

APPROVED 6/16/2020

**MINUTES
ORANGE COUNTY
BOARD OF COMMISSIONERS
VIRTUAL BUSINESS MEETING
MAY 19, 2020
7:00 p.m.**

The Orange County Board of Commissioners met for a Virtual Business Meeting on Tuesday, May 19, 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 (BOCC) conducted a Virtual Business meeting on April 21, 2020. 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 are 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

Bonnie Hammersley said Item 6a – **Eviction Diversion Program and Approval of Budget Amendment #9-A** will be deferred until June 2nd, or earlier, as staff has found out about the Cares Acts Funds, and they anticipate they may be using these funds for departments.

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

Sally Merryman, Chapel Hill-Carrboro Association of Educators, reviewed the following comments:

May 10, 2020

Board of County Commissioners
300 W. Tryon St.
Whitted Bldg. Rm 220
Hillsborough, NC 27278

Dear Members of the Board of County Commissioners:

As you noted many times throughout last week's presentations, the people feeding, counseling, and teaching this community in the midst of this crisis -- along with frontline and other equally essential workers -- are its educators.

The budget the CHCCS Board of Education presented to you is our district's most pro-public education budget in at least a decade. It is one where resources are rightly focused on **all personnel** - classified and well as certified -- and doing right by them. It makes no mention of consultants or pilots promoted by anti-educator legislators.

To be clear, we are supporting a budget that does what is morally right by providing living wages and hiring more educators and TAs to teach our children. It also provides resources to allow educators to remain safe in their homes and get paid when bad weather hits or school closings once again necessitate educators being teachers and parents at the same time. These past two months could not have happened without paid family leave.

It was disappointing to hear you speak so eloquently about living wages in the abstract during Q&A and then tell our most vulnerable education professionals that the BOCC may not fund what it states its values are. Yes, revenues are uncertain, and resources are tighter than planned, yet what is really missing is courage.

Last year, while you did increase school funding, the increase didn't even cover CHCCS's continuation budget ask. And what CHCCS asked for then -- educator benefits -- it continues to request now. Yet somehow you have already found funding to provide your own county employees some of these very same benefits. While we don't begrudge the county employees these benefits, the employees of the local schools also deserve them too.

More disconcerting, though, is even after a local election where it was clear the electorate wants commissioners who they believe will fund our schools, some BOCC members appear unwilling to reconsider their own mindsets to find ways to increase that funding and trust that the public will thank and back you for those efforts. Clearly more conversation is needed, and we are looking forward to having it.

In the coming days and weeks, we will introduce you to educators, parents, students -- many of whom are Orange County taxpayers and voters. They will make it perfectly clear: there is nothing inconsistent with saying we want our schools to be funded even if it means raising

taxes in difficult times and for those funds to be spent wisely and morally on the people who live and work in this county, this community.

Our community wants to rally together. Public education is ***the*** issue to rally around. If we don't, we shouldn't be surprised **when** (not if) the tipping point Commissioner Dorosin alluded to occurs. Trust us, we've been watching how the dollars have been spent in Chapel Hill as close as, or even more closely, than you. We as an Association have been and continue to be outspoken regarding these expenditures. The Chapel Hill-Carrboro community has pulled together in recent months to hold our district leaders accountable for reckless spending and devastating cuts to program funding. But if you don't fund our schools because you're worried about how the funds have been (or might be) spent, you'll be compounding an already long existent problem. Do the right thing. Grant the funding for the benefits CHCCS wants to provide its educators and let the community hold them accountable for making sure it happens.

We are eager to discuss this further with members of the Board of County Commissioners and will reach out in the coming days. Please feel free, however, to get in touch sooner if you feel moved to do so. We look forward to speaking with you soon.

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 Bedford said she attended a Department of Social Services (DSS) meeting yesterday, and approximately 400,000 meal equivalents have been served since this pandemic started. She said DSS is working hard, and is on track. She said she attended a Burlington Graham Metropolitan Planning Organization (BGMPO) meeting, and she got a motion passed unanimously to get the staff and technical group to work together to bring back options for geographic equity moving forward.

Commissioner McKee said at the work session last week, he jokingly asked the Board about joining him at the Whitted building for in person meetings. He petitioned for the BOCC and the public to meet at Whitted for the June 2nd meeting. He said the Board could meet on the floor, in front of the dais, 6 feet apart, with room for staff and public in the surrounding space. He offered this petition as long as it does not conflict with any orders from the Governor, and feels it would be a good way to take a safe step towards normalcy.

Commissioner Greene said she sent an email to the Board about the opioid litigation group. She encouraged everyone to wear masks.

Commissioner Marcoplos said he sent an email to the Board about the organizations to which the BOCC belongs. He said the annual dues total about \$60,000 and he would like to discuss if this is a good use of funds. He said these organizations are: Triangle J, National Association of Counties (NACO), North Carolina Association of County Commissioner (NCACC), and the School of Government.

Commissioner Price said attended the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization (DCHC- MPO) meeting, and there was a transit update. She said Travis Myren sent an email out last week about that, and the comment period ends on May 22nd.

Commissioner Price said the 55th anniversary of the Voting Act will occur on August 6, and she petitioned for a resolution to honor this anniversary be presented at the first BOCC meeting in September.

Commissioner Dorosin said he attended the ABC board virtual meeting, and alcohol sales are up 10% from last year, and Orange County is currently ranked 12th in the state in

revenues. He said ABC has spent \$40,000 in Covid-19 related expenses, including supplies and a \$2/hour raise to all employees. He said the estimate for the ABC store repairs in Hillsborough is \$100,000, but the driver's insurance company will pay this. He said the ABC's recommended budget includes the adoption of a payroll structure that supports a living wage, which is encouraging.

Commissioner Dorosin said his petition is about the role he plays on the ABC Board, as a non-voting position. He said he would like to have a discussion whether the BOCC wants to keep it this way, or if the BOCC would prefer to have a voting member of the board. He said the BOCC talked with John Roberts about this, and the BOCC could have a voting seat. He said is not sure if there are other boards like this. He said the Orange County Board of Commissioners role is more of an advisory, and is not allowed to be a part of the ABC board's closed sessions. He would like a review of any boards like that, and to have a discussion going forward.

Commissioner Dorosin said he received a letter from one of the rural fire departments about the Solid Waste Convenience Centers, but will bring it up later in the meeting.

Chair Rich said Orange County is conducting more Covid-19 testing, which increases positive numbers. She said the numbers are a little higher than desired, and these numbers will come to the BOCC tomorrow. She said Orange County's executive order runs through June 30th and if the governor changes things, the County can go back to change its order, or not.

Chair Rich said when questions arise about items on a BOCC agenda, the process is for questions to be directed to Greg Wilder in the Manager's Office, who then disperses them to the appropriate Department Directors. She said Directors reply to all County Commissioners. She said this procedure has been in place for many years, but has recently become a bit muddled. She said Greg Wilder would write a memo about this procedure, to serve as a reminder.

Chair Rich had two petitions. She said the first refers to the \$11.5 million of unfunded fund balance from the Chapel Hill-Carrboro City Schools (CHCCS), and she was stunned to hear that amount mentioned last week, since schools are complaining about bad air, etc. She petitioned for the Manager to meet with the superintendent to discuss the potential reallocation of the undesignated fund balance to meet articulated needs expressed by the current CHCCS CIP budget. She said the \$11.5 million does not belong to the schools, but to the taxpayers, and if there are serious needs the schools should address them with these funds.

