**ORANGE COUNTY BOARD OF COMMISSIONERS**
**CARRBORO BOARD OF ALDERMEN**

**JOINT MEETING**
**AGENDA**

BOCC/Carrboro Board of Aldermen Joint Meeting
October 15, 2015
Meeting – Following Conclusion of Joint Planning Public Hearing (Approximately 7:45 pm)
Southern Human Services Center
Chapel Hill, NC

| | | |
|---|---|---|
| (7:45 – 7:55) | | Welcome/Introductions and Opening Remarks (Carrboro Mayor Lydia Lavelle and BOCC Chair Earl McKee) |
| (7:55 – 8:35) | 1. | Southern Library Discussion – Site Selection and Potential Capital Needs |
| (8:35 – 9:10) | 2. | Rogers Road Updates<br>a) Rogers Road Sewer Line – County and Town Perspectives<br>b) Potential or Actual Positions of County and Carrboro on Rogers Road Sewer and Water District |
| (9:10 – 9:30) | 3. | Collaborative Efforts on Affordable Housing |
| (9:30 – 10:00) | 4. | Update on One-Quarter (1/4) Cent Sales Tax Proceeds and Uses |

Orange County Board of Commissioners' regular meetings and work sessions are available via live streaming video at
http://www.orangecountync.gov/departments/board_of_county_commissioners/videos.php
and Orange County Gov-TV on channels 1301 or 97.6 (Time Warner Cable).

**ORANGE COUNTY BOARD OF COMMISSIONERS**
**CARRBORO BOARD OF ALDERMEN**
**JOINT MEETING**

**AGENDA ITEM ABSTRACT**
**Meeting Date:** October 15, 2015

**SUBJECT:** Joint Meeting Discussion Items

**DEPARTMENT:** County Manager/Town Manager/County Asset Management Services/County Housing, Human Rights & Community Development/ County Finance & Administrative Services/ County Economic Development

**PUBLIC HEARING: (Y/N)** No

**ATTACHMENT(S):**
As noted in "Background" section

**INFORMATION CONTACT:**
Bonnie Hammersley, 245-2300; David Andrews, 918-7315; Jeff Thompson, 245-2625; Paul Laughton, 245-2450; Audrey Spencer-Horsley, 245-2490; Steve Brantley, 245-2325; Gayle Wilson

**PURPOSE:** To discuss topics of mutual interest between the governing boards of Orange County and the Town of Carrboro.

**BACKGROUND:**

**1. Southern Library Discussion – Site Selection and Potential Capital Needs**

The Orange County Board of Commissioners authorized the County Manager to move forward with further site study of the 203 S. Greensboro site (owned by the Town of Carrboro – See Attachment 1a) according to the Board adopted site criteria process on September 15, 2015 (see abstract at Attachment 1b) and to begin site control negotiations with the Carrboro Town Manager. Included in Attachment 1b is the County Manager's memo dated July 17, 2015 that summarizes the activities of County staff over the past several months and emphasizes clear communications between the Orange County Board of Commissioners and the Carrboro Board of Aldermen.

The Carrboro Board of Aldermen met on October 6, 2015 and authorized the Town Manager to work with the County Manager on site control negotiations of the 203 S. Greensboro parcel. Next steps in the process will include: 1) initial and follow-on discussions between the County Manager and the Town Manager as directed by the governing Boards; 2) detailed physical site due diligence to include geotechnical

analysis, environmental analysis, storm water management impacts, utility capacity, traffic flow, and parking impacts; 3) land use analysis in partnership with Carrboro planning staff; and 4) Southern Branch Library operations and programming analysis in coordination with previous public input received in the spring of 2014.

County staff will brief the Orange County Board of County Commissioners no later than December 7th with regard to the progress of the 203 S. Greensboro study.

Staff will provide any other information at the meeting, and the governing boards can discuss issues related to this item as necessary.

*Attachment 1a – Aerial Map for 203 South Greensboro in Carrboro*
*Attachment 1b – September 15, 2015 BOCC Meeting Agenda Abstract*

**SOCIAL JUSTICE IMPACT:** There are no Orange County Social Justice Goals applicable to this agenda item.

## 2. Rogers Road Updates

### a) Rogers Road Sewer Line – County and Town Perspectives

Attachment 2a provides information on this item. Staff will provide any other information at the meeting, and the governing boards can discuss issues related to this item as necessary.

*Attachment 2a – Status of Rogers Road Project*

**SOCIAL JUSTICE IMPACT:** The following Orange County Social Justice Goals are applicable to this agenda item:

- **GOAL: ENSURE ECONOMIC SELF-SUFFICIENCY**
  The creation and preservation of infrastructure, policies, programs and funding necessary for residents to provide shelter, food, clothing and medical care for themselves and their dependents.

- **GOAL: ESTABLISH SUSTAINABLE AND EQUITABLE LAND-USE AND ENVIRONMENTAL POLICIES**
  The fair treatment and meaningful involvement of people of all races, cultures, incomes and educational levels with respect to the development and enforcement of environmental laws, regulations, policies, and decisions. Fair treatment means that no group of people should bear a disproportionate share of the negative environmental consequences resulting from industrial, governmental and commercial operations or policies.

### b) Potential or Actual Positions of County and Carrboro on Rogers Road Sewer and Water District

Attachment 2b provides information on this item. Staff will provide any other information at the meeting, and the governing boards can discuss issues related to this item as necessary.

*Attachment 2b – Rogers Road Water and Sewer District Proposal*

**SOCIAL JUSTICE IMPACT:** The following Orange County Social Justice Goals are applicable to this agenda item:

- **GOAL: ENSURE ECONOMIC SELF-SUFFICIENCY**
  The creation and preservation of infrastructure, policies, programs and funding necessary for residents to provide shelter, food, clothing and medical care for themselves and their dependents.

- **GOAL: ESTABLISH SUSTAINABLE AND EQUITABLE LAND-USE AND ENVIRONMENTAL POLICIES**
  The fair treatment and meaningful involvement of people of all races, cultures, incomes and educational levels with respect to the development and enforcement of environmental laws, regulations, policies, and decisions. Fair treatment means that no group of people should bear a disproportionate share of the negative environmental consequences resulting from industrial, governmental and commercial operations or policies.

**3. Collaborative Efforts On Affordable Housing**

Staff will provide information on this item at the meeting, and the governing boards can discuss issues related to this item as necessary.

*No Attachments*

**SOCIAL JUSTICE IMPACT:** The following Orange County Social Justice Goal is applicable to this agenda item:

- **GOAL: ENSURE ECONOMIC SELF-SUFFICIENCY**
  The creation and preservation of infrastructure, policies, programs and funding necessary for residents to provide shelter, food, clothing and medical care for themselves and their dependents.

**4. Update on One-Quarter (1/4) Cent Sales Tax Proceeds and Uses**

Attachments 4a, 4b and 4c provide recent financial information relative to Orange County's use of Article 46 funds collected from the supplemental one-quarter cent sales tax collection and used for key economic development purposes.

<u>Article 46 Expenditures Specific to the Town of Carrboro</u>

(1) The Town of Carrboro and Orange County previously collaborated and signed an Interlocal Agreement used to repair a failing sewer line on Roberson Street. Carrboro received State funding from a Community Development Block Grant (CDBG) that paid for up to 75% of the repair cost, and the County participated financially with Carrboro by sharing in the cost of the CDBG's required 25% co-

pay. The County's 50% portion of the actual co-pay was $38,243.82. This privately owned sewer line, which serves over 20 downtown businesses employing more than 100 people, has now been repaired.

(2) The County's Small Business Loan Program currently has one active term loan to a Carrboro-based business, "Ceremony Salon", originally approved at $30,000.

(3) The County's new Small Business Investment Grant Program, which is intended to assist in the retention and expansion of small businesses and start-ups in Orange County, recently approved 8 initial small business grants totaling $61,712. Three (3) of the initial grant recipients are Carrboro-based small businesses, as follows:

- Woman Craft (Katherine Palomba)
- Tempeh Girl (Beth May)
- Carrboro Community Acupuncture (Kim Calandra)

In addition, a fourth Carrboro-based small business is included in the second round of applicants to be reviewed on October 22, 2015.

Staff will provide any other information at the meeting, and the governing boards can discuss issues related to this item as necessary.

*Attachment 4a – Agenda Abstract from BOCC's October 13, 2015 Work Session*
*Attachment 4b – Article 46 Sales Tax Budgeted and Use (Since Inception on April 1, 2012)*
*Attachment 4c – Article 46 PowerPoint Presentation, dated October 2015*

**SOCIAL JUSTICE IMPACT:** The following Orange County Social Justice Goals are applicable to this agenda item:

- **GOAL: ENSURE ECONOMIC SELF-SUFFICIENCY**
  The creation and preservation of infrastructure, policies, programs and funding necessary for residents to provide shelter, food, clothing and medical care for themselves and their dependents.

