

Minutes

Finance Committee Meeting
2:15 p.m., February 28, 2012
Conference Room 209, City Hall

Present: Vice Mayor Esther Manheimer, Chair; Councilmember Marc Hunt;
Councilmember Chris Pelly

Staff: Lauren Bradley, Jeff Richardson, Cathy Ball, Robert Griffin,
Tony McDowell, Pat Liguori, Roderick Simmons, Maggie Ullman,
Cheryl Heywood

1. Approval of Minutes

The 1/24/12 minutes were approved by the committee.

2. Commercial Loan Program for Energy Efficiency Projects and PACE Legislative Update

Maggie Ullman gave the committee some background information on both the commercial and residential PACE programs. Ms. Ullman explained that the Federal Housing and Finance Administration (FHFA) directed Fannie Mae, Freddie Mac and the Federal Home Loan Banks to refrain from buying mortgage loans secured by properties with PACE obligation liens. Municipalities are addressing this through a federal bill that would prevent residential and commercial mortgage lending regulators from adopting policies that disregard clean energy laws. Due to a challenge in federal court regarding the legality of their intervention, the FHFA is seeking public comments regarding whether their directive should be changed. Concerning commercial PACE programs, Ms. Ullman explained that current state legislation authorizes counties and municipalities to make energy efficiency improvements on private property and imposes a tax assessment on the real property to recoup the cost of the project. To implement an energy assessment on commercial properties, the City would need to access capital to fund the upfront cost of the installation.

The committee directed staff to bring an update to full council with a recommendation that council pass a resolution to support PACE programs and that the Mayor send a letter of support for the residential PACE program to FHFA. The committee directed staff to further research commercial PACE programs.

3. Property Acquisition

Cathy Ball outlined the proposed right of way acquisition policy and explained the processes and procedures staff will follow during property acquisitions.

Because the policy is administrative in nature, further Council consideration was not necessary, and staff will begin to operate under its guidelines.

4. Demolition of unsafe private property

Robert Griffin explained to the committee that prior to 2006, demolition of properties was a budgeted line item, but currently, the process is for the item to go to council for approval on a case by case basis. Mr. Griffin told the committee that condemned properties do not get demolished unless the owners don't keep the property boarded up, which is a safety issue. The committee reviewed staff's recommendation to proceed with demolition of two or three unsafe private properties that are creating nuisance and safety concerns in neighborhoods.

This action will require a budget amendment to fund demolition; however, liens on the properties may provide an opportunity to recover the City's expenses. This item will be considered by the City Council on March 13th.

5. Asheville tourists lease agreement

Roderick Simmons told the committee that we are in the process of re-negotiating the terms of the lease for the use of McCormick field by the Asheville Tourists. The lease proposes to shift operating responsibilities and associated expenses to the Tourists; in exchange, the City would commit to reinvesting the current net operating contribution in ongoing capital improvements at the facility over the next five years.

The committee unanimously supported the lease terms, which will be considered by the City Council at the March 13th meeting.

6. Overview of FY 2012-13 Budget Process and Schedule

Lauren Bradley reviewed the budget process and schedule prior to the adoption of the budget on June 12th.

7. Other Business

Due to the budget work session on 3/20, which takes place on the standing meeting date for March, the committee scheduled the next meeting for March 20th at 2:30pm and the following meeting on April 3rd, at 4:00p.m.

The meeting was adjourned at 3:30 p.m.