Chair Rich said her second petition is about the Chapel Hill library funding. She said the memorandum of understanding (MOU) ran out in 2015, but the County continues to fund the library at \$563,000/year. She said the BOCC should review this. She said she would like the minutes from the last working group with Chapel Hill; the minutes from the last Library Board meeting; what it costs; how many households are using the library; and to better understand about the interoperability, and where they have gone with that. She said she did talk with Lucinda Munger, Library Services Director, and would like this to be addressed promptly.

4. Proclamations/ Resolutions/ Special Presentations
NONE

5. Public Hearings
NONE

6. Regular Agenda

a. Eviction Diversion Program and Approval of Budget Amendment #9-A

The Board considered voting to approve the development of an Eviction Diversion Program in Orange County to help eligible Orange County residents avoid eviction, preserve tenancy, address substandard housing conditions and maintain the affordable rental housing supply; allocate funds to pay housing costs necessary to prevent imminent eviction and foreclosure, assist in securing affordable homes, and prevent homelessness; authorize staff to seek funding for the Eviction Diversion Program from the Towns, and donations from the communities and businesses; and approve Budget Amendment #9-A to appropriate \$200,000 from the Social Justice Reserve.

DEFERRED UNTIL JUNE 2nd or earlier

b. Coronavirus Relief Funding Summary Report and Approval of County Plan

The Board received an outline and presentation on the Coronavirus Relief Funding (CRF) to North Carolina counties, including allowable expenses, spend down timeframes and reporting requirements; and consider voting to approve an Orange County Coronavirus Plan for submittal by June 1, 2020.

BACKGROUND:

The North Carolina General Assembly unanimously approved the Coronavirus Relief Funding that was signed by the Governor on May 4, 2020. The CRF package includes relief measures related to public health and safety, education, small business assistance, and continuity of state government operations. The State has included \$150 million in initial relief funding, with each county's allocation distributed on a per capita basis, with the exception of the largest three counties – Guilford, Wake, and Mecklenburg. Those three counties received Coronavirus Relief funding directly from the U.S. Treasury based on their populations exceeding 500,000.

The Orange County State-wide per capita share is \$2,665,753 of the \$150 million allocated to NC counties. House Bill 1043 does not appropriate any funds directly to a city or town but instead delegates that funding decision to counties. If the BOCC directed staff to allocate a share of the County's CRF funds to the municipalities, then a County per capita allocation is proposed as a fair and reasonable allocation methodology. A per capita allocation is currently used for the distribution of local option sales tax including Article 44 Hold Harmless sales tax.

COVID-19 Eligible Expenses:

- Provide Grants to small businesses experiencing financial loss due to COVID-19
- Support COVID-19 related expenditure for public health staff and program costs, personal protective equipment (PPE), public safety staff expense, medical expense, overtime or mandatory pay, distance learning and teleworking requirements
- Expenses must be incurred between March 1, 2020 – December 30, 2020
- Funds cannot be used to replace lost local government revenue

Note: The U.S. Treasury may allow revenue replacement in any future CRF allocations.

Reporting Requirements:

June 1, 2020 - Counties determine a funding plan

Beginning October 1 - Submit Quarterly Reporting of expenditures to the State

The Funding Plan categories due by June 1, 2020 are:

- 1) Medical expenses
- 2) Public health expenses

- 3) Payroll expenses
- 4) Expenses to facilitate compliance with COVID-19-related public health measures
- 5) Expenses associated with economic support including small businesses

Gary Donaldson, Chief Financial Officer, made the following PowerPoint presentation:

Coronavirus Relief Fund Act

Summary

May 19, 2020

Background

- ❖ State of North Carolina allocation from the Federal CARES Act is \$4 billion;
- ❖ The North Carolina General Assembly approved the Coronavirus Relief Fund Act House Bill 1043;
- ❖ Governor signed legislation House Bill 1043 on May 4, 2020;
- ❖ House Bill 1043 appropriates \$150 million from the State to be allocated among 97 counties on per capita basis;
- ❖ U.S. Treasury is providing direct funding to Guilford, Mecklenburg and Wake counties; there populations exceed 500,000;
- ❖ House Bill 1043 allows NC counties to determine municipality funding;
- ❖ Orange County per capita share from the State is \$2,665,753
- ❖ Fair and reasonable allocation methodology is each town per capita share within Orange County; similar to current Local Option Sales Tax per capita allocation

County-Based Per Capita Allocation (chart)

CRF Act Eligible Uses

- ❖ Provide Grants to small businesses experiencing financial loss due to COVID-19
- ❖ Support COVID-19 related expenditure for public health staff and program costs, personal protective equipment (PPE), public safety staff expense, medical expense, overtime or mandatory pay, distance learning and teleworking requirements
- ❖ Expenses must be incurred between March 1, 2020 – December 30, 2020; and not accounted for in FY 2019-20 Budget
- ❖ Eligible expenses if any prior to March 1, 2020 should be applied for through FEMA
- ❖ Must apply for either CRF or FEMA; trigger date is determinant
- ❖ Before March 1 apply through FEMA; minimal County coronavirus expenses within this timeframe
- ❖ After March 1 apply through CRF; majority of coronavirus expenses
- ❖ Funds cannot be used to replace lost local government revenue

Note: The U.S. Treasury may allow revenue replacement in any future CRF allocations.

State Reporting Time

- June 1- Submit a Funding Plan to the Office of State Budget and Management
- Quarterly Funding Reports on October 1, 2020 and January 1, 2021
- All Funds must be expended by December 30, 2020
- Unexpended fund to be returned to the State

Next Steps

BOCC Approval-

- Two Step Process to Decide; 1) Municipalities Allocation 2) Eligible Uses Allocation by June 1
- Inform Town Finance Officers of Federal and State Guidelines, Tracking Expenditures and Reporting Timeframes
- Implement Funding Plan

Questions

Commissioner Dorosin said the BOCC is discussing two things: the allocation formula and the plans. He said the recommendation for the formula is to do it per capita, and asked if there are any alternatives to this method.

Gary Donaldson said per capita is fair and reasonable, but another alternative could be on the ad valorem. He said the staff recommendation would be to use the per capita.

Commissioner Dorosin asked if staff looked at a comparison of the options.

Gary Donaldson said yes, and the ad valorem option would be higher for the county and less for the municipalities.

Commissioner Dorosin said it would be helpful to hear all options and their comparisons, when there is more than one option.

Commissioner Dorosin said the second decision is what the funding plan would be.

Bonnie Hammersley said staff will bring a recommended funding plan to the Orange County Board of Commissioners, and she will be meeting with department heads and will find out what they need, and her staff will prioritize. She said \$2.6 million is not a lot of money, and the County will have to spend quickly. She said staff will probably bring it to the Orange County Board of Commissioners at the May 28th work session, and the towns have to submit their plans at the same time.

Bonnie Hammersley said the other option is to give the towns a portion of these funds, which would be totally voluntary on the part of the County. She said there will be no other monies in the CARES ACT for municipalities. She said the plan will be brought forward as soon as possible, and staff is open to suggestions. She said there are many Covid related expenses, and any local funds would have to be used before the CARES ACT funds; however, Orange County has not put aside any local money. She said after CARES ACT funds have been spent, then petitions can be made to the Federal Emergency Management Agency (FEMA).

Commissioner Dorosin said the two things that these funds can be spent on are on County needs and small business grants. He said he hoped that any plan would include funds for these two things.

Bonnie Hammersley said the BOCC must decide if it wants to give funds to the towns, per capita. She said she did not think to include ad valorem as an option.