- **GOAL: ESTABLISH SUSTAINABLE AND EQUITABLE LAND-USE AND ENVIRONMENTAL POLICIES**
  The fair treatment and meaningful involvement of people of all races, cultures, incomes and educational levels with respect to the development and enforcement of environmental laws, regulations, policies, and decisions. Fair treatment means that no group of people should bear a disproportionate share of the negative environmental consequences resulting from industrial, governmental and commercial operations or policies.

**FINANCIAL IMPACT:** There is no direct financial impact associated with discussion of these topics. There are no action items requiring formal decisions.

**RECOMMENDATION(S):** The Managers recommend the governing boards discuss the topics listed and provide appropriate direction to the respective staffs.

Attachment 1a

# 203 S. Greensboro

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**ORANGE COUNTY**
**BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**
**Meeting Date:** September 15, 2015

**Action Agenda Item No.** 8-a

**SUBJECT:** Southern Branch Library Siting Criteria, Process Update

**DEPARTMENT:** Manager's Office, Asset Management Services (AMS), Library, Planning

**PUBLIC HEARING: (Y/N)** No

**ATTACHMENT(S):**
1) July 17, 2015 Memorandum from Manager

**INFORMATION CONTACT:**
Bonnie Hammersley, (919) 245-2306
Jeff Thompson, (919) 245-2658
Lucinda Munger, (919) 245-2528
Michael Harvey, (919) 245-2597

**PURPOSE:** To receive an update on the Southern Branch Library siting process and provide staff direction regarding next steps.

**BACKGROUND:** On September 18, 2012 the Board of Orange County Commissioners (BOCC), in conjunction with the Carrboro Board of Aldermen, approved a set of guiding principles and a comprehensive site selection criterion for potentially locating a Southern Branch of the Orange County Library (hereafter "the Branch"). Since that time the BOCC and the Carrboro Board of Aldermen have submitted several properties for review by County staff consistent with the approved Branch siting process. Attachment 1, "July 17, 2015 Memorandum from Manager" outlines these criteria, the sites that have been suggested to staff study, and the sites currently under study:

1) 101 N. Merritt Mill (St. Paul's AME Zion Church)
2) 200 E. Main Street (Municipal Parking – "Armadillo Grill" site)
3) 203 S. Greensboro (Municipal Parking owned by Carrboro)
4) 311 E. Main Street (Fire & Hearth property assembly)

Staff has worked closely with Carrboro staff in evaluating pertinent land use information. The Board may recall that the initial due diligence processes exhaust readily available and cost free information prior to moving into the preliminary phase assessments requiring professional services such as environmental, traffic, geotechnical, and cultural/archeological studies.

The full Preliminary Phase Analysis located at www.orangecountync.gov\AMS\librarysite, evaluates the four sites through the BOCC adopted criteria. The highlights of this analysis are as follows:

***Fire & Hearth Site***. This site is challenged by its need to aggregate parcels of different ownership to be large enough for the Branch site. The majority of the property is either not for

sale or under contract for sale. Additionally, the property has significant access and potential traffic challenges. Staff does not recommend the County pursue further due diligence at this time.

***St. Paul AME Zion Church***. The congregation is planning to relocate the church to the Rogers Road Community. This site is too small for an adequate branch library and its location would require off-site parking and designed congestion mitigation efforts. Staff does not recommend the County pursue further due diligence at this time.

***200 E. Main Municipal Parking Lot ("Armadillo Grill" site).*** This was the site of the Carrboro Arts and Innovation Center proposal presented to the Board of Carrboro Aldermen in February, 2015. The site is compact, constrained on the east boundary by the railroad, and would not support a Branch Library with adequate parking. Staff does not recommend further preliminary phase study within the criteria process.

***203 S. Greensboro Street.*** This site is owned by Carrboro and was offered for study by the Town Board of Aldermen. The site is adequately sized to support a Branch Library with on-site parking. It offers reasonable access, visibility, and is zoned appropriately for a library purpose. Staff does recommend further preliminary phase study within the criteria process.

At the invitation of Carrboro, County staff continues to participate in a parallel process of exploratory discussions with Kidzu, The Arts Center, and Carrboro regarding the concept of the Branch Library being co-located with these groups as part of a Carrboro Arts and Innovation Center ("CAIC").

**SOCIAL JUSTICE IMPACT:** The Southern Branch Library will 1) provide more convenient and accessible access to Orange County Library services; 2) further the Library's mission to support and enrich the residents in northern Orange County; and 3) addresses the following three Orange County Social Justice Goals:

- ***GOAL: FOSTER A COMMUNITY CULTURE THAT REJECTS OPPRESSION AND INEQUITY***
  The fair treatment and meaningful involvement of all people regardless of race or color; religious or philosophical beliefs; sex, gender or sexual orientation; national origin or ethnic background; age; military service; disability; and familial, residential or economic status.

- ***GOAL: ENSURE ECONOMIC SELF-SUFFICIENCY***
  The creation and preservation of infrastructure, policies, programs and funding necessary for residents to provide shelter, food, clothing and medical care for themselves and their

- ***GOAL: ENABLE FULL CIVIC PARTICIPATION***
  Ensure that Orange County residents are able to engage government through voting and volunteering by eliminating disparities in participation and barriers to participation.

**FINANCIAL IMPACT:** There is no financial impact associated with the analysis of these sites to this point of the preliminary phase of the analysis. Should be BOCC ask that preliminary phase activities continue that involve more in-depth study, these estimated costs would range from $10,000 to $15,000 per site. Adequate funds are available within the appropriated Southern Library capital project for these in-depth studies.

**RECOMMENDATION(S):** The Manager recommends that the Board allow the Manager to initiate discussions with the Carrboro Town Manager on property acquisition options for the 203 S. Greensboro property.

ORANGE COUNTY
NORTH CAROLINA

**MEMORANDUM**

**Date**: July 17, 2015

**To**: Board of Orange County Commissioners

**From:** Bonnie Hammersley, Orange County Manager

**Subject:** Southern Branch Library and CAIC Discussions

The purpose of this memo is to provide a summary of the discussion from meetings that occurred on the Carrboro Arts and Innovation Center (CAIC) and the Southern Branch Library project for the Board of Orange County Commissioners (BOCC) and Town of Carrboro Board.

On July 7, 2015, the County Manager, Deputy County Manager, County Asset Management Services Director, Town of Carrboro Manager, and the Town of Carrboro Planning Director met to discuss the CAIC and the status of the Southern Branch Library sighting process. The County reiterated that it will continue to participate in the CAIC process with the understanding that the evaluation of sites for a stand-alone Southern Branch Library will run on a parallel track. At the next CAIC meeting (July 20), County staff will provide an update regarding the County's role in the CAIC as well as the status of the library siting process. In an effort to keep the Town of Carrboro Aldermen and the BOCC informed it was decided that County staff would provide a chronological list of events related to the Southern Branch Library from 2010 to present (Attachment A). Also, the managers agreed to expand efforts to keep their boards informed throughout the process of any changes as they occur.

On July 8, 2015, the BOCC Chair, the Town of Carrboro Mayor, the Town Manager and the County Manager met to discuss the recent concerns regarding the communication to the Town of Carrboro Aldermen on CAIC and the Southern Branch Library project. The Mayor and the Chair asked the managers to continue to share routine as well as sensitive information with the Boards throughout the duration of the project. A discussion of the next steps in the process took place and is summarized below.

The County staff is currently evaluating a number of sites from the County's list of potential sites (Attachment B). This attachment includes all the sites evaluated by the County; the strikethroughs constitute sites that do not meet the specified criteria adopted by the BOCC on September 18, 2012:

- Visibility
- Site Capacity, Parking
- Access (pedestrian, cycling, vehicular, public transportation)
- Alignment with Planning Tools and Comprehensive Plan
- Acquisition Considerations (lease vs. purchase)
- Centrality of Location
- Physical Site Conditions, Allowances and Constraints
- Site Cost and Availability
- Community Preference
- Advantages of Partnerships

The County staff intends to narrow the evaluated sites down to the top two (2) sites and present to the BOCC in a "Staff Report" for the September 1, BOCC next regularly scheduled meeting. The County staff will solicit input from the Town of Carrboro staff as these remaining sites are further evaluated so that the Town of Carrboro's interests and concerns are considered and presented in the Staff Report.

If you have questions, please do not hesitate to contact me. Thank you.

cc: Town of Carrboro Aldermen

## Attachment A: Southern Branch Library Project Chronology

***2010-2012*** - Evaluation and ultimate BOCC rejection of 210 Hillsborough Street location as a Southern Branch Library site.

***September, 2012*** - BOCC adopted site selection criteria.

***December, 2012*** - Letter from Carrboro Manager to the County Manager suggesting 3 sites be evaluated.

***May, 2013*** - Letter from Carrboro Manager to the County Manager suggesting 4 additional sites be evaluated.

***November, 2013*** - BOCC authorized staff to begin primary phase 1 due diligence on 120 Brewer Lane site.

***January, 2014***- BOCC authorized staff to begin the public input work as part of the primary phase due diligence on 120 Brewer Lane site.

