



Municipal Building Council Chamber

**Minutes of the Burlington
City Council Work Session
Virtual Meeting
5:00pm - Monday, October 5, 2020**

www.BurlingtonNC.gov/councilpackets

Due to the Coronavirus Pandemic, this meeting was convened remotely using the Zoom Webinar platform.

Council Members Present:

Mayor Ian Baltutis
Mayor Pro Tem Kathy Hykes
Council Member Robert Ward
Council Member Harold Owen
Council Member James Butler

Council Members Absent: None

Staff Present:

City Manager, Hardin Watkins
City Attorney, David Huffman
Interim City Clerk, Beverly Smith

Jessica Arias, Scott Bibler, Peter Bishop, Amy Cameron, Sara Beth Hardy, Rachel Kelly, Nolan Kirkman, Todd Lambert, Morgan Lasater, Jamie Lawson, Tony Laws, Jay Mebane, Mike Nunn, Conrad Olmedo, Bob Patterson, Peggy Reece, and John Vernon.

Media Present: Tomas Murawski, Alamance News

A) HOME Program Funds Overview

Director of Planning and Transportation Mike Nunn reported the Planning Department has contracted with Piedmont Triad Regional Council to provide professional and technical support for the City's community development efforts. He reported PTRC works with local governments in our region on community development items and many other programs and currently working on a few housing programs in the City of Burlington area. He introduced Michael Blair is the Community Development Director and has prepared information and a presentation to City Council about the use of HOME funds to assist with affordable housing in Burlington. He explained several options for use of HOME funds will be explained and have proven to be helpful to the City since this engagement of their service.

Community Development Director, Piedmont Triad Regional Council, Michael Blair presented on HOME Funds for Housing Rehabilitation (Homeowner and Rental), Affordable Housing Development, and Down Payment Assistance.

Mr. Blair presented an overview of the following concepts applicable to the use of HOME Program Funds:

Goals & Design of Housing Rehabilitation

Housing rehabilitation benefits to the community include:

- Preserving and creating affordable housing – maintaining the affordable housing stock
- Removing unsafe or unhealthy property conditions – owner/occupant safety
- Promoting neighborhood stability by encouraging homeowners to stay and invest in their homes – Sense of Place and Economic Development
- Helping seniors age in place – owner/occupant wellbeing and economically less impact than seniors having to leave their homes

Considerations:

- The characteristics of persons in your community with needs
- The characteristics of your housing stock
- Housing conditions, and
- Other investments, initiatives and programs to leverage – PTRC ESFRLP/WAP; USDA

Forms of Investment

- CDBG - Direct loans and grants. Grantees may provide loans and/or grants to property owners for rehabilitation. [section 570.202(b)]
- HOME - Direct loans and grants. Grantees may provide loans and/or grants to property owners for rehabilitation. [24 CFR 92.205(b)]

Examples of other Rehabilitation Program Policies:

- NCHFA (and Surry HOME Consortium) – Forgivable loan (no payments). Loan forgiven at \$5,000/year of continued occupancy. If sold prior to loan satisfaction remainder of loan to be repaid to State. Several priorities including >62/years; Veteran; Lead Based Paint w/children under 6/yrs.
 - Easier to get Low Income homeowners to accept terms. Limited PI generated. High productivity.
- USDA – 1% loan for 20 Years. >62/years; under 50%/AMHI
 - Not as easy to get Low Income Elderly Homeowners to accept terms. PI generated. Medium productivity.

Homeowner Rehabilitation

- Cap of \$30,000 (Pre-1978 w/Lead Based Paint \$40,000). Forgivable (or prorated), no interest loan with a 10-year period.
- 10% is forgiven each year. If the homeowner sells the home before the loan period ends, then the homeowner will be required to pay back the unforgiven portion.
- Conveyance to family members must meet income restrictions.

Rental Rehabilitation of Rental Housing (Single Family and Duplexes)

- Cap of \$20,000 (Pre-1978 w/ Lead Based Paint \$30,000). Rental rehab loans are 1% interest loans to landlords to fix code violations or other housing issues.
- The life of the loan is 10 years. Landlords must charge no more than the fair market rate during the affordability period of 10 years.
- Landlord must repair at their own cost any additional code violations that arise during the affordability period.

- Landlords must use contractors from the City’s approved contractor’s list, City Rehab Coordinator will prepare a cost estimate, and the contractor will be paid directly by the City once all work has been certified by the City.

Affordable Housing Development

- Funds may be used to provide gap financing, or full financing, for developers (Non-profit grants and for-profits low interest loans) to build or rehabilitate rental or homeowner occupied affordable units.
- Goal-Assist developers during the fiscal year with financing for:
 - Affordable Rental Housing Development and/or Rehabilitation
 - Affordable Homeowner New Construction
- Request for Proposals.
- Final proposals to be brought to Council for consideration.

Downtown Payment Assistance

First-time homebuyers with down payment assistance of up to \$15,000 per home. Amount determined by underwriting need.

