

**Washington City Council Planning Retreat
February 1-2, 2007
Beaufort County Agricultural Extension Building**

The Washington City Council met on Thursday, February 1, 2007 at 9:00 a.m. at the Beaufort County Agricultural Extension Building. Present were: Judy Jennette, Mayor; Darwin Woolard, Mayor Pro tem; Mickey Gahagan, Councilman; Ed Gibson, Councilman; Archie Jennings, Councilman; James C. Smith, City Manager; Rita A. Thompson, City Clerk; and Franz Holscher, City Attorney Councilman Richard Brooks was ill and could not attend.

Also present were: Carol Williams, Finance Director; Allen Lewis, Public Works Director; Susan Hodges, Human Resources Director; Keith Hardt, Electric Director; Bobby Roberson, Community Development & Planning Director; Jimmy Davis, Fire Chief; Gerald Galloway, Interim Police Chief; Philip Mobley, Parks & Recreation Director; Joey Toler, Interim DWOW Director; Lynn Lewis, Tourism Development Director; Gloria Moore, Interim Library Director; and Mike Voss, of the Washington Daily News.

Facilitation Team (NC Division of Community Assistance) present: Bianca Gentile, Debra Hawkins, Brad Hufford, and Lee Padrick.

Mayor Jennette called the meeting to order and welcomed everyone.

INTRODUCTION AND REVIEW OF AGENDA

Facilitator, Lee Padrick, Chief Planner- NC Division of Community Assistance. Mr. Padrick briefly outlined the proposed format for the 2 day Washington City Council Planning Retreat.

After going over the agenda, Mr. Padrick proceeded to ask the Council to state their expectations for the retreat. The expectations listed by the Council were:

- Focus on finances
- Move out of debt and improve services
- Unify priorities; set goals throughout the organization
- Consider out of the box strategies for how we do business
- Cut costs/ increase revenues (fiscal strategies)
- Improve accountability
- Evaluate services we provide
- Improve communications
- Re-align our champagne taste to a beer budget (how do we pay for our taste?)
- Make hard decisions
- Develop an annexation game plan
- Establish smart growth policies
- Work toward organizational buy-in

STATE OF THE CITY REPORT

Carol Williams, Finance Director, gave a brief presentation of the current budget and went through a financial report on the general fund's current revenues and appropriations. The Council expressed concern over the low fund balance, along with a desire to grow revenues. Several council members expressed a desire to see a quarterly update spreadsheet of the city budget. Future trends estimate a 3% increase in next year's budget both in revenues and expenses. At the time of the presentation, a \$600,000 shortfall is predicted in 07-08's budget.

Mr. Smith then gave a report on active development projects taking place around the City. During the discussion of these projects, a number of separate issues surfaced

including: land use controls along the waterfront, countywide zoning, expanding the extraterritorial jurisdiction (ETJ), annexation, and appealing a state mandated bill of \$1.7 million for moving utility water and sewer lines in the State's right-of-way for the Hwy 17 bypass.

SMART GROWTH PRESENTATION

Jay Tomlinson with NC State School of Design gave a presentation entitled "Smart Growth and Conservation Development Design". Mr. Tomlinson's presentation outlined the basics of Smart Growth and showed a number of pictures that illustrated how these principles are addressed in other communities.

The 10 principles of Smart Growth are:

- Mix land uses
- Take advantage of compact building design
- Create range of housing opportunities and choices
- Create walkable neighborhoods
- Foster distinctive, attractive communities with a strong sense of place
- Preserve open space, farmland, natural beauty and critical environmental areas
- Strengthen and direct development towards existing communities
- Provide a variety of transportation choices
- Make development decisions predictable, fair and cost-effective
- Encourage community and stakeholder collaboration

Mr. Tomlinson's presentation and the discussion that followed touched on several other aspects of Smart Growth including; aesthetics, environmental concerns, traffic control, increased population density, and low impact development.

LAND USE PLAN PRESENTATION

Dale Holland, Holland Consulting Planners, gave a presentation on the City of Washington's Land Use Plan. The plan was developed as part of the Coastal Area Management Act requirements and is updated every 5 years. The plan incorporates a number of Smart Growth principles. A number of separate issues came up in the discussion of the land use plan. These included corridor aesthetics, the Highway 17 bypass, shoreline access and communicating the City's design and zoning standards to the development community.

ANNEXATION PRESENTATION

Lee Padrick with Division of Community Assistance gave a presentation on the basics of annexation. He outlined the legal requirements that a community must go through to annex a parcel of land as well as some special considerations that must be factored into the decision making process.

