

May 24, 2021

The City Council of the City of Rocky Mount met this day in a regular session scheduled for 4:00 p.m. in the George W. Dudley City Council Chamber of the Frederick E. Turnage Municipal Building with Mayor C. Saunders "Sandy" Roberson, Jr. presiding.

Councilmembers present: André D. Knight, Reuben C. Blackwell, IV, Richard Joyner, T.J. Walker*, Lige Daughtridge, W.B. Bullock and Christine Carroll Miller.

Staff present: Rochelle Small-Toney, City Manager; Pamela O. Casey, City Clerk; Elton Daniels, Assistant City Manager; Peter F. Varney, Interim Community & Business Development Director; Robin Cox, Communications Specialist; Ken Hunter, Assistant to the City Manager for Budget and Evaluation; Brad Kerr, Public Works Director; Mark Adcox, Video Production Specialist; Gregory Cotten, Chief Technology Officer; Kena Cofield-Jones, Humans Resources Director; Jessie Nunery, Media Relations Specialist; Will Deaton, Development Services; Nicki Gurganus, Accounting Manager; Chris Beschler, Director of Energy Resources; Archie Jones, Director of Human Relations; Joel Dunn, Parks and Recreation Director; Corey Mercer, Fire Chief; Michael Roupp, Assistant Chief of Operations; Latasha Hall, Director of Business and Collections Services; Robert Hassell, Police Chief; Chris Ballard, Police Captain; Abdul Baloch, Chief Internal Auditor; Brenton Bent, Water Resources Director; Cornelia McGee**, Community Development Administrator; and Richard J. Rose, City Attorney.

***present as required*

NOTE: Public participation limited relative to the Coronavirus pandemic (COVID-19); meeting was accessible remotely via FaceBook and the City's YouTube Channel.

The Mayor called the meeting to order at 4:03 p.m.

PRAYER/MOMENT OF SILENCE

The Mayor requested a moment of silence for individual prayer.

APPROVAL OF/ADDITIONS TO AGENDA (ADDED TO AGENDA IN OPEN MEETING)

Mayor Roberson noted the following requested additions to today's agenda for consideration:

- Street Closure Request;
- Resolution Requesting Clarity Relative to Deferral of the 2021 Municipal Election Due to the Delays in Receipt of 2020 Census;
- Closed Session (personnel); and
- Presentation of FY 2022 City Manager's Proposed Annual Operating Budget (7a)

Councilmember Daughtridge requested that Item 8C on the Consent Agenda relative to building reuse grants be removed from the Consent Agenda due to the appearance of conflict. He disclosed that in April and May of 2020 he probably should have recused himself on voting relative to the building reuse grants.

City Attorney Richard J. Rose clarified the Resolution requesting deferral of the municipal election due to the delays in receipt of the

2020 Census does not delay the election but requests the local legislation delegation to support delaying the election.

Motion was made by Councilmember Joyner, seconded by Councilmember Miller and unanimously carried that the agenda be amended, as stated.

APPROVAL OF MINUTES

Motion was made by Councilmember Joyner, seconded by Councilmember Daughtride and unanimously carried that the minutes of the 2021 Annual City Council Retreat held April 7-9, 2021 in Asheville, North Carolina; minutes of a regular scheduled meeting of the City Council held May 10, 2021; and minutes of a regular re-scheduled Committee of the Whole meeting held May 10, 2021 be approved as submitted to the City Council prior to the meeting.

The minutes of the 2021 Annual City Council Retreat held April 7-9, 2021 are as follows:

**ROCKY MOUNT CITY COUNCIL ANNUAL RETREAT
April 7-9, 2021
Omni Grove Park Inn
290 Macon Avenue
Asheville, NC 28804
Heritage Room**

WEDNESDAY, APRIL 7, 2021 – 1:00 P.M.

CITY COUNCIL PRESENT:

Richard Joyner, Mayor Pro Tem
Andre D. Knight
Reuben C. Blackwell, IV
T.J. Walker
Lige Daughtride
W.B. Bullock*
Christine Carroll Miller*
C. Saunders “Sandy” Roberson, Jr.,
Mayor

STAFF PRESENT:

Rochelle D. Small-Toney, City Manager
Pamela O. Casey, City Clerk
Dorothy Brown Smith, Chief Communications and
Marketing Consultant
Elton Daniels, Assistant City Manager
Mark Adcox, Video Production Specialist
Ken Hunter, Assistant to the City Manager for
Budget and Evaluation
Peter Varney, Interim Director of Community &
Business Development
Will Deaton, Director of Development Services
Kevin Harris, Downtown Development Manager
Jayson Dawkins, Policy Analyst, Budget and Evaluation Department
Tanika Cooper, Executive Assistant to the Manager***
Richard J. Rose, City Attorney

*Participated remotely

***Present as needed

ALSO PRESENT:

Facilitators:

Dr. Valerie Batts, Vision, Inc.*
Dr. Angie Arrington, Evolve, Inc.

Citizen Delegates from Rocky Mount (representing the City’s Boards, Commissions and Committees)

Asheville:

Paul D’Angelo, CD Director
Nikki Reid, Real Estate Director

NOTE: The meeting was live streamed on ZOOM and on the City’s YouTube channel.

OPENING – Day 1

Day 1 of the City Council Annual Retreat began with lunch at the Omni Grove Park Inn at 12 noon.

Mayor Pro Tem Richard Joyner called the Rocky Mount City Council Annual Retreat to order at 1:00 p.m. He welcomed all present in-person and remotely and introduced Facilitators, Dr. Valerie Batts with Vision, Inc. and Dr. Angie Arrington with Evolve, Inc.

Mayor Pro Tem Joyner reported that each year the Rocky Mount City Council holds an annual retreat for leaders and public servants. He noted that delegates were invited to attend this year's retreat where Council will discuss and define priorities to improve the lives of all Rocky Mount citizens. He reported that this year's retreat purpose is: improving housing conditions for all citizens and implementing the most effective way to put policies in place to promote affordable housing for every neighborhood and community in Rocky Mount. Mr. Joyner stated as a part of this initiative the retreat will provide an opportunity to explore Community Land Trusts, housing stabilization and short- and long-term incentives. He said the City will develop strategies for these initiatives to promote economic development and growth for the entire City. He called on City Manager Rochelle D. Small-Toney to provide a welcome.

The City Manager welcomed all to the retreat. She said in order to ensure the City Council Retreat is highly effective, efficient and productive the City has engaged two co-facilitators. She welcomed and introduced the co-facilitators, provided biographical information, outlined the role of the co-facilitators and re-stated the Council Retreat goals. It was noted that the facilitators will capture summary actions for each presenter and provide a high-level written summary of each presentation (including monitoring the chat). She thanked them for agreeing to serve in the capacity of co-facilitators and called on Dr. Valerie Batts for comment.

Dr. Batts made comments telling the Councilmembers she grew up in Rocky Mount in the '50s and the challenge of housing will be an exciting journey. She outlined Vision's guidelines for effective cross-cultural dialogue and asked the Council to "try on" these guidelines for keeping the process moving.

Co-facilitator, Dr. Angie Arrington, explained her role adding that goals include open dialogue for healthy conversation about the needs in Rocky Mount. She provided safety instructions and housekeeping details.

Mayor Pro Tem Joyner welcomed Asheville City Manager, Debra D. Campbell, and members of her staff and thanked them for their willingness to share their knowledge and experience. He reported that a tour of selected Asheville projects is on the agenda for this afternoon.

WELCOME AND COMMENTS – Asheville City Manager, Debra D. Campbell

Asheville City Manager Debra D. Campbell extended a welcome to those attending the City Council Annual Retreat. She told those in attendance that she is entering her third year as City Manager of Asheville and came to Asheville from Charlotte, North Carolina. She brought greetings from the historical all female elected governing body of Asheville.

Ms. Campbell told the City Council:

- Asheville is a small community with big ideas and a small budget and is trying to connect those two qualities without lowering enthusiasm and vision but managing expectations with the realities of available resources; a lot of done before she arrived;
- Asheville has an Office of Equity and Inclusion and they are making a lot of progress as they renovate buildings (not bringing up to gold standards, but getting close);
- Asheville made a bold move in July of 2020 by adopting a reparations resolution.

She responded to questions from Councilmembers and reported:

- Asheville's housing initiatives have been need-based and have provided an opportunity to leverage resources;
- A \$25M affordable housing bond was passed and relationships with partners and the private sector formed and public funding was leveraged;
- Asheville has adopted a number of tools for housing initiatives and taken fairly aggressive steps;
- Council seized the moment due to social unrest around the murder of George Floyd and obtained unanimous approval of the reparations resolution and a program focusing on inequity; they intend it to be a movement and will launching events to include a speaker series to look at the past, present and future with local and national speakers to interact with the community and assess damages; they plan to create a Commission with short, immediate and long-term goals once they move through the foundational phase and expect the process to take 18 to 24 months;
- Reparations was a part of the topics from Asheville's City Council Retreat last week and Council is committed; this is bold action and has only been taken in two states;
- Asheville is a proud community with big dreams and the hope is to be responsible; sometimes communities are vocal and resistant to the time it takes to accomplish goals but they have to move forward incrementally and responsibly and are committed to being responsible stewards of resources and the lives of residents, particularly around affordable housing;
- Her background as a planner assists her in understanding the role of the Downtown which is literally the heart of most cities; Asheville went through a transition where suburbanization took the life from its Downtown and in working to bring people back to the Downtown, the City started investing and leveraging assets;
- The City is focused on local and not trying to go after big chains but focusing on distinguishing its Downtown from other communities;
- Asheville is woefully lacking in minority ownership; the majority of discussions around reparations are about entrepreneurship; they have a lot of work to do

Ms. Campbell responded to questions from Rocky Mount delegate, Gloria Davis, relative to creation of the Office of Equity and Inclusion.

Relative to policies and programs to mitigate the impact of gentrification, Ms. Campbell reported:

- Asheville started out with a concept of mixed-income communities;
- In 2019 Council adopted a policy that would focus on 60% AMI; the private sector can usually provide 80% AMI;
- There has been a lot of conversation about reparations and Asheville is looking at real estate inventory to see if partnership opportunities exist with developers to deliver Black-owned housing or retail integration;
- The greatest challenge now is from the social perspective of moving away from homelessness to houselessness (seeing tents and panhandlers); she said Asheville is not ashamed of this challenge which is a national issue and while they are not proud there are tents in Asheville the goal is to house all who want to be housed, adding this is an issue relative to individuals and not families; all hands on deck will be needed;
- She has just had a conversation with the County Manager about 911 consolidation and shelters and said the best way to be responsive is to work together with local, state and federal agencies

Rocky Mount delegate, Robert Davis, said some communities are afraid to recognize issues and commended Asheville on holding community meetings with great success. He questioned Asheville's process and implementation time to address affordable housing.

City Manager Campbell responded by saying the City is not the direct deliverer of housing but partners with the private sector to leverage resources. She added that COVID has taught collaboration and flexibility in the way cities are managed and Asheville has survived by "getting out of its own lane", being more thoughtful and innovative and having willing partners. She stated the word "trust" has been used in today's meeting and reported that at Asheville's retreat last week elected officials spent a whole day talking about developing working agreements and how to resolve issues.

She encouraged attendees to shop while in Asheville and thanked them for choosing Asheville as the site for the City Council Annual Retreat.

RECESS

By consensus, the retreat was recessed at 2:05 p.m. for a break.

RECONVENE

Mayor Pro Tem Richard Joyner reconvened the Rocky Mount City Council Annual Retreat at 2:16 p.m.

PRESENTATION – AFFORDABLE HOUSING (City of Asheville) – Paul D'Angelo, CD Director and Nikki Reid, Real Estate Director

Asheville Community Development Director Paul D'Angelo thanked Ken Hunter, Jayson Dawkins and City Manager Rochelle D. Small-Toney for coordination assistance for today's meeting.

He told the Council that affordable housing is hard and complicated work and is a numbers game (Cash Flow - expenses/income; tax; and profit) and said Asheville is proud to have great community partners.

Mr. D'Angelo presented a PowerPoint presentation outlining the challenges of affordable housing and advised the Council:

- ***The Challenge of Affordable Housing:***
 - Most wages, salaries and incomes don't support the average housing costs in Asheville for both rental and home ownership;
 - A healthy, affordable mixed-income community needs a variety of housing types at a variety of price points (both rental and home ownership)
- ***Affordable housing:***
 - Both rental and homeownership households should spend no more than 30% of gross income on housing costs:
 - Renter – includes rent + utilities;
 - Homeowner – includes mortgage + insurance + taxes
- ***Challenges in Asheville:***
 - Cost of capital – financing costs;
 - Lack of building efficiencies;
 - Availability of buyer financing;
 - Cost of materials;
 - Lack of industry leadership;
 - Lack of density;
 - NIMBYism (not in my backyard)
 - Local government regulation and fees
 - Land prices/availability (land extremely expensive)
 - Topography challenges;
 - Market challenges - supply/demand/quality of life (many people want to locate here which drives up cost);
 - Lower wages – service and tourism economy (stagnant wages);

- **Local Housing Challenges (provided graph of available housing):**
 - 300 houses under \$300,000;
 - Supply issues;
 - \$355,000 is average home price;
 - Those with a salary under \$175,000 likely cannot afford to purchase a home
- **Bowen Report (rental vacancy):**
 - Nearly one half of renters are cost burdened;
 - Rising rents increased by 5.2% annual (\$1,000 in 2014; \$1,300-\$1,500 currently);
 - Homeowners also struggle and are cost burdened

Mr. D'Angelo provided a graph of FY 2020 area median incomes and advised that the average rent in Asheville is \$1,200 and the average mortgage is \$1,625 monthly.

- **City's Role in Affordable Housing:**
 - Funding;
 - City-owned land;
 - Regulatory; and
 - Convener/Collaborator

**Councilmember Bullock joined the meeting virtually*

- **Recognizing the City's Role in Affordable Housing (Subsidy – Investment):**
 - Invest upfront on the build and incentivize developers;
 - Invest on the back end – subsidize rental/homeowner;
 - Requires partners
- **Solutions (Incentives / Funding / Partners):**
 - Policies (20/80/20 – rental)
 - At least 20% of the units @ 80% AMI for a minimum of 20 years with a strong preference for at or below 60% AMI;
 - Disposition of city-owned land;
 - Housing trust fund;
 - Land use incentive grant;
 - Metropolitan Sewer District discount;
 - Fee rebate/expedited review;
 - Partners (need more):
 - Mission driven developers;
 - Tax credit developers;
 - Non-profit developers;
 - For-profit developers
- **2019 Work Session Takeaways:**
 - Support partners already doing the hardest work, the under 60% AMI individuals and families;
 - Identify gaps in partnerships, funding, programs, incentives, regulations and fill them so municipal resources can go farther for 60% - 80% - 100% AMI;
 - Call on for-profit developers and lenders to be a part of the solution

He offered ideas for building affordable mixed-income communities and provided information on Asheville's mixed-income communities including: Lee Walker Heights; 360 Hilliard Avenue; Amaranth Apartments; Ironwood Apartments (on South Slope); Asheville Area Habitat for Humanity and provided the following recap:

- **Recap: Affordable Housing Work "2020":**
 - The communities listed above provide:
 - 373 units of affordable housing;
 - Represent City investment of \$13.02M leveraged alongside nonprofit and private investment;
 - Per unit cost = \$34,906
- **Recap: Affordable Housing Work "2021":**
 - Identified and described 6 properties and added they will provide:
 - Housing for 500+ individuals and families;
 - Represent City investment of \$23M leveraged alongside philanthropic, nonprofit and private investment

Asheville's Interim Economic Development Director, Nikki Reid expressed her hope that attendees are starting to see a methodology. She added that:

- Data is important and plays a huge role in creating policy foundation and Asheville is using data collected over years to inform policies; when presented to new Council showed how work of previous Councils set the table;

- It is recommended a housing needs assessment be done every 5 years to help set targets and understand how the dynamic market evolves;
- More people are relocating to Asheville and putting pressure on supplies;
- Asheville created an inventory of city-owned land which is an important tool to use to achieve an affordable housing goal;
- Asheville used the power of the City’s taxing authority to rebate through incentive grants and looked for funding strategies

Ms. Reid provided information on selected Asheville projects identified for tour and provided information on each.

Ken Hunter noted the tour is planned for 3 p.m.

Questions were limited to Councilmembers and Mr. D’Angelo and Ms. Reid responded:

- **Purpose built communities:**
 - The City Manager brought the idea of purpose-built communities from Charlotte;
 - The Housing Authority was trying to build, and the City of Asheville owned 60 acres of land;
 - They partnered and slowly reached out to the community to add the school system as a partner
- **Improvements to existing housing stock:**
 - Not a lot of NOAH property (naturally occurring affordable housing) in Asheville;
 - Have done a few rehab loans;
 - Have been approached by 2 developers who wish to purchase market rate units to make them affordable; looking for partners with social equity

Dr. Angie Arrington expressed appreciation to all Asheville presenters. She said great dialogue is expected during the tour and the chat box is available to all participants with questions/comments. Attendees were invited to board 2 available trolleys following the recess of today’s meeting for the tour of selected Asheville projects. It was noted that the schedule has been modified.

Mayor Pro Tem Joyner thanked Asheville presenters for sharing this important information on affordable housing and said they have given Council a lot to consider. He presented them with gifts from the City of Rocky Mount and called on Ken Hunter, Assistant to the City Manager for Budget and Evaluation, to give a short description of each of the planned tour sites. He stated that following the tour at approximately 3 p.m. the meeting will recess (at approximately 5 p.m.) and added, while there will likely be a quorum for the tour, no action will be taken.

Mr. Hunter gave an overview of planned tour sites to include:

- Deaverview;
- Asheville Buncombe Community Land Trust Home Site;
- 360 Hilliard Avenue;
- Ironwood Apartments on South Slope;
- 319 Biltmore; and
- Young Men’s Institute Cultural Center/Eagle Market Place Apartments

Attendees left for the tour at approximately 3:30 p.m. and returned to the Omni Grove Park Inn at approximately 5:00 p.m.

THURSDAY, APRIL 8, 2021 – 9:00 A.M.

CITY COUNCIL PRESENT:

Richard Joyner, Mayor Pro Tem
 Andre D. Knight
 Reuben C. Blackwell, IV
 T.J. Walker**
 Lige Daughtridge
 W.B. Bullock*
 Christine Carroll Miller*
 C. Saunders “Sandy” Roberson, Jr.,
 Mayor

STAFF PRESENT:

Rochelle D. Small-Toney, City Manager
 Pamela O. Casey, City Clerk
 Dorothy Brown Smith, Chief Communications and
 Marketing Consultant
 Elton Daniels, Assistant City Manager
 Mark Adcox, Video Production Specialist
 Ken Hunter, Assistant to the City Manager for
 Budget and Evaluation
 Peter Varney, Interim Director of Community &
 Business Development
 Will Deaton, Director of Development Services
 Kevin Harris, Downtown Development Manager
 Jayson Dawkins, Policy Analyst, Budget and Evaluation Department
 JoSeth Bocoock, Planning Administrator
 Kelly Cook, Community Code Administrator
 Tanika Cooper, Executive Assistant to the Manager***
 Richard J. Rose, City Attorney

* Participated remotely
 **Arrived
 ***Present as needed

ALSO PRESENT:

Facilitators:

Dr. Valerie Batts, Vision, Inc.*
 Dr. Angie Arrington, Evolve, Inc.

Citizen Delegates from Rocky Mount (representing the City's Boards, Commissions and Committees)

NOTE: The meeting was live streamed on ZOOM and on the City's YouTube channel.

OPENING – Day 2

Day 2 of the City Council Annual Retreat began with breakfast at the Omni Grove Park Inn at 8 a.m.

Mayor Pro Tem Richard Joyner called the meeting to order at 9:00 a.m., welcomed all in attendance and made opening remarks. He stated that the information received by Council on Day 1 of the retreat from Asheville Manager Debra Campbell and staff regarding steps they are taking in Asheville relative to affordable housing and the tour of selected affordable housing projects was very informative.

The Mayor Pro Tem stated that affordable, desirable housing is the foundation of any community and is the root of everything that is positive in our community: shelter, safety, education, sanitation, voting, work, technology, family and worship. He said Council has a lot to think about as to how to implement strategies to bring projects similar to those in Asheville to the Rocky Mount community and hopefully, this retreat will set us on the path towards the goal of stable, affordable and desirable housing communities for all.

Mayor Pro Tem Joyner reported that today's agenda is full, and that Council will hear about the City's Affordable/Workforce Housing Strategic Plan, Housing Bond Process and much, much more. He thanked all who are participating in person and virtually.

DIRECTION AND REVIEW OF AGENDA – Facilitators

An updated agenda was provided.

Dr. Angie Arrington of Evolve, Inc. reminded all of safety protocols including mask wearing, social distancing and gave emergency instructions. She outlined the role of the facilitators to include documenting action items, reminded all Councilmembers to speak directly into the microphones when presenting or asking questions and recognized and appreciated the technology team. Dr. Arrington noted that questions from the delegation should be written and provided to her for Council consideration.

Dr. Arrington further outlined the facilitators' role for the day and welcomed Dr. Valerie Batts from Visions, Inc. (virtually) for comments.

Dr. Batts encouraged all to think about the two key issues that are the focus of today's meeting:

- 1) To think and feel clearly about the implications for housing in Rocky Mount; and
- 2) Implementing policies that promote affordable housing

She invited Councilmembers to reflect on and share one thing that impacted them from yesterday's meeting that has implications for housing in Rocky Mount.

ROCKY MOUNT AFFORDABLE HOUSING STRATEGIC PLAN – City Manager, Rochelle D. Small-Toney; Assistant to the City Manager for Budget and Evaluation; Budget and Evaluation, Policy Analyst, Jayson Dawkins

Rochelle D. Small-Toney told the Council that today will be a day of promise and the intent is to make sure Council is aware of the fine work done at the staff level. She directed their attention to the draft affordable housing strategic plan provided in the handout materials and added she likes to think of the plan as a living document and staff's suggestion of a roadmap to bring about quality, decent, affordable housing. Her opening remarks included the following:

- Upon coming to Rocky Mount she was impressed by the level of commitment from the elected board in terms of funding for affording housing;
- Rocky Mount is not a wealthy community, but the Council has year after year invested limited resources in targeted communities that need it most;
- An example of that commitment is increasing the housing incentive fund from \$250,000 to \$500,000;
- Federal funding is expected to become available from the American Rescue Plan of approximately \$13,128,000 and she is certain Council will likely set aside funding for affordable housing and that is the kind of infusion of resources that is needed to advance this effort;

- Over the past year staff has researched and developed the strategic plan with the assistance of a policy analyst, Jayson Dawkins, who has been brought on staff and appreciation was expressed for his efforts as lead researcher and developer of the plan and to Ken Hunter, Assistant to the Manager for Budget and Evaluation, for his assistance;
- The plan is meant to be a draft to be studied, restudied and updated but begins to address the City's need to expand and secure its supply of affordable housing;
- It is an important goal of the City Council and also City residents;
- The proposed strategic plan presented today will provide an overview of current efforts and initiatives, evaluate the environment and recommend actions that can be taken to build, rehabilitate and maintain access to safe and stable housing;
- The intent for today is to provide an overview of key findings and recommendations in the plan and to begin by taking a look of where we want to be as we transition into a future of opportunity ensuring accessibility for all residents; to provide a review of the City's residential and housing supply demographics and to look at key trends in the housing market;
- The intent is to also define housing affordability, examine its critical need in the community, review the key objectives of the plan and examine each of the recommendations;
- The plan is in its early stages of development and comments and suggestions for improving the plan are welcomed from Council, stakeholders and residents as we work to address this very serious issue;
- Rocky Mount is a wonderful place to live and work and the City has undergone many transformations in its history and is currently seeing significant change;
- As we move into the future it is a good idea to ask ourselves "What does Rocky Mount want to be?";
- While the challenges of today are addressed there should also be a focus on the future and a question to ask as we consider the future is where we want to see ourselves in 10 years; this is especially important with respect to housing;
- It has been learned from the rapid development of other North Carolina cities that many communities did not take deliberate action to ensure their long-standing residents shared in the benefits of significant growth and development;
- The question was asked where those residents will be in 10 years and how does the City maintain and grow the identity and history of neighborhoods;
- With respect to growth, we need to decide if we want to be a big city or be established as a smaller city and whether we able to build ourselves out to accommodate and serve a potentially rise in population while at the same time maintaining our character and identity;
- It is important to understand the impact of migration on the City;
- North Carolina continues to grow significantly as a result of inflow from other parts of the country; despite overall losses in population in recent years we are starting to see greater inward migration to Rocky Mount as a result of industrial and commercial development and starting to see the impact of the discovery of the City by residents from the Triangle area especially of the result of the desire to move outward during the COVID-19 pandemic;
- It was questioned how this will continue to pattern the City's impact on the future and how staff needs to effectively respond especially with respect to protecting the availability and stability of affordable housing.