- Homebuyers will be required to undergo housing counseling prior to the issuance of funds by a certified HUD counselor
- Forgivable, no interest loan with a 10-year affordability period
- Recapture provisions apply during affordability period to be filed as a deed restriction.

Following Mr. Blair’s presentation, and discussion with City Council, Assistant City Manager Nolan Kirkman asked City Council for direction to City staff on how to proceed with utilization with funds available and the concepts shared in the presentation.

Following a brief discussion, City Council consensus was for City staff to proceed with the utilization of the PTRC Request for Proposals model and proceed with the RFP process for future Council consideration.

B) Unified Development Ordinance Amendments

**A public hearing will be held on October 20, 2020 for City Council to consider adoption of proposed amendments to the UDO.*

Director of Planning and Transportation Mike Nunn provided an overview of the purpose of the presentation from Chad Meadows, Codewright Planners. He reported City staff continues to monitor proposals and feedback of the adopted plan from November 1, 2019. He explained as with past amendments, staff has prepared additional information for consideration in their continued work with Chad Meadows, Codewright Planners in attendance to present to City Council.

Mr. Nunn reported a significant change includes NCGS 160D as required by law as well as some staff recommendation. He stated the Planning and Zoning Commission received the proposed amendments and unanimously approved them at its September 20, 2020, meeting and City staff recommends the amendments be considered during a public hearing on October 20, 2020.

Codewright Planners, Chad Meadows presented key details of the proposed amendments and substantive changes to the Unified Development Ordinance. He explained the key 160D related changes that every

local government in the state of North Carolina is required to adopt to follow recent changes to North Carolina General Statutes. He reported the are “water-related” changes consistent with state law and editorial changes, cross references, and some typos.

Following a brief discussion, City Council consensus was for Mr. Meadows and City Staff to bring proposed amendments to the October 20, 2020, City Council Meeting and consider City Council input and feedback on the proposal at that meeting.

Additionally, City Council directed staff to report to City Council at a future Work Session, possibly December or January for further review of Food Truck and Pushcart Vendors to address any concerns. City Council will provide feedback to City staff prior to the report.

Mr. Meadows noted they will continue to explore tri-plex quadraplex issues City Council wanted addressed or bring that to the October 20, 2020 City Council Meeting or possibly in the next round of amendments.

Mayor Baltutis expressed appreciation for the proposed amendments and work by City staff.

Mayor Baltutis called for a five-minute break at 7:07pm.

The meeting resumed at 7:13pm.

C) Economic Development Quarterly Update

Economic Development Director Peter Bishop presented on the impact of COVID-19 on the Burlington economy, local, state, and federal resources for businesses, good news and project updates for the Burlington community.

Mr. Bishop reported there are 6,400 fewer jobs in the Burlington MSA than there were in January. He reported the significant impacts were found in leisure and hospitality, manufacturing, retail, and services with impacts much stronger on small and micro businesses without cash reserves, regardless of industry. He shared on a positive note, the unemployment rates are lowering from an increase spike nationwide in March and April 2020. He provided the following resources available to help with residents and businesses impacted by COVID—19:

GRANTS

- City of Burlington CDBG-Microenterprise
- NC Mortgage, Utility, Rent Relief (MURR)

LOANS

- Alamance County Revolving Loan Fund
- NC Rapid Recovery Loans
- Lights-On Revolving Loan Fund
- CornerSquare Community Capital
- Federal Reserve Main Street Lending

BUSINESS SERVICES

- City of Burlington Economic Development
- Alamance Community College Small Business Center
- NC Small Business & Technology Development Center

- Alamance County Libraries
- Economic Development Partnership of NC

Council Member Butler left the meeting with the approval of City Council at 7:32pm.

Mr. Bishop reported on the following Business and Project Updates:

- LabCorp's York Court laboratory has completed more PCR COVID tests than any other laboratory in the world. He stated the impact LabCorp has had in this COVID global pandemic is significant.
- Downtown Burlington properties have six new venues opening in 2020-21
- Long vacant properties are being renovated and made available for lease
- Positive results from Main Street weekend temporary street closure

He reported the US Economic Development Administration is poised to award sewer funding. He explained, if awarded, the City would receive \$288,800 for the expansion of sewer services at Whites Kennel Road.

Mr. Bishop shared the following small company highlights:

Growing Innovation in Burlington

Resolute Elevator, a woman-owned business providing engineered modular elevator systems in addition to modernization, service, and installation of all lift systems. He reported they provided elevators to the Haw River Mill and Revolution Mill projects. He explained they recently completed an expansion to manufacture modular systems in Burlington.

Celebrating Innovation in Burlington

BNNano, develops and manufactures boron nitride nanotubes, recognized as a top innovator by Global Smart Leaders and patent-pending Aluminum Master Alloy made with NanoBarbs. He explained the owners are manufacturing in Burlington and there are many opportunities for this company. He reported the City of Burlington and Alamance Chamber are supportive and meet with them regularly to discuss their needs.

