

APPROVED 9/5/23

**MINUTES  
ORANGE COUNTY  
BOARD OF COMMISSIONERS  
BUSINESS MEETING  
June 20, 2023  
7:00 p.m.**

The Orange County Board of Commissioners met for a Business Meeting on Tuesday, June 20, 2023 at 7:00 p.m. at the Whitted Human Services Center in Hillsborough, NC.

**COUNTY COMMISSIONERS PRESENT:** Chair Jamezetta Bedford, Vice Chair Earl McKee, and Commissioners Amy Fowler, Sally Greene, Jean Hamilton, Phyllis Portie-Ascott, and Anna Richards

**COUNTY COMMISSIONERS ABSENT:** None.

**COUNTY ATTORNEYS PRESENT:** John Roberts

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

Chair Bedford called the meeting to order at 7:00 p.m. All commissioners were present.

**1. Additions or Changes to the Agenda**

Chair Bedford dispensed with reading the public charge.

**2. Public Comments (Limited to One Hour)**

a. Matters not on the Printed Agenda

Todd McGee, Community Relations Director, introduced members of the County Government Academy and reviewed the work they have completed and all they have learned.

Chair Bedford thanked participants for attending the academy and thanked the staff members who have helped make it a success.

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 Greene said she attended the NC summit on reducing opioid use that was sponsored by NCACC. She said it brought together a lot of service providers, people with lived experience, social workers, etc. She said it was the first time in recent memory that NCACC had a conference that was not just for county commissioners. She said Attorney General Stein gave the opening remarks, and said she not only learned a lot, but it was powerful to be in the room with people with lived experience who were talking about their experiences. She said Orange County was well-represented including Cait Fenhagen and her staff, as well as Quintana Stewart. She said one session focused on how to spend and account for the opioid settlement money. Additionally, she said that one of the important subjects at the conference was housing. She said people experiencing homelessness need housing as well as people with substance use disorders, which was very apparent in a session on the housing-first model. She said today in the NY Times there is a story on how on federal and many state-levels, there is a movement to get rid of housing-first, even though there is a whole generation of well-documented evidence. She said there is no doubt this model works, but also no doubt people still can't change their attitudes about

homelessness and feeling like people must show they deserve a house before they can have one.

Commissioner Fowler said she attended the ABC Board meeting this morning and they passed the budget which included the full request from the county.

Vice-Chair McKee said he previously petitioned the Board to have staff identify sites for youth athletic fields, but the Board did not move forward. He said he heard support for the idea of youth athletic fields at the last meeting, and is renewing the petition and for staff to bring information back at a work session in the fall on what youth athletic facilities are available in Orange County, surrounding counties, what programs and facilities used to be provided by the county and have been picked up by community groups, and what can be done to provide youth indoor and outdoor recreation facilities in the county.

Commissioner Portie-Ascott said she attended the retirement celebration at the Sheriff's Office today for 6 retiring members of staff. She said she enjoyed hearing the Sheriff's personal stories about the retirees as they received their plaque, which demonstrated their commitment to serving the residents of Orange County. She said she attended two Juneteenth celebrations. She said one was a joint event put on by the Orange County Arts Commission and Free Spirit Freedom, and the other was hosted by Mt. Zion AME Church.

Commissioner Hamilton said she attended three Juneteenth events this weekend. She said one was the Chapel Hill-Carrboro celebration, the second was the Orange County Juneteenth event at the Orange County library, and the third was the Eno Arts Mill gathering. She said she was glad to be able to attend all three and experience the dedication of staff and elected officials who were there. She hopes that more people will take advantage of the celebrations to learn about history and celebrate being together now. Commissioner Hamilton said since she has been on the Board of County Commissioners, she has been involved in a number of rezoning decisions, including the recent one regarding Lawrence Rd. She said the Planning Director having to make a recommendation to the Board troubles her and makes it difficult for them to fulfill the role of educating the Board of County Commissioners and the Planning Board about the technical aspects around rezoning as well as the broader community impacts a rezoning change may have. She said it is her understanding that this is not required by state statute but is controlled by local ordinance. With that in mind, she petitioned the Board to consider amending the UDO to require the Planning Director to do an analysis without a recommendation. She said the relevant section is 2.3.8 of the UDO and states:

"The Planning Director shall cause an analysis to be made of the application and based on that analysis prepare a recommendation for consideration by the Planning Board and the Board of County Commissioners."

Commissioner Hamilton said she would propose for the UDO to read:

"The Planning Director shall cause an analysis to be made of the application and share that analysis and share that analysis for consideration by the Planning Board and the Board of County Commissioners."

Commissioner Hamilton said she hopes this change can be discussed at the first work session in September.

Commissioner Richards said she attended many Juneteenth events over the weekend. She said it is a good opportunity for the community to learn about our shared history and celebrate the cause of justice for everyone. She said she also attended the Chamber of Commerce Business Awards Luncheon where the Orange County volunteer fire unit received non-profit of the year. Commissioner Richards also mentioned item 8-i on the consent agenda. She said she is pleased there is a new Memorandum of Understanding for the Orange County Climate Council. She thanked staff for working through this process to get to this point. She said she looks forward to being able to implement climate activity with the MOU and hopes to see some results out of that. Commissioner Richards petitioned staff to perform an analysis of the staffing levels at the detention center now that it has been operational for a while. She said there was a staffing study

done by the architect and designer at the beginning of the process, and there have continued to be discussions about appropriate staffing levels. She said she talked with the Sheriff today and he is supportive of the idea, and she'd like for him to be part of this analysis. She said if the Board can discuss this in the fall, they will be in a better position next budget cycle. She said staffing levels also impact the Criminal Justice Resources Department programming and she hopes to figure out how to get some of those things incorporated.

