CITY OF HENDERSONVILLE
SPECIAL BUSINESS ADVISORY COMMITTEE MEETING

City Hall - Council Chambers | 160 Sixth Avenue E. | Hendersonville, NC 28792
Monday, February 19, 2024 – 11:30 AM

AGENDA

1. **CALL TO ORDER**
2. **APPROVAL OF AGENDA**
3. **APPROVAL OF MINUTES**

   A. Approval of Minutes - *Jill Murray City Clerk*

   October 9, 2023 Regular Meeting

   November 20, 2023 Special Call Meeting

4. **NEW BUSINESS**

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

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

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 – 2nd Floor Meeting Room | 160 6th Avenue E. | Hendersonville NC 28792
Monday, October 9, 2023 – 11:30 AM

MINUTES

Present: Chair Ken Gordon, Jay Egolf, Vice-Chair Rebecca Waggoner, John Stevens, Chris Cormier, Sarah Cosgrove, Adam Justus

Absent: Cam Boyd, Jen Hensley, Brittany Brady

Staff Present: City Manager John Connet, City Clerk Jill Murray, Communications Manager Allison Justus, Budget Manager Adam Murr

Via Zoom: David Hyder, Stantec

1. CALL TO ORDER

Chairman Ken Gordon called the meeting to order at 11:31 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

Rebecca Waggoner moved, seconded by Sarah Cosgrove, to approve the minutes of July 10, 2023, as presented. Motion carried unanimously.

4. OTHER BUSINESS - None

5. NEW BUSINESS

A. System Development Fee Proposal & Discussion - *Adam Steurer, Utilities Director*

David Hyder of Stantec presented his final report on the Water and Sewer System Development Fee Study to the group.

1. INTRODUCTION

Stantec Consulting Services Inc. (Stantec) has conducted a Water and Sewer System Development Fee Study (Study) for Hendersonville's water and sewer systems (hereafter referred to as the "City" or "Utility"). This report presents the results of the comprehensive Study, including background information, legal requirements, an explanation of the calculation methodology employed, and the results of the analysis.

1.1 BACKGROUND

A system development fee is a one-time charge paid by a new customer to recover a portion or all of the cost of constructing water and sewer system capacity. The fees can also be assessed to existing customers requiring increased system capacity. In general, system development fees are based upon the costs of current and/or future utility infrastructure including, but not limited to, water supply facilities, treatment facilities, effluent disposal facilities, and transmission mains. System development fees serve as the mechanism by which growth can "pay its own way" and minimize the extent to which existing customers must bear the cost of facilities that will be used to serve new customers.

Currently, the City does not assess system development fees and therefore does not recover the cost of providing water and sewer capacity from new connections to the utility systems. The City has retained the services of Stantec to calculate system development fees for each respective system in accordance with the North Carolina Public Water and Sewer System Development Fee Act, set forth in North Carolina General Statue 162A, Article 8 and provide recommendations developed during the study.

1.2 STUDY PROCESS AND ENGAGEMENT

To ensure a comprehensive and transparent study, the City devised a well-structured plan aimed at gathering input from various stakeholders, including City staff, management, elected officials, key stakeholders and interested members within the service area. To initiate the study Stantec developed and delivered a presentation outlining "System Development Fee 101." This presentation covered the purpose of the fees, the calculation methodology, potential policy considerations, and the necessary steps for their adoption. The information was initially presented at a public meeting before the Water and Sewer Advisory Council on October 24, 2022, and then presented at a City Council meeting on October 26, 2022.

The feedback and suggestions received during these meetings played a pivotal role in shaping the direction of the Study. Subsequently, the initial analysis results were shared with the Water and Sewer Advisory Council on April 24th, 2023, followed by a presentation to the City Council on April 26th, 2023. Throughout this process, the invaluable input from key stakeholders and City staff has been integrated into the Study and reflected in this report.

In addition to these key interactions, City staff took further strides to educate and inform the public about the Study. This involved briefing sessions conducted for the Business Advisory Committee on July 10th, 2023, the Water and Sewer Advisory Council on July 24th, 2023, and the City Council on August 23rd,

2023. As a result of this robust engagement effort, the Study has been able to effectively incorporate extensive input from diverse perspectives, ensuring transparency in the analysis and decision-making process. By completing the study in an open and transparent manner, the City has created an opportunity for the community to understand what system development fees would look like within the City's service area and to allow for input within the study process.

1.3 LEGAL REQUIREMENTS

The Public Water and Sewer System Development Fee Act ("SDF Act") was approved on July 20th, 2017 and grants local government entities that own or operate municipal water and sewer systems the authority to assess system development fees for the provision of utility service to new development.

The SDF Act defines new development as any of the following occurring within 1 year of a development fee being adopted 1) subdivision of land, 2) construction or change to existing structure that increases service needs or 3) any use of land which increased service needs.

According to the SDF Act, the following procedural requirements need to be followed in order to adopt a system development fee:

- **Requirement 1**: The fee should be calculated in a written analysis ("SDF Analysis") prepared by a financial professional or licensed professional engineer (qualified by experience and training or education) who employs generally accepted accounting, engineering, and planning methodologies to calculate system development fees for water and sewer systems, including the buy-in, incremental cost or marginal cost, and combined costs methods for each service; and that (1) documents the facts and data used in the analysis and their sufficiency and reliability; (2) provides analysis regarding the selection of the appropriate method of analysis; (3) documents and demonstrates reliable application of the methodology to the facts and data, including all reasoning, analysis, and interim calculations underlying each identifiable component of the system development fee; (4) identifies all assumptions and limiting conditions affecting the analysis and demonstrates that they do not materially undermine the reliability of the conclusions reached; (5) calculates a system development fee per service unit of new development and includes an equivalency or conversion table to use in determining the fees applicable for various categories of demand; and (6) covers a planning horizon of between 5 and 20 years.

- **Requirement 2**: The system development fee analysis must be posted on the City's website, and the City must solicit comments and provide a means by which people can submit their comments, for a period of at least 45 days.
- **Requirement 3**: Comments received from the public must be considered by preparer of the system development fee analysis for possible adjustments to the analysis.
- **Requirement 4**: The City must hold a public hearing prior to considering adoption of the system development fees including any adjustments made as part of the comments received by the City.

- **Requirement 5**: The City must publish the system development fee schedule as part of its annual budget or fee ordinance.
- **Requirement 6**: The City cannot adopt a fee that is higher than the fee calculated by the professional analysis.
- **Requirement 7**: The City must update the system development fee analysis at least every five years.

In addition to the procedural requirements listed above, the SDF Act provides specific requirements pertaining to the calculation of the system development fees. These requirements are highlighted within the body of this report in concert with the calculation of the system development fees for the City. Further, the City must follow the SDF Act guidance when charging the system development fee: it may be charged only to "new development" and only at the time specified in the legislation; and new development must be given a credit for costs in excess of the development's proportionate share of connecting facilities required to be oversized for use of others outside of the development.

1.4 GENERAL METHODOLOGY

There are three primary approaches to the calculation of system development fees, all of which are outlined within the SDF Act. Each of the approaches are discussed below.

Buy-In Method

This approach determines the system development fees solely on the existing utility system assets. The replacement cost of each system's major functional components serves as the cost basis for the system development fee calculation. This approach is most appropriate for a system with considerable excess capacity, such that most new connections to the system will be served by that existing excess capacity and the customers are effectively "buying-in" to the existing system, or limited capital improvement program (CIP).

Incremental/Marginal Cost Method

The second approach is to use the portion of each system's multi-year CIP associated with the provision of additional system capacity by functional system component as the cost basis for the system development fee calculation. This approach is most appropriate where 1) the existing system has limited or no excess capacity to accommodate growth, and 2) the CIP contains a significant number of projects that provide additional system capacity for each functional system component representative of the cost of capacity for the entire system.

Combined Cost Method

The third approach is a combination of the two previous approaches described. This approach is most appropriate when 1) there is excess capacity in the current system that will accommodate some growth,

but additional capacity is needed in the near-term as reflected in each system's CIP, and 2) the CIP includes a significant number of projects that will provide additional system capacity.

While the SDF Act allows for the use of any one of the three methodologies discussed above, it specifies restrictions on how the revenues generated by the fees calculated using each methodology may be utilized. Table 1-1 summarizes each of the three methodologies, their typical application, and restriction of how the revenues can be utilized for each.

Table 1-1 Description of Methodologies & Restriction to Proceeds

Approach:	Description:	Fee Proceeds Allowed for:
Buy-In Method	New development shares in capital costs previously incurred which provided capacity for demand arriving with new development needs.	Expansion and/or rehabilitation projects. Since the buy-in method reimburses the system for certain past investments, proceeds can be utilized for all types of capital projects.
Incremental / Marginal Cost Method	New development share in capital costs to be incurred in the future which will provide capacity for demand arriving with new development needs.	Professional services costs in development of new fees and expansion costs (construction costs, debt service, capital, land purchase, other costs etc.) related to new development only. If no capital projects in next five years can be used for debt related to existing assets.
Combined Cost Method	Combination of Buy-In and Incremental / Marginal Cost methods	Professional services costs in development of new fees, expansion and/or rehabilitation costs. (same as both Buy-In and Incremental/Marginal Cost methods)

Given that the City has existing, but limited, capacity within both the water and sewer systems to sell, as well as capital spending planned for projects that will increase system capacity over the next 10 years, the Combined Cost approach is the most appropriate method for the calculation of the system development fee for both the water and sewer systems. To comply with the SDF Act, the City will revisit the methodology at least every five years to determine if the approach for each system is still the most appropriate to use should the City adopt system development fees.

2. BASIS OF ANALYSIS

Using the Combined Cost approach requires a Buy-In calculation and an Incremental/Marginal Cost calculation. The following outlines the process to determine the net value (cost basis) for each (water and sewer) system under the Combined Cost approach.

1) The City's existing major water and sewer system components assets are analyzed to determine the replacement cost if new less depreciation (RCNLD).
2) Any non-core system assets are excluded from the existing system value including items such as vehicles, meters, computer equipment and other non-core system assets.
3) Addition of spending on growth-related capital projects over the next 10 years as identified in the City's official Capital Improvement Plan (CIP). This includes projects designated to add new capacity to the system, whether partially or entirely.
4) Any donated assets and/or assets not funded by the City (funded by grants, developers, etc.) are removed from the net system value (both existing assets and future within the capital improvement plan).
5) The net value of the water and sewer systems is further reduced by the outstanding principal on existing debt and the net present value of future debt over the planning period for each system to provide a revenue credit (the revenue credit must be equal to at least 25% of the cost of the expansion related projects).
6) The resulting net system value is used in the determination of the system development fee using capacity and level of service standards.

The following section outlines the details of the analysis completed during the Study to calculate the water and sewer system development fees.

2.1 BUY-IN NET SYSTEM VALUE

The City provided an asset inventory which included description, asset category/class, year placed in service, original cost, and useful life for each asset through FY 2022 for both the water and sewer systems. Each asset was classified by each major system function; and a replacement cost new less depreciation was calculated using the data provided by the City and the Engineering News Record Construction Cost Index.

The SDF Act requires that the system development fee calculations include provisions for credits against the value of the system to account for assets that were not funded by the municipality. Assets that were identified to be contributed or paid for by developers and those that were grant funded were excluded from the overall results to determine the net asset value of each system. In addition to donated assets, non-core system assets are also excluded from the determination of the net asset value of each system. These include meters, vehicles, equipment, computers, and others. Results of the net asset value for the City's

existing water and sewer systems based upon the asset records provided by City staff are shown in Tables 2-1 and 2-2.

Table 2-1 Replacement Cost New, Less Depreciation: Water System

Asset Category	RCNLD Value	Less Contributed Assets / Non-Core Asset	Net Asset Value
Treatment	$33,999,901	($584,317)	$33,415,584
Supply & Pumping	$1,827,398	($634,985)	$1,192,413
Storage	$7,314,728	($944,372)	$6,370,356
Transmission & Distribution	$53,351,047	($8,015,903)	$45,335,144
Total	**$96,493,074**	**($10,179,577)**	**$86,313,497**

Table 2-2 Replacement Cost New, Less Depreciation: Sewer System

Asset Category	RCNLD Value	Less Contributed Assets / Non-Core Asset	Net Asset Value
Treatment	$28,145,176	($63,282)	$28,081,894
Pumping	$343,488	($332,065)	$11,423
Conveyance & Collection	$35,459,106	($2,297,880)	$33,161,226
Total	**$63,947,771**	**($2,693,227)**	**$61,254,544**

2.2 INCREMENTAL/MARGINAL COST NET SYSTEM VALUE

The City provided the Adopted FY2023 Capital Improvements Plan (CIP) which covers a 10-year period and totals $294.2 million. The CIP included the project description, total spending, and an indication of whether the project was designated for expansion or rehabilitation. To calculate the Incremental/Marginal Cost approach, all expansion-related projects that would increase capacity and support growth were identified. This totaled $182 million and included several water and sewer system projects, as well as expansions to both water and sewer treatment plants.

The water system CIP includes several projects that will expand the water system's capacity over the next 10 years at a total cost of $108.5 million. This includes expansion to the existing water treatment facility, transmission and distribution improvements, and a new intake and pumping station. Expansion related capital projects for the water system are shown in Table 2-3.

Table 2-3 Expansion Related Capital Projects for the Water System

Project	Function	CIP Costs
French Broad Raw Water Intake #16007	Supply and Pumping	$24,514,035
Water Distribution Master Plan Update #22012	Transmission & Distribution	$425,000
WTP Expansion to 15.0 MGD #19207	Treatment	$2,131,500
NCDOT 191 #16126	Transmission & Distribution	$12,700,000
NCDOT HWY 64 #18140(1)	Transmission & Distribution	$680,000
Eastside Transmission Main, Phase 2 and 3	Transmission & Distribution	$9,860,000
Upward Road Water Main Upgrade	Transmission & Distribution	$1,010,000
Dana Rd. Water Main Extension	Transmission & Distribution	$2,210,000
Airport Rd. - Water	Transmission & Distribution	$720,000
East Campus Road	Transmission & Distribution	$1,140,000
Pace Rd. Water Main Extension and Interconnect	Transmission & Distribution	$1,710,000
S. Rugby Road Water Main Interconnect	Transmission & Distribution	$2,850,000
Howard Gap Rd. Water Extension Mid	Transmission & Distribution	$2,550,000
Howard Gap Rd. Water Extension North End	Transmission & Distribution	$1,560,000
Southside Water System Improvements	Transmission & Distribution	$4,090,000
Fruitland Rd. Water Main Extension	Transmission & Distribution	$2,650,000
S. Mills Gap Rd. Water Main Extension	Transmission & Distribution	$1,860,000
WTP Expansion to 18.0 MGD	Treatment	$35,830,000
Total Expansion Costs		**$108,490,535**

(1) During discussions with City staff NCDOT HWY 64 #18140 project was allocated 50% to water and 50% to sewer.

The City currently has several planned capital projects that will expand the capacity of the sewer system at a total cost of approximately $74.0 million. Table 2-4 identifies each of the projects that are included in the analysis for the sewer system.

Table 2-4 Expansion Related Capital Projects for the Sewer System

Project	Function	Growth Related CIP Costs
Mud Creek Interceptor #18032	Collection & Conveyance	$8,802,000
WWTP Headworks and Flow Equalization(1)	Treatment	$11,355,769
Sewer Collection System Master Plan Update	Collection & Conveyance	$220,000
WWTP Tertiary Filter Replacement Phase 2	Treatment	$270,000
NCDOT HWY 64 #18140	Collection & Conveyance	$680,000
Wash Creek Replacement Sewer G08	Collection & Conveyance	$3,720,000
Devils Fork Sewer Replacement G05	Collection & Conveyance	$2,790,000

Project	Function	Growth Related CIP Costs
WWTP Aeration Basin Modification	Treatment	$2,125,000
WWTP 7.8 MGD Facility Expansion	Treatment	$44,000,000
Total Expansion Costs		**$73,962,769**

(1) Growth related portion represents 38% of the total cost of project as reminder of project is rehabilitation of existing capacity.

The SDF Act requires that the total project costs be reduced by a revenue credit equal to a minimum of 25 percent of the cost of the capital projects included in the analysis when the Incremental/Marginal Cost is utilized. The SDF Act "Minimum Requirements" allow for the credit to be determined by "*either the outstanding debt principal or the present value of projected water and sewer revenues received by the local government unit for the capital improvements.*" For this Study, the revenue credit was determined by removing the net present value of debt principal for the cost of the future capital projects that the City plans to finance over the 10-year CIP planning period. Specifically, of the $182 million in expansion costs the City plans to finance approximately $179 million. The net present value was determined assuming a 3 percent discount rate. Table 2-5 presents the determination of the net system value given the revenue credit for future debt service.

Table 2-5 Net System Value including Revenue Credits

	Water	Sewer
Total Expansion Costs	**$108,490,535**	**$73,962,769**
Net Present Value of Principal Over Planning Period	($50,533,085)	($34,450,627)
Additional Credit to Achieve 25%	($ -)	($ -)
Net System Value	**$57,957,450**	**$39,512,143**

2.3 SYSTEM CAPACITY

2.3.1 Existing System Capacity

The City's water and sewer systems consist of numerous functional components such as water treatment, source of supply and/or pumping, storage, and transmission/conveyance. Each of the functional components have a physical or regulatory permitted capacity. While treatment, supply, and disposal capacities are readily available and generally accepted to be the physical or regulatory permitted capacity of such facilities, transmission system capacities are more difficult to quantify.

