

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

**JOINT MEETING
DRAFT AGENDA**

BOCC/Carrboro Board of Aldermen Joint Meeting
October 16, 2014
Meeting – 7:00 p.m.
Southern Human Services Center
Chapel Hill, NC

Welcome/Introductions and Opening Remarks (Carrboro Mayor
Lydia Lavelle and BOCC Chair Barry Jacobs)

- | | | |
|----------------|----|---|
| (7:00 – 7:35) | 1. | Update on Southern Branch Library – Carrboro Partnership |
| (7:35 – 8:00) | 2. | Article 46 One-Quarter (1/4) Cent Sales Tax Revenues |
| (8:00 – 8:35) | 3. | Update on Solid Waste Advisory Group (SWAG) Discussions |
| (8:35 – 9:05) | 4. | Update on Possible Bond Referendum |
| (9:05 – 9:30) | 5. | Update on Orange County Bus and Rail Investment Plan (OCBRIP)
Status |
| (9:30 – 10:00) | 6. | Ag Support Enterprises in the Rural Buffer |

Orange County Board of Commissioners’ regular meetings and work sessions are available via live streaming video at orangecountync.gov/occlerks/granicus.asp 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 16, 2014

SUBJECT: Joint Meeting Discussion Items

DEPARTMENT: County Manager/Town
Manager/County
Planning/County Solid
Waste/County Library/County
Asset Management
Services/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; Lucinda Munger, 245-2525; Jeff Thompson, 245-2625; Tom Altieri, 245-2579; Craig Benedict, 245-2575; Bret Martin, 245-2582; Clarence Grier, 245-2450; Steve Brantley, 245-2325; Gayle Wilson, 968-2885; Perdita Holtz, 245-2578

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

BACKGROUND:

1. Update on Southern Branch Library – Carrboro Partnership

On May 13, 2014 the Board of County Commissioners (BOCC) authorized staff to engage in negotiations with Main Street Partners of Chapel Hill ("Main Street") regarding the potential Southern Branch Library location adjacent to the 300 Main Street development located in Carrboro. At its October 21, 2014 regular meeting, the BOCC will consider authorizing the Chair to execute a non-binding Letter of Intent with regards to a potential Orange County Southern Branch Library.

Should the BOCC authorize this non-binding Letter of Intent, the estimated timeline regarding the project activity is noted below. It is still planned that as the process for the new Southern Branch Library goes forward the staff will begin preparation for the closure of the two (2) current locations and the transfer of operations, services and staff. For at

least the last 10 years the Library, County, the Town of Carrboro has maintained a mutually beneficial partnership in providing library services to the residents of Carrboro. While the County has always funded the majority of operating funds, the Town has given the Carrboro McDougle Library an annual contribution of \$4000 that primarily goes towards new materials for the collection. The Cybrary has received in-kind contributions from the Town of 1,000 square feet of space in the Century Center, plus utilities, phone, internet and other technology support. The value of this cash and in-kind contribution is approximately \$30,000 per year.

The County looks forward to continuing and expanding this partnership for the Orange County's new Southern Branch Library.

Southern Branch Library - Estimated Project Activity Timeline

This estimated timeline for the development, construction, and operation of the potential Southern Branch Library is as follows. A conservative 4-6 month contingency interval for is reasonable for planning purposes and process delays. Bolded activities signify Board of County Commissioner actions.

Event		Estimated Completion Date
Board of County Commissioners Action: Approval of Letter of Intent between Orange County and Developer		October, 2014
Board of County Commissioners Action: Development Agreement, Ground Lease approval		December, 2014
Board of County Commissioner Action: Designer, Construction Manager at Risk firms selected through RFQ process		April, 2015
Carrboro CUP process (est. 9 months)		September, 2015
Board of County Commissioners Action: Design approval; Authorization to finalize construction documents and solicit Guaranteed Maximum Price; Regulatory review & construction permitting; Acceptance of LGC financing review and approval		November, 2016
Board of County Commissioners Action: Approval of Guaranteed Maximum Price		April, 2016
Project construction & systems commissioning (est. 8 months)		December, 2016
Board of County Commissioners Action: Condominium Declaration & Associated Agreements; Dissolution of Ground Lease		February, 2017
Library Occupancy; Library operations start-up		February, 2017
Opening		April, 2017

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

No Attachments

2. Article 46 One-Quarter (1/4) Cent Sales Tax Revenues

Attachments 2a, 2b, and 2c provide recent financial information relative to the Orange County's Article 46 One-Quarter (1/4) Cent Sales Tax Collection and Use. A pie chart showing the key categories for the Article 46 sales tax expenditure programs for economic development is included. (Actual balances are not shown).