Chair Rich said these monies have to be spent between March and December 2020.

Commissioner Bedford said she had a concern about using the per capita allocation as outlined, although she thinks per capita is fairer than ad valorem. She said things like the health department and DSS, which are countywide, have had a lot of expenses. She asked if the total of these expenses is known, and said these expenses would only be incurred at the County level. She said it may be better to give the towns half of the suggested percentage, and when the staff has the first quarterly report, staff can adapt the funding. She said postage to mail paper-voting ballots will also be a County expense. She said her concerns are the per capita percentages are too high, and she would like to try to stagger the plan and funding.

Bonnie Hammersley said the County is in charge of many of these services, but the entire county is taxed for these purposes. She said they have spent about \$495,000 to date. She said there are some things that will be centralized within Orange County, such as masks. She said the consultant who will come on board to lead the recovery will be shared amongst all the partners, and all plans will work together and complement one another. She cautioned the

Board from keeping funds separate, as everyone has the same goal and is working together. She said the towns may have needs that the County does not know about, or best know how to handle.

Bonnie Hammersley said she recommended this methodology because they have always used it. She said if any of the funds are spent on ineligible uses, the State would require all local entities to repay the funds, and possibly lose out on future funding.

Commissioner McKee said the BOCC should stay within the recommended allocation, as it is a well-known practice.

Commissioner McKee said for County staff to work closely with town staffs to make sure the funds are spent appropriately.

Gary Donaldson said he would send out the information about the ad valorem option to Board tomorrow, as he only has numbers from years past, which are about 3-4% higher than per capita.

Commissioner Marcoplos suggested approving this tonight, and the per capita is what has been used historically. He said it is fair and equal.

Chair Rich said the County has been working closely with the towns, and this proposal is not a surprise to anyone. She said the plan is the most important thing. She said Durham asked for input from Orange County, and will likely use Orange County's methodology as a template to move forward.

Chair Rich asked Commissioner Dorosin if he was willing to vote without exact ad valorem numbers from Gary Donaldson.

Commissioner Dorosin said yes he was willing to vote.

Gary Donaldson said he would get the ad valorem information to the Board for informational purposes.

FINANCIAL IMPACT: The State has allocated \$2,665,753 to the County for eligible COVID-19 expenses.

A motion was made by Commissioner McKee, seconded by Commissioner Price to receive the summary report and approve an appropriate CRF Funding Plan for submittal by the June 1, 2020 deadline.

VOTE: UNANIMOUS

Commissioner Dorosin said Commissioner Bedford's comments were well taken, and there may be times when the Board wants to revisit the per capita allocation methodology. He petitioned this discussion for a future work session. He said it is not about short changing the towns, but rather make sure the countywide services are funded.

c. Release of the 2020 Orange County Affordable Housing Bond Program Application

The Board considered voting to authorize the release of the 2020 Orange County Affordable Housing Bond Program Application materials on June 8, 2020.

BACKGROUND:

In the fall 2016, the Board of Commissioners approved a \$5 million Affordable Housing Bond. Half of the bond funds (\$2.5 million) were awarded in 2017. This application is for the remaining \$2.5 million of the bond funds.

The 2020 application was developed based on the Request for Proposals (RFP) for the 2017 round of bond funding and the application evaluation criteria approved by the Board of Commissioners in April 2019.

Eligible projects will be new construction for homeownership and/or rental development affordable to low-income households. Projects may be mixed-use and/or mixed-income. No more than 20% of residential units may be set aside for people with disabilities, in compliance with best practices outlined in the State of North Carolina's *Olmstead* settlement agreement. Land banking is not an eligible use.

Eligible applicants for funding will be:

- nonprofit organizations involved in affordable housing and community development (including faith-based organizations)
- for-profit developers, and
- joint ventures between eligible nonprofit and for-profit entities

The application evaluation criteria consider the following factors for each proposed project:

- (1) income and vulnerable population targeting
- (2) targeting of households currently living and/or working in Orange County
- (3) leveraging of other funding sources
- (4) building and site design features including environmental sustainability and accessibility features
- (5) community design features including neighborhood compatibility and location relative to transportation, employment opportunities, and services
- (6) community sponsorship, engagement, and support
- (7) project feasibility, and
- (8) developer experience

Differences between this application and the 2017 RFP are mostly formatting changes in order to condense the content of application. Significant recommended changes include:

- This is a funding application rather than an RFP – applications will go to the Department of Housing and Community Development (DHCD) instead of through Procurement. Because they will not go through Procurement, certain requirements of Contractors, such as E-Verify requirements and Iran Divestment Act certification requirements, are not included.
- Application review and preliminary scoring will be conducted by DHCD staff, then funding recommendations will be made to the BOCC, rather than the review process going from staff to a County team, then to the Affordable Housing Advisory Board, and then to the BOCC. Because advisory boards may not be able to meet to review applications due to the COVID-19 pandemic (and the inability of advisory boards to hold virtual meetings), this process will prevent delays in application review and funding awards.

If and when the 2020 application is approved by the BOCC, the proposed timeline for application review and funding award is as follows:

June 8, 2020	Application Released
June 15, 2020	Application Workshop
July 31, 2020	Application Submission Deadline
August 2020	Staff Review Applications
September 1, 2020	BOCC Considers Applications and Funding Recommendations

September 2 –
October 1, 2020 Contracts Executed and Projects Begin

Emila Sutton, Housing Director, made the following PowerPoint presentation:

HOUSING BOND APPLICATION 2020
Orange County Board of Commissioners
May 19, 2020

Background

- In the fall 2016, the Board of Commissioners approved a \$5 million Affordable Housing Bond. Half of the bond funds (\$2.5 million) were awarded in 2017. This application is for the remaining \$2.5 million.
- 2017 Awards:
 - \$915, 334 to Habitat for Humanity for development of 24 owner occupied Townhomes for seniors in the Waterstone development serving ages 55 and above who earn between 30% and 80% of Area Median Income (AMI)
 - \$636,533 and \$736,833 to CASA for development of Merritt Mill Chapel Hill and Carrboro (respectively) for 28 proposed rental apartments serving people earning 50% or less AMI
 - \$211,300 to EmPOWERment for the acquisition and rehab of a single family rental home for families earning under 50% AMI

2020 Housing Bond Application

- The 2020 application was developed based on the Request for Proposals (RFP) for the 2017 round of bond funding and the application evaluation criteria approved by the Board of Commissioners.
- Eligible projects will be new construction for homeownership and/or rental development affordable to low-income households. Projects may be mixed-use and/or mixed-income.
- Eligible applicants for funding will be:
 - nonprofit organizations involved in affordable housing and community development (including faith-based organizations)
 - for-profit developers, and
 - joint ventures between eligible nonprofit and for-profit entities
- The application evaluation criteria consider the following factors for each proposed project:
 - (1) income and vulnerable population targeting
 - (2) targeting of households currently living and/or working in Orange County
 - (3) leveraging of other funding sources
 - (4) building and site design features including environmental sustainability and accessibility features
 - (5) community design features including neighborhood compatibility and location relative to transportation, employment opportunities, and services
 - (6) community sponsorship, engagement, and support
 - (7) project feasibility, and
 - (8) developer experience

2020 Housing Bond Application Proposed Changes

- Differences between this application and the 2017 RFP are mostly formatting changes in order to condense the content of application. Significant recommended changes include:
- This is a funding application rather than an RFP – applications will go to the Department of Housing and Community Development (DHCD) instead of through Procurement. Because they will not go through Procurement, certain requirements of Contractors, such as E-Verify requirements and Iran Divestment Act certification requirements, are not included.
- Application review and preliminary scoring will be conducted by DHCD staff, then funding recommendations will be made to the BOCC, rather than the review process going from staff to a County team, then to the Affordable Housing Advisory Board, and then to the BOCC.
 - Because advisory boards may not be able to meet to review applications due to the COVID-19 pandemic (and the inability of advisory boards to hold virtual meetings), this process will prevent delays in application review and funding awards.

