

APPROVED 4/21/2020

**MINUTES
BOARD OF COMMISSIONERS
VIRTUAL BUSINESS MEETING
April 7, 2020
7:00 p.m.**

The Orange County Board of Commissioners met for a Virtual Business Meeting on Tuesday, April, 7 2020 at 7:00 p.m.

COUNTY COMMISSIONERS PRESENT: Chair Rich and Commissioners Jamezetta Bedford, Mark Dorosin, Sally Greene, Earl McKee, Mark Marcoplos, and Renee Price

COUNTY COMMISSIONERS ABSENT:

COUNTY ATTORNEYS PRESENT: John Roberts

COUNTY STAFF PRESENT: County Manager Bonnie Hammersley, Deputy County Manager Travis Myren and Clerk to the Board Donna Baker (All other staff members will be identified appropriately below)

Chair Rich called the meeting to order at 7:00 p.m.

Due to current public health concerns, the Board of Commissioners conducted a Virtual Business meeting on April 7, 2020 utilizing Zoom. Members of the Board of Commissioners participated in the meeting remotely. As in prior meetings, members of the public were able to view and listen to the meeting via live streaming video at orangecountync.gov/967/Meeting-Videos and on Orange County Gov-TV on channels 1301 or 97.6 (Spectrum Cable).

In this new virtual process, there were two methods for public comment.

- Written submittals by email
- Speaking during the virtual meeting

Detailed public comment instructions for each method are provided at the bottom of this agenda. (Pre-registration is required.)

1. Additions or Changes to the Agenda

Chair Rich said it is recommended by the Board's financial advisors, that the Board remove Item 8-h: Adoption of the Final Financing Resolution Authorizing the Issuance of Approximately \$40,000,000 in Installment Purchase Financing for Various Capital Investment Plan Projects and that the bank placement will offer the same or lower interest rate and eliminate the risk of a public sale in an unstable bond market.

A motion was made by Commissioner McKee, seconded by Commissioner Price to remove Item 8-h from the agenda.

VOTE: UNANIMOUS

PUBLIC CHARGE

The Chair acknowledged the public charge

Arts Moment

No Arts Moment will be available for this meeting.

2. Public Comments**a. Matters not on the Printed Agenda****b. Matters on the Printed Agenda**

(These matters will be considered when the Board addresses that item on the agenda below.)

3. Announcements, Petitions and Comments by Board Members

Commissioner McKee had no comments.

Commissioner Bedford said it would be wise to prepare the Vice Chair, as part of the process on COVID-19, in case the Chair should fall ill.

Chair Rich said that would be a petition.

Commissioner Greene said she is glad the Board can meet this way. She attended the Chamber of Commerce's zoom discussion, where there was a lot of interest in the small business loans. She said she was impressed the way Aaron and his staff understood the application process.

Commissioner Marcoplos said he attended a climate change webinar today, with people from all over the country. He said it was interesting to hear all the ways this problem is being tackled, and there was a lot of interest in the County's climate council and climate tax.

Commissioner Price piggybacked on Commissioner Greene's comments about the SBA grants and loans, and she has been on some town hall meetings about this as well. She said she has asked if the Chambers and Economic Development staff can help spread the word, and they can, but people will have to go directly to the lender.

Commissioner Price said she attended another local meeting about evictions, and wanted to know what was happening in Orange County in this regard.

Commissioner Dorosin said it would be helpful to get a periodic update on the emergency loan program, and how the County is getting the message out.

Commissioner Dorosin said he has three specific petitions, with the first two being time sensitive:

- He said he had previously mentioned that the ABC board is considering whether to adjust its pay scale to meet the new living wage threshold, and he fears it is leaning against because of costs in adjusting the entire scale to avoid compression. He said the Board should strongly encourage (by resolution/letter) that the ABC board to adopt the new living wage scale, even if it means a potential reduction in total funds returned to the general fund (he said he does not know that it will, since sales continue to rise). And they will need to discuss this soon as the ABC board will also be preparing their budget soon.
- He said that the recent election has highlighted important electoral issues with continuing to have a multi-seat election. He said there were significant numbers of undervotes in the district 1 race, and it is also inconsistent that in non-presidential years it is a single seat race (thereby changing the nature of the election depending which year one runs). He said the Board has talked several times about revisiting the method of election, but have failed to take any votes. He said he believes the County needs to change its electoral process to eliminate the multi-district seat. He said there are various ways to do that, which have already been researched. He said since Commissioner Marcoplos already has a voting petition on the action item list, this could easily be added

to that. He said if the Board agrees to make a change, it would need to decide by end of this fiscal year, so that it could be put on the ballot in November and be in place for the 2022 election.

- Not time sensitive: Commissioner Dorosin said he would like to have a report and discussion of (and potentially consider changing) the policy of housing federal inmates in the Orange County jail.

John Roberts agreed and said the vote would have to be conducted at an election where all precincts are open, i.e.: a general election.

Commissioner Dorosin said he wants to get rid of the multi-seat elections.