The Town and County previously collaborated and signed an Interlocal Agreement to establish a joint 50/50 co-pay for the repair of the privately owned sewer line on Roberson Street serving over 20 businesses. The primary repair cost to replace this sewer line was funded by a State of North Carolina "Community Development Block Grant" (CDBG) through the N.C. Department of Commerce. The County's 50% portion of the remaining cost was originally estimated at \$37,500 - \$40,000, and was later increased up to an additional \$40,000 to cover the increased repair estimate. The County's portion will be paid by Article 46's ¼ cent sales tax proceeds for economic development. The construction of the new sewer line is now complete, most of the existing businesses have since reconnected to the new line, and in the next 30 days the Town expects to invoice the County for the actual co-pay amount.

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

Attachment 2a – Updated Article 46 Sales Tax Uses October 2014 - Economic Development

Attachment 2b – Article 46 Sales Tax Collection - September 2014 Report

Attachment 2c – Orange County Uses of Article 46 One Quarter Cents Proceeds Since 2011

3. Update on Solid Waste Advisory Group (SWAG) Discussions

The Solid Waste Advisory Group (SWAG) was created by the Orange County Board of Commissioners in June 2014 to develop a draft interlocal agreement between the Towns of Hillsborough, Chapel Hill, Carrboro, and Orange County. The SWAG subsequently requested participation with UNC Chapel Hill and UNC Healthcare. The group is scheduled to present an interim report to the Assembly of Governments meeting on November 19, 2014.

SWAG membership includes:

Barry Jacobs, Orange County Commissioner

Penny Rich, Orange County Commissioner

Matt Fajack, Vice Chancellor for Finance and Administration, UNC Chapel Hill

Mel Hurston, UNC HealthCare

Brian Lowen, Mayor Pro Tem, Hillsborough Town Board
 Kathleen Ferguson, Hillsborough Town Board
 Mark Kleinschmidt, Mayor, Town of Chapel Hill
 Jim Ward, Chapel Hill Town Council
 Lydia Lavelle, Mayor, Town of Carrboro
 Randee Haven-O'Donnell, Carrboro Board of Aldermen

The SWAG has met four times and discussed a wide array of issues related to development of an interlocal agreement for solid waste management, including:

- funding of recycling services and programs
- development of a local transfer station
- notice and approval protocols related to tipping and recycling fees
- enterprise fund organization
- current services and interests of UNC-Healthcare and UNC-Chapel Hill
- various language alternatives for the draft interlocal agreement and as was contained in a town and county staff issues outline of April 2014, and
- a number of other solid waste related matters.

The following link is provided to the web page established for the SWAG:

<http://www.orangecountync.gov/recycling/AdvisoryGroup.asp>

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

No Attachments

4. Update on Possible Bond Referendum

In recent meetings over the past fiscal year, the Board of County Commissioners has discussed the need for a future bond referendum to fund some County and School long-range capital needs, and potential affordable housing projects.

The most recent Orange County general obligation bond referendum occurred in November 2001. That bond referendum totaled \$75 million and the items included on the referendum were as follows:

- ◆ School related projects totaling \$47 million.
- ◆ Parks and Recreation projects totaling \$20 million
- ◆ Senior Center projects totaling \$ 4 million
- ◆ Low and moderate income projects (Affordable Housing) totaling \$4 million

All of the individual items on the bond referendum were approved by the voters in the November 2001. The total bond referendum passed with an average approval rate of approximately 55 percent.