As such, it is common to define the capacity for all functional components (including the transmission or conveyance facilities) based on the system's total treatment capacity. This approach was utilized for the determination of the capacities of the City's utility systems. The rationale behind this decision is that even

if the pumping or transmission/conveyance portion of either system is larger than that system's treatment capacity, the maximum capacity the system can offer to its connections is its total treatment capacity.

For the City's water system, the City owns and operates the Hendersonville Water Treatment Facility (WTF). While permitted for a capacity of 12.0 million gallons per day (MGD), on average it currently treats and produces 7.575 MGD of water from the Pisgah National Forest and Mills River. Based on discussions with City staff, the capacity of 12.0 MGD was assumed for the system development fee analysis. Total existing maximum day water system capacity used in the system development fee analysis is 12.0 MGD.

For the City's sewer system, the City owns and operates the Hendersonville Wastewater Treatment Facility (WWTF) that has a capacity of 4.8 MGD. The WWTF currently treats an average influent flow of 3.0 MGD. At the time the new facility was constructed it was designed with a capacity of 4.8 MGD, but can be expanded up to 6.0 MGD in the future. A capacity of 4.8 MGD was used as the existing sewer system capacity for the system development fee analysis.

2.3.2 Added System Capacity

The expansion related capital improvement projects identified in the City's CIP will all add capacity to the City's water and sewer systems.

The water system capital projects will increase the City's water system capacity to 18.0 MGD, an incremental change of 6.0 MGD. This includes expansion to existing Water Treatment Facility, French Broad River intake and pumping station for added capacity. For the sewer system, the projects associated with the City's Wastewater Treatment Facility Master Plan will provide the WWTF with 3.0 MGD of incremental capacity in addition to rehabilitation and flow equalization of the WWTF Headworks bringing the total sewer capacity to 7.8 MGD after the future expansion. Table 2-6 summarizes the capacity by function used in the Combined Cost system development fee calculations. As shown in the table, the water treatment and sewer treatment capacities are assumed to be the limited factors within the systems and therefore the transmission/distribution and conveyance/collection capacities are assumed to be the same as the treatment capacities.

Table 2-6 System Capacity by Function

	Water Capacity (MGD)		Sewer Capacity (MGD)	
	Water Treatment	Transmission/ Distribution	Sewer Treatment	Conveyance / Collection
Current Capacity	12.0	12.0	4.8	4.8
Capacity Expansion	6.0	6.0	3.0	3.0
Total System Capacity	**18.0**	**18.0**	**7.8**	**7.8**

2.4 COMBINED COST CALCULATION

As previously stated, the Combined Cost approach includes the net system assets in addition to the net capital project costs to reach the total system value of the utility. Table 2-7 summarizes the Combined Cost calculation for both the water and sewer system development fee calculation. It also provides the cost per gallon per day for system capacity based on the total capacity within each system.

Table 2-7 Combined Approach Cost per Gallon

	Water	Sewer
RCNLD Value of Existing Assets	$96,493,074	$63,947,771
Expansion Capital Projects	$108,490,535	$73,962,769
Total Value	**$204,983,609**	**$137,910,540**
Less Credits		
Outstanding Debt Principal	($18,058,384)	($14,648,017)
Donated Assets / Non-Core Assets	($10,179,577)	($2,693,227)
Revenue Credit (NPV of future debt principal over planning period)	($50,533,085)	($34,450,627)
Additional credit to meet 25% requirement	($ -)	($ -)
Net System Value	**$126,212,563**	**$86,118,669**
System Capacity - Gallons per Day	**18,000,000**	**7,800,000**
Cost per Gallon Per Day	**$7.01**	**$11.04**

2.5 LEVEL OF SERVICE STANDARDS

Once the unit cost of capacity is determined the system development fees can be calculated by applying the unit cost to the estimated units of service required by new customers joining the water and/or sewer system. The estimated units of service must be calculated consistent with the methodology that is used to charge the system development fees. For example, some utilities charge system development fees for all property types based on the size of the meter serving the property. While this approach is simple it does not necessarily reflect the demands (units of service) associated with the various categories of users connecting to the utility. Based on discussions with City staff, we are recommending an approach that more closely aligns the units of service and the actual use demonstrated by City customers. Specifically, we have evaluated the units of service based on average use by household size (heated square feet) for single family residential customers, per unit for multi-family, per mobile home and based on meter size for non-residential customers.

To evaluate units of service, Stantec worked with City staff to review detailed customer usage data to calculate the average day use in gallons per day by residential housing size. The use by household size for existing City customers demonstrated a significant correlation between the amount of water used and the size of the homes heated area. The average use for multi-family customers on a per unit basis was

also examined as part of the study. A system-wide peaking factor of 1.5 was applied to provide the maximum day demand for each household size, multi-family unit and non-residential customer. The peaking factor is based on historical data and is used for water system planning purposes. The results are for residential customers are shown in Table 2-8. It should be noted that the average usage for single family homes for all household sizes is 136 gallons per day.

Table 2-8 Residential Units of Service - Water

Property Type	Average Usage (gpd)	Peaking Factor	Max Day Units of Service (gpd)*
Single Family (Heated sq. ft.)			
<1,000	118	1.50	178
1,000 - 1,500	127	1.50	190
1,501 - 2,000	129	1.50	194
2,001 - 2,500	137	1.50	206
2,501 - 3,000	143	1.50	214
3,001 - 3,500	153	1.50	230
3,501 - 4,000	164	1.50	246
Over 4,000	189	1.50	284
Multi-Family per unit	85	1.50	128
Mobile Homes	133	1.50	200

** Resulting units of service used to determine water system development fee for each property type*

For the sewer system, a level of service was established based on the minimum design flow standards outlined by the North Carolina Department of Environmental Quality (NCDEQ) in 15A NCAC 02T .0114. For planning purposes, the City must assume 120 gpd per bedroom with a minimum of two bedrooms. As a result, the study assumes a sewer level of service per equivalent residential unit (ERU) of 240 gpd. To convert the level of service to the individual household sizes and per multi-family unit the ratios of the units of service for the water system were applied to the 240 gpd standard. Table 2-9 reflects the calculations and the resulting units of service for each property type.

Table 2-9 Residential Units of Service - Sewer

Property Type	Water Use* Ratios	Units of Service (gpd)**
Single Family (Heated sq. ft.)		
<1,000	87%	209
1,000 - 1,500	93%	223
1,501 - 2,000	95%	228
2,001 - 2,500	101%	242
2,501 - 3,000	105%	252
3,001 - 3,500	113%	271
3,501 - 4,000	121%	289

Property Type	Water Use* Ratios	Units of Service (gpd)**
Over 4,000	139%	334
Multi-Family per unit	63%	150
Mobile Homes	98%	235

**Ratio comparing average residential single family customer demand*

***Resulting units of service used to determine sewer system development fee for each property type*

The units of service for non-residential customers are based on demand by meter size. Specifically, the non-residential average use for a 3/4" meter was calculated based on an average usage per account for all non-residential customers with this size meter. This base demand is then scaled up for each meter size based on the American Water Works Association (AWWA) meter equivalency factors. A consistent system-wide peaking factor is applied for all meter sizes as mentioned above. The determination of the maximum day use by each meter size is shown in Table 2-10.

Table 2-10 Non-Residential Units of Service - Water

Meter Size	Meter Equivalency	Equivalent Use (gpd)	Max Day Peak Factor	Max Day Units of Service (gpd)*
3/4"	1.00	237	1.50	356
1"	1.67	395	1.50	593
1.5"	3.33	790	1.50	1,185
2"	5.33	1,264	1.50	1,896
3"	11.67	2,765	1.50	4,148
4"	21.00	4,977	1.50	7,466
6"	43.33	10,270	1.50	15,405
8"	93.33	22,120	1.50	33,180
10"	140.00	33,180	1.50	49,770

** Resulting units of service used to determine water system development fee for meter size*

The sewer system units of service for non-residential customers are based on a similar analysis as the water system. The water use ratio (single family water use compared to non-residential use) for the 3/4" metered non-residential customer was determined to be 1.74. This factor was applied to the per ERU planning standard of 240 gpd resulting in the units of service of 418 gpd for a 3/4" non-residential customer. The units of service for non-residential sewer customers are shown in Table 2-11.

Table 2-11 Non-Residential Units of Service - Sewer

Meter Size	Meter Equivalency	Units of Service (gpd)*
3/4"	1.00	418
1"	1.67	697
1.5"	3.33	1,394
2"	5.33	2,231

Meter Size	Meter Equivalency	Units of Service (gpd)*
3"	11.67	4,879
4"	21.00	8,783
6"	43.33	18,124
8"	93.33	39,035
10"	140.00	58,553

*Resulting units of service used to determine sewer system development fee for each property type

3. RESULTS

This section summarizes the results of the Study, the calculated system development fees, and conclusions and recommendations.

3.1 CALCULATED WATER AND SEWER SYSTEM DEVELOPMENT FEES

To calculate the system development fees, the total unit cost per gallon for capacity described in Section 2 is multiplied by the units of service associated with each of the categories of customers described in the prior section of this report. Tables 3-1 and 3-2 provide a schedule of the calculated water and sewer system development fees respectively based upon the cost and capacity information discussed in the Study.

Table 3-1 Calculated Residential Water and Sewer Development Fees

Property Type	Water	Sewer	Combined
Residential – Individually Metered (Heated sq. ft.)			
<1,000	$1,247	$2,309	$3,555
1,000 - 1,500	$1,332	$2,466	$3,797
1,501 - 2,000	$1,359	$2,517	$3,876
2,001 - 2,500	$1,443	$2,672	$4,115
2,501 - 3,000	$1,500	$2,778	$4,278
3,001 - 3,500	$1,613	$2,987	$4,600
3,501 - 4,000	$1,724	$3,193	$4,918
Over 4,000	$1,992	$3,689	$5,681
Multi-Family per-unit Master-Metered	$894	$1,656	$2,551
Mobile Homes per unit Master Metered Park	$1,399	$2,592	$3,991

It should be noted that for implementation purposes, we recommend that duplexes and individually-metered townhomes, mobile homes and condominiums be assessed the system development fees based on the heated square footage of the residential unit in the same manner as single family residential properties.

Table 3-2 Calculated Non-Residential Water and Sewer System Development Fees

Meter Size	Water	Sewer	Combined
3/4"	$2,494	$4,618	$7,112
1"	$4,156	$7,697	$11,853
1.5"	$8,312	$15,393	$23,706
2"	$13,300	$24,629	$37,929
3"	$29,093	$53,877	$82,970

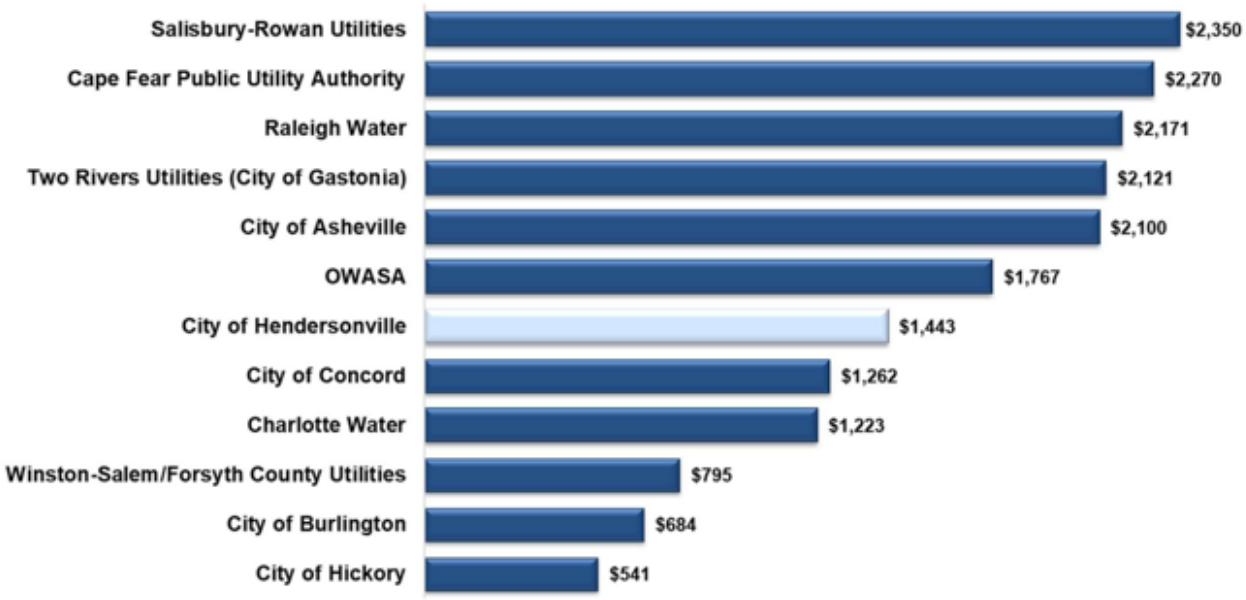
Meter Size	Water	Sewer	Combined
4"	$52,368	$96,978	$149,347
6"	$108,062	$200,114	$308,176
8"	$232,748	$431,015	$663,763
10"	$349,122	$646,522	$995,644

It is important to note that the City has discretion regarding the percentage of cost recovery utilized in the establishment of the system development fees. The system development fees can recover any amount up to, but not in excess of, the full cost recovery amounts identified herein for the calculated system development fees.

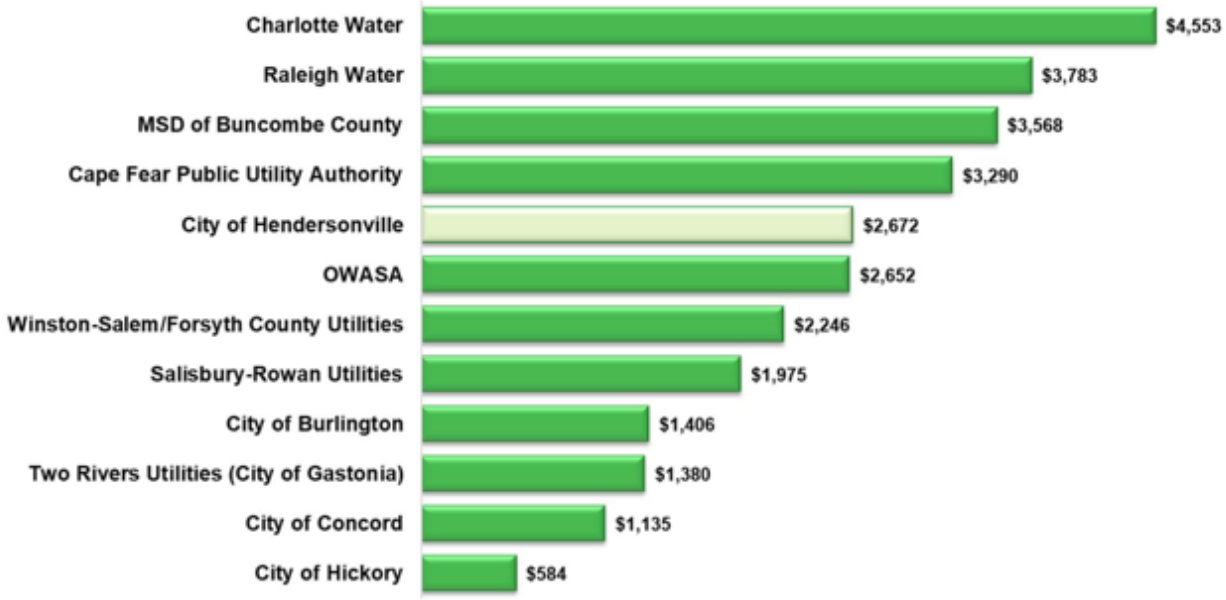
3.2 SYSTEM DEVELOPMENT FEE BENCHMARKING

System development fees are commonly adopted by utilities in North Carolina given the enabling legislation. A survey of current system development fees for surrounding and comparable utilities was completed to benchmark the calculated system development fees for the City. It is important to note that the system development fees used in the benchmarking are based on the fees that are currently in place as of the writing of this report. Since the enabling legislation requires an update of the fees every five years, many of the utilities are currently engaged with consultants to update the fees. The following figures present the results of the benchmarking.

Figure 3.1 - Water System Development Fees (Residential 2,100 Sq. Ft.)



Figures 3.2 - Sewer System Development Fees (Residential 2,100 Sq. Ft.)



The benchmarking results demonstrate that the calculated fees are comparable with the benchmarked utilities current system development fees.

3.3 CONCLUSIONS AND RECOMMENDATIONS

Based upon the analysis presented herein, Stantec has developed the following conclusions and recommendations:

1) We recommend that the City adopt the calculated water and sewer system development fees as demonstrated in Tables 3-1, and 3-2. This will allow the City to recover a portion of the cost of providing water and sewer capacity from new connections joining the system.
2) We recommend that following the adoption of system development fees, the fees be collected from all new connections consistent with the required within the SDF Act outlined below:
    - For new development involving the subdivision of land, the system development fee shall be collected at the later of either of the following: (1) The time of application for a building permit. (2) When water or sewer service is committed by the City.
    - For all other new development, the fees should be collected at the earlier of either of the following: (1) The time of application for connection of the individual unit of development to the service or facilities. (2) When water or sewer service is committed by the City.
3) We recommend that the City review its development fees at least every five years to ensure that it follows requirements established by the SDF Act and to ensure that they remain fair and equitable and continue to reflect its current cost of capacity. As the City continues to expand its facilities,

future changes in technology, demands, development patterns, or other factors may necessitate additional adjustments to its development fees.

4) We recommend that as part of any system development fee update, the City also evaluates the most appropriate accepted methodology for calculating its system unit cost of capacity as system capacity may change over time.