Commissioner Dorosin referred to the climate change item, and petitioned the Board to look at a policy to incentivize private developers and private property owners to install charging stations.

Chair Rich said it would be helpful to talk with the towns as well.

Commissioner Greene said when Chapel Hill has a rezoning, it negotiates with developers to put in charging stations.

Chair Rich said she would like a report from Board of Elections to understand if they are capable of handling a large amount of mail in voting ballots or absentee ballots. She said this may be needed in upcoming elections.

Chair Rich said the Mayors/Managers/Chairs (MMC) meeting was postponed by Chapel Hill. She said this meeting is about the Greene tract, and the MMC has gone through one reiteration of the memorandum of understanding and attorneys were working on this, but the health crisis occurred.

Bonnie Hammersley said she has not heard yet about the next meeting.

Chair Rich said she has been sending a lot of emails to the Board to keep all Commissioners in the loop. She said for the Board to please contact her if it has any additional questions.

Commissioner Greene thanked the Chair for sending the most recent local EOC notes to the Board, and said they were so informative. She asked if these notes are available to the public.

Chair Rich said, as of now, these notes are only going to the internal staff and elected boards.

Bonnie Hammersley said staff will work with Todd McGee, Community Relations Director, on this request.

Commissioner Marcoplos asked if the Greene Tract meetings going to continue through the summer.

Chair Rich said she does not know at this point. She said she and Bonnie Hammersley can check with the group at large, and report back to the Board.

4. Proclamations/ Resolutions/ Special Presentations
NONE

5. Public Hearings
NONE

6. Regular Agenda

a. Climate Action Tax Recommendations for FY 2019-20 – School Solar Update

The Board received additional information on the Solar for Schools Grant program that could be funded through the FY 2019-20 Orange County Climate Action Tax in response to Board members' questions at the February 4, 2020 Board Business Meeting; and consider

voting to approve funding for the recommended Solar for Schools Grant program for FY 2019-20 as outlined in the attached report.

Travis Myren presented this item.

BACKGROUND: As part of the FY 2019-20 budget, the Board of Commissioners authorized an additional ¼ cent property tax to provide an estimated \$469,272 dedicated to accelerating climate change mitigation through the new Climate Change Mitigation Project in the Capital Investment Plan.

When the tax was authorized, the BOCC stated that it would decide the final prioritization of projects to be funded, and the Board requested that the Commission for the Environment (CFE) provide feedback on prospective projects in advance of BOCC review. The CFE completed its initial scoring, and the BOCC reviewed a report that outlined the recommended projects at its Business meeting on February 4th. At that meeting the Board approved funding for two of the four recommended projects, and at the request of school leadership, temporarily deferred taking any action on the two projects which make up the proposed Solar for Schools grant program. Attachment 1 is a copy of this report revised in accordance with the comments received from the BOCC.

During the discussion of the Solar for Schools grant program, Board members asked several questions in preparation for additional discussion in the future. In response, staff has revised the report and has had discussions with staff in both school districts. Attachment 2 is a list of the Board members' questions and follow-up responses on the recommended Solar for Schools Grant Program.

FINANCIAL IMPACT: The Climate Action Tax is projected to generate \$469,272 in funds in FY 2019-20. The top two recommended projects have already been approved to use \$169,272 of these funds, and the remaining \$300,000 is recommended to fund two Solar for Schools grants for \$150,000 each.

Chair Rich said the recommendation that was in the published agenda abstract is not what is happening now. She said the schools contacted the County Manager and declined to participate in the solar arrays project. She said the current recommendation is to send this process back to the CFE to come up with additional suggestions for the climate mitigation tax.

Travis Myren said it would not be useful to go forward with the recommendation for the schools.

Commissioner Price asked if there is a reason preventing further discussions with the schools about other climate mitigation projects.

Chair Rich said the original process included scoring, and the schools have not added any additional projects yet. She said if the schools did have additional projects, they could submit them to the CFE to be scored.

Chair Rich said it is important to utilize the process set up for the CFE to review and score potential projects, as the process focuses on social justice and racial equality.

Chair Rich said it is a climate mitigation fund and the Orange County Board of Commissioners decides what to do with the funds, based on recommendations from the CFE.

Commissioner Price asked if the Board of County Commissioners (BOCC) is going to send a letter to the Boards of Education inviting them to submitting potential projects to be scored.

Chair Rich said she and Bonnie Hammersley have already spoken with the two schools Boards, and both are aware of the open invitation to submit projects for consideration.

Commissioner Price asked if the BOCC can send a letter asking the school boards to submit ideas.

Chair Rich said if the Board chooses to vote that way, it would be fine. She said there were other projects that the CFE considered, which may move to the top of the list.