**Councilmember Walker arrived

Policy Analyst Jayson Dawkins presented current demographics and advised the Council that Rocky Mount's age dependent ratio (66) is significantly higher than that of state (60) and national (60) levels. He provided a snapshot of the City's Housing supply advising that:

- 54% of homes were built before 1970;
- A little over 10% of housing has been built since 2000 and the City is seeing a lot of older homes;
- Over 38% of residents are paying over 30% of their income for home rental;
- Over 16% of residents are paying more than 50% of their income for housing;
- "Housing" includes utilities, rent and various other housing costs

Mr. Dawkins continued by providing housing trend comparisons and noted:

- Every city is confronting affordable housing and population is increasing faster than housing supply;
- National trends show:
 - Population is increasing faster than housing supply;
 - Property values are skyrocketing;
 - Housing costs are outpacing wages (minimum wage has not risen in about 10 years)
- Local trends show:
 - Poor housing stock (vacant and older and homes with deferred maintenance);
 - Significant differences in neighborhoods in aesthetic quality and varying investment between neighborhoods;
 - Aging population
- Finding the balance between affordable housing and the market:
 - Affordability:
 - Fair market rent = \$721 monthly;
 - Monthly affordable rent of City AMI = \$1,368 (a number of citizens make less than the AMI)

- Market:
 - Challenged due to being in a seller's market;
 - City owns significant residential property and is trying to remove itself from the real estate business;
 - Higher demand for quality, affordable and market rate rentals; there is a large need for housing

Mr. Dawkins introduced Ken Hunter to provide information about homelessness. Assistant to the City Manager for Budget and Evaluation, Ken Hunter told the Council that the topic of affordable housing cannot be discussed without also taking the time to evaluate local homelessness.

- Homelessness:
 - Annually the North Carolina Balance of State Continuum of Care conducts a "point-in-time" census of the local homeless population and the 2020 data counted 100 homeless individuals in the Twin Counties which includes 27 children;
 - Most of these homeless individuals live in Rocky Mount and it is believed the census undercounts the size of this segment of the population in the City;
 - Locally United Community Ministries provides sheltering and other services for homeless individuals and families through two shelters located in the Central City; they also provide numerous programs focused on support, transition and self-sufficiency;
 - The City's support for United Community Ministries through an appropriation in the General Fund first started in FY 2013 and the current fiscal year appropriation amounted to \$30,000;
 - Rocky Mount has a critical need to secure and expand affordable housing:
 - 37% of households in the City are cost-burdened (spend more than 30% on housing per year);
 - 18.7% of households in the City are severely cost-burdened (spend more than 50% on housing per year);
 - Among renters, small-related households have the highest level of cost burden;
 - Among owners, elderly households have the highest level of cost burden and struggle most;
 - Black households in the City have the largest number with severe housing needs and were most likely to be cost-burdened

Mr. Hunter said in order to address affordable house challenges, barriers must be addressed, such as:

- Affordable Housing Barriers:
 - High costs (land, construction, infrastructure);
 - Location is also important with respect to resources and amenities and should be a priority with respect to future expansion and development;
 - Location is also important with respect to opportunities for residents with lower incomes;
 - If the desire is for residents in affordable housing to have access to upward mobility, we must ensure we have services and infrastructure in place to connect them;
 - Too often areas of affordable housing are negatively impacted by distress (condition of houses and surrounding assets, vacancies due to deterioration, condemnation and demolition or neighborhood blight create destructive influences on the local environment);
 - One key amenity for successful, affordable housing is access to public transportation which includes access to a network that can effectively serve its ridership in accessing opportunities for economic and personal development;
 - Public transportation services must be frequent and reliable as well as provide flexibility to meet the needs of the elderly and disabled;
 - Affordable housing inventory must possess variety in terms of size of units to provide for families and individuals for secure and efficient accommodations;
 - Without complementing strategies to revitalize neighborhoods and communities where affordable housing is located, residents are less likely to be in a position to achieve upward mobility and economic and personal development.

City Manager Rochelle D. Small-Toney stated that all items discussed leads to a conclusion that Rocky Mount needs a thoughtful, strategic approach for affordable housing in order to guide policy development and investment. She identified the following key objectives of the plan to:

- 1) Expand housing choice and access to opportunity;
- 2) Increase homeownership amongst low-to-moderate-income households and members of protected classes;
- 3) Improve the utility of public transportation for low-income and disabled individuals;
- 4) Strengthen fair housing enforcement and operations to protect resident rights; and
- 5) Increase the level of fair housing knowledge and understanding amongst the general public and landlords.

The Manager added that the following initial series of recommendations are made in order to achieve the above objectives:

- 1) The City should create a Housing Trust Fund;
- 2) The City should create a Community Land Trust;
- 3) The City should revise its Density Bonus Policy;
- 4) The City should increase construction of multi-family housing near transit stops;
- 5) The City should create an Acquisition Fund for publicly and privately-owned land;
- 6) The City should create a Preservation Fund;

- 7) The City should eliminate the eligibility requirement for Accessory Dwelling Units;
- 8) The City should implement Tax and Lien Foreclosures;
- 9) The City should implement a Receivership Program;
- 10) The City should revise Minimum Parking Requirements in Residential and Mixed-Use Developments; and
- 11) The City should pass a General Obligation Bond focusing on improving infrastructure and affordable housing

Ms. Small-Toney reported that a Housing Trust Fund will serve as a source of capital for investment and targeted residential development focusing specifically on expanding the supply of affordable housing. She said as the fund is developed consideration must be given to the amount of revenue needed and who should be targeted as beneficiaries with respect to investing fund dollars. She said capacity must also be build-out capacity in order for the fund to function and must determine the parties and process by which to conduct appropriate oversight.

The City Manager advised the City Council that the Community Land Trust is an independent, nonprofit entity involved in facilitating affordable housing through long-term ground leases and Dr. Jim Johnson and Professor Jeanne Milliken-Bonds will be presenting a report on this topic at an upcoming Committee of the Whole. She said

- While the Community Land Trust maintains ownership of the land to ensure affordability through covenants, homeowners would have the opportunity to build equity and sell their home back to the trust when they are ready to move on or move up.

Jayson Dawkins advised the City Council that another way to increase the supply of affordable housing is through density bonuses to incentivize developers to build more units by adding more floors to a multi-family unit or adding additional structures to a planned development. He said the City would need to identify where the future bonuses would be allowed by undergoing rezoning and developing a program structure.

He stated another incentive would be to build more multi-family housing near transit stops. He added purposely positioning new multi-family development with direct access to transit is a key advantage for households seeking affordable housing and would also decrease traffic.

Ms. Small-Toney continued the presentation by advising the Council that an acquisition fund:

- Is designed to provide financial capacity to acquire public or private areas for affordable housing development;
- Would be structured as a loan pool so developers can quickly access capital as they gather funds during pre-development;
- Would provide that ultimately developers reimburse the fund once their projects are open;
- Require proper management and oversight will require program administration staff.

The Council was further advised that a Preservation Fund:

- Is focused on preserving affordability of existing income-restricted and naturally occurring affordable rental housing;
- In order to maintain and improve already established supply of housing funds are targeted towards further development and rehabilitation;
- This is important in order to address situations where existing supply of affordable housing is faced with conditions rising from outside market forces making them increasingly unaffordable or the presence of significant housing code violations

Policy Analyst Jayson Dawkins reported that Accessory Dwelling Units:

- Would permit the creation of a second dwelling unit (attached or unattached) on a lot with a primary single-family household;
- The Council repealed the primary unit occupancy requirement in 2020 (determined to be unenforceable and ambiguous); and
- Created the potential to develop mixed-income neighborhoods without severely impacting property values

He continued by reporting staff looked at two ways to address vacant housing:

1) Tax and lien foreclosures:

- The City would file a civil action initiating foreclosure against property owners with delinquent taxes and civil code penalties;
- Currently conducted by Edgecombe County;
- Costs can be an issue (process costs up to \$5,000 per case) on top of back taxes and civil code penalties

2) Receivership Program:

- The City would petition a judge for appointment of “receiver” who retains the ability to take ownership of vacant property not in compliance with code standards;
- Fairly new law approved by the General Assembly in 2018;
- Greensboro is exploring a pilot program (Vacant Housing Receivership Program – looks at abandoned, dilapidated and deteriorated housing as a way to increase housing stock, improve

neighborhood appearance and remove blight); 20 properties are a part of the pilot test monitored monthly by staff; COVID-19 caused delays

Mr. Dawkins noted that reducing minimum parking requirements was also a recommendation in the Atlantic-Arlington Corridor Study:

- Currently City requires 2 parking spaces per dwelling (bedroom);
- Recommended limiting to 1.5 or 1 spot per dwelling;
- Reduces development costs;
- City can also implement a parking maximum or parking limit to decrease land use and build more units and additional structures

Ms. Small-Toney concluded the strategic housing presentation by reporting that it is recommended that steps be taken to move forward with developing, approving and implementing a housing bond. It was explained that:

- The Housing Bond would be a component of a broader General Obligation bond which would include funding for additional public infrastructure needs;
- Approval would require a majority affirmative vote of City residents through referendum;
- The Housing Bond portion would provide financial capital for affordable housing investment and incentives many of which are tied to recommendations made in the strategic plan;
- To facilitate repayment of the bond the City would have to increase available revenue to make principle and interest payments which would require an increase in property taxes and interest payments;
- The primary benefits of a housing bond would include provision of more housing for residents and help to increase residential values and the City's overall tax base. Several cities in North Carolina have approved and implemented projects funded by housing bonds including Asheville

She stated that Council had the opportunity to see the initial impact of Asheville's housing bond by viewing some of the projects on the tour yesterday. She added that the City's Finance Director will discuss the housing bond process and implementation in further detail later today including the capacity for increasing the City's debt. She added it is recommended that a housing bond be bundled with other important needs of the City as determined by the City Council.

In conclusion the City Manager reported that she is proud of the work done to develop the strategic plan for affordable housing and stated she thinks it helps the City to bring together in a more organized effort what activities are currently underway with some bold steps already taken by Council and supported by the community. It was reported that next steps include receiving discussion, comment and review from the Council including stakeholders and residents; revisions as necessary and presentation of the plan for adoption by the City Council.

She added it is also a funding strategy and will help to advise the five-year capital plan approach to create more housing opportunities for citizens. She reported that implementation will consist of identifying actions based on recommendations and continuing updates and revisions to the plan and thanked Council for the opportunity to present the afford housing strategic plan.

Questions and comments from Councilmembers were invited and discussion held.

Co-facilitator Dr. Valerie Batts applauded the presentation and said she is hearing that one of the goals is that ultimately the Council will adopt a strategic plan in order to have a sustainable approach to the housing problem. She encouraged Councilmembers to identify what excites them and what challenges they may recognize relative to the plan and staff responded to questions.

In response to a question from Councilmember Daughtridge, Mr. Dawkins responded that \$721 is not the current rent in Rocky Mount now but according to the North Carolina Housing Coalition it is estimated that fair market rent should be \$721. He explained that the AMI looks at area median income.

Comments from Councilmembers include:

Daughtridge – liked discussion and is in favor of a GO bond (voter approved); citizens should have a say in City spending, especially for a significant expense; he noted there have been property tax increases associated with the Event Center (20% increase) and questioned what the expected range of property tax increase is expected to be

Manager - the Finance Director will go into more detail in her presentation later today but in reviewing information shared with her the City is well within its capacity to increase debt; a lot will depend on the amount of the bond; said the point is whenever a bond is discussed it goes to a referendum and the ask of the public is are they willing to pay a higher tax rate to support the identified projects; there is still a lot of work to be done relative to the process; the reason for having discussion relative to the housing bond is that needs are so great and the City has gradually "picked away" at the problem but to address housing (both new construction and rehab) and take a bold intentional step forward, this type of infusion will be required

Miller – concern is that the quality of the neighborhood environment seems to be diminishing at the same time as the tax rate is increasing; voiced concern for reducing parking allowances because she sees multiple cars parked in front yards and the quality of neighborhoods is going down

Manager – this is a great observation and a challenge for municipalities trying to incent developers and parking is one of the things they least like to deal with because they want more land space; a conversation with developers may help to identify needs for both the City and the developer

Walker – thanked the Manager and staff for work on the strategic plan; said understanding the housing bond and community land trust and policies may take time; he suggested parameters be set for the foreclosure process so developers are required to have a certain percentage of affordable housing in developments; and so individuals are not working to buy low and sell high so development is mixed; said there is a cost to doing something new and innovative noting we should look for options to address needs and keep the cost burden down

Manager – said one of the single most incentives in partnering with developers is land ownership by the City; tax foreclosure is a way to obtain land ownership and stipulate how development occurs; it is not the desire that the City be the landlord, but to use the ownership as a bargaining incentive for development

Jayson Dawkins – said he believes some of the most cost-efficient steps can be taken within a year; other solutions are available that he did not specifically recommend that can be looked at

Blackwell – appreciated the efforts of the Community Academy; said he believes all answers already lie within the community and people know what they want and need and in the process room for community input is needed; said people will speak relative to a housing bond if they know their priorities are on the line; questioned if an anticipated number of units will be outlined in a housing bond and distinguished between rental and ownership options; expressed a desire for home ownership opportunity; said poor housing stock strips away wealth due to inefficiency and high utilities; said Rocky Mount does not set its standards solely on tax generation but is a utility-generating City and an aggressive approach to affordable housing should also include a component that incorporates renovation of existing inventory because homes are being stripped of wealth due to high utilities; said he is in favor of a program for citizens to regain wealth and dignity and bring in needed development; questioned how the public vision of the bond will be communicated and how many units will be added over what period of time and what is the balance between development and rehabilitation

Manager – responded that the City is “sticking its toe in the water” to determine if Council is interested in moving forward with more research relative to bringing back information relative to a bond limit; added it will require many meetings with community stakeholders and where emphasis would occur; said it is known that older homes are inefficient and some are occupied by older people without financial capacity to obtain a second mortgage and need immediate assistance and this is an emergency situation for many; said there is a process that staff would need to undertake and bring a proposal to Council for the amount of the bond and identify projects and Council would need to identify the focus; stated the question today is if it is the desire of Council for staff to continue to pursue work towards a housing bond

Mayor – questioned if there is an inventory of current needs within the City

Manager – said staff will continue to refine that and information will come from various departments with Code Enforcement and Community & Business Development being primary; said it is in the City’s best interest to start to bring in interns to inventory properties particularly in targeted corridors to develop a more refined list and if it is the desire of Council staff will proceed with a “windshield survey”

Daughtridge – questioned if a windshield survey exists already, even a dated version that can be utilized

Manager – responded that it is dated, and properties have continued to decline, and some have already been demolished; added both existing structures and vacant lots will be inventoried

Daughtridge – questioned how deferred maintenance with high utilities will be addressed to ensure citizens are not set up for failure by not having enough funding set aside for maintenance needs so as not to be in the same position in 20 years

Manager – said future planning concerns are appreciated but the needs are immediate and in many ways the City is in a state of emergency because families are living in dilapidated structures; she said action must be taken now though there is not enough funds to address all; added predatory landlord situations may exist for high rents for homes that do not meet minimum code requirements; beyond providing revenues policy changes are expected but providing decent, affordable living spaces must come first

Daughtridge – stated if a push is going to be made towards homeownership there should be another piece on how to save money; said he had no idea what was required in homeownership until he had to replace things; said he wants part of the program to be that people are helped to understand maintenance is needed; stated relative to predatory landlords if we have it on the books now and if not, why not, and if so, why is it not being enforced

Manager – said legal counsel will be required because the issues borders on property rights; she added that a component of home ownership programs includes the issue of his concern and would be continued

Miller – stated the prior windshield study was apparently performed on a drive-by basis and results reported were not in accord with deferred maintenance seen while walking about the property; she added that code enforcement is needed all along the way to prevent severe long-deferred maintenance issues such as roofs falling in that result in demolition

Blackwell – said the City works with community partners who already have dedicated homeownership programs in place with a high level of success; said reports from RMECDC indicate they have helped a number of people to remain in their homes because of foreclosure mitigation efforts employed; added we have enough varied interest among Councilmembers that all perspectives should be able to be wrapped into a programmatic thrust that would have funds appropriated to each of the areas of concern; as to fair housing, liabilities as a municipality enforcing laws depends on federal administration and the past administration gutted fair housing laws so the City was unable to do anything other than makes cursory calls because the federal administration had prioritized the needs of real estate developers over people who live in their homes; that is not to say people did not have individual responsibility but more often than not if someone is living in an apartment or property and paying \$700 fair market rent and utilities and other expenses and is working a job that does not pay a living wage that normally means they are working more than one job and people are beyond the trajectory to be able to start to save which makes it difficult; he recommended that all have patience with neighbors and friends who don't have the money others have to invest and find ways in public programming to leverage what people have with a goal to keep people in their homes and neighborhoods; added he feels sometimes our lens of privilege prevents us from seeing the struggle and advocated for all seeing an open and clear engagement process around goals for new and improved housing and renovation

Joyner – said he has those same concerns and the historical process around housing has to be taken into account; said the resulting housing stock is not all based on individuals as much as how we have not as a community carried out our policies and procedures relative to some landlords and people who work for below livable wages; he said all this has contributed to the current state and we should move forward with sensitivity; added he appreciates the approach and way the City is going about this and encouraged including the community to allow them to tell their stories is critical because there is a huge gap between privilege and underprivileged

Mayor Pro Tem Joyner called on the co-facilitators for comment. Dr. Arrington suggested a break and said after the break Mr. Hunter will conclude his presentation and Finance Director Amy Staton will provide a presentation relative to the housing bond process.

RECESS

By consensus, the retreat was recessed at 10:27 a.m. for a break.

RECONVENE

Mayor Pro Tem Richard Joyner reconvened the Rocky Mount City Council Annual Retreat at 11:06 a.m.

PRESENTATION – OVERVIEW OF COMMUNITY LEADERSHIP IN AFFORDABLE HOUSING – City Manager Rochelle D. Small-Toney; Assistant to the City Manager for Budget and Evaluation Ken Hunter; and Policy Analyst Jayson Dawkins

Ken Hunter, Assistant to the Manager for Budget and Evaluation, told the Council that staff wanted to provide an overview of the various organizations and groups involved in the issue of affordable housing in the City and that Jayson Dawkins, Budget Analyst will assist in providing this information.

Mr. Hunter gave an overview of 7 of the City's Boards, Commissions and Committees and 6 other organizations identified as partners and stakeholders in the City's effort to address affordable housing as follows:

- **Boards, Commissions and Committees:**
 - Planning Board
 - Board of Adjustment
 - Community Appeals Board
 - Historic Preservation Commission
 - Redevelopment Commission
 - Workforce Housing Advisory Commission
 - Central City Revitalization Panel (CCRP)
- **Partners and Stakeholders:**
 - Housing Authority
 - Rocky Mount Edgecombe Community Development Corporation (RMECDC)
 - Southeastern North Carolina Community Development Corporation
 - North Carolina Association of Community Development Corporations
 - Twin Counties Community Academy
 - Self-Help Credit Union

Mr. Dawkins continued by listing the roles of the various Boards, Commissions and Committees:

- **Planning Board:**
 - Reviews plans for systematic development and betterment of Rocky Mount;
 - Reviews, investigates location and design of public buildings, parks, streets and bridges;
 - Reports to City Council for approval or denial;
 - 9 members (serve 3-year terms)
 - 1 per Ward
 - 1 for Nash ETJ

- 1 for Edgecombe ETJ
- Board of Adjustment:
 - Hears and decides appeals on orders, requirements or determinations made in enforcement of City Land Development Code;
 - 9 regular members, 4 alternates (serve 3-year terms)
 - 1 member per Ward
 - 2 alternates for Rocky Mount
 - 1 regular, 1 alternate for Edgecombe County
 - 1 regular, 1 alternate for Nash County
- Community Appeals Board:
 - Hears and decides appeals of any decision or order made by the Housing Code Inspector related to:
 - Animals
 - Health, sanitation and nuisances
 - Housing
 - Reports to City Council for approval or denial
 - 9 members (serve 3-year terms)
 - 1 per Ward
 - 1 for Nash ETJ
 - 1 for Edgecombe ETJ
- Historic Preservation Commission:
 - Safeguards City's heritage by preserving and regulating historic landmarks and districts
 - Enhancing neighborhood environmental quality
 - Establishing and improving property values
 - Fostering economic develop
 - Tasks
 - Compile inventory of significant properties
 - Designate landmarks and historic districts
 - Promote preservation
 - Review Certificates of Appropriateness (alternation, demolition, new construction) involving historic landmarks or district
 - 9 members (serve 4-year terms)
 - Must reside within City planning and zoning jurisdiction
 - Council can appoint officio members with special interests
- Rocky Mount Redevelopment Commission:
 - Exists for the public purpose of acquiring and replanning blighted areas within the City limits
 - Hold/dispose of properties to facilitate economic, socially-sound development
 - Prepare redevelopment plans
 - Can undertake non-residential redevelopment where, absent action of others, there is clear and present danger of blight
 - Goals
 - Improve housing conditions for current residents
 - Create viable new construction to reduce vacancy and overall blight
 - 9 members (serve 5-year terms)
 - Longest serving Commission
- Workforce Housing Advisory Commission:
 - Advise Council pertaining to housing challenges, opportunities and options for:
 - Fair, safe and affordable housing throughout the City
 - Minimizing displacement and gentrification
 - Improving housing conditions in historically underserved neighborhoods
 - No more than 13 members (serve 3-year terms)
 - 1 member per Ward, 1 by Mayor
 - 5 representing Housing Authority, faith-based community, housing developers and business community
 - Largest and newest commission
- Central City Revitalization Panel (CCRP):
 - Responsible for creating and overseeing committees necessary to implement Downtown work plan
 - Discuss utility financial incentives to encourage improvements and preservation with Downtown
 - At least 10 members (serve 3-year terms)
 - 1 Central City property owner
 - 1 Central City business owner
 - 1 member of Downtown Renaissance Inc. (Councilmember Miller currently serving in this position)
 - 1 member of Historic Preservation Commission
 - 1 builder/developer of commercial property
 - 6 At-Large

He noted that each Board, Commission or Committee meets once a month with the exception of the Community Appeals Board which meets when there are housing code inspection cases to be heard.

