



Municipal Building

**Minutes of the Burlington
City Council Work Session
425 S. Lexington Avenue, Burlington, NC
5:00pm - Monday, May 2, 2022**

Mayor Jim Butler presided.

Council Members Present:

Mayor Jim Butler
Mayor Pro Tem Harold Owen
Council Member Robert Ward
Council Member Kathy Hykes (Via Zoom)
Council Member Ronnie Wall

Council Members Absent: None

Staff Present:

Interim City Manager, David Cheek
City Attorney, David Huffman
City Clerk, Beverly Smith

Amy Barber, Michael Blair, PTRC, Peter Bishop, Cheryl Brown (via Zoom), Nolan Kirkman, Tony Laws, Jamie Lawson, Morgan Lasater, Brian Long, Mike Nunn, Bob Patterson, Peggy Reece, Paige Shepard, Leigh Sims, Arisbett Adame Smith, PTRC, and Gary Smith

Media: Alamance News, Tomas Murawski

The meeting was called to order at 5:01pm.

A) Impervious Area Analysis & Stormwater Fee Structure Evaluation Update

Water Resources Director Bob Patterson gave a comprehensive introduction for the discussion item and provided brief history and background that led to the evaluation conducted by Raftelis Financial Consultants being presented to City Council for future consideration.

Raftelis Financial Consultants representative, Jennifer Tavantzis, presented the work performed by Raftelis and provided an overview of the Level of Service (LOS) evaluation and proposed Level of Service options with necessary fee structure implementation for LOS support. She presented project background, proposed Level of Service options, fee structure recommendations, and sought feedback on next steps and implementation alternatives.

Following discussion, City Council consensus was for Water Resources staff to research the current structure, report back to Council on a proposed 5 year plan developed to communicate and educate the community on the proposed structure, and report back to City Council on a proposed structure that explores the impacts of a stormwater fee structure change over this period of time.

B) Annual Action Plan – FY 2022 CDBG/HOME Funding Discussion

Community Development PTRC Staff, Michael Blair provided an overview of the Community Development Program Executive Summary 2022-2023 DRAFT Annual Action Plan. He reported on the following Community Development Block Grant (CBG) Program 2022-2023 funds allocation total of \$683,726.62. Arisbett Adame Smith was in attendance presenting on the proposed action plan.

Community Development Block Grant (CDBG) Program
2022-2023 Funds Allocation Total - \$683,726.62

CDBG - \$471,576
Program Income - \$212,150.62
Totaling - \$683,726.62

Administration

Draft Funding: \$94,315(CDBG 20%) + \$42,430.12(PI 20%) = **\$136,745.12**
Description: Costs of administering CDBG program.

Public Facilities & Infrastructure

Draft Funding: \$281,525 + \$137,897.90(PI) = **\$419,422.90**
Project Description: The City will invest in its public facilities and infrastructure which includes the acquisition, construction, reconstruction, rehabilitation, or installation. This includes all improvements and facilities that are either publicly owned or traditionally provided by the government or owned by a nonprofit and operated so as to be open to the general public.

Public Services

Draft Funding: \$70,736 (CDBG 15%) + \$31,822.59(PI 15%) = **\$102,558.59**
Description: The City will use funds to provide public services (Including labor, supplies, materials, and other costs), provided that the service is either a new service or a quantifiable increase in the level of service. Organizations must also serve Burlington residents and at least 51% of the clients must be LMI.

Emergency Repair Rehab

Draft Funding: \$20,000
Description: The City will invest funds into small and emergency rehab repairs for low-to-moderate-income households for homeowners using emergency forgivable loans. Individuals must be LMI.

Relocation Assistance

Draft Funding: \$5,000
Description: The City will invest funds into relocation assistance used in a project involving the acquisition, rehabilitation, or demolition of real property.

