert is July 23, 2015 at 7:00 p.m. The group is called Groovement.

Alderman Long: A Ward 4 meeting will be on July 27, 2015 in Room 111 at 6:00 p.m.

City Council Agenda Session Presentations:

Agenda Session Presentation - 2014 Annual Audit Report presented by Chairman of the Audit Committee.

Agenda Session Presentation - Economic Development Quarterly Report, Chung Tan.

City Council Tour: None

Adjournment: 8:21 p.m.

Lioneld Jordan, Mayor

Sondra E. Smith, City Clerk Treasurer