Mr. Hunter identified community partners, community leadership and stakeholders as follows:

- Rocky Mount Housing Authority
 - Heavily involved in affordable housing
 - Major components/businesses
 - Managing residential rental property
 - Developing real estate
 - Fostering human and community development
 - Implementing government shelter programs
 - Current portfolio consists of:
 - 756 rental units (across the City)
 - 2 single-family units
 - 40 Section 8 multi-family units
 - 305 Section 8 vouchers (provide and administer; used in various housing complexes across the City)
- Rocky Mount Edgecombe CDC
 - Nonprofit working to stimulate economic growth in and around Rocky Mount in Edgecombe County portion of the City
 - Housing development
 - Neighborhood revitalization
 - Business development
 - Blight removal
 - Projects within the City
 - Genesis Estates
 - Thorne Ridge Apartments
 - Harambee Square Apartments
 - Holly Street Neighborhood Revitalization
- Southeastern North Carolina CDC
 - Nonprofit component of the Rocky Mount Housing Authority
 - Involved in developing housing units
 - Assists residents
 - ❖ Financial self-sufficiency
 - ❖ Job training
 - Projects within the City
 - Vance Street Homes (in progress)
 - M.S. Hayworth Court
 - Holly Street Revitalization Project
- North Carolina Association of Community Development Corporations
 - Trade association for NC community development corporations; operates primarily in Rocky Mount
 - Advocates for needs of community economic development and constituents served by CDC programs
 - Has developed a 3-pronged approach for Twin Counties
 - Community economic development
 - Community organizing
 - Advocacy for resident served
- Twin Counties Community Academy
 - Created by North Carolina Association of Community Development Corporations (NCACDC) during Twin Counties Visioning and Strategic Planning
 - Very active in recent years
 - Partnered with Legal Aid of North Carolina to promote equal housing opportunities for all achieved by:
 - Community education
 - Organized around the Fair Housing Act
- Self-Help Credit Union
 - NC-based credit union based in Durham (full-service credit union)
 - Downtown Rocky Mount branch (in Old Peoples Bank building)
 - In 2020: involved in acquiring 58 properties from NC Community Development Initiative
 - Support initiatives to refocus from housing development to core lending
 - Working to leverage resources to provide additional affordable and moderate-priced housing
 - Agenda for Rocky Mount involves:
 - Deciding whether to demolish or stabilize properties
 - Determining how to turn remaining homes into high-quality, moderately priced affordable housing

Co-facilitator, Dr. Valerie Batts stated she senses excitement among Councilmembers as they create a strategic plan. She noted a lot of energy and discussion has been centered around taxation and a theme of increased home ownership to address

economic disparities and a history of economic difference. She said there is a theme to consider how to balance immediate need with long-term need and how a realization for how we got to where we are and what change means.

Dr. Batts continued by saying when change is considered it needs to be considered from four levels: personal, interpersonal, institutional and cultural. She said she heard tension around personal responsibility, structural history tension and current policies and every community is dealing with this. She said she liked the discussion about acknowledging privilege and disparity and thinking about this in a “both/and” way. She said the City’s role is to provide ways to rise out of the economic disparity including work at specific levels.

Co-facilitator, Dr. Angie Arrington outlined the primary recommendations for action from the City Manager and her team to include:

- Creation of a housing bond (determined by the Council);
- Subtasks are to identify actions and seek Council approval;
- Emphasized the importance of the plan being a living document that will continue to be revised and improved;
- Ensuring full inclusivity among citizens and voters;
- A question to Councilmembers relative to their desire relative to pursuit of a housing bond;
- Retaining interns for work towards housing bond;
- Notice that legal counsel will need to be retained relative to concerns related to tax foreclosure and parameters (mixed use communities and fair housing and programmatic thrusts to align with federal programs);
- The desire for patience with each other and inclusivity, equity and justice

VIRTUAL PRESENTATION – FINANCING AFFORDABLE HOUSING, PARK AND STREET IMPROVEMENTS – Finance Director Amy Staton

*Councilmember Bullock joined remotely

Finance Director Amy Staton thanked the Council for the opportunity to join them virtually. She added she has been following the conversation and will address financing as just one tool available in the financing plan. She told the Council she will talk about bond financing and other needs can be included in the housing bond.

Ms. Staton outlined three financing options and explained that due diligence will be done to evaluate and determine which is the best option:

- General Obligation Bonds (backed by the vote of citizens; backed by the City’s ad valorem taxing power)
- Limited Obligation Bonds (backed by collateral such as the structure being built)
- Special Obligation Bonds (backed by other structures that serve as collateral; used for Event Center Financing)

Ms. Staton outlined the statutory financing authority (NCGS 159-48) to allow that: each unit of local government may borrow money and issue its bonds. She outlined the uses adding that areas of discussion for the City are:

- Providing for parks and recreation facilities;
- Providing streets and sidewalks; and
- Providing housing projects for the benefit of persons of low and/or moderate income (at least 20% low income)

She stated that a bond can be created for one use or multiple uses as outlined in NCGS 159-48.

Ms. Staton reported it is important to think about timing for the bond and walked the Council through a possible timetable for a General Obligation (GO) bonds which requires the vote of the citizens. She told the Council that public education is important and noted people vote for what they want. She provided an indication of expected voter turnout to be:

- October 2021 – Primary Municipal Election (turnout 20%)
- November 2022 – Mid-term Election (turnout 40%)
- October 2023 – Primary Municipal Election (turnout 20%)
- November 2024 – General Election (turnout 75%)

BOND REFERENDUM PROCESS

- Due diligence and process requires approximately 7 months: resolutions, notices, public hearings, LGC process and approval, public information sessions
- Example of bond referendum calendar and reflection of required work:
 - Month 1:
 - 1) Council adopts a resolution directing publication of notice of intent to apply to the Local Government Commission (LGC)
 - 2) Resolution adopted authorizing the Director of Finance to apply to the LGC
 - 3) Resolution making certain findings of fact (justification; whether or not a tax increase will be required; etc.)
 - 4) Public Notice of Intent in newspaper (must wait 10 days after publication of Notice of Intent before applying to the LGC)

- Month 2:
 - 1) File application with the LGC and prepare sworn statement of debt (identify tax burden and certify the City is not in default on debt; receive letter from LGC confirming receipt of application which must occur before the bond order is introduced)
 - 2) File statement of estimated interest (must send to LGC as part of application)
 - 3) Council will introduce the bond order at council meeting and adopt a resolution setting a public hearing on the bond order for June 14, 2021
- Month 3:
 - 1) File Notice with Joint Legislative Commission to advise intent to issue bond
 - 2) File sworn statement of debt with the City Clerk (must occur *after* the bond order is introduced *before* the public hearing)
 - 3) Publish notice of public hearing on the bond order in newspaper (at least 6 days before public hearing)
 - 4) Council:
 - Holds public hearing on adoption of bond order
 - Adopts the bond order at the conclusion of the public hearing
 - Adopts the resolution setting a special bond referendum
 - 5) City Clerk delivers certified copy of the resolution setting a special bond referendum to the County Board of Elections (Nash and Edgecombe). Also sends questions to print on ballots. John Kearny, Director of Nash County Board of Elections, stated counties must have the resolution by June 30, 2021 (tentative)
 - 6) City publishes bond order in the newspaper, as adopted for transparency
- By Month 5:
 - Publish first notice of special bond referendum in newspaper (not less than 14 days before the last day to register to vote for bond referendum)
- By Month 6:
 - Publish second notice of special bond referendum in newspaper (not less than 7 days before last day to register to vote for bond referendum)
- Month 7:
 - 1) Last day to register to vote for bond referendum (25 days before referendum)
- Voting Day
- Referendum
- Post-Election:
 - Adoption of certificate of canvass by the County Board of Elections (Nash and Edgecombe)
 - Council adopts resolution certifying and declaring results of special bond referendum
 - Publish statement of result in newspaper
- PREPARATION
 - Bond Counsel – draft required actions and bond order
 - Financial Advisor – debt capacity and affordability; preparation for LGC approval
 - Project plans sufficient to validate the bond amount is adequate but not excessive for the proposed purpose
- BONDS ISSUED
 - Issue bonds within 7 years after the bond order takes effect
 - Assemble financial team of city staff, bond counsel, underwriters, financial advisor
 - Rating agency visit
 - Plans developed for the proposed purpose of the bond funds
 - Assemble project team of city staff, contractors, architects and possibly others depending on the project

Ms. Staton stated the process is very involved and staff has been through it before with the special obligation bond. She provided a graph of General Fund Outstanding Debt trends based upon FY 2020 debt of \$51.4M and outlined ratios for general fund debt explaining:

- Existing debt was identified as \$51.4M to include installment financing, HUD 108, NCDOT/other, revolving loan and special obligation bond for Event Center (graph from 2011 to present provided);
- The ceiling not more than 15% (financial impact to current years' budget);
- In 2021 the debt as a percent of expenditures is currently 8%, well under the 15%
- Debt as % of Valuation: currently 1.37%, well under ceiling of 2.5%
- Ten Year payout: measures pace at which debt paid; structure of debt; good to have blend of long and short-term financing; currently 64.9% (well above 50% floor); capacity exists between 50% and almost 65% and gets better each year as debt is paid

- General Fund Debt Ratios: all compliant with policy; current annual payment is \$5.6M; not a lot of fluctuation

The Finance Director provided a summary of the financial impact if bonds are issued and reported that without a tax increase:

- Debt capacity in 2021 = \$83,000
- Debt capacity in 2027 = \$2.8M, but some debt would be rolled into short term financing
- If a \$25M bond was considered an additional \$2M would need to be generated for payments (tax increase, reduction in expenditures, supplement to reduce payment; or would be a tax rate increase equivalent of 5 cents)
- Information relative to a \$50M bond was provided to Council = \$4.1M deficit - tax equivalent of 10.5 cents if no additional funds generated for payment

Ms. Staton responded to questions from Councilmembers.

Co-facilitator Batts reflected on the importance of a comment made yesterday by the Manager of Asheville that Asheville started its process by leveraging partnerships both internally and externally and added that building trust and collaboration is another theme. She added it will take collaboration and partnerships.

Councilmember Knight stated Edgecombe Community College built its biotech facility through a bond referendum. Ms. Staton responded that the City could partner with either Nash or Edgecombe County for a bond referendum adding that there are different kinds of bonds and staff would review the tools to see what will be the best fit.

Ms. Staton told the Council there are restrictions for marketing of the bond referendum and that will need to be explored. She that assistance may be needed from a third party but there are steps the City can take.

She told the Councilmembers that the decision will need to be made by Council, but staff will provide information and a recommendation to assist in making the decision.

RECOGNITION OF DELEGATES

Delegates were recognized and presented gifts from the City. The City Manager thanked each delegate for their attendance and the gift of their personal time, expertise and input. The Manager and Mayor Pro Tem joined each delegate for a photograph.

RECESS

By consensus, the retreat was recessed at 12:07 p.m. for lunch.

RECONVENE

Mayor Pro Tem Richard Joyner reconvened the Rocky Mount City Council Annual Retreat at 1:14 p.m.

*Councilmember Bullock did not respond as being present virtually

*A number of citizen delegates did not return after lunch – about 5 present

CITY COUNCIL DISCUSSION – *Mayor and City Council*

City Manager Rochelle D. Small-Toney stated she wished to make it clear that no decisions relative to the amount of a bond is being requested today and the desire was to provide information and give background. The question at this time is whether or not the City Council desires for staff to move forward with research to be able to provide answers to specific questions.

It was noted that the report of the Finance Director was intended to provide an example for the Council. She clarified that the City Council is not contemplating a bond in any amount at this meeting and the request of staff is for general guidance relative to whether there is an interest in further research relative to a housing bond.

Councilmember Daughtridge:

- Said Council needs to study and figure out the target area and thinks it is the entire City;
- It is hard to say if the housing bond should be \$25M or \$50M; and thinks more research is needed and it is a lot to absorb;
- Prefers a General Obligation bond and thinks the community needs a vote due to the amount of dollars being considered;
- Voiced appreciation for the comments of the Manager earlier in reference to there being a need for urgency and said, from his standpoint, the subject is worthy of additional research;
- Added there has been a lot of discussion about parts of the community that have been overlooked but the community as a whole is older and he would like for the entire community to be included in research;
- Added a lot of focus has been placed on the Downtown and the Event Center but a focus needs to also be on the entire City

Councilmember Blackwell:

- Inquired if Councilmember Daughtridge would support affordable housing in every ward and the response was in the affirmative;
- Said he is in full support of a transformative bond that would spread affordable housing throughout the entire City. He stated research reveals that the City's housing market is tight, and it is hard to find affordable homes

especially at the lower spectrum for renters or homeowners and it is expected in the next several years the problem will be greater;

- Said tools are needed to assist marginal households and he does not know how the City will accomplish it with a dribbling of funds;
- Said he is concerned that if the City takes too long to move forward on an implementation plan the economy will be tighter;
- Said he is convinced Rocky Mount is the hottest place in North Carolina and he sees prosperity throughout Ward 5 except in Little Easonburg, and he feels the City must move in a transformative manner;
- Said trailer parks have existed that have not been regulated and people live there because they have no other options;
- Said housing is economic development and to not invest means not receiving a return and the City cannot expect a return from marginalized communities without investment;
- Added he will be aggressive in reporting to the community that investment needs to occur sooner rather than later and whatever is needed to bring affordable housing and renovation should be done;
- Said there should be transformation throughout the City; however, Wards 1, 2, 3 and 4 have no options for higher income homes; said it is a market economy and people can buy and build where they desire but as an investor in a marginalized community he feels it is irresponsible not to move quickly and with dedication and intent on determining what can be done; Council needs guidance of staff;
- Said the Finance Director has set the boundaries of what the City's budget can afford and supported research of a \$25M and \$50M bond and said Councilmembers should talk with constituents to determine the appetite and vision to identify what is needed for a better Rocky Mount with greater opportunities

Mayor Roberson:

- Stated he could not agree more and is concerned that the need is much greater than the City's ability to pay for it; not only housing but infrastructure and economic development and he understands the need to move post haste;
- Said there are other issues and knows a detailed plan cannot be provided but he would like to see the City come up with a strawman to understand better what is attempting to be achieved and come up with raw numbers in order to develop partnerships and leverage with both public and private partnerships;
- Said he would prefer the totality of a bond not be used for one issue and then learn in a short time there are other critical needs;
- Told the City Manager he thinks Council has received a great amount of information and housing is a top tier priority;
- Added looking at the issue holistically would benefit the community in a way to be able to manage and control it and make the initiative meaningful to the community and not short ourselves

Councilmember Knight:

- Stated he is hearing the Mayor say he is in support of a housing bond for all of Rocky Mount and thinks all Councilmembers support that;
- Said the information obtained in the housing study in the 14 underserved communities needs to be considered;
- Said people want to shift the narrative of Black Lives Matter to all lives matter; but until it is recognized that Black Lives Matter how can it be recognized that all lives matter;
- Said in South Rocky Mount and the Little Raleigh area and other areas he sees poor housing stock and intentional less investment of City dollars, especially by past administration;
- Said no infrastructure was put in those communities and the community desires private investors to build; added even schools which were an anchor in those communities are no longer there and when consideration is being given to the housing bond and what has historically been done in these communities consideration needs to be given to what has been done in our community;
- Said at the beginning of the retreat there were comments about how Council has to learn to trust each other and until that is accomplished it will be hard to agree and move forward;
- Added certain Councilmembers are from Rocky Mount and know the good, bad and the ugly and if Council is going to be a progressive elected body it needs to own up to the good, bad and the ugly;
- Stated poor housing stock is not seen in other wards like it is seen in Wards 1, 2, 3 and 4 and said there has been aggressive demolition and much of the housing has been demolished and vacant lots and properties exist and if that continues these communities will no longer exist;
- Said Council needs to look at what has been neglected, underserved, underfunded, redlined and added intentionally not funding communities has put the City in the condition it is in today and this Council will need to fix things that should have been fixed 30 or 40 years ago;
- Said he understands when "all" of Rocky Mount is said but encouraged investing in those areas that have not received investment in 40 or 50 years as has been done in the western part of the City;
- Said Asheville is a totally different population and the housing bond in Rocky Mount needs to be tailored to needs that exist there;
- Stated that a housing bond is desired; there does not need to be more studies and said he would like the Manager to direct the Finance Director and her staff to move forward to provide information to Council so it can decide what type of bond is desired;
- Said he knows it will take some time but it has been talked about for a very long time and even during the planning of the Event Center and also understood that before moving forward with a housing bond the desire was to spur economic development in all of Rocky Mount;
- Said to have the Downtown dying 2 blocks from City Hall speaks volumes about the City and noted Wards 1, 2, 3 and 4 were Rocky Mount until it moved westward;
- Said he thinks Council has done the right thing in the Downtown and it has brought about a transformational change;

- Added that the delegates from the Community Academy have worked to help pull this together and help City officials recognize issues. He appreciated the delegates for being present to hear and witness the retreat and have input;
- Said the housing bond is needed for all Rocky Mount but if investment is not made in those communities where investment has not been made for such a long time and change the landscape while still not displacing and allowing gentrification Rocky Mount will be like other communities and that is not good;
- Said he is hopeful there will be a good plan with the foreclosure initiative not to bring about gentrification by displacing people who have been in those communities for a long time and community stakeholders are asking for investment in housing so that those communities look like the rest of the City

Councilmember Walker:

- Thanked Councilmember Knight for his comments and requested that the areas where housing projects need to take place be identified including the number of units need and more specific detail; and even in wards that are not underserved;
- Said if that plan exists it could help determine what type of bond is needed and guide utilization of the bond;
- Suggested that planning be done before the bond is requested and added if studies have already been done it should not take long to determine that projects are needed and in which areas and the number of specific units needed so all will know how much is available and what is trying to be accomplished while working with partnerships

Mayor:

- Said studies have been talked about but when he has asked for an inventory, he has been told they are dated; he added the place to start is by knowing the need and where it is;
- Said he has not seen the studies and would like to see them so he can better participate in the conversation

Councilmember Blackwell:

- Said he and David Combs chaired a housing task force about 12 years ago and a report was generated;
- DFI inventoried housing identifying how many units were in the deficit and said staff should be able to provide that report to the Mayor/Council;
- He said there was another study led by the Council where the 14 underserved communities were mapped and laid out and the last information in the memo (cover letter) listed the number of units in the City and that dilapidated, deteriorated and substandard housing existed;
- Said the data is there and the question is what will be done with it;
- Said the City has motivated partners, two counties with the same needs as the City and the Housing Authority is doing a great job and has documented need as well along with the RMECDC and Community Academy that has produced documentation noting some members are present today;
- Said information exists and questioned if the City Manager is able to have it compiled, crunched and provided to those wishing to receive it;
- Said there is no need to start all over again but there is need to specifically indicate staff's vision and that vision needs to be brought to the community and questioned if the Manager could design such a plan

City Manager:

- Responded in the affirmative and said that is the point in seeking assistance from interns to help gather the information adding there is information in different places, and it needs to be updated;
- Said staff would want to come back to Council with a full scaled, detailed report identifying problems, providing steps for mitigation and providing options;
- Said it is a long-term journey and no one bond will magically correct the issue but will be a step in the process;
- Council has intentionally allocated available resources, but it is unfortunate that the resources do not address the problem in a deliberation and large way, so it is like a pebble in a big pond;
- Said Council is to be commended for the work done but the needs outstrip the funding

Councilmember Blackwell:

- Said it is also a desire to look at Parks and Recreation opportunities;
- Said physical infrastructure opportunities exist to create the energy of the purpose-built communities in Asheville and across the country and better integrate housing options with supportive services and other resources the community needs to be a better Rocky Mount so as not to only address housing;
- Housing is the highest priority from his perspective, but it also ties and touches everything a person needs to live; human development combined with physical capital makes a difference in determining future forward trajectory

Councilmember Miller:

- Acknowledged the need for more affordable housing and said when she looks around Ward 7 there has been no public investment in housing;
- There has been insufficient investment in human capital so people can earn incomes sufficient to obtain housing they need

Mayor Pro Tem Joyner:

- There is huge opportunity for economic development and he hopes we will look at the training institutions and opportunity with OIC and the community college to talk about how to gear up those who can reinvest in the community to build community capacity rather than export services to someone not tied to the community;
- Said Asheville said they make sure 30% of investment goes back into the minority investment;

- Said we need to be clear that those investments are going back into the process and not into a process set up to look like minority investment but is not;
- Said he wants to see training ourselves and people in the community to meets the needs of the community and make sure we are intentionally putting that investment back into the community in a variety of ways;
- Said we should look at not just creating inventory but supply for inventory

Councilmember Knight:

- Wants the process to be fast tracked;
- Said there has been discussion about housing and recreation and infrastructure for a long time since before 2003 and supported having interns or hiring staff to consolidate existing information;
- Said he does not think the information has changed that much and sometimes “stuff” can be studied to death;
- Said the City may have other leadership in the future that sees something different but while there is momentum and support staff should move quickly;
- Said a timeline is desired, no more studies are needed and existing information from studies needs to be provided to new Councilmembers and the community and staff needs to come back to Council with a plan for financing and community input so that the window of opportunity is not missed;
- Said when he moved back to Rocky Mount 30 years ago, he remembers working with Southeast Rocky Mount and the Methodist Church and it was hard to get human capital and training off the ground;
- We don’t need to wait another 30 years; we know the needs and the problems and know we are lacking resources for human development and working along with OIC that also helps sponsor the Community Academy;
- Said they have been on the ground with grassroots development along with elected officials and it is time to move forward;
- Said he does not have another 30 years in this role and wants to see this move forward before he leaves his seat on the Council

Mayor Pro Tem Joyner:

- Acknowledged the passion of the community to make this change happen without access to wealth and other resources necessary to sustain the movement and acknowledged the community groups that have fought hard without resources and without being paid to do so and said we should not bring in someone else that does not look like them to do what they have been doing;
- Questioned how the Community Academy can be empowered and given access to resources they did not have

Mayor Pro Tem Joyner called on the co-facilitators to recap the process and provide feedback.

