



**CITY OF HENDERSONVILLE  
BUSINESS ADVISORY COMMITTEE-SPECIAL  
CALLED MEETING**

**City Hall - Council Chambers | 160 Sixth Avenue E. | Hendersonville, NC 28792  
Monday, July 08, 2024 – 11:30 AM**

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**AGENDA**

**1. CALL TO ORDER**

**2. APPROVAL OF AGENDA**

**3. APPROVAL OF MINUTES**

A. February 19, 2024 Special Call Meeting - *Jill Murray, City Clerk*

**4. NEW BUSINESS**

A. Approval of 2024 Annual Schedule of Meetings - *Jill Murray, City Clerk*

B. Draft Comprehensive Plan – *Lew Holloway, Community Development Director and Matt Manley, Strategic Projects Manager*

C. Discussion Regarding Redevelopment of Non-conforming Properties – *John Connet, City Manager*

D. FY 24-25 Budget Update – *John Connet, City Manager*

**5. OTHER BUSINESS**

**6. ADJOURNMENT**

*The City of Hendersonville is committed to providing accessible facilities, programs and services for all people in compliance with the Americans with Disabilities Act (ADA). Should you need assistance or an accommodation for this meeting please contact the City Clerk no later than 24 hours prior to the meeting at 697-3005.*



## CITY OF HENDERSONVILLE BUSINESS ADVISORY COMMITTEE

City Hall – 2<sup>nd</sup> Floor Meeting Room | 160 6<sup>th</sup> Avenue E. | Hendersonville NC 28792  
Monday, February 19, 2024 – 11:30 AM

### MINUTES

Present: Chair Ken Gordon, Jay Egolf, Vice-Chair Rebecca Waggoner, Lyndsey Simpson, Chris Cormier

Absent: John Stevens, Cam Boyd, Sarah Cosgrove, Adam Justus, Jen Hensley, Brittany Brady

Staff Present: City Manager John Connet, Assistant City Manager Brian Pahle, City Clerk Jill Murray, Communications Manager Allison Justus, Budget Manager Adam Murr, Staff Attorney Daniel Heyman and Community Development Director Lew Holloway

Others:

#### 1. CALL TO ORDER

Chairman Ken Gordon called the meeting to order at 11:34 a.m. and welcomed those present.

#### 2. APPROVAL OF AGENDA

Sarah Cosgrove moved, seconded by John Stevens, to approve the agenda as presented. Motion carried unanimously.

#### 3. APPROVAL OF MINUTES

The October 9, 2023 and November 20, 2023 minutes were not voted on since we did not have a quorum.

#### 4. NEW BUSINESS

##### A. Approval of 2024 Annual Schedule of Meetings - *Jill Murray, City Clerk*

The annual meeting schedule was not voted on since we did not have a quorum.

##### B. Review of Draft Tree Ordinance - *Daniel Heyman, Staff Attorney*

Attorney Heyman explained that several months ago the City Council appointed a committee to update the City Tree Ordinance. Staff felt it appropriate to present the current draft to the Business Advisory Committee. Attorney Heyman showed the following PowerPoint presentation.



## Tree Ordinance Study Committee Update

Daniel Heyman, Staff Attorney  
City of Hendersonville

- ▶ Purpose: “to study and recommend ordinance provisions related to the preservation of the tree canopy within the City of Hendersonville.”
- ▶ Members:
  - Glenn Lange (Tree Board)
  - Mary Davis (Tree Board)
  - Mark Steirwalt (Staff - PW)
  - Lyndsey Simpson (City Council)
  - Virginia Tegel (ESB)
  - Neil Brown (Planning Board)
  - Lew Holloway (Staff - Community Dev.)
  - Daniel Heyman (Staff - Legal)
  - Steve Dozier (Business Advisory)
  - Susan Frady (At-large)
  - Caitlyn Gendusa (Staff - Sustainability)
  - Ken Gordon (Business Advisory)

## Rough timeline:



## Ordinance addresses:

- ▶ Preservation of existing trees
- ▶ Some expanded planting requirements (street trees, common open space)

## Ordinance does not address:

- ▶ Other environmental issues (steep slopes, stream buffers)
- ▶ Overall developed canopy percentage/planting requirements

# Benefits of preservation:

- ▶ Improved air quality
- ▶ Prevent stormwater runoff and erosion
- ▶ Control urban “heat-islands”
- ▶ Conserve energy (e.g. reduced AC use)
- ▶ Documented economic and health benefits

# Some considerations:

- ▶ Tree canopy preservation
- ▶ Private property rights
- ▶ Affect on affordable housing
- ▶ Development constraints on small sites
- ▶ Development flexibility

# Tree Canopy Cover Assessment

- Measures the amount of the City covered by Tree Canopy (35%)
- City limits and ETJ only
- Looks at things like possible planting area, impervious area, and unsuitable planting area (biologically possible but inappropriate e.g. baseball field)