Chair Bedford said she also attended the retirement celebration at the Sheriff's Office today and it was very sentimental. She said the retirees served the county for many years and put their hearts and souls into their work. Chair Bedford said she attended the Juneteenth celebration at the Eno Arts Mill, and it was a wonderful celebration. She said she attended the DSS board today. She said they are steady on the number of kids in foster care and there is pending legislation to increase subsidies for families that are licensed foster care households. She said if anyone is interested in fostering, visit the county website and contact DSS.

Chair Bedford invited Laura Jensen, Clerk to the Board, to share an update on the closed session for staff evaluations.

Laura Jensen stated that the new date for the closed session for staff evaluations will be Wednesday, September 27, 2023. She said the meeting is planned to be held at Whitted, and the only subject will be personnel evaluations.

Vice-Chair McKee said he received a call today from a resident who wanted to speak on matters not on the printed agenda, and asked the Board to hear from that person now since they arrived after that portion of the agenda.

#### PUBLIC COMMENT:

Delores Bailey thanked the Board of Commissioners for their help, assistance, and caring about EmPOWERment. She said all the money has been raised for the Peach Apartments. She said there will be 10 units located at 107 Johnson St. in Chapel Hill for 30% AMI and below families. She thanked the Board for their support. She said she expects construction will break ground in August or September and there will be two studio units, 4 one-bedroom, 3 two-bedroom, and 1 three-bedroom unit. She said she will stay for an agenda item later in the meeting to speak on the importance of government conveying land to non-profits just like for this project.

#### **4. Proclamations/ Resolutions/ Special Presentations**

None.

#### **5. Public Hearings**

None.

#### **6. Regular Agenda**

##### **a. Approval of Fiscal Year 2023-24 Budget Ordinances and County Fee Schedule**

The Board approved the Fiscal Year 2023-24 Budget Ordinances and County Fee Schedule.

**BACKGROUND:** At the June 8, 2023 budget work session, the Board of County Commissioners made decisions regarding the County's FY2023-24 budget. See the following attachments related to those decisions:

- Attachment 1 – the Resolution of Intent to Adopt the FY 2023-24 Orange County Budget outlines the actions approved by the Board of County Commissioners on June 8, 2023
- Attachment 2 – the FY 2023-24 Budget Ordinance is the legislation implementing the

FY 2023-24 Annual Operating Budget for Orange County, including Grants Project Ordinances

- Attachment 3 – the FY 2023-24 County Fee Schedule

Travis Myren, Deputy County Manager, said there are no changes to the resolution of intent to adopt.

**PUBLIC COMMENT:**

Makeda Ma'at, president and founder of Landings Tenant Association, said the tenant association does not support Community Home Trust and continues to face retaliation, disrespect, unwarranted–eviction proceedings, and mistreatment from the current management. She said that there is a distinct disparity in the way those receiving housing assistance are treated. She said that last week they received unsealed door notices of rent increases while others not on assistance received sealed letters. She said that unpermitted entries continue to happen. She said that work orders are also not being tracked. She said there is unauthorized staff clearance. She said that no notification is required by policy. She said that there is a handicapped space that is reserved for a Community Home Trust Board Member. She said that this requires removal of resident community space to accommodate the site manager. She asked what type of message is being sent by supporting CHT. She said that there was a bike rack that has not been replaced and now it is the garden for a Community Home Trust Board Member. She said there are cameras to surveil the residents even though they are in a low crime rate area. She asked the Board to not support CHT and asked that that the Board cease funding until sudden changes are made.

A motion was made by Vice-Chair McKee, seconded by Commissioner Fowler, to adopt the FY 2023-24 Budget Ordinances and the FY 2023-24 County Fee Schedule, consistent with the parameters outlined in the Board's "Resolution of Intent to Adopt the FY 2023-24 Orange County Budget."

**VOTE: UNANIMOUS**

**b. Accept the Ten-Year Capital Investment Plan (CIP) and Approve the FY 2023-24 Orange County Overall CIP Projects**

The Board accepted the FY 2023-33 Orange County Ten-Year Capital Investment Plan (CIP) and approved the FY 2023-24 Orange County Overall CIP Projects.

**BACKGROUND:** For over 20 years, the County has produced a Capital Investment Plan (CIP) that establishes a budget planning guide related to capital needs for the County as well as Schools. The current CIP consists of a 10-year plan that is evaluated annually to include year-to-year changes in priorities, needs, and available resources. Approval of the CIP commits the County to the first year funding only of the capital projects; all other years are used as a planning tool and serves as a financial plan.

Capital Investment Plan – Overview

The FY 2023-33 CIP includes County Projects, School Projects, and Proprietary Projects. The School Projects include Chapel Hill-Carrboro City Schools, Orange County Schools, and Durham Technical Community College – Orange County Campus projects. The Proprietary Projects include Water and Sewer, Solid Waste Enterprise Fund, and Sportsplex projects.

The CIP has been prepared anticipating moderate economic growth of approximately 2% in property tax growth over the next ten years, and 4% sales tax growth. Many of the projects in the CIP will rely on debt financing to fund the projects.

Attachment 1 is the FY 2023-33 Capital Investment Plan Overall Summary of \$58,436,700 (individual projects were provided to the Board of County Commissioners at previous work sessions, and revised project funding was discussed at the June 8, 2023 budget work session).

Attachment 2 lists County Capital Projects Summary totaling \$28,888,432 in FY 2023-24 (Year 1).

Attachment 3 lists Proprietary Capital Projects Summary totaling \$3,556,025 in FY 2023-24 (Year 1).

Attachment 4 lists School Capital Projects Summary totaling \$25,992,243 in FY 2023-24 (Year 1).

Vice-Chair McKee noted that the only year that is set in stone with this approval is year 1.