Due to recent changes enacted by the North Carolina General Assembly related to the dates in which a general obligation bond referendum can be held, a general obligation bond referendum can only be held on even numbered years. Therefore, the two possible closest upcoming dates for the Board of County Commissioners to conduct a voter

approved general obligation bond referendum are May 2016 and November 2016. If not held at one of these dates, a potential general obligation bond referendum would be required to be held in May 2018 or November 2018 or in subsequent even numbered years.

At the September 11, 2014 Board of County Commissioners Work Session, the recommended sizing of the potential general obligation bond referendum was discussed at a range between \$100 and \$125 million over a period of 20 years. At current AAA municipal bond interest rates, the total combined debt service for \$100 million is estimated to be \$6.1 million annually. This would represent 4.00 cents on the current property tax rate. At current AAA municipal bond interest rates, the total combined debt service for \$125 million is estimated to be \$7.6 million annually. This would represent 4.67 cents on the current property tax rate.

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

No Attachments

5. Update on Orange County Bus and Rail Investment Plan (OCBRIP) Status

The OCBRIP was approved by the BOCC in June 2012 and provides local and regional transit opportunities including expanded bus service and light rail. Collection of the sales tax, which is the primary local funding source, began in April 2013. The BOCC received an update from Triangle Transit at its February 4, 2014 meeting, which included its annual report, a preview of Plan updates, and additional revenue from the one-half cent sales tax. Materials from this meeting can be found at: <http://www.co.orange.nc.us/occlerks/140204.pdf>.

A summary of the OCBRIP status is attached.

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

Attachment 5 – Summary of Orange County Bus and Rail Investment Plan (OCBRIP) Status

6. Ag Support Enterprises in the Rural Buffer

Orange County and the Towns of Chapel Hill and Carrboro heard proposed amendments to the Joint Planning Land Use Plan and Agreement at the March 27, 2014 joint public hearing. The purpose of the amendments is to potentially allow appropriate agricultural support uses in the Rural Buffer land use classification. Implementing amendments to the County's Unified Development Ordinance have been proposed and are adopted only by the County, with the Towns having the opportunity to comment. The Town of Carrboro has been reviewing both sets of amendments and has discussed the topic at Board of Aldermen meetings on June 3, September 9, and October 7 (materials for these meetings are available on the Town's website at

<https://carrboro.legistar.com/Calendar.aspx>). It is possible the Town of Carrboro may take action on October 14. However, if the Town has not taken action prior to the joint meeting on October 16, the elected officials may desire to further discuss this topic.

The Town of Chapel Hill considered this item at its June 9 Council meeting but deferred action until after the Town of Carrboro has adopted the amendments since it is necessary for all three local governments to adopt the same language. The Town of Chapel Hill is tentatively scheduled to consider the Joint Planning Land Use Plan and Agreement language again at its November 10, 2014 meeting.

