THE CITY OF ASHEVILLE

Staff Report

Council Meeting Date: January 12, 2021

Subject: COVID-19 Fee Waiver Continuation

Staff Resource(s): Eric Edgerton, Sr. Asst. City Attorney
Ben Woody, Development Services Director

Action Requested: Adopt an ordinance reaffirming and ratifying the authority delegated to the City Manager under Ordinance No. 4801 to waive or suspend collection of fees on a case-by-case basis in order to address the economic fallout of the COVID-19 pandemic.

Background:

- Many Asheville businesses are either closed or operating in a limited capacity due to the COVID-19 pandemic, creating substantial economic challenges for owners, employees, and customers.
- Some businesses have requested temporary relief from City fees and charges and loan payments in an effort to help reduce their expenses.
- City Council initially delegated authority to the City Manager to defer and/or waive fees in the City's Fees and Charges Manual as well as loan payments owed to the City as necessary to address the economic harms caused by the COVID-19 pandemic on May 12, 2020.
- Because the initial delegation of authority referred to fees and charges appearing in the Fiscal Year 2019-20 Fees and Charges Manual, City staff recommends that Council adopt an Ordinance reaffirming and ratifying its intention that the fee-waiver authority provided for in Ordinance No. 4801 should continue for the duration of the locally declared COVID-19 state of emergency.
- Permit fees typically waived or suspended due to the COVID-19 pandemic include temporary uses, outdoor dining, a-frame signage, push carts, and associated trade permits.

Council Goal(s):

- A thriving local economy.
- A Financially Resilient City.

Committee(s):

- None

Pro(s):

- Facilitates business operations that are able to continue during the COVID-19 pandemic.
- Reduces operating costs for businesses during the COVID-19 pandemic.

Con(s):

- Loss or deferment of revenue to the City.

Fiscal Impact:

- Permits associated with the AVL Shares Space program would not be necessary but for the COVID-19 pandemic. Waiving these fees does not result in actual revenue loss.
- Waiver or suspension of fees for outdoor dining, a-frame signage, and push cart permits is approximately $13,000 in deferred or lost revenue.
- Parking fees, which were included in the Council action on May 12, 2020, have already been reinstated, thus there is no ongoing revenue loss in the Parking Fund.
- Transit fares continue to be suspended at an estimated monthly revenue loss of approximately $58,000. CARES Act revenue will likely be used to offset a portion of this revenue loss.

- The deferral of loan payments does have a slight impact on cash flow in the Housing Trust Fund but no overall financial impact as the amounts will ultimately be repaid as part of the final payment on notes outstanding.

Suggested Motion:

- Motion to adopt an ordinance reaffirming and ratifying the authority delegated to the City Manager under Ordinance No. 4801 to waive or suspend collection of fees and loan payments on a case-by-case basis in order to address the economic fallout of the COVID-19 pandemic.

Attachment(s)

- Ordinance

ORDINANCE NO. _____

ORDINANCE REAFFIRMING AND RATIFYING THE AUTHORITY DELEGATED TO THE CITY MANAGER UNDER ORDINANCE NO. 4801 TO WAIVE OR SUSPEND COLLECTION OF FEES ON A CASE-BY-CASE BASIS IN ORDER TO ADDRESS THE ECONOMIC FALLOUT OF THE COVID-19 PANDEMIC.

WHEREAS, the City has been under a locally declared state of emergency related to the COVID-19 pandemic since March 12, 2020; and

WHEREAS, the necessary response to the COVID-19 pandemic has had substantial negative economic impacts on citizens and local businesses; and

WHEREAS, on May 12, 2020 the City adopted Ordinance No. 4801, authorizing the City Manager to waive or suspend collection of fees and charges in the City's Fees and Charges Manual, as needed in order to address the economic fallout of the COVID-19 pandemic; and

WHEREAS, in an abundance of caution and for the sake of clarity, the City wishes to reaffirm and ratify that the authority conveyed on the City Manager pursuant to Ordinance No. 4801 is intended to remain in effect for the duration of the locally declared state of emergency relating to the COVID-19 pandemic;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

The Asheville City Council hereby reaffirms and ratifies that the authority delegated to the City Manager under Ordinance No. 4801 to waive or suspend collection of fees and loan payments owed to the City on a case-by-case basis in order to address the economic fallout of the COVID-19 pandemic is intended to continue, and shall continue, until the locally declare state of emergency relating to the COVID-19 pandemic is rescinded.

Read, approved, and adopted this 12th day of January, 2021.

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City Clerk Mayor

Approved as to form:

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City Attorney