Chair Bedford noted that Commissioner Richards proposed a budget amendment for Durham Tech using Article 46 Sales Tax for \$8,200. She said that is not in the written materials but will be a shift in the allocation.

A motion was made by Commissioner Fowler, seconded by Commissioner Hamilton, to accept the FY 2023-33 Orange County Ten-Year Capital Investment Plan, and approve funding for FY 2023-24 and adopt the FY 2023-24 County Capital projects as stated in Attachment 2; the FY 2023-24 Proprietary Capital projects as stated in Attachment 3; and the FY 2023-24 School Capital projects as stated in Attachment 4.

**VOTE: UNANIMOUS**

Chair Bedford thanked staff for their work on this year's budget. She said this was the smoothest as far as processes go.

**c. 2022 Longtime Homeowner Assistance (LHA) Program Evaluation**

The Board received information about the results of the 2022 Longtime Homeowner Assistance (LHA) program and considered options for program changes for a potential continuation of the LHA program in 2023.

**BACKGROUND:** In the spring of 2022, the Orange County Board of Commissioners authorized updates to the program design for the Longtime Homeowner Assistance (LHA) program to provide property tax assistance to Orange County households at 80% Area Median Income (AMI) and below who had lived in their home for at least five years. County staff worked with community partners on a five-month media campaign to increase awareness about program eligibility and how to apply with the goal of increasing the number of program applicants from 2021. LHA media campaign efforts in 2022 included:

- The Tax Office sent the LHA program information flyer alongside the 2022 Tax Bills that were mailed in August 2022.
- County staff worked with community partners the Jackson Center and Justice United to promote the LHA program.
- Organized visits to local churches, Rogers Road and Cedar Grove Community Centers to distribute LHA flyers.
- Staff partnered with church congregations in Orange County, including in northern Orange, to share information.

- The County ran ads in *The News of Orange & La Notica*.
- The County spoke about the LHA program on WCHL Chapelboro radio.
- The County produced short LHA informational videos in English and Spanish – these videos were distributed via social media, community partners, and email.

Staff calculated award amounts using the following guidelines:

- All applicants were arranged in priority order
  - FIRST: Tax Burden, largest to smallest
  - SECOND: Length in Home, longest to shortest
  - THIRD: Age, oldest to youngest
- Full awards were allocated to as many participants as possible using \$75,000 of the \$250,000 available funding.
- Staff determined a multiplying factor for the remaining \$175,000 in available funding and used this to reduce all other awards by the same percentage.
- All eligible homeowners received a minimum award amount of \$100 or up to the full amount of the County portion of their tax bill if it was less than \$100.
- Award amounts were the County portion of the tax bill less 2% of the applicant's household income.

Between August 1 and December 1, 2022, the County received 500 applications and awarded \$251,037.83 to 474 households for property tax assistance (Attachment 1). The minimum award amount was \$100. The average award amount was \$529.62, and the median award amount was \$338.56.

LHA Applications Submitted				
	2022		2021	
	Number	Percentage	Number	Percentage
Eligible Applications	474	95%	91	70%
Ineligible Applications	26	5%	39	30%
TOTAL	500	100%	130	100%

The County received a significant volume of applications the first two weeks and then the last week of the program. 95% of all received applications were approved. The most common reason for application denial was the household being over 80% AMI (12 denials), followed by households not owning their home for five or more years (10 denials), and the household living outside of Orange County (2 denials).

LHA Award Amounts				
	2022		2021	
	Number	Percentage	Number	Percentage
\$1-\$50 (N/A for 2022)	0	0%	31	34%
\$51-\$100	95	20%	16	18%
\$101-\$200	53	11%	15	16%
\$201-\$300	59	12%	14	15%
\$301-\$500	117	25%	9	10%
\$501-\$999	104	22%	4	4%
\$1,000+	46	10%	2	2%
TOTAL	474	100%	91	100%

Of the 474 approved applicants, 67% were white, 21% were black, 4% were multi-racial, 7% Asian, 1% were another race, and 5% chose not to disclose their race. 67% of the approved applications were age 65 or over. Of the 24 folks that received full awards, 71% were White, 17% were Asian and 13% were Black.

Racial Demographics of LHA Awardees				
	2022		2021	
	Number	Percentage	Number	Percentage
White	317	67%	41	45%
Black	99	21%	40	44%
Asian	33	7%	1	1%
Other	3	1%	4	4%
Undisclosed	22	5%	5	5%
TOTAL	474	100%	91	100%

Age Demographics of LHA Awardees				
	2022		2021	
	Number	Percentage	Number	Percentage
≥55	74	16%	11	12%
56-60	40	8%	7	8%
61-65	60	13%	17	19%
66-70	81	17%	17	19%
71-75	84	18%	14	15%
76-80	54	11%	3	3%
81-85	37	8%	8	9%
86+	43	9%	10	11%
No data	1	0%	4	4%
TOTAL	474	100%	91	100%

### **Recommended Program Design Changes for 2023**

Staff from the three participating departments offer the following program design changes, should the Board wish to continue the LHA program in 2023:

- 1) Increase baseline minimum award amount: a minimum award amount of \$200
- 2) Introduce a baseline maximum award amount: \$1,500 – Staff believes that this is a generous award limit, as this amount is \$351 more than the average full award before adding the multiplying factor (\$1,149). By establishing an award cap, the County would be able to distribute more money to more people.
- 3) Use the HOME Investment Partnerships Program (HOME) and Housing Trust Fund (HTF) Homeownership Value Limits ("95% limits") as the maximum home value eligible for the Longtime Homeowner Assistance program. The U.S. Department of Housing and Urban Development (HUD) calculates these metrics annually, here are the current limits:

1 bedroom	2 bedroom	3 bedroom	4 bedroom
\$363,000	\$465,000	\$563,000	\$698,000

If implemented, applicants will indicate the number of bedrooms in the home on their application.