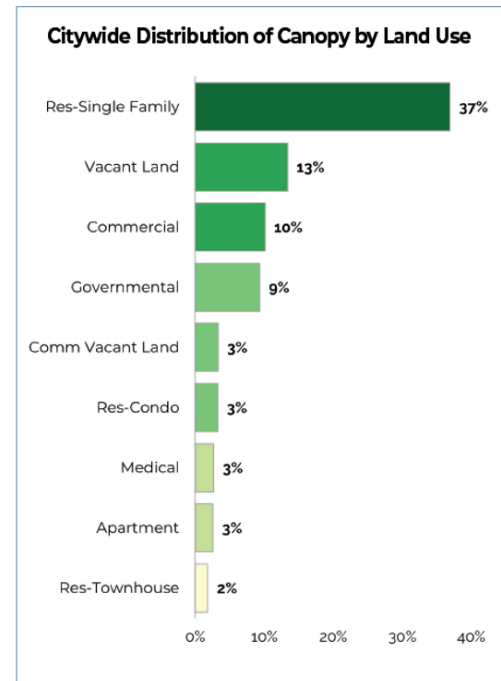
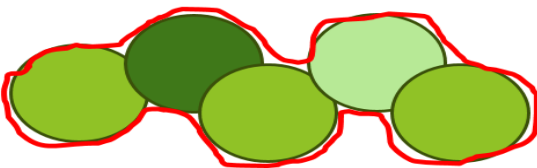
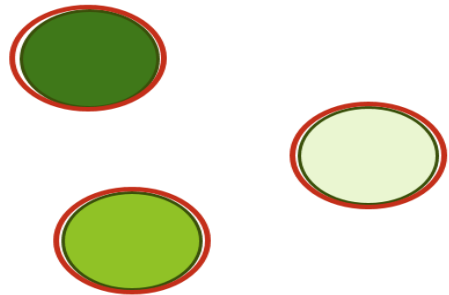
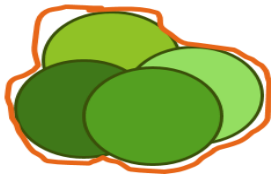
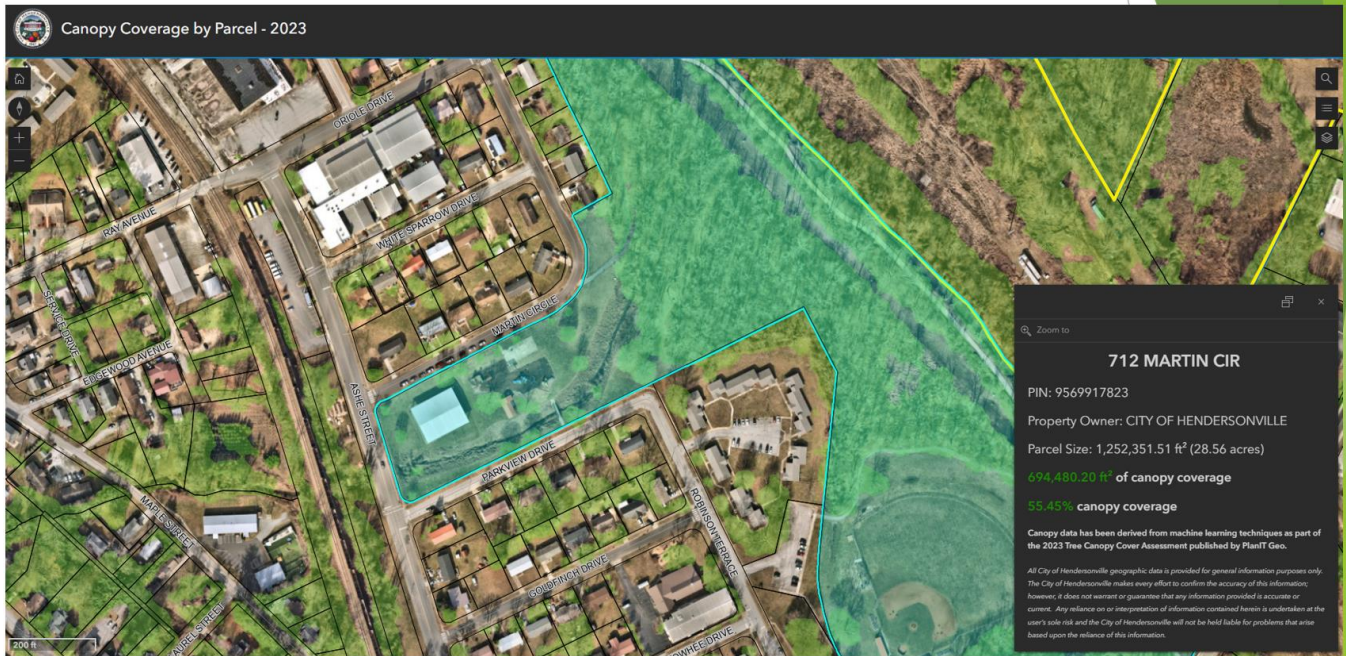


Figure 15. Distribution of citywide tree canopy by land use.