2020 HOUSING BOND APPLICATION PROPOSED TIMELINE

If and when the 2020 application is approved by the BOCC, the proposed timeline for application review and funding award is as follows:

June 8, 2020 Application Released
 June 15, 2020 Application Workshop
 July 31, 2020 Application Submission Deadline
 August 2020 Staff Review Applications
 September 1, 2020 BOCC Considers Applications and Funding Recommendations
 September 2 –
 October 1, 2020 Contracts Executed and Projects Begin

2020 HOUSING BOND APPLICATION EDIT NEEDED

Orange County Affordable Housing Bon Program 2020 Scorecard

4. Building and Design _____ (20 pts)

Scoring Criteria	Maximum Points
Project incorporates sustainable design elements, such as smaller building sizes, use of local/recycled building materials, energy efficient features, LED lighting, water conservation fixtures, efficient HVAC systems, etc. (for energy efficient features, the project meets or exceeds the NC Housing Finance Agency’s energy efficiency criteria)	5
Project provides handicap accessibility and/or incorporates Universal Design	3
Project incorporates sustainable community and environmental design elements, such as flexible lot design, low impact development, storm water controls, reduced impervious surface areas, natural or drought-resistant landscaping or any additional element that would serve to minimize negative environmental impacts, as Orange County regulations allow	5

Project is connected to water and sewer service, will connect to existing service, or will use a community well and sewer system consistent with water and sewer boundary agreements and local standards	5
Additional points may be awarded for meeting aspects associated with functionality, maintenance and dispersal.	

PUBLIC COMMENT:

Delores Bailey, Executive Director of EmPOWERment, said during this pandemic they have supported many areas of their community, and she listed these. She said EmPOWERment closed on 3 apartments and one piece of property during this pandemic. She said her concern with this application is whether it allows for purchases and rehabs. She said EmPOWERment's inventory is full, and it is imperative that EmPOWERment receives funding from this bond. She said EmPOWERment will be at a disadvantage with the larger housing non-profits, with the scoring rubric as it stands.

Commissioner Price referred to the eligible projects on page 37, which says no more than 20% of the properties can be set aside for those with disabilities. She asked if those that would be included in this could be identified, and if this is seeking to discourage group homes.

Emila Sutton said the intent is that people with disabilities have full choice where they can live, to prevent discrimination. She said this limits hard set aside units to 20%.

Commissioner Price referred to the next page, and said one of the reasons not to be considered is that an applicant has previously demonstrated poor past performance or compliance with funding guidelines. She asked if this pertains to County programs, and how many years back will they be looking.

Emila Sutton said she was not sure how this was defined in past applications, and they can take recommendations. She said reviewing three years of compliance history would be reasonable.

Commissioner Price said if one had an issue in years past, but it is good standing now, she would want them to be considered.

Commissioner Price referred to construction detail, and asked if consideration would be given to universal design that provides flexibility, so people can stay in their homes. She asked if points would be given for that.

Emila Sutton said yes.

Commissioner Price asked if this would have to be built in.

Commissioner Dorosin said it is already included in the checklist on page 38.

Commissioner Greene said it is in the scoring criteria, giving 3 points.

Commissioner Price said the applicant would get extra points for designating units for Orange County residents, and asked if there is a method to monitor this.

Emila Sutton said it is a part of the scoring criteria, and would be indicated in the application. She is not aware of any residency monitoring.

Commissioner Price said it would require taking the developer at their word.

Emila Sutton said she is not aware of any way to monitor residency status.

Commissioner Price referred to the conflicts of interest portion, and asked if Mebane will be included.

Emila Sutton said yes, she can include Mebane.

Commissioner Dorosin asked if the concern to which Delores Bailey eluded could be clarified; that EmPOWERment would be at a disadvantage to the larger non-profits.

Emila Sutton said the way the application is written does not include acquisition and rehab as eligible uses of funds.

Commissioner Dorosin asked if, right now, the only eligible use of funds is for new construction.

Emila Sutton said yes.

Commissioner Dorosin said he would advocate for changing the application to include acquisition and rehab.

Commissioner Dorosin said the whole residency issue is tricky and can create legal issues. He said the developers should be encouraged to market to those who live and work in Orange County. He said he would encourage more creative thinking on this issue.

Commissioner Greene agreed completely with Commissioner Dorosin about the residency issue. She said the other point she wanted to make was about the scoring criteria, and specifically public transportation. She said points were added for developments that had access to public transportation, or those that would provide transportation. She said she did not like that option of providing transportation, as it is too vague, and she would like to strike that and just give points to those projects on public transportation (section 5 of scoring criteria, page 18)

Chair Rich asked Emila Sutton about this topic.

Commissioner Greene said the BOCC added development provided transportation last year. She said she would prefer that if the development is not on public transportation then it does not get the points.

Commissioner Greene moved to take language out for transportation being provided by the developer. She said this should not earn transportation points.

Commissioner McKee asked, if the verbiage is taken out, would it not eliminate developments being built beyond the bounds of public transportation.

Commissioner Greene said no, as the transportation points are just one area of points. She said a development could get points for other things.

Commissioner McKee said between two close projects, it may make the difference.

Commissioner Greene said it may well be the tipping point, but she feels the project on public transit should get the money.

Commissioner McKee said it is hard to argue against her point, but he does not want to centralize affordable housing in urban corridors.

Commissioner Greene said this is a policy difference between her and Commissioner McKee, and she would like public monies to be used to support development that serves the most people in an environmentally friendly way.

Commissioner McKee said he understands that, but also feels the BOCC has an obligation to support geographical diversity in affordable housing.

Commissioner Greene said the BOCC is talking about creating scoring criteria for limited funding.

Commissioner Marcoplos said there will soon be an on demand transportation that will go throughout the County, and this should be recognized and addressed somehow in the scoring.

Commissioner Marcoplos said every resident was able to vote on this bond, and the BOCC needs to envision some projects in the rural areas. He said there may be a development that has a community garden component, which could only be done in a rural setting, and this helps the environment as well. He said there should be opportunity for affordable housing everywhere.

Commissioner Greene said she is not opposed to re-writing the verbiage to add the on demand transportation.

Commissioner Price said she had concerns about taking the verbiage out, and there is room for a lot of creativity.

Commissioner Dorosin said this goes back to a bigger debate of how to get the most housing and community based services with limited funds. He said Commissioner Greene's suggestion is fine and the very next criteria that is listed gives points to housing that is in an area that is typically underserved, which would address the issue rural needs. He said water and sewer is a similar issue, and it is more expensive to build without water and sewer. He said the costs for housing are not just limited to the house itself.

Commissioner Greene said many options that have been suggested are provided publicly. She said she most strongly objects to the "by the developer" wording as it could be anything, and not really true transportation service, and it may be difficult to enforce. She said she would prefer it to read, "Public transportation to include a bus route, or publically provided on demand service, or equivalent public transportation is accessible." She agreed with Commissioner Marcoplos' point about the other advantages to rural living, and the bond funds being voted on by the whole county.