Disclaimer

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In preparing this report, Stantec utilized information and data obtained from the city or public and/or industry sources. Stantec has relied on the information and data without independent verification, except only to the extent such verification is expressly described in this document. Any projections of future conditions presented in the document are not intended as predictions, as there may be differences between forecasted and actual results, and those differences may be material.

Additionally, the purpose of this document is to summarize Stantec's analysis and findings related to this project, and it is not intended to address all aspects that may surround the subject area. Therefore, this document may have limitations, assumptions, or reliance on data that are not readily apparent on the face of it. Moreover, the reader should understand that Stantec was called on to provide judgments on a variety of critical factors which are incapable of precise measurement. As such, the use of this document and its findings by city should only occur after consultation with Stantec, and any use of this document and findings by any other person is done so entirely at their own risk.

Schedule 1: Summary of System Fixed Assets & Administration Cost Allocation

Function		Gross RCNLD Asset Value	Less Donated and Minor Equipment (Non-Core Assets)	Net RCNLD Asset Value	% of Total	Net Asset Value + Allocated Admin
Water	Treatment	$ 33,999,902	$ 584,317	$ 33,415,584	22.64%	$ 33,415,584
Water	Supply and Pumping	$ 1,827,398	$ 634,985	$ 1,192,413	0.81%	$ 1,192,413
Water	Storage	$ 7,314,728	$ 944,372	$ 6,370,356	4.32%	$ 6,370,356
Water	Transmission & Distribution	$ 53,351,047	$ 8,015,903	$ 45,335,144	30.72%	$ 45,335,144
Sewer	Treatment	$ 28,145,176	$ 63,282	$ 28,081,894	19.03%	$ 28,081,894
Sewer	Pumping	$ 343,488	$ 332,065	$ 11,423	0.01%	$ 11,423
Sewer	Collection & Conveyance	$ 35,459,106	$ 2,297,880	$ 33,161,226	22.47%	$ 33,161,226
Total		$ 160,440,845	$ 12,872,804	$ 147,568,041	100%	$ 147,568,041

Schedule 2: Capital Improvement Summary

Function		Capital Improvement Costs	% of Total	Function Costs + Allocated Admin
Water	Treatment	$ 37,961,500	20.81%	$ 37,961,500
Water	Supply and Pumping	$ 25,524,035	13.99%	$ 25,524,035
Water	Storage	$ -	0.00%	$ -
Water	Transmission & Distribution	$ 45,005,000	24.67%	$ 45,005,000
Sewer	Treatment	$ 57,750,769	31.65%	$ 57,750,769
Sewer	Pumping	$ -	0.00%	$ -
Sewer	Collection & Conveyance	$ 16,212,000	8.89%	$ 16,212,000
Total Expansion CIP		**$ 182,453,304**		**$ 182,453,304**
Excluded Non-Expansion CIP		$ 111,792,361		$ 111,792,361
Total System CIP		**$ 294,245,665**		**$ 294,245,665**

Schedule 3: Capital Improvement Program Listing and Allocations

	Project Name	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	Cost	Water Allocation	Sewer Allocation	% Growth	Growth Related CIP Cost
1	Apex Project Land Acquisition #19014	$ 1,000,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,000,000	100%		0%	$ -
2	Fleetwood Water Improvement Project #21812	$ 1,400,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,400,000	100%		0%	$ -
3	French Broad Raw Water Intake #16667	$ 24,514,035	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 24,514,035	100%		100%	$ 24,514,035
4	Mud Creek Interceptor #18002	$ -	$ -	$ 9,892,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,892,000		100%	100%	$ 9,892,000
5	North Fork Dredging #19016	$ 1,110,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,110,000	100%		0%	$ -
6	North Greenwood Water Project #19003	$ 850,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 850,000	100%		0%	$ -
7	Sewer Vactor Truck Replacement #22011	$ 550,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 550,000		100%	0%	$ -
8	Sewer Vactor Truck Replacement #22011 - 2	$ -	$ -	$ 510,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 510,000		100%	0%	$ -
9	Streetwork Sewer Improvements #21013	$ -	$ 600,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 600,000		100%	0%	$ -
10	Wastewater Evaluation - Basin 3 #21645	$ 100,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 100,000		100%	0%	$ -
11	Water Distribution Master Plan Update #22012	$ 200,000	$ -	$ -	$ -	$ -	$ 225,000	$ -	$ -	$ -	$ -	$ -	$ 425,000	100%		100%	$ 425,000
12	WTP Expansion to 15.0 MGD #19207	$ -	$ 2,131,500	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,131,500	100%		100%	$ 2,131,500
13	WTP Residuals Storage Covered Building #22013	$ -	$ 1,480,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,480,000	100%		0%	$ -
14	WWTP Aeration Basin Rehabilitation #21945	$ 2,050,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,050,000		100%	0%	$ -
15	WWTP Biosolids Drying System Process	$ -	$ -	$ -	$ 12,000,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 12,000,000		100%	0%	$ -
16	WWTP Influent Improvement - Project #19023	$ 2,880,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,880,000		100%	0%	$ -
17	Cannon Drive Neighborhood Water Replacement	$ -	$ 330,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 330,000	100%		0%	$ -
18	NCDOT Highland Lake Rd	$ -	$ 575,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 575,000	99%	19%	0%	$ -
19	Old Bridgland Rd. #20018	$ -	$ 470,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 470,000	100%		0%	$ -
20	Rutledge Road Water Improvements #17002	$ -	$ 270,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 270,000	100%		0%	$ -
21	WWTP Headworks and Inflow Equalization	$ -	$ 4,595,000	$ -	$ -	$ -	$ 25,020,000	$ -	$ -	$ -	$ -	$ -	$ 29,525,000		100%	38%	$ 11,355,769
22	CCTV Truck Replacement	$ -	$ -	$ 350,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 350,000		100%	0%	$ -
23	North Main Water and Sewer Replacement	$ -	$ -	$ 1,640,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,640,000	59%	59%	0%	$ -
24	Sewer Collection System Master Plan Update	$ -	$ -	$ 220,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 220,000		100%	100%	$ 220,000
25	Vactor Truck Storage Building	$ -	$ -	$ 660,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 660,000		100%	0%	$ -
26	WWTP Tertiary Filter Replacement Phase 2	$ -	$ -	$ 270,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 270,000		100%	100%	$ 270,000
27	NCDOT TIP #19120	$ -	$ -	$ -	$ 12,700,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 12,700,000	100%		100%	$ 12,700,000
28	NCDOT Hwy 64 #19189	$ -	$ -	$ -	$ 1,500,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,500,000	99%	99%	100%	$ 1,499,000
29	NCDOT Sub #17141	$ 3,499,100	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,499,100	100%		0%	$ -
30	Wash Creek Replacement Sewer G66	$ -	$ -	$ -	$ 3,720,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,720,000		100%	100%	$ 3,720,000
31	WWTP Blower Building Improvements	$ -	$ -	$ -	$ 400,000	$ 2,200,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,600,000		100%	0%	$ -
32	WWTP Recycle Pumping Station Project	$ -	$ -	$ -	$ 1,100,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,100,000		100%	0%	$ -
33	WWTP Sludge Dewatering Conveyor Belt	$ -	$ -	$ -	$ 950,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 950,000		100%	0%	$ -
34	Devils Fork Sewer Replacement G66	$ -	$ -	$ -	$ -	$ 2,790,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,790,000		100%	100%	$ 2,790,000
35	Leeside Transmission Main, Phase 2 and 3	$ -	$ -	$ -	$ -	$ 9,900,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,900,000	100%		100%	$ 9,900,000
36	Vanderbilt Neighborhood Water Replacement	$ -	$ -	$ -	$ -	$ 1,080,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,080,000	100%		0%	$ -
37	Long John Mountain Water Improvements #19014	$ -	$ -	$ -	$ -	$ 9,070,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,070,000	100%		0%	$ -
38	NCDOT White Str South Main #17126	$ -	$ -	$ -	$ -	$ 2,900,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,900,000	59%	59%	0%	$ -
39	Upward Road Water Main Upgrade	$ -	$ -	$ -	$ -	$ 1,010,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,010,000	100%		100%	$ 1,010,000
40	WWTP Sludge Tanking Rehabilitation	$ -	$ -	$ -	$ -	$ 900,000	$ 5,000,000	$ -	$ -	$ -	$ -	$ -	$ 5,900,000			100%	$ -
41	AMI Metering Infrastructure Replacement	$ 525,000	$ -	$ -	$ -	$ -	$ 3,710,000	$ 3,820,000	$ 3,000,000	$ -	$ -	$ -	$ 11,065,000	100%		0%	$ -
42	Dana Rd. Water Main Extension	$ -	$ -	$ -	$ -	$ -	$ 2,210,000	$ -	$ -	$ -	$ -	$ -	$ 2,210,000	100%		100%	$ 2,210,000
43	Vanderbilt Neighborhood Water Replacement	$ -	$ -	$ -	$ -	$ -	$ 920,000	$ -	$ -	$ -	$ -	$ -	$ 920,000	100%		0%	$ -
44	Willow Valley Rd & PRV Bypass	$ -	$ -	$ -	$ -	$ -	$ 590,000	$ -	$ -	$ -	$ -	$ -	$ 590,000	100%		0%	$ -
45	Airport Rd. - Water	$ -	$ -	$ -	$ -	$ -	$ -	$ 720,000	$ -	$ -	$ -	$ -	$ 720,000	100%		100%	$ 720,000
46	Lavalina Drive Neighborhood Water Replacement	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,220,000	$ -	$ -	$ -	$ -	$ 1,220,000	100%		0%	$ -
47	Wash Creek Sewer Replacement G-93	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,080,000	$ -	$ -	$ -	$ -	$ 3,080,000		100%	0%	$ -
48	Brookwood Sewer Pump Station Replacement	$ -	$ -	$ -	$ -	$ -	$ -	$ 350,000	$ -	$ -	$ -	$ -	$ 350,000		100%	0%	$ -
49	East Campus Road	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,140,000	$ -	$ -	$ -	$ -	$ 1,140,000	100%		100%	$ 1,140,000
50	Pace Rd. Water Main Extension and Interconnect	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,710,000	$ -	$ -	$ -	$ -	$ 1,710,000	100%		100%	$ 1,710,000
51	S. Rugby Road Water Main Interconnect	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,850,000	$ -	$ -	$ -	$ -	$ 2,850,000	100%		100%	$ 2,850,000
52	WWTP Aeration Basin Modification	$ -	$ -	$ -	$ -	$ -	$ -	$ 325,000	$ 1,800,000	$ -	$ -	$ -	$ 2,125,000		100%	100%	$ 2,125,000
53	Howard Gap Rd. Water Extension Mid	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,550,000	$ -	$ -	$ -	$ 2,550,000	100%		100%	$ 2,550,000
54	Howard Gap Rd. Water Extension North End	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,500,000	$ -	$ -	$ -	$ 1,500,000	100%		100%	$ 1,500,000
55	North Fork Raw Water Line Slip lining	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,200,000	$ -	$ -	$ 5,200,000	100%		0%	$ -
56	Southside Water System Improvements	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,090,000	$ -	$ -	$ 4,090,000	100%		100%	$ 4,090,000
57	WTP to Evart Hill Slip Lining	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,070,000	$ -	$ -	$ 5,070,000	100%		0%	$ -
58	Bradley Creek Raw Water Line Slip lining	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,935,000	$ 1,935,000	$ 3,870,000	100%		0%	$ -
59	Hurricane Rd. Water Main Extension	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,325,000	$ 1,325,000	$ 2,650,000	100%		100%	$ 2,650,000
60	Vanderbilt #17121	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	99%	99%	100%	$ -
61	S. Mills Gap Rd. Water Main Extension	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 930,000	$ 930,000	$ 1,860,000	100%		100%	$ 1,860,000
62	Smoky Ridge Sewer P.S. Abandonment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 270,000	$ 270,000	$ 540,000		100%	0%	$ -
63	WTP Expansion to 19.8 MGD	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 17,915,000	$ 17,915,000	$ 35,830,000	100%		100%	$ 35,830,000
64	WWTP 7.8 MGD Facility Expansion	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 22,000,000	$ 22,000,000	$ 44,000,000		100%	100%	$ 44,000,000
65	WWTP Secondary Clarifier Rehabilitation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,415,000	$ 1,415,000	$ 2,830,000			0%	$ -
66	Church Street Sewer	$ 515,000											$ 515,000			0%	$ -
	Total	$ 20,023,135	$ 10,361,500	$ 12,492,000	$ 32,790,000	$ 31,020,000	$ 37,585,000	$ 15,224,000	$ 9,840,000	$ 14,360,000	$ 45,730,000	$ 45,730,000	$ 294,245,665				$ 182,453,304

Schedule 4: Capacity Summaries

Water System Capacity

Treatment

Water Treatment Plants	Existing Capacity (MGD)	Incremental Capacity (MGD)
Existing Capacity	12.00	
Expansion to 18		6.00
	12.00	6.00

Supply and Pumping

	Capacity (MGD)	Incremental Capacity (MGD)
	12.00	6.00
	12.00	6.00

Transmission & Distribution

	Capacity (MGD)	Incremental Capacity (MGD)
	12.00	6.00
	12.00	6.00

Sewer System Capacity

Treatment

Wastewater Treatment Plants	Capacity (MGD)	Incremental Capacity (MGD)
Existing Capacity	4.80	
Expansion to 7.8		3.00
	4.80	3.00

Pumping

	Capacity (MGD)	Incremental Capacity (MGD)
	4.80	3.00
	4.80	3.00

Collection & Conveyance

	Capacity (MGD)	Incremental Capacity (MGD)
	4.80	3.00
	4.80	3.00

Schedule 5: Water System Development Fee - Combined

Functional Component:	Treatment / Supply / Pumping	Transmission and Distribution	Total
Gross Plant in Service Value	$35,827,300	$60,665,774	$96,493,074
Total Expansion Capital Projects	$63,485,535	$45,005,000	$108,490,535
Combined System Value	$99,312,835	$105,670,774	$204,983,609
Less:			
Principal Credit (Outstanding Debt)	$ 6,704,970	$ 11,353,414	$ 18,058,384
Specific Asset Contributions/Exclusions	1,219,302	8,960,275	10,179,577
General Allowance for Asset Contributions/Exclusions	-	-	-
Grants (Historical and Future)	-	-	-
Revenue Credit (Principal Future Debt during Planning Period)	29,570,505	20,962,580	50,533,085
Additional credit to meet 25% requirement	-	-	-
Net System Value	**$ 61,818,058**	**$64,394,506**	**$126,212,563**
Revenue Credit % Used in Fee Calculation			46.58%
Cost per Gallon:			
Capacity	18.00	18.00	
Unit Cost per Gallon:	**$3.43**	**$3.58**	**$7.01**

Schedule 6: Sewer System Development Fee - Combined

Functional Component:	Treatment and Storage	Collection Conveyance and Pumping	Total
Gross Plant in Service Value	$28,145,176	$35,802,595	$63,947,771
Total Expansion Capital Projects	$57,750,769	$16,212,000	$73,962,769
Gross System Value	$85,895,945	$52,014,595	$137,910,540
Less:			
Principal Credit	$ 6,446,996	$ 8,201,021	$ 14,648,017
Specific Asset Contributions/Exclusions	63,282	2,629,945	2,693,227
General Allowance for Asset Contributions/Exclusions	-	-	-
Grants (Historical and Future)	-	-	-
Revenue Credit (Principal Future Debt during Planning Period)	26,899,347	7,551,280	34,450,627
Additional credit to meet 25% requirement	-	-	-
Net System Value	**$ 52,486,320**	**$ 33,632,349**	**$ 86,118,669**
Revenue Credit % Used in Fee Calculation			46.58%
Cost per Gallon:			
Capacity	7.80	7.80	
Unit Cost per Gallon:	**$6.73**	**$4.31**	**$11.04**

Schedule 7: Fee Summary

Water

Residential

Single Family (Heated Sq. Ft.)	Max Day Flow (gpd)	Calculated System Development Fee
<1000	178	$1,247
1,000 - 1,500	190	$1,332
1,501 - 2,000	194	$1,359
2,001 - 2,500	206	$1,443
2,501 - 3,000	214	$1,500
3,001 - 3,500	230	$1,613
3,501 - 4,000	246	$1,724
4,000+	284	$1,992
Multi-Family per-unit Master Metered	128	$894
Mobile Homes	200	$1,399

Non-Residential

Meter Size	Max Day Flow (gpd)	Calculated System Development Fee
3/4"	356	$2,494
1"	593	$4,156
1.5"	1,185	$8,312
2"	1,898	$13,300
3"	4,148	$29,093
4"	7,466	$52,368
6"	15,405	$108,062
8"	33,180	$232,749
10"	49,770	$349,122

Sewer

Residential

Single Family (Heated Sq. Ft.)	Planning Flow (gpd)	Calculated System Development Fee
<1000	209	$2,309
1,000 - 1,500	223	$2,466
1,501 - 2,000	228	$2,517
2,001 - 2,500	242	$2,672
2,501 - 3,000	252	$2,778
3,001 - 3,500	271	$2,987
3,501 - 4,000	289	$3,193
4,000+	334	$3,689
Multi-Family per-unit Master Metered	150	$1,656
Mobile Homes	235	$2,592

Non-Residential

Meter Size	Planning Flow (gpd)	Calculated System Development Fee
3/4"	418	$4,618
1"	697	$7,697
1.5"	1,394	$15,393
2"	2,231	$24,629
3"	4,879	$53,877
4"	8,783	$96,978
6"	18,124	$200,114
8"	39,035	$431,015
10"	58,553	$646,522

Combined

Residential

Single Family (Heated Sq. Ft.)	Calculated System Development Fee
<1000	$3,555
1,000 - 1,500	$3,797
1,501 - 2,000	$3,876
2,001 - 2,500	$4,115
2,501 - 3,000	$4,278
3,001 - 3,500	$4,600
3,501 - 4,000	$4,918
4,000+	$5,681
Multi-Family per-unit Master Metered	$2,551
Mobile Homes	$3,991

Non-Residential

Meter Size	Calculated System Development Fee
3/4"	$7,112
1"	$11,853
1.5"	$23,706
2"	$37,929
3"	$82,970
4"	$149,347
6"	$308,176
8"	$663,763
10"	$995,644

Ken Gordon moved, seconded by John Stevens, to not move forward with the system development fees. Motion carried 5-2 to not move forward with System Development Fees. Adan Justus and Jay Egolf were nays.