Dr. Batts:

- Said discussion centered around what research is needed to know if a housing bond can be approved;
- Said she heard the City Manager ask about Council’s support of the overall strategic plan of which the bond is one part;
- Said she went back to the goals because it seemed the issue of research was connected to the plan of what was to be done;
- Said a lot of information was provided and questioned what additional information is needed to approve the overall plan;
- Encouraged all to review the strategic plan tonight to see what additional information is needed to approve the overall plan (6 goals and objectives) because those speak to setting direction and reviewing the plan and may help narrow down what needs to be pulled together;
- Said she heard Council giving direction for approval of goals and objectives and research specifically related to the housing bond is needed;
- There is a need to build partnerships and create a long-term strategy; along with housing as economic development and making sure the City is capitalizing on human capital

NOTE: Dr. Batts was asked to disconnect from ZOOM and reconnect to help reduce feedback

*Councilmember Bullock is no longer connected

Councilmember Blackwell:

- Noted on page 11 recommendations are for:
 - Creation of a Housing Trust Fund;
 - Creation of a Community Land Trust;
 - Revision of the Density Bonus Policy;
 - Increasing construction of multi-family housing near transit stops;
 - Creating an Acquisition Fund for publicly and privately-owned land;
 - Creating a Preservation Fund;
 - Eliminating the eligibility requirement for Accessory Dwelling Units;
 - Implementing Tax and Lien Foreclosures;
 - Implementing a Receivership Program;
 - Revising the Minimum Parking Requirements in Residential and Mixed-Use Developments; and
 - Passing a General Obligation Bond focusing on improving infrastructure and affordable housing (but he heard earlier that all options are being considered)
- Said these are the recommendations and in the spirit of the recommendation of co-facilitator Batts stating to adopt the plan Council may still have some questions relative to specific recommendations; he inquired how

this will move forward, adding he does not know the appetite of Council but said he would hate for Council to get stuck on one of two objectives because some are huge items and knowledge may not be where it needs to be to make a comfortable vote

City Manager:

- Stated the desire is for staff to determine if Council is interested in further research and provide more information relative to the housing bond and it was never the intent to ask for a vote at this time but to work on the interests of Council

Councilmember Blackwell:

- Said he does not see anything that hinders him, though there are things he does not fully understand and said he does not know what a receivership program is and has concerns about implementing tax and lien foreclosures, but recognizes that is needed;
- Said the question in response to Dr. Batts' comment is does Council leave today having adopted the plan or is there a process to finalize the plan;
- Requested a timetable be provided and said it is his hope that by June Council will have received all the elements they need including a process for public input and feedback and be ready to make necessary decisions

Dr. Batts:

- Said she has encouraged Council to take another look at the strategic plan and is hearing action steps around that;
- Said she believes there is a need to acknowledge historic inequities; said her father used to say that fair is not always equal and there must be effort to look at where each neighborhood is starting and at what each neighborhood needs;
- Said this links to creating trust and developing an inclusive lens so when she looks at the strategic plan does it provide for someone moving to Rocky Mount 10 years from now being able to find a place they would want to live in every neighborhood and so there is mixed income in neighborhoods in every part of the City;
- Said some cities struggle to provide affordable housing within certain neighborhoods;
- Next steps she heard include developing a timetable and acknowledging community groups who have been working on this issue;
- Maybe Council can take a note from Asheville to develop a trust relationship with each other and community partners

NOTE: Dr. Arrington requested all attending remotely log out of ZOOM and then log back in after about 5 minutes to allow for efforts to resolve technical issues

RECESS

By consensus, the meeting was recessed at 2:06 p.m.

RECONVENE

Mayor Pro Tem Richard Joyner reconvened the Rocky Mount City Council Annual Retreat at 2:19 p.m.

CITY COUNCIL DISCUSSION (continued) – Mayor and City Council

Dr. Valerie Batts:

- Said she has outlined a list of themes she heard during Council discussion;
- Questioned where Council thinks Rocky Mount is with being open to affordable housing

Councilmember Blackwell:

- Said he does not know but in this neighborhood in Asheville there are signs along the street that say “this is Charlotte Street not Charlotte”; and movement is underway to have multi-family housing in formerly single-family housing neighborhoods;
- Said normally when people hear multi-family housing, they start thinking low income and the people in the neighborhood near the Grove Park Inn have no appetite for multi-family housing;
- Said his Ward is predominately middle to low income households;
- Said he does not know the answer but thinks people in Rocky Mount are no different than other places;
- Said Councilmembers in Wards 5, 6 and 7 need to speak for their neighborhoods because they represent the more affluent wards;
- Said he would be saddened if people in Rocky Mount have not grown to the place where they are not afraid of having people from all income levels live in close proximity and hopes that gap can be bridged in 2021

Councilmember Miller:

- Said she does not think income level, skin color or nationality because there is a mixture in Ward 7, but challenges have to do with differences in the standards people expect;
- Said Northgreen covenants, as developed years ago, say no parking on the street but these days the community would be thrilled if people parked on the street instead of in the yard because at the time it was developed no one would have conceived that someone would build a house and park their cars in the front yard; she said it is the deterioration and differences in standards and expectations

Dr. Batts:

- Said relative to recognizing, understanding and appreciating differences that Council may be at different places in understanding this and part of developing trust is having the space to unpack that, although this is not that space;
- Suggested as we move forward that all step back and see the differences in perspectives of why each is where they are

Councilmember Knight:

- Said he wants to be clear that as a City, as a Council and as leaders Councilmembers need to be honest with themselves and look at where the true needs are in the community;
- Said the central City core is decaying;
- As Council is trying to rebuild and redevelop the center and core of the City which is surrounded by older neighborhoods they should look at historic neighborhoods; he compared Crosstown to Westhaven or Falls Road noting that it seems certain houses such as Mayor Gravely's house built in 1905 is considered historic and needs to be preserved along with Mill houses that were about to blow over and not too many were not demolished because there is a different value and appreciation for houses in those neighborhoods while in Little Raleigh there is not the same level of value of and appreciation for cultural heritage;
- Said he supports a bond for all of Rocky Mount, but the greatest needs are in Wards 1, 2, 3 and 4;
- Said if communities needing the bond don't benefit the City will be in the same place so there needs to be a concentrated effort and understanding of the greatest needs and that is where the bulk of the money needs to be placed because if the City does not begin to do this by creating a housing bond it will be hard to incent private developers unless it is a nonprofit such as Rocky Mount Edgemont CDC or the Housing Authority that values neighborhoods of people of color and are ready to invest;
- Said there has been some resistance to affordable housing in certain neighborhoods and when senior homes were being built off of Hunter Hill Road there was some people that were against that and even out on Goldrock Road some were against that;
- When you say affordable housing some think it will be a ghetto or welfare folks and those are words that stereotype those of color, and they don't want those type of homes around them;
- Affordable housing is needed in all of Rocky Mount but especially in Wards 1, 2, 3 and 4 and Council cannot lose that focus and it need to be the driving point; said he knows the bond needs to be promoted throughout the City but as leaders they cannot see that need and fail to put the money where it really needs to be put

Mayor Pro Tem Joyner recognized community delegate Dr. Lisa Nelson-Robinson for comment.

Dr. Nelson-Robinson:

- Said she wanted to give her perspective as a member of the Rocky Mount community as a whole and as a member of Northgreen adding she lives on Waterloo and knows of what Councilmember Miller speaks relative to cars on lawns but thinks Councilmember Miller is missing why that is;
- Said if there is not affordable housing multiple wage earners are required to live in one house to pay the rent/mortgage and in a City like Rocky Mount those wage earners are forced to have vehicles so you might have 3 people earning a wage living in a house that it takes 3 of them to pay the rent/mortgage;
- Said if Council does not approve affordable housing, they will see more of this and the unintended consequence is blocking development that benefits the entire City;
- Said she is a retired doctor and surgeon; and the unintended consequence of the mouth and hand feeding sugar to a body with diabetes is that the leg gets cut off;
- Said the City Manager used the word emergency multiple times and the evidence can be seen in Wards 1, 2, 3 and 4 but people fight against the remedy;
- Said whatever ills are affecting the other wards, those people are going to come to you just like the opioid epidemic (when it was crack those people were considered irresponsible but with the opioid epidemic people are considered ill and victims and we cannot keep thinking that way because eventually the entire body will rot);
- Said in her block she knows multiple bread winners are trying to pay the rent

Co-facilitator Dr. Angie Arrington stated has she heard and has summarized that it is the pleasure of the Council for the City Manager and her staff to do due diligence and respond to a number of things summarized, particularly those outlined on page eleven of the strategic plan.

City Manager Rochelle D. Small-Toney responded that she would like to plan for an update to be provided to Council at the May Committee of the Whole meeting and recommendations be provided in order for there to be a discussion on next steps.

PRESENTATION – ASHEVILLE/BUNCOMBE – COMMUNITY LAND TRUST – Executive Director, Anna Zuevskaya

Asheville Executive Director of Community Land Trust, Anna Zuevskaya, told the Council that she is excited that Rocky Mount is considering a Community Land Trust. She reported that today's agenda will include:

- An overview of Community Land Trusts (CLT) – outlining benefits of model
- Information about ABCLT
- Outline the benefits of CLTs
- List Homeownership basics

- Allow for questions

Ms. Zuevskava provided an overview of community land trusts by first sharing a video from New York City entitled “Build Homes that Last”.

The overview shared included the following:

- There are over 260 CLTs in 46 states, Puerto Rico and the District of Columbia;
- New Communities Inc. – Georgia – 1969
 - First rural CLT – vehicle for helping African American farmers and families gain security in land
- Community Land Cooperative of Cincinnati – 1981
 - First urban CLT – out of a need to fight gentrification and displacement
- Ownership:
 - Community ownership of the land (very important part of the CLT)
 - Individual ownership of the structural improvements
 - Sold off to homeowners, cooperatives, nonprofits, etc.
 - Structures may already exist or may be constructed later
 - 99-year ground lease knits these interests together
 - Renewable, inheritable and mortgageable
- The way the organization is made up is unique:
 - Majority of the governing board is elected by the CLT’s membership
 - Balance of interests on Governing Board
 - 1/3 Leaseholders (homeowners, renters, etc.)
 - 1/3 Community Residents
 - 1/3 Public Interest Representatives (have particular skill sets to help the organization)
- Operation:
 - New model introduced permanent affordability, resale formula and responsibility for stewardship;
 - Explicit about who this model should serve people who have been excluded from the economic and political mainstream;
 - Finding an equitable and sustainable balance between private interests and public interests that regularly collide in the ownership and use of real property
- About Asheville-Buncombe Community Land Trust (ABCLT):
 - Mission (revised in 2020):
 - To establish permanently affordable residential, commercial and community spaces that empower Black, Indigenous, People of Color and low- to moderate-income residents to build social, economic and cultural capital
- Historical Background:
 - Main reason formed is history of urban renewal in Asheville - many African Americans who were displaced by urban renewal moved into public housing, further segregating an already segregated city; formed to reverse that pattern and bring people back to the communities where they grew up
 - Before urban renewal, 58% of African Americans were homeowners; now that number is 41%;
 - Now, 70% of public housing tenants are African Americans;
 - Black communities (Stumptown, Hill Street, Shiloh, East End, Burton Street and Southside)
- Organizational Background:
 - Formed to address injustices of urban renewal
 - Organizing since 2014
 - Community-led process
 - Incorporated in 2018
 - Received 501(c)(3) status in 2019
 - Hired part-time executive director who served all of 2020; now full-time with staff (organization still relatively new)
 - Service area is Buncombe County
- Benefits of a CLT:
 - New model introduced permanent affordability, resale formula and responsibility for stewardship;

Ms. Zuevskava outlined three benefits of a CLT as:

- Affordability:
 - Homes are more affordable than homes purchased on the open real estate market because of ABCLT’s investment
 - Median home sales price in Buncombe County is \$315K (number grown since PowerPoint prepared)
 - ABCLT’s investment per home, on average, will be \$70K
 - Typical homes will cost buyer \$110-225K
 - Actual price will depend on buyer’s income; important home is affordable to that household
- Community:
 - CLT homeowners are automatically members of ABCLT; ABCLT is a membership organization
 - Members participate through voting, volunteering and/or become a board or committee member; all action must be approved by the ownership/membership
 - Permanent affordability allows future income-qualified residents to purchase homes

- Economic Stability:
 - Consistent mortgage payments (lower than typical)
 - Opportunity to build wealth
 - ABCLT homeowners accumulate equity at a rate of 2.25% on base price of home compounded annually

Ms. Zuevskava explained the homeownership basics to include the following and provided the Council with income eligibility as follows:

- Income Eligibility

HOUSEHOLD SIZE	MAXIMUM HOUSEHOLD INCOME
1	\$40,150
2	\$45,850
3	\$51,600
4	\$57,300
5	\$61,900
6	\$66,500
7	\$71,100
8	\$75,650

- Securing a Mortgage:
 - Applicants will work with ABCLT staff to meet lender criteria for pre-qualification; majority of applicants below 60% AMI and they are already starting to have to get creative about how to provide housing for those with lower income; working to create list of lenders but their role is only to make sure applicant is pre-qualified for a mortgage
 - Don't necessarily have a floor like many other CLT's but has a calculator to help pair households with homes to ensure price points make sense for that household
 - Applicant's monthly cost of occupying the home should not exceed 30% of monthly gross household income
 - Applicant's monthly housing costs plus total debt payments should not exceed 43% of monthly gross household income
- Credit Score:
 - Applicant must have an average combined credit score within 20 points of the current Fannie Mae and Freddie Mac credit requirements
 - Applicants will be referred to OnTrack Financial or another credit counseling/homebuyer education program to obtain their credit and create a plan for improving credit score if necessary; have one on one with financial counselor
- Assets:
 - Applicants are required to provide at least \$500 towards the home purchase
 - Applicants may not have more than \$20,000 of liquid assets available towards the purchase of a home
 - Retirement accounts are allowed
 - Funds from a Down Payment Assistance program are not counted towards the \$20,000 liquid assets calculation, but cannot be used towards the \$500 home purchase payment
- Homebuyer Process:
 - Attend ABCLT Orientation
 - Within 12 months before or after submitting application
 - One on one meetings with Director to explain program
 - Complete Application Packet
 - www.abclt.org/homeownership
 - 2 months of most recent pay stubs for applicant and co-applicant
 - \$25 application fee
 - Attend Homebuyer Education class (8 to 16-hour course)
 - Meet with ABCLT staff to discuss available homes; Board reviews all information to work to pair applicant with home
 - Meet with lender for pre-qualification
 - ABCLT will provide list of banks who support CLT mortgages
 - Receive ABCLT approval and sign contract to buy
 - Complete loan application with lender
 - Select Closing Attorney
 - Purchase ABCLT home
- Ground Lease (about 25 pages)
 - Long-term Agreement Ensures Permanent Affordability
 - Between ABCLT homeowner and ABCLT
 - Signed at time of closing and recorded
 - Deed restriction in cases of condominiums
 - Resale Restrictions/formula

- Must be sold to income-qualified buyer at affordable price
- Sale price is calculated using resale formula
- Resale Formula – resale price = initial purchase price + interest at a rate of 2.25% compounded annually
- Use of Leased Land – homeowner must occupy the home for 12 months out of the year; do not want them to rent out the home or Airbnb it out; will work with them in case of emergency in the event they have to leave the home for a period of time to care for a sick relative or a similar circumstance
- Lease Fee - \$50 Land Use Fee + \$50 Repair Reserve Fee (goes into fund for repairs to home)
- Capital Improvement Credit – ABCLT may provide a credit for approved capital improvements; if a buyer does something that adds significant value to the home, they can capture some of that investment at resale

Ms. Zuevskava provided the following answers to questions posed by Councilmembers as follows:

- *Said she was on the founding board of the CLT in Charlotte and did a lot of grassroots work there;*
- *Said Board selection at the onset is like most other non-profits where interested people come to the table and you see organically who is committed and who has what expertise and then fill any voids;*
- *In Asheville they had over 100 people on the steering committee which overtime developed into committees and then the Board; in Charlotte they started with a small group of 5 or 6 people meeting in someone's living room and eventually others came to the table; in her experience it has been an organic process;*
- *A CLT should be community oriented;*
- *The organization received \$1M from the City of Asheville through a housing bond referendum which passed in 2018 and the grant agreement was finalized with the City last year and the CLT receives funding in quarterly disbursements of \$250,000; Asheville also committed \$100,000 in FY 2020 for operating expenses; initially the CLT had the \$1M but did not have organizational capacity (staff, funding to support, or people to execute the acquisitions)*
- *Most of the funding is in the City but they are county-wide and have an emphasis on historically Black communities and is currently working on how to prioritize; there are fair housing laws and certain things they cannot do but she is learning they can prioritize based on households who used to live in those neighborhoods who were displaced and affected by urban renewal which affected the Black community most (this allows adding layers to the application and selection policy by asking these questions to ensure they are serving the population that was displaced historically)*
- *Said a copy of the PowerPoint will be provided;*
- *Equity is built by making mortgage payments; principal payments are what homeowners get back when they sell the home; they have the added layer of 2.25%; they sell the home for the base price and each year on the base price the homeowner accumulates 2.25% and when they decide to sell the home they receive not only the equity from principal payments but also the 2.25% that is compounded annually; not as much equity is built as if they purchased the home and the land, but they are purchasing the home for a lot less than they would on the open market; she compared it to the Habitat Model that prioritizes individual and household wealth but this is different because they create community wealth and community stability; the model makes sure communities are not 100% gentrified and that there is a mix of incomes and diversity in all communities which is a key component of the model; this is important to convey when selling the concept to the City because it ensures people can remain in place and come back;*
- *They have not yet received any land from the City but are currently slated to get 2 vacant parcels of land from the City and will meet with the community next week; they are small single-family lots; the CLT was chosen through an RFP process and hopes to receive larger parcels of land in the future and hopes to also work with the county and other municipalities in the county to acquire land; the first home purchase with the Habitat House (have not worked with them yet; was much cheaper than purchasing on the open market)*
- *She is excited about commercial development and virtually all Black businesses in Asheville were displaced and it has to be a priority for people of color to be able to have businesses and affordable rents; they have not yet had a commercial development but acquired a commercial building in one of the historically Black communities last year and worked with the Preservation Society to restore it and have their offices located there potentially as an incubator; the community did not want to rezone that building to commercial so they backed out of the deal and it is expected that the building will be demolished; they are always looking for other opportunities and that is an important part of the model; in addition to commercial they can acquire land for community gardens, open spaces and anything that is a benefit to the community*
- *Retaining the land is the most crucial piece of this model; it is a very different approach but is a necessary approach because they have seen that even homes that were developed and had affordability restrictions, those restrictions went away; 20, 30 and 50 years now seems like a long time away but it will be here soon and those homes will likely get resold to an investor or higher income buyer and people are priced out and unable to live in their community; the difference of holding onto the land creates what Charlotte calls "standing power" and they are trying to create that in Asheville along with development without displacement and that cannot be done without holding onto the land in perpetuity and making sure there is community ownership of the land*

Mayor Pro Tem Joyner thanked Ms. Zuevskava for her presentation and presented her with a gift from the City of Rocky Mount and joined her for a photograph.

Dr. Arrington called on Dr. Valerie Batts for comment. Dr. Batts stated she was taking notes and thought Councilmembers asked good questions about how the Community Land Trust came to be and said it was a great example of addressing historic equities. She said she wondered if people were seeing it speaks to what we are starting to talk about and recognized that urban renewal in Asheville had a differential impact on historically excluded communities which is parallel to what has happened in Rocky Mount historically. She said it was creative and proactive

and said she thinks that land acquisition might be a part of the discussion. She encouraged Council to have a discussion at some point as to how it relates to the question of equity adding it also speaks to the comment from the floor earlier about having a deep conversation about how not addressing housing works against everyone having equal access to what they need to be healthy.

PRESENTATION – CURRENT HOUSING CREATION OPPORTUNITIES –Interim Director of Department of Community & Business Development, Peter Varney

Interim Director of Community & Business Development, Peter Varney, gave an overview of current housing creation opportunities as follows:

- Identified and Explained Current Opportunities/Rehabilitation Projects
 - Beal Street (map provided and explained)
 - Holly Street and O.R. Pope School (map provided and explained); many boarded up houses in the neighborhood; some years ago the Holly Revitalization occurred and since that took place the City has acquired vacant property along the Holly Street corridor and has proceeded with the development of those lots for new construction single-family development; appears to be an opportunity to continue the Holly Street revitalization; every house on the west side of the 500 block of Myrtle Avenue is boarded up and abandoned and there are others in the area and he is wanting to try to acquire and cluster together boarded up houses to look at either renovating them or demolishing them if they are in bad shape and engaging a developer for new construction. He said it is possible to “try-on” the idea of a redevelopment project in the Pope School area and surrounding community; likely the playground is floodplain; the concept is to obtain an architectural and engineering evaluation of the site to see if it makes sense to have a housing project in that area

Mr. Varney said he is getting calls primarily from people in the Raleigh and Durham area who are looking for properties they can develop and he is telling them he thinks he has some he can put together in the next several months that they might be interested in (Beal Street lots).

- Review of City Housing Grant Programs:

URGENT REPAIR	HOUSING REPAIR	MATCHING REBATE
Owner occupied, less than 50% AMI, and one of: elderly, disabled, single parent, large household, children w/lead or military veteran	Owner occupied, between 50% and 100% AMI, current on taxes, have homeowner’s insurance and home at least 50 years old	Owner or tenant occupied, no income limit, current on taxes, have homeowner’s insurance and home at least 50 years old

FUNDING SOURCES

NCHFA - \$100,000 City - \$150,000	HUD CDBG - \$100,000 City - \$125,000	City - \$225,000
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- City Housing Grant Utilization:

PROGRAM	FY 2018	FY 2019	FY 2020
Urgent Repair	16	18	26
Housing Repair	21	32	33
Matching Rebate	27	22	33

- Matching Rebate Utilization:

TYPE	FY 2018	FY 2019	FY 2020
Owner Occupied	59.3%	18.2%	33.3%
Investor Owned	40.7%	81.8%	66.7%

There was discussion among Council relative to concerns and Mr. Varney responded to questions/comments from Councilmembers as follows:

- *The intent of the matching rebate program was to provide a broad opportunity for both homeowners and investors to upgrade homes for both homeowners and also tenants. The concern is that investors who participate in the program do not then increase the rent to make the property unaffordable. He said he has been looking at accountability concerns around the policy and the way the policy is drafted now there is discussion about the amount of rent for the investor-owned properties. He said it could be added as a condition because the demand for the program exists and when Council hears there is no money left that is true because the funds are committed from July to October.*
- *Said to his knowledge there have not been issues with house flipping and most participants are elderly and next is single-parent households.*
- *Said there has been an expression of concern for an imbalance in access to funds that investors have compared to what homeowners have. On the homeowners' side if there is a project you have to have \$25,000 upfront, do the project and then get permits and get reimbursed the \$12,500 by the City. Mr. Varney said he is not confident that low to moderate income households have \$25,000 available or can easily get a loan and suggested perhaps considering if the City can make it possible to allow homeowners easier access to funding. He said investors have the money, rent and credit but homeowners are challenged.*
- *He said some of the changes being made are accountability related and one of the things is in the list of eligible uses of funds he is proposing that the City pay some of the loan closing costs (not principal and interest) to make refinancing easier for home owners.*
- *This conversation is only about the matching rebate program.*
- *He said this is to address the issue where some say they do not qualify for programs because make too much money. Mr. Varney said the three programs address rehabilitation issues. He explained the programs and said the programs graduate by income and perhaps the City should look at additional programs for rehabilitation or new construction. He said available funds are committed quickly.*

City Manager Rochelle D. Small-Toney said one way to address this problem is to separate it so as to be able to serve those who are not income restricted to enable them to qualify for housing repairs. She suggested there be a discussion with staff around this concern.