Commissioner Dorosin seconded Commissioner Greene's motion

VOTE: Ayes, 4 (Commissioner Greene, Chair Rich, Commissioner Bedford, Commissioner Dorosin); Nays, 3 (Commissioner McKee, Commissioner Marcoplos, Commissioner Price)

Commissioner Bedford agreed with Commissioner Dorosin to amend this to include acquisition and rehab to the application, as eligible uses of funds. She said there is no value in cutting off potential projects at this point. She asked Emila Sutton if the process is integrated with the town of Chapel Hill's process, in order to avoid working in silos.

Emila Sutton said she has spoke with the Town, and Chapel Hill has released their funds first in advance of the County, so that applicants would know if they were receiving Chapel Hill funds in advance of applying to the County.

Commissioner Bedford said knowing how much an applicant may have received from Chapel Hill is important.

Commissioner Bedford said she would like conversation, since the advisory boards are not meeting virtually now. She asked if a full list of the projects would be provided to the BOCC.

Emila Sutton nodded yes.

Commissioner Bedford said when she read about the 20% limit for those with disabilities, she understood where the language was coming from, due the Olmstead act; but she appreciated Emila Sutton adding extra clarification. She said she is excited about this process moving forward.

Chair Rich asked if the BOCC were to include acquisition and rehab into the process, where would it be included in the scoring criteria. She said she thought half of the bond money was going to older construction, and half was going to new, shovel ready projects.

Emila Sutton said she is unfamiliar with the prior conversations, and her department would need to look at this to see if any of the scoring would impact these types of uses. She said, if not, they could just be added as eligible projects.

Commissioner Dorosin referred to page 37, and said the language could be changed to include this uses as eligible projects. He said to take out "new construction", or possibly add language there. He said he thinks the scoring construct would remain the same.

Commissioner Price said adding acquisition or rehab would not change anything, but perhaps new language would be needed under project detail activity on page 42, as it has new construction verbiage in there.

Commissioner Greene suggested passing this tonight to add acquisition and rehab, and Emila Sutton could look at the criteria and bring back on the BOCC consent agenda.

Commissioner Greene said she is a little uneasy that the advisory board is not weighing in. She asked if the advisory board could be involved without slowing the process down.

John Roberts said he does not know. He said virtual meetings are not prohibited by state law, but rather by BOCC policy, which is up for discussion in June. He said if the boards can meet virtually it could possibly be concluded by the end of June.

Commissioner Greene said she would prefer the advisory board be able to weigh in, but she is not going to insist on it.

Commissioner Price said the advisory board issue did concern her too. She said if the advisory board is allowed to meet virtually, she would encourage it, as the advisory board is made up of members of the community. She said staff could present the advisory board with a recommendation for it to review.

Chair Rich said this is the BOCC's timeline, and it can be tweaked if need be to allow the advisory board to meet. She said the virtual meeting policy would need to be changed.

Commissioner Greene asked if the advisory board can meet in person, with strict social distancing.

Chair Rich said no, as the state of emergency only allows 10 people to meet in person.

Commissioner McKee said people can sit in the Whitted meeting room, if the advisory board wants to meet. He said it is 5000 square feet, and could be much less congested than grocery store.

Bonnie Hammersley said she respects Commissioner McKee's position. She said the process for the last \$2.5 million of the housing bond included a committee of staff that ranked the applications. She said this committee did not go through the advisory boards at that time. She said the staff that reviews these applications should be those who are experts in housing. She said there is a process that was employed for the small business loan fund, and it worked very well. She said it was an emergency committee and they met virtually.

Bonnie Hammersley said the Orange County Board of Commissioners may decide on June 2nd to allow virtual advisory board meetings, and the applications do not go out to June 8th.

Commissioner Marcoplos said the advisory board involved should be involved, and would support delaying the process a couple of weeks

Commissioner Dorosin said he is in favor of having the advisory board involved, but does not want to change the timeline.

Commissioner Price said the review process is not until August, and virtual meetings are easier to for people to attend, so the timeline can be held to.

A motion was made by Commissioner Price, seconded by Commissioner Bedford amend the application to include housing rehab and acquisition as well as new construction

VOTE: Ayes, 6; Nays, 1 (Chair Rich)

A motion was made by Commissioner Dorosin, seconded by Commissioner Greene for the Board to authorize the release of the 2020 Orange County Affordable Housing Bond Program Application materials with two amendments on June 8, 2020 with any modifications from the Board (and ask Emila Sutton to review the criteria for rehab/acquisition that needs to be changed).

VOTE: UNANIMOUS

d. Discussion Regarding Construction and Demolition Waste at Waste and Recycling Centers

The Board discussed and provided direction to Solid Waste staff regarding enforcement of the current Solid Waste Ordinance provisions related to Construction and Demolition Waste at the Waste and Recycling Centers.

BACKGROUND:

The Orange County Waste and Recycling Centers (Centers) were established for the disposal of household municipal solid waste and recycling. Specifically, the Orange County Solid Waste Ordinance provides in Section 34-40 that Centers are maintained at selected locations throughout the County for the convenience of County residents. It details a list of wastes that may not be accepted at convenience centers, including commercial waste, institutional waste, industrial waste, land clearing waste, and construction waste and demolition waste. In contrast, the ordinance specifically provides a list of materials that, if there is a specifically designated area for collection, may be deposited at the Centers, including white goods, furniture, yard waste and tires. These ordinance provisions have been in effect since May of 1993.

A recent audit of the Centers highlighted that the Ordinance was not being consistently followed by some of the Solid Waste staff. The Centers have traditionally allowed a “wheelbarrows” or up to 3 cubic feet worth of construction and demolition waste to be deposited in the bulky waste area as an accommodation to residential users of the sites. This amount was being inconsistently applied by staff. In addition, it became apparent that construction and demolition waste of a commercial nature was also being brought to the sites. Individuals that were renovating homes for commercial purposes were bringing or causing large quantities of material to be brought to the sites.

This activity was not only contrary to the current Solid Waste Ordinance but also raised other concerns. The Orange County Regulated Recycling Materials Ordinance (RRMO) is being circumvented by having construction and demolition wastes brought to the Centers. The RRMO requires that regulated recyclable construction and demolition waste be separated from other solid waste unless delivered to a certified commingled recycling facility. Allowing the construction and demolition waste at the Centers violates the RRMO. The construction and demolition waste that is brought to the Centers is transported to a transfer station and ultimately disposed of in a municipal solid waste (MSW) landfill.

In addition to conflicting with the RRMO, accepting Construction and Demolition waste at the Centers increase both transportation costs and disposal costs which have seen recent increases and will continue to increase. During fiscal year 2019-20, the disposal rate at the Durham transfer station increased from \$44.50 per ton to \$47.50 per ton.

FINANCIAL IMPACT: Current conservative estimates are that 20-25% of waste delivered to the Waste and Recycling Centers are construction and demolition wastes. Tipping fees for those materials are estimated to be \$75,000-\$88,000 per year. Increasing the amount of allowable construction and demolition wastes will result in increased transportation and disposal costs ultimately resulting in a need to increase the Solid Waste Programs Fee.

Robert Williams, Solid Waste Director, made the following PowerPoint presentation:

Waste and Recycling Centers
Construction and Demolition Discussion
May 19, 2020

Purpose

Provide updated information on the current operations of the Waste and Recycling Centers

Background/History

In 1993, Section 34-40 of the Solid Waste Ordinance established guidelines for what is acceptable and not acceptable at solid waste convenience centers now known as Waste and Recycling Centers.