Commissioner Marcoplos said due to the scheduling issue that has arisen due to health crisis, he proposed to allow a brief time to re-visit the solar arrays on the schools

PUBLIC COMMENT:

Bill Ward, CFE, joined the meeting via Zoom, and said it is a disappointment that the schools declined the funds to do the solar arrays. He said the CFE would welcome further interchange with the schools about how the schools may be able to mitigate climate change in other ways. He gave statistics on the carbon emissions in Orange County, and said the County needs to curtail emissions by three ways: decarbonization of electricity, improved efficiency, and beneficial electrification. He said this is true throughout the country, and there are many ideas that could be reviewed and replicated in the County. He said the CFE is open to all submissions, and would like to get the best bang for the buck. He said he hoped to have a forum where the CFE could have some give and take with the BOCC in order to understand in greater detail the CFE's thinking and prioritization process.

Commissioner Marcoplos said he was trying to figure out why this went off the rails, and it seems CHCCS wanted to decide on its own how to spend these funds. He said the OCS, and Sarah Pitts point person on this project, had been scheduled to meet with Orange County staff on this issue and OCS was open to the idea. He said the current health crisis has led to confusion.

Commissioner Marcoplos proposed allowing two weeks to answer any question that OCS may have about the solar arrays. He said the process has come this far, and it would be a waste to throw it away, as it is crucial to reduce the carbon footprint and greenhouse emissions. He said it is a unique opportunity.

Commissioner Price talked to members on both school boards, and all agreed that solar arrays are good, but there were other issues that they were looking at for their buildings. She said both districts had not been brought up to speed on these projects, and the COVID-19 crisis has only caused greater interruption. She said there is no guarantee that the Board would vote in favor of the solar arrays, and she feels it is important to consider the best use of funds at this time and the greatest priorities.

Chair Rich said this was voted in as a climate tax and needs to be used for climate mitigation. She said the Board must not go outside the parameters of the uses.

John Roberts said it was a tax increase that was part of the Board's general taxing power, and this exact amount was directed to this climate purpose. He said a deviation from this purpose should not happen outside a vote of the full Board.

Commissioner McKee said he is going to speak to the question as to whether the Board can move the money. He said it is his understanding that only through County referendum can tax funds be dedicated for a specific use. He said this was not decided through a referendum, thus a BOCC vote is sufficient to change the use of this money. He said this board cannot bind future boards, and they are not legally bound to spend the money on climate change.

John Roberts said the Board is not restricted with this tax more than any other tax revenue. He said it is called a climate tax, but it is no different than the standard taxation that exists. He said the only difference is that the BOCC pledged by a vote to spend the funds on environmental purposes, and a Board vote would be appropriate to change that pledge. He said this Board is not bound by the prior vote.

Commissioner McKee said if the Board were to spend this money for weatherization, LED, etc. in schools that provided reductions in greenhouse emissions, the Board would still be spending money on those items it pledged to spend it on.

Commissioner Dorosin said he reviewed the process the Board had done last spring. He said maybe one or both schools do not want to go forward with the proposed projects. He said if the project is not done, then the monies go back into the pot to be considered for new projects. He said the \$150,000 was based on this solar array project. He said if the schools have other projects that they want to fund, these projects can be submitted and go through the same process. He suggested the \$150,000 for CHCCS should be returned to the pot, and CHCCS invited to submit new projects. He said if OCS wants to additional weeks to decide, that is fine, and then can move ahead or not. He said there was one project that the Board did not fund (the small hydropower feasibility study), which can now be moved up on the list if the schools do not want the funding for solar arrays. He said, instead of starting all over from scratch, the Board should move ahead with the project it has.

Commissioner Marcoplos said he agreed with moving up the hydropower feasibility study. He said in his discussion with Will Atherton, OCS Chair, it was clear to him that OCS would take the two weeks to firmly decide whether or not to use the monies.

Commissioner Price said when she mentioned COVID-19 she was just making a statement that other considerations should be taken into effect, not that monies should be shifted. She said this money was pledged to climate change mitigation, and it should be used as such.

Commissioner Price said to Commissioner Marcoplos that OCS may well make a decision within two weeks, but it may not be in favor of solar arrays.

Commissioner Price said she would be in favor of a RFP for school projects, and she would like to look at all the existing projects again. She said she did not mean to imply moving these funds away from climate change mitigation.

Commissioner Greene said she agreed with Commissioner Dorosin. She asked if he intends for the BOCC to move ahead with the hydropower project, or give it back to the CFE. She said either way it makes sense to her. She said it is clear that CHCCS is not ready to accept the recommendation of the CFE for the solar arrays, and there should be a reopening of process for what money is left.

Commissioner Bedford said it is her understanding that neither of the school boards had any proposals given to them, and CHCCS did not submit any projects, so she is not sure how this process worked. She said she liked the CFE matrix, and concurred approval of the hydropower project. She said the Board needs to do some more work on this process, since it is already April. She said she needs to know how this all works and it is not too late to start developing projects for next year. She said she agreed with Commissioner Marcoplos about giving OCS their two weeks, and also the same for CHCCS, for solar arrays project only. She said she would not substitute any new projects this round, but rather start over in the next budget year.

Chair Rich agreed with offering to both school districts the two weeks to consider the solar array projects only.

Commissioner McKee said he is concerned that the Board may be off track, because it received an email from CHCCS that it no longer supports solar projects.