D) Community Development - CDBG-CV Funds

Director of Planning and Transportation Mike Nunn informed Council the City has received another round of CDBG-CV funds in the amount of \$344,077. He summarized the availability of funds and process required to be considered for those who apply. He stated as with the prior CV funds, the City staff will work with non-profits in the Public Services category to allocate these funds in a similar manner as prior funding. He explained an RFP process for interested non-profit agencies to submit those proposals, funds will be applied to utility payment assistance services, and Economic Development microenterprise loans.

Mr. Nunn reported a public hearing will be held November 3, 2020, City Council Meeting to consider amendments to the 2019-2020 Action Plan to add CDBG-CV19 funds as a resource. He reported about \$70,000 of previous funds have been spent, with \$4,000 applied to utility payment assistance, and the remaining was through non-profit disbursements. He stated thirty cases funded through non-profit applicants and assisted eighteen utility accounts for City of Burlington customers. He will issue the RFP

to the non-profit agencies list on October 6, 2020 to seek interest for applicants to these funds and advertise to the public.

E) Chicken and Fowl Update

Planning Manager Conrad Olmedo presented an update to City Council on City staff's research conducted on surrounding comparable communities and responses from the community survey regarding chicken and fowl in the City limits. He announced he was joined by Community Engagement Manager, Morgan Lasater and Animal Services Director Jessica Arias.

Mr. Olmedo reported the City has an existing Ordinance that prohibits chickens in City limits and in the summer/fall of 2020, City Council directed City staff to conduct research to revisit the status of interest within City limits. He reported twenty-seven cities in North Carolina were researched and reported the findings of one city that does not allow chickens, with five cities that allow them requiring a permit.

Mr. Olmedo shared the following feedback from the NC Agricultural Extension Office and Alamance County Health Department:

NC Agricultural Extension Office

- An overall excellent resource on chickens.
- It is common to allow up to 5 to 10 hens per residence.
- It is common to not allow roosters.
- Predators, from dogs to hawks, are an issue for backyard chickens and a well-built coop is a must.
- No regulations about egg collection or meat consumption for personal consumption.

Alamance County Health Department

- Salmonella – can be found on the outside of an egg and it can be transferred inside the egg while cracking; found in 1 in 100 eggs, proper cooking levels will kill the bacteria to safe levels, 145F for shell eggs
- Proper food safety and hand washing should be used to prevent foodborne illnesses and cross contamination
- To sell items, they would need to be inspected by North Carolina Department of Agriculture and Consumer Services

Community Engagement Manager Morgan Lasater presented the results of the backyard chicken survey conducted throughout the community from September 8-21, 2020 resulting in 1,311 responses. She reported the survey was distributed online, through social media, printed copies available at City Hall and City Annex building. She shared the information through media partners.

Ms. Lasater shared the following responses to the community survey questions:

Top Pros of allowing chickens/fowl:

- Egg production
- Enrichment for families and owners
- Sustainability

Top Cons of allowing chickens/fowl:

- Noise
- Smell
- Create neighborhood blight

Are you a resident of the City of Burlington?

- 11.7% responses were not city residents, and 88.3% were city residents.

I want backyard chickens in the City of Burlington.

- 5.3% Neutral, 34.4% Strongly Disagree, 60.3% Strongly Agree/Agree

Are you in favor of backyard chickens being allowed within the City of Burlington limits?

- 6.6% Maybe, 60% Yes, 33.4% No
- There were 869 open ended responses received in response to the Yes, No, Maybe question.

Following the presentation, Mr. Olmedo requested guidance and direction on next steps.

Mayor Pro Tem Hykes commented on the number of responses received expressing interest.

Council Member Owen commented on enforcement, staff response to chicken matters, and City staffing needs in order to do so. He expressed his main concerns include impacts on water resources, noise, density and location of housing chickens, and potential neighboring property owners' issues and concerns.

Council Member Ward inquired about the impact on Animal Services related to enforcement and the budget impact with personnel needs to issue permits, inspections, and administrative needs.

Animal Services Director Jessica Arias addressed the staffing concerns and estimated the budgeting needs.

Mr. Olmedo addressed the staffing concerns with Code Enforcement.

Following discussion, consensus was for City staff to present a model Ordinance, discussion on other amendments to Animal Ordinances, report on fiscal budget needs, and proposed staffing needs for a presentation at the December Work Session.

Mayor Baltutis expressed appreciation for the work and efforts of City staff and highly responsive community feedback.

F) Boards and Commissions Reports

Planning and Zoning Commission – 1 Item

Director of Planning and Transportation Mike Nunn reported on a request to rezone from HI Heavy Industrial to GB General Business for property located at 903 South Graham Hopedale Road. He reported Planning and Zoning Commission recommended unanimously to approve the request, City staff recommends approval and a Public Hearing will be held on October 20, 2020.

- Traffic Commission – None
- Public Transit Advisory Commission (PTAC) - None

G) City Manager Report

The meeting adjourned at 8:42pm.



Beverly D. Smith, NCCMC
Interim City Clerk

October 5, 2020
Work Session