2022-2023 Burlington Program Income (PI) Available

Amount: \$212,150.62
20% towards 22-23 Administration: \$42,430.12
15% towards 22-23 Public Services: \$31,822.59

Remaining amount towards 22-23 Public Facilities & Infrastructure: \$137,897.90

2022-2023 Burlington HOME Program Allocation

HOME Rehabilitation/Development

Draft Funding:	Program Funds	\$206,689
	CHDO	39,495
	Administration	<u>17,115</u>
	Total	\$263,299

2022-2023 Alamance County HOME Program Allocation

HOME Rehabilitation/Development

Draft Funding:	Program Funds	\$112,814
	CHDO	21,557
	Administration	<u>9,342</u>
	Total	\$143,713

HOME Program Funds will be allocated towards the following projects:

- 1. Rehabilitation:** Project funds will be used towards:
 - a.** Forgivable loans for the rehabilitation of owner-occupied units
 - b.** Traditional loans for rehabilitation of rental housing units
- 2. Development:** Funds may also be used to provide gap financing for developers (non-profit grants and for-profit low-interest loans); any projects in this category would be discussed with Council prior to allocation.
- 3. CHDO Assistance:** The City may reserve 15% of the HOME Program allocation for an approved Community Housing Development Organization (CHDO). Funds would be used for all CHDO-approved purposes; any projects in this category would be discussed with Council prior to allocation.

Note: HOME Program regulations require a 25% local match of all expenditures of HOME Program funds other than administrative funds.

Mr. Blair provided an overview of the proposed eligible FY22/23 CDBG Infrastructure Projects funding distribution and proposed eligible FY22/23 CDBG Public Services funding distribution.

Following discussion, City Council consensus was to proceed with proposed project funding distribution as presented.

Mr. Blair informed Council of a balance of HOME funds in the amount of \$1.5M available for rehabilitation or another tax credit project that's unsolicited. He explained the Request for Proposals (RFP) process would provide another opportunity to spend the funds.

Following discussion, City Council consensus was to proceed with the RFP process as proposed and provide an update to Council on allocations.

A public hearing will be held on May 17, 2022, City Council Meeting for approval of proposed Annual Action Plan & HOME funding.

C) Annexation Request – Voluntary Contiguous – 0 Grand Oaks Boulevard (PID 112469 and 177376)

Planning Director Jamie Lawson provided a staff report on an application to annex into the City of Burlington two parcels, which are contiguous to the current City limits at the intersection of Grand Oaks Boulevard and Huffman Mill Road. The parcels total approximately 22.425 acres in size and consists of Alamance County tax identification numbers 112469 and 177376. She reported this property was the subject of rezoning request which was approved by the Burlington City Council on March 18, 2021, and a Technical Review Committee Site Plan approval for a phased development consisting of ~30,000 square feet of medical office space on June 29, 2021. The development has been previously presented to Council as the Burlington Medical Office Park. The applicant is seeking connections to water and sewer associated with the Voluntary Annexation request to support the approved development. There is no regulatory requirement for the City to provide either service connection to the property (UDO 6.5.A and 6.5.B). This is not a distressed area and the City is not required to provide utility extensions. This is stand-alone Voluntary Annexation request and is within the City’s purview for consideration.

City Council consensus was to place an addition to the May 3, 2022, City Council Meeting agenda to set a date of public hearing for May 17, 2022.

D) FY 2022-2023 Budget Proposal Presentation & FY 2022-2023 CDBG Budget Ordinance Proposal

Interim City Manager David Cheek expressed appreciation to the Budget Committee and Finance staff for the development of the following proposed FY 22-23 annual budget projected at \$69.3M. He highlighted the following:

General Fund Revenues: \$69.3M

- No property tax rate increase
- Tax base grows 3.5%
- Sales tax +26% over prior year budget
- Recycling fee increase adopted January 2022, effective July 1, 2022
 - Recycling contract increase of \$1.1M
 - 1st increase to residents in +10 years
- Eliminates fire inspection fees
- Top 3 – \$57.8M, 83%
 - Property Tax – \$28.7M
 - Sales Tax – \$18.2M
 - Permits & Fees – \$7.7M