Chair Rich said Patrick Abele, acting CHCCS Superintendent, said CHCCS has not declined, but in the original conversations had them not partaking at this point.

Commissioner McKee asked if the Board received something specific

Chair Rich said yes, today from Acting Superintendent Patrick Abele.

Commissioner McKee read the bottom 1/3 of an email from Patrick Abele, CHCCS Acting Superintendent to Bonnie Hammersley this afternoon:

“We are hearing that there is discussion in the public today that we have turned down the solar funds from the BOCC. To clarify, we have never turned down a solar project. We asked the last time this came up on the agenda that the BOCC allow the Board of Education an

opportunity to review and to provide feedback on this type of project. We do not currently have a solar project identified.

A better format would be to provide the funding for sustainability projects (not just solar) which is in line with the district capital initiatives already presented in our Capital Investment Plan. You also mentioned having a grant process where funds are reserved and the schools could apply for the funds when projects are identified. Either of these options would be more suitable to establishing sustainable outcomes.

I appreciate you allowing me to clarify our current knowledge of the item being placed on the BOCC agenda this evening. “

Sincerely,
Patrick Abele
Acting Superintendent
Cc: CHCCS Board of Education (BOE)

Commissioner McKee said the email does not say anything about declining the solar arrays project. He said Board wants to give a two weeks deadline, but the process may take longer than two weeks. He said he will not give their partners an ultimatum, and would rather let the superintendents, Manager and staffs have discussions on this. He said he will not vote for this.

Commissioner Marcoplos said there was not an ultimatum for OCS, and they were open to deal with this at their April 20th BOE meeting. He said in CHCCS there was confusion and the staff was open to it before, but the BOE wanted the funds for other projects, and thus they are trying to follow the bouncing ball. He said it has been a clunky process, and there have been several bumps along the way.

Commissioner Marcoplos said it is fair to give two weeks for both school districts.

Commissioner Marcoplos said he would be in favor of adding more projects, but the Board needs to make sure this gets out to all segments of the community (UNC, OWASA, etc.) and not just the schools.

Commissioner Dorosin said he was suggesting that the Board vote on the hydropower project tonight. He referred to the school projects, and said if the projects are not going forward, this money will go back into the pot. He said the Board never suggested that it would give monies to the schools to do whatever they wanted to do with the \$150,000. He said the schools may not want to do solar arrays, but they do not get to take the money and do as they please, but rather can come back with other suggestions for the funds.

Commissioner Dorosin asked if the Board approves the hydropower project, is it the goal to distribute the entire \$450,000 this year or to carry over some monies till next year. He said the desire was to get the monies out quickly and he asked if this should be the goal, and that anyone can propose a project to get the monies moving as soon as possible. He summarized with the following:

- does the Board want to vote on \$30,000 on hydropower project
- to give the schools 2 weeks to decide. If schools choose to proceed with solar, go ahead; if not, open the project process again expeditiously
- maybe not give out all of the funds this year

He said he would be in favor of the first two points.

Bonnie Hammersley said when this was passed for the 19-20 budget, staff knew it would take time to put a process in place in a quickened manner. She said this process will not be the same process going forward. She said the County needs to spend the monies in the year they

collect it. She said in 2020-21 the process will be a grant process, and the CFE will rank them for the Orange County Board of Commissioners.

Commissioner Greene said she heartily supports Commissioner Dorosin's timeline and getting the monies out this year.

Commissioner Greene said she was thankful for the Manager's clarification of the process, because she thought the process was open to all, and wondered where the idea for solar arrays came from in the first place.

Commissioner Greene said she hoped the process for the next fiscal year will be more timely.

Commissioner McKee said he was in agreement with Commissioner Dorosin about the schools not being able to use the monies how they pleased.

Commissioner McKee said he has no issue with putting it out for open call, but there is no other component in the County that has the backlog of CIP projects like the schools. He said he would be supportive of giving priority focus to the schools because it would allow the funds to be used for climate mitigation, but would also take off some percentage of the schools' backlog of capital projects. He said he hydropower project would be a good pilot project. He said he would not vote for giving the schools a two-week ultimatum.

Commissioner Marcoplos said the schools have an advantage in the scoring process, and are not being shortchanged. He said the Board cannot vote to accept the hydropower disbursement until it is clear what the schools are going to do, and that is why he wanted a two-week window. He said OCS was supportive of this timeline.

Commissioner Price said the BOCC has a meeting in early May, and that should give the schools ample time to review the solar array projects. She said if the schools decide this is not a priority, then the Board can look at the hydropower project in May.

Commissioner McKee clarified that if the Board proceeds with the hydropower project, it would just reduce the amounts available to the schools from \$150,000 to \$135,000.

Commissioner Dorosin said there seems to be a Board majority that wants to give the money out this year, so the schools need to say one way or the other as soon as possible and there is no shame if the schools cannot proceed this year. He said the Board needs to have the CFE to look at past-proposed projects, or consider new ones. He asked the Manager if there were any other County projects in the queue. He said he will not vote to save the funds for next year.