GROWTH AND APPEARANCE DISCUSSION

Council members were asked to list all the relevant issues about growth and appearance and to prioritize the list. This process produced several goals and accompanying strategies. The issues that the Council identified as a priority were: annexation, relationship with developers, and collaboration with neighboring communities.

Annexation was discussed as a way to expand the tax base as well as add people to the City's population. The specific strategies developed around this issue were: 1) update the annexation feasibility study; 2) use the study to evaluate target areas; 3) develop an annexation fact sheet; 4) communicate with proposed annexes; 5) budget appropriately; and 6) act.

Relationship with the development community also ranked high on the Council's priorities. Council members wish for the City and the developers to interact on more

equal footing, and that the town delineates what types of development it wishes to pursue before initial conversations begin. Specific actions proposed for this issue were: 1) task Planning Board with creating guidelines based on smart growth; 2) communicate to all department heads; 3) allow public input on the process (include scorecards, illustrations, definitions, guidelines; and 4) implement.

Collaboration with neighboring communities and units of government, specifically with Beaufort County and the City of Greenville, was also of high priority to the Council. Specific actions associated with this issue were; 1) identify partners and collaborative issues, 2) reach out, communicate, and develop mutual strategies and 3) execute strategies.

Next, the Council reviewed the 10 Principles of Smart Growth. The Council asked to add "Drainage" to the list of principles, since Washington is subject to flooding because of topography.

The Council members were asked to rank the principles. Each Council member was given 5 votes. They were instructed that they could use their votes any way they wished; they could place more than one vote for a principle if they felt strongly about it, or they could place 1 vote per principle. The results were:

- Make development decisions predictable, fair and cost-effective (5 votes)
- Create range of housing opportunities and choices (4 votes)
- Preserve open space, farmland, natural beauty and critical environmental areas (4 votes)
- Provide a variety of transportation choices (4 votes)
- Create walkable neighborhoods (3 votes)
- Drainage (2 votes)
- Mix land uses (1 vote)
- Compact building design (1 vote)
- Foster distinctive, attractive communities with a strong sense of place (1 vote)

On motion of Councilman Gibson, seconded by Mayor Pro tem Woolard, Council unanimously adjourned the meeting until Friday, February 2, 2007 at 8:30 a.m.

Friday, February 2, 2007 – 8:30 a.m.

Mayor Jennette called the meeting to order.

SERVICES UPDATES AND DISCUSSIONS

Library

Several issues were raised about the library services the City provides. Most dealt with the costs associated with operating a library. The City budgets around \$364,000 annually for the library. The discussion of the library included; the feasibility of merging with BHM Library, expanding the book budget, charging user fees, internet access equity, and supporting the Friends of Brown Library with private fundraising efforts. Specific action steps identified were: 1) develop a funding strategy with Friends of Brown Library; and 2) task staff to develop a user fee schedule and find efficiencies in the library's operation.

E911

The dollar amount that E911 services costs the City annually is \$278,000. The consensus was that the City would pursue ending the provision of E911 service and pass along responsibility to the County or receive compensation from the County for the provision of service. Ending the City's participation in the e911 agreement would have an impact on the budget as well as on physical space at the police station, police staffing levels, and on the level of service received by citizens. Action items for e911 were: 1) draft formal letter notifying county of decision to end service; and 2) meet with County officials to discuss decision.

EMS

The annual net budget for EMS is \$96,000. The subject of privatization was briefly discussed. After a presentation from Jimmy Davis, Fire Chief, the Council decided to continue the present course of action.

Recreation Plan Presentation

Bob Harned with HSMM Consultants presented an update on the City of Washington's Parks and Recreation plan which is currently being developed. He gave an overview of the existing facilities and services, and the public survey process used to measure community interest. He also touched on the future needs of the community, including the preservation of green space, new recreation activities and waterfront access. The discussion following the presentation mentioned the important link between parks and recreation, tourism, and economic development. The Council also expressed concern about County residents and visitors using the facilities and City residents subsidizing this use with their taxes. More public input for the plan will be sought.

Phil Mobley, Recreation Director, gave the Council an update on the Recreation Department. The annual cost to the City for the provision of recreation was \$1.5 million. One important topic that came up was the large amount of county residents that use the services of the Parks and Recreation Department but do not contribute with their tax money. The consensus among the Council was that it is a quality of life issue that goes beyond the simple monetary figure. The Council discussed ways to increase revenue while reducing the budget allocation. Topics touched on during the discussion included: building consensus, charging user fees for non-city residents, re-evaluating the department's mission, finding efficiencies, and the quality of the City's pool. The Council agreed that more debate would take place at budget time, however some specific action items were outlined: 1) analyze the effects from the change in how the leagues are managed, 2) evaluate the current dock management system, and 3) study reuse of the fitness room at the Aquatics Center.