Sec. 34-40. - Solid waste convenience center.

- o (a) Solid waste receptacles are maintained at selected centers throughout the county for the convenience of county residents. Use by out-of-county residents is prohibited. Solid waste may be **deposited in the solid waste receptacles** only in accordance with the provisions of this article.

Background/History**NOT ALLOWED**

(b) The following wastes may **not** be deposited in solid waste receptacles or at solid waste convenience centers:

- (1) Asbestos.
- (2) Burning or smoldering materials, or any other materials that would create a fire hazard.
- (3) Commercial waste.
- (4) Construction waste and demolition waste.**
- (5) Hazardous waste.
- (6) Industrial waste.

Background/History**Allowed**

c) The following wastes may be accepted at solid waste convenience centers when there is a specific area designated for the collection of such items:

- o (1)Lead-acid batteries.
- o (2)Used oil with no other substances mixed in.
- o (3)White goods.
- o (4)Yard waste.
- o (5)Furniture.
- o (6)Tires.

Posted Size Limits (photo)**Waste and Recycling Centers**

Some attendants previously accepted the following waste, which is not allowed per Sec. 34-40 of the Solid Waste Ordinance.

Waste & Recycling Centers (photo)**Waste & Recycling Centers (photo)****Waste & Recycling Centers**

- Meeting the needs of the customer costs an average of \$625,000 per year in disposal tipping fees.

Accepting C&D at current levels costs an estimated \$77,000 - \$88,000 in tipping fees per year because the waste is hauled out of Orange County.

C&D Size Example: 3 cubic feet (photo)

C&D Size Example: 6 cubic feet (photo)

C&D Size Example: 3, 6, and 8 cubic ft. (photo)

Conclusion

- Currently, daily limits are in place for MSW and Yard Waste.
- There are some inconsistencies when it comes to C&D disposal at the Waste and Recycling Centers.

Commissioner Dorosin asked if there has been a policy change, or was the existing policy just not being enforced. He said if the latter is true, why was the policy not being enforced, and how does staff enforce it now.

Robert Williams said he does not know why it was not being enforced, but when he arrived, and understood County ordinances, he found there were inconsistencies.

Commissioner Dorosin referred to the picture that shows how much waste residents can bring, and asked if the limit is 3 cubic yards or 4.5. He asked if the policy is enforceable.

Robert Williams said 4.5 yards is different, and the sign says 120 cubic feet. He said the confusion came with the C&D waste versus everything else. He said C&D should not be taken at the waste and recycling centers. He said nothing has changed with house waste, etc. He said staff has been more thoroughly trained, and have been encouraged to promote consistency. He said the options are either to stop taking C&D at the solid waste convenience centers (SWCC), or to change the ordinance to accept it. He said enforcement comes with consistency and clear communication to the public. He said the County ordinance does not list C&D waste as allowable material to be collected at the SWCC.

Commissioner Price asked if residents are not taking the C&D to the SWCC, then do they take to the C&D landfill and pay a tipping fee.

Robert Williams said yes, residents can take it to the C&D landfill with a tipping fee, or out of County to a transfer station.

Commissioner Price asked if someone had 6 cubic feet of C&D and took it to the landfill, what would they pay.

Robert Williams said there is a flat fee (\$5 or \$10), but it also depends how much the C&D weighs.

Commissioner Price said there is a monetary incentive to leave C&D waste at the SWCC.

Robert Williams said yes.

Commissioner McKee referred to the sign at the SWCC that was shown in the presentation at the SWCC, and said this sign has been at the SWCCs for years, and is the understood process by the community.

Commissioner McKee said the Orange County C&D landfill is open and operational, and asked if there is a reason why the waste is taken to Durham.

Robert Williams said Orange County does not have room at the SWCC, and so it is heaped with the bulk household waste and taken to Durham.

Commissioner McKee referred to the first page of abstract where it says the SWCCs are for the convenience of the residents. He said the section that states a resident can bring a wheelbarrow amount of waste, directly contradicts the sign that is posted at the SWCCs. He

said he is upset that they are talking about having residents pay extra (above and beyond annual waste fees) to haul waste down to the C&D Landfill on Eubanks Road. He said he has taken this type of waste to his local SWCC for more than 20 years.

Commissioner McKee said this is an issue of a service to the community, and they have a policy via the signs at the SWCC. He said the problems arise when one is rehabbing a property and takes all the waste to the SWCC. He said he understands the issue of transfer costs to Durham.

Commissioner McKee said the BOCC should amend the policy to say that more enforcement of commercial dumping will be enacted, and residential C&D could be placed at the SWCC in much larger amounts than 3 cubic feet. He asked if there is any reason why would they consider dropping it down to 2 grocery bags.

Commissioner Marcoplos said it is difficult to separate contractors from residents, and there needs to be a better way to communicate the policy at the SWCC. He said it is pretty reasonable to take a pick up truck full to the C&D Landfill for around \$30. He suggested signage at the SWCC, and he would suggest allowing homeowners to bring 6 cubic feet rather than 3 cubic feet to the SWCC, and anything more should go to the C&D landfill.

Commissioner Dorosin referred the sign again, and clarified that it does not say anything about C&D waste.

Robert Williams said the sign pertains to household or bulk waste.

Commissioner Dorosin said residents have been reading this sign, and interpreting it to include that C&D is also allowable.

Robert Williams said C&D was never supposed to be accepted at the SWCCs, but he understands Commissioner Dorosin's point.

Commissioner Dorosin said the sign was not supposed to apply to C&D waste. He said residents are reacting to the change for C&D waste, despite the fact that the policy has not changed, but was rather not being enforced.

Commissioner Dorosin asked if it would be possible to say they will start taking small amounts of C&D waste at SWCC, which would be segregated from other waste in order to be taken to the landfill, and asked if this would accommodate all interests. He said if residents want to bring more than that, they would take it to the C&D Landfill.

Bonnie Hammersley said that Robert Williams had an audit done at solid waste, and changing the ordinance will require a policy change. She said this is a 27-year-old ordinance, which has probably softened in its enforcement over the years. She said staff will enforce it until the BOCC decides to change it. She said Robert Williams is simply enforcing an existing ordinance.

Chair Rich said it was her understanding that contractors are meant to properly dispose of C&D waste at the C&D landfill as a part of their job, and is part of the cost of doing business. She asked Commissioner Marcoplos, who is a contractor, if this is correct.

Commissioner Marcoplos said yes.

Commissioner Greene said she is in line with Commissioner McKee and Commissioner Dorosin. She would support segregating the C&D that is coming into the SWCC, and the large versus small amounts. She said the BOCC is in a bind because the policy on the books differs from what the residents think it is, and the de facto policy is what is written on the sign. She said she would support changing the policy to reflect what is on the posted sign at the SWCC.

Commissioner McKee said most residents do not know what the ordinance states. He said he also does not want to conflate the commercial C&D with residential waste. He said there is no way solid waste staff can catch everyone that comes into the SWCC with C&D, but to punish all residents for some abusers is not fair. He said he bought a sofa to the SWCC, and staff told him that starting on July 1 he would only be able to bring 2 grocery bags worth of waste. He said this is not reasonable, and the policy should change. He referred to cost, and

said he has no problem with the County subsidizing these costs, just as it does with many other needs in the County, such as affordable housing.