- *Mr. Varney said it takes a while to process programs that have extensive requirements. He outlined the process for applying for assistance. He said the matching rebate program has some issues because homeowners sometimes cannot qualify because they do not have upfront funds of \$25,000 and perhaps splitting that program into two parts with one for homeowners and another for investor owners with different sets of rules might help.*
- *He said the programs operate on a first come first served basis and there are limits on the matching rebate program in that only one house is allowed, and they cannot apply again for 3 years, but some try to get around that. He said under the matching rebate program if there is one house (one address) with 2 HVAC units, one upstairs and one downstairs it would qualify.*
- *Mr. Varney said some years ago there was a neighborhood stabilization program for loans and many of those loans are still out there. He said they were forgivable but in the event of a death there is a deed of trust that guaranteed repayment with the sale of the house though it is not a lot of money. He said staff could look at a program where the funding comes back and could be used to help someone else.*
- *Mr. Varney said staff is responding to what the applicant is requesting and they can look at this to encourage them to go as far as they can with home improvements.*
- *He said a question came up about community wealth building and said the Berkshire neighborhood has had a homeowner's association, but they more formerly organized a 501(c)(3) designation. He said there was a house on Duncan Street which was abandoned, and the group arranged for the owner to donate the property. He added that the group raised funding along with receiving some funding from the City and that house was completed and beautifully renovated. The house has been sold and the net proceeds will be used to upgrade other houses in the community. They plan to demolish a property they have acquired and build a new house. He said this is a wealth building model and is mostly a homeowner occupied neighborhood. He said the group has great leadership with a lot of talent. He said if this could be replicated in other neighborhoods that would be ideal.*

Conversation was held relative to the City's ability to finance replacement of HVAC systems. The City Manager said this can be investigated and added relative to the loan for HVAC there needs to be assurance that the house is energy efficient. She added staff would like to look at this as a complete energy efficient program.

Discussion was held about the Energy Efficiency Program and the City Manager responded that customers have to agree to participate in the peak shavings program. It was noted if a property has 2 units only 1 unit will qualify and that the program is administered by Energy Resources.

The Manager added that a previous slide showed the number of houses the City is able to assist with the programs and this starts the conversation about using available resources. She said the needs exceed all the years outlined combined. She said the most vulnerable populations in any community are older and single head of households with children and that is why it is important for the City to take bold steps if the goal is to position families for both today and the future. The Manager noted far more is needed so the City needs to increase available resources.

Mayor Pro Tem Joyner invited Dr. Valarie Batts to provide wrap up comments for today.

Dr. Batts stated the presentations were interesting to watch. She identified themes that came up as she was listening today:

- Sees Council holding conversation around the need to make sure there is long term stability in housing that addresses the fact that many cannot afford the programs the City has and the action step is continuing to identify the barriers and address ways to make money more available and accessible, especially to homeowners; and look at programs differently for investors and homeowners and a theme for a program for investors that engages them in equity, inclusion and shared prosperity for investment in the community;
- There is a need to deepen the way the community looks at all programming with respect to equity to lift everyone;
- Noted Councilmembers continue to identify barriers and make funding available and accessible for those who are not investors while the theme from Asheville was to engage investors;
- There is also a need to deepen the way the community looks at all programs as related to equity;
- Some specific options were discussed for using HVAC monies and utility funds and energy efficient programming;
- There were other questions about constituents who don't qualify because their income is too high;
- There was discussion with regard to receipt of the \$13M in federal funding expected to be received by the City and the possibility of using a portion of that funding for loans for short term quick fix needs;
- Questions were asked dealing with:
 - How to support long-term stability of homeowners; and
 - How to provide education to those seeking to improve their properties on how to do it in a way that makes the home more energy efficient and economically viable
- Conversation held with regard to community wealth building with the Berkshire Community as a model was uplifting and it was noted these were homeowners investing in their community in a particular way; and we need to look to see if there are other ways to bring together community groups to do similar work.

Dr. Batts said she thinks the work of Council will be to sort through these various options and themes to see what might be viable in Rocky Mount.

RECESS

Mayor Pro Tem Joyner thanked the co-facilitators and, without objection, recessed the meeting at 4:14 p.m. and noted the retreat will reconvene on Friday at 9:00 a.m.

FRIDAY, APRIL 9, 2021 – 9:00 A.M.

CITY COUNCIL PRESENT:

Richard Joyner, Mayor Pro Tem
 Andre D. Knight
 Reuben C. Blackwell, IV****
 T.J. Walker**
 Lige Daughtridge
 Christine Carroll Miller*
 C. Saunders "Sandy" Roberson, Jr.,
 Mayor

COUNCIL ABSENT:

W.B. Bullock

STAFF PRESENT:

Rochelle D. Small-Toney, City Manager
 Pamela O. Casey, City Clerk
 Dorothy Brown Smith, Chief Communications and
 Marketing Consultant
 Elton Daniels, Assistant City Manager
 Mark Adcox, Video Production Specialist
 Ken Hunter, Assistant to the City Manager for
 Budget and Evaluation
 Peter Varney, Interim Director of Community &
 Business Development
 Will Deaton, Director of Development Services
 Kevin Harris, Downtown Development Manager
 Jayson Dawkins, Policy Analyst, Budget and Evaluation Department
 JoSeth Bocoock, Planning Administrator
 Kelly Cook, Community Code Administrator
 Tanika Cooper, Executive Assistant to the Manager***
 Richard J. Rose, City Attorney

* Participated remotely

**Arrived

***Present as needed

****Left the meeting

ALSO PRESENT:

Facilitators:

Dr. Valerie Batts, Vision, Inc.*

Dr. Angie Arrington, Evolve, Inc.

Citizen Delegates from Rocky Mount (representing the City's Boards, Commissions and Committees) – approximately 10

NOTE: The meeting was live streamed on ZOOM and on the City's YouTube channel.

OPENING – Day 3

Day 3 of the City Council Annual Retreat began with breakfast at the Omni Grove Park Inn at 8 a.m.

Mayor Pro Tem Richard Joyner called the meeting to order at 9:03 a.m. and welcomed all in attendance in-person and virtually. He requested a moment of silence for Johnny Cunningham who lost his life on Thursday.

The Mayor Pro Tem made opening remarks reflecting on the discussion from yesterday to include the following:

- For too long the working poor Black and Brown and underserved community of people have been directed to the worst housing or no housing and that needs to change;
- In the words of the City Manager of Asheville “this is not a local problem; it is a national problem and a national opportunity”;
- Urged key leaders in the City to agree that all citizens deserve a community where the table of equitable, stable, affordable and desirable housing for all is set;
- This is especially important for the most underserved, disenfranchised and excluded population;
- There has been robust discussion related to affordable housing;
- The City Manager and staff have outlined a number of ways the issue of housing can be approached;
- This discussion will not end here;
- The Manager has shared a call for action particularly for the families living in emergency situations; further she has committed to present to Council an implementation plan at the May Committee of the Whole Meeting to outline more specifically the process, procedures and recommendations so that Council can begin to development a strategy and approach to ensuring affordable housing in the community;
- Celebrated the Manager and staff for a job well done and said Council cannot be more pleased with the commitment for action.

Mayor Pro Tem Joyner outlined the agenda for the day and called on the co-facilitators for remarks.

DIRECTION AND REVIEW OF AGENDA – Facilitators

Dr. Angie Arrington stated that safety is the first and foremost priority and outlined safety and emergency procedures. She stated today's agenda will include presentations and Dr. Batts will be assisting in facilitation. She recognized co-facilitator, Dr. Valerie Batts.

Dr. Batts stated she is excited to hear that the next steps will include plans for implementation of the Affordable Housing Strategic Plan and said this work is an ongoing process. She added that the theme of equity requires the guideline of “both/and” thinking. She invited the Council to “try on” the ways in which the solution for the issue of housing is both institution and personal and added at the institutional level the historic inequities cannot be ignored. She said the challenge is to move forward in a way that includes the idea of “both/and” thinking to make Rocky Mount a place where everyone can be successful, which is easier said than done. She said work ahead will include change at both the institutional and personal levels and a lot of great action steps have been identified in the retreat.

The Mayor Pro Tem invited Development Services staff to bring a presentation.

PRESENTATION – THE ROCKY MOUNT EXPERIENCE – Will Deaton, Kelly Cook and JoSeth Bocook, Department of Development Services (Planning, Community Code and Inspections)

The Director of Development Services, Will Deaton, thanked all who were involved in retreat planning. He noted that Asheville Manager Campbell said it is important to seize the moment and said community building requires all hands on deck and sometimes we have to get out of our own way and be thoughtful and innovative.

Mr. Deaton explained the role of the Department of Development Services and its divisions (planning, community code and inspections) and outlined the mission of the City and mission of the Department of Development Services. He stated that though the Department's role includes regulation it is also a resource. Mr. Deaton noted the Planning Board, Board of Adjustment, Historic Preservation Commission and Community Appeals Board work closely with Development Services. He advised that the Department of Development Services focuses on the following Chapters of the Code of the City of Rocky Mount:

- Chapter 5 – Buildings and Building Regulations
- Chapter 10 – Health, Sanitation and Nuisances
- Chapter 11 – Housing Code
- Appendix A – Land Development Code (largest focus)

Mr. Deaton reported that like the housing plan the City Code can also be modified/amended. He added that modifications can be made incrementally as long as the City is responsible stewards of resources and the lives of citizens.

He called on Community Code Administrator, Kelly Cook, to provide a report on the Community Code Division.

Community Code Division:

Mr. Cook told the Council that it has been a pleasure to be back in Asheville and the City has changed a lot since he and his wife lived here 23-24 years ago.

He explained the role of the Division of Community Code noting the Division ensures compliance with the City's minimum housing code, the public nuisance ordinances, including grass, weeds, nuisance vehicles and others which adversely impact the health, safety and well-being of customers and the appearance of neighborhoods. He added that the Division includes six inspectors who are responsible for assigned geographic areas within the 44 square miles of the City. He said the Division is also responsible for the City's integrated pest management program which includes a well-established and highly regarded vector control program staffed with three individuals. He praised his staff noting that behind the scenes is two of the best administrative professionals he has ever had the opportunity with which to work.

Mr. Cook reported that:

- Rocky Mount has 26,000 total housing units;
- Currently 733 dwellings are not in compliance with the minimum housing code (inspections includes an estimate to bring properties up to the minimum housing standard and the estimate and tax value are used to determine a percentage to be used for a threshold);
- Housing inspections are categorized in two ways:
 - Deteriorated: can be repaired at a cost less than 40% of tax value (403 viable dwellings currently fall in this category); or
 - Dilapidated: cannot be repaired at a cost less than 40% of tax value (330 properties are currently eligible for demolition)
- Only properties classified as dilapidated are ever considered for demolition;
- Each case is processed through legal notice of the complaint; a hearing and issuance of either an order to repair (for deteriorated property) or an order to repair or demolish (for dilapidated property); legal notice provided to deeded owner of property as recognized by the respective Register of Deeds Offices;
- In FY 2021 – 55 new housing cases were initiated, and 60 existing housing cases have been closed;
- In the past 3 fiscal years new housing code cases have decreased by 75%;
- In 2017 as Nash and Edgecombe Counties performed their 7 year cycle of property tax assessments the Division had to review about 30% of existing cases which was labor intensive and required by property tax changes; required re-evaluation of inspection practices resulting in a refocus towards customer service for inspections and direct communication with tenants, landlords, property owners and managers;
- Currently seeing a major decrease in the number of housing code cases.

**Councilmember Walker arrived

The City Council was provided with a map reflecting the highest concentration of dwellings not in compliance with the minimum housing code as being located in Southeast Rocky Mount, Holly Street (eastern portion of City), Happy Hill (northwest of Downtown) and Little Raleigh (west of Downtown), some of the oldest neighborhoods in the City with the highest amount of rental properties.

Mr. Cook outlined demolitions for the past five years as:

- Total = 39 (including 21 dilapidated – typically structurally unsafe or compromised; 18 as a result fire or catastrophic damage – tree or major storm damage or flooding); typically 6 to 8 housefires in the City yearly;
- Over last seven years average demolition cost of dilapidated dwellings has increased from about \$5,500 to a current cost of about \$7,500;
- Average demolition cost of fire/catastrophic dwellings for current fiscal year has increased from \$10,000 to about \$11,000 (increase mostly due to asbestos removal).

The City Council was advised that there are fifteen manufactured home developments located in the City, representing less than 5% of housing inventory. Mr. Cook explained that manufactured housing falls under the same housing code as other dwellings but present legal challenges as one party or parties may own the land and another party or parties may own the manufactured home while a third party is the tenant. He added that manufactured home developments are located on private property, as other homes, but generally on a larger portion of land with privately maintained roadways. He stated that staff is not allowed to enter onto the property unless they have received a causal complaint (ordinance violation in plain site from public right of way). He said private roads for mobile home developments are often not well maintained which provides challenges in providing City services (solid waste disposal, public utilities). It was noted that a common complaint deals with plumbing issues where the development has a master water meter with each space having its own water connection.

Mr. Cook explained the legal process for Community Code response to bring properties into compliance with the minimum housing code and subsequent demolition procedures.

He stated that approximately 20% of the 733 dwellings that are noncompliant with the minimum housing code are owned by six individuals or entities and virtually all, with a small exception, are vacant. He added that not all are eligible for demolition, but vacant, unused and boarded up properties continue to deteriorate over time. He added as Jayson Dawkins, Policy Analyst, Budget and Evaluation Department, told the Council yesterday the newly implemented Greensboro receivership program is being monitored and may be a viable alternative.

Planning Division:

JoSeth Bocook, Planning Administrator for the Development Services Department, introduced himself and said he will speak relative to affordable housing concerns. His presentation included the following:

- Through community engagement for planning processes it has been a recurring theme that the City has housing issues that need solutions;
- Over the course of the retreat it has been heard there is no one-size fits all or silver bullet solution;
- The Planning Division’s role in addressing affordable housing is through regulation that allows for housing choice and options;
- In analyzing current housing issues from a Planning perspective threats, opportunities and challenges have been identified. He spoke with regard to zoning and land-use regulation saying:
 - Multi-family is the best option forward considering the economy and scale of development; however, many existing zoning districts do not allow housing types other than single-family;
 - There are 8 residential zoning districts – 1 allows for multi-family;
 - There are 5 commercial zoning districts – only the Central Business District Downtown allows residential development;
 - Single family developments require large tracts of land that become increasingly expensive and rare (annexation) and require too much parking;
 - Cost of land, labor and construction materials are a factor for residential development;
 - The City can ensure that cost of compliance with City regulations, codes, connection fees and build out is affordable
 - Through Planning (largely an advisory profession) regulations are put in place for development;
 - The Land Development Code (extensive document) sets out zoning regulations (use and density);
 - Design regulation is limited especially relative to residential development; the only place design standards/architectural standards can be imposed on residential development is in local historic districts (regulated by the NCGS);
 - City has four local historic districts: Edgemont; Villa Place; Rocky Mount Mills; and Central City (Downtown); three are largely comprised of residential development; Central City is a mix of commercial and other uses; and
 - Process regulation – within Land Development Code exists standard for development process; State has statutes that largely control but City can make certain adjustments and move approvals through process expeditiously

Mr. Bocook noted that Mr. Cook spoke extensively relative to minimum housing regulation. The Council was provided an image reflecting different styles of residential development. It was noted that of the eight residential zoning districts only the R6-MFA allows for multi-family development. Mr. Bocook stated that across the country cities are trying to come to grips with the “missing middle” consisting of duplexes, triplexes, quadraplexes and town homes (live/work units).

He advised that the R6-MFA district comprises 8% of the 44 square miles of development within the City’s jurisdiction and the opportunity to have multi-family housing developments given the cost and economies of development is limited. He added there is a bill being considered in State legislation in which it is proposed that cities be forced to require middle housing in all residential zoning districts. He said one option being considered in Rocky Mount is to perhaps allow for middle housing within commercial zoning districts located along major corridors with fixed transit routes and in the Downtown.

Council was provided with a graph showing new residential permits within the past five years. It was noted that single-family development far outpaces multi-family development other than in 2017 when new units were developed in the southwest portion of the City (Little Raleigh) in Ravenwood. Mr. Bocook stated in the first three months of 2021 the number of residential permits has trended upward. He said on the development review side many subdivisions that have been approved in the past are coming back for reapproval and new subdivisions are being proposed.

Council was provided with a graph showing current housing structure types in the City:

- Single family units = almost 70%
- Multi-family = a little less than 30%
- Manufactured home = approximately 3%

Development Services Director Will Deaton outlined the following:

- Items completed by Planning Division for Affordable Housing:
 - No minimum square footage requirement for multi-family use;
 - Accessory dwelling unit amendment (removes barriers and exclusions);
 - Eliminated/reduced off-street parking requirement in Downtown core; and
 - Adaptive reuse of properties (i.e., Rocky Mount Mills)
- Planning Division responses to strategic plan for Affordable Housing:
 - Lower minimum lot size (6,000 square feet minimum currently in R6-MFA);
 - Eliminate minimum parking standards;
 - Allow residential development in commercial zones;
 - Allow duplexes and triplexes in single-family zoning; and

- Ensure desirable projects can occur as-of-right (expedites approval)
- Considerations:
 - To be effective the Land Development Code (LDC) will likely need additional incentives to include density bonuses, fee rebates, expedited review, parking reductions and other financial incentives;
 - Strategy should prioritize the construction of affordable units and encourage development;
 - Careful collaboration should occur to respect proximity to amenities, neighborhood context and to achieve equity goals;
 - Revise Density Bonus policy (Asheville has this policy);
 - Increase building of multi-family housing near major transit stations and transportation corridors;
 - Eliminated already is the eligibility requirement of allowing only owners, family members and potential caregivers to occupy accessory dwelling units;
 - Selective use of a tax/lien foreclosure or receivership (only one in the state currently) to deal with the number of dilapidated, deteriorated or vacant houses;
 - Revise the minimum parking requirements for residential and mixed-use development and more sustainable use of land
- Recommendations:
 - Analyze vacant land suitable for development (through collaboration with various departments; some constraints exist relative to flooding);
 - Voluntary incentive zoning (defined by a focus on geographic boundaries);
 - Density bonus for affordable units;
 - Administrative flexibility/adjustments for existing lots (allowing staff to make adjustments for existing lots to modify LDC for easier build-back);
 - Amendments to LDC to allow for more and expanded housing choices
- Proposals:
 - Based on input and best practices, Development Services will compile information regarding concepts for amending the LDC to allow for a greater variety of housing choices in a context-sensitive manner
 - Concepts will be presented at future Committee of the Whole meetings
 - Work sessions with Planning Board and other Boards/Commissions;
 - Interested groups
 - Feedback from work sessions will be used to develop specific revisions to current regulations with a public “draft” available for review (to provide a menu of options)
 - In-person and online open houses

Mayor Pro Tem Joyner noted that Councilmember Blackwell**** had to leave the retreat due to a family emergency.

Rocky Mount delegate, Gloria Davis, requested clarification relative to the plan for eliminating minimum parking standards and eliminating current eligibility for accessory dwelling units. She said there are a number of cars parked on lawns at residences and issues exist relative to sub-leasing.

Development Services Director Will Deaton responded by indicating there is an equation for determining parking requirements for both residential and commercial parking (i.e. 1 to 1.5 per unit for housing; or per seats at a church) and parking takes up a majority of land. He said in most recent years it has been noted that reducing parking allows for more buildable areas.

He explained that the requirement relative to accessory dwelling units has recently been revised in the Land Development Code to remove the barrier that only family members and potential caregivers occupy accessory dwelling units to open the opportunity for additional income for the home owner and expand the potential for additional affordable units of housing.

Co-facilitator Dr. Angie Arrington encouraged participants in the room or virtually to provide questions to her or place them in the chat for Council consideration.

Rocky Mount delegate, Hubert Pope, commended the City on the retreat. He encouraged the Inspections Division to be lenient in working with business owners who are trying to be creative so Downtown Rocky Mount can be as creative as other cities he has seen.

Comments/questions from Councilmembers included:

- Daughtridge:
 - Stated he would like the City to obtain some details relative to transit usage to be more flexible and provide greater service (similar to Wilson);
 - Questioned the area considered relative to parking expansion in both residential and commercial areas;
 - Voiced concern relative to Airbnb’s and other rental of accessory dwellings;
 - Fairness to existing homeowners when zoning regulations are changed;
 - Noted he is astounded by six owners representing the majority of housing code issues

Mr. Deaton stated some people are now building garages with apartments above for family members and noted the idea is to open the opportunity for an income stream for accessory dwelling units. He surmised that Asheville may be

dealing with rental regulations and enforcement because State regulations are grey and limiting. He said this would be studied along with parking for determinations. He stated there are a number of parking lots that are not full and eliminating parking would make more land available.

- Knight:
 - Said he is interested in knowing what the complaint was relative to Airbnb's received by Councilmember Daughtridge (Councilmember Daughtridge stated he would have to look back through his email);
 - Said Airbnb is popular and a lot of property owners across the country have been successful with Airbnb rental;
 - Hopes regulations/barriers will not be put in place for Airbnb rental;
 - Questioned if the City is considering allowing commercial zoning in historic districts (residential districts) noting some of the houses in the Mill District are being used for businesses and restaurants

Mr. Deaton responded that staff would like to include commercial use in historic residential districts and B4 allows for some of that. He added that outside the B4 in the O&I District there are some properties that could be adaptively reused. He suggested other definitions be added so it is clear to those reviewing that the City wants to provide live/work units and maintain active use on the ground floor for shops and restaurants in the Downtown as it used to be. He stated regulations make it difficult to get back to how it used to be and direction from Council will be sought.

- Mayor:
 - Questioned if an inventory of available acreage (not in the flood plan) exists; either privately owned or owned by the City; and
 - Said he would like more informative relative to the Greensboro receivership plan

Mr. Deaton responded that an inventory can be compiled. He stated the receivership program in Greensboro is fairly new and not fully implemented so a good set of data does not yet exist, but Kelly Cook is closely monitoring the program.

Rocky Mount delegate, Dr. Lisa Nelson-Robinson said the retreat has been a learning experience for her and she appreciates the work. She asked that Council consider the importance of paying a living wage when considering connectivity related to housing and bringing businesses into the community. She said Asheville has not been successful in recruiting stakeholder-based businesses and forward-thinking people are needed to build jobs and opportunity in Rocky Mount. She said this will help to not have the vicious cycle of looking for affordable housing because housing prices are through the roof while pay remains stagnant.

Mayor Pro Tem Joyner called on Dr. Valarie Batts for comment.

Dr. Batts said that Development Services seems to be an exciting space in which to continue implementation of the strategic plan. She said:

- Staff recommendations invite the City to take a growth mindset and approach the issue of housing in a new way, which is both important and challenging;
- People who are used to things being a certain way may have reactions to changes and how to present information will be critical for the Council;
- Many specifics were provided that link to the strategic plan and she is excited about how to support the Council in narrowing down – there is a lot on the plate, a lot of information and a lot of options;
- Thinking long term and short term will be important;
- Council recommended specific actions to be considered relative to using housing as wealth creation;
- Council is requesting more specific information;
- Encouraged thinking holistically about housing as one symptom of inequity that has a lot of different dimensions

Councilmember Knight questioned if when Community Code inspectors are out on assignment and see other issues if those issues are reported. Mr. Cook responded that part of the responsibility of inspectors is to look for nuisance and safety issues (trash, debris and overgrowth). He added Community Code shares a building with Environmental Services and said route coordinators make them aware of "clean outs" when someone has vacated a property and piled trash at the curb. He said Environment Services will either pick up the material or notify Community Code and a nuisance notice will be issued. He explained the process for issuing a nuisance notice and said there is an ordinance that allows for the City to pick up in the case of "public nuisance in the right of way" that is used frequently for "clean outs" and illegal dumps.

Mayor Pro Tem Joyner questioned if the reason for the increase in "clean outs" and illegal dumping is due to landfill prices increasing. He said he would like for the City to look at the historical process relative to homeowners moving and the properties then becoming properties not in compliance with minimal housing code standards due to becoming rental property.