Bonnie Hammersley said the only project that did not get approval was the hydropower project.

Chair Rich said she contacted both Board of Education chairs today, and asking them to have a decision in two weeks does not show a lack of partnership, nor is it disrespectful. She said there has been plenty of time for the schools to decide, and if it does not work then the County needs to move forward.

Commissioner Price said she was not trying to push the decision out too far, but rather did not know when the two school boards were holding meetings.

Commissioner Marcoplos said the Board's motion should say that it will give OCS two weeks, given the OCS meeting on April 20th, and around two for CHCCS, based on its meeting schedule. He said the County can start publicizing that it is looking for projects for next year.

Commissioner Dorosin asked if the Board wants to vote on the hydropower project.

Chair Rich asked if the next BOCC meetings could be identified.

Donna Baker said April 21st, May 5th, or May 19th.

Commissioner Greene said she now understands that CHCCS did not say a flat no, and supports giving both districts two weeks, or close to it, and she supports leaving out the \$30,000 and keeping it in the queue, but to spend all the monies this year.

Commissioner McKee asked if the \$30,000 would fund the hydro project.

Chair Rich said if the Board funds both the school projects, there is not enough money for the hydro project for this year, but it can move to next year's projects.

Commissioner McKee asked if the cost of the hydropower project could be identified. Commissioner Dorosin said \$30,000 is for the hydropower feasibility study.

A motion was made by Commissioner Dorosin, seconded by Commissioner Marcoplos for the Manager to reach back out to the Boards of Education (BOEs) to inquire with some finality their interest in pursuing the solar array projects, and to ask them to get back to the county within a two week timeframe, or a date sufficient, for the County Commissioners to make a vote at their April 21st Business meeting; and if either of the school board chooses not to move forward on the solar array projects, then the Board will vote on the hydro power feasibility study project.

Commissioner Price said in the event that the schools need more time, would this motion allow the boards to respond a bit later and for the Commissioners to vote on this at their May 5th meeting.

Commissioner Dorosin said the Board needs some indication, as soon as possible, and if the schools need more time, then so be it. He suggested for the Manager to make it clear to the schools that the Orange County Board of Commissioners wants to expend those funds this fiscal year.

Commissioner Marcoplos cautioned the Board to try and not make the school districts do something outside of their due process. He said the schools should be able to have a school board meeting.

VOTE: Ayes, 6; Nays, 1 (Commissioner McKee)

b. Postponement of Unified Development Ordinance (UDO) Text Amendments – Clarification of Setbacks from the West Fork on the Eno Reservoir

The Board considered voting to defer action on a proposed UDO Text Amendment to the September 1, 2020 Board Business meeting.

Travis Myren presented the item below:

BACKGROUND: The Board of Commissioners conducted a public hearing on this item at its March 10, 2020 Business meeting, and the Board voted to close the public hearing and defer action until the April 7, 2020 Business meeting. Due to the COVID-19 social distancing policies, this item is recommended for postponement to the Board's September 1, 2020 Business meeting. Because this is a legislative decision, the BOCC may permit additional public comments at a later date.

A motion was made by Commissioner Greene, seconded by Commissioner McKee for the Board to defer action on the proposed UDO text amendments to the September 1, 2020 Board Business meeting.

VOTE: UNANIMOUS

c. Presentation of Manager's Recommended FY 2020-25 Capital Investment Plan (CIP)

The Board received the Manager's Recommended FY 2020-25 Capital Investment Plan.

Bonnie Hammersley said this budget process started long before this crisis, and she still believes that most items in the CIP respond to the mandatory needs.

BACKGROUND:

Each year, the County produces a Capital Investment Plan (CIP) that establishes a budget planning guide related to capital needs for the County as well as Schools. The current CIP consists of a 5-year plan that is evaluated annually to include year-to-year changes in priorities, needs, and available resources. Approval of the CIP commits the County to the first year funding only of the capital projects; all other years are used as a planning tool and serves as a financial plan.

Capital Investment Plan – Overview

The FY 2020-25 CIP includes County Projects, School Projects, and Proprietary Projects. The School Projects include Chapel Hill-Carrboro City Schools, Orange County Schools, and Durham Technical Community College – Orange County Campus projects. The Proprietary Projects include Water and Sewer, Solid Waste Enterprise Fund, and Sportsplex projects. The CIP has been prepared anticipating moderate economic growth of approximately 2% in property tax growth over the next five years, and 4% sales tax growth in Years 2-5. Sales Tax proceeds for Year 1 (FY 2020-21) are estimated to decline by 4.5% due to the current coronavirus pandemic. Many of the projects in the CIP will rely on debt financing to fund the projects.

The Board received the presentation of the Manager's Recommended FY 2020-25 Capital Investment Plan and provided direction to staff in preparation for discussion at the April 14, 2020 Budget work session.