Assuming all other eligibility components including income are met, staff can make exceptions to these value limits for homeowners who meet one or more of these criteria:

- Anyone in the home age 70 (the average life expectancy for American Indian /Alaskan Native people who are documented nationally as the racial demographic with the lowest life expectancy) or older
- Anyone in the home has a documented disability, as defined by the U.S. Department of Housing & Urban Development (HUD), "to include any (1) individual with a physical

- or mental impairment that substantially limits one or more major life activities; (2) individual with a record of such impairment; or (3) individual who is regarded as having such an impairment.”
- Homeowners with property tax increases of 50% or more from the tax assessment in 2020 to taxes owed in 2023.

Corey Root, Housing and Community Development Director, made the following presentation:

Slide #1



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## **2022 Longtime Homeowner Assistance (LHA) Evaluation and 2023 LHA Recommendations**

**June 20, 2023**

Slide #2

**2022 LHA Evaluation**



Slide #3

### Achieved goal of increased LHA awards

Award Amounts	2022	2021
<b>Total disbursed</b>	\$251,037	\$16,364
<b>Full award amount</b>	\$544,572	\$16,364
<b>Least</b>	\$100	\$1.51
<b>Most</b>	\$7,303	\$1,334
<b>Average</b>	\$529	\$96
<b>Median</b>	\$338	\$179

Corey Root said they actually spent above what is shown due to a staffing error and an application not getting processed.

Slide #4

### Staff focused on outreach to increase apps

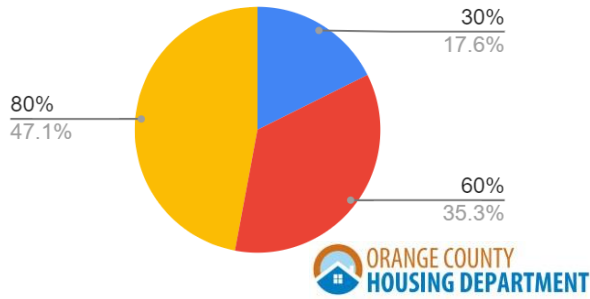
	2022	2021
<b>Apps received</b>	500	130
<b>Apps eligible</b>	474 (95%)	91 (70%)
<b>Eligibility</b>	Owned home 5+ years	Owned home 10+ years AND tax increased
<b>Application dates</b>	Aug. 1 – Dec. 1	Oct. 8 – Dec. 15
<b>Award amount</b>	Prioritized by tax burden	All applicants received full awards
<b>Minimum award</b>	\$100	None

Corey Root said they had great partners with Justice United and the Jackson Center. She said that helped them increase their applications over 5 times. She said that more applications were also eligible.

Slide #5

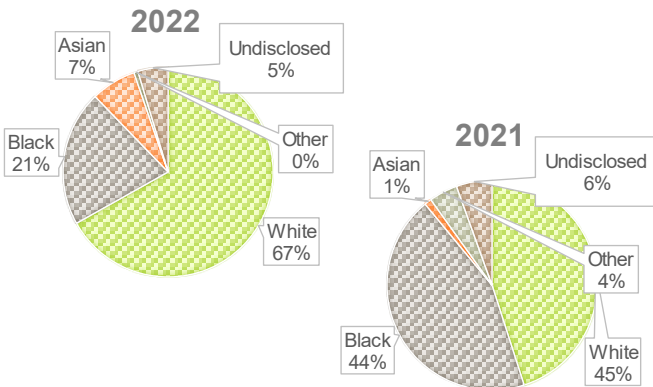
2022 LHA awardees spanned Area Median Income (AMI) levels

AMI of Households Served



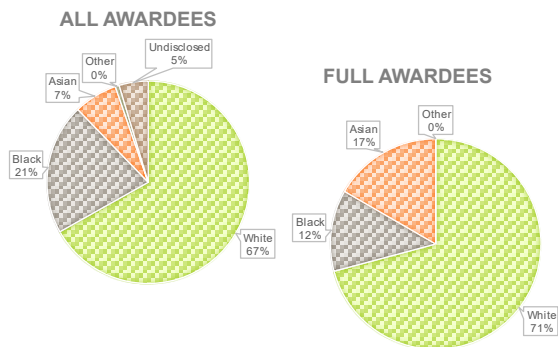
Slide #6

White awardees increased in 2022



Slide #7

White awardees increased also for larger award amounts



Corey Root said they saw an increase in Asian and White recipients. She said that this showed that the prioritization was not getting to the point where they wanted to be. She said that there have been years of housing discrimination that they are trying to work through and that they know the Black and African American community should be receiving a large portion of the funds.

Slide #8

## Recommendations for 2023 LHA Program

Erika Cormack continued the presentation:

Slide #9

**Staff worked with community partners to evaluate program data**

- All desire to increase equity in award amounts
- Developed recommendations together

Slide #10

**Staff propose 3 recommendations for 2023 to increase award equity**

1. Increase minimum award to \$200
2. Establish property value cap

1 BR	2 BR	3 BR	4 BR
\$363,000	\$465,000	\$563,000	\$698,000

3. Establish \$1,500 award limit



Commissioner Fowler asked if people got a minimum award of \$200 but their bill was less than that, how that would work.

Erika Cormack said it is not very likely that a bill would be less than \$200.

Nancy Freeman, Tax Administrator said some tax bills are lower than \$200, but that real estate would have very few at that amount. She said that the document says they will award up to the amount of the tax bill but would not award over that.

Corey Root said that this is just for the county portion of the bill.

Vice-Chair McKee asked for more information on outreach efforts for the coming year.