B. November 20, 2023 Special Meeting – *John Connet, City Manager*

City Manager John Connet proposed that the Committee have a special called meeting on Monday, November 20, 2023, to go over the Gen H Comprehensive Plan with the consultants who have been working on it. Sarah Cosgrove moved to have the special called meeting on November 20, 2023. Motion carried unanimously.

6. OTHER BUSINESS – None

7. ADJOURNMENT

Rebecca Waggoner moved to adjourn. There being no further discussion the meeting was adjourned at 12:55 p.m. upon unanimous assent of the Committee.

_____
Ken Gordon, Chair

ATTEST:

_____
Jill Murray, City Clerk

CITY OF HENDERSONVILLE
BUSINESS ADVISORY COMMITTEE

City Hall – 2nd Floor Meeting Room | 160 6th Avenue E. | Hendersonville NC 28792
Monday, November 20, 2023 – 11:30 AM

MINUTES

Present: Chair Ken Gordon, Jay Egolf, Vice-Chair Rebecca Waggoner, John Stevens, Chris Cormier, Sarah Cosgrove, Adam Justus, Cam Boyd, Jen Hensley, Brittany Brady

Staff Present: City Manager John Connet, City Clerk Jill Murray, Community Development Director Lew Holloway, Planning Projects Manager Matt Manley, Communications Manager Allison Justus, Budget Manager Adam Murr

Others Present: Lorna Allen, Bolton & Menk; Grant Meacci, Bolton & Menk; Ben Hitchings, Green Heron Planning; Meg Nealon, Nealon Planning; Jenn Gregory, Retail Strategies / Downtown Strategies

1. CALL TO ORDER

Chairman Ken Gordon called the meeting to order at 11:37 a.m. and welcomed those present.

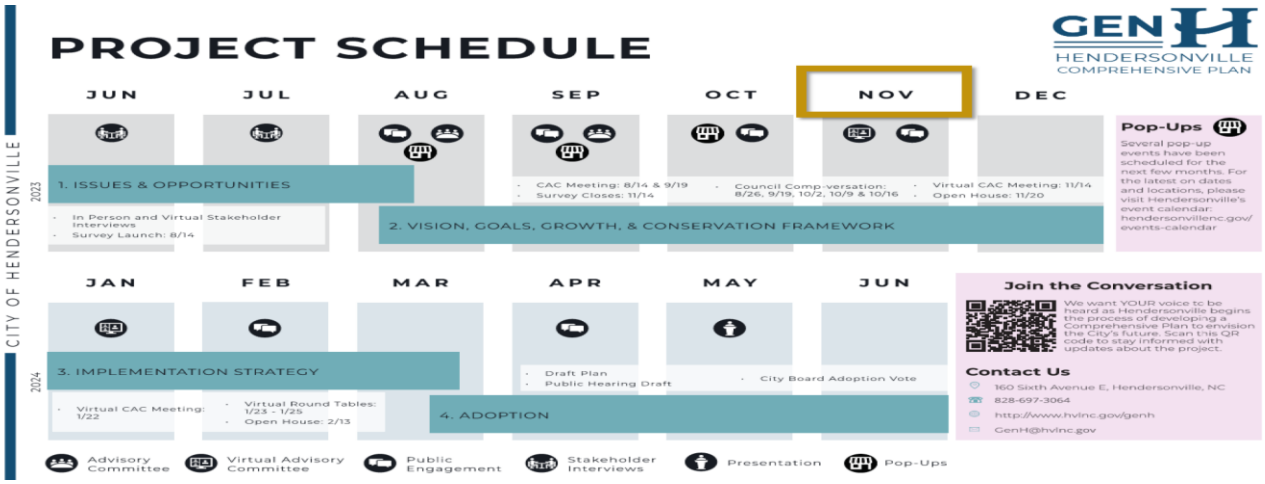
2. NEW BUSINESS

A. Generation H Comprehensive Plan Discussion - *Matt Manley, Planning Projects Manager*

The consultants and the board introduced themselves to each other and then each consultant took turns going over both PowerPoint presentations and answering questions.

PROJECT UPDATE

PROJECT PHASES



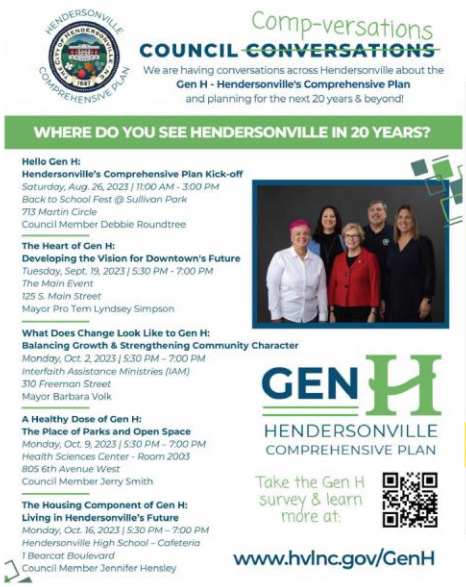
PROJECT ENGAGEMENT

STAKEHOLDER INTERVIEWS

Key Themes

- Balancing growth with hometown character
- Effects of growth: traffic, affordable housing, natural environment loss
- Workforce availability
- Direct growth in corridors and preserve environmentally sensitive areas
- Community health (mental, physical, spiritual)
- Opportunities to improve mobility and connectivity through parks, trails, and greenway networks

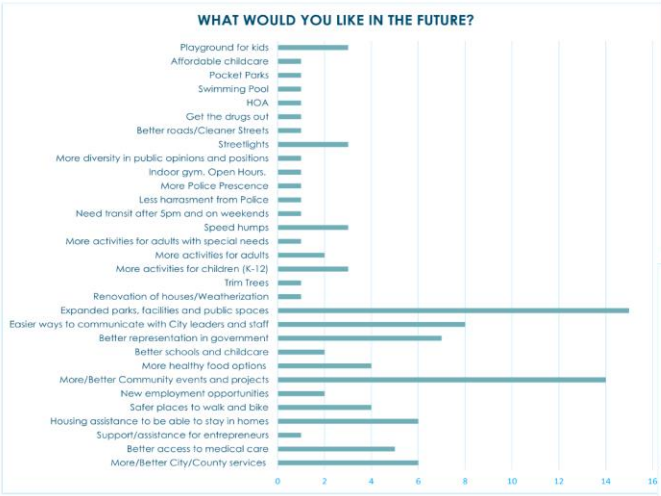
Council Comp-versations

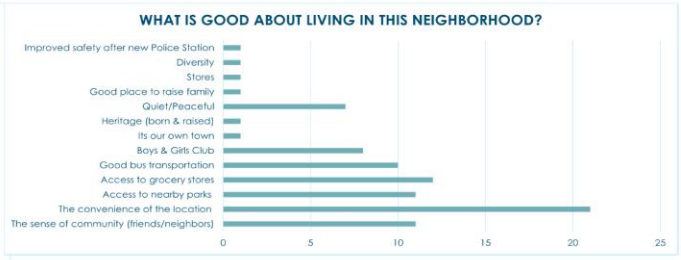


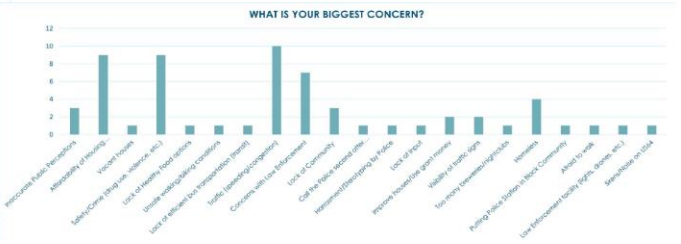
Pop-Ups, Presentations, Round Tables

Rhythm & Brews
Farmers Market
NNO 2023
¡hola! Carolina
Back to School Fest
Hendersonville High School
NC COA Coalition on Aging
Hendersonville Chamber
Carolina Village
West Henderson High School
East Henderson High School
NAACP 1909
PFLAG
Hendersonville pride
El Centro de Henderson County
Henderson County Public Library
Bruce Drysdale Elementary
Green Meadows Community
The Buzz
Trailside Brewing Co
Council on Aging for Henderson County
35+

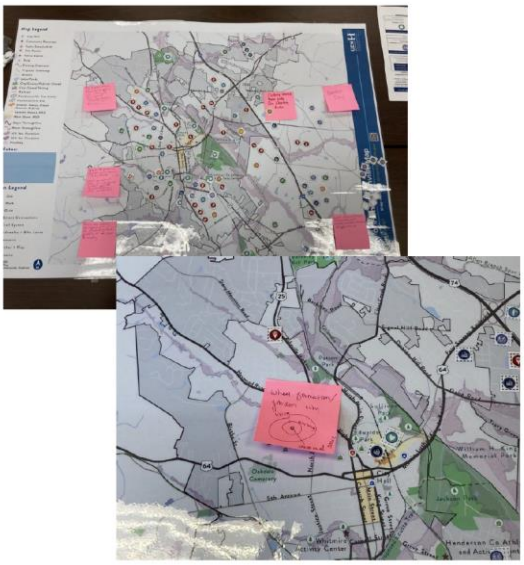
Neighborhood Canvas: Green Meadows

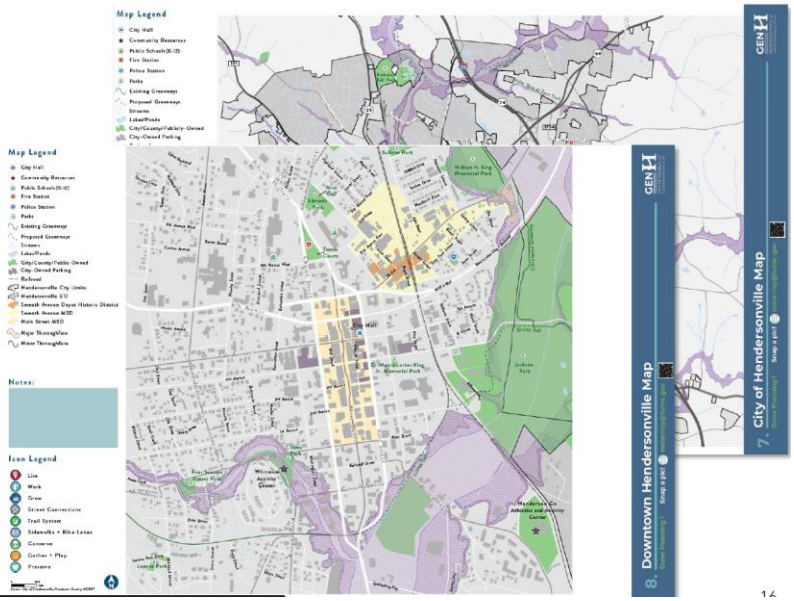






MEETINGS "TO GO"

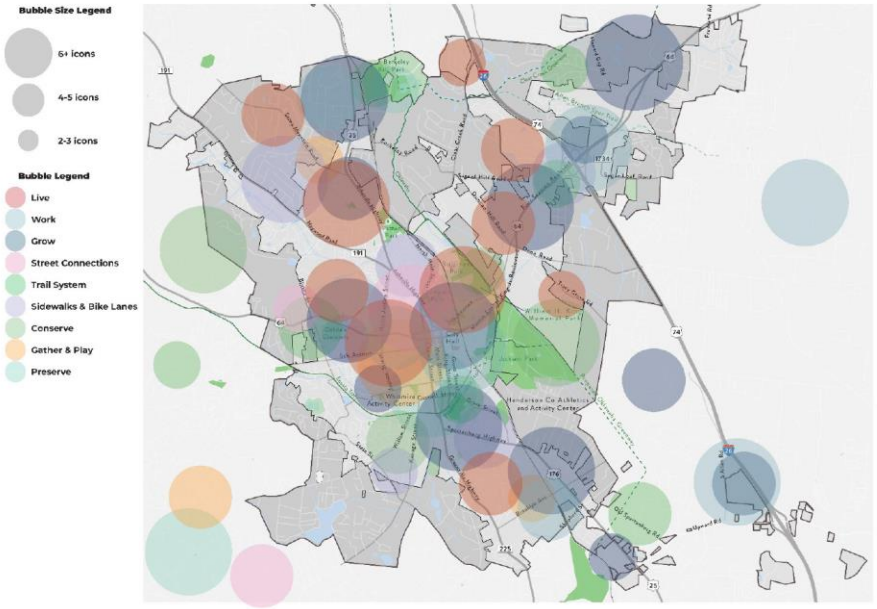


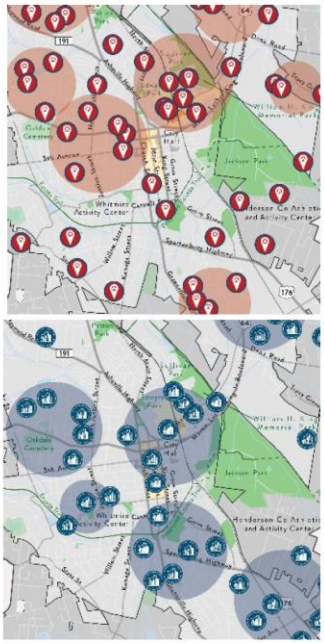


Gen H Comprehensive Plan

14

Meetings "TO GO"





Gen H Comprehensive Plan

SURVEYS CLOSED 11/14

Key Issues – Student Survey

1. Housing
2. Effects of Population Growth
3. Access to quality goods and services
4. Economic Development
5. Community Resources

Gen H - Comprehensive Plan - HCPS Student Survey

Project Engagement

VIEWS	PARTICIPANTS	RESPONSES	COMMENTS	SUBSCRIBERS
438	227	9,737	384	83

1. As you look into the future, what are the top three things you are most concerned about for Hencersonville?

52%	Housing (affordability, availability, variety - for sale/rent, houses, apartments, etc.)	108 ✓
37%	Effects of Population Growth (increased traffic, sprawl, etc.)	75 ✓
30%	Access to Quality Goods and Services (shopping, dining, entertainment, etc.)	60 ✓
29%	Economic Development (jobs, workforce, small business support, etc.)	59 ✓
23%	Community Resources (for youth, aging population, homeless population, etc.)	46 ✓
21%	Community Health (physical, mental, and spiritual)	42 ✓
20%	Community Safety and Appearance (crime, vacant/underutilized buildings, etc.)	41 ✓
19%	Quality Education (early childhood, K-12, higher education, continuing, etc.)	39 ✓
18%	Environmental Health (climate, tree canopy, water quality, etc.)	37 ✓
14%	Safe, Efficient Transportation Options (vehicle, bike, pedestrian, transit, etc.)	28 ✓
13%	Diversity, Equity & Inclusion	27 ✓
10%	Parks, Trails & Recreation (proximity to, quality, etc.)	20 ✓
5%	Water/Sewer/Utilities (capacity, quality, etc.)	11 ✓
0%	Other (write-in)	1 ✓

Gen H - Comprehensive Plan Survey

Project Engagement

VIEWS	PARTICIPANTS	RESPONSES	COMMENTS	SUBSCRIBERS
10,008	4,087	153,122	9,270	1,429

1. As you look into the future, what are the top three things you are most concerned about for Hendersonville?

52%	Effects of Population Growth (increased traffic, sprawl, etc.)	1831 ✓
34%	Housing (affordability, availability, variety - for sale/rent, houses, apartments, etc.)	1186 ✓
30%	Community Safety and Appearance (crime, vacant/underutilized buildings, etc.)	1040 ✓
26%	Environmental Health (climate, tree canopy, water quality, etc.)	897 ✓
21%	Quality Education (early childhood, K-12, higher education, continuing, etc.)	749 ✓
20%	Parks, Trails & Recreation (proximity to, quality, etc.)	706 ✓
17%	Economic Development (jobs, workforce, small business support, etc.)	607 ✓
17%	Community Resources (for youth, aging population, homeless population, etc.)	605 ✓
16%	Access to Quality Goods and Services (shopping, dining, entertainment, etc.)	550 ✓
15%	Water/Sewer/Utilities (capacity, quality, etc.)	511 ✓
14%	Community Health (physical, mental, and spiritual)	478 ✓
12%	Safe, Efficient Transportation Options (vehicle, bike, pedestrian, transit, etc.)	436 ✓
11%	Diversity, Equity & Inclusion	372 ✓
6%	Other (write-in)	224 ✓

Key Issues – General Survey

1. Effects of Population Growth
2. Housing
3. Community Safety and Appearance
4. Environmental Health
5. Quality Education

Why people visit

General

9. If you spend time in downtown, select all the reasons you come here:

84%	Dine	2821 ✓
71%	Events (i.e., parade, festival, art show, cruise-in)	2384 ✓
66%	Shop	2226 ✓
31%	Recreate	1048 ✓
26%	Government offices (i.e., Courthouse for services, City Hall to pay bill)	883 ✓
21%	Exercise	696 ✓
17%	Work	573 ✓
14%	Live	479 ✓
7%	Other (write-in)	242 ✓