***May, 2014*** - Staff report to BOCC updating the primary phase due diligence and public input process for the 120 Brewer Lane site.

***October, 2014*** - Staff report to joint meeting of BOCC and Carrboro Board of Aldermen on progress of 120 Brewer Lane Memorandum of Understanding and Development Agreement negotiations.

***June, 2015*** - Southern Branch Library site criteria update staff report to BOCC CAIC Steering Committee update reports to BOCC and Carrboro Board of Aldermen.

## Attachment B: Potential Southern Branch Library Sites Submitted for Evaluation

1. ~~210 Hillsborough Street, Carrboro~~

2. ~~1128 Hillsborough Street, Carrboro (Shetley Property adjacent to MLK Park)~~

3. ~~401 Fidelity, Carrboro (Adjacent to Westwood Cemetery)~~

4. ~~301 West Main Street (Carrboro Town Hall)~~

5. ~~120 Brewer Lane, Carrboro (Butler Property)~~

6. 203 S. Greensboro, Carrboro (Municipal Parking Lot)

7. ~~201 N. Greensboro, Carrboro ("CVS" site)~~

8. ~~300 E. Main Street, Carrboro~~

9. ~~Century Center, Carrboro~~

10. ~~501/503 Franklin Street, Chapel Hill~~

11. 311 E. Main, Carrboro (Fire & Hearth Assembly)

12. 200 E. Main Street, Carrboro (Municipal Parking - "Armadillo" Property)

13. 101 N. Merritt Mill, Carrboro (St.Paul AME Zion Church Property)

ORANGE COUNTY
NORTH CAROLINA

**MEMORANDUM**

October 8, 2015

TO: Bonnie Hammersley, County Manager

FROM: Travis Myren, Deputy County Manager

RE: Status of Rogers Road Project

The joint meeting with the Town of Carrboro includes an agenda item on the status of the Historic Rogers Road Sanitary Sewer Extension project. This memorandum summarizes the current project status and identifies some of the significant decision points to expect in the future.

In May, the County executed an inter-local agreement with Orange Water and Sewer Authority (OWASA) to oversee the design and engineering process for the extension project. OWASA subsequently contracted with URS Corporation to complete the technical specifications, permitting process, easement plat development, and cultural resource survey. The design and engineering work is currently underway and is expected to be completed in the summer of 2016. The consultants' work will culminate in final construction drawings and specifications to use in the bidding process.

Throughout the design process, a project team composed of representatives from OWASA and each of the jurisdictions has been meeting to monitor project status, coordinate activities, and discuss project priorities. OWASA has also communicated detailed project activities occurring on the project site with the neighborhood and will continue this level of communication during the entire course of the project.

The County has also executed an agreement with the Marian Cheek Jackson Center for Saving and Making History (Jackson Center) to assist with community outreach. The Jackson Center helped to organize an initial community meeting that was held over the summer and continues to facilitate communication between neighbors and the municipal partners. The Jackson Center will also play an important role in assisting with outreach related to the acquisition of easements.

As the design process is proceeding, the County is beginning the process to acquire easements. The County expects to receive preliminary information later this month to more precisely identify the required easements and to create a standard agreement and formula to calculate the value of those easements. This work will include an educational outreach meeting with the community this winter and

the involvement of the Jackson Center to assist with connecting the County with individual landowners and residents.

The future project schedule relies on continued collaboration among the project partners. Some examples of these decision points include:

- As the design proceeds, OWASA will receive updated construction costs. The project partners will need to consider these costs as budgets are prepared for the next fiscal year.
- As the project transitions from design to construction, the County will need to establish a new agreement with OWASA, and the partners will need to approve a new inter-local agreement that continues the partnership during the construction phase.

I hope this information is helpful. Please contact me if you have any questions.

**Attachment 2b**

TO: Town of Carrboro Alderman
Town of Chapel Hill Council
Board of Orange County Commissioners

FROM: David Andrews, Town of Carrboro Manager
Bonnie Hammersley, Orange County Manager
Roger Stancil, Town of Chapel Hill Manager

RE: Rogers Road Water and Sewer District Proposal

The final report of the Historic Rogers Road Neighborhood Task Force, September 17, 2013 included recommendations to proceed with the Rogers Road Sewer project. The task force also contemplated the creation of a water and sewer district and directed the managers to explore the creation of such a district using a collaborative approach. The purpose of this memorandum is to inform our Boards of a joint recommendation for the creation, financing and development of a Rogers Road Water and Sewer District (District) which is further explained below.

The Managers have discussed this recommendation with Ed Kerwin, OWASA Executive Director for technical support, Bob Jessup, Bond Counsel for legal procedural issues, and the Rogers Road Eubanks Neighborhood Association (RENA) representatives David Caldwell and Reverend Campbell for the community perspective. The conversations have been well received and we anticipate working closely with these stakeholders as the recommendation matures.

**The commitment to extend the sewer system to the 86 owners of properties within the Historic Rogers Road neighborhood has been and will remain the priority throughout the consideration of a proposed Rogers Road Water and Sewer District.**

**Objective**

The objective of creating a Water and Sewer District is to provide a tool to finance expenditures in the District. To accomplish this goal, staff recommends that Orange County create the Rogers Road Water and Sewer District. The Managers' are recommending this course because a) the District would be able to implement a schedule of rates, fees, and charges independent of OWASA's schedule, which can therefore be tailored to the special characteristics of the District, and b) the District may be able to obtain loans and grants that Chapel Hill, Carrboro, and Orange County are not eligible for (such as funds from social justice agencies or funds from water and sewer infrastructure grant programs). In addition, the District will not have its own planning authority and can serve as a focus for joint planning of the area by the three jurisdictions.

**Procedure**

The creation of the District is not procedurally complex—all that is needed is a) a public hearing (preceded by published and posted notice) and b) a simple resolution enacted by the Board of County Commissioners stating that the District's residents will benefit from the District's establishment. The entire process of creating the District can be completed as quickly as 60 days

from publishing the notice of public hearing. By law, the Board of County Commissioners serves as the District's governing body. The District would contract with OWASA to manage the provision of water and sewer services within the District. The Town of Carrboro would need to consent through resolution to including any portion of the District lying within Carrboro town limits as part of the District.

**Financing**

Debt financing would be used to extend service to the District's residents. District construction costs would be funded by either a) the District borrowing from private sources or b) the three governments advancing funds to the District from borrowed funds or cash on hand.

- Legally available methods for the District to borrow money on its own would include general obligation bonds (after approval by voters within the District), revenue bonds and installment financing. Because of the limited asset base and cash-flow of the District, however, Chapel Hill, Carrboro, and Orange County (in some combination) would likely be asked to commit to a "moral obligation" to provide funds to bridge any gaps in debt service payments.
- If the three governments and/or OWASA advance funds to the District, the funding partners would either a) pay cash into a central fund upfront for construction costs, b) pay OWASA as requested, or c) a combination of the two. Any partner could borrow its contribution, and the District's repayment obligation to the partner could bear interest.

The District would use some combination of several available revenue streams to repay the debt, whether to a third-party lender or back to the funding partners. The District could use its net operating revenues as the primary source of repayment. The capital charges could be levied, such as development fees for currently open space. The District would have its own taxing authority (via a separate rate set by the County Commissioners should they choose to levy an additional tax) and could levy special assessments.

The Managers' will present this recommendation to their respective Boards independently for feedback and consideration in October at a regularly scheduled meeting. If you have any questions in the meantime, please do not hesitate to contact us.

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**ORANGE COUNTY**
**BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**
**Meeting Date:** October 13, 2015

**Action Agenda Item No.** 1

**SUBJECT:** Report on Article 46 Funds (One-Quarter Cent Sales Tax) to Support Education and Economic Development Programs in Orange County

**DEPARTMENT:** Economic Development, Finance & Administrative, Planning & Inspections

**PUBLIC HEARING: (Y/N)** No

**ATTACHMENT(S):**
(A) June 21, 2011 Resolution Regarding Uses of Potential Revenues from a One-Quarter (¼) Cent County Sales & Use Tax
(B) Article 46 Sales Tax Budgeted and Use (Since Inception on April 1, 2012)
(C) Article 46 PowerPoint Presentation

**INFORMATION CONTACT:**
Paul Laughton, (919) 245-2152, Acting Chief Financial Officer
Steve Brantley, (919) 245-2326, Director, Economic Development
Craig Benedict, (919) 245-2592, Director, Planning & Inspections