## Measuring Canopy



# Canopy Coverage Mapping Tool



## Existing landscaping requirements (not an exhaustive list):

- ▶ Existing single/two-family lots exempt (subdivisions have to comply)
- ▶ \*Submit a tree survey showing all trees 12" diameter +
- ▶ Parking lot landscaping
- ▶ Buffer based on proposed and adjacent uses
- ▶ Credits toward landscaping requirements for preserving existing trees
- ▶ Street trees in some areas (entry corridor, certain zoning districts)
- ▶ \*Open space landscaping in mixed-use districts

## Proposed changes (according to the current draft):

- ▶ No tree survey required, only a plan showing the tree line
- ▶ No credit for invasive species
- ▶ New tree canopy preservation requirement (details on next slide)
- ▶ Trees used to meet landscaping new landscaping requirements must be 75 percent native species
- ▶ Multi-family residential to buffer lower density residential with an 8-foot type A buffer
- ▶ Common open space landscaping (1 tree/5 shrubs per 1,200 sq. ft.)
- ▶ Open space landscaping (1 tree/5 shrubs per 4,000 sq. ft.)
- ▶ Street trees along all streets (unless exempt from landscaping ordinance)
  - (subdivisions already required to provide street trees along new streets)

## Proposed Tree Canopy Preservation Requirement:

- ▶ Does not apply to development site with  $\leq 30,000$  sq. ft. existing tree canopy (staff recommendation)
- ▶ Existing canopy = canopy according to the most recent Tree Canopy Cover Assessment conducted by the City of Hendersonville
  - If no canopy data - developer submits a plan showing the drip-line of existing canopy
  - If developer disagrees - developer may submit a plan showing existing canopy as of the date of the Cover Assessment
- ▶ Tier One - MUST preserve 20 percent of existing canopy. No fee-in-lieu (unless granted a variance)
- ▶ Tier Two - Preserve additional canopy according to the following schedule (or request a fee-in-lieu):

Select One:	Existing Canopy Preserved (in addition to Tier One):	New Canopy Installation Required:	Total Tier Two Canopy Required:
Option 1	10%	0%	10%
Option 2	5%	7%	12%
Option 3	0%	15%	15%

## Proposed Tree Canopy Preservation Requirement (continued):

- ▶ Trees preserved eligible for credits toward other landscaping requirements as long as they meet criteria (e.g. VUA landscaping must be w/in 20 ft. of VUA)
- ▶ Fee-in-lieu for Tier Two Canopy
- ▶ Delay of development approval for up to three years if all or substantially all trees are removed in violation (and other remedies)

Example of Tree Canopy Preservation Requirement				
Select One:	Tier One Existing Canopy Preservation Requirement	Tier Two Tree Existing Canopy Preserved (in addition to Tier One):	New Canopy Installation Required:	Total Tree Canopy Requirement:
Option 1	17,424 sq. ft. (20%)	8,712 sq. ft. (10%)	0 sq. ft. (0%)	26,136 sq. ft. (30%)
Option 2	17,424 sq. ft. (20%)	4,356 (5%)	6,098 (7%)	27,878 sq. ft. (32%)
Option 3	17,424 sq. ft. (20%)	0 sq. ft. (0%)	13,068 sq. ft. (15%)	30,492 sq. ft. (35%)

## Community Development Department Review and Recommendations:

### Recommended Planting List

- 1) We suggest that this list be titled “Approved Planting List.” This just clarifies language around this being a requirement of the zoning code, rather than a recommendation. [Definition Clarification]
- 2) We would request that the Tree Board establish a way of annually obtaining feedback on the list from site engineers and landscape architects or other professionals who may be developing planting plans within the community. [Administrative Clarification]

### Tree Board Review

- 1) Conditional Zoning District (CZD) review currently includes a Tree Board review of planting plans associated with site plans going through the Conditional Zoning District approval process. As discussed in the Tree Ordinance Review Committee meetings, we recommend that with the adoption of these new canopy preservation and enhancement standards that the Tree Board review process be removed from the CZD process as the new ordinance establishes standards sought by the Tree Board in this process. [Administrative Clarification]

# Community Development Department Review and Recommendations:

## Exemption Standard Alignment

- 1) The Tree Canopy Preservation standard as proposed establishes an exemption for lots that are 2 acres or less in size. Staff would suggest al [Definition Clarification]
- 2) We would request that this exemption be aligned with the exemption standards for stormwater and erosion and sediment control standards. We propose that the exception standard would read as follows:

**Tree Canopy Preservation.** All developments required to comply with this Article pursuant to Sec. 15-2 herein, with the exception of development tracts whose area of disturbance is ~~no greater than two acres~~ less than an acre or whose total tree canopy does not exceed 30,000 square feet, shall preserve existing trees in compliance with this Section.

- 3) This recommendation is to simplify the review process while also continuing the potential downside impacts to sites with limited canopy coverage that the preservation standard might otherwise create. [Policy Recommendation]

## Planning Board Review and Recommendation:

- ▶ Planning Board heard staff's presentation on the work of the Tree Ordinance Review Committee and on the Community Development Department recommendations, before accepting public comment.
  - ▶ Discussion of the Ordinance lasted a little over an hour and a half
  - ▶ Questions were around staff recommendations, the nature of the review and ordinance drafting process, the administrative review process and other implications of the proposed ordinance.
- ▶ The Planning Board broadly supported the ordinance specifically supporting two of the three Community Development recommendations and voting unanimously to recommend that the City Council adopt the Tree Canopy Preservation Enhancement Ordinance.