Robert Williams said Commissioner McKee received bad information from one of his employees. He said the items Commissioner McKee brought to the SWCC were allowable (couch, chair, tires, etc.). He said these items are not C&D, and for staff to whisper that in his ear was not fair. He said they are trying to correct these inconsistencies by educating his staff.

Commissioner McKee said he has heard from many residents on this topic over the past months. He said perhaps there should be a specific roll off container for C&D waste only, which can be taken to the C&D landfill.

Commissioner Marcoplos reiterated his previous point that residents should be allowed to take 6 cubic feet max for C&D; have signage at the SWCC that shows visually what 6 cubic feet are; and state that if one has more C&D waste than this, they should go to the C&D landfill. He said he does think a separate roll on is necessary, but deferred to the expertise of Robert Williams.

Commissioner Price said she appreciated the work Robert Williams has done to audit the department and to promote consistency. She agreed with Commissioner Marcoplos' comments. She said she would like to try and find a way to prevent contractors from using the SWCC.

Commissioner McKee said he considers 6 cubic feet to be far too small an amount.

A motion was made by Commissioner McKee, seconded by Commissioner Price for the Board to:

- Direct Solid Waste staff to present a resolution at an upcoming meeting amending Section 34-40 of the Solid Waste Ordinance, and provide an outline as to how this waste stream will be directed.

Commissioner Dorosin asked if Commissioner McKee's goal is to permit 4.5 cubic yards of residential C&D waste at the SWCCs.

Commissioner McKee said he does not have a specific amount in mind, but feels that 6 cubic feet is too low. He said he is open to the discussion. He said the County needs to amend the policy, and should avoid the transportation and costs to Durham, and direct local C&D to its own C&D landfill. He said Orange County should take responsibility for its waste.

Commissioner Dorosin said he cannot support a policy that maintains what has been done currently.

Commissioner McKee said there is no fault on the part of Robert Williams or his staff and his main concern is to accommodate the residents as much as possible.

Commissioner Greene agreed, and said the BOCC is asking, through this motion, for staff to bring something back, and for the BOCC to accommodate residents as best it can.

VOTE: Ayes, 6; Nays, 1 (Chair Rich) C&D should be taken to the C&D Landfill

Commissioner Dorosin said he received a communication from Chief Jeff Cabe, Orange Rural Fire Department, who said his department has traditionally taken its waste to the Walnut Grove SWCC, but was recently told it could no longer do so. He asked if staff could provide some information as relates this, and to follow up with Jeff Cabe and the Orange County Board of Commissioners.

Robert Williams said he would look into this.

7. Reports

a. Final Report of Emergency Small Business Fund Program

The Board received a report from staff on the Emergency Small Business Funding Program for Orange County small businesses experiencing revenue loss due to the coronavirus pandemic.

BACKGROUND:

The coronavirus pandemic has impacted the global economy and disrupted business activity throughout the United States and North Carolina. The County is committed to supporting its local businesses and employment base.

The Board of County Commissioners approved an Emergency Small Business Funding for Orange County small businesses experiencing revenue loss due to the coronavirus pandemic. The emergency program was funded with \$300,000 from the Article 46 Sales Tax Fund. Award recipients were eligible to receive grants and/or loans. The application period was from March 25 through April 10, 2020. The BOCC approved formation of a Nine-Member Committee to review and approve the award recipients.

At the direction of the County Manager, the Finance and Administrative Services and Economic Development departments formulated the policies and procedures for the emergency program.

Program eligibility requirements:

- Orange County based businesses
- Minimum of one year of operations
- For-Profit business status
- All applicants are required to have been in business for a minimum of one-year, hold applicable 2019 business privilege licenses, and be registered with appropriate legal entities such as the North Carolina Secretary of State or Orange County Register of Deeds office
- Companies are not eligible if they have past-due tax liabilities or tax liens, delinquencies in Orange County property taxes, or are currently in bankruptcy (Corporate or Personal)
- Profit and Loss statement indicating profitability prior to coronavirus pandemic

The County received 283 applications by the April 10 due date, with 39 applications initially eliminated because they were duplicates (20), or submitted by businesses located outside of Orange County NC (19). This resulted in 244 County-wide small business applications as follows:

Location of Applicants Within Orange County	Total Number of Applicants	Grant Requests	Loan Requests	Total Loan & Grant Requests
Carrboro	44	\$226,000	\$573,500	\$799,500
Chapel Hill	123	\$588,800	\$1,516,000	\$2,104,800
Hillsborough	62	\$315,750	\$909,910.82	\$1,225,660.82
Durham	2	\$10,000	\$20,000	\$30,000
Mebane	8	\$40,000	\$125,000	\$165,000
Rougemont	3	\$15,000	\$30,000	\$45,000
Cedar Grove	1	\$5,000	\$10,000	\$15,000
Hurdle Mills	1	\$10,000	\$20,000	\$30,000

Totals	244	\$1,210,550	\$3,204,410.82	\$4,414,960.82
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Orange County Economic Development staff completed reviews to check the business registration status with the North Carolina Secretary of State and/or Orange County Register of Deeds, and checked each applicant's current Real and Personal property tax payment status with Orange County Tax Office to verify eligibility. A total of 168 of the 244 applicants returned the requested information.

The following table represents demographic information for women, minority and co-owned women businesses.

Breakdown of 244 Applications

Breakdown of 244 Applications

Percentages of Women and Minority-

Owned Business Owners Women Owned

90 out of 244 **37%**

Applicants

Minority Owned

34 out of 244 **14%**

Applicants

Co-owned by Women

44 out of 244 **18%**

Applicants

Gary Donaldson made the following PowerPoint presentation:

Emergency Small Business Fund

Final Report

May 19, 2019

Background

- ❖ The Board of County Commissioners approved an Emergency Small Business Funding on March 24, 2020 in response to COVID-19 pandemic;
- ❖ Funded through \$300,000 appropriation in Article 46 Orange County small business loan program;
- ❖ Application period open to small businesses for more than two weeks; March 25 through April 10, 2020.
- ❖ BOCC approved a 9-Member Funding Committee which met and approved the award recipients.
- ❖ 9-Member Funding Committee composition;
 - Two members Small Business Loan Program
 - Two members Small Business Grant Program
 - Two members Agriculture Grant Program
 - One member each from Towns of Carrboro, Chapel Hill and Hillsborough
- ❖ Collaborative Departmental effort by Manager's Office, Economic Development, Finance, Information Technology, Register of Deeds, Tax Office to respond to small businesses' needs

Eligibility Requirements

- ❖ Orange County based businesses

- ❖ Minimum of one year of operations
- ❖ For-Profit business status
- ❖ Minimum of one-year in business and applicable 2019 business privilege licenses, and registered with legal entities including North Carolina Secretary of State and County Register of Deeds Office
- ❖ Businesses must not have past-due tax liabilities or tax liens, delinquent property taxes, or bankruptcy reorganization status
- ❖ 2019 Profit and Loss statement indicating profitability prior to pandemic

Compilation of Funding Requests (chart)

Breakdown of Awards by Location (chart)

Demographics of the 244 Applicants

- Women Owned Applicants
 - 90 out of 244 Applicants or 37%
- Minority Owned Applicants
 - 34 out of 244 Applicants or 14%
- Women Co-Owned Applicants
 - 44 out of 244 Applicants or 18%

Demographics of the 27 finalists

- Women Owned Finalists
 - 13 out of 27 Finalists or 48%
- Minority Owned Applicants
 - 3 out of 27 Finalists or 11%
- Women Co-Owned Applicants
 - 4 out of 27 Finalists or 15%

Three Key Financial Metrics

- 1) 2019 Profit/Loss Statement
 - Revenues minus Expenditures
 - Operating Surplus (Deficit)
 - **Passing Metric: \$0 or greater**
- 2) 2019 Net Profit Margin
 - Net Income divided by Revenues
 - **Passing Metric: Positive %**
- 3) March 2019 versus March 2020 Revenue Variance
 - **Passing Metric: 25% or greater revenue decrease**

Financial Criteria Results (chart)

Additional Small Business Funding Options

- Additional Funding Options; Article 46 and Coronavirus Relief Funds;
- Decrease from multiple Financial Criteria to only 1 criteria;
- Finance Criteria-April 2019 versus April 2020 Revenue Declines

Commissioner Marcoplos asked if Piedmont Food Processing Center (PFAP) was one of the applicants that passed the financial criteria and was recommended to the committee.