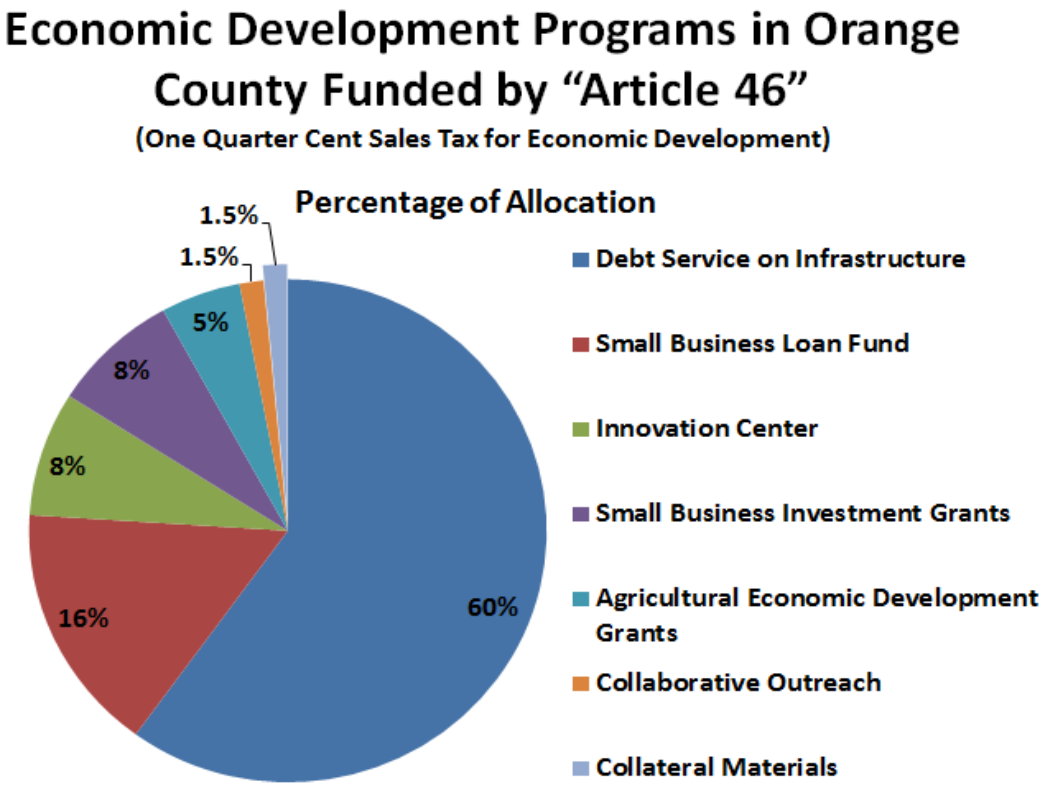
**PURPOSE:** To receive a report on Orange County's education and economic development programs paid from "Article 46" proceeds.

**BACKGROUND:** Orange County voters approved a referendum in November 2011 to levy a supplemental one-quarter (1/4) cent sales tax that generates approximately $2.5 million in additional annual funding for education and economic development purposes. Called "Article 46" funds, the program collects and shares these funds between education and economic development, with each receiving half, or $1.25 million annually. The 50/50 share of Article 46 funds for economic development is initially set for 10 years. (See Attachment A – June 21, 2011 Adopted Resolution.) The Orange County Board of Commissioners adopted a Resolution in December 2011 authorizing the new one-quarter cent sales tax, and actual proceeds began to accrue April 1, 2012.

Attachment A reflects a summary of the Article 46 Sales Tax Budgeted and Use amounts, since its inception on April 1, 2012. The attachment includes a summary table for both education and economic development, and is followed by detailed information related to economic development. The summary tables also include Actual Article 46 Collections information since inception, which reflect collections exceeding prior years' budgets.

The following summary table and pie chart identify 7 core programs where Article 46 funds are used for economic development throughout Orange County for an initial 10 year period, as specified in the BOCC Resolution. Based on an average of $1.25 million in

sales tax collections, these seven 7 programs provide the following support for economic development programs:



| ECONOMIC DEVELOPMENT PROGRAMS IN ORANGE COUNTY FUNDED BY "ARTICLE 46" (ONE QUARTER CENT SALES TAX FOR ECONOMIC DEVELOPMENT) | | |
|---|---|---|
| Key Sectors | | |
| | | |
| **Economic Development Use of Funds** | **Annual Funds** | **Percentage of Allocation** |
| **Debt Service on Water & Sewer Infrastructure in Orange County's 3 Economic Development Districts** | **$750,000** | **60.0%** |
| **Small Business Loan Fund** | **$200,000** | **16.0%** |
| **Innovation/Incubator Center for Entrepreneurial Development ("LaUNCh Chapel Hill")** | **$100,000** | **8.0%** |
| **Small Business Investment Grants** | **$100,000** | **8.0%** |
| **Agricultural Economic Development Grants** | **$60,000** | **5.0%** |
| **Marketing & Collaborative Outreach** | **$20,000** | **1.5%** |
| **Collateral Materials, Advertising, Publishing** | **$20,000** | **1.5%** |
| | | |
| **ANNUAL TOTAL** | **$1,250,000** | **100.0%** |

**(1) <u>Debt Service on Utilities</u> 60% of funds ($750,000)**

Article 46 funds for economic development support infrastructure projects - primarily public water and sewer within land use designated economic development zones. Interlocal agreements with utility providers for eventual maintenance are necessary as the County has accomplished with Mebane and Durham. A ten-year program is underway to install 'backbone' or primary collector utilities in 3 economic development zones – Efland/Buckhorn/Mebane, Hillsborough and Eno (I-85/U.S. 70) and was planned within the Capital Investment Plan. In total, these areas cover over 3,000 acres. However, these primary systems do not provide adjacency to every lot, but provide the major collector back to the existing utility. Funding for infrastructure is mainly in three financial lines:

- **Debt service** - When the construction phase of the project is bid and awarded, the cost can be part of a loan package with other County capital and paid by Article 46.

**<u>Economic Development Account (PROCEEDS, NOT DEBT)</u>**

- **Infrastructure Services/Addendums** - The design and easement acquisition phase and later construction oversight (also known as soft costs) have been paid with existing Article 46 proceeds. They were therefore not subject to the higher cost of interest laden debt service, and due to the time-frame, would be more difficult to include in a more finite capital loan package. This could also be used for site certification; geo-technical & environmental testing, etc.

- **Economic Development Utility Extensions** - This budget item is for specific industry projects that come forward through the Economic Development Department that are not adjacent to the to the primary collector infrastructure. This may be a project such as Morinaga where $250,000 was used for an extension for water, sewer and design services that permitted Orange County to obtain Community Development Block Grants (CDBG) and construction work by the North Carolina Department of Transportation (NCDOT).

Buckhorn Economic Development District

For example, during 2012 and 2013, the County made an initial $4 million expenditure to create a "backbone" water and sewer network stretching from the Cheeks and Efland areas westward through the Buckhorn Economic Development District. At that same time, the Japanese candy company Morinaga & Co., Ltd., which was considering sites across a dozen North Carolina counties and in other states, was able to find a preferred Orange County site now served by utilities. In September 2013 the company selected Orange County and announced nearly 100 new manufacturing jobs and an initial investment of up to $48 million. Morinaga America Foods became Orange County's largest manufacturing facility, and is expected to make an expansion of equal size in three to five years.

Town of Carrboro

Another example of Article 46 funding for utility infrastructure is the Carrboro/County Interlocal Agreement used to repair a failing sewer line on Roberson Street. This privately owned sewer line, which serves over 20 downtown businesses employing more than 100 people, has now been repaired. Carrboro received State funding from a Community Development Block Grant that paid for up to 75% of the repair cost, and the County participated financially with Carrboro by sharing in the cost of the CDBG's required 25% co-pay.

**(2) Small Business Loan Fund** **16% of funds ($200,000)**

The Orange County Economic Development office manages a loan program to financially assist small and start-up businesses, including agriculture and food processing firms, to grow and remain in operation in the County. The loan program provides necessary growth capital to firms which are typically unable to receive normal bank financing due to having short operating experience or credit issues that would preclude the firm from receiving a bank loan. Article 46 funds are available, when needed, to replenish the loan program's lending capabilities. Typical loans can be made for as much as $100,000 with up to a 10-year repayment term.

| Borrowers: | Location: |
|---|---|
| Ceremony Salon | Carrboro |
| Tin Can Ventures | Cedar Grove |
| Phd | Hillsborough |
| Skram Furniture | Hillsborough |
| The Depot | Hillsborough |
| Mystery Brewing | Hillsborough |
| Accidental Baker | Hillsborough |
| MasterPeace Barber Shop | Hillsborough |
| Santosha | Chapel Hill |

- Isis I.T. Chapel Hill
- Orange County Gymnastics Chapel Hill
- Flawless Day Spa Chapel Hill

To date, a total of twelve (12) loans have been made to eleven (11) small businesses, and there are 10 current loans outstanding totaling $214,099. The loan program has experienced no delinquent history or negative write-offs.

**(3) Entrepreneurial & Incubator Support** **8% of funds ($100,000)**

The retention of promising entrepreneurial start-up talent originating here in the County, such as UNC Chapel Hill students, has been difficult due to a lack of affordable office space in an attractive incubator environment. Article 46 allows the County to participate in a program that provides an affordable and creative work environment that can better retain innovation talent that had historically been leaving the community. The current Interlocal Agreement between Orange County and the Town of Chapel Hill supports the monthly lease requirements for the ***"LaUNCh Chapel Hill"*** innovation center, located on Rosemary Street.