### 5. OTHER BUSINESS – None

## 6. ADJOURNMENT

Rebecca Waggoner moved to adjourn and there being no further discussion the meeting was adjourned at 12:48 p.m. upon unanimous assent of the Committee.

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Ken Gordon, Chair

ATTEST:

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Jill Murray, City Clerk

# NOTICE

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City of Hendersonville Business Advisory Committee | 160 Sixth Avenue East Hendersonville, NC 28792

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## CITY OF HENDERSONVILLE Business Advisory Committee

### **2024 ANNUAL SCHEDULE OF REGULAR MEETINGS**

**Regular Meetings** of the City of Hendersonville Business Advisory Committee are held **Quarterly on the second Monday of January, April, July, and October, at 11:30 a.m.** in the 2<sup>nd</sup> Floor Meeting Room inside of City Hall located at 160 6<sup>th</sup> Avenue East, Hendersonville NC.

The following regular meetings have been scheduled for 2024:

**January 8, 2024**

**April 8, 2024**

**July 8, 2024**

**October 14, 2024**

Meetings are open to the public.

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**Ken Gordon, Chairman**

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*Posted 07/09/2024*

<https://www.hendersonvillenc.gov>





## CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

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**SUBMITTER:** John Connet, City Manager      **MEETING DATE:** 7/8/2024  
**AGENDA SECTION:** NEW BUSINESS      **DEPARTMENT:** Administration  
**TITLE OF ITEM:** Draft Comprehensive Plan – *Lew Holloway, Community Development Director*  
and *Matt Manley, Strategic Projects Manager*

**SUGGESTED MOTION(S):**

NA

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**SUMMARY:**

The Community Development Staff will present the draft Comprehensive Plan to Business Advisory Committee

**BUDGET IMPACT:** \$ NA

**Is this expenditure approved in the current fiscal year budget?** NA

**If no, describe how it will be funded.** NA

**ATTACHMENTS:**

**Link to Comprehensive Plan Documents:**

<https://www.hendersonvillenc.gov/gen-h-plan-development-materials>



## CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

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**SUBMITTER:** John Connet, City Manager      **MEETING DATE:** 7/8/2024  
**AGENDA SECTION:** NEW BUSINESS      **DEPARTMENT:** Administration  
**TITLE OF ITEM:** Discussion Regarding Redevelopment of Non-conforming Properties – John Connet, City Manager

**SUGGESTED MOTION(S):**

NA

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**SUMMARY:**

BAC Chairman Ken Gordon has requested a discussion regarding City policy for the redevelopment of non-conforming properties.

**BUDGET IMPACT:**    \$

**Is this expenditure approved in the current fiscal year budget?** NA

**If no, describe how it will be funded.** NA

**ATTACHMENTS:**

None



## CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

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**SUBMITTER:** John Connet, City Manager      **MEETING DATE:** 7/8/2024  
**AGENDA SECTION:** NEW BUSINESS      **DEPARTMENT:** Administration  
**TITLE OF ITEM:** FY 24-25 Budget Update – *John Connet, City Manager*

**SUGGESTED MOTION(S):**

NA

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**SUMMARY:**

If time permits, City Manager John Connet will provide an update on the FY 24-25 Budget.

**BUDGET IMPACT:** \$ See Attached

**Is this expenditure approved in the current fiscal year budget?** NA

**If no, describe how it will be funded.** NA

**ATTACHMENTS:**

Budget Presentation



# CITY OF HENDERSONVILLE

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FY25 BUDGET ADOPTION

June 06, 2024



# COMMUNICATIONS OFFICE

## FY25 Budget Video



Item D.

## Our Vision

Hendersonville is a vibrant mountain  
city  
where the government and citizens  
work  
together for a high quality of life.



## Our Mission

The City of Hendersonville is  
committed  
to providing quality, efficient  
services to

# FY25 COUNCIL RANKED GOALS

Item D.

Rank #1 - Public Safety

Rank #2 - Compensation, Benefits, and Staff

Development

Rank #3 - Strong Infrastructure

Rank #4 - Strategic Housing Plan

Rank #5 - Growth Management and Community Character

Rank #6 - Invest in Parks

Rank #7 - Enhance Sustainability Citywide

Rank #8 - Transportation Planning

Rank #9 - City Boards and Volunteers

Rank #10 - Support Downtown Businesses

The Fiscal Year 2024-2025 (FY25) budget was developed based upon information presented and discussed during our City Council and Staff Retreat on March 14 and 15, 2024.

At the Retreat, Council deliberated an **updated list of goals** for the City of Hendersonville. Council Members devised a plan for the City's future growth and strategized on working through competing interests and decision-making points.