Student

9. If you spend time in downtown, select all the reasons you come here:

71%	Events (i.e., parade, festival, art show, cruise-in)	130 ✓
69%	Dine	125 ✓
68%	Shop	124 ✓
27%	Work	50 ✓
25%	Recreate	45 ✓
17%	Exercise	31 ✓
16%	Live	30 ✓
7%	Government offices (i.e., Courthouse for services, City Hall to pay bill)	13 ✓
5%	Other (write-in)	9 ✓

Improvements

General

10. What are your top three improvements for downtown?

60%	Historic preservation/reuse of existing buildings/façade improvements, building maintenance	1996
39%	New and/or improved public spaces/parks (plazas, greenspace, ampitheater, etc.)	1306
38%	Safe/improved pedestrian and bike connections in and to downtown from neighborhoods (sidewalks, crosswalks, crossing signals, bike lanes)	1262
25%	Additional public parking or dedicated employee parking	832
24%	Businesses with better/longer hours of operation	799
21%	Additional public restrooms	711
17%	Additional festivals, events, and programs in downtown	557
14%	Other (write-in)	465
13%	Landscaping (plantings, street trees)	434
11%	Seating, especially in the shade, and street furnishings (i.e. trash cans)	382
8%	Lighting (street lighting, pedestrian lighting, decorative lighting)	250
5%	More/better public art	177

Student

10. What are your top three improvements for downtown?

41%	Safe/improved pedestrian and bike connections in and to downtown from neighborhoods (sidewalks, crosswalks, crossing signals, bike lanes)	75
39%	Historic preservation/reuse of existing buildings/façade improvements, building maintenance	71
38%	New and/or improved public spaces/parks (plazas, greenspace, ampitheater, etc.)	70
37%	Additional festivals, events, and programs in downtown	68
28%	Additional public parking or dedicated employee parking	51
24%	Businesses with better/longer hours of operation	43
24%	Landscaping (plantings, street trees)	43
14%	Lighting (street lighting, pedestrian lighting, decorative lighting)	26
14%	Seating, especially in the shade, and street furnishings (i.e. trash cans)	26
12%	More/better public art	22
12%	Additional public restrooms	21
2%	Other (write-in)	4

Needs

General

11. What types of places does downtown Hendersonville need (or need more of)?

46%	Cultural and entertainment venues (theaters, galleries, etc.)	1473
39%	Dining, food service	1262
35%	Places to exercise, recreate (parks)	1132
32%	Housing (townhomes, condos, lofts)	1016
28%	Specialty shops, boutiques	910
25%	Events (parade, festival, art show, live music)	819
18%	Grocery stores, drug stores	565
15%	Workspaces, studio spaces	496
13%	Other (write-in)	414
9%	Government offices (US Post Office, City Hall to pay bill)	298
7%	Services (hair/nail salons, tax prep, FedEx)	229

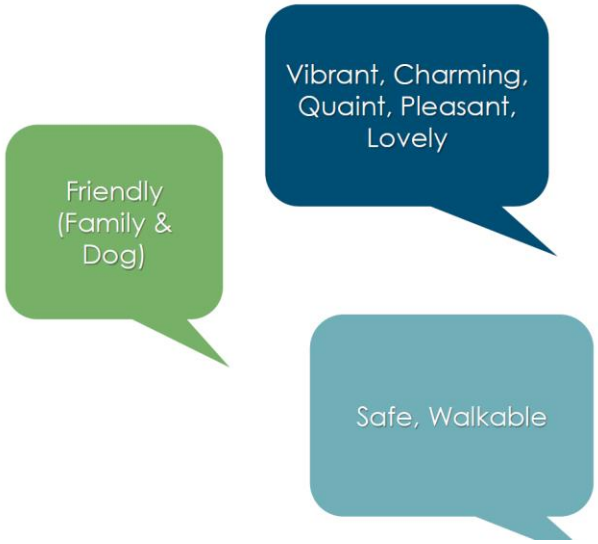
Student

11. What types of places does downtown Hendersonville need (or need more of)?

56%	Cultural and entertainment venues (theaters, galleries, etc.)	98
43%	Events (parade, festival, art show, live music)	76
42%	Dining, food service	73
39%	Places to exercise, recreate (parks)	68
37%	Specialty shops, boutiques	65
36%	Housing (townhomes, condos, lofts)	63
22%	Workspaces, studio spaces	39
20%	Services (hair/nail salons, tax prep, FedEx)	35
17%	Grocery stores, drug stores	30
6%	Government offices (US Post Office, City Hall to pay bill)	10
2%	Other (write-in)	4

Survey Results

Key Themes



- Great main street
- Mainstreet USA
- Attractive downtown with lots of old, architecturally interesting buildings and businesses
- Great, eclectic, unique restaurants, shopping and dining.
- Nice variety of festivals.
- Going downtown is like a trip from the past.

- A small version of downtown Naperville Illinois;
- A smaller Franklin, TN in the mountains of NC
- Similar to Beaufort, SC .
- I wish Main St. looked more like Helen, GA or Greenville, SC

Survey Results

Key Themes

- Very nice downtown , as long as you're here on vacation.
- Selection/quality of shops and restaurants might be ok for tourists visiting for a weekend but not full-time residents
- Touristy shops and restaurants. Few other shopping opportunities
- Touristy shops that have replaced art galleries, bookstores and fine dining, Increased vacancies.
- Lacking any decent stores or any longevity for small businesses-Rent $$
- No comedy clubs, museums, Not enough housing
- Big-city conveniences outside the downtown area.
- Too much attention to Main St., not enough done other areas. A town that spends 75% of it's budget on it's Main Street area once every three years
- Replace unsightly molder fountain at Main St. with mention of Tom Orr and others.
- The parking deck off Main St was a great waste of money... SHOULD have free parking
- There are WAY TOO MANY downtown street closures.
- Main street closes at 5pm

Survey Results

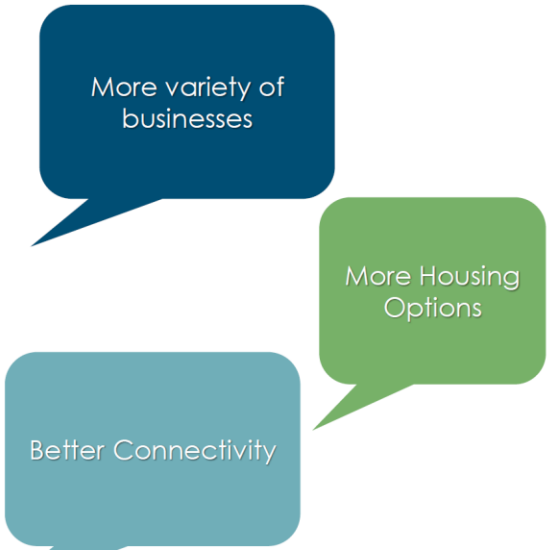
Ideas for the future

- Music venues, outdoor amphitheaters, and concert halls, Performing arts centers, theaters, auditoriums
- Recreational activity spaces for youth in the community (splash pads, science museums, playgrounds, movie theaters, pickleball courts, skateboard parks, bowling alleys, skating rinks, putt-putt places, and photogenic art walls and spaces, community gardens)
- Recreational activity spaces oriented toward older adults (sculpture gardens, community gardens, libraries, green spaces with chess tables and other games, soda shops, senior centers, art galleries and museums, water features)
- More events and festivals that can create more community for residents and attract visitors to a vibrant downtown.
- A community green space and park downtown that can hold large events and food trucks
- A completion of the Ecusta Trail and Saluda Trail, connectivity between existing trails and greenways to each other, downtown, and other neighborhoods and parks
- Expansion and continuation of a trail and greenway network
- Increase of bicycle lanes, infrastructure, and activities throughout the town
- LGBTQ center, safe spaces, and events
- A pedestrian main street and other additional streets that prohibit vehicles, and an increase of sidewalks and walkability

Survey Results

Ideas for the future

- Supermarkets, wholesalers, and grocery stores such as Costco, Trader Joe's, Target, Whole Foods, and Lidl
- More of a variety of dining and shopping options that accommodate all demographics
- adding forms of hospitality and hotels to be in the downtown
- Increase of bicycle lanes, infrastructure, and activities throughout the town
- More jobs and industries, and affordable housing
- Minor league baseball team or other sporting teams
- Free trollies and public transit throughout the town
- Revitalization of abandoned buildings, run-down malls and shopping centers, and train station
- More affordable housing and accessible jobs
- More night life with late night dining and businesses that have activities in late evenings



GENH

HENDERSONVILLE COMPREHENSIVE PLAN

Demographic Market Analysis
September 13, 2023

Research Partners

LANDVISION
Restaurant News
RLT RETAIL LEASE TRAC
salesgenie
near
PlainVanillaShell
SiteSeer
SN SUPERMARKET NEWS
the CRITTENDEN REPORT

Memberships, Subscriptions & Customized Reports

TETRAD sitewise STDB
SitesUSA
REGIS online
ChainXY Location Matters.

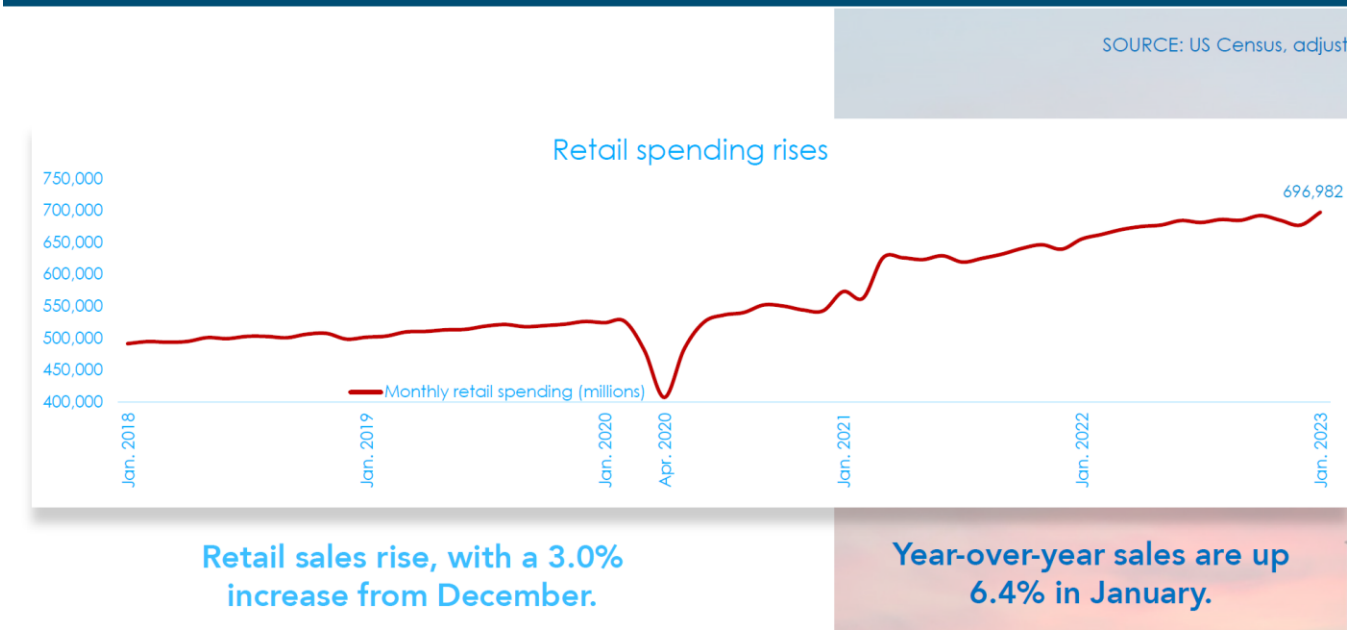
Research Partners & Geographic Information Systems

Research Sources

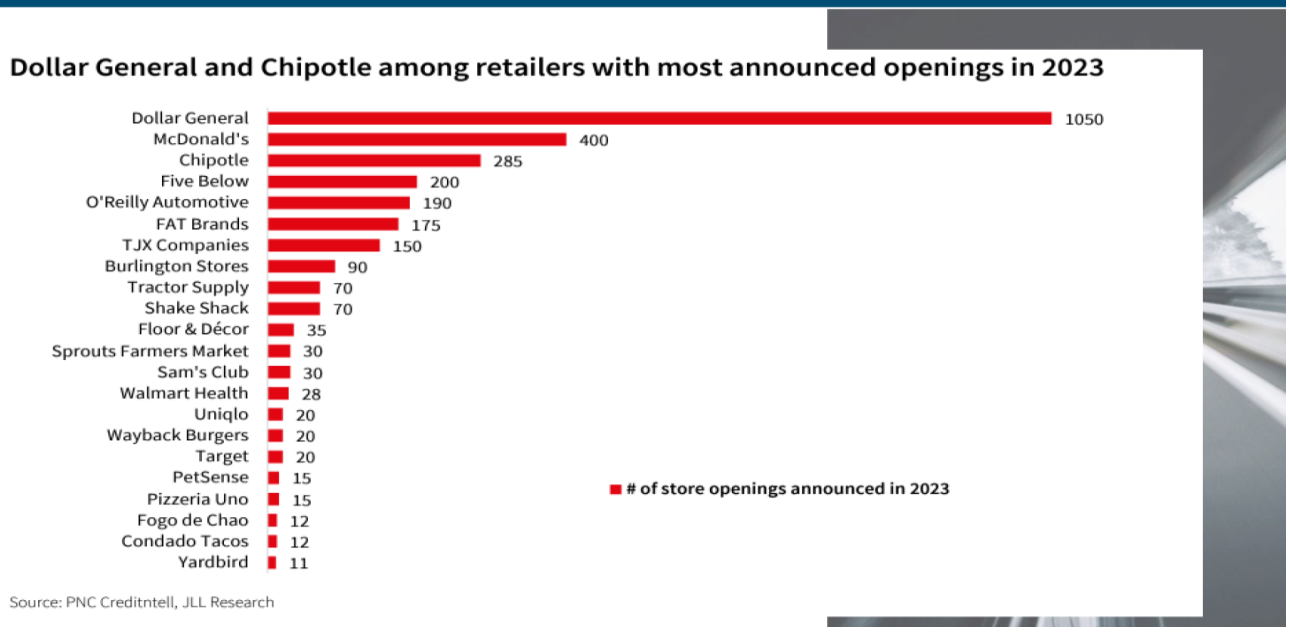
Retail is Economic Development

Retail is Economic Development

Retail Sales



National Retailer Expansions in 2023



New Store Openings

100+ LOCATIONS

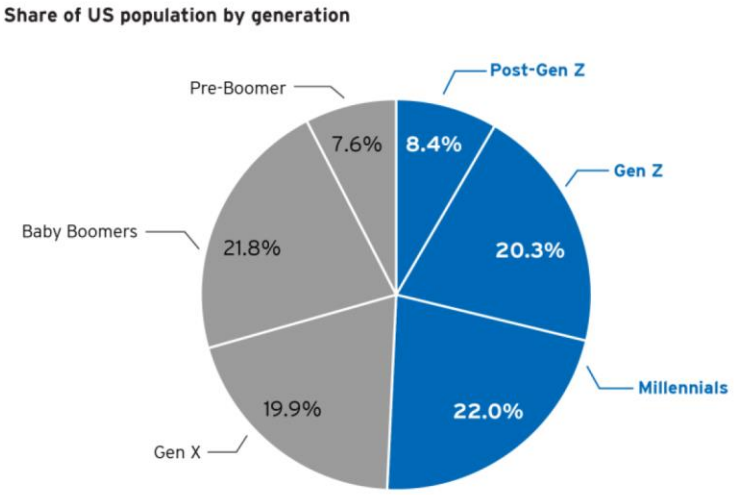
New Store Openings

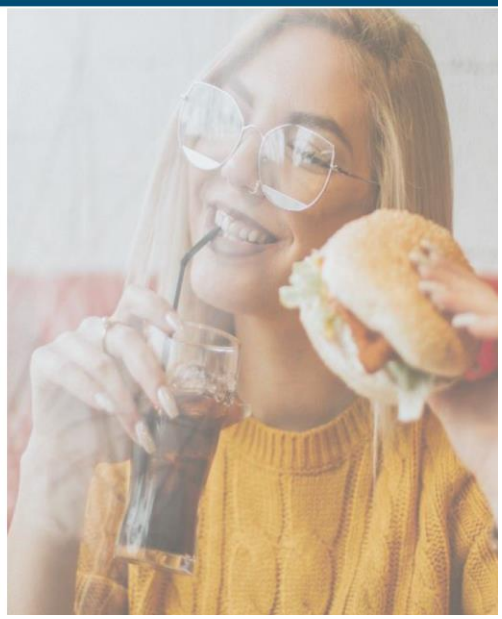
20 – 99 LOCATIONS

New Store Openings

25 – 49 LOCATIONS

Millennials & the Future Consumer





Retail Trends

Electric Vehicles

Market Research & Analysis

Market Analysis

The information covered in this document represents the key highlights for your community from a data and analytics perspective.