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

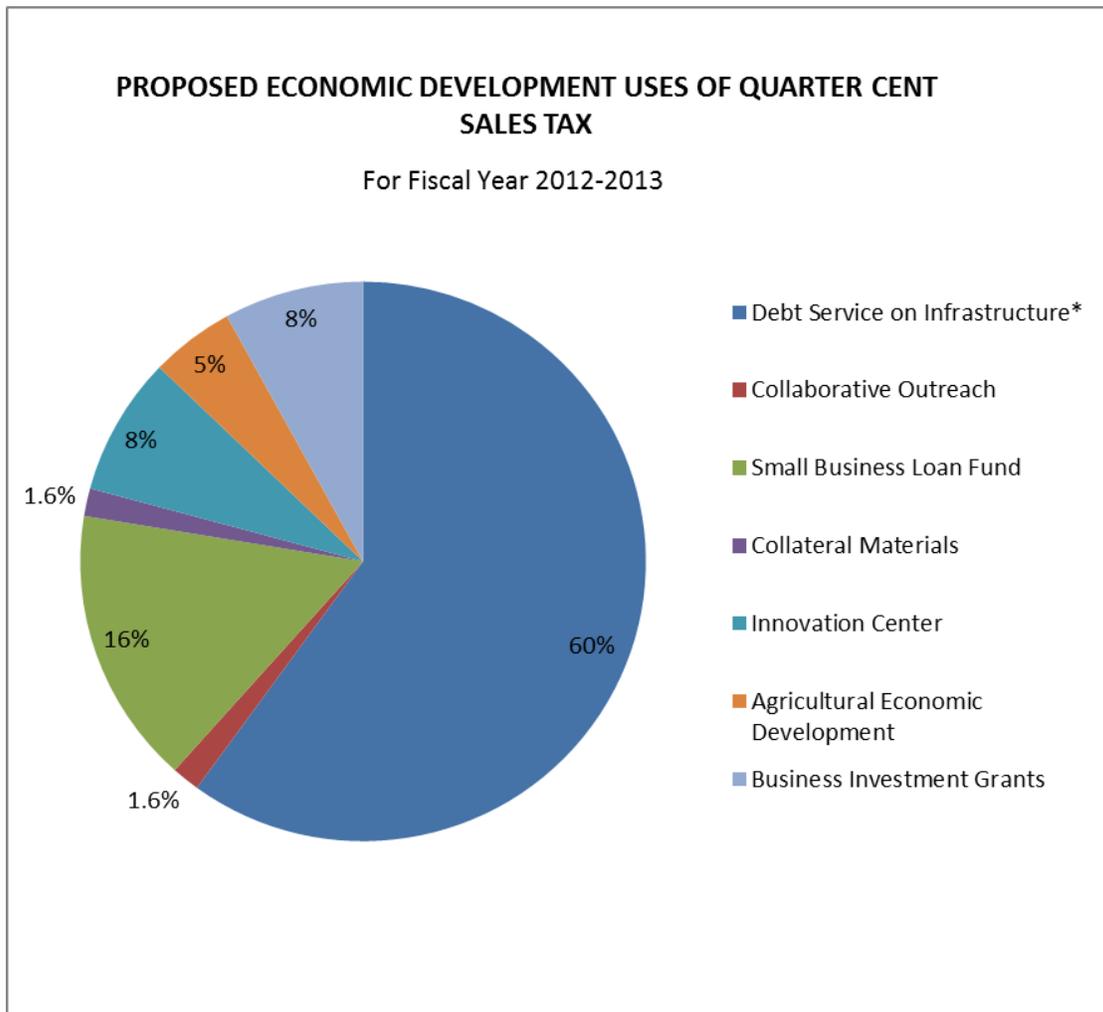
No Attachments

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 2a

ECONOMIC DEVELOPMENT USES OF "ARTICLE 46" QUARTER CENT SALES TAX		
Key Sectors		
Proposed Uses for Economic Development		Percentage of Allocation
Debt Service on Water & Sewer Infrastructure in 3 Economic Development Districts of Orange County	\$ 750,000	60%
Marketing & Collaborative Outreach	\$ 20,000	1.6%
Small Business Loan Fund	\$ 200,000	16%
Collateral Materials, Advertising, Publishing	\$ 20,000	1.6%
Innovation Center for Entrepreneurial Development (LaUNCH incubator)	\$ 100,000	8%
Agricultural Economic Development Grants	\$ 60,000	5%
Business Investment Grants	\$ 100,000	8%
TOTAL	\$ 1,250,000	100%



**Article 46 Sales Tax Collection - September 2014 Report
Orange County, NC**

Revenues

Sales Tax Month/Year	Month Distributed	Amount
Total FY 2011-12		\$ 709,663
Total FY 2012-13		\$ 2,732,718
July 2013	October 2013	229,027
August 2013	November 2013	270,468
September 2013	December 2013	272,023
October 2013*	January 2014	-18,954
November 2013	February 2014	253,259
December 2013	March 2014	282,817
January 2014	April 2014	221,217
February 2014	May 2014	210,450
March 2014	June 2014	257,330
April 2014	July 2014	282,468
May 2014	August 2014	299,990
June 2014	September 2014	299,580
Total FY 2013-14		\$ 2,859,675
Grand Total - Revenues:		\$ 6,302,056

Note: Sales tax refunds were made to the State, from that month's proceeds.