Each goal area to the left is tracked in the City's strategic planning documents, which can be found online at:

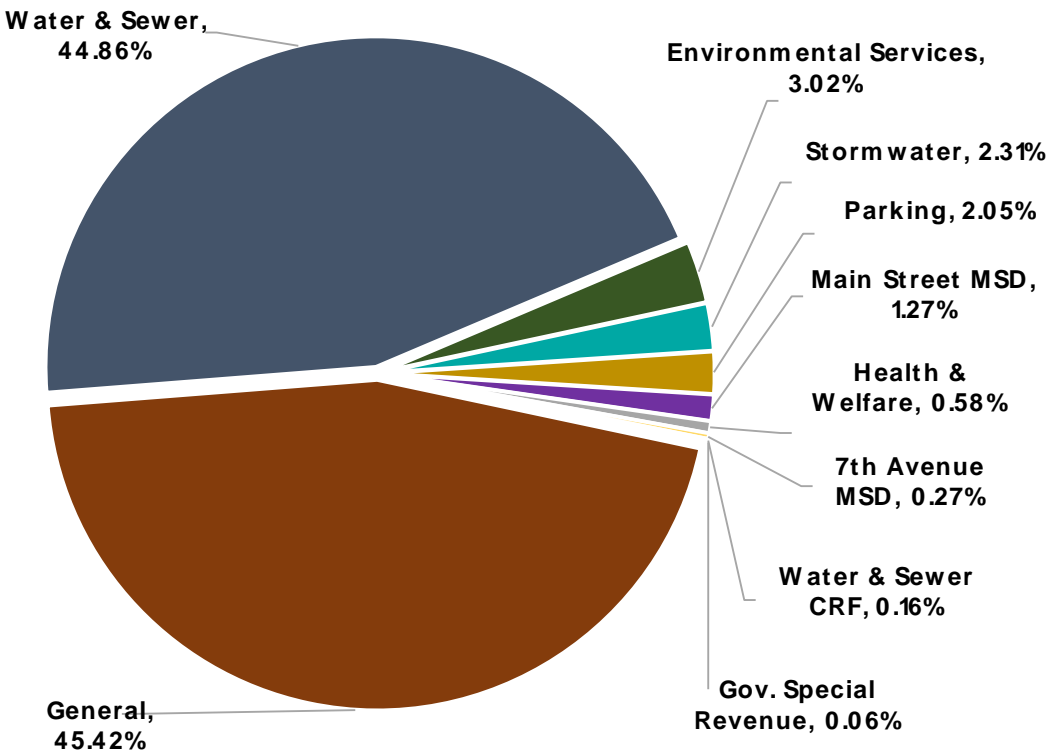
# FY25 BUDGET IN TOTAL

## FY25 MAJOR FUNDS SUMMARY

FUND	EXPENDITURES	REVENUES	FUND BALANCE APPROPRIATION
General	\$ 28,535,622	\$ 26,231,070	\$ 2,304,552
Water & Sewer	28,181,750	26,372,560	1,809,190
Environmental Services	1,894,100	1,894,100	-
Storm water	1,454,050	1,454,050	-
Parking	1,289,826	1,088,575	201,251
Main Street MSD	799,231	641,830	157,401
Health & Welfare	362,025	362,025	-
7th Avenue MSD	169,343	121,500	47,843
Water & Sewer CRF	100,000	100,000	-
Gov. Special Revenue	35,000	-	35,000
SUB-TOTAL	\$ 62,820,947	\$ 58,265,710	\$ 4,555,237