DWOW and EDC

City funding of DWOW and the EDC organizations will continue for the foreseeable future. However, the Council showed an interest in studying the structure more closely. DWOW receives roughly \$55,000 from the annual budget and the EDC contribution is budgeted at almost \$95,000. Consensus was that both of these programs are invaluable to the City's overall development plans. Discussion centered around renegotiating an agreement with the County whereby the County now pays a percentage of DWOW's budget and the City pays a portion of the EDC's budget. It was suggested that perhaps the City could do a budget swap: the City would take over the County's commitment to DWOW in exchange for reducing the amount that the City pays into the EDC. Another suggestion was to examine DWOW's budget more closely to find ways to trim the total expenditures. Another action item was to investigate the agreement with the County concerning the Skill Center.

Evans Seafood Property

Mayor Jennette asked Council for a discussion on the Evans property.

Mr. Smith stated that we contracted with Allison Platt to do a mapping illustration of the redevelopment site, which the Evans site is only a half acre. Mayor Pro tem Woolard stated that we are not in a hurry to sell it, but we might want to see what a developer has to say. Councilman Gibson agreed.

Councilman Jennings stated that we talked about Smart Growth and the process and how we arrive at how we want to grow and communicate that to developers. A part of that process needs to be public driven. What does the City of Washington want for itself? Do we have a need for development in that area? If so, what kind of development

and what would be the benefit and the cost of that development? What sort of investment into the other aspects of that area do we want to see developers make? If you do all these steps in the process, opportunities will identify themselves.

Mr. Smith stated that Council can look at the site and let developers know what you want to do on that site. Another way is to let someone make proposals and see what you like.

Councilman Jennings stated that Council needs to decide what is critically missing and what benefits are missing. He stated that what he sees is another agency like Tourism, DWOW etc. and ask them what is critically missing in our downtown. They say, we need a motel, and these are the benefits if we had a motel and we could really see how it would change activities downtown. Where should it be...then let everyone know, with a perpetual arrangement to protect that property with green space because Councils change. All of that should be a part of it.

Councilman Gahagan stated that he thinks we all think we need a hotel down there. Councilman Gibson agreed and said, why should we sit here and look at Evans Seafood forever and ever.

Councilman Jennings stated that we need to look at what's available. We have talked about incorporating Smart Growth with a motel. Both of these needs to have some public input.

. Councilman Jennings stated that this is about the fifth hotel we have supported and have any of them had any merit? Mayor Jennette said yes, we need a hotel down there but let's be ready when the market is. Councilman Jennings stated that we all want the Hotel Louise to work because we need one down there and we have a \$750,000 grant. Do we pull another leg out from Hotel Louise?

Councilman Jennings asked if we would turn it over to someone like DWOW, or give that to them as marketing? Mr. Smith answered, as marketing.

Mayor Jennette asked Council if they want to send this to the Planning Board and have them make some recommendations for that site? Council agreed to send this to the Planning Board for appropriate uses for this property, and solicit input from other groups like DWOW and the Downtown Merchants Association, as well as citizens.

Councilman Jennings asked what improvements or amenities to the remaining green space would be consistent with the plans?

It was pointed out that an amphitheater was first planned for the Evans Seafood property.

Councilman Jennings stated that if you take the whole area and see what is appropriate for that one corner, whatever the appropriate use is and then the rest of the space is set aside for whatever. with certain amenities. Then when we talk to a developer we will know what we want them to make happen. If they can't make that happen, then we don't have a deal.

Mr. Roberson stated he would involve other groups.

Councilman Gibson asked is this is going to preclude a presentation from developers? Mayor Jennette stated that they are reluctant to make a presentation because they don't understand what we want to do with that property.

360 Degree Job Evaluation

The subject of 360 Degree Job Evaluation was brought up as a way to improve the overall evaluation of the City employees' job performance. The process was

explained as a system where by an employee would be asked to anonymously evaluate their superior's job performance. This bottom up evaluation technique leads to a clearer picture of the overall performance of an employee by looking at them from all sides. Some concerns were raised that the process would be biased by employees with an axe to grind, as well as how anonymity would be protected. The City Manager stated that he would be instituting a 360 degree evaluation for himself and would like to expand its use to all department heads.