Expenses

Fiscal Month/Year	Department of Economic Development	Chapel Hill- Carrboro City Schools	Orange County Schools
Total FY 2011-12	\$ -	-	\$ -
Total FY 2012-13	\$ 58,730	\$ 51,242	\$ 490,000
Total FY 2013-14	\$ 1,106,944	\$ 1,023,273	\$ 513,055
July 2014	1,500	-	-
August 2014	446	181,245	-
September 2014	426,480	12,767	-
Total FY 2014-15	\$ 428,426	\$ 194,012	\$ -
Grand Total - Expenses:			\$ 3,865,682

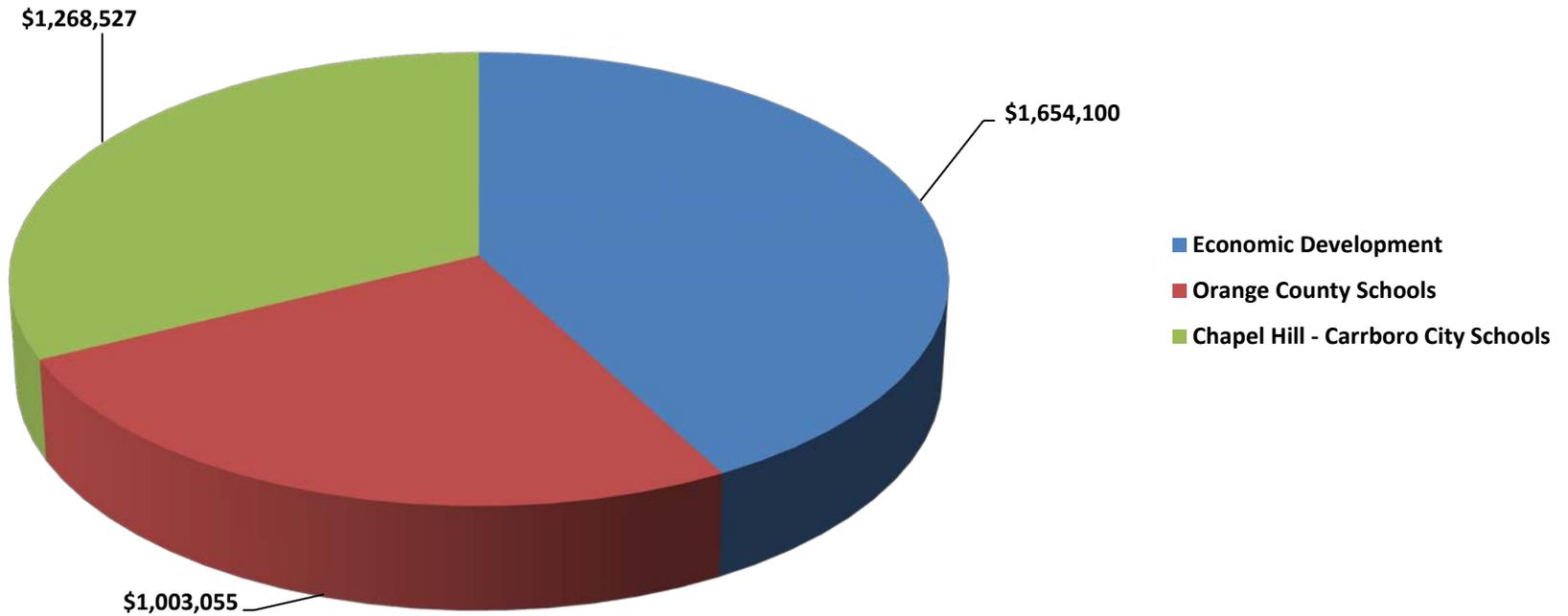
Article 46 Sales Tax Collection - September 2014 Report Orange County, NC

Notes:

The previous tables outline revenue collected and expenses incurred, since the tax's inception. The tables are updated monthly, with the prior month's information. All revenue and expense figures have been rounded to the nearest dollar.