Travis Myren made the following PowerPoint presentation:

INTRODUCTION OF THE CAPITAL INVESTMENT PLAN**FY2020-25****Board of Orange County Commissioners****April 7, 2020****FY2020-25 Investment Themes**

- School Supplemental Deferred Maintenance Program
 - \$30 million over three (3) years
 - Apply to Deferred Maintenance and Life & Safety Improvements
 - Allocated by Average Daily Membership
 - CHCCS 60.14%
 - OCS 39.86%
 - In addition to \$11.4 million in Facility Repair and \$3 million Allocated for Deferred Maintenance from Bond Premium

Commissioner Dorosin said what kind of oversight would this funding require.

Travis Myren said staff asked for a comprehensive, year-by-year list, which it has from OCS, and is awaiting it from CHCCS.

Commissioner Dorosin said he would like to see what has been crossed off of the first year list, so he can inform residents and demonstrate accountability.

Bonnie Hammersley said the districts prioritize the lists, and if the districts want to change the list, they have to bring it back for Orange County Board of Commissioners approval.

FY2020-25 Investment Themes

- Public Health and Safety
 - EMS Substation Construction – Efland - \$3,500,000
 - Portable Radio Replacements - \$150,000

- Environmental Health and Public Safety Vehicle Replacements - \$1,280,961
- Economic Development
 - Piedmont Food Processing Facility - \$115,000
 - Buckhorn EDD Sewer Engineering - \$130,000
- Caution
 - Direct Financial Impacts to the County will Lag
 - Most Acute Impact Expected on Sales Tax
 - Potential Lingering Impact on the Real Estate Market
 - Continuous Monitoring and Adjustments to Anticipated Fiscal Reality

Capital Investment Plan by the Numbers

- Total Recommended Capital Expenditures - \$36.5 million
 - County Capital - \$13.1 million
 - Proprietary Funds - \$3 million
 - School Capital - \$20.4 million
- Decrease from FY2019-20 - \$12.5 million
 - FY19-20 Included \$20 million Bond Proceeds for Orange County Schools
 - Last School Bond Draw Programmed in FY21-22
 - CHCCS - \$1.9 million
 - OCS - \$11.3 million
- Debt Service Increase - \$3,163,144

FY 2019-20 CIP Expenditures- \$49.0 Million / FY 20-21 CIP Expenditures - \$36.5 million-Graph

FY 2020-25 Recommended CIP Expenditures- graph

FY 2020-25 Recommended Financing Sources-graph

Debt Service Scheduled Based on FY 2020-25 Recommended CIP- graph

Proportion of County and School Debt Service-graph

Debt Service to General Fund Revenue Projection-graph

Schedule for Consideration

- Introduction of the Capital Investment Plan – April 7
- Work Session on Capital Investment Plan – April 14
- Further Consideration through Budget Work Sessions
- Approval of the Operating and Capital Budget – June 16

Commissioner Dorosin said, based on existing bonds pending, the Board voted last year to implement a tax increase incrementally, in anticipating of paying off those bonds.

Travis Myren said yes, but staff wants to manage the operations budget now to minimize a tax increase.

Commissioner Dorosin said that is what he was going to ask. He asked if there is going to be any potential legislation coming down the pike to leverage some negotiations.

Travis Myren said the \$3 million is for the borrowing the County has already done. He said he is not aware of any federal initiative and the general rule is you pay debt service first.

d. **Approval of Budget Amendment #7-A for the Transfer of Funds from the Orange County Local Rent Supplement Program to the Risk Mitigation and Housing Displacement Fund**

The Board considered voting to approve Budget Amendment #7-A for the transfer of funds from the Orange County Local Rent Supplement Program (Local Vouchers) to the Risk Mitigation and Housing Displacement Fund to provide flexible, much-needed financial assistance to low-income renters experiencing housing instability and also provide additional resources for Orange County's emergency response to the COVID-19 pandemic.

Travis Myren presented the following item:

BACKGROUND:

In June 2018, the Board of Commissioners approved an initial appropriation for a new local voucher program – the Orange County Local Rent Supplement Program (OCLRSP). Guidelines for this program were presented to the Board in November 2018 (Attachment 1) and approved in December 2018.

Although the OC-LRSP was envisioned as a flexible program to help provide financial assistance to low-income renters in need of stable housing, the guidelines as initially proposed mirror the federal Housing Choice Voucher (HCV) program, and as such, do not have the necessary flexibility to meet the needs of renters unable to be served by the HCV program.

Furthermore, the OC-LRSP was proposed to have ongoing funding from federal HOME funds, but the federal restrictions on these funds make them incompatible with the program and were not able to be leveraged. Of the 15 people anticipated to be served by the 2018 appropriation, only one person has actually been issued a voucher. This person is currently homeless (sheltered), as the individual has not been able to find a unit.

Furthermore, Orange County is now seeing an increase in the number of residents experiencing housing instability due to the COVID-19 pandemic, and there is a need for increased funding for housing assistance as part of the emergency response.