Over the initial 3 ½ year period established in the Interlocal Agreement, the County will have provided $140,000 in economic development funding to support entrepreneurial growth through incubator funding. "LaUNCh Chapel Hill" has over 20-plus full-time promising start-up firms, and receives additional financial backing and student mentoring from the University of North Carolina and from private donors. At the request of LaUNCh, the Town of Chapel Hill and UNC, Orange County staff will soon present to the BOCC a proposal for a 3-year extension of the Interlocal Agreement, at the same annual cost, to continue the County's financial commitment to LaUNCh.

**(4) Business Investment Grants** **8% of annual funds ($100,000)**

The new small business grant program became active in early 2015 following the Board of Commissioners' approval of an application, grant scoring sheet and set of guidelines, patterned after the Small Business Loan Program, which had been drafted by the Orange County Economic Development Advisory Board in 2014. This grant program assists in the retention and expansion of small businesses and start-ups in Orange County. A subcommittee of the advisory board is now conducting quarterly reviews of submitted applications, and recently approved 8 initial small business grants totaling $61,712. To date, there are 34 new and/or deferred grant applications up for review on Oct. 22nd. Grant recipients represent small businesses located in all municipalities and rural areas of Orange County, and provide another example of Article 46 funding benefitting the community.

**(5) Agriculture Investment Grants** **5% of funds ($60,000)**

The new agriculture grant program also became active in early 2015 following the Board of Commissioners' approval of an application, grant scoring sheet and set of guidelines, patterned after the Small Business Loan Program, which had been drafted by the Orange County Economic Development Advisory Board in 2014. This grant program assists in the retention and expansion of local farming operations, food processing firms and start-ups, and related agricultural and food systems businesses here in Orange County. A subcommittee comprised of agriculture-based economic developers is also conducting quarterly reviews of submitted applications, and recently approved seven initial small

business grants totaling $57,987. Grant recipients and a dozen new applications represent farms and food processing businesses located in all municipalities and rural areas of Orange County, and provide another example of Article 46 funding benefitting the community.

**(6) Marketing & Collaborative Outreach** **1.5% of funds ($20,000)**

The final two categories allow Orange County Economic Development the ability to fund marketing efforts and promote Orange County's economic development advantages. Applications have included the following examples:

- Develop marketing materials to promote business retention & expansion efforts, agriculture ventures & local food systems businesses throughout the County.
- Sponsor specific requests the County receives from the County's economic development partners (towns' economic developers, & chambers of commerce) to participate in consultant studies, ad campaigns, tourism events & business networking venues.

**(7) Advertising, Publishing & Collateral** **1.5% of funds ($20,000)**

- Maintain the Orange County Economic Development department's web page, and create a new searchable web guide of small, locally owned businesses.
- Buxton software to assist in retail marketing.
- Radio ad campaign (with the Orange County Visitors Bureau) on WCHL 1360.
- Funding for local newspaper ads & marketing collateral development.

**FINANCIAL IMPACT:** There is no direct financial impact associated with discussion of Article 46's One-Quarter Cent Sales Tax program. There are no action items requiring formal decisions.

**SOCIAL JUSTICE IMPACT:** The following Orange County Social Justice Goals are applicable to this agenda item:

- **GOAL: ENSURE ECONOMIC SELF-SUFFICIENCY**
  The creation and preservation of infrastructure, policies, programs and funding necessary for residents to provide shelter, food, clothing and medical care for themselves and their dependents.

- **GOAL: ESTABLISH SUSTAINABLE AND EQUITABLE LAND-USE AND ENVIRONMENTAL POLICIES** The fair treatment and meaningful involvement of people of all races, cultures, incomes and educational levels with respect to the development and enforcement of environmental laws, regulations, policies, and decisions. Fair treatment means that no group of people should bear a disproportionate share of the negative environmental cons

**RECOMMENDATION(S):** The Manager recommends that the Board receive the Article 46 report and provide any comments or questions.

## Article 46 Sales Tax Proceeds Budgeted and Use (since Inception on April 1, 2012)

| Education Summary | Current Budget | Actuals (thru 9/30/15) | Committed* | Balance |
|---|---|---|---|---|
| Chapel Hill-Carrboro City Schools: | | | | |
| *Classroom/Academic Improvements* | 380,000 | 275,731 | 104,269 | 0 |
| *Renovations and Site Improvements* | 1,335,306 | 930,675 | 404,631 | 0 |
| *Technology* | 1,764,982 | 1,332,239 | 432,743 | 0 |
| **Subtotal** | **3,480,288** | **2,538,645** | **941,643** | **0** |
| Orange County Schools: | | | | |
| *Technology* | 2,195,490 | 1,493,152 | 702,338 | **0** |
| **Subtotal** | **2,195,490** | **1,493,152** | **702,338** | **0** |
| **Total** | **5,675,778** | **4,031,797** | **1,643,981** | **0** |
| ***Revenues: Actual Collections in excess of prior years' budgets (since inception) - Note: A Budget Amendment would be required*** | ***382,806*** | | | ***382,806*** |
| **Grand Total - Education** | **6,058,584** | | | **382,806** |

| Economic Development Summary | Current Budget | Actuals (thru 9/30/15) | Committed | Balance |
|---|---|---|---|---|
| Economic Development Account (includes FY 11-12 and FY 12-13 - prior to budgeting by Initiatives) | 1,562,500 | 1,108,741 | 973,635 | (519,876) |
| Debt Service on Infrastructure | 2,463,278 | 1,271,083 | 706,996 | 485,199 |
| Infrastructure - Utility Service Agreement with Mebane | 150,000 | 150,000 | 50,000 | (50,000) |
| Collaborative Outreach | 60,000 | 16,583 | 0 | 43,417 |
| Small Business Loan | 600,000 | 0 | 0 | 600,000 |
| Collateral Materials | 60,000 | 15,000 | 0 | 45,000 |
| Innovation Centers | 300,000 | 120,000 | 20,000 | 160,000 |
| Agricultural Economic Development Grants | 180,000 | 59,724 | 0 | 120,276 |
| Business Investment Grants | 300,000 | 61,712 | 0 | 238,288 |
| **Total** | **5,675,778** | **2,802,843** | **1,750,631** | **1,122,304** |
| ***Revenues: Actual Collections in excess of prior years' budgets (since inception) - Note: A Budget Amendment would be required*** | ***382,806*** | | | ***382,806*** |
| **Grand Total - Economic Development** | **6,058,584** | | | **1,505,110** |

| Economic Development Detail | Current Budget | Actuals (thru 9/30/15) | Committed | Balance |
|---|---|---|---|---|
| **Economic Development Account:** | 1,062,500 | | | 1,062,500 |
| *Designated:* | | | | |
| *Economic Development Infrastructure Project (Morinaga) - BOA #9-D on 6/17/14* | | *253,341* | *71,659* | *(325,000)* |
| *Buckhorn EDD Phase 2 - Rock Contingency - BOA #3-B on 12/2/13 and BOA #1-C on 10/7/14* | | *421,500* | *56,016* | *(477,516)* |
| *McGowan Creek Outfall - BOA #2-D on 11/5/13* | | *15,498* | *42,316* | *(57,814)* |
| *AKG North American - County Incentive* | | *80,000* | | *(80,000)* |
| *Emil Malizia - Economic Development Consultant* | | *2,730* | | *(2,730)* |
| *Buxton Company - Retail Recruitment and Business Retention Analysis* | | *71,000* | | *(71,000)* |
| *Town of Carrboro - Roberson Street Sewer Project* | | *38,244* | | *(38,244)* |
| *JF Wilkerson - Morinaga Infrastructure Support* | | *12,784* | | *(12,784)* |
| *Morinaga - 1st County Incentive Payment - August 2015* | | *213,644* | | *(213,644)* |
| *Morinaga - 2nd County Incentive Payment - January 2016* | | | *213,644* | *(213,644)* |
| *Economic Development Infrastructure Project (FY 14-15 CIP)* | | | *100,000* | *(100,000)* |
| *Hillsborough EDD Project (FY 14-15 CIP)* | | | *150,000* | *(150,000)* |
| *Efland Sewer to Mebane Project (FY 15-16 CIP)* | | | *240,000* | *(240,000)* |
| *Economic Development Infrastructure Project (FY 15-16 CIP)* | | | *50,000* | *(50,000)* |
| *Eno EDD Project (FY 15-16 CIP)* | | | *50,000* | *(50,000)* |
| ***Designated SubTotal*** | ***1,062,500*** | ***1,108,741*** | ***973,635*** | ***(1,019,876)*** |
| *Undesignated:* | | | | |
| *Economic Development Utility Extension Projects (FY 14-15 CIP)*** | 250,000 | | | *250,000* |
| *Economic Development Utility Extension Projects (FY 15-16 CIP)*** | 250,000 | | | *250,000* |
| ***Undesignated SubTotal*** | ***500,000*** | | | ***500,000*** |
| ***Total*** | ***1,562,500*** | ***1,108,741*** | ***973,635*** | ***(519,876)*** |
| | | | | |
| **Debt Service:** | ***2,463,278*** | ***1,271,083*** | ***706,996*** | ***485,199*** |
| | | | | |
| **Infrastructure:** | 150,000 | | | 150,000 |
| *Utility Service Agreement with Mebane* | | *150,000* | *50,000* | *(200,000)* |
| ***Total*** | ***150,000*** | ***150,000*** | ***50,000*** | ***(50,000)*** |
| | | | | |
| **Collaborative Outreach:** | 60,000 | | | 60,000 |
| *Chapel Hill Chamber - Study* | | *4,000* | | *(4,000)* |
| *Site To Do Business, Inc. - Online Software providing demographic info on the region and County* | | *1,595* | | *(1,595)* |
| *Motivators, Inc. - Promotional Materials* | | *388* | | *(388)* |
| *Chapel Hill Magazine - Advertising/Breakfast Series (partner with Town of Chapel Hill)* | | *10,000* | | *(10,000)* |
| *Hillsborough/Orange County Chamber - Sponsored Event* | | *600* | | *(600)* |
| ***Total*** | ***60,000*** | ***16,583*** | ***0*** | ***43,417*** |