Corey Root said they issued press releases in 2021 and the biggest outreach was a flyer that went out with the tax bill, so every homeowner got one. She said many churches were supplied with flyers, a short video in English and Spanish was posted on social media and WhatsApp.

Vice-Chair McKee asked that flyers be distributed to every church and community center.

Corey Root said churches were provided with flyers and a lot of community members were partnered.

Commissioner Portie-Ascott asked if there is a way to break down the data geographically by race.

Corey Root said they can do that.

Commissioner Hamilton asked if they take the 2022 data and applied the new recommendations how it would look. She asked if they would assume they will have the same number of awardees.

Corey Root said it looked like more \$200 awards. She said it put everyone closer to the cap of \$1,500.

Erika Cormack said it was close to 20 more households that would receive the full award.

Commissioner Richards asked for clarification on how the dollar numbers were reached.

Erika Cormack said that if everyone that applied had gotten a full award, then the average would have been \$1,149.

Commissioner Richards said the \$1,500 gives some room there and more people could be served.

Erika Cormack said the recommendations are made with the hope that more people could get more money.

**PUBLIC COMMENTS:**

David Remington said he has been involved with Justice United for many years. He thanked the Board for making the LHA program possible and expanding it. He said it made property taxes more affordable for many people. He thanked Housing staff for all their work. He said this is an excellent proposal and he hopes the Board will approve additional funding to continue the program.

Horace Johnson thanked the Board for continuing this program. He said part of the reason this started was because there is a need for it. He asked if they know how many people have lost their homes due to foreclosures. He said that over the last 10 years people's home values went up without their income changing. He said that people got out and figured out the people were hurting. He said that hopefully, this will save people's homes. He said that the numbers of people getting tax assistance continues to rise. He said better care needs to be taken of the original people who built this community. He said it is tragic the number of people who lost their homes to foreclosure in the past 10 years.

George Barrett, the executive director of the Jackson Center, said he is speaking for many neighbors who were not able to be present. He lifted up Paul Caldwell (lifelong resident of Northside) who said, "believe it or not, I've been asked numerous times to sell my property but that's my little piece of the rock... and I have pride in being a resident of Northside". He said this is the importance of staying in place. He thanked the Board for continuing LHA for another year and said that it is essential to helping people stay in place. He thanked the Board and Housing staff for their work with the community and Justice United.

Chair Bedford said this program was continued with the approval of the budget, and this is to consider some program changes.

Commissioner Fowler said she agrees with the recommendations and would like to consider and revisit the program each year.

A motion was made by Commissioner Fowler, seconded by Commissioner Richards, to approve the design changes for the Longtime Homeowner Assistance program as recommended.

Commissioner Richards thanked Housing and Tax staff for their work on this program and their recommendations. She said that this is a great example of what can come out of a partnership. She said she appreciates the way they broke down the data on who is served by the program.

**VOTE: UNANIMOUS****d. Proposed Designation of County Surplus Property and Proposed Release of Request for Proposals for Use of County Capital Investment Plan (CIP) and Bond Funds and Designated Surplus Land for Affordable Housing**

The Board received the timeline to release Request for Proposals (RFP) for use of County bond funds and CIP funds for affordable housing projects, and approved the following:

- 1) A resolution declaring eleven (11) County owned parcels surplus land for the purposes of affordable housing development and authorizing the County Manager the convey these parcels to affordable Housing developers by private sale or other means; and
- 2) The schedule for release of the Housing Department RFP for use of the remaining amount of affordable housing bond funds, the first \$5 million distribution of CIP affordable housing funds, and eleven (11) County-owned parcels for affordable housing development.

**BACKGROUND:** Orange County voters approved \$5 million for affordable housing development in 2016. The Housing Department distributed the bulk of these funds in two rounds – \$2.5 million

in 2017 and \$2.5 million in 2020. There are \$769,680 in remaining unspent funds and bond sale proceeds that Housing Department staff would like to make available for affordable housing projects in the summer of 2023.

At the June 8, 2023 Budget Work Session, the Board of County Commissioners provided direction that an additional \$5 million for affordable housing development be allocated from the Capital Investment Plan (CIP) funding for FY 2023-2024. The CIP also includes \$5 million allocations in FY 2026-27 and FY 2029-30 for a total of \$15 million for affordable housing development over ten years.

In addition, working with colleagues in the Planning & Inspections Department, Asset Management Services, and the County Attorney’s Office, staff identified eleven (11) parcels of land that could be appropriate for affordable housing development. Staff are requesting that the Board:

- 1) Declare these eleven (11) parcels of land surplus for affordable housing;
- 2) Authorize staff to proceed with an RFP offering \$769,680 in remaining bond funds, \$5 million in CIP affordable housing funds, and these eleven (11) parcels to affordable housing developers; and
- 3) Authorize the conveyance of these County-owned parcels to affordable housing developers by private sale or other means.

The attached resolution authorizes the County Manager to:

- 1) Declare these eleven (11) parcels as surplus for affordable housing:

<b>PIN</b>	<b>Location</b>	<b>Jurisdiction</b>	<b>Acreage</b>
9865614458	108 Mollie Court	Hillsborough	1.24
<b>9865517394</b>	229 Daye Street	Hillsborough	0.64
9865622018	Faucette Mill Road	Hillsborough	0.67
9844786326	US 70 West	Orange County	0.07
9844881230	US 70 West	Orange County	1.37
9844786242	US 70 West	Orange County	0.41
9778941081	Wentworth Street	Chapel Hill	0.34
9778930971	Wentworth Street	Chapel Hill	0.38
9778941099	Wentworth Street	Chapel Hill	0.17
9778631313	NC 54	Carrboro	0.91
9778635482	NC 54	Carrboro	1.95

- 2) Sell the properties by negotiated sale to either a public or private entity for the purpose of developing affordable housing for persons of low to moderate income (the property could be offered for below market rates to serve as a subsidy for the affordable housing project);
- 3) Lease the property to a public or private entity for the purpose of developing affordable housing for persons of low to moderate income (the lease rate could also be negotiated below market rate to serve as a subsidy for the affordable housing project); and
- 4) In the event that there are no developers interested in option (1) or (2), sell the property on the private market with the proceeds of the sale dedicated to other affordable housing projects.