The NC Department of Revenue (DOR) coordinates the collection and distribution of sales tax revenue. County receipt of sales tax revenue can take upwards of three months. For more information, please refer to the DOR's [Sales Tax Distribution and Closeout Schedule](#).

**Attachment 2c
Orange County Uses of Article 46 1/4 Cents Proceeds Since 2011**



Total Article 46 1/4 cents proceeds received since FY2011 total \$6.3 million

Summary of Orange County Bus and Rail Investment Plan (OCBRIP) Status

Light Rail Transit (LRT) - Accepted by FTA into the 'project development stage' to be complete by Feb 2016. Triangle Transit will be holding workshops in November to provide information and collect comments on the environmental work that's underway. The November 18th workshop will be held from 4:00-7:00pm at the UNC Friday Center, Chapel Hill.

North-South Corridor Study - A transit service planning initiative being completed by Chapel Hill and its consultant for the corridor linking Martin Luther King Jr. Boulevard, South Columbia Street and US Highway 15-501 South. The study will identify and evaluate improved accessibility, capacity, convenience and travel-time for riders. Additional public meetings are being held in October: <http://nscstudy.org/public-meetings-oct-21-22-23-2014/>

Amtrak Train Station in Hillsborough – A capacity study on the rail corridor to help determine future needs, which could impact the station or its location, is underway and anticipated to be complete by the end of this year. Following the capacity study, the Town and Triangle Transit will pursue environmental documentation.

Bus Services:

Triangle Transit –

- On August 18, 2014, Triangle Transit initiated Phase I (Hillsborough to Durham) of the Orange-Durham Express (ODX) service and Phase II (extension to Mebane) is expected to commence in early 2015.
- Introduce Saturday night and Sunday service for first time on routes serving and connecting Chapel Hill to other Triangle Area destinations
 - Starting August 2014
 - 1,442 FY 2015 service hours in Orange County
- Additional frequency between Southpoint Mall and UNC
 - Continuation of August 2013 implementation
 - 1,228 annual service hours in Orange County

Chapel Hill Transit -

- Additional peak trips on busiest routes
- Later service on two Saturday routes
- Continuation of evening service during former “reduced service periods”
 - Introduced 2013
 - 1,690 annual service hours
- Offsetting increased cost of existing service
- Financing new buses

Orange Public Transit - Increasing its service incrementally over the next 5-years. Approximately 2,600 additional bus hours will be provided by

OPT during year one and increasing to a total of 7,500 additional bus hours thereafter. The BOCC will consider program specifics at its October 21 meeting, which to date include:

- Expanded dial-a-ride, rural general public demand response service
- Expanded senior center transportation
- Initiation of a midday (10am-3pm) local fixed-route service connecting Mebane, Efland, Hillsborough and Durham
- Extension of the existing Route 420 midday service (currently connecting Hillsborough and Chapel Hill) to Cedar Grove with more frequent service; and
- Continuation of the existing Hillsborough Circulator service and expansion to an additional hour of service.

Carrboro – The BRIP includes a new regional bus service from White Cross to Carrboro to Chapel Hill Express as an “Unfunded Future Priority After Year 2020”. This service is divided into the following two phases: Phase I – A new express route serving Alamance County/Carrboro/Chapel Hill (via NC-54) at an hourly frequency; and Phase II - A new express route serving Alamance County/Carrboro/Chapel Hill (via NC-54) at a 30-minute frequency. A site for a park and ride lot would need to be identified and developed in the White Cross area before this new service could be implemented. The Piedmont Authority for Regional Transportation (PART) presently provides weekday service from Alamance County to UNC Hospital via NC-54, which may present an opportunity to coordinate on a park and ride lot as well as the services it provides with those of the other transit providers, Orange Public Transit and Chapel Hill Transit. Although presently an unfunded priority, in the event that sales tax revenues exceed estimates, additional funds could be made available to increase bus service and meet unfunded priorities.

Additional background documents such as the adopted OCPRIP can be found via the following link, listed under Transportation Documents:

<http://www.co.orange.nc.us/planning/transportation.asp>