- Mobile Data Collections
- Customized Trade Area Analysis
- Demographic Overview
- Retail GAP Analysis
- Tapestry Lifestyle Segmentation

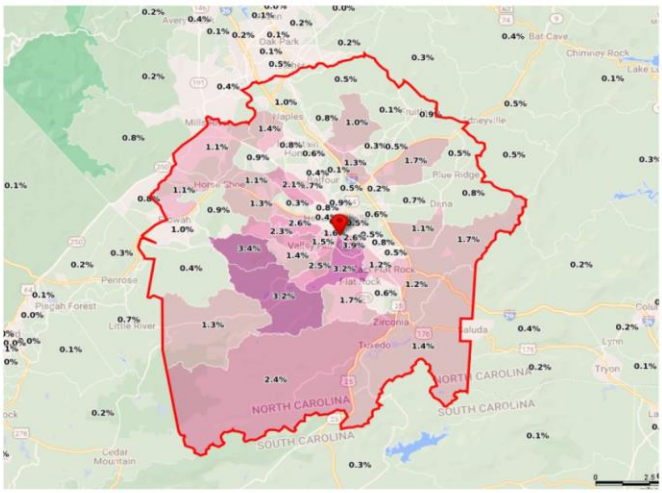
Mobile Data Collection

Mobile data tracking uses **data collected from mobile phone users** who have agreed within their apps and phone settings to enable location information. This technology includes mobile phone data with **latitude and longitude points** that are accurate to approximately 20 feet. Data inputs are updated as quickly as every 24-hours.

The data shown **includes shoppers who visited the defined location** during a 1-year time period. This tool allows us to identify where consumers are actually coming from to shop in your market (Custom Trade Area) using actual data

The location tracked was Publix

For the time period of August 2022 - August 2023



Publix

Location Name	Publix	**Estimated Annual Visits**	96,886
Address	635 Greenville Hwy	**Repeat Visitors**	43%
City, State	Hendersonville, NC	**Tourist Visits**	8.6%
Category	Grocery	**Average Distance From Home**	4.91 mi
Brand	Publix	**Average Dwell Time**	22 min

Custom Trade Area

Each retailer has a specific set of site selection criteria they use to determine if they will have a profitable store. Municipal boundaries, radius rings, and drive time areas are a start.

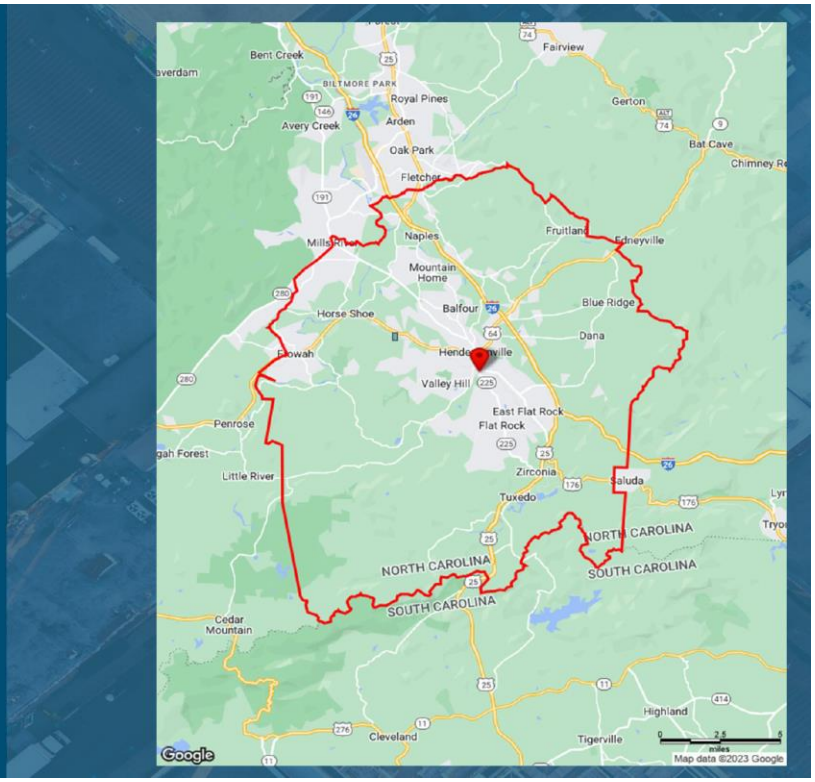
A customized trade area is the next step to analyzing a market. A trade area defines a core customer base of consumers highly likely to shop and eat in the market at least once a month.

Your trade area has been created by combining a series of drive times, mobile data analysis, geographic boundaries, and proximity to neighboring shopping destinations.

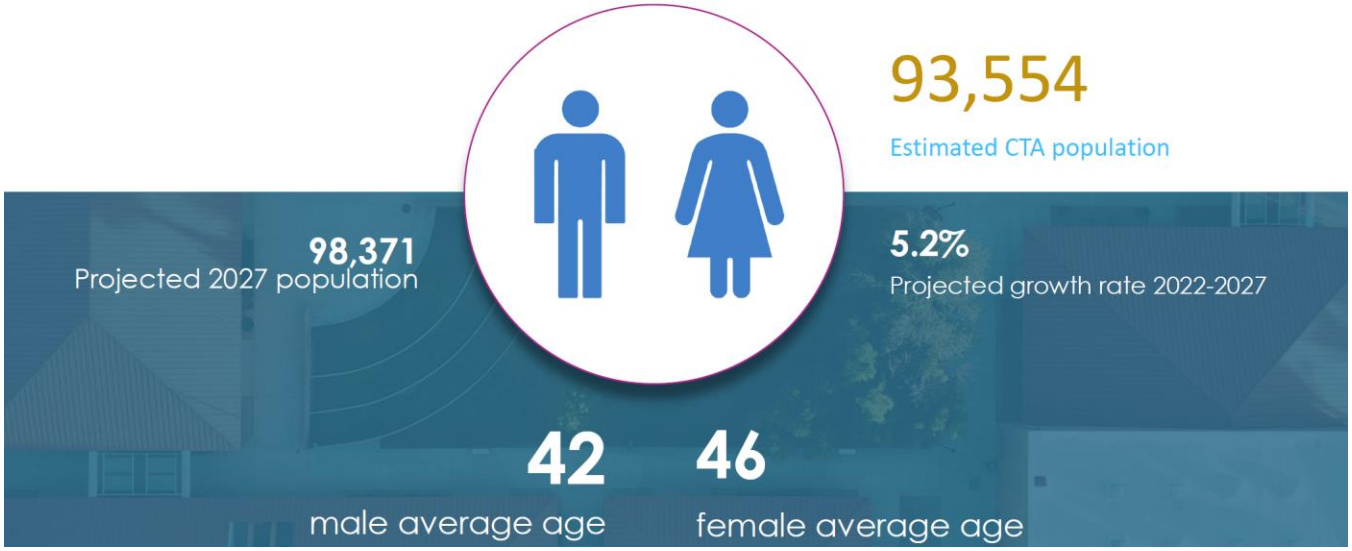
*The following demographics reflect the Custom Trade Area (CTA) and not geographic community boundaries.

Hendersonville, NC (CTA)*

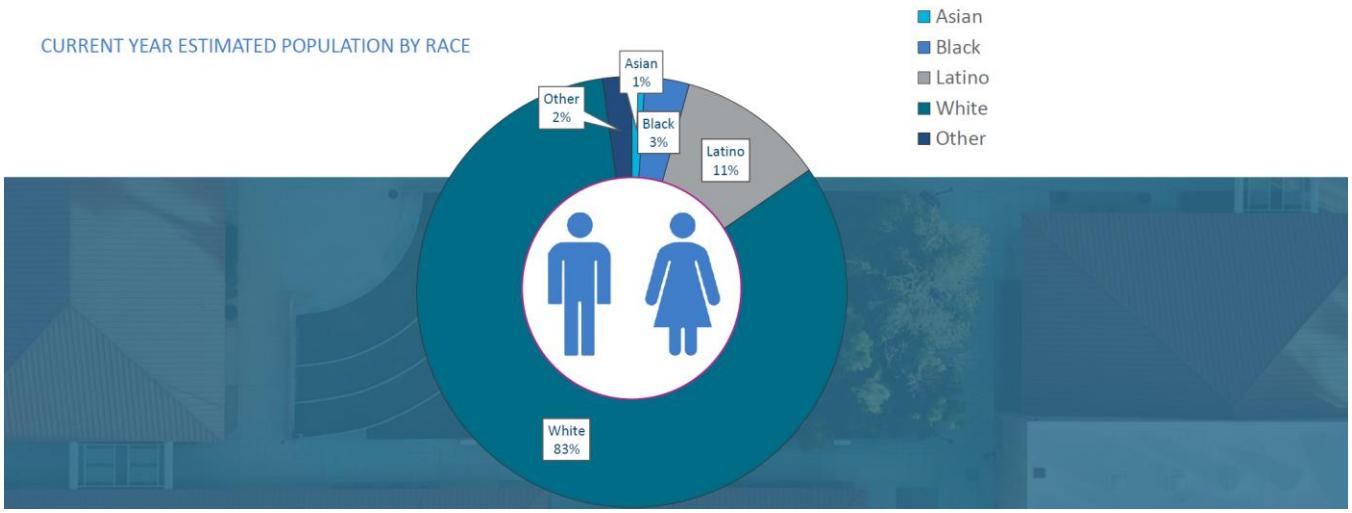
Population – 93,554



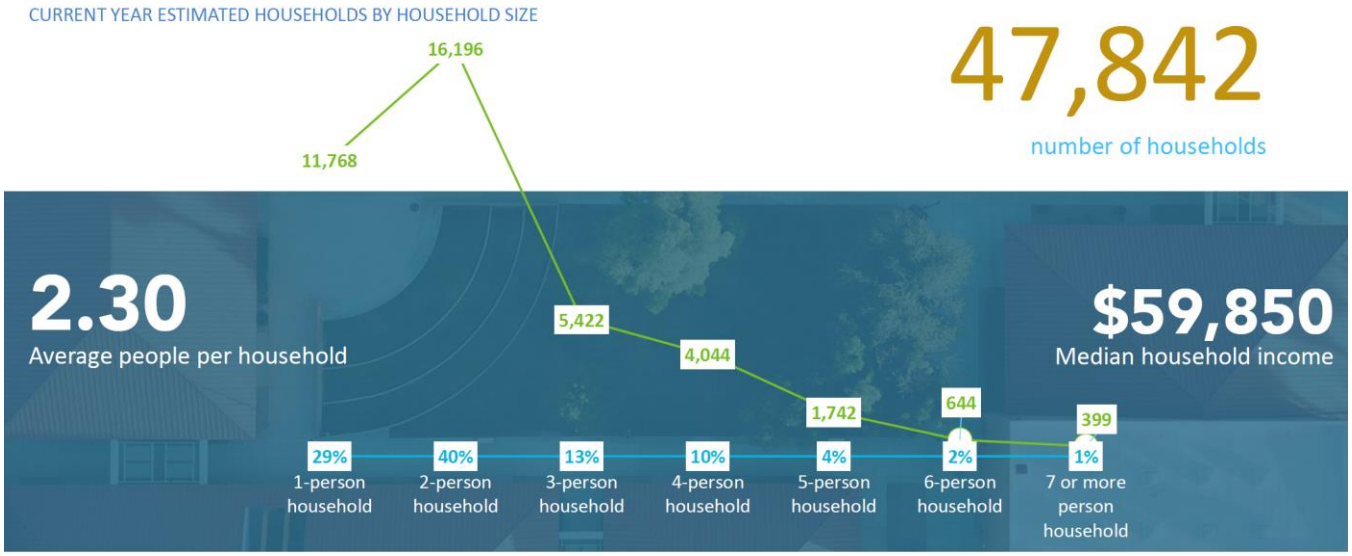
Custom Trade Area Demographics



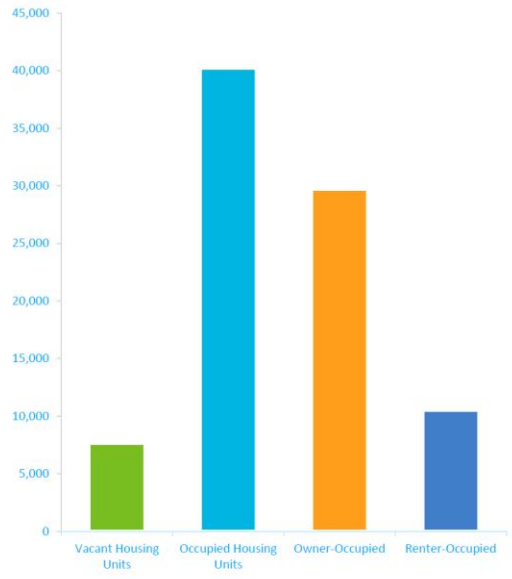
Custom Trade Area Demographics



Custom Trade Area Demographics

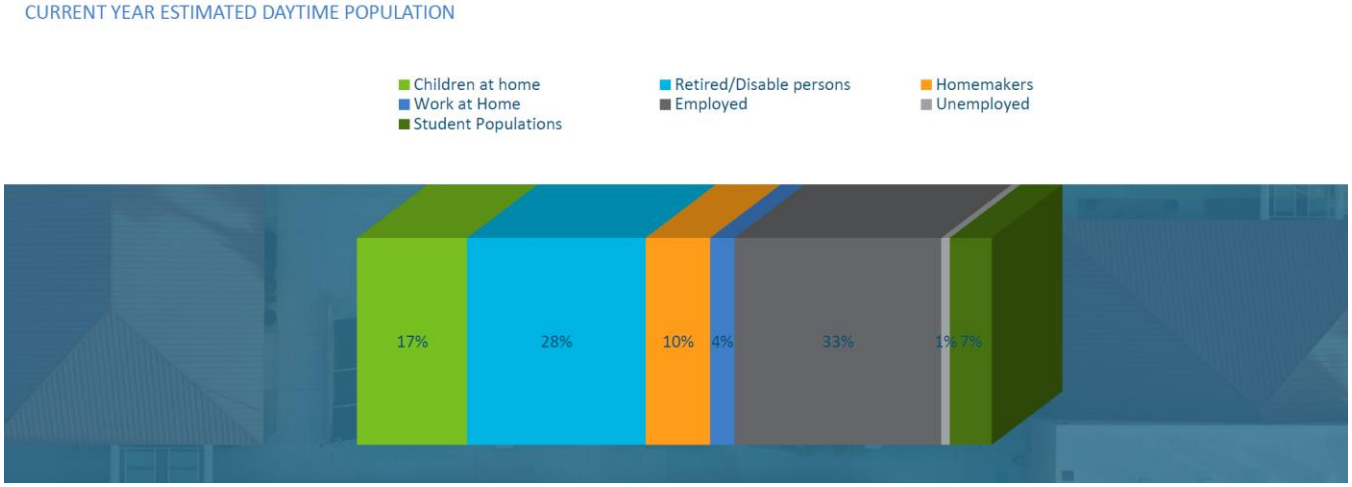


Custom Trade Area Demographics



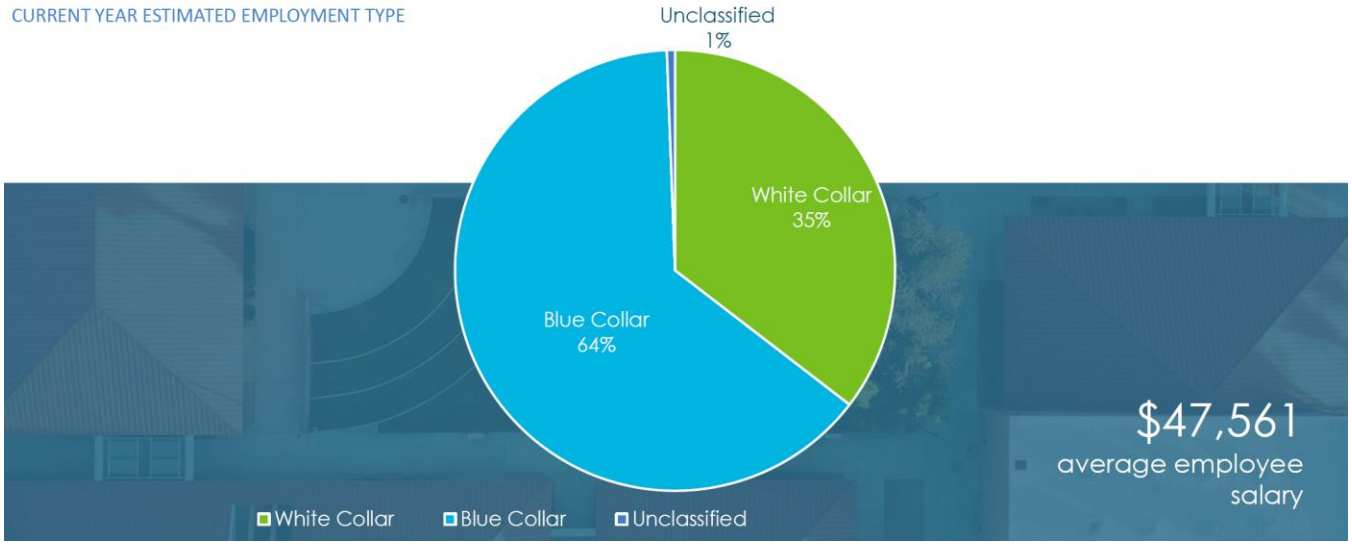
Custom Trade Area Demographics

CURRENT YEAR ESTIMATED DAYTIME POPULATION



Custom Trade Area Demographics

CURRENT YEAR ESTIMATED EMPLOYMENT TYPE



Custom Trade Area Demographics

Current Year Estimated Population Age 25+ by Educational Attainment

GAP Analysis

Retail Strategies uses STI:PopStats as our provider of the Consumer Demand and Supply by Establishment (or GAP) information. Several demographers provide the data in a variety of ways. Following are the sources and methodologies used by STI:PopStats and Retail Strategies to draw conclusions for you.