General Fund Spending: \$69.3M

- Investing in employees
- Recycling contract cost increase
- Loss of CARE funding
- Top 3 – \$41.9M, 61%
 - Police – \$20.1M
 - Public Works – \$11.4M
 - Fire – \$10.4M

General Fund Department Budgets - 2023

Police	\$20,104,449
Public Works	\$11,398,095
Fire	\$10,420,832
Recreation	\$7,248,372
Debt Service	\$3,160,988
Transportation	\$2,143,809
Gen. Admin. Building	\$2,097,392
Planning & GIS	\$1,976,838
Animal Services	\$1,902,747
Finance & Risk Mgt	\$1,679,779
I.T.	\$1,677,603
Administration	\$1,341,314
HR & Emer Mgt	\$1,244,842
Inspections	\$958,576
Engineering	\$904,062
Legal	\$654,393
Economic Dev.	\$368,137

Water Resources Revenues \$31.9M

- Proposed 2% rate increase
 - Both water & sewer
- Loss of two 1-time revenues
 - State grant -\$289K
 - Interest subsidy payments -\$228K

Water Resources Fund Spending

- Investing in employees
- 4% increase in operating costs
- Decreases in capital outlay & debt payments

Water Resources Fund – Department Budgets – 2023

Bldg. Admin & Services	\$5,426,476
Ed Thomas Water Plant	\$3,133,414
South Waste Treatment	\$3,072,515
East Waste Treatment	\$2,930,100
Mackintosh Water Plant	\$2,489,113
Debt Service	\$2,421,313
Customer Service	\$2,231,327
Plants Maintenance	\$1,356,840
Plants & Facil. Supervision	\$1,196,862
Sewer Line Svc, & Const.	\$1,187,420
Laboratories	\$757,319
Line Supervision	\$740,783
Lakes & Marinas	\$664,575
Water Resources Protection	\$651,547
Composting	\$476,670

Water Resources Proposed Rate Increase 2%

Mr. Cheek provided an overview of the typical monthly bills with the proposed increase.

Mr. Cheek provided an overview of five-year capital improvements and briefly shared highlights on the following

- General Fund Vehicle Replacement Plan – 2023-2027
- General Fund CIP of potential projects between 2023-2027 estimated at \$247.9M; *provided for the purpose to look at the perspective of the impact of projects that are routinely discussed which need further discussion for funding options & potential partnerships to fund.*
- Water & Sewer Fund CIP - \$159.9M

Mr. Cheek shared a preliminary example of proposed projects and scenario utilizing General Obligation Bonds, issue timeline, and impact on tax rate.

Mr. Cheek reported on a \$10.5M available surplus fund balance that will need City Council consensus on consideration for best use of the surplus funds. He reported City staff will seek feedback from Council at a future meeting to determine where to allocate these surplus funds.

Mayor Butler requested a report to City Council at the July or August Work Session.

Mr. Cheek provided highlights of some of the services the city provides each year in various departments.

Some Highlights of What We Do Each Year 2022-2023

Public Works:

2.5M solid waste visits/year = \$4.56/visit
3,600 tons of leaves collected
1,300 acres mowed
5,000 landscape plants & beds maintained
240 miles streets & 100 miles sidewalks
Maintain 200 public buildings
250 burials

Engineering:

400 Infrastructure permits
16 Infrastructure projects designed & installed

Transportation:

200 traffic signals
5,000 streetlights
4,000 signs

Planning Department:

600 rezonings, site plans, fence permits, etc.
4,500 code enforcement cases

Inspections:

6,000 permits

13,000 inspections

8.8. permits & inspections per employee per workday

Fire Department:

Respond to 10,000 calls

Arrive on scene in less than 5 minutes for all calls

Train 18,000 hours

Prevent more fires with over 2,000 inspections of facilities

Teach over 6,000 residents through outreach to prevent fires

Police Department:

Answer & Respond – 165 calls for service per day, 88 emergency calls per day, 11 non-emergency calls per hour

Attend 100 community events

Best Practice – 99.8% arrests done by the book (5 Use-of-Force complaints out of 2,849 arrests)

Tips – Crimestoppers up 93%

Counsel – Over 320 crisis youth counseled resulting in no physical arrests, Youth Diversion Program will service over 125 kids

Protect & Fight Crime – 440 uses of K-9 unit for 332 investigations, ANET seized 990 lbs of drugs, 28 guns, & arrested 66

Water Resources:

Water Lines – 440 miles

Sewer Lines – 444 miles

Treated Daily – 205 gallons of wastewater per resident

Process Daily – 209 gallons of drinking water per resident

Repair & Install – 64 water mains, 8 sewer mains, 64 water taps, 31 sewer taps

Respond Daily – 64 requests to locate utilities (15,270 annually)

Recreation and Parks:

2,000 adult athletics participants

2,500 youth athletics participants

100,000 aquatics patrons

200,000 visits to Lakes & Marinas

10,400 patrons North Park & Fairchild

25,000 patrons to Senior Center

13 Special Events – 40,000 attending

7,000 Tennis Center uses

20,000 golfed The Valley

700+ Summer campers & Afterschool

City Council consensus was to set a date of public hearing June 7, 2022, City Council Meeting to consider adoption of the FY 2022-2023 City of Burlington annual budget.

E) Boards and Commissions Reports

Planning & Zoning Commission: 2 Rezoning Applications:

Planning Director Jamie Lawson provided a staff report on the following rezoning applications and provided a report on the Planning and Zoning Commission recommendations:

ITEM 1: REZONING-22-003: Mr. Brian Lucas, to present a request to rezone properties zoned Medium Density Residential (MDR) to be General Business – Limited Use (GB-LU). The properties are located westerly from the intersection of Whitesell Dr. and Huffman Mill Rd. on the north and south sides of Whitesell Dr. addressed as 3213 and 0 Whitesell Dr. and consisting of Alamance County Tax Identification Numbers 112478 and 112474.

Ms. Lawson reported at the April 25, 2022 meeting, Planning & Zoning Commission voted to unanimously recommend approval of this request. She reported City staff recommends approval.

This item is scheduled for a public hearing at the May 17, 2022, City Council Meeting.

Mayor Butler requested a list of the total of multi-family growth in the community overall for reference.

Planning Director Jamie Lawson will provide a reference list to Council not including this application since there's no development associated with the request.

ITEM 2: TRC-22-0024-PD: Mr. Thomas Johnson, to present a request to rezone properties zoned Medium Density Residential (MDR) and Medium Industrial (MI) to be Planned Development (PD), which will allow a total of up to 252 multi-family units to occur among 7 multi-family buildings with a club house and amenities. The properties are located westerly from the intersection of Bonnar Bridge Parkway and Danbrook Road on the south side of Bonnar Bridge Parkway, addressed as 1851, 1865, and 1842 E. Buckhill Trail, and consists of Alamance County Tax Identification Numbers 106900, 106787, and 106897.

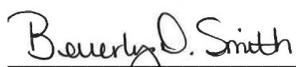
Ms. Lawson reported at the April 25, 2022 meeting, Planning & Zoning Commission voted to not recommend approval of this request (2 votes in favor and 3 votes against). She reported City staff recommends approval. The applicant would like time to discuss the development plans with the community and requesting scheduling for a public hearing for the June 21, 2022, City Council Meeting.

F) City Manager Report

Interim City Manager David Cheek stated there were no items to report at this time.

G) Adjourn

The meeting adjourned at 7:25pm.



Beverly D. Smith, CMC, NCCMC, City Clerk

May 2, 2022 Work Session