The Resolution would also authorize the County Manager to place terms, conditions and standards on the sale that would ensure that the properties are safe, convenient and remain affordable. If the Board approves the resolution, the contents of the resolution must be summarized and published once after its adoption. No sale can take place until 10 days after publication.

Housing staff recommend the following schedule for the RFP release, evaluation, and award of the remaining bond funds, FY 2023-24 CIP affordable housing funds, and designated surplus land:

- July 10, 2023 – RFP Application Released
- July 10-July 21, 2023 – Application Workshop(s)
- August 31, 2023 – Applications Due
- September 2023 – Staff and Affordable Housing Advisory Board Application Review
- October 2023 – BOCC Considers Award Recommendations for Funding and Land
- November 2023 – Contracts Executed and Projects Begin

Staff and members of the Orange County Affordable Housing Advisory Board would use the attached scoring criteria (Attachment 4) to formulate funding and land recommendations for the BOCC to consider in the fall of 2023.

Corey Root made the following presentation:

Slide #1



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**Funding & Surplus Property for  
Affordable Housing  
June 20, 2023**

Slide #2

## \$769,680 in remaining bond fund + \$5m CIP funding for affordable housing

- \$15 million in CIP funds allocated for affordable housing development
  - \$5 million FY 23-24
  - \$5 million in FY 26-27
  - \$5 million in FY 29-30
- Staff propose \$5.7m available via RFP for affordable housing developers in summer 2023



Slide #3

## 2016 \$5m affordable housing bond helped to create/preserve 477 units

Developer	Project	Funds	Project Type	Units
CASA	Perry Place	\$1.37 m	Rental Development	48
EmPOWERment	116 Cole St & 606 Bynum St	\$475,700	Acquisition	2
Habitat	Crescent Magnolia	\$925,000	Ownership Development	24
Self-Help	Homestead Gardens	\$1.5 m	Rental Development	117
Habitat	Weavers Grove	\$134,160	Site improvement & homes + Homeownership	100 136 lots
EmPOWERment	PEACH Apartments	\$700,000	Rental Development	10
InChuCo	Chase Park Apartment building stairwells	\$165,840	Rental Rehabilitation	40



Slide #4

## Staff propose 11 Countyowned parcels for affordable housing development

PIN	Location	Jurisdiction	Acreage
9865614458	108 Mollie Court	Hillsborough	1.24
9865517394	229 Daye Street	Hillsborough	0.64
9865622018	Faucette Mill Road	Hillsborough	0.67
9844786326	US 70 West	Orange County	0.07
9844881230	US 70 West	Orange County	1.37
9844786242	US 70 West	Orange County	0.41
9778941081	Wentworth Street	Chapel Hill	0.34
9778930971	Wentworth Street	Chapel Hill	0.38
9778941099	Wentworth Street	Chapel Hill	0.17
9778631313	NC 54	Carrboro	0.91
9778635482	NC 54	Carrboro	1.95



Corey Root thanked the planning department for their help in identifying the parcels.

Slide #5

## Properties can be sold or leased

1. Sell properties by negotiated sale to either public or private entity
2. Lease the property to either public or private entity
3. Sell property on the private market with proceeds dedicated to other affordable housing projects



Slide #6

## Staff propose tight timeline to distribute funds & land quickly

- RFP Release: July 10, 2023
- Application Workshop(s): July 10 - July 21, 2023
- Applications Due: August 31, 2023
- Application Review: September 2023
- BOCC Considers Award Recommendations for Funding and Land: October 2023
- Project Kickoff: November 2023



Slide #7

## Manager recommendations

- 1) Receive and approve the timeline to release Request for Proposals (RFP) for use of County bond funds and CIP funds for affordable housing projects
- 2) Approve and authorize the Chair to sign the resolution (Attachment 3) declaring eleven (11) County owned parcels as surplus land for the purposes of affordable housing development



Chair Bedford asked if the land could be given away.

John Roberts said the land could be sold for essentially nothing, or \$1, or a negotiated amount. He said that most county property is owned by the taxpayers so it can't be given away. He said that a nonprofit could be an exception because they would be carrying out the work of the government on that land. He said that this would be a sale and how it is structured could be for nothing or have other requirements attached to it.

Chair Bedford asked how this will work.

Bonnie Hammersley said staff will put out an RFP and a non-profit may come in with a proposal to build a duplex. She said they would identify a property and then request funding from

the Board from the \$5.7 million. She said the proposals will be scored based on the criteria adopted by the Board a couple of years ago. She said if there is no interest in the land, then the recommendation would be to sell the land and put the money of the sale to affordable housing.

Commissioner Greene asked that the Board get to review the criteria for the \$5 million bond again before they decide that is what will be used. She asked if any elected people would have an opportunity to look at the RFP before it goes out.

Bonnie Hammersley said it would require a delay in the process but if the Board would like to do that, it is fine.

Commissioner Greene said she does not want to slow down the process and asked what the RFP will say.

Bonnie Hammersley said they can share it with the Board.

Erika Cormack said they were being intentional about when they hope to put the RFP out due to staff capacity, so they had planned for that.

Commissioner Fowler asked how they would add up the column for income targeted units.

Chair Bedford said it is prorated in the orange. She said that it would show the points and do a sum.

Bonnie Hammersley said the criteria and the points were determined by the Board.