TOTAL IN BALANCE

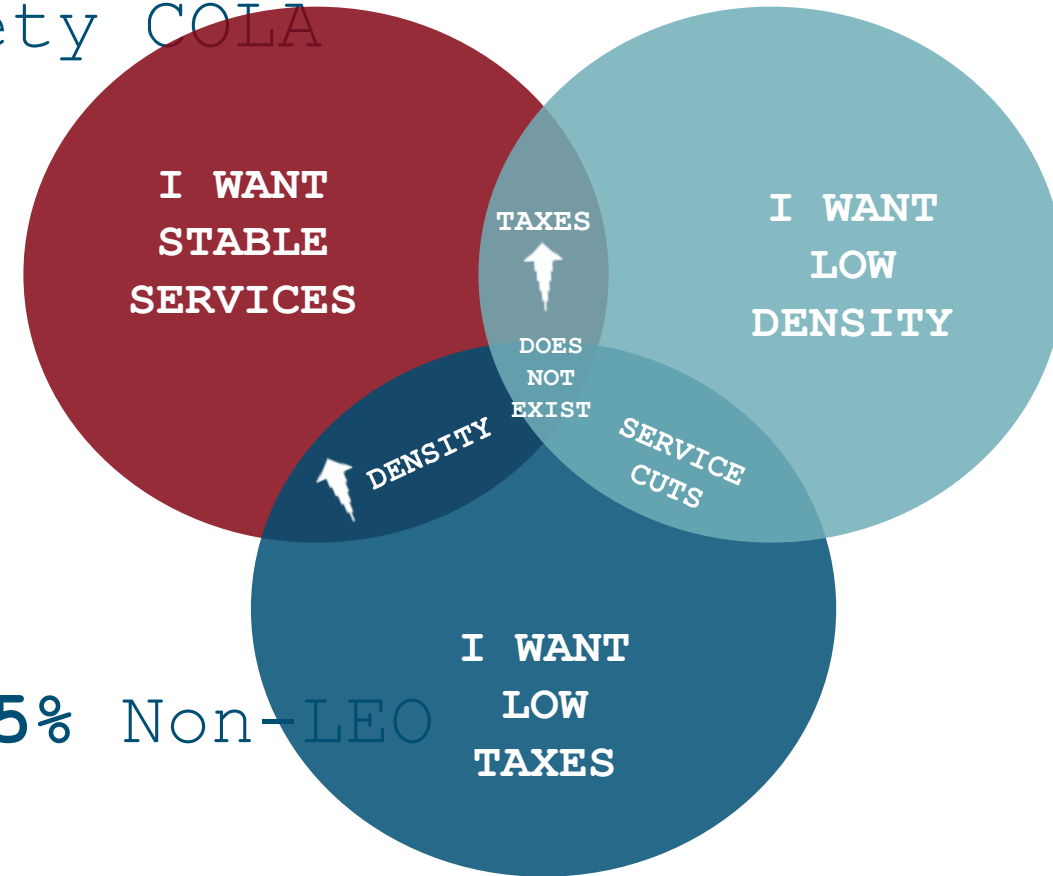
\$62,820,947



# FY25 BUDGET IN TOTAL

Item D.

- **5.0% City-wide COLA**
  - + Additional 5.0% Public Safety COLA
- No Merit Increases
- 2.0% 401k Match
- Health Insurance → **+6.20%**
- Retirement → **15.10%** LEO | **13.65%** Non-LEO
- **5 Recommended** Position Additions
  - 1 Downtown Police Officer, 4 Water & Sewer Positions



# FY25 GENERAL FUND

Item D.

**TAX RATE**                      **\$ 0.52/\$100**

**REVENUES**            \$    (26,181,070)

**EXPENDITURES**       \$    27,620,257

**OTHER FINANCING**     \$        865,365

**FUND BALANCE**

**APPROPRIATED**       \$    2,304,552

**FUND BALANCE**

**FY25 START**           \$    10,709,093

**FUND BALANCE**

**FY25 END**             \$       8,404,541

## REVENUES

- Rate = **\$0.52/\$100** (\$0.03/\$100 increase)

## EXPENDITURES

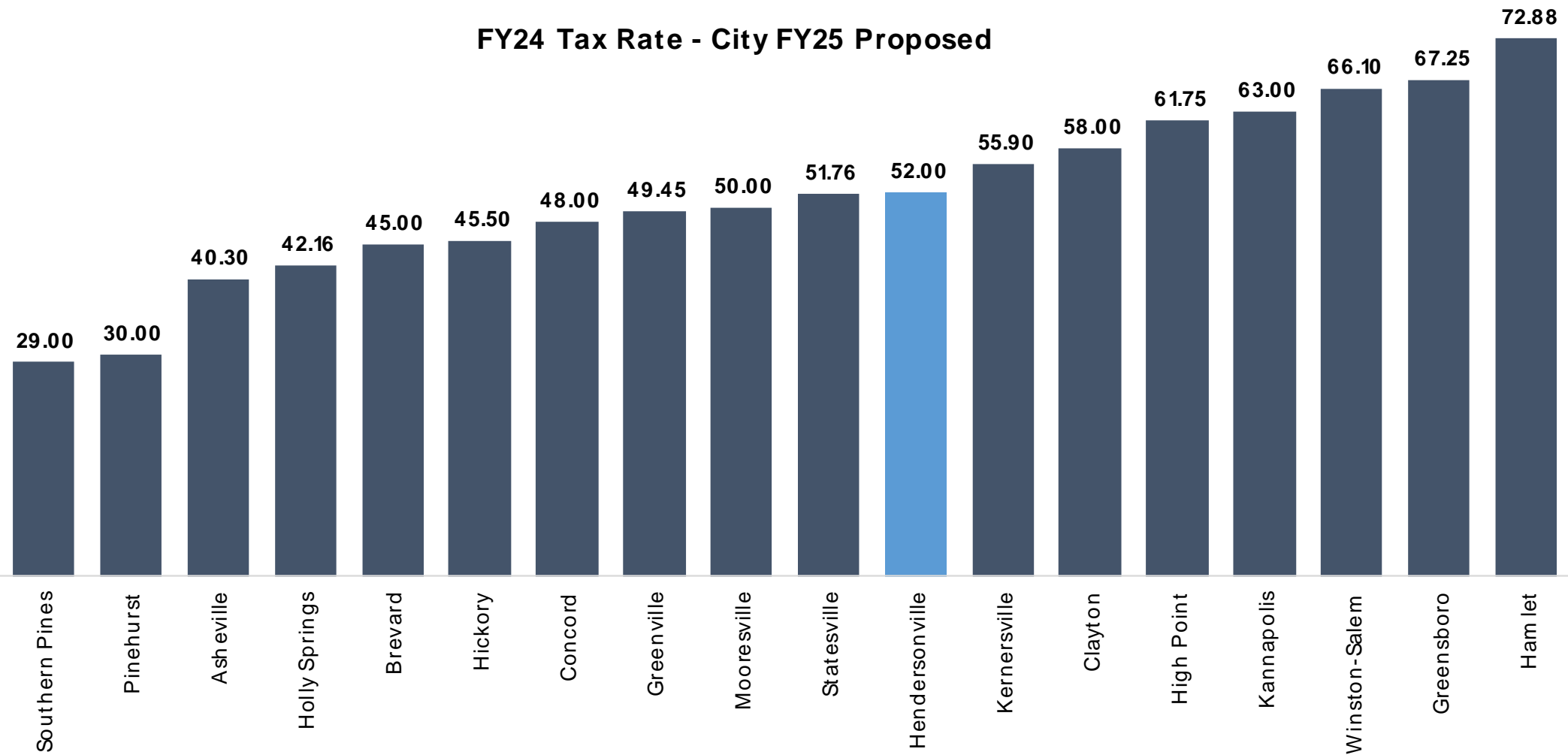
- **+1 FTE, \$74k**
  - Downtown Police Officer
- **Updated Salary Splits**
- **-\$840k** Operating budget
- **\$233k** Pay-Go Capital
- **\$530k** Vehicle & Equipment Loan
  - 8 HPD
- **+\$520k** Debt Service
  - City Hall & Ops, FS#1, Edwards Park, Ladder 1 & Engine 1, Vehicle & Equipment Loan