| | Current Budget | Actuals (thru 9/30/15) | Committed | Balance |
|---|---|---|---|---|
| **Small Business Loan:*** ** | **600,000** | **0** | | **600,000** |
| | | | | |
| **Collateral Materials:** | 60,000 | | | 60,000 |
| *WCHL - Advertising* | | *15,000* | | *(15,000)* |
| ***Total*** | ***60,000*** | ***15,000*** | | ***45,000*** |
| | | | | |
| **Innovation Centers:** | 300,000 | | | 300,000 |
| *"LaUNCh Chapel Hill"* | | *120,000* | 20,000 | *(140,000)* |
| ***Total*** | ***300,000*** | ***120,000*** | ***20,000*** | ***160,000*** |
| | | | | |
| **Agricultural Economic Development Grants:** | 180,000 | | | 180,000 |
| *Ag Summit - Sponsorship* | | *1,736* | | (1,736) |
| *Grant Program - Awards* | | *57,988* | | (57,988) |
| ***Total*** | ***180,000*** | ***59,724*** | | ***120,276*** |
| | | | | |
| **Business Investment Grants:** | 300,000 | | | 300,000 |
| *Grants Awarded* | | *61,712* | | (61,712) |
| ***Total*** | ***300,000*** | ***61,712*** | | ***238,288*** |
| | | | | |
| **Grand Total** | **5,675,778** | **2,802,843** | **1,750,631** | **1,122,304** |

**Committed - includes Budget Amendments approved by the Board of Commissioners and Approved CIP allocations*

***No specific projects have been currently identified for utility extensions*

****To date, all Small Business Loans have been allocated from available funds within the Revolving Loan Fund; no allocations have been made from the Small Business Loan within the Article 46 Sales Tax Fund*

ATTACHMENT 4c

# Orange County Economic Development

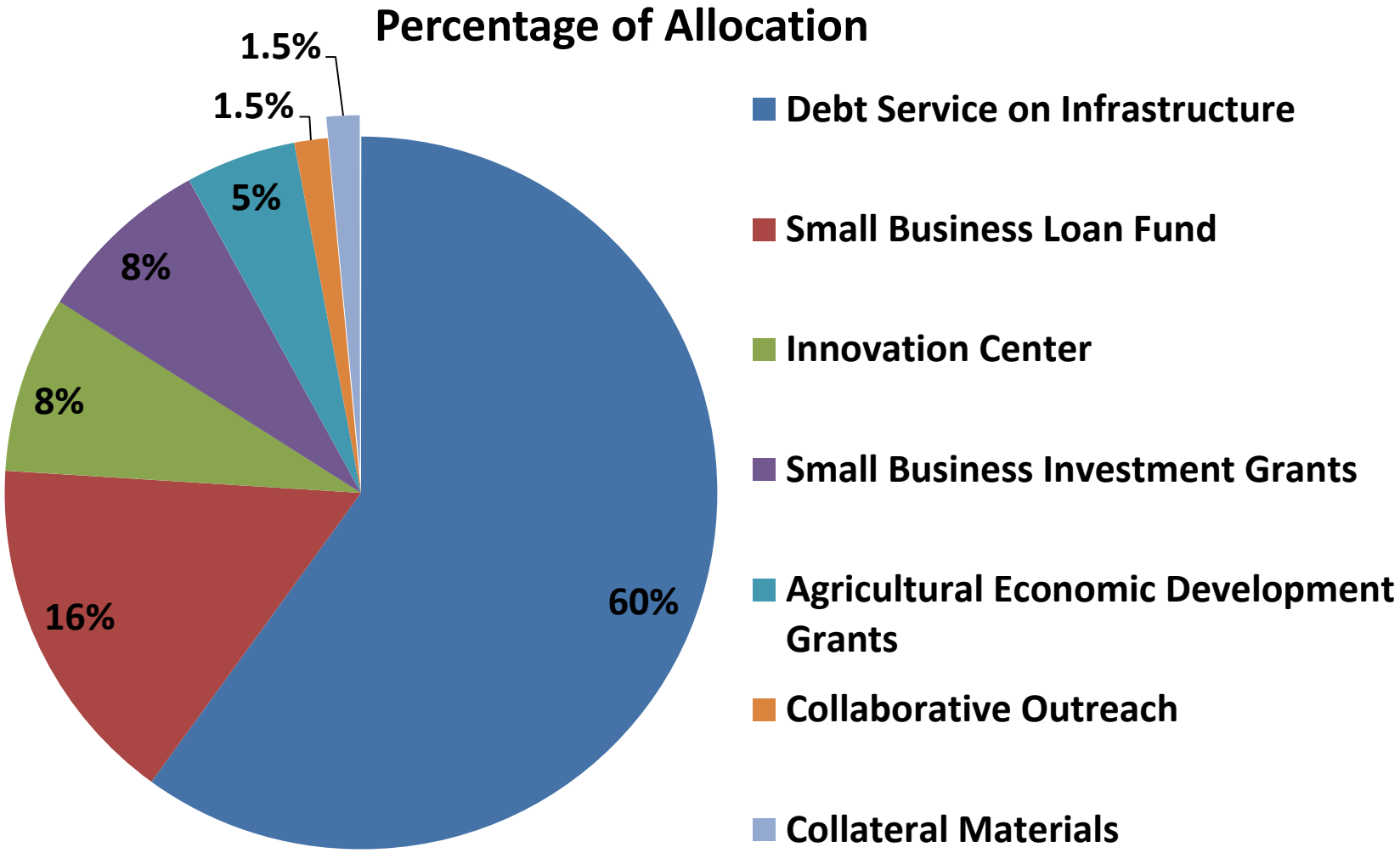
## Discussion of Article 46

## (One Quarter Cent Sales Tax for Economic Development)

**October 13, 2015**

# Economic Development Programs in Orange County Funded by "Article 46"

(One Quarter Cent Sales Tax for Economic Development)



| ECONOMIC DEVELOPMENT PROGRAMS IN ORANGE COUNTY FUNDED BY "ARTICLE 46" (ONE QUARTER CENT SALES TAX FOR ECONOMIC DEVELOPMENT) | | |
|---|---|---|
| KEY SECTORS | | |
| | | |
| ECONOMIC DEVELOPMENT USES OF FUNDS | ANNUAL FUNDS | PERCENT OF ALLOCATION |
| Debt Service on Water & Sewer Infrastructure in Orange County's 3 Economic Development Districts | $750,000 | 60.0% |
| Small Business Loan Fund | $200,000 | 16.0% |
| Innovation/Incubator Center for Entrepreneurial Development ("LaUNCh Chapel Hill") | $100,000 | 8.0% |
| Small Business Investment Grants | $100,000 | 8.0% |
| Agricultural Economic Development Grants | $60,000 | 5.0% |
| Marketing & Collaborative Outreach | $20,000 | 1.5% |
| Collateral Materials, Advertising, Publishing | $20,000 | 1.5% |
| | | |
| TOTAL ALLOCATION PER YEAR | $1,250,000 | 100.0% |

# Debt Service on Utilities & Infrastructure to 3 Economic Development Districts

**Article 46 annual funding: <u>$750,000 or 60% of total</u>**

**<u>Examples of Use</u>:**

**Town of Carrboro**

- County's 50/50 financial participation with the Town of Carrboro to share in the co-pay requirement for the Community Development Block Grant (CDBG) that funded the repair of a failing sewer line on Roberson Street. The utility line has now been repaired.

**Buckhorn Economic Development District**

- Over $4 million spent or committed to fund a backbone water & sewer utility line in the Buckhorn Economic Development District to help recruit prospective industries & business considering sites.