Councilmember Knight stated he has previously requested that the policy that requires a property to have utilities in order for trash to be picked up be changed. He stated trash has been at a property at the corner of Davis and Smith Streets for more than six or seven months and in the older, fragile neighborhoods piles of clothes, old furniture and other debris is left at the curb and on the sidewalk when someone moves out of the property. He said it seems there needs to be a concentrated effort by Community Code and Public Works to clean this up and make the quality of life better for citizens.

Mayor Pro Tem Joyner called on Co-facilitator, Dr. Angie Arrington for an overview of action items/recommendations. Dr. Angie Arrington thanked all for the robust discussion and the Department of Development Services for their presentation. She recapped action items to include:

- Inclusion of the recommendations and proposals of Development Services on the May Committee of the Whole agenda;
- Request for transit usage details for a focus around economic development;
- Focus of benefits around Airbnb and other rental/mixed use communities particularly with live/work units;
- To assess and report inventory of available acreage (not including flood property);
- Monitoring of the Greensboro receivership program;
- Review of the historical process of bringing communities up to code particularly with looking at quality of life for removal of trash and debris particularly from properties without utility connection

RECESS

By consensus, the retreat was recessed at 10:28 a.m. for a break.

RECONVENE

Mayor Pro Tem Richard Joyner reconvened the Rocky Mount City Council Annual Retreat at 10:53 a.m.

PRESENTATION – DOWNTOWN STRATEGY – RESIDENTIAL DEVELOPMENT – Kevin Harris, Downtown Development Manager

Downtown Development Manager Kevin Harris thanked the Council for the opportunity to provide information about the Downtown Strategy, particularly as to residential development.

He provided and explained a vision statement he has crafted along with the CCRP and shared photographs of the Downtown to include: the Historic Helen P. Gay Train Station; the Veteran’s Memorial; the Douglas Block; Station Square; the Event Center; the Bel Air Art Center; Thelonious Monk Mural; and CSX Mural. He provided images of logos of some Downtown businesses. He said the Downtown is a large body of work of which the City can be proud.

Mr. Harris told the Council 2019 statistics revealed there are 4,194 employees within a half mile radius of the Downtown and the population within a half mile radius of the Downtown is 1,400.

Mr. Harris outlined Downtown Residential Opportunity to include:

- Downtown residential can shape and define the character of Downtown:
 - Includes diverse demographics
 - Includes Mixed Income (he said there have not been “heads in beds” Downtown for many years; and encouraged Downtown development and patronage of Downtown businesses)
 - Re-use for vacant and aging buildings
 - Greater safety with density
- Changing demographics contributing to the increase in demand for Downtown residential:
 - Young and old population segments are more likely to rent
 - Prefer walkable communities
 - Greater access to resources and entertainment activity
 - Low maintenance living/smaller
- 24-hour Downtown residents provide:
 - Consistent patronage of Downtown merchants and restaurants
 - Residents and workers in walking distance to retail spend three times as much at those retailers
- Promotes further Downtown Development:
 - Retail follows the people
- Downtown Units:
 - Existing residential in Downtown Core (Harambee Square and Douglas Block; individual units) = 40
 - Units under construction = 25
 - Units proposed at Tarboro Street = 60
 - TOTAL UNITS = 125
 - TARGET POPULATION WITHIN 5 YEARS = 500 people

Market rate units under construction: Davis Lofts and Andrew Clark (former Music City building)

Mr. Harris told the City Council that residential development contributes to increased property values in and around the Downtown and is a big revenue opportunity. He outlined some Downtown property values pre- and post-rehab translating to increases in revenue for property tax, utilities and sales tax.

Mr. Harris advised the City Council there is a vast amount of opportunity for residential growth in the Downtown and to achieve this new growth financial incentives have been developed.

He reported:

- The Residential Production Program: will incentivize re-use or new construction to develop residential units within the Downtown Core and can be used for fire suppression, construction, fixtures leading to the availability of residential loft apartments or condos. He explained the grant is for \$7,500 per unit with a maximum of \$150,000 and the policy is ready for Council consideration.
- The Real Estate Development and Investment Grant (REDI Program) will:
 - Respond to properties in Downtown and throughout the City requiring major building renovation or demolition and replacement;
 - Encourage the location, retention and/or expansion of new or existing business and industry; and
 - Create jobs and private investment within the Downtown and throughout the City

Minimum Development Cost (tiered)	Incentive	Target ROI & Job Creation
\$2M	\$500,000 or 25% of project investment whichever is less	Maximum 5 years and 20 FTE's
\$1M	\$250,000 or 25% of project investment whichever is less	Maximum 5 years and 10 FTE's
\$500,000	\$125,000 or 25% of project investment whichever is less	Maximum 5 years and 5 FTE's
\$250,000	\$62,500 or 25% of project investment whichever is less	Maximum 5 years and 3 FTE's

Target corridors for new development were identified as: Church Street; Falls/Peachtree; Raleigh Boulevard and Atlantic Avenue and the focus is on residential.

Councilmember Knight questioned how many vacant properties are in the Downtown and if those properties can be listed on the City's website. Mr. Harris said there are vacant and available for sale properties. He said those properties are listed on the Downtown Development page. He noted an analysis was performed recently that identified 80 vacant properties of the 170 Downtown properties. He estimated those vacant are probably about 75 currently. He said about 8 properties are available for sale and his office works to match those interested in purchasing with the property owner.

Mayor Roberson questioned when the guidelines will be solidified for the REDI program. Mr. Harris responded that the program can be ready in thirty days and a draft exists at the present time.

Councilmember Daughtridge stated the REDI program could spur development but questioned where the grant funds will come from and whether there will be a property tax rebate. He voiced concern relative to monitoring of grants to ensure what is expected is inspected and questioned if the City has the capacity to monitor. He said he would like to see there are jobs associated with development and questioned what those jobs are and what the benefit of those jobs will be. He said on the State level one of the deciding factors in awarding grants is whether a company offers health insurance to employees. He added he thinks the grant is worthy of consideration, but he would like a lot more detail. He said what resonates with him is that Asheville relies on tourism and retail and certain challenges are associated which leads him to ask the question relative to job creation. He added that upfitting the building is important but if City funds will be used then jobs that pay a living wage and benefits is desired.

Mr. Harris stated the appropriate name relative to tax rebates is actually tax abatement. He added if all Downtown buildings were developed approximately \$10M would be needed but restoring the Downtown is an investment and can be tested because it is expected jobs will be created within five years and monitoring will not take a lot of manpower. He clarified one job per \$25,000 is the measurement and as a general rule \$10,000 is invested per job, but the City uses Commerce's Mainstreet Solution Fund that requires one job per \$25,000 in investment because for the Downtown restoring the building and job creation is equally important. He said there will be construction jobs plus the jobs required for the business but no criteria is in place for specific type jobs.

The City Manager stated Council can expect to see this as a part of the upcoming budget recommendations. She said she does not think there are buildings ready to receive these funds at this time so there is time for an appropriation to be a part of the FY 2022 budget.

Councilmember Knight and Daughtridge held a discussion relative to the monitoring of grants. Councilmember Knight asked Mr. Harris to explain the process relative to approval of Downtown grants. Mr. Harris responded that the policy dictates the process, but most programs are reimbursement programs and a certain amount of work has to be performed and invoices submitted before reimbursement is made.

City Manager Rochelle D. Small-Toney said she wanted to clear the air particularly if there is any thought in this room or publicly that the City just haphazardly rolls out money. She said when Councilmember Daughtridge asked the question about a particular contract that it was a very large contract for street resurfacing and going out to inspect requires a great deal of staff work to ensure that every single contract of the City is monitored by staffers. She said she has no problem presenting to the Council exactly what that cost will look like but assured them it would be a very large number and then Council can deliberate if they want to include that costs or adjust the budget. She said staff follows certain rules and regulations that financial protocols for performance of the contract is performed. She said staff does

monitor certain things, but the City cannot afford to have someone present to monitor the work performed for each contract. She assured Council protocols are in place and that is one of the purposes for separating Business and Collections from Finance as a separate department to allow for the separation of the Business and Collections piece from the people who monitor loans or grants. She added steps have been taken internally to ensure the absolute best for accountability of these funds. She said she will present to the Council the costs of monitoring contracts and they may want to fasten their seatbelts because the cost will be staggering.

Mayor Pro Tem thanked the Manager and Mr. Harris and called on Councilmember Walker for comment.

Councilmember Walker asked if there is a mock visual that people can see of the City's vision for the Downtown. The Downtown Development Manager advised there is not a visual depiction but there is a map that shows the four quadrants of the City and individual images of buildings but not one big picture. He noted Councilmember Blackwell has talked about the need for efficient marketing and advised that marketing support will be needed.

The Mayor Pro Tem noted marketing for the Downtown can be an action plan.

Councilmember Knight requested that the Council be provided with an update on buildings that have been restored or have benefited from grants.

Councilmember Miller stated that audit by definition is not an examination of each and every detail of each and every contract but is a sampling process and there are statistics around the process depending on the transactions being audited that come from readily available information.

Mayor Pro Tem Joyner thanked Mr. Harris for his presentation and said Council is excited about the movement in the Downtown. He invited comments from Rocky Mount delegates and comments are summarized below:

- H.D. Pope:
 - Expressed appreciation for the great retreat;
 - Noted Rocky Mount is alive and thriving;
 - Said he is a representative of the Rocky Mount Redevelopment Commission;
 - Said the City's image will always go further than we will and what we do, say and provoke will change the story;
 - Said especially with the newspaper we need to make sure that we have a sit-down meeting;
 - Said we have rebranded the City, but the newspaper needs to continue its rebranding and we have a lot more positive things happening than negative and they should be brought out;
 - Said he knows because of the business the City is in that studies are required; he said we are the students in the City and are right now studying; said before we leave the retreat we need to ask ourselves what grade we would make after returning to the City;
 - Said we talk about gentrification but a question he has always had is if we want to protect housing and the people in the housing are on fixed incomes, most of them are on Medicaid and we need to figure out how and when at the time of death if they are on Medicaid their house will probably be flipped back to the government which will infuse someone else into that community;
 - Said he knows we are trying to fix something, but it will turn around and go back to where we do not want it to go;
 - Said he does not know how we can get in front of that, but it is a discussion that is not being held but he sees it every day;
 - Said in what he does (as far as funerals) a lot of people come to Rocky Mount and in his building he has between 16 to 2,000 people enter every month and whether they are going to the cemetery or church there are a lot of people in the procession and he takes very specific routes to show the City while performing a funeral;
 - Said sometimes people come back saying they want to move to Rocky Mount and we need to make sure after they have seen things in a creative way and want to come back that they don't have to run up a hill but are welcomed beside someone who will help them create creativity;
 - Applauded the City for what it has done, what it is yet to do and for coming together even though we may have our differences;
 - Reminded the Council it is not about them but about the people they serve
- Garland Jones:
 - Stated he represents the Central City Revitalization Panel (CCRP) and has served for almost twenty years and is the owner of several Downtown buildings;
 - Said he purchased in Downtown in 1999 and has been a part of the Central City Revitalization Panel because his interest in the Downtown and housing has always been there;
 - Said he is excited about what is going on in Downtown presently and to watch the Downtown from 20 years ago when he purchased property in 1999 and all the different things the City has gone through and he has experienced including the growth of the Douglas Block;
 - Said he has watched the conversations about the Event Center, the Imperial Centre, the library, the streetscape and the train station;
 - Said multiple conversations have been held and there have been differences but more than anything it is the unity and differences that have caused people to decide to push things to the side for what is best for the City and that is why he has remained on the CCRP and continued to work towards moving the City forward;

- Said he is excited about all the grants available for the Downtown that were not there when he became a member of the CCRP and the only grant available then was a façade grant;
- Said now there are a lot of grants available and energy can be seen in the Downtown like never before;
- Said he remembers when people on the outside were questioning why to spend \$6M on the streetscape but it was because the Downtown looked bad and the funds were available due to efforts of Congressman Butterfield which changed the look of the Downtown;
- Said he is excited about Downtown housing because it will create foot traffic which will cause demand for certain types of businesses because they want to live Downtown;
- Said he has always wanted to see housing in the Downtown because it will create businesses and the demand will come;
- Said affordable housing is so necessary in the City;
- Said he has been in Rocky Mount for 29 years;
- Said he has listened to discussions this week and agrees with a statement that Councilmember Knight made that when you look at the City if you have been here for 29 or 30 years you know where money has and has not gone and Rocky Mount needs affordable housing and neighborhoods need help because they have been overlooked for years and desire attention so the City will look well;
- Said when he came to Rocky Mount people called him an outsider but when others ride through our City parts look bad and it is time to make those parts look better and housing is critical;
- Said he is very supportive of housing and has also worked with the construction trade program for the City for almost 5 years trying to bring some of the old houses back up and give working skills to young men who were standing on corners and did not have the opportunity to learn skills;
- Said he has always been involved in housing and was the president of Habitat for Humanity for 6 years and helped build 27 houses off of Leggett Road for first time home buyers and one of the beautiful things is watching a family move into a house for the first time and seeing the joy of being a homeowner;
- Said it is time to take consideration and agreed with Mr. Pope in asking what Council's grade will be when returning home and their grade in moving forward to make this happen;
- Said there are times when we argued about which side of the tracks something was done on but anytime, we hear crime in Rocky Mount from the outside nobody asks which side of Rocky Mount or which county it was in;
- Said it is time to make both sides of the county line look good so we can say we have a beautiful City, a beautiful Downtown, beautiful neighborhoods, people are living better, jobs have come, and housing is better;
- Said he has been helping people at his church for years to find housing and he ran a housing program for years and housing has always been in his spirit and when we look at the Downtown and the surrounding areas he has prayed that we not only bring the Downtown up but also the neighborhoods in the Downtown;
- Said this should be a consideration as the Council leaves to go back home and plans and budgets and puts together ways to make the City where we live look better, feel better and live better;
- Said he heard that Asheville took a day just to deal with trust and unity amongst each other and said we need to do that and have to start trusting and talking and dealing from a whole different perspective because it is not about our differences but about what we can do to make the City be better; look better; live better and about helping the children who live in the City grow up better;
- He thanked the Council for giving him a lot to go back and work towards and to look at and see what he can change about himself and consider what his grade for participating will be and unifying with others in the City who are dealing with housing;
- Said if we come together as a unit and start attacking the housing issue, we can all do it together if we work together

Mayor Pro Tem Joyner called on co-facilitator, Dr. Valerie Batts for comment.

Dr. Batts appreciated the two delegates for their heartfelt and clear message to the City and said as someone born in Rocky Mount in the 1950's the comments resonated with her at both a personal and professional level.

She said she wanted to share three quick things as issues to think about and will start with a process rather than a summary. She said:

- She noticed the conversation between Councilmembers Daughtridge and Knight about ensuring how the City's funds are spent and thinks that is a symptom of intent, impact and lack of trust and is so glad that Delegate Jones touched on that because Council will need to trust each other in moving forward so they can trust the system in place to implement accountability;
- She appreciated Councilmember Miller's comments about auditing because she heard the Manager say to audit every contract which to her would be a sign of a lack of trust and auditing is a program and this is a symptom of how we should see the historic challenges and the need for building trust happening within the group;
- She also felt there was a lot of positive energy and support for the great work that has been done and knows one of the tendencies we often have in this kind of work is to not spend enough time celebrating what is working and she wanted to raise up that there are competent and powerful examples of what is going well in Rocky Mount. She encouraged Council to keep thinking about and using the resources available from competent staff as well as competent resources in the community and not put all energy into the challenges but expand and amplify the positive elements;

- That leads to the idea of rebranding that needs to be happening and much more energy needs to be put into that side of things;
- Another thing she was aware of is relative to the question about revenue generation and development and doing that in a way that does not lead to dysfunctional gentrification and this is another important theme to keep alive in that conversation;
- She said she thinks people are sensitive to that and there needs to be consideration of how to make it affordable for all and there are ideas that can be used;
- One other thing that is important is relative to the competence of staff and she is noticing that Council raised questions about practice and policy that the City Manager and others have talked about changes that have been made in policy that allow for accountability. She gave the example of the separation of the Business Office and Collections from grants and other funding and thinks in a trusting environment there would be an assumption it is being done and the question would be "how can you help me understand how" or "are there new ways?"; and
- Council should notice and build on what they have and think about how to problem solve around the issues that have arisen.

The Mayor Pro Tem thanked Dr. Batts and called Dr. Arrington for comment.

Dr. Arrington thanked Mr. Harris and delegates Pope and Jones. She said she is learning a lot being in the room and the actions she heard were around guidelines for the REDI program. She said there were inquiries about the cycle process, where REDI funds are coming from and more process and information around monitoring of the grant process which Dr. Batts touched on and the capacity requirements, compensation were all things about which she heard questions asked. She said she thinks they all fall into one piece but areas that can be delved further into including receiving an update on building facades and what they look like in relation to the REDI project. She said marketing plans for the REDI project with more clarity around the number of vacant lots or properties for sale is a comment she heard.

She said there was a question relation to budget evaluation as an action to be considered. She said follow up will occur with the City Manager to ensure all comments and ideas are thoroughly captured.

The Mayor Pro Tem thanked the City Manager and said the Event Center has been operating extremely well. He offered thanks to all the Downtown eateries and other businesses who have served the City to see the Downtown full every weekend noting there have been no incidences and people are having a great time.

RECESS

By consensus, the retreat was recessed at 11:49 a.m. for lunch.

RECONVENE

Mayor Pro Tem Richard Joyner reconvened the Rocky Mount City Council Annual Retreat at 1:05 p.m.

PRESENTATION – UPDATE ON FIVE POINT CROSSING – *Denis Blackburne, Woda Cooper Companies, Inc. (Virtual)*

Denis Blackburn with Woda Cooper Companies, Inc. joined the Retreat virtually. Mr. Blackburn provided a status update relative to the Five Points Crossing to include the following:

- Woda Cooper Companies, Inc.
 - ~ Formed in 1990
 - ~ Privately owned
 - ~ Headquarters: Columbus, Ohio (Savannah Office)
 - ~ Develop multi-family housing in 15 states
 - ~ Developed 350+ projects
 - ~ Focus on affordability/workforce housing
 - ~ Industry leader, consistently among top 15 developers nationally
 - ~ Manager over 13,500 units; only ever sold one property
 - ~ Long-term owners
- Tarboro Street and Rose Street Site
 - ~ Showed location
 - ~ 1.313 acres
 - ~ Zoned B-4 (Central Business District)
 - ~ New 4-story building with elevator
 - ~ 50 units (28 one-bedroom 660 square foot; 22 two-bedroom 900 square foot units)
 - ~ 6 handicap units
 - ~ 50 off-street parking places
 - ~ All amenities can be found within one mile; including a covered bus stop in front of Edgecombe Community College
- Basic Data on Five Points Crossing (including amenities and units)
 - ~ 50 residential units
 - ~ Financed by North Carolina Housing and Finance Agency and North Carolina Office of Recovery and Resilience
 - ~ Income restricted for residents earning up to 60% AMI
 - ~ Current projected rents : \$500 (1-BR); \$565 (2-BR)

- Recorded covenants restricting the use of property for affordable housing for at least 18 years
- Woda Construction/Woda Management
- Total development costs = \$8.4M
- Interior amenities:
 - Leasing/management office, multi-family room, fitness center, laundry room and tenant storage area
- External amenities:
 - Playground, covered pavilion with tables and grills, covered patio with seating
- Residential units:
 - High efficiency HVAC, EnergyStar appliances, range, refrigerator with freezer, dishwasher, garbage disposal, washer/dryer hookups, LVT flooring, window blinds and ceiling fans
- Site Concept Designs and Floor Plans provided
- Timeline
 - April-May 2021: NCHFA & NCORR to finalize funding commitments
 - April-May 2021: Finalize building plans and submit for permitting
 - June-July 2021: Start of construction
 - May 2022: Start lease-up; expect fully lease in one month
 - August 2022: End of construction
 - September 2022: Complete lease-up
 - Grand opening in the fall of 2022
- Described and showed pictures of other Woda Cooper developments

Councilmember Walker thanked Mr. Blackburn for the presentation and asked if the same subcontractors as used for the Ravenwood Development will be used. Mr. Blackburn responded they will definitely do so and will work to arrange a job fair for local people and open up bidding for all areas to make a special effort to use as much local talent as possible.

Councilmember Knight asked if Council will be made aware of what façade will be used prior to construction. Mr. Blackburn responded in the affirmative indicating that all information will be provided to the City Manager for feedback from Council.

Councilmember Miller asked when applications will be accepted, and Mr. Blackburn stated about four months prior to taking applications a telephone number will be provided since there will not be an office onsite. He stated it is important to treat all fairly and to use a first come first served basis. He said due diligence will be taken relative to applications and income checked along with criminal backgrounds.

Councilmember Miller questions if rent will include maintenance costs. Mr. Blackburn responded that Woda Cooper will be responsible for all maintenance and wear and tear of the property and residents will pay for water, sewer and electricity. He noted a formal lease agreement will be required which includes provisions for standards of behavior. He said it is in Woda Cooper's interest to keep residents in the facility.

Mayor Pro Tem Joyner voiced his hope that Woda Cooper can talk with the person in charge of minority contracting at the City and added the City has a construction trade program.

Councilmember Miller questioned if veterans will qualify for residency and Mr. Blackburn responded in the affirmative noting they have a lot of veterans as residents.

The Mayor Pro Tem called on Co-facilitator Dr. Batts for comment. Dr. Batts provided a summary of themes to include:

- Encouraging Council to process the abundance of information shared over the past few days and prioritizing objectives and goals of the strategic plan;
- Invited all to identify for themselves the most important elements to them personally (5 objectives/2 major goals outlined);
- Said it would be helpful if Council can have a meeting of the minds relative to the prioritization of goals by beginning with self-focus to decide what they each individually would like to see (short and long-term);
- Some initiatives are ongoing and happening and encouraged them to learn from what they are currently doing; to look at current systems of accountability and recognize the good work done in that area and identify any gaps;
- She said the issue of accountability relates to the issue of trust and said it is important that Council make space to enhance their ability to trust each other in their work even as they disagree and to trust each other's motives are not personal;
- She added that Council needs to define what equity means (so that 10 years from now all living in Rocky Mount can feel safe and there can be safe and adequate housing) so the historic legacy of racism, classism and other forms of oppressive that have affected today's housing stock can be repaired; adding as Council is clear the need for educating others will become part of the strategy to help others understand that fair is not always equal and making up for historic inequities is appropriate and a positive step to take to begin to create the possibility for health, wealth and wholeness for each citizen;
- She encouraged Council to consider the four levels:
 - Institutional and cultural: needs to be policies and practices to create equity;
 - Personal/interpersonal: learn to hold that without going into an "either/or"; the whole community benefits as historic inequities are corrected;

- Creating a way to build in communication about successes: of the retreat; the work currently happening; when the strategic plan is finalized (Council is the marketers/branders of the New Rocky Mount by committing to the strategic plan and working it through);
- Encouraged Council to take the time needed to ensure what they are planning is sustainable over time; said using local subcontractors is a way to balance economic development and support job creation;
- Said as Council reflects on their priorities, they should also identify other things they need to feel comfortable at an information level cautioning against analysis paralysis and over studying and then act with urgency on short term items (low-hanging fruit)
- Appreciated the commitment of the citizen delegates and said she sees the community commitment and these delegates can become allies

The Mayor Pro Tem Joyner invited Co-facilitator Dr. Arrington to comment. Dr. Arrington stated that in the essence of time and because it has been a long week, she will not recap what she believes Dr. Batts has made clear but said she has those comments in writing. She made the following comments relative to prioritization:

- Prioritization is critical;
- Focusing on strength, opportunities and threats (SWOTs) because the City has a lot of strengths (said she will send written suggestions for building trust);
- Stated that accountability aligns with trust which goes back to prioritization with a focus on the strategic plan which is solid;
- Said there are actions around making sure all Councilmembers see previously collected data;
- Said building credibility requires working the plan and planning the work which is an ongoing fluid process
- Said sustainability, perpetuity and particularly explicit accountabilities can be built upon and are already in place with the hard work being done;
- Said to see such an engaged working Council aligned to its citizens is remarkable

She thanked the Council on behalf of the facilitators.