## FUND BALANCE

- Estimated Appropriation = \$226,005
- Estimated Available = \$10,483,087 | 23.12%
- Estimated Total = \$10,709,093

Setting the Right Tax Rate:  
\$0.5156

Avg. =



## Setting the Right Tax Rate:

Assessed Property Value	\$0.4900 Tax Rate	\$0.5200 Tax Rate	ANNUAL \$ Δ	MONTHLY \$Δ	ANNUAL % Δ
200,000	980	1,040	60.00	5.00	6.1%
400,000	1,960	2,080	120.00	10.00	6.1%
600,000	2,940	3,120	180.00	15.00	6.1%

- Impact of a recommended +\$0.03 / \$100 property tax increase:

1. The owner of a \$200k property will pay +\$60 annually, or +\$5 monthly.
2. The owner of a \$400k property will pay +\$120 annually, or +\$10 monthly.
3. The owner of a \$600k property will pay +\$180 annually, or +\$15 monthly.

# FY25 MAIN STREET MSD FUND

Item D.

TAX RATE \$ 0.21/\$100

REVENUES \$ (641,830)

EXPENDITURES \$ 799,231

OTHER FINANCING \$ -

FUND BALANCE

APPROPRIATED \$ (157,401)

FUND BALANCE

FY25 START \$ 226,067

FUND BALANCE

FY25 END \$ 68,666

REVENUES

- Rate = \$0.21/\$100 (No change)

EXPENDITURES

- +\$58k - Personnel and Benefits
- \$316,619 - Operating Budget
- \$5,000 - Shrub Replacement on Main St.
- \$15,000 - Brick Sidewalk Replacement

FUND BALANCE

- Estimated Appropriation = \$20,439
- Estimated Total = \$205,628

# FY25 7th AVE MSD FUND

Item D.

TAX RATE \$ 0.21/\$100

REVENUES \$ (121,500)

EXPENDITURES \$ 169,343

OTHER FINANCING \$ -

FUND BALANCE

APPROPRIATED \$ 47,843

FUND BALANCE

FY25 START \$ 130,828

FUND BALANCE

FY25 END \$ 82,985

REVENUES

- Rate = \$0.21/\$100 (No change)

EXPENDITURES

- +\$8,650 – Personnel & Benefits
- \$5,000 – Depot Design
- \$5,000 – 7th Ave Signage Updates
- \$49,465 – Operating Budget

FUND BALANCE

- Estimated Appropriation = \$1,821 (increase)
- Estimated Total = \$132,649

# FY25 WATER & SEWER FUND

Item D.

## USER REVENUES + ~8.5%

REVENUES \$ (26,370,500)

EXPENDITURES \$ 27,476,750

OTHER FINANCING \$ 702,904

## FUND BALANCE

APPROPRIATED \$ 1,809,190

## FUND BALANCE

FY25 START \$ 9,593,288

## FUND BALANCE

FY25 END \$ 7,784,098

## REVENUES

- Water Sale Rev. +8.0%
- Sewer Charge Rev. +9.0%
- **Lifeline tier** ( $\leq 3,000$ gal) residential water
- **SDFs** → Effective Jan 1, 2025, at 25.0%
- Funding for **CIP priorities**
- **125%** Inside/Outside Water ( - 5.0%)

## EXPENDITURES

- **+4 FTE**
  - FIN 1, Facilities Maintenance 2, WTP 1
- **\$9.7M** Operating budget
- **\$1.18M** Pay-Go Capital
- **\$530k** Transfer for Vehicles
- **\$100k** Transfer to Capital Reserve Fund
- **+\$1.5M** Debt Service - French Board Intake

# FY25 PARKING FUND

Item D.

## USER FEES

No Fee Change

REVENUES \$ (1,088,575)

EXPENDITURES \$ 1,289,826

OTHER FINANCING \$ -

## FUND BALANCE

APPROPRIATED \$ 201,251

## FUND BALANCE

FY25 START \$ 1,167

## FUND BALANCE

FY25 END \$ (200,084)

## REVENUES

- Parking Fee Revenues = +81%

## EXPENDITURES

- \$5,000 - Parking Lot Striping
- \$10,000 - De-Icer
- \$157,072 - Operating Budget
- \$812,200 - Debt Service

# FY25 STORMWATER FUND

Item D.