# Debt Service on Utilities & Infrastructure to 3 Economic Development Districts

**Article 46 annual funding: <u>$750,000 or 60% of total</u>**

**<u>Projects</u>**

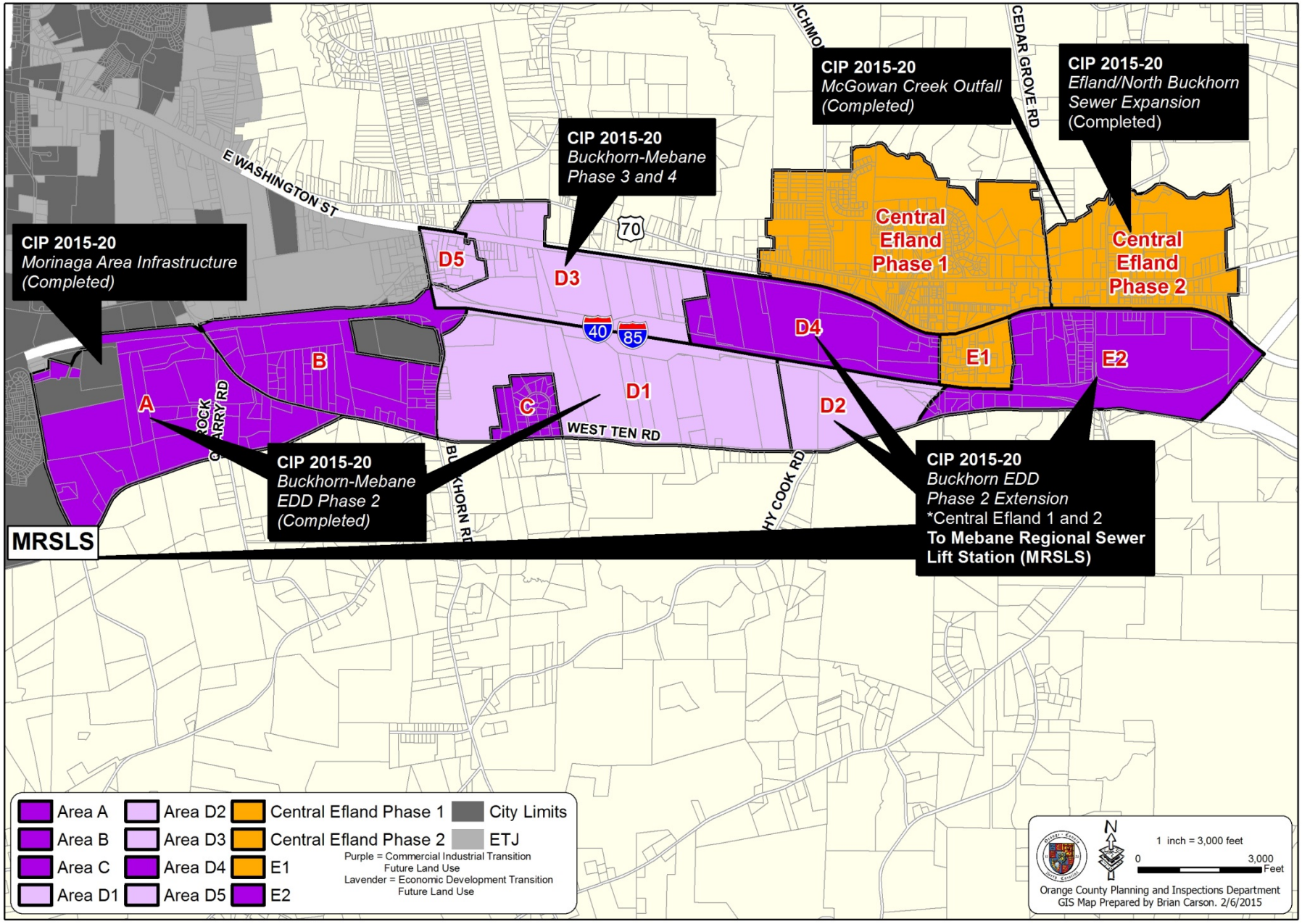
- **Buckhorn-Mebane Phase 2 - Completed**
- **Buckhorn EDD Phase 2 Extension - Design 99%**
- **Eno EDD Utilities – Feasibility**
- **Hillsborough EDD Utilities – Conceptual**
- **Buckhorn-Mebane Phase 3 and 4 – Conceptual**

**<u>Economic Development Account (Undesignated Proceeds, Not Debt)</u>**

- **Morinaga Area Infrastructure – Completed**
- **ED Utility Extension Projects – Prospective industry, project specific infrastructure**

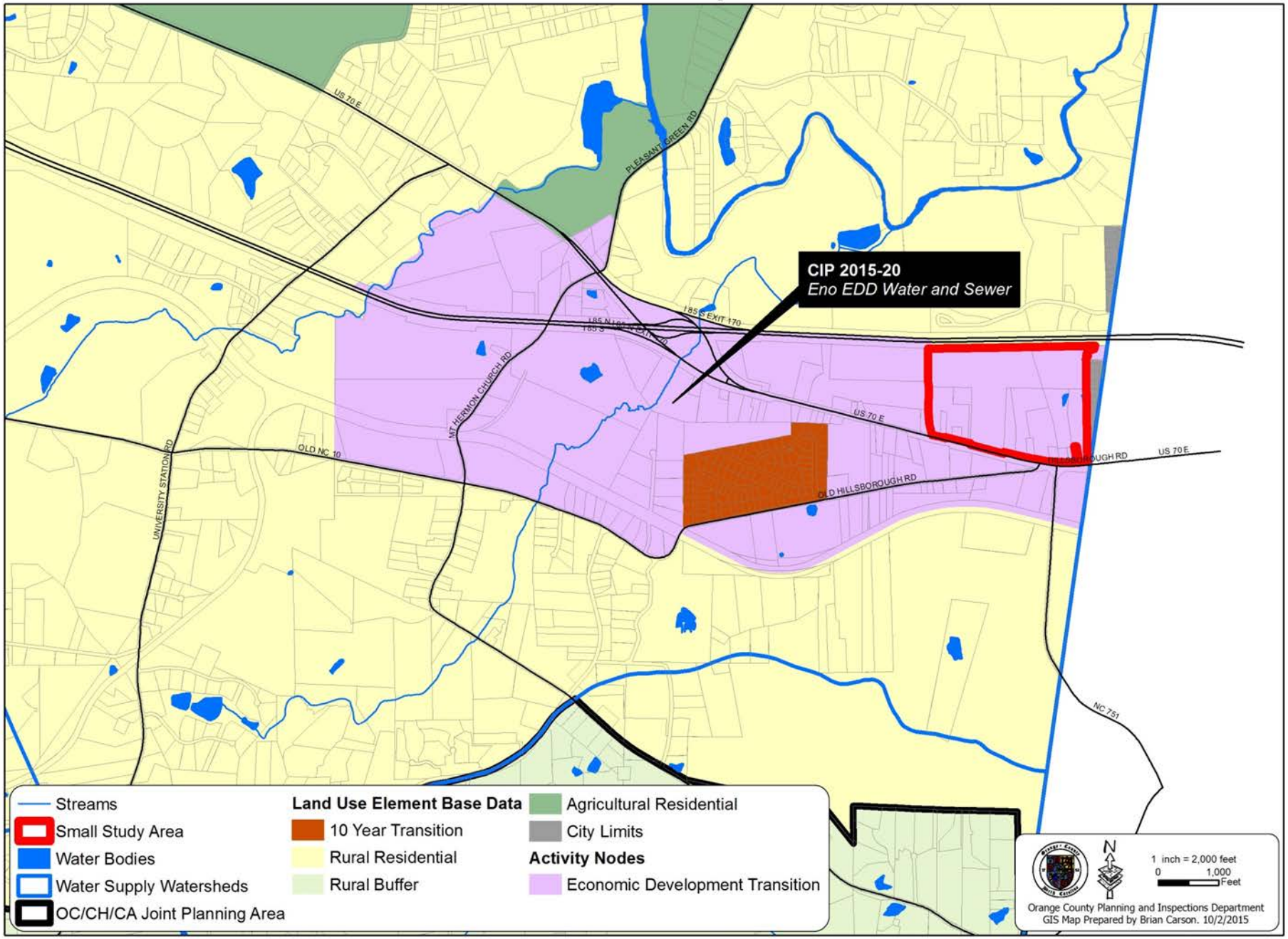
# Efland/Buckhorn/Mebane Capital Projects