Code Enforcement

Code enforcement also came up for discussion by the Council. The Council expressed a desire for more aggressive code enforcement, including nuisance ordinances such as junk vehicles, weeded lots, and dilapidated housing. The City has recently hired a new building inspector who will begin working next month. He will be cross trained as a code enforcement officer. The Council decided that they would support more aggressive code enforcement.

Conclusion

At the conclusion of the agenda, the Council reviewed the priorities generated during the retreat. The priorities are: Growth and Appearance, Library, E911 Consolidation, Recreation, DWOW/EDC, Evans Seafood Property, 360 Degree Job Evaluation, and Code Enforcement. Each priority includes a plan of action, as follows:

GROWTH AND APPEARANCE

Goal: Consider annexation to grow the tax base, increase revenues, and preserve the quality of City services

Plan of Action:

- Update the existing annexation feasibility study (if needed)
- Evaluate areas that will achieve our goal
- Develop a fact sheet to assess fiscal impacts and communicate the benefits and costs to town residents and residents of areas which might be annexed

Goal: Improve communication with developers and take a more proactive approach guiding future growth for the City

Plan of Action:

- Task the Planning Board with creating illustrated design guidelines with an emphasis on Smart Growth
- Develop a Smart Growth checklist to assist developers through the approval process
- Solicit public input on the development process & desired outcome

Goal: Collaborate with neighboring communities

Plan of Action:

- Identify partners and collaborative issues like water & sewer, roads, developments, etc.
- Develop strategies with partners on areas of mutual interest
- Specify responsible parties and assign deadlines

How to Identify Issues:

- Have the City Department Heads explore & identify potential issues
- Ask regional agencies for assistance & recommendations
- Conduct an informational meeting dedicated to identifying issues

- Follow with meetings to develop strategies to address them (with assignments & deadlines & evaluation)

LIBRARY

Goal: Continue to provide quality library services in a fiscally responsible manner

Plan of Action:

- Develop a long-term viability strategy with Friends of Brown Library
- Research user fees & develop a fee schedule
- Task library staff to find any potential areas for savings and include them in the next budget

E911

Goal: End City provision of E911 services

Plan of Action:

- Draft formal letter notifying Beaufort County of the City's intent to end the provision of E911 services
- Meet with County officials to discuss the decision and plan for its implementation
- Address the need for night operation of the Washington Police Department and alternative clerical and data collection services

EMERGENCY MEDICAL SERVICES

Goal: Continue to provide cost effective Emergency Medical Services

Plan of Action:

- Based on current budget data the City will continue the present course of action

RECREATION

Goal: Continue to provide City residents with quality recreation services in a fiscally responsible manner

Plan of Action:

- Analyze the effects from a recent change in how City recreation leagues are managed
- Evaluate the current dock management system
- Study the reuse of the fitness room at the Aquatics Center
- Generate a list of all parks and recreation services & what they cost
- Use this data to evaluate facilities and services and explore which ones should be maintained/improved/sold

DWOW/EDC

Goal: Restructure, if possible, the financial support of Downtown Washington on the Waterfront (DWOW) and the Beaufort County Economic Development Commission (EDC)

Plan of Action:

- Examine the City's financial support of the EDC & DWOW and work with the County to see what levels of funding are appropriate
- Investigate the agreement concerning the operation of the Skill Center

FORMER EVANS SEAFOOD PROPERTY

Goal: Determine the best use of the former Evans Property

Plan of Action:

- Task the Planning Board with developing recommendations regarding future land uses of the former Evans Seafood Property
- Solicit the input from a variety of organizations like the Downtown Merchants Association, Chamber of Commerce, etc.

360 °JOB EVALUATION

Goal: Give more city employees the opportunity to improve City services and increase accountability to the taxpayers

Plan of Action:

- Research the 360° Job Evaluation system
- Develop a plan to expand the system to all City employees
- Train City employees on how to use & maximize the new performance evaluation system

CODE ENFORCEMENT

Goal: Improve enforcement of city codes

Plan of Action:

- Assign new Building Inspector with nuisance code enforcement responsibilities
- Support aggressive code enforcement

At the end of the planning retreat, the Council was asked to review their expectations they outlined at the outset. The consensus was that their expectations were met on most of the points they outlined, but there was still some very hard decisions that must be made during the budget preparation process.

On motion of Mayor Pro tem Woolard, seconded by Councilman Gahagan, Council unanimously adjourned the meeting at 3:30 p.m.

**Rita A. Thompson, CMC
City Clerk**

(Notes from Division of Community Assistance incorporated herein)