USER FEES \$7.00 /m on th

REVENUES \$ (1,454,050)

EXPENDITURES \$ 1,347,404

OTHER FINANCING \$ 106,646

FUND BALANCE

APPROPRIATED \$ -

FUND BALANCE

FY25 START \$ -

FUND BALANCE

FY25 END \$ -

## REVENUES

- Rate = \$7.00/Month/ERU (+\$1.00)
- Cap = \$350.00/Month/ERU (+\$50.00)
- Rate + Cap = +20.00%

## EXPENDITURES

- \$100k – General Infrastructure
- \$50k – Green Infrastructure in ROW
- \$27.5k – Brush and Leaf Grinding
- \$310k – Operating Budget

## FUND BALANCE

- Estimated Appropriation = \$121,952 (increase)
- Estimated Total = \$121,952

# FY25 ENVIRONMENTAL SERVICES FUND

Item D.

USER FEES \$25.00 /m on th

REVENUES \$ (1,804,000)

EXPENDITURES \$ 1,894,100

OTHER FINANCING \$ (90,100)

FUND BALANCE

APPROPRIATED \$ —

FUND BALANCE

FY25 START \$ —

FUND BALANCE

FY25 END \$ —

## REVENUES

- Rate = No Change  
\$23.00/32gal  
\$25.00/96gal

## EXPENDITURES

- \$27.5k – Brush and Leaf Grinding
- \$265k – Tipping Fees
- \$50k – Vehicle and Equipment Loan
- +\$25k – Debt Service
  - Waste Truck and Leaf Machine

# FY25 BUDGET IN TOTAL

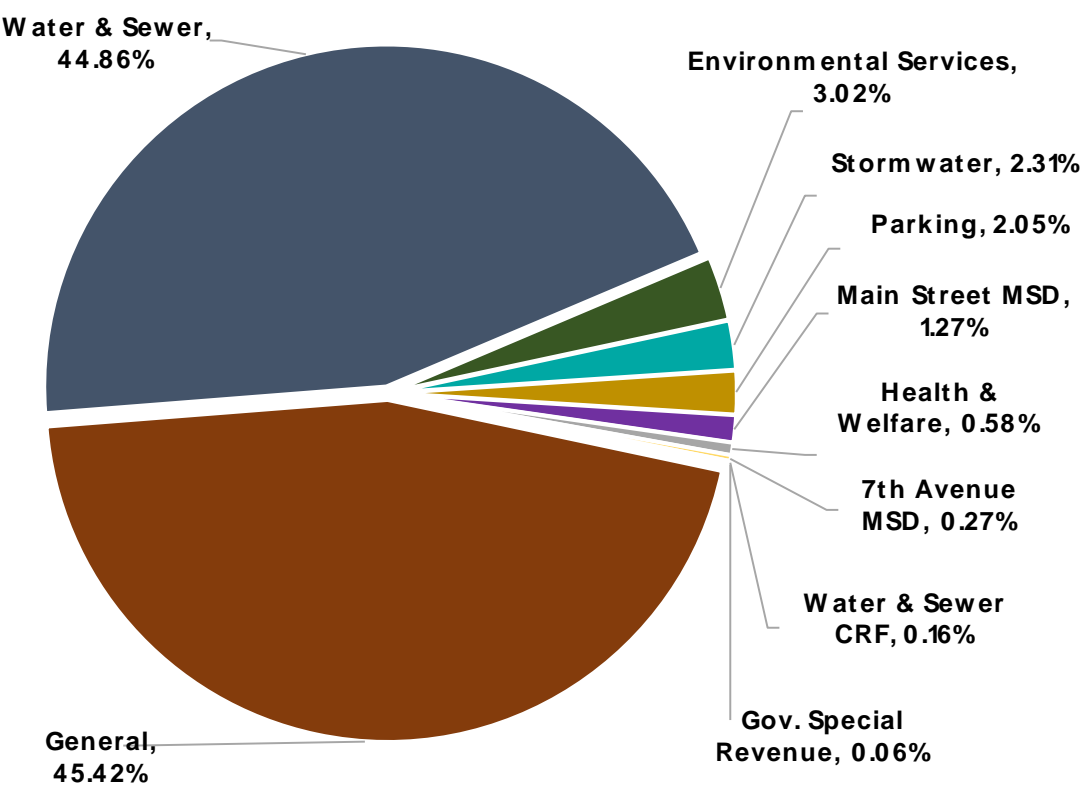
Item D.

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Environmental Services	1,894,100	1,894,100	-
Storm water	14,540,050	14,540,050	-
Parking	12,898,260	10,885,575	2,012,510
Main Street MSD	799,231	641,830	157,401
Health & Welfare	362,025	362,025	-
7th Avenue MSD	169,343	121,500	47,843
Water & Sewer CRF	100,000	100,000	-
Gov. Special Revenue	35,000	-	35,000
SUB-TOTAL	\$ 62,820,947	\$ 58,265,710	\$ 4,555,237

TOTAL IN BALANCE

\$62,820,947



THANK YOU  
COUNCIL & STAFF