Gary Donaldson said no.

Commissioner Price asked if Gary Donaldson could review the last slide again.

Gary Donaldson did so.

Commissioner Dorosin said some people turned down awards, and asked if these funds would be distributed amongst other recipients, or be used at another time.

Gary Donaldson said the recommendation is to roll those funds into a phase two. He said these awards were distributed with care given to equity, and he expects there are many more businesses that will need future help.

Commissioner Dorosin said the list shows some business that received less than the full amount, or possibly nothing.

Gary Donaldson said there were some businesses that did not want a loan, and those that are listed at zero did not want a loan.

Commissioner Dorosin asked if some received less, it was because they wanted less.

Gary Donaldson said yes.

Commissioner Dorosin said it seems like people could have received more if there is excess funding, and the goal is to get the money out as quickly as possible.

Gary Donaldson said many disbursements were made electronically.

Bonnie Hammersley referred to the CARES ACT money, and said the County submitted its application last week and will receive the CARES ACT money before the plan is submitted. She said this money is moving, and will not take months. She said the \$36,000 can be rolled up in it, and hopefully reach more people than this time. She said the CARES ACT money must be given out as grants, not loans.

Chair Rich clarified that the recommendation is for the BOCC to receive the report this evening, and asked if staff is recommending using some of the CARES ACT money for the next round.

Bonnie Hammersley said no, and in the plan there will be monies for small business grants. She said the plan is forthcoming, likely next week.

Commissioner Price said there were only 27 applicants that made it through the approval process, as opposed to there not be enough funds to give to more applicants.

Gary Donaldson said that is correct.

Commissioner Bedford said 244 people completed applications, but only 27 qualified awards, so there are 217 applicants who are not happy. She said she agreed with Gary Donaldson that the criteria should be loosened. She agreed with the Manager about assessing the needs with the Department heads, and said the best way to stimulate the economy is to get money into the hands of people to be spent; specifically poor people. She asked if there is a way to have a net worth eligibility requirement. She said she feels conflicted on parts of this topic.

Commissioner Dorosin said he feels the County should have given all of the monies out, as this was an emergency proposal. He said he favored reducing the criteria, and looks forward to moving quickly on the next round.

Commissioner Bedford said she has clients who have received PPP funds from the federal government, and she thinks those people should be screened out, and then give priority to those who did not receive those funds.

Gary Donaldson said this could be done.

Commissioner Price said there are small businesses that are family owned, and do not have relationship with financial institutions, and could not have taken advantage of the PPP funds. She said she would like to reach out to these businesses specifically.

8. Consent Agenda

- **Removal of Any Items from Consent Agenda**
Chair Rich – Item 8e

- **Approval of Remaining Consent Agenda**

A motion was made by Commissioner Dorosin, seconded by Commissioner Greene to approve the remaining items on Consent Agenda.

VOTE: UNANIMOUS

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

- e. **Fiscal Year 2019-20 Budget Amendment #10**

The Board approved budget and capital project ordinance amendments for fiscal year 2019-20 for Department on Aging; Department of Social Services; Non-Department – Juvenile Crime Prevention Council (JCPC); Health Department; Housing and Community Development; and Animal Services.

Chair Rich said wanted to point out that DSS received \$7155 in community giving donations for their food pantry and school supplies, and she wanted to share the Board's appreciation for these donations.

A motion was made by Commissioner Dorosin, seconded by Commissioner Price to approve budget and capital project ordinance amendments for fiscal year 2019-20.

VOTE: UNANIMOUS

- a. **Minutes**

The Board approved the draft minutes from April 23 and 28, 2020 as submitted by the Clerk to the Board.

- b. **Request for Road Additions to the State Maintained Secondary Road System for Sweetflag Lane in The Forest at Little River Subdivision**

The Board voted to make a recommendation to the North Carolina Department of Transportation (NCDOT), and the North Carolina Board of Transportation (NC BOT), concerning a petition to add Sweetflag Lane in The Forest at Little River Subdivision to the State Maintained Secondary Road System.

- c. **Schools Adequate Public Facilities Ordinance – Approval and Certification of 2020 Report**

The Board approved and certified the 2020 Schools Adequate Public Facilities Ordinance Technical Advisory Committee (SAPFOTAC) Report.

- d. **Audit Contract Renewal Extension for Mauldin & Jenkins, LLC**

The Board voted to exercise the second of three one-year renewal options for Mauldin & Jenkins to perform audit services for Orange County pursuant to Request for Proposals (RFP) 5215 of the original audit contract approved by Board of County Commissioners on March 22, 2016; authorize the requisite County signatures as required by the North Carolina Local Government Commission; and authorize staff to pursue a new RFP during the upcoming year for audit services for Orange County beginning with the FY 2020-21 financial and compliance audit.

- e. **Fiscal Year 2019-20 Budget Amendment #10**

The Board approved budget and capital project ordinance amendments for fiscal year 2019-20 for Department on Aging; Department of Social Services; Non-Department – Juvenile Crime Prevention Council (JCPC); Health Department; Housing and Community Development; and Animal Services.

f. Change in BOCC Meeting Schedule for 2020

The Board approved changes to the Board of Commissioners' meeting calendar for 2020 to make the June 2020 BOCC meetings virtual.

9. County Manager's Report

Bonnie Hammersley said there will be a Budget Work Session on May 21st.

10. County Attorney's Report

John Roberts said the General Assembly (GA) has been focused on Covid-19 issues, and today was the last day for local bills.

11. *Appointments

NONE

Commissioner Marcoplos said Commissioner McKee proposed meeting in person on June 2nd, and asked if there is a status update on this. He said he is prepared to make a motion that the BOCC not meet in person.

Chair Rich said there is a State of Emergency in place that does not allow gatherings of more than 10 people.

Commissioner Marcoplos said he supported that, and now is not the time to get cavalier.

Commissioner McKee said it was a petition, and was in line with the governor's phasing in.

Commissioner Dorosin referred to the follow up list for petitions, and whether Chapel Hill Carrboro City Schools (CHCCS) has signed a janitorial contract. He said he still thinks a task force is needed to look into the issue of in house versus contract services, even if CHCCS has already signed a contract.

Commissioner Bedford said Commissioner Dorosin is misreading it, and the petition to have a task force created is still on the list.

12. Information Items

- May 5, 2020 BOCC Meeting Follow-up Actions List

13. Closed Session

NONE

14. Adjournment

A motion was made by Commissioner McKee, seconded by Commissioner Bedford to adjourn the meeting at 10:11 p.m.

VOTE: UNANIMOUS

Penny Rich, Chair

Donna S. Baker
Clerk to the Board