As such, Orange County Housing and Community Development (OCHCD) proposes to effectively dissolve the OC-LRSP and transfer the balance of funds in that program to the Risk Mitigation and Housing Displacement Fund (Attachment 2). This will provide the flexibility needed to meet the housing needs of low-income renters, as the Risk Mitigation and Housing Displacement Fund can provide various types of assistance including security deposits, utility connections, first month's rent, and emergency housing costs.

FINANCIAL IMPACT: There will be no financial impact to the County if the BOCC approves the amendment. These funds have already been appropriated, and this budget amendment provides for the transfer of \$100,000 from the Local Voucher Program, currently budgeted in the General Fund, to the Risk Mitigation and Housing Displacement Program within the Housing and Community Development Fund to allow these funds to be disbursed to help low-income households in need.

Travis Myren made the following PowerPoint presentation:

**Transfer of Funds from Local Rent Supplement to Housing Stabilization Program
Board of Orange County Commissioners**

April 7, 2020

Housing Stabilization Transfer

- **Local Rent Supplement/Local Voucher Program**
 - Originally Approved in 2018
 - Annual Funding of \$100,000
 - Intended to Serve as a More Flexible Alternative to Federal Housing Choice Voucher
 - However; Initial Program Rules Rules Still Limited Accessibility of Funds
 - Barriers are the Same in Unit Availability and Suitability for the Voucher Holder
 - Originally Intended to Serve 15 Families
 - One Individual Served to Date and Can be Moved to the Traditional HCV Program
 - Demand Increasing for Displacement Mitigation and Housing Stabilization due to COVID-19 Job Losses

Housing Stabilization Program

- Overall Strategy
 - Maintain Current Housing as a Bridge to Other Benefits (Unemployment or HCV) or Other Alternatives
- Eligible Residents
 - Residents Earning up to 80% Area Median Income
 - For a Family of Four = Up to \$67,850 Annually
 - Priority Given to Residents Earning Below 60% Area Median Income
 - For a Family of Four = \$50,880
- Eligible Uses
 - Rent Assistance
 - Temporary Hotel Stays
 - Security Deposits
 - 1st month's Rent
 - Moving Expenses

Housing Stabilization Program

- Limitations
 - Maximum Assistance of \$2,000 per Occurrence
 - Intended for One Time Use
 - Subsequent Requests Receive Additional Case Work to Determine and Address Systemic Challenges
- Housing Helpline (Coordinated Entry)
 - Applications Screened by Coordinated Entry Staff Person
 - Recommend Assistance that Best Meets Needs
- Housing Authority Approved Transfer from the Local Rent Supplement Program to the Displacement Mitigation Fund

Travis Myren said a question was raised about an “asset test”, where staff would ask about one’s assets other than cash. He said that is not a bad idea for this type of program, and staff will figure out from its partners what that would look like.

Housing Stabilization Program

- Manager’s Recommendation

- Approve Budget Amendment #7-A for the Transfer of \$100,000 from the Orange County Rent Supplement Program (Local Voucher Program) to the Housing Stabilization and Displacement Mitigation Program

Commissioner Bedford asked if there is a process by which one can apply for these funds, and if there is a contact number.

Travis Myren said there has been a combination of taking referrals as well as a direct hotline, and staff envisions this working the same.

Commissioner Price asked if the local rent supplement program will continue, and if enough effort was put into it.

Travis Myren said the program is in next year's base budget, and Housing staff is revising those guidelines to make it work better. He said in the midst of doing that, Housing staff started seeing a high demand for these emergency funds, and the transfer would only apply for this fiscal year.

Commissioner Dorosin said, as he recalled, this rent supplement program was created to add flexibility to the federal guidelines; to help certain target populations; and to reach those who would not be eligible for federal funds. He said as staff looks at this program they need to look back at the goals, and see if they need to tweak the program to work toward those goals. He said there is some low hanging fruit within the homeless population, and the Board may want to divert some funds there. He said the County wants to prioritize those even lower than 80%.

A motion was made by Commissioner Price, seconded by Commissioner Bedford for the Board to approve Budget Amendment #7-A for the transfer of funds from the Orange County Local Rent Supplement Program (Local Vouchers) to the Risk Mitigation and Housing Displacement Fund as proposed.

Commissioner Greene said she appreciated Commissioner Dorosin's comments, and congratulated staff on filling the coordinated entry position, and for responding to these needs.

Chair Rich thanked all staff as well.

VOTE: UNANIMOUS

7. Reports NONE

8. Consent Agenda

- **Removal of Any Items from Consent Agenda**
- Item h already removed above
- **Approval of Remaining Consent Agenda**

A motion was made by Commissioner Price, seconded by Commissioner McKee to approve the Consent Agenda.