CONCLUSION/ADJOURNMENT:

Mayor Pro Tem Richard Joyner called on the City Manager for closing remarks.

City Manager Rochelle D. Small-Toney appreciated the Council for their attention, focus and great feedback. She said that is exactly what was hoped would be achieved and staff's thinking has been broadly expanded. She said information has been received about grants awards and the City will be received the same level of funding of \$100,000 from the North Carolina Finance Agency for the Urgent Repair Program for the next fiscal year.

The Manager added that information has been received from HUD of a \$1.4M award through the HOME Program to assist with the prevention of homelessness in the City. She said through the CARES Act funding for this purpose was received and the thought is that the HUD grant may be used to help individuals who have problems with paying rent to avoid eviction. She said additional research will be done because HUD funding sometimes requires clarification as to how it may be used.

Mayor Pro Tem Joyner thanked Co-facilitators Dr. Angie Arrington and Dr. Valerie Batts and presented Dr. Arrington with a gift from the City of Rocky Mount and joined her for a photograph. He noted a gift will be provided to Dr. Batts.

There being no other items on the retreat agenda, the City Council retreat adjourned at 1:46 p.m.

Presenters' PowerPoint Presentations, as provided, are on file in the City Clerk's Office.

The May 10, 2021 Committee of the Whole minutes are as follows:

MINUTES OF A REGULAR RESCHEDULED MEETING OF THE COMMITTEE OF THE WHOLE HELD MONDAY, MAY 10, 2021 IN THE GEORGE W. DUDLEY CITY COUNCIL CHAMBER OF THE FREDERICK E. TURNAGE MUNICIPAL BUILDING WITH MAYOR PRO TEM RICHARD JOYNER PRESIDING:

NOTE: Participation limited due to Governor Roy Cooper's Executive Order relative to the Coronavirus pandemic (COVID-19)

MEMBERS PRESENT:

Richard Joyner, Mayor Pro Tem
 André D. Knight
 Reuben C. Blackwell, IV
 T.J. Walker**
 Lige Daughtridge
 W.B. Bullock
 Christine Carroll Miller
 Mayor C. Saunders "Sandy" Roberson, Jr.

STAFF PRESENT:

Rochelle D. Small-Toney
 Kimberly Batts
 Dorothy Brown Smith
 Jessie Nunery
 Ken Hunter
 Mark Adcox
 Amy Staton*
 Peter Varney*
 Will Deaton*
 Jayson Dawkins*

JoSeth Bocook*
 Kelly Cooke*
 Kevin Harris*
 Elton Daniels
 Kena Cofield-Jones*
 Latasha Hall*
 Brad Kerr*
 Chief Robert Hassell*
 Captain Charles Williams*
 Captain James Staten*
 Captain Chris Ballard*
 Lieutenant Tim Bunt*
 Richard J. Rose

**present as required*
***arrived*

OPENING OF MEETING

Mayor Pro Tem Richard Joyner called the meeting to order at 4:00 p.m. and called on City Manager Rochelle Small-Toney to introduce the agenda items.

City Manager Rochelle Small-Toney informed Mayor and Council that several of her staff members would be assisting her in presenting the Housing Strategic Plan Recommendations.

1. Presentation of Housing Strategic Plan Recommendations -

The City Council was advised that the purpose of today's presentation is to provide recommendations based upon information received at the City Council Retreat. The City Manager stated several staff members would be presenting the recommendations. Staff presentations were as follows:

Jayson Dawkins, Policy Analyst - Recommendation #1: Housing Trust Fund (HTF)

The creation of a HTF allows for the City to fund the production or preservation of affordable housing through acquisition, construction, reconstruction, rehabilitation, or weatherization of non-luxury housing.

For a successful housing trust fund, 4 considerations are needed:

- What is the Amount of Estimated Revenue needed?
 - Whom are the Targeted Beneficiaries of the Fund?
 - How will the Fund set up its Existing Capacity to function?
 - Who will be conducting oversight?
- When establishing a committee to set up the Rocky Mount Housing Trust Fund consider:
- Do we want an independent organization or serve as an additional responsibility of a city department or community non-profit?
 - Impacts on staffing levels, type of housing targeted by the HTF, type of funding and the income eligibility for the area median income
- Staff estimates startup costs of \$101,880 in year 1 and over \$417,900 over 3-years, which include pay and benefits, office and administrative costs and then program development

***Councilmember Walker arrived*

Jayson Dawkins, Policy Analyst - Recommendation #2: Create an Acquisition Fund for publicly and privately-owned land

- Acquisition Fund - a pot of financial capital to acquire public or private areas for affordable housing development

- Structured as a loan pool that developers can quickly access while gathering funds during the pre-development period. Developers then reimburse the fund.
- Enables local communities and nonprofit developers to act quickly.
- **Costs:** Staff sees start-up costs of \$116,000 over the first year and \$503,000 over 3 years.

Jayson Dawkins, Policy Analyst - Recommendation #3: Create a Preservation Fund for publicly and privately-owned land

- Preservation Fund- a fund designed to help preserve the affordability of existing income-restricted and naturally occurring affordable rental housing.
 - Funding for site development and rehabilitation.
 - **Costs:** Staff sees a start-up costs of \$116,000 over the first year and \$503,000 over 3 years.

Jayson Dawkins, Policy Analyst - Recommendation #4: Community Land Trust

- CLTs provide an effective, sustainable platform to provide affordable homeownership opportunities and enable owners the ability to build family wealth by ensuring long-term access to affordable housing stock through a 99-year ground lease.
 - **Costs:** Estimated start-up costs of \$261,880 in year 1 & 1 million over 3-years, which include hiring an executive director, property acquisition and rehabilitation.
 - Most funding would originate from seed funding from the American Rescue Plan and the City would provide 50% of operations support and 50% from donors.

Amy Staton, Finance Director - Recommendation #5: Pass a General Obligation Bond focusing on Affordable Housing

Mrs. Staton presented the following information:

- Analysis of Existing and Future Debt Capacity and Affordability (3-4 weeks)
 - Work with financial advisor to build a financial model to update existing debt and a placeholder for the future bond offering.
 - Refine the future debt capacity (CIP) as needed to recommend an affordable financing approach compliant with the debt management policy and allow capacity for the bond offering
 - Recommend the financial model with proposed bond financing
- Discuss and Update financial model with selected debt financing projects (2-4 weeks)
 - City Council will select the projects to include in the bond financing and the amount. City Council will determine which election to include the bond referendum
 - 7 months are needed to complete the bond financing process prior to the election
- **Costs:**
 - Bond Process (Legal, Financial advisor, Underwriter, Rating Agencies) - \$525,000
 - Public Engagement - \$75,000
 - Capital Project Design - Estimated 5% of the project cost

Peter Varney, Interim Director of Community and Business Development - Recommendation #6: Increase construction of multi-family housing near major transit stations

- The City has only one major transit station (Bus Station)
 - City staff has researched assembling parcels near major transit corridors downtown to incentivize development of multi-family housing:
 - o Opportunities on the east side of the train tracks
 - o Number of vacant lots with housing needs
 - o Could be ways to leverage investors in family housing
 - o Pedestrian traffic could be an issue with the increase of housing
 - o Could gauge architectural services to leverage investment
 - o Would support downtown revitalization effort
 - **Costs:** Anticipated expenses are uncertain at this time

Will Deaton, Director of Development Services- Recommendation #7: Revise the Density Bonus policy

- Staff recommends a scaled density bonus policy for affordability based on zoning classification and existing density
- A revised policy will be crafted utilizing existing policies studying similar communities in the state
- **Costs:** None

Will Deaton, Director of Development Services- Recommendation #8: Eliminate the eligibility requirement to build/ occupy an Accessory Dwelling Unit

- Policy allows for the creation of a second dwelling unit on a lot with a detached single-family dwelling unit. City staff is going to explore ways to promote this policy change through website redesign or CityTV19 interview
- **Costs:** None - City repealed the requirement in 2020

Amy Staton, Finance Director - Recommendation #9: Implement a Tax/Lien Foreclosure to deal with the large number of dilapidated, deteriorated or vacant houses

- Step 1: Identification/Selection of Eligible Property
- Step 2: Foreclosure Pre-Planning
- Step 3: Beginning of foreclosure proceedings
- **Costs:** \$1,500 in legal costs per property
 - o Not included are closing costs (county taxes, city taxes, heir property), maintenance (grass, nuisance), & demolition costs

Kelly Cook, Community Code Supervisor - Recommendation #10: Implement a Receivership program to deal with the large number of dilapidated, deteriorated or vacant houses

- A municipality may petition a Judge for the appointment of a "receiver" who will retain the ability to take ownership of properties that are vacant & in non-compliance with code standards
- Staff will be meeting with representatives from Greensboro to study its viability as they continue to implement this program
- **Costs:** Anticipated expenses are uncertain at this time

JoSeth Bocook, Planning Administrator - Recommendation #11: Revise the Minimum Parking Requirements for Residential and Mixed-Use Developments

- The City is exploring revising the minimum parking requirements for new development (residential/commercial)
- Staff will prepare an LDC amendment that would allow alternative parking plans, shared parking, and deferred construction of parking for consideration by the Planning Board and City Council
- **Costs:** None

JoSeth Bocook, Planning Administrator - New Recommendation - Revise and add to the existing definitions for dwellings in the Land Development Code

- Purpose: Development Services would amend the land development code to add more clarity to residential use types
 - Staff proposes amending the definitions to include:
 - Cottage developments, Dwelling/Unit/live/work, Dwelling, single-family attached, Dwelling single-family, detached, Dwelling, two-to-four family, Dwelling, upper story
 - **Costs:** None

JoSeth Bocook, Planning Administrator - New Recommendation - Amend the zoning requirement to allow for some residential housing in commercial districts

- Purpose: Development Services would amend the land development code to allow for residential housing in some commercial districts (Currently allowed in the O-I(2) and B-4 zoning districts)
- - Staff proposes amending the zoning requirement in the O-I transitional districts and B-1, B-2, B-3 and B-5 commercial districts
 - **Costs:** None

Kevin Harris, Downtown Development Manager - New Recommendation - Residential Production Program

- Purpose: Incentivize development of downtown residential units through new construction or rehabilitation of abandoned units
- - Can be used for fire suppression, construction, apartment fixtures, condos
 - **Costs:** \$7,500 per residential unit; Max cost of \$150,000

Rochelle Small-Toney, City Manager - Additional Recommendations

- Proceed with revision and update to prior neighborhood studies, focused on targeted neighborhoods (Holly Street, Happy Hill, Southeast Rocky Mount, Little Raleigh, South Rocky Mount, Around the "Y", Hillsdale, Villa Place)
- Allocate \$3 million from American Rescue Plan funds for implementation of Affordable Housing Strategic Plan

Discussion was held by Council.

The City Manager responded to questions.

PowerPoint presentation on file in the City Clerk's Office

COMMITTEE RECOMMENDATION. Received report; no formal action

2. **Stop Loss - Mark III Presentation** - Kena Cofield-Jones, Human Resources Director and Mark Browder, Mark III

City Manager Rochelle Small-Toney called on Human Resources Director Kena Cofield-Jones to introduce the Mark III representative.

Ms. Cofield-Jones introduced Mark Browder with Mark III. The City Council was provided with a presentation that recommended awarding the Stop Loss contract to Aetna Life Insurance Company. The following quotes/costs are noted in the presentation:

Description	Aetna	Optum	Voya
Base Premium for Specific Stop Loss at 125,000 Per Employee Per Month (PEPM)	\$ 96.04	\$154.90	\$100.29
% increase from current stop loss premium of \$88.11 PEPM	9%	76%	14%
Annual Stop loss premium for 993 employees	\$1,144,412.64	\$1,845,788.4	\$1,195,055.64
Extra Allocation for Laser Case	\$200,000*	-	-
Total Cost of stop loss for 993 employees	\$1,144,412.64 + \$200,000*	\$1,845,788.4	\$1,195,055.64
Additional Cost over the current year	\$ 294,493 .88	\$795,869.64	\$145,136.88

* \$200,000 is maximum contingent liability for one high claimant case of laser treatment. Total cost of laser treatment in a year is estimated at \$625,000.

The following reasons were given supporting the recommendation:

1. Aetna's base premium is competitive without the laser case liability which is uncertain.
2. Aetna is the current health insurance provider and having stop loss insurance through the same provider will avoid integration issues of dealing with third party provider.
3. The difference of \$144,557 between Aetna and Voya is not significant in the context of the overall health insurance relationship especially because Aetna offered savings to the tune of \$431,000 in the new health insurance contract awarded in February 2021.
4. Aetna has provided firm proposals whereas VOYA's firm renewals will not be until mid-May, making budgeting difficult.

Mr. Browder also stated that the extra allocation that was put in place is to protect the City from a budgetary standpoint, and it may not actually come to pass.

COMMITTEE RECOMMENDATION. Information only; no formal action.

3. **Utilities Delinquencies and Assistance Programs** - Latasha Hall, Director of Business and Collection Services

City Manager Rochelle Small-Toney called on Latasha Hall, Director of Business and Collection Services to provide an update on Utility Delinquencies and Assistance Programs.

Ms. Hall provided the following information relative to the COVID-19 Delinquencies Update:

- Executive Order No. 121 (Stay at Home) was effective March 30th.
- The Unemployment Rate for Rocky Mount increased 132.73% from March 2020 to April 2020
- More customers are home due to pandemic, increase in usage due to remote work from home and remote learning for students.
- Disconnections resumed February 2, 2021
- Late penalties resumed May 1, 2021

COVID-19 Delinquencies update -

- o At the start of the Executive order/Moratorium (3/30/2020) there was a total delinquency of \$1,166,368.57
- o One year later (3/31/2021) the delinquencies increased to \$2,156,917.69
- o As of April 29, 2021, the delinquency has been decreased to \$1,713,348.46

Ms. Hall stated that as of May 6, 2021 the overall delinquency has been reduced to \$1,550,381.46.

Collection Efforts -

- o Increasing direct calling efforts during and after business hours
- o Taking more payments by phone
- o Ensuring customers are adhering to payment arrangements
- o Referring customers to our various assistance programs and agencies
- o Ensuring customers understand how to apply and qualify for programs prior to assistance referral
- o Direct collection via Debt Setoff Program (DSOP) and garnishments
- o Initiating 3rd party collections - implementation in progress with first file submission scheduled for June

Utility Assistance Program & CDBG-CV Funding -

- o To date this fiscal year there have been 3,712 customers that have been assisted compared to 2,001 last fiscal year
- o Available to all residential customers with:
 - ◆ Documented hardship associated with loss/reduction of income resulting from COVID-19
 - ◆ Various income levels
 - ◆ Account delinquencies from 31 to 120 days

The dollar amount and sources associated with the assistance funding are as follows:

• CDBG-CV	\$ 3,500.00
• WARM Program	\$ 24,718.29
• Utility Assistance Program (funded through the City's General Fund)	\$ 1,748.53
• Department of Social Services	\$741,669.56
• Faith Based Organizations	\$ 29,419.21
• Private and Miscellaneous Donors	\$ 39,997.55
• Hope Program	\$533,685.41

Ms. Hall stated that the total amount of assistance funds received to date is \$1,374,738.55.

Ms. Hall also updated City Council on the efforts that have been or will be implemented to ensure citizens are able to take advantage of the assistance programs available.

- o Customer Assistance Specialists (CASs) are processing electronic, phone and paper applications to complete the intake process.
 - ◆ More emphasis will be put on existing applications that are incomplete and walking them through the process to complete
 - ◆ Direct calls to customers that have delinquencies to initiate the application process

- o Increase program visibility: Partnered with Communications and Marketing Department to develop public solicitation notices outlining program assistance levels and requirements
- o Ensuring customers understand how apply and qualify for programs prior to assistance

The Mayor recognized Ms. Hall and her staff for the exceptional job they had done. He asked if there had been any write-offs. Ms. Hall responded that for fiscal year 2021 the write-offs totaled \$562,044.99 and they have been able to collect \$327,253.10 of that amount leaving them with an adjusted write-off amount of \$234,791.89.

Councilmembers Walker, Blackwell and Knight thanked Ms. Hall for all her efforts and work.

COMMITTEE RECOMMENDATION. Received report; no formal action

4. Sunset Avenue Corridor Study - Brad Kerr, Director of Public Works and Mike Rutkowski, Stantec

The City Manager called on Brad Kerr, Director of Public Works to present the recommendations from the Sunset Avenue Corridor Study. Mr. Kerr advised City Council that he had Mike Rutkowski from Stantec with him, who was the lead on the study effort.

Mr. Kerr reported that the City held 6 virtual public meetings to gain insight on the community's concerns and vision for the corridor. He said the meetings engaged approximately 70 participants across the 6 meetings. The findings will be used as supporting documentation when submitting to North Carolina Department of Transportation (NCDOT) for scoring and potential inclusion in a future Transportation Improvement Program Project.

He stated the Guiding Principles are:

- Redesign to Accommodate a more Complete Street
- Safety of All Users is Paramount
- Built-in Traffic Calming is a Must
- Support Redevelopment through Quality Urban Design
- Create Community Gateway through Attractive Design

Recommended improvements are as follows:

West of Winstead Avenue: The Residential "Transition Zone"

- Consider a community gateway feature (i.e., monument, plantings, banners, etc.) at the intersection of Halifax Road to welcome visitors to the City - "The Center of it All"
- Install either brick paved or stamped concrete crosswalks, and mast-arm signals at the Winstead Avenue and Westridge Circle Drive intersections

East of Winstead Avenue

- 12' planted median (where indicated) with roll curb and appropriate vertical planting to calm traffic
- Protected 8' to 10' sidepath along the south side from US 64 Business to Winstead Avenue
- Install high-visibility crosswalks at Winstead Avenue, Jones Road, Englewood Drive, and Circle Drive
- Add pedestrian-level lighting, community banners, and other streetscape improvements where possible

US 64 Business/Buck Leonard Boulevard & Forest Hill Avenue

- 1-Lane Roundabout w/turbo lanes (where applicable)
- Ensure proper turning radius for WB-50 Tractor Trailer

- 10' sidepath along south side of Sunset Avenue
- Install gateway monument (e.g., Buck Leonard statue or similar) in center of roundabout

Mr. Kerr gave the following breakdown of construction costs:

- Roundabout: \$2.3 million
- Forest Hill to Winstead Avenue: \$3.7 million
- Winstead Avenue to Halifax: \$4.7 million

Mr. Kerr informed City Council the study is available online at the project website - sunsetavestudy.com and that prior studies are available on the City's website.

Mr. Kerr responded to questions from City Council relative to the fact that NCDOT is who scores potential projects and that a majority of the costs for the projects are covered by NCDOT.

Councilmember Blackwell requested that since NCDOT seems to focus on high traffic areas that he would like to see the City prioritize the areas that will not be so quick to be funded by NCDOT.

Councilmember Knight mentioned the following areas he would like to see staff look at:

- Raleigh Boulevard before you get to the fire station headquarters there is a concrete median that does not look attractive; and
- the flagpole area in front of the fire station (he stated he thinks the City used to upkeep the flagpole area)

Councilmember Daughtridge stated all the corridor projects have merit and should all be considered because the City Council serves all of Rocky Mount.

COMMITTEE RECOMMENDATION. Received report; no formal action

5. Crime Statistics - Robert Hassell, Police Chief

Chief Hassell informed City Council that he had his team with him since it was his first time presenting to them to ensure they received all the information they needed. Chief Hassell informed City Council that the presentation next month will be a little different. It was noted that the current presentation will cover Part 1 crime incidents throughout the City currently and as compared to the same time period in the prior year and will include outcomes of violent crimes and related arrests and maps depicting areas of shots fired, incidences of aggravated assault and murder.

Highlights of the Chief's PowerPoint presentation include:

- National Incident-Based Reporting System (NIBRS) Part 1 crime comparisons by type were provided. Total crime numbers by months and years were reported as:

Crimes/NIBRS Part 1	April 2020	April 2021	+/-	YTD 2020	YTD 2021	+/-
Total	151	136	-15	609	555	-54

- April 2021 crime numbers for murders, aggravated assault and shooting into occupied building(s)/vehicle(s) (map of location provided):
 - o Victims with injuries = 20
 - o Victims without injuries = 13
 - o Total victims = 33
 - o Cases cleared by arrest = 5
 - o Inactive cases = 1
 - o Open cases = 13

- o Gang related = 2
- Aggravated assault cases and investigations:
 - o Aggravated assault cases = 21
 - o Aggravated assault victims = 33
 - o Number cases with multiple victims = 6
 - o Aggravated assault arrests = 5
 - o Aggravated assault cases cleared = 7
- Shots fired calls City-wide:
 - o Shots fired/heard = 101
 - o Calls resulting in shell casings found = 30
 - o Number shell casings found = 149
 - o Number of Firearms Seized = 25
 - o Number firearms seized (year to date) = 156
 - o Weapon violation arrests = 6
- Property crime cases cleared by arrest:
 - o Larceny (from building) = 1
 - o Larceny (shoplifting) = 2
 - o Individual Robbery = 1
 - o Commercial breaking & entering = 5
 - o Residential breaking & entering = 1
- Community Involvement:
 - o Softball/baseball games have begun with Police Athletic Program and Parks and Recreation
 - o Planning for a Junior Police Academy
 - o Scheduled and began teaching active shooter response to City employees

Chief Hassell responded to questions from Councilmembers relative to what enhanced strategies he will look to bring on board with his leadership. He stated he wanted to spend some time getting to know his department. He also stated that he will be meeting with key organizations, community groups and citizens throughout the city. He said he and his staff would then review what things have worked over the years and what things may need to be enhanced to help reduce crime and improve everyone's quality of life.

Chief Hassell added, in response to other questions:

- The weapon violation arrests come from both the ShotSpotter and citizen-initiated calls;
- He will add names to the neighborhoods listed on the focus map that is presented to City Council;
- He will work with support services to look at the historical data over the last several years
- All crimes that play into what kind of quality of life our citizens have will be a concern to him

COMMITTEE RECOMMENDATION. Received report; no formal action

6. Reopening of City Facilities - Elton Daniels, Assistant City Manager

The City Manager called on Elton Daniels, Assistant City Manager to present recommendations for reopening City facilities.

Mr. Daniels informed City Council that Governor Cooper announced on April 22, 2021 that restrictions on mass gatherings and social distancing would ease beginning June 1, 2021.

Mr. Daniels stated the purpose of this report is to provide recommendations regarding the reopening of all City facilities, with an effective date of June 2, 2021.