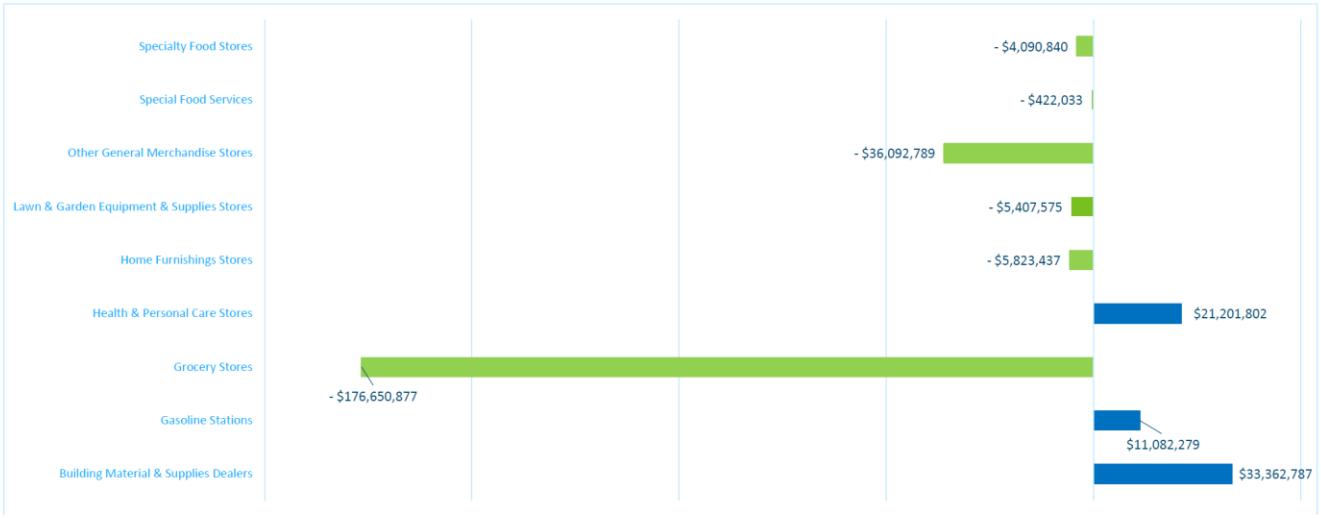
The market supply data is derived from annual retail sales and expenditures from the source data. The source for market supply is U.S. Census Bureau's monthly and annual Census of Retail Trade (CRT) Reports; U.S. Census Bureau's Economic Census. The source for the establishment is Bureau of Labor Statistics (BLS). The consumer demand data by establishment is derived from the BLS Consumer Expenditure Survey (CE).

The difference between demand and supply represents the opportunity gap or surplus available for each merchandise line in the specified reporting geography. When the demand is greater than (less than) the supply, there is an opportunity gap (surplus)for that merchandise line. For example, a positive value signifies an opportunity gap, while a negative value signifies a surplus.

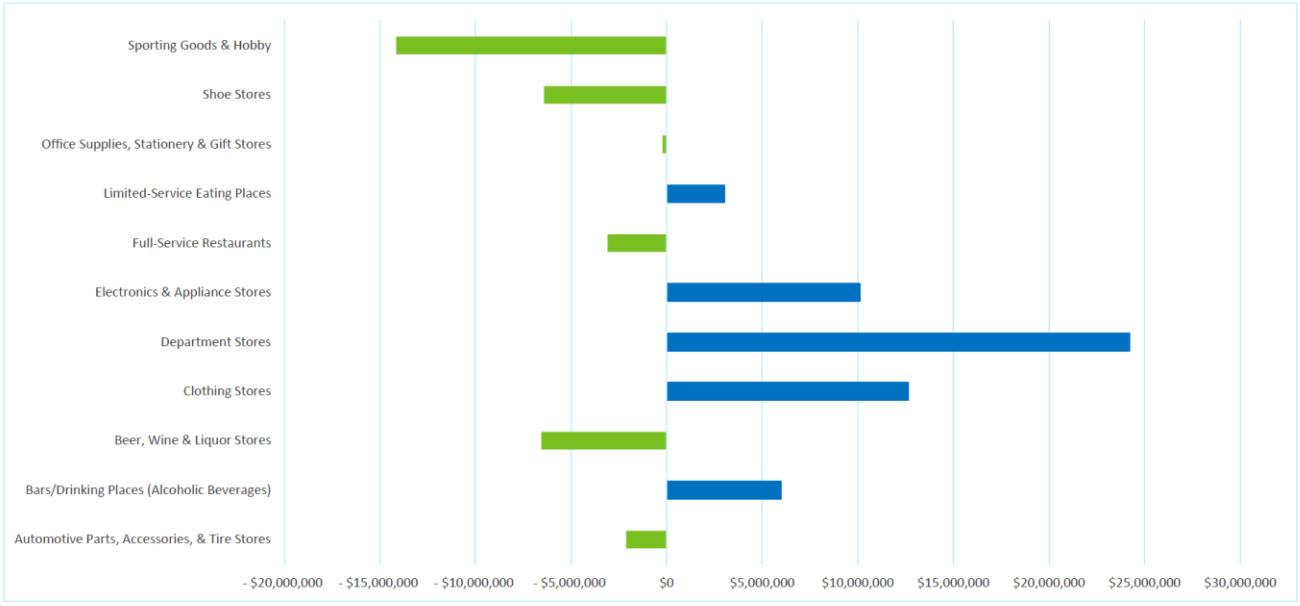
The GAP Analysis helps us uncover the number of dollars being spent outside of the community on an annual basis from a categorical perspective.

Industries for the consumer expenditures survey are categorized and defined by the North American Industry Classification System (NAICS). Retail Strategies has narrowed down the categories to only those with real estate growth potential based on national trends.
Data is rarely perfect, but with proper analysis can get us a lot closer to the answer than we would be without it. This is one of several tools used to identify focus categories for recruitment. Our focus or more on the category than the actual dollar amounts.

Custom Trade Area GAP Analysis



Custom Trade Area GAP Analysis (cont.)



RETAILER SITE CRITERIA

Costco

Min SF	115,000
Max SF	150,000
Current Store	542
Desired Locations 12/24 Months	10/20
Mile Radius Demographics	5
Minimum Population	200,000
Facility Type/Other Demo Comments	Free Standing, Regional Strip
Average Sales Volumes	$206,180,812
Number of Jobs	504

RETAILER SITE CRITERIA

Trader Joe's

Min SF	10,000
Max SF	14,000
Desired Locations 12/24 Months	20/40
Mile Radius Demographics	3
Minimum Population	90,000
Average Household Income	$50,000
Customer Comments	Will consider freestanding, in-line and mixed use with 85 feet of frontage. Looking for 80 dedicated parking spaces
Facility Type/Other Demo Comments	Free Standing, Neighborhood Strip, Power Center, Regional Strip, Specialty Strip
Average Sales Volumes	$21,000,000
Number of Jobs	50

*Included for information purposes. Inclusion does not indicate the retailer is a prospe

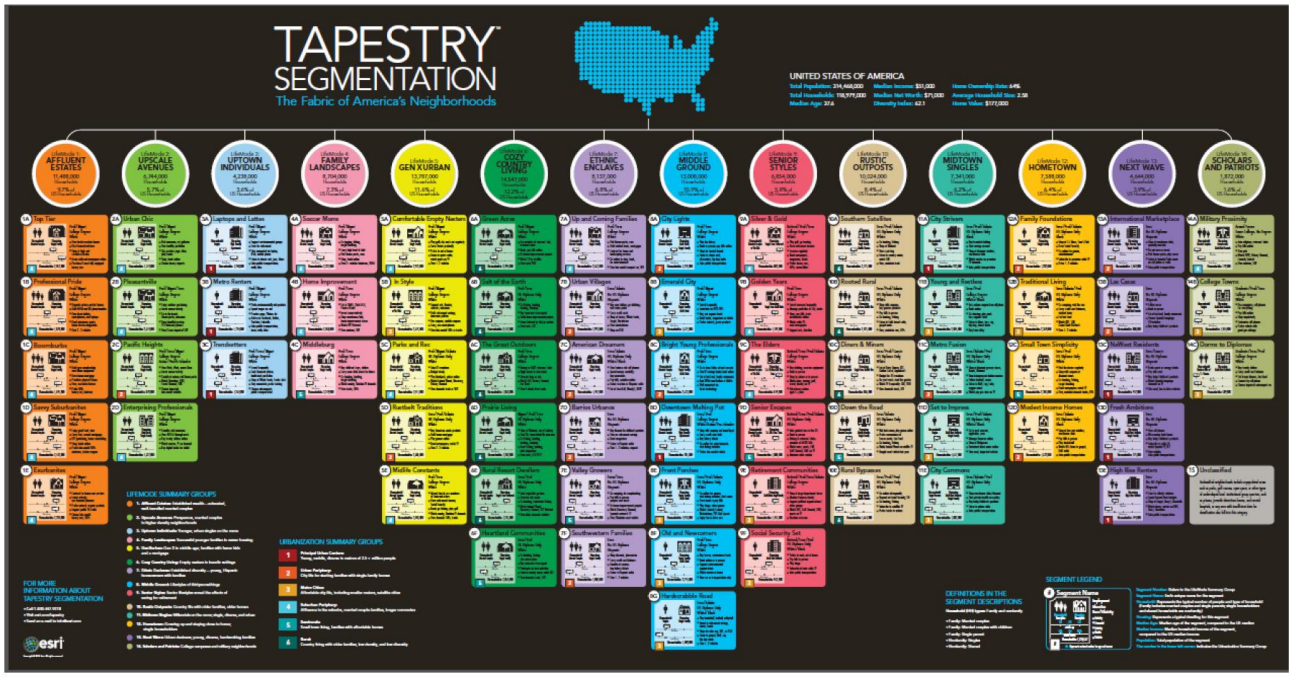
RETAILER SITE CRITERIA

Top Golf

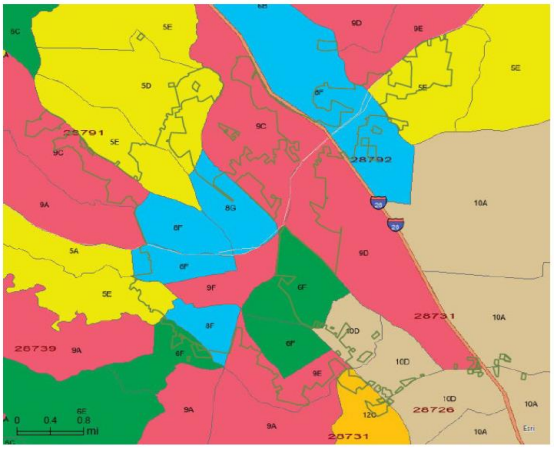
TOPGOLF

Min SF	65,000
Max SF	100,000
Current Store	62
Desired Locations 12/24 Months	3/6
Minimum Population	90,000
Average Household Income	$50,000
Facility Type/Other Demo Comments	Free Standing
Average Sales Volumes	$25,000,000

Tapestry Segmentations



Tapestry Segmentations



Tapestry LifeMode

- L1: Affluent Estates
- L2: Upscale Avenues
- L3: Uptown Individuals
- L4: Family Landscapes
- L5: GenXurban
- L6: Cozy Country
- L7: Sprouting Explorers
- L8: Middle Ground
- L9: Senior Styles
- L10: Rustic Outposts
- L11: Midtown Singles
- L12: Hometown
- L13: Next Wave
- L14: Scholars and Patriots

Rank	Tapestry Segment	Percent	Cumulative Percent	Percent	Cumulative Percent	Index
1	Old and Newcomers (8F)	22.9%	22.9%	2.3%	2.3%	1003
2	Midlife Constants (5E)	22.3%	45.2%	2.4%	4.7%	924
3	The Elders (9C)	19.9%	65.1%	0.7%	5.4%	2,724
4	Heartland Communities (6F)	9.2%	74.2%	2.2%	7.6%	417
5	Retirement Communities (9E)	7.2%	81.5%	1.2%	8.8%	610
	Subtotal	**81.5%**		**8.8%**		

HENDERSONVILLE, NC CITY LIMITS

Tapestry Segmentations

LifeMode Group: Middle Ground

Old and Newcomers

8F

Households: 2,859,200

Average Household Size: 2.12

Median Age: 39.4

Median Household Income: $44,900

WHO ARE WE?

This market features singles' lifestyles, on a budget. The focus is more on convenience than consumerism, economy over acquisition. *Old and Newcomers* is composed of neighborhoods in transition, populated by renters who are just beginning their careers or retiring. Some are still in college; some are taking adult education classes. They support charity causes and are environmentally conscious. Age is not always obvious from their choices.

OUR NEIGHBORHOOD

- Metropolitan city dwellers.
- Predominantly single households (Index 148), with a mix of married couples (no children); average household size lower at 2.12.
- 55% renter occupied; average rent is lower than the US (Index 85).
- 45% of housing units are single-family dwellings; 45% are multiunit buildings in older neighborhoods, built before 1980.
- Average vacancy rate at 11%.

SOCIOECONOMIC TRAITS

- An average labor force participation rate of 62.6%, despite the increasing number of retired workers.
- 32% of households are currently receiving income from Social Security.
- 31% have a college degree (Index 99), 33% have some college education (Index 114), 9% are still enrolled in college (Index 121).
- Consumers are price aware and coupon clippers but open to impulse buys.
- They are attentive to environmental concerns.
- They are comfortable with the latest technology.

Tapestry Segmentations

LifeMode Group: GenXurban

Midlife Constants

5E

Households: 3,068,400

Average Household Size: 2.31

Median Age: 47.0

Median Household Income: $53,200

WHO ARE WE?

Midlife Constants residents are seniors, at or approaching retirement, with below-average labor force participation and below-average net worth. Although located in predominantly metropolitan areas, they live outside the central cities, in smaller communities. Their lifestyle is more country than urban. They are generous but not spendthrifts.

OUR NEIGHBORHOOD

- Older homes (most built before 1980) found in the suburban periphery of smaller metropolitan markets.
- Primarily married couples, with a growing share of singles.
- Settled neighborhoods with slow rates of change and residents that have lived in the same house for years.
- Single-family homes, less than half still mortgaged, with a median home value of $154,100 (Index 74).

SOCIOECONOMIC TRAITS

- Education: 63% have a high school diploma or some college.
- At 31%, the labor force participation rate is low in this market (Index 91).
- Almost 42% of households are receiving Social Security (Index 141); 27% also receive retirement income (Index 149).
- Traditional, not trendy; opt for convenience and comfort not cutting edge. Technology has its uses, but the bells and whistles are a bother.
- Attentive to price, but not at the expense of quality, they prefer to buy American and natural products.
- Radio and newspapers are the media of choice (after television).

TAPESTRY

Tapestry Segmentations

LifeMode Group: Senior Styles

The Elders

9C

Households: 910,100

Average Household Size: 1.68

Median Age: 72.3

Median Household Income: $42,800

WHO ARE WE?

With a median age of 72.3 years, this is Tapestry Segmentation's oldest market. *The Elders* residents favor communities designed for senior or assisted living, primarily in warmer climates with seasonal populations. Most of these householders are homeowners, although their housing varies from mobile homes to single-family residences to high-rise apartments. These seniors are informed, independent, and involved. This is a smaller market.

OUR NEIGHBORHOOD

- Suburban periphery of metropolitan areas, primarily in the warmer climates of Florida or Arizona.
- 45% married couples without children; 44% single households; average household size, 1.68.
- Owner-occupied housing units; median home value of $180,000 (Index 87).
- Housing mix of single-family homes (44%), townhomes, and high-density apartment buildings in neighborhoods built from 1970 through 1989.
- Vacancy rates higher at 24%, due to the number of seasonal or vacation homes.
- Almost 60% of the population in group quarters in nursing home facilities.

SOCIOECONOMIC TRAITS

- Predominantly retirees, *The Elders* has a low labor force participation rate of 22.4%.
- Those who are still in the labor force tend to be self-employed or part-timers, commonly in real estate, retail, or the arts.
- Their income derives primarily from Social Security (80% of the households), retirement, or investments (almost half of the households). Less than 30% of the households draw wage or salary income.
- Median household income is lower than the US (Index 76), but median net worth is much higher (Index 269).
- These consumers focus on price, but not at the expense of quality. They prefer to use coupons and buy American and environmentally safe products.
- Cell phones are common but primarily used to make/receive calls.

TAPESTRY

S

Tapestry Segmentations

LifeMode Group: Cozy Country Living

Heartland Communities

6F

Households: 2,850,600

Average Household Size: 2.39

Median Age: 42.3

Median Household Income: $42,400

WHO ARE WE?

Well settled and close-knit, *Heartland Communities* residents are semirural and semiretired. These older householders are primarily homeowners, and many have paid off their mortgages. Their children have moved away, but they have no plans to leave their homes. Their hearts are with the country; they embrace the slower pace of life here but actively participate in outdoor activities and community events. Traditional and patriotic, these residents support their local businesses, always buy American, and favor domestic driving vacations over foreign plane trips.

OUR NEIGHBORHOOD

- Rural communities or small towns are concentrated in the Midwest, from older Rustbelt cities to the Great Plains.
- Distribution of household types is comparable to the US, primarily (but not the majority) married couples, more with no children, and a slightly higher proportion of singles (Index 112) that reflects the aging of the population.
- Residents own modest, single-family homes built before 1970.
- They own one or two vehicles; commutes are short (Index 82).

SOCIOECONOMIC TRAITS

- Retirees in this market depress the average labor force participation rate to less than 60% (Index 94). More workers are white collar than blue collar; more skilled than unskilled.
- The rural economy of this market provides employment in the manufacturing, construction, utilities, health-care, and agriculture industries.
- These are budget-savvy consumers; they stick to brands they grew up with and know the price of goods they purchase. Buying American is important.
- Daily life is busy but routine. Working on the weekends is not uncommon.
- Residents trust TV and newspapers more than any other media.
- Skeptical about their financial future, they stick to community banks and low-risk investments.