Commissioner Fowler said it seems like more points should be considered for local residency.

Bonnie Hammersley said there was a discussion at the time and there was an issue that they might not accept someone that was not in Orange County and would move to Orange County. She said it was a legal discussion at the time.

John Roberts said there is a problem with only allowing Orange County residents access. He said it is an equity problem. He said that a points criterion was discussed for local residents and that might have been workable.

Vice-Chair McKee said his understanding is the RFP is a request from the county to providers for proposals. He said that the providers would then respond and then the RFPs will go to a group for scoring and the points would be used to score the responses to the RFP.

Commissioner Greene said that maybe there is not time for the Board to review the RFP and the scoring, but she had an issue that there was no attention to transportation.

Commissioner Fowler said there are five points allocated for that issue.

Commissioner Greene said there are people who do not live in Orange County who would like to be in Orange County, so she is not troubled by the 5 points for that.

#### PUBLIC COMMENT:

Delores Bailey, executive director of Empowerment Inc, said Empowerment has been around since 1996. She said that they are building affordable housing with the Peach Project and the land is being partially conveyed by Chapel Hill. She said that Peach is on Johnson St. and three of those properties are on the corner of Johnson St. and would be perfect for Peach #2. She said that Empowerment has also been given an option of an 8-10 acre property and there are currently five homes on the lots. She said there is potential for more diversity and affordable housing. She said this is an amazing time for this to be happening. She said that her concentration will be rentals from 30% to 80% AMI. She said this is going to be an amazing opportunity.

Chair Bedford said the Board of Commissioners did not go with the recommendations from the advisory groups because they were looking more for the lower in the 30% AMI. She said these criteria isn't good enough because she'd like to prioritize the number of units that are 30% AMI. She said she would allocate another 30 points for that. She said some of the Towns are doing 60% AMI, but they say it is up to the county. She said she is a parent of a special needs adult, and those populations need additional points. She said that should be the priority. She said

there are ways to adapt the criteria to prioritize those issues. She said that she is not sure her colleagues agree with her prioritization.

Bonnie Hammersley said changing the priorities would change the timeline for this because scoring criteria would need to go out with the RFP.

Commissioner Portie-Ascott asked if there is a deadline.

Bonnie Hammersley said they are trying to get this moving because it takes time. She said that by November, they would not see any development for 2-3 years. She said starting the front end as soon as possible is better.

Commissioner Richards said she would not be in favor of increasing point values. She said that she has issue with leveraging the presupposed bigger organizations with sources of funds. She asked if that pre-stacks the deck to the larger organizations.

Commissioner Greene said she agrees with Commissioner Richards.

Commissioner Portie-Ascott asked how likely it would be for the developer to request the land and nothing else.

Corey Root said there was one request for land and the process took around 8 months or so because appraisals had to be done.

John Roberts said that if it were to be free, something would have to be given in lieu of cash. He said that building public housing or low income/affordable housing would be a condition.

Commissioner Hamilton said she is really torn because of the timing and the need but that she feels uneasy with the scoring rubric that this Board has not had a chance to look at and change the priorities. She said she does not want to move forward too fast and not make the impact they wanted to make.

Commissioner Fowler said the whole RFP has to target affordable housing folks less than 80%. She asked if people could apply for mixed use.

Corey Root said only the units that are affordable housing are scored.

Commissioner Fowler said she still has a concern about special needs.

Vice-Chair McKee said he is unaware of any issues that the scoring brought before. He said that he has no concern with scoring rubric as previously approved. He said that the developer will not build until they own the land. He said that given all the steps, this needs to go out and he does not want to push this back. He said that they can make any adjustments in the next configuration.

Commissioner Greene said she agrees. She said that she has a strong feeling to get money out as soon as possible. She said that some parcels have access issues, and some are very small so almost a one-off project. She said for this particular set of properties, the criteria are fine, and she is happy to work with the criteria.

Chair Bedford said she agrees with Commissioner Greene on these particular properties, but there was a conflict and legal question, when the final \$2.5 million came in, that the Board overrode the criteria and gave more money to one organization over another that scored higher. She asked how much leeway they have to change funding recommendations and what is the legal claim there.

John Roberts said there is no legal claim. He said this Board is not bound by a prior Board's policy decision. He said if there are exceptions, then there are exceptions.

Commissioner Fowler asked what percentage of units went to folks with special needs in last funding.

Corey Root said it could be one unit in many.

Commissioner Hamilton asked about the resolution and what is the definition of low or moderate income.

Corey Root said moderate is defined at 50%.

Commissioner Greene said those are HUD definitions.

Commissioner Hamilton asked if it is clear they are using the HUD definitions.

Commissioner Richards said on page 31 the definition of special needs includes disabilities, veterans, and homeless. She said she thought it would be for special needs that it meant that definition. She said she is wanting to understand Commissioner Fowler's concerns.

Commissioner Fowler said her concern is that if they only reserve 1 unit in 200 for a person with special needs, and they qualify for those points, it does not seem like it is getting at the intent. She said this is just a yes or no and not how many.

A motion was made by Commissioner Richards, seconded by Commissioner Greene, to approve and authorize the Chair to sign the resolution (Attachment 3) declaring eleven (11) County owned parcels as surplus land for the purposes of affordable housing development.

**VOTE: Ayes, 6 (Commissioner Richards, Commissioner Hamilton, Commissioner Portie-Ascott, Vice-Chair McKee, Commissioner Fowler, Commissioner Greene); Nays, 1 (Chair Bedford)**

## **MOTION PASSES**

### **7. Reports**

None.

### **8. Consent Agenda**

- Removal of Any Items from Consent Agenda
- Approval of Remaining Consent Agenda
- Discussion and Approval of the Items Removed from the Consent Agenda

Chair Bedford asked to pull item 8-d from the consent agenda.