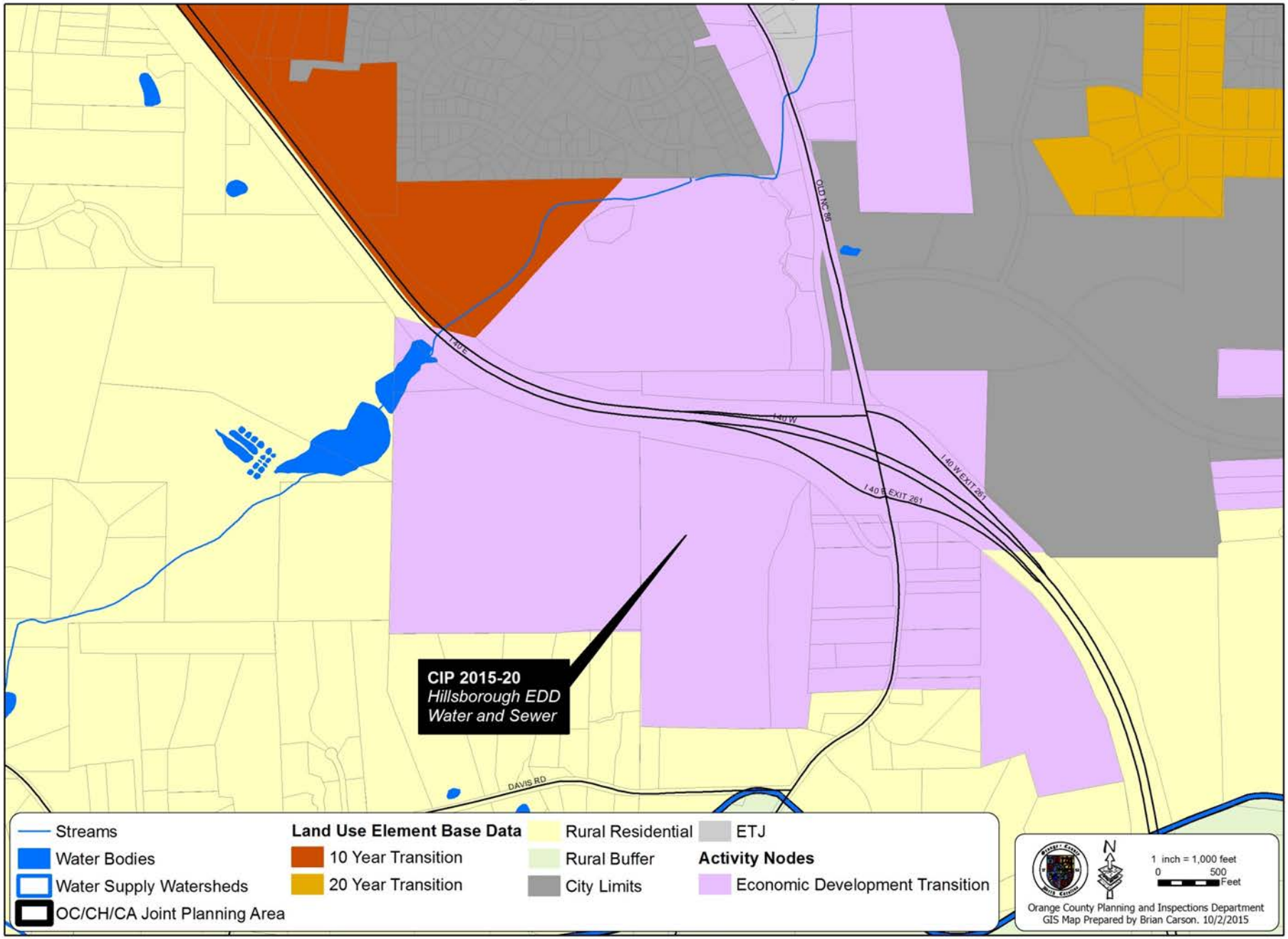
# Eno EDD CIP Project Area





# Hillsborough EDD CIP Project Area





# Small Business Loan Fund

**Article 46 annual funding: <u>$200,000 or 16% of total</u>**

- Article 46 includes a provision to provide up to $200,000.00 annually in additional lending flexibility to Orange County's existing Small Business Loan Program.
- The Program's current loan portfolio is supported by a separate source of revolving funds previously authorized by the BOCC, and no Article 46 monies have been required, to date, to supplement the Program.
- There are no loan delinquencies in the Program's activity.

# Entrepreneurial & Incubator Support

**Article 46 funding: <u>$100,000 or 8% of total</u>**

**<u>Examples of Use</u>:**

- **"LaUNCh Chapel Hill"** innovation center is funded 50/50 through an Interlocal Agreement between Orange County & Town of Chapel Hill. The Interlocal Agreement expires on 12/31/15.

- Orange County will contribute $140,000.00 for 3 ½ year through the initial Interlocal Agreement. UNC & private sponsors also contribute.

- At the request of LaUNCh, the Town of Chapel Hill and UNC, staff will soon present to the BOCC a recommended proposal for a 3-year extension of the Interlocal Agreement, at the same annual cost, to continue the County's financial commitment to LaUNCh.

# Small Business Investment Grant

**Article 46 annual funding: $100,000 or 8% of total**

**Summary of Grant Awards to date:**

- Grant program was approved by the BOCC in March 2015.
- Subcommittee comprised of Orange County Economic Development advisory board members meet quarterly to review grant applications.
- 8 initial grants totaling $61,712.00 were recently awarded in the program's first round of application reviews during the 2nd Q 2015.
- 5 applications were deferred until the second review period
- 34 new and/or deferred grant applications requesting a total of $243,541.67 in grant awards have been submitted for the second subcommittee review meeting on Oct. 20, 2015.

# Small Business Investment Grant

**Article 46 annual funding: $100,000 or 8% of total**

**Approved Grants:**

- ***Carrboro Community Acupuncture*** (Kim Calandra – business expansion)
- ***Tempeh Girl*** (Beth May – sales expansion)
- ***Woman Craft*** (Katherine Palomba – promotional activities)
- ***Trill Financial*** (Simon Jung – computer testing equipment)
- ***MasterPeace Barber*** (Mark Holt – repairs to business location)
- ***Regulator Brewing*** (Anna McDonald Dobbs – marketing)
- ***Seal The Seasons*** (Patrick Mateer & Will Collins – machinery)
- ***The Accidental Baker*** (Kevin Mason – new bakery equipment)

# Agricultural Investment Grant

**Article 46 annual funding: $60,000 or 5% of total**

**Summary of Awards to date:**

- Grant program was approved by the BOCC in March 2015.
- 7 initial agriculture grants totaling $57,987.00 were recently approved in the program's first quarterly round of applicant reviews.
- Grant program is funded by up to $60,000.00 annually from Article 46 proceeds.

# Agricultural Investment Grant

**Article 46 annual funding: <u>$60,000 or 5% of total</u>**

**<u>Approved Grants (first quarterly review)</u>:**

- ***Taylor Fish Farm*** (Valee Taylor – tilapia fish farming)
- ***BoxCarr Farm*** (Austin Genke – fencing for milk goats)
- ***ColorFields Farm*** (Kelly Morrison – greenhouses)
- ***Four Leaf Farm*** (Tim McCaller – greenhouses)
- ***Smith Family Farm*** (Dawn Denson – well for irrigation)
- ***Dawn Breaker Farms*** (Ben Grimes – poultry processing equipment)
- ***Sweet Retreat Orchards*** (Aniko Redmon – irrigation system)

# Agricultural Investment Grant

**Article 46 annual funding: $60,000 or 5% of total**

**New Proposed Agriculture Grants:**
(scheduled for second quarterly review on Nov. 18, 2015):

- 3 new applications have been received.
- 6 additional applications are anticipated to be submitted.
- $60,000 in total awards is forecast for the upcoming second quarterly review of new applications.
- Initial marketing round included radio and newspaper ads; most recent marketing effort had 800 post cards mailed out in Sept. 2015 to County-wide farms & agricultural-related small firms

# Marketing & Collaborative Outreach

**Article 46 annual funding: $20,000 or 1.5% of total**

**Examples of Use:**

- Co-sponsor of the Chapel Hill/Carrboro Chamber of Commerce 's Partnership for a Sustainable Community & Town of Chapel Hill to jointly fund a public-private consultant study by the firm "Urban3 LLC". The study created a 3-D mapping of property tax values per acre throughout the Orange County, and the economic development impact of increasing commercial and retail density in an urban area.
- Hillsborough Chamber's "Riverwalk Movie Series" sponsor in 2015.
- Carrboro Film Festival sponsor.
- Hillsborough Chamber of Commerce's "General Member Breakfast" guest speaker series sponsor in 2015.
- Orange County Agriculture Summit sponsor in 2015 to provide free attendance & meal for all participants.

# Advertising, Publishing & Collateral Materials

**Article 46 annual funding: $20,000 or 1.5% of total**

**Examples of Use:**

- Participation in the Chapel Hill/Carrboro Chamber of Commerce's annual PRIMETIME Business Expo.
- New ad campaign & series of 3 business networking breakfast presentations with the Town of Chapel Hill, assisted by Chapel Hill Magazine, will begin in early 2016.
- Ad campaign with WCHL 1360 AM radio highlighting activity by Orange County's Visitors Bureau & Economic Development.
- Subscription to Buxton Company's "Scout" software to support retail retention & recruitment efforts.