VOTE: UNANIMOUS

- **Discussion and Approval of the Items Removed from the Consent Agenda**

a. Minutes

The Board approved the draft minutes from March 10 and 24, 2020 as submitted by the Clerk to the Board.

b. Motor Vehicle Property Tax Releases/Refunds

The Board adopted a resolution, which is incorporated by reference, to release motor vehicle property tax values for eleven taxpayers with a total of twelve bills that will result in a reduction of revenue in accordance with NCGS.

c. Property Tax Releases/Refunds

The Board adopted a resolution, which is incorporated by reference, to release property tax values for six taxpayers with a total of fourteen bills that will result in a reduction of revenue in accordance with North Carolina General Statute 105-381.

d. Resolution of Approval – Trail Easement

The Board approved a resolution, which is incorporated by reference, to approve the acceptance by Orange County of a trail easement granted by Christina Deprez for the purpose of connecting the Mountains to Sea Trail to NC 54 / Mebane-Oaks Road and authorize the Chair to sign.

e. Resolution Regarding Orange County Becoming a Socially Conscious Animal Community

The Board approved a resolution, which is incorporated by reference, regarding Orange County becoming a socially conscious animal community and authorized the Chair to sign.

f. Change in BOCC Meeting Schedule for 2020

The Board approved changes in the Board of Commissioners' meeting calendar for 2020.

g. General Obligation Bond Sale of \$20,060,000 for Cedar Ridge High School Wing and Various Other Orange County School Improvements

The Board adopted the attached General Obligation (GO) bond resolution for the following purposes:

- 1) Formally authorize the sale of \$20,060,000 in school bonds;
- 2) Formally pledge the County's taxing power to provide for payment on the bonds;
- 3) Approve the proposed form of the bonds;
- 4) Approve the form of the draft official statement for use in offering bonds to investors;
- 5) State the County's agreement to comply with the relevant provisions of federal tax law and the federal rules for continuing disclosure to the securities markets; and
- 6) Authorize County staff to complete the process of issuing the bonds and authorizing the final principal payment schedule.

h. Adoption of the Final Financing Resolution Authorizing the Issuance of Approximately \$40,000,000 in Installment Purchase Financing for Various Capital Investment Plan Projects

The Board considered voting to adopt the final financing resolution authorizing the issuance of approximately \$40,000,000 in installment financing to finance capital investment projects and equipment for the fiscal year, including amounts to pay transaction costs.

9. County Manager's Report

Bonnie Hammersley said staff is working hard on an operating budget process for this year, and a budget that maintains mandatory services and keep jobs. She said staff plans to have a proposed budget for the May 5th meeting. She said there is currently a hiring freeze in place, and staff has reduced spending such as removed travel and monitoring revenues and encumbrances. She said she is meeting with all Department Directors about the budget. She said the entire team creates the budget, and the goal is not to increase the tax rate. She said there will be sacrifices and tough decisions going forward.

Chair Rich said the Board is grateful that Bonnie Hammersley will be leading the County through this time.

**10. County Attorney's Report
NONE**

Commissioner Dorosin asked if the legislature will be coming into session at the end of the month, as originally scheduled.

John Roberts said he has not heard anything yet.

**11. *Appointments
NONE**

12. Information Items

- March 24, 2020 BOCC Meeting Follow-up Actions List
- Tax Collector's Report – Numerical Analysis
- Tax Collector's Report – Measure of Enforced Collections
- Tax Assessor's Report – Releases/Refunds under \$100
- Petition to Amend the Water and Sewer Management, Planning, and Boundary Agreement (WASMPBA)

Chair Rich asked if Bonnie Hammersley would thank all of the County staff that are still coming in everyday to do their jobs and are not able to stay home.

**13. Closed Session
NONE**

14. Adjournment

A motion was made by Commissioner Price, seconded by Commissioner McKee to adjourn the meeting at 9:19 p.m.

VOTE: UNANIMOUS

Penny Rich, Chair

Donna S. Baker
Clerk to the Board

Public Comment Instructions

**Public Comment – Written
(for Items not on the Agenda, Agenda Items and Public Hearings)**

Members of the public may provide written public comment by submitting it to the ocbocc@orangecountync.gov email address by 3:00 PM on the afternoon of the meeting.

When submitting the comment, include the following:

- The date of the meeting

- The agenda item (example: 6-a) you wish to comment on
- Your name, address, email and phone number

The Orange County Board of Commissioners, County Manager, County Attorney and Clerk to the Board, will be copied on all of the emails that are submitted.

**Public Comment – Verbal
(for Items not on the Agenda, Agenda Items and Public Hearings)**

Members of the public will be asked to contact the Clerk to the Board using the email address ocpubliccomment@orangecountync.gov no later than 3:00 PM on the day of the meeting and indicate they wish to speak during the meeting.

When submitting the request to speak, include the following:

- The date of the meeting
- The agenda item (example: 6-a) you wish to speak on
- Your name, address, email and phone number
- The phone number must be the number you plan to call in from if participating by phone

Prior to the meeting, speakers will be emailed a Zoom participant link to be able to make comments during the live meeting. Speakers may use a computer (with camera and/or microphone) or phone to make comments. Speakers using the phone for comments must use the provided PIN/Password number.

The public speaker's audio and video will be muted until the BOCC gets to the respective agenda item(s). Individuals who have pre-registered will then be brought into the public portion of the meeting one at a time.

If a member of the public encounters any concerns prior to or during the meeting related to speaking, please contact Greg Wilder at 919-245-2314.