TAPESTRY

Tapestry Segmentations

LifeMode Group: Senior Styles

Retirement Communities

9E

Households: 1,501,100

Average Household Size: 1.88

Median Age: 53.9

Median Household Income: $40,800

WHO ARE WE?

Retirement Communities neighborhoods are evenly distributed across the country. They combine single-family homes and independent living with apartments, assisted living, and continuous care nursing facilities. Over half of the housing units are in multiunit structures, and the majority of residents have a lease. This group enjoys watching cable TV and stays up-to-date with newspapers and magazines. Residents take pride in fiscal responsibility and keep a close eye on their finances. Although income and net worth are below national averages, residents enjoy going to the movies, fishing, and taking vacations. While some residents enjoy cooking, many would rather dine out.

OUR NEIGHBORHOOD

- Much of the housing was built in the 1970s and 1980s—a mix of single-family homes and large multiunit structures that function at various levels of senior care.
- Small household size; many residents have outlived their partners and live alone.
- Over half of the homes are renter occupied.
- Average rent is slightly below the US average.
- Nearly one in five households has no vehicle.

SOCIOECONOMIC TRAITS

- Brand loyal, this segment will spend a little more for their favorite brands, but most likely they will have a coupon.
- Frugal, they pay close attention to finances.
- They prefer reading magazines over interacting with computers.
- They are health conscious and prefer name-brand drugs.

No motions were made as this presentation was for informational purposes.

6. OTHER BUSINESS - None

7. ADJOURNMENT

Ken Gordon moved to adjourn. There being no further discussion the meeting was adjourned at 1:06 p.m. upon unanimous assent of the Committee.

_____
Ken Gordon, Chair

ATTEST:

_____
Jill Murray, City Clerk

NOTICE

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

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 2nd Floor Meeting Room inside of City Hall located at 160 6th 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.

Ken Gordon, Chairman

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 a particular accommodation for this meeting please contact the City Clerk no later than 24 hours prior to the meeting at 697-3005.

Posted 01/08/24
https://www.hendersonvillenc.gov

CITY OF HENDERSONVILLE

AGENDA ITEM SUMMARY

SUBMITTER: John Connet **MEETING DATE:** 2/19/2024

AGENDA SECTION: NEW BUSINESS **DEPARTMENT:** Administration

TITLE OF ITEM: Review of Draft Tree Ordinance – *Daniel Heyman, Staff Attorney*

SUGGESTED MOTION(S):

NA

SUMMARY:

Several months ago the City Council appointed a committee to update the City Tree Ordinance. The Committee plans to send the proposed ordinance to the Planning Board in February. Staff felt it appropriate to present the current draft to the 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:

Draft Ordinance

THIS IS A WORKING DRAFT. THIS DOCUMENT HAS NOT BEEN REVIEWED BY THE TREE BOARD ORDINANCE REVISION COMMITTEE.

Ordinance #

AN ORDINANCE OF THE CITY OF HENDERSONVILLE CITY COUNCIL TO AMEND ARTICLE XII – DEVELOPMENT REVIEW, SECTION 7-3-3 AND SECTION 7-3-4 AND ARTICLE XV – BUFFERING , SCREENING, AND LANDSCAPING, SECTIONS 15-4 THROUGH 15-6, SECTION 15-9, SECTION 15-13, AND TO ADD NEW SECTIONS 15-14 AND 15-15 OF THE CITY OF HENDERSONVILLE ZONING ORDINANCE TO ESTABLISH ADDITIONAL REQUIREMENTS FOR THE PROVISION AND PROTECTION OF TREES.

WHEREAS, …

NOW, THEREFORE, BE IT ORDAINED by City Council of the City of Hendersonville, North Carolina that:

SECTION 1. This Ordinance shall be known as "An Ordinance to Establish New Requirements for the Provision and Protection of Trees."

SECTION 2. Article XII. Development Review is hereby amended as follows:

Sec. 7-3-3. Review of preliminary site plans.

***

7-3-3.2 Contents of preliminary site plan. Applicants for developments required to undergo preliminary site plan review shall, as a part of the application for such development, submit a preliminary site plan which shall show the following:

***

n) A plan showing tree line before site preparation, designated tree canopy preservation areas and new canopy installation areas, identifying the acreage of each, as well as areas to be screened, fenced, walled and/or landscaped;

***

t) Proposed limits of land disturbing activity.

***

Sec. 7-3-4. Review of final site plans.

***

Sec. 7-3-4.3 Contents of final site plan. A site plan showing the following shall accompany an application for site plan approval:

***

w) A plan showing tree line before site preparation, designated tree canopy preservation areas and new canopy installation areas, identifying the acreage of each, as well as areas to be screened, fenced, walled and/or landscaped.

x) Proposed limits of land disturbing activity.

SECTION 3. Article XII. Definition of Terms is hereby amended as follows:

Sec. 12-2. Definition of commonly used terms and words.

***

Canopy tree: A tree with a large, broad spreading crown, usually broadleaf and deciduous with a minimum mature height of 50 feet.

***

Recommended Species List: The Recommended Landscape Species List for Street Trees and Land Development Projects adopted by the Hendersonville Tree Board, as amended.

***

Specimen Tree: A large or medium maturing tree that is 25 inch DBH or greater; or a small maturing tree that is 10 inch DBH or greater, as designated on the Recommended Species List.

SECTION 3. Article XV. Buffering, Screening, and Landscaping is hereby amended as follows:

Sec. 15-2. Landscaping, buffering and screening required.

Landscaping, buffering and screening shall be required for developments within the planning jurisdiction of the City of Hendersonville, including its extraterritorial jurisdiction, as set forth herein.

a) The following developments must bring the entire site into full compliance with the requirements of this article:

    1) Any new public or private development, with the exception of single or two-family homes on lots that were created by a method excluded from subdivision authority pursuant to G.S. 160D-802(1)-(5) or that existed on or before [insert date];

    2) A change of use to a higher impact. For purposes of this section, the following list ranks differing uses from lowest to highest impact: residential, mobile home park, institutional & cultural, commercial, industrial;

    3) Renovations with a total cost exceeding 50 percent of the assessed value of the building according to Henderson County tax records or an appraisal by a state licensed appraiser;

    4) Expansions exceeding 50 percent of the pre-expansion floor area or paved surface;

    5) Existing unpaved parking lots which are paved over.

***

Sec. 15-4. Existing vegetation.

a) **Preservation of existing vegetation.** Preserving trees can improve the aesthetic quality of the site and improve property values, provide environmental benefits, mitigate the impacts of development on the community, and help minimize opposition to a proposed development. It is recommended that groups of trees be preserved, as well as individual trees. Existing preserved trees and shrubs may be credited towards required buffer trees, street trees, and parking lot trees, in accordance with paragraph b), below.

b) **Credits and other incentives to preserve vegetation.** Preserved trees may be credited at the following rate:

2—12 inch DBH (diameter at breast height) tree = 1 tree

13—18 inch DBH tree = 2 trees

19—24 inch DBH tree = 3 trees

25+ inch DBH tree = 4 trees

In order to receive credit, preserved vegetation must be in good health and condition, and must not be listed as an Invasive Plant on the Recommended Species List. Trees designated to be preserved must be indicated on the site plan and on landscape and grading plans. Protective barriers, if utilized in accordance with paragraph c), below, must also be shown on the landscape and grading plans. A preserved tree shall be replaced with the total number of trees which were credited to the existing tree if the preserved tree dies.

c) **Tree Canopy Preservation.** All developments required to comply with this Article pursuant to Sec. 15-2 herein, with the exception of development of tracts whose area is no greater than two acres, shall preserve existing trees in compliance with this Section.

(1) **Existing Tree Canopy:** Any reference in this Chapter to existing tree canopy shall refer to the most recent Tree Canopy Cover Assessment conducted by the City of Hendersonville. Percentages refer to the relation of tree canopy to gross site area in square feet.

For any development site for which the City's Tree Canopy Cover Assessment does not provide data, the developer shall provide a plan, showing the dripline of the existing tree canopy, and such plan shall be conducted by a land surveyor, civil engineer, landscape architect licensed by the State of North Carolina or Arborist certified by the International Society of Arboriculture.

(2) **Preservation of Tier One Canopy:** 20 percent of the existing tree canopy on the site shall be preserved. The specific trees preserved shall be at the discretion of the developer. Tier One Canopy is not eligible for fee-in-lieu

without a variance issued by the Board of Adjustment.

(3) **Preservation of Tier Two Canopy:** In addition to the Tier One Canopy required to be preserved by this Section, existing tree canopy on the site shall be preserved, and new tree canopy shall be installed, in accordance with one of the options in the table below:

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

The tier-two canopy preservation option The developer may request to pay a fee-in-lieu of the Tier Two Canopy preservation requirements pursuant to this section.

(4) **Protection of trees during construction:** All trees required to be preserved by this Section shall be protected during construction in accordance with the standards contained in Sec. 15-4(d) below.

(5) **Credit for existing vegetation:** All trees preserved pursuant to this Section may be credited towards the requirements of this Article subject to the provisions of Sec. 15-4(b) above.

All specimen trees preserved on a development site may receive 1.5 times their actual canopy coverage in the calculation of preserved tree canopy if such tree is protected during construction in accordance with the standards contained in Sec. 15-4(d) below.

(6) **Fee in lieu.** Where specifically provided, the City Manager may, in lieu of preserving trees pursuant to this Section, allow the developer to pay a fee-in-lieu of tree preservation to the City's Tree Fund. The fee-in-lieu shall be established in the City's Fee Schedule.

In order to qualify for fee-in-lieu, the developer shall submit a letter outlining the unique hardship(s) that make the tree canopy requirement difficult to meet. Examples of unique hardships may include: conditions that are peculiar to the property; topography which results in impractical design; no other reasonable alternatives for accommodating required site improvements; and inability to achieve an appropriate development density. Personal hardships not directly related to the land do not justify use of this subsection.

(7) **Delay of development approval.** In addition to any other method of enforcement or remedy available, the City may refuse to issue a development approval for a period of three years following the removal of all or substantially all of the trees that are required to be protected under this Article.

d) **Protection of existing trees during construction.** The regulations contained in this paragraph shall apply in those circumstances when a developer has either: (1) elected to protect trees during construction in order to receive credit under subsection b) of this section, or (2) been required to preserve canopy under this subsection c) of this section.

***

Sec. 15-5. General standards.

The following general standards shall apply to all landscaping requirements in this article.

a) Unless otherwise specified, the exact placement of required plants and structures shall be the decision of the developer. The type of plants used shall be limited to those on the Recommended Species List. No plants listed as an Invasive Plant in the Recommended Species List may be used to meet the requirements of this ordinance. Required landscaping shall be designed in such a manner as to impart its aesthetic character when viewed from any area accessible to the public or from adjacent properties.

***

h) **Native species.** For each development site, at least 75 percent of the trees required under the provisions of this article shall be native species as listed on the Recommended Species List.

Sec. 15-6. Bufferyards.

***

TABLE OF BUFFER REQUIREMENTS

Proposed Land Use	Existing Land Use /Zoning District[1]					
	Residential[2]	Residential, multi-family[3]	Mobile Home Park[4]	Institutional & Cultural[5]	Commercial[6]	Industrial[7]
Residential	X	X	X	X	X	X
Residential, multi-family	8-foot A	X	X	X	X	X
Mobile Home Park	10-foot B	10-foot B	X	8-foot A	10-foot B	X

Institutional & Cultural	10-foot B	10-foot B	8-foot A	X	X	X
Commercial	10-foot B	10-foot B	10-foot B	8-foot A	X	X
Industrial	25-foot C	25-foot C	25-foot C	15-foot B	15-foot B	X

Notes for Table of Buffer Requirements:

1 Buffering is required if adjacent parcel of land is used or zoned for the category noted regardless whether adjacent parcel is located in the city, the city's extraterritorial jurisdiction (ETJ), or the planning jurisdiction of another governmental entity. Existing adjacent land use takes precedence over zoning district. Buffer requirement for the district will be used if adjacent land is vacant.
2 Includes the following use districts: R-40, R-20, R-15, R-10, R-6, RCT, PRD.
3 Includes only those parcels developed as multi-family.
4 Includes the PMH district or an existing mobile/manufactured home park.
5 This category includes religious, recreational, child care and educational uses and the following use districts: MIC and PID.
6 Includes the following use districts: C-1, C-2, C-3, C-4, PCD, CMU, GHMU, HMU, UV, UR and CHMU.
7 Includes the following use districts: I-1, PMD.

***

Sec. 15-9. Landscaping for vehicular use areas.

Trees and shrubs are required in and around vehicular use areas with more than six spaces to provide attractive views from roads and adjacent properties, provide shade to reduce the heat generated by impervious surfaces, reduce glare from vehicular use areas, and to help filter exhaust from vehicles.

a) **Perimeter and interior plantings**. Vehicular use areas must be planted with at least one tree and two shrubs for every 3,000 square feet of vehicular use area, which includes parking spaces, aisles, driveways, and loading areas. Trees shall be evenly distributed throughout the vehicular use area. At least 75 percent of the required parking lot trees must be broadleaf canopy trees. Trees and shrubs must be planted within 20 feet of the vehicular use area to count as parking lot landscaping; provided, however, all street trees required by other provisions of this zoning ordinance shall count as parking lot landscaping.

When a development contains 20 or more parking spaces, 50 percent of the trees and shrubs required by paragraph a), above, must be planted in islands or medians located within the parking lot. Tree islands shall be evenly distributed throughout the parking lot in order to provide an even tree canopy throughout the lot. At a minimum, such tree islands shall consist of an area at least equal in size to two parking places side-by-side (360 square feet). Parking bays shall be broken up with landscaped islands or medians to avoid long monotonous rows of parking. Planting trees in groups is

encouraged to increase the total amount of planting area for roots to grow.

b) **Planting strips**. When a vehicular use area lot is located within 100 feet of an abutting property and no bufferyard is required, a planting strip which is a minimum of five feet wide shall be planted between the vehicular use area and the abutting property, except along approved driveway openings which run perpendicular to the planting strip. One large evergreen or deciduous tree and five evergreen or deciduous shrubs shall be planted for every 40 linear feet of property line that parallels the vehicular use area. Fifty percent of these trees and shrubs may be counted toward the parking lot trees and shrubs required in paragraph a), above, if the planting strip is located within 20 feet of the vehicular use area. Adjacent businesses on separate lots which share parking or driveways shall be exempt from this requirement provided that the required planting strip would interfere with the reasonable use of the shared parking or driveway. Vehicular use areas located behind buildings and screened from view from public rights-of-way shall be exempt from this requirement.

***

Sec. 15-13. Common open space landscaping. In addition to all other landscaping required by this zoning ordinance, each development parcel required to provide common open space pursuant to Sec. 6-16 shall contain a minimum of one tree and five shrubs for every 1,200 square feet of common open space on such development parcel. A minimum of 50 percent of the trees shall be canopy trees.

At least 70 percent of the street trees planted shall be large-maturing trees (>50 feet in height). The remaining street trees shall be medium maturing trees (25-50 feet in height).

No landscaped area shall be constructed with more than ten percent of the total area of gravel, stone, concrete, asphalt, or other similar material, excepting necessary walks and vehicular use areas.

Sec. 15-14. Street Trees. Street trees shall be required at the rate of one tree for every 35 linear feet of property abutting a street. Trees do not need to be spaced evenly. They may be clustered with a minimum spacing of 15 feet and a maximum spacing of 75 feet.

At least 70 percent of the street trees planted shall be large-maturing trees (>50 feet in height). The remaining street trees shall be medium maturing trees (25-50 feet in height).

Where overhead utility lines are present, streets trees shall be planted at the rate of one small-maturing tree (<25 feet in height) for every 25 linear feet of property abutting a street. Nothing herein shall be construed to prohibit a deviation from the mature height requirements or planting distance from the street right-of-way to accommodate existing overhead utility lines.

Street trees shall be placed in a planting strip on private property and not within the street right-of-way. No street tree can be planted farther than 35 feet from the edge of the right-of-way to count as a street tree. The width of the planting strip may vary, but the minimum width cannot be less than seven feet and the average width shall be at least ten feet. The planting area must be covered with living material, including ground cover and/or shrubs, except for mulched areas directly around trees and shrubs, so that no soil is

exposed. When a sidewalk is proposed to be constructed on a development site and right-of-way configuration requires that it be constructed on the developer's property, the width of the planting strip may be reduced to an average of seven feet.

Street trees shall not be required on a property line abutting a street when the minimum setback provided is less than ten feet. By way of example, if the minimum setback required for a development is less than 10 feet from a property line abutting a street, but the setback provided is 10 feet or more, street trees are required.

During the development review process, the approving authority for the city may permit minor deviations in the placement of trees in order to avoid conflict with utility structures and utility lines.

SECTION 4. If any provision of this ordinance or its application is held invalid, the invalidity does not affect other provisions or applications of this ordinance that can be given effect without the invalid provisions or application, and to this end the provisions of this ordinance are severable.

SECTION 5. It is the intention of the City Council and it is hereby ordained, that the provisions of this ordinance shall become and be made part of the Code of Ordinances, City of Hendersonville, North Carolina, and the sections of this ordinance may be renumbered to accomplish such intention.

SECTION 6. This Ordinance shall be effective upon its adoption.

Adopted by the City Council of the City of Hendersonville, North Carolina on this ____ day of _____ 202__.

_____

Attest: Barbara G. Volk, Mayor, City of Hendersonville

_____

Jill Murray, City Clerk

Approved as to form:

_____

Angela S. Beeker, City Attorney