A motion was made by Vice-Chair McKee, seconded by Commissioner Hamilton, to approve the remaining consent agenda.

## **VOTE: UNANIMOUS**

Regarding item 8-d, Chair Bedford said that the difference between clerical and appraisal error seems unclear and unfair.

John Roberts said there are two cases reflected in the materials. He said that the 1992 case is from the Court of Appeals and says that an error of judgment is not an illegal tax. He said the 1997 case says that a clerical error is not an error of judgement. He said that he sent an email to the Board that points out the statute says they can issue refunds for taxes that were paid in three situations, clerical error, appraisal error, and an illegal tax. He said that the two biggest problems are if Board opens up all errors of judgment, they could have to review everything. He said that is because no house is going to be an exact appraisal. He said they do not go into every house and appraise it. He said that if the Board votes to grant a refund, that does not fit into the category, then those Board members will be personally liable for that amount if a taxpayer of the county challenged that decision. He said he understands there are issues with paying this based on something that does not exist, but the law is very limited. He said that they are going to be billed the correct amount going forward, but no way under current statute to award refund.

Commissioner Portie-Ascott said it is hard to understand that the appraiser writing something incorrectly is not a clerical error and the property owner is harmed. She said it does not feel right and she is still confused why it is considered a judgment issue.

Chair Bedford said she wanted to give this issue the full attention of the Board. She said that she wants Mr. Busby to be heard.

A motion was made by Chair Bedford, seconded by Vice-Chair McKee, to deny the refund request.

**VOTE: UNANIMOUS**

John Roberts said there is an article from the School of Government written after the Supreme Court decided what a clerical error is. He said this happens in every county and is an ongoing issue that the legislature has not addressed.

**a. Minutes**

The Board approved the draft minutes for the April 27, 2023, May 2, 2023, May 9, 2023, and May 11, 2023 BOCC Meeting as submitted by the Clerk to the Board.

**b. Motor Vehicle Property Tax Releases/Refunds**

The Board adopted a resolution to release motor vehicle property tax values for one (1) taxpayer with a total of one (1) bill that will result in a reduction of revenue.

**c. Property Tax Releases/Refunds**

The Board adopted a resolution to release property tax values for five (5) taxpayers with a total of thirteen (13) bills that will result in a reduction of revenue.

**d. Tax Refund Request – Walker Hall Busby, Jr.**

The Board considered a refund request for taxes submitted by Walker Hall Busby, Jr.

**e. Proclamation Recognizing Susan Worley**

The Board approved a proclamation recognizing and expressing gratitude to Susan Worley for her devotion and service to the people of Orange County.

**f. Renewal of Health Services Agreement with Southern Health Partners for Medical Services at the Orange County Detention Center**

The Board approved a renewal of the Health Services Agreement with Southern Health Partners for medical services at the Orange County Detention Center for Contract Period July 1, 2023 through June 30, 2024.

**g. JCPC Certification and County Plan for FY 2023-2024**

The Board approved the Orange County Juvenile Crime Prevention Council (JCPC) Certification and County Plan for FY 2023-2024.

**h. Extension of Food and Organic Waste Collection and Composting Contract**

The Board approved the extension of the contract with Judy D Brooks Contractor, Inc. that enables the County to provide collection, hauling and processing for separated food waste and other organic materials from commercial and institutional establishments throughout Orange County.

**i. Orange County Climate Council Memorandum of Understanding**

The Board approved a Memorandum of Understanding (MOU) for the restructuring of the Orange County Climate Council.

**j. Approval of Contracts with Capital Area Workforce Development (CAWD) for Workforce Innovation & Opportunity Act (WIOA) Program Services**

The Board approved a contract with the Capital Area Workforce Development (CAWD) for the implementation of Workforce Innovation & Opportunity Act (WIOA) employment and training program services for youth and adults in Orange County.

**k. Approval of Consortium Agreement with the Capital Area Workforce Development Board**

The Board approved the proposed Consortium Agreement and authorized the Chair to sign the agreement when it is approved by Wake County and other Consortium members.

**I. Orange County Transit Governance**

The Board adopted the four elements for each of Durham and Orange County's Transit Plan Implementation Efforts.

**m. Boards and Commissions – Appointments**

The Board approved the Boards and Commissions appointments as reviewed and discussed during June 1, 2023 Work Session.

**n. Designation of Three Properties as Orange County Historic Landmarks**

The Board adopted ordinances to designate three properties as Orange County Historic Landmarks: Harvey's Chapel AME Church, the Old Eno Quaker Burying Ground, and the David Faucette House.

**o. Fiscal Year 2022-23 Budget Amendment #11**

The Board approved budget, grant, and capital project ordinance amendments for Fiscal Year 2022-23.

**9. County Manager's Report**

Bonnie Hammersley discussed the memorandums included as information items. She said there will be more meetings with the Board so they are involved in the entire process of the comprehensive plan. She thanked the Board for their support during the budget process.

**10. County Attorney's Report**

John Roberts said he sent a legislative update last week, which details some substantial changes to Boards of Elections.

**11. \*Appointments**

None.

**12. Information Items**

- June 6, 2023 BOCC Meeting Follow-up Actions List
- Memorandum – NC Mountains to Sea Trail Progress Report
- Memorandum – Comprehensive Land Use Plan – Consultant Contract Amendment
- Memorandum – Orange County/Lumos Broadband Project

**13. Closed Session**

None.

**Adjournment**

A motion was made by Commissioner Fowler, seconded by Commissioner Hamilton, to adjourn the meeting at 8:56 p.m.

**VOTE: UNANIMOUS**

Jamezetta Bedford, Chair

Recorded by Tara May, Deputy Clerk to the Board

Submitted for approval by Laura Jensen, Clerk to the Board