The recommendations are as follows:

Fredrick Turnage Municipal Complex (CITY HALL)

- Operate at 100% capacity limit for office environments
- Operate at 50% capacity limit for conference room /meeting space environments
- Development Services customer interaction take place in the waiting area and lobby of Development Services
- It is recommended that COW meetings remain in the Council Chamber

Train Station

- Operate at 100% capacity for office environments
- Mass Gatherings limited to 100 people indoors and 200 people outdoors

Bus Station

- Operate at 100% capacity for office environments
- Mass Gatherings limited to 100 people indoors and 200 people outdoors

Business Services Center

- Operate at 50% capacity

Judicial Center Complex

- Operate at 100% capacity limit for office environments
- Operate at 50% capacity limit for conference room/meeting space environments

Water Treatment Facilities

- Plant tours for schools and civic organizations will resume with a 10-person capacity
- City Cabin (located northwest of the Wastewater Plant Facility) will resume accommodations for employees and retirees

Event Center

- Operate at 75% capacity limit for indoor environments
- Operate at 50% capacity limit for conference room/meeting space environments

Parks and Recreation Indoor Facilities

(South Rocky Mount Community Center, Booker T. Washington Community Center and Gymnasium, Rocky Mount Senior Center and the Imperial Centre for the Arts and Sciences)

- Operate at 75% capacity limit or within guidelines of most recent Executive Order

Sports Complex

- Operate at 100% capacity limit or within guideline of most recent executive order
- There will be no entry fee per person for the event. The tournament director will pay a team fee for each team for the event. This eliminates cash transactions and allows for greater social distancing

Boards and Commissions

- Staff will offer the option of participating in an in-person meeting or continue to meet virtually

Reopening of the Council Chamber (when Council is in session)

Due to the size of meeting space, it is recommended that we not exceed 65 people with respect to social distancing.

1. Masks required for everyone or within guidelines of most recent Executive Order
2. Departments Heads (and support staff) would return to Council's Chambers (reserved seating)

3. Members of the public who are signed up to speak would assemble on the 3rd floor (in the breakroom) and be escorted into the Chambers when they are called to speak
4. 20 seats will be made available to the public (marked with signage and social distance considerations)
5. Up to 3 seats will be reserved for members of the media

**The above-mentioned recommendations give us the flexibility to have a limited amount of space for standing room should the need arise. (Not to exceed 7 people). The RMPD would enforce said requirements.*

Discussion ensued relative to ensuring efforts are made to accommodate the public while also having staff present to answer City Council questions.

The City Manager stated the plan could be altered as needed depending on the members of the public present.

COMMITTEE RECOMMENDATION. Received report; no formal action

CLOSED SESSION

City Manager Rochelle D. Small-Toney requested a closed session for discussion relative to matters concerning attorney-client privilege.

COMMITTEE RECOMMENDATION. Motion was made by Councilmember Knight, seconded by Councilmember Miller and unanimously carried that the City Council enter into Closed Session at 6:16 p.m.

The minutes of the Closed Session shall be placed on file as **ESM-578** at the end of **Minute Book 37** upon approval for release by the City Attorney.

REGULAR SESSION/ADJOURNMENT. The Mayor Pro Tem convened the Committee in regular session at 6:49 p.m. and, without opposition, adjourned the Committee of the Whole meeting.

COMMUNITY UPDATE BY CITY MANAGER

City Manager Rochelle Small-Toney provided the following community update. The Manager:

- Reported that the City will hold the first installment of the #RockyMount4All Virtual Town Hall Series on Tuesday, May 25 at 7 p.m. Tuesday's session will focus on Downtown Development. She stated she will be joined by Downtown Development Manager Kevin Harris, Rocky Mount Area Chamber of Commerce CEO David Farris, Dr. Lisa Nelson-Robinson of Rocky Mount Renaissance, and Ben Braddock of Braddock Associates. The Manager said most importantly – it is the desire that the community participate. She encouraged all to visit the City's Facebook page for the information to join the virtual session, which will be broadcast live on Facebook and YouTube. For more information or to share your views, email outreach@rockymountnc.gov. She encouraged all to stay connected for information on upcoming Town Hall sessions during the course of the next three months. Topics will include Public Safety on June 15, Affordable Housing on July 13, and Business Development in August on a date to be announced.
- Said she is pleased to announce that the annual Juneteenth Community Empowerment Festival is returning. The Juneteenth Community Empowerment Festival is Rocky Mount's largest community festival, filled with music, dance, vendors, and cultural activities. The festival will take place July 18-19 in Downtown Rocky Mount. She invited all to stay connected to the City's social media outlets as more information on the event will be shared.
- Stated the Spring and Summer is also bringing the return of the Summer Night Lights Series. The Series begins June 4 at Hornbeam Park and will be held every two Fridays from 6-8 p.m. at various parks throughout the City in June and July, as well as every Friday in August. The event is free and offers field games, family fun, music and hot dog snack packs. In addition, some of these events will feature an opportunity to meet and speak with the new

Chief of Police, Robert Hassell. For more information, contact the Parks and Recreation Department at 252-467-4902.

- Announced the City Manager's Office recently had the opportunity to recognize the recipients of the quarterly City Manager's Award. Kenneth Perry (Police Department); Joey Cascell (Energy Resources); Jeff Acreman, Negrete Silver and Allison Gardner (Public Works); Kimberly Daniels (Parks and Recreation); and Mark Adcox (City Manager's Office) were recognized by members of the community and their peers for their commitment to the City's core values. She invited anyone wishing to nominate a staff member for the next City Manager's Award to visit rockymountnc.gov for information.
- Reported that the City's 2020 Water Quality report is now available. She invited all to visit rockymountnc.gov where the report may be viewed, and they can learn more about their drinking water. This report contains important information about the source and quality of the City's drinking water. She added to speak to someone about the report, or to request the mailing of a paper copy customers should call 252-972-1336.
- Stated that the City's Business and Collections Services Department is utilizing the Community Development Block Grant CARES Act funding to assist utility customers within the City limits who meet income requirements. The program is designed to assist with payment of delinquent utility bills for low-to-moderate income households impacted by the loss of income due to the COVID-19 pandemic. Households that became delinquent after March 31, 2020 and for which income was affected by COVID-19 may receive up to six months of utilities assistance via this program. For more information on eligibility requirements customers were invited to visit rockymountnc.gov or contact the Business Services Center at 972-1250.
- Advised that the City's Tar River Transit service is offering free rides to COVID-19 vaccination sites for those with scheduled appointments to "drive-up" sites. Transportation is available from 8 a.m.-5 p.m. Monday-Saturday to vaccination sites located in Nash and Edgecombe counties. Citizens who are interested in transportation to and from vaccination sites may call Tar River Transit at 252-972-1174, 252-972-1514, 252-972-1515, 252-972-1516 or 252-972-1517. All appointments need to be scheduled the day before the trip. Healthcare facilities may also call and schedule transportation on behalf of their patients. Free rides will be available until at least June 30. All are invited to visit tarrivertransit.org regarding more information about general routes and services.

Councilmember Knight thanked the City Manager for the community update and stated he appreciates her bringing topics of discussion to citizens. He noted the first Virtual Town Hall Series will involve discussion relative to the Downtown and questioned if she has plans for future discussion concerning the Downtown.

City Manager Rochelle D. Small-Toney responded in the affirmative noting the Downtown is a top priority of the City Council.

Councilmember Knight requested the Councilmember Blackwell be included in future Town Hall Series for discussion relative to the Downtown. He said Councilmember Blackwell, along with other Councilmembers, and former City Manager Charles Penny, has been supportive of and has a vision for Downtown Development and has been a vocal advocate. Councilmember Joyner agreed.

The City Manager said the intent is to have the Town Halls Series on a monthly basis to address a variety of topics and once the City begins laying out the Downtown Masterplan Councilmember Blackwell and others will be called upon to participate. She invited Councilmembers having an interest in participating to contact her to be included on the panel.

2020 NORTH CAROLINA PUBLIC POWER AWARDS OF EXCELLENCE

Mayor Roberson introduced Roy Jones, CEO of Electricities of North Carolina, Inc. and invited him to the podium.

**Councilmember Walker arrived.*

Mr. Jones said it was great to participate in person in today's meeting. He said even with the challenges of last year relative to COVID-19 there was still opportunity for Public Power communities from across the state to focus on and excel in the key areas. He said each year Electricities looks across the 71 Public Power communities in North Carolina to identify those communities that are truly public power leaders. It was noted that Electricities recognizes member power communities for superior achievement in the areas of communicating the values of public power, grid modernization, continuous improvement, workforce development and whole power costs.

He recognized the City for exhibiting proficiency and excellence in three of the five key areas: the value of public power; workforce development and wholesale power costs.

Mr. Jones said the City uses a variety of ways to communicate the value of public power to the community including hurricane preparedness and does a fantastic job in getting power back to customers expeditiously as well as providing mutual aid. He noted the City was able to celebrate Public Power Week in October in a virtual setting.

He recognized the lineman training program at Nash Community College and said it offers the only associate degree available for linemen.

Mr. Jones' said the City has worked with Electricities to get its Linemen's Program registered with the State so that any public power community can use the program to allow a lineman to receive his/her journeyman's card upon completion of training to advance in their profession.

He said some on the Council were involved in the effort to reduce wholesale power costs and the benefit of those results from 2015 are still being recognized. He added the City continues to look for ways to make the City's system more efficient and to drive down costs to keep rates low and competitive.

Mr. Jones congratulated the City on receiving these Public Power Awards of Excellence and recognized the City employees responsible.

Councilmember Blackwell thanked Mr. Jones for this recognition and asked if there are future plans, programs or initiatives to engage the community in residential solar use. Mr. Jones stated the industry is moving away from the bio cell discussion and discussion is shifting to net metering so when a homeowner puts residential rooftop solar on the building, they are using the grid as needed and selling unneeded energy back. He said there are new policies and procedures that the City can adopt, and the public power communities were included in House Bill 589

about three years ago to allow public power agencies to work with citizens to implement a residential rooftop solar program.

Councilmember Blackwell said when trying to create initiatives around more affordable housing he appreciates the opportunity to collaborate with ElectriCities as a partner in incorporating these concepts.

Mr. Jones noted batteries will be included in future conversations. Councilmembers thanked Mr. Roy for his presentation.

Councilmember Knight said some years back residential solar energy production was not encouraged but he is hearing the conversation has changed somewhat. Mr. Jones indicated the cost of solar panels has come down and the cost of batteries is coming down. He noted the City's Energy Resources Director has participated in some rate committee meetings and more and more electric vehicles are coming into play creating opportunities to drive down costs.

Mayor Roberson thanked Mr. Jones for coming to today's meeting. Mr. Jones presented the award to Director of Energy Resources Chris Beschler and the Mayor and City Manager joined them for a photograph.

PRESENTATION - NASH COMMUNITY COLLEGE

The presentation by Lew K. Hunnicutt, Ph.D., President of Nash Community College was removed from the agenda.

PETITIONS FROM THE PUBLIC

The Mayor opened the meeting for petitions from the public and outlined guidelines for public petitions. He recognized the following individuals for public comment and a summary of comments is outlined below:

- ***Marvin Tyson:***
 - Said he appears today because 10 years ago his mother signed a promissory note with the City one month after her home was torn down and he feels that was the proverbial "gun to her head" because at that time she had no place to live;
 - Said after his mother's death he tried to contact the City to talk with them and his conversation fell on deaf ears;
 - Said following his mother's death he received a bill from the City for \$70,000;
 - Said an article in Sunday's Telegram outlined most of his concerns [relative to the property at 508 East Battle Avenue, Tarboro, NC 27886];
 - Asked that Council consider releasing/waiving/forgiving the promissory note [signed by his mother] based on the facts outlined in the newspaper and inconsistencies in the public record adding it is the right thing to do

Councilmember Joyner asked the City Manager to respond to Mr. Tyson's comments. The Manager responded that she will ask Interim Business & Community Development Director Peter Varney to share information and correct many of the inaccuracies printed in the newspaper at the conclusion of the public comment period.

- ***Morrie Minges:***
 - Thanked the City for opening the Council Chamber to the public;
 - Asked who made the decision to choose Asheville as the location for the City Council's Annual Retreat and if the City paid for 50 people to attend the retreat; asked if it was

necessary that so many people attend and who attended; why one of the most expensive locations in North Carolina was chosen;

- Said Rocky Mount cannot be compared to Asheville relative to the issue of homelessness;
- Asked if the Citizen's Academy will be resumed adding she started the Academy last year but there were only two meetings; added she would like to complete it;
- Said her pet peeve is that the former Ebony & Ivory building is an eyesore

○ ***Gayle Shell:***

- Said she was traveling home from Wilson recently [on a Wednesday night] when she saw smoke in Sharpsburg and became concerned because of her asthma and her pets and called the Police Department; said it bothered her that the response was that it was no big deal;
- Said she saw fire as she got to her block and called the Police Department again and received an abrasive response;
- Added that she called the Fire Department and learned CSX schedules maintenance checks and added it would be nice if the public was made aware of the scheduled maintenance so they could close windows, bring in pets and wear masks;
- Stated she is an educator and works out of the City and has encountered a train sitting on the tracks on Bassett/High Streets for an extended period of time which makes it hard when someone is running late; said trains should not sit on the tracks;
- Questioned if there is an avenue for a tenant to voice concerns relative to landlords

Ms. Shell was directed to the Human Relations Department relative to her concerns relative to CSX and the tenant/landlord question. City Manager Rochelle D. Small-Toney stated the City has no control over CSX but continues to talk with them about how they schedule trains adding CSX is aware of the concern. Councilmember Blackwell said Council will make this an enhanced issue with NCDOT as well because the trains park all over the City three or four times during the day and sit for extended periods of time. He said the City appreciates the railroad being in the City, but this issue is a problem. Councilmember Knight requested this matter be placed on an upcoming Committee of the Whole agenda and that a representative of CSX be asked to come to the meeting to hear concerns from Councilmembers. The Mayor Pro Tem responded in the affirmative.

○ ***Samuel Battle:***

- Said the City needs to provide maintenance for Lucas Park;
- Requested (Edgecombe County/Rocky Mount) get a batting cage and swimming pool;
- Said he thinks Wards 1, 2, 3 and 4 should get more of the federal funding that the City will receive;
- Said Councilmembers should excuse themselves from voting [on items involving the Downtown] when they have relationships with individuals with businesses Downtown;
- Said crime is about to increase in the City and he saw violence over the weekend in Edgecombe County

There being no other speakers, the public petitions portion of the meeting was closed.

City Manager Rochelle D. Small-Toney called on Interim Business & Community Development Director Peter Varney to explain and correct some miscommunications relative to 508 East Battle Avenue, Tarboro, NC 27886 that were reported in the newspaper.

She read the following statement from correspondence received from the Department of Housing and Urban Development (HUD) and stated she takes exception with anyone attempting to impugn the integrity of the City and the program funds it administers:

"According to a correspondence addressed to Marvin Tyson digitally signed and dated on 4/06/2021 by Kevin Busch, Deputy Assistant Secretary for Grant Programs, at HUD in Washington, DC, 'The Department does not have the authority to require the Consortium to forgive the HOME loan, nor is there evidence that the Consortium acted inappropriately or misled your mother in executing the loan.'"

She explained the Consortium referred to is the administered by the City of Rocky Mount. The Manager called on Mr. Varney for comment.

Mr. Varney's comments are summarized as follows:

- It is helpful to remember there are two streams of funding from HUD: CDBG funding (for used by the City) and HOME funding (comes to the DownEast HOME Consortium which consists of 9 jurisdictions);
- HOME funding has adopted a policy of recapture by which a period of affordability is determined and a system consisting of promissory notes and deeds of trust are used to recapture funds in the event the period of affordability does not run the full term;
- In this case the old home was demolished and new home built and a promissory note was executed which was secured by a deed of trust for a 20-year period (terms of the note was no interest and no payment for the first 10 years of the period of affordability, second 10 years the principle amount of \$70,000 would be reduced by 10% each year until the remaining 10-year period was completed at which time a zero balance would be due);
- Mrs. Bell died about mid-way through and approximately a 10-year period of affordability remained;
- The idea behind the recapture policy is to recycle those federal dollars used to build the house so they are returned to the "account" for Edgecombe County to be reused;
- The sequence of events consisted of:
 - o Ms. Bell making application to participate in the program December 15, 2009;
 - o Property being inspected July 2010 and determination made that the house needed to be replaced;
 - o She was shown various floor plans for a new house and she selected a plan in July 2010;
 - o The County bid construction of the house; bid opening August 23, 2010;
 - o Letters exchanged between the County and Ms. Bell dated early September in which relocation assistance would be provided to Ms. Bell during the period of construction;
 - o She moved out of the house September 17 and the house was demolished on September 22;
 - o Ms. Bell signed the promissory note and deed of trust on October 27, 2010 which was the second signing; the first signing did not meet formatting requirements of Edgecombe County Register of Deeds and was not able to be recorded;
 - o Contract for construction was signed November 2010;
 - o The County issued notice to proceed with construction of the new house on November 29th;
 - o The construction process was completed in March 2011;
 - o She moved into the house in March 2011

Mr. Varney stated that one of the inaccuracies is it was indicated the deed was never recorded; however, the deed was recorded in Edgecombe County Deed Book 1560, Page 322-324 on October 29, 2010.

Mr. Varney responded to clarifying questions.

Councilmember Daughtridge requested that the timeline outlined by Mr. Varney be furnished to Councilmembers.

Councilmember Blackwell recognized there is a family trying to resolve issues and the City is trying to follow protocol and stated it is help for Council to know dedicated facts. He questioned if this is related to flood recovery and Mr. Varney responded it was unrelated. He asked if this is the only situation of this kind. Mr. Varney clarified the question being asked and said the Consortium was organized in 1996-1997 and the policy has been in existence since that time and he is unaware of any exceptions or deviations to the policy. He explained there are different periods of affordability but for reconstruction the policy is 20 years and has been consistently applied. He added the Consortium is a separate entity from the City and a revision to the policy would be a consortium decision. He added the City serves as the lead entity and as such is charged with compliance and is accountable to the Department of Housing and Urban Development (HUD).

Councilmember Blackwell questioned the appeal process and Mr. Varney stated that a request for consideration would need to be made to the Consortium.

Councilmember Joyner expressed the desire that the City be able to assist with a resolution.

Councilmember Knight questioned if the policy is the same for all cities receiving HOME funding and Mr. Varney stated the Consortium sets the policy for recapture of funds or may decide not to recapture funding and has latitude for policy making. Mr. Knight questioned the feasibility of allowing elderly individuals to enter into contracts requiring repayment.

Councilmember Daughtridge said he is aware that the City and the two counties formerly were a part of the Consortium and that some have left but asked how the Consortium is comprised. Mr. Varney said when a meeting of the Consortium convenes a representative from each member attends the meeting, issues are considered, and the Consortium members make decisions and adopt practices. He explained that the City's role as lead entity is to ensure all policies comply with HUD regulations.

In response to a question from Councilmember Miller, Mr. Varney explained that the focus is on the period of obligation of the federal funding. He stated participants agree to a period of affordability and if the arrangement changes, such as in the instance of the death of the qualifying individual, the period of affordability will not be fully completed and in such an event the funding would come back to the Consortium for recapture and reuse.

Mayor Roberson noted that Council has heard that the issue should be referred to the Consortium for consideration. Mr. Tyson requested permission to speak and the Mayor stated that Council has heard the issues and the decision is not a Council decision.

PRESENTATION OF FY 2022 PROPOSED ANNUAL OPERATING BUDGET (ADDED TO AGENDA IN OPEN SESSION)

City Manager Rochelle D. Small-Toney presented the City Manager's proposed annual operating budget for FY 2022 in the amount of \$222,806,808, representing a 4.95% increase from the prior year. The following amounts for the fiscal year beginning July 1, 2021 were identified as:

General Fund	\$78,684,350
Powell Bill Fund	2,688,000
Emergency Telephone Fund	325,000
Electric Fund	80,895,000
Gas Fund	24,318,000
Water Fund	13,077,200
Sewer Fund	17,373,530
Stormwater Fund	5,445,000

The Council was advised that the proposed budget also includes appropriations of \$594,320 to the Canteen Agency Trust Fund; \$10,130,000 to the Self-Insurance Internal Service Fund; and \$1,571,250 to the Communications Internal Service Fund.

The Council was advised the proposed budget is balanced with the recommendation of no increase in the property tax rate which remains at 68.5 cents per \$100 of assessed value.

An increase in the residential solid waste fee of \$3 was recommended along with the establishment of a \$5 rabies vaccination fee at the Animal Shelter.

The next steps were outlined as:

- CIP & Revenue Review - May 26 @ 4 p.m.
- General Fund & Utility Enterprise Funds Review - June 2 @ 4 p.m.
- Other Funds & Additional Discussion - June 7 @ 4 p.m.
- Additional Discussion (if necessary) - June 9 @ 4 p.m.
- Public Hearing - June 14th (City Council Meeting)
- Budget Adoption - June 28 (City Council Meeting)

Mayor Roberson thanked the City Manager and her team for preparing the budget, acknowledged the work and effort required and opened the floor for comments/questions/observations as follows:

- Blackwell:
 - o stated overview given was great and he is excited about the net position of the City;
 - o thanked the Manager and her team for the budget preparation noting it has been a challenging year;

- o said he is excited about the City's net position;
- o from the perspective of COVID-19 testing and vaccinations thanked City departments who have pitched in and for being patient, creative and flexible;
- o said re-opening is challenging and he hopes citizens are getting vaccinated;
- o Said he is excited about what is happening Downtown and is looking at the increase in sales tax revenue which makes a big statement;
- o Said he appreciated the City Manager's leadership

• **Joyner:**

- o dittoed the comments expressed by Councilmember Blackwell;
- o said the budget shows the great inclusiveness of the community and community voices and projects;
- o said he thinks this will lead to great discussion relative to the housing bond for the community to see how the City manages itself and its sustainability;
- o thanked the Manager for her presentation and said the City Council and Mayor look forward to supporting her

• **Daughtridge:**

- o thanked the Manager for the presentation;
- o said, if possible, he would like for there to be a document provided to allow Council to see funding allocations by Ward

• **Knight:**

- o said if that information is provided, he would also like to see funding allocations by Ward for the past 130 years to show where funding has not been spent;
- o said if not for the pandemic and having to close City facilities and also for the delay in the hotel and parking deck project the Council would have moved further towards its goals;
- o thanked the Manager, Council and staff for staying focused; said he is happy to see these numbers

CONSENT AGENDA

The Mayor reminded Council that Item C will be removed from the Consent Agenda.

A. AD VALOREM TAX RELEASES - recommended for approval:

The City Council received the following schedule of ad valorem taxes recommended for release and/or refund:

SCHEDULE A - acknowledge receipt of report of the following taxes under \$100 approved for release and/or refund by the City Manager:

<u>YEAR</u>	<u>BILL NO.</u>	<u>NAME/ADDRESS</u>	<u>TAX</u>	<u>COMMENT</u>
<u>EDGECOMBE COUNTY</u>				
2020	404	CREEKMORE, ROBERT ELEE, JR 2320 MEADOWBROOK RD ROCKY MOUNT, NC 27801	28.84 2.88 1.59	CITY PEN INT
		TOTAL RELEASE:	33.31	
2019	432	CREEKMORE, ROBERT ELEE, JR 2320 MEADOWBROOK RD ROCKY MOUNT, NC 27801	28.84 2.88 4.44	CITY PEN INT
		TOTAL RELEASE:	36.16	

B. AWARD OF BADGE - recommended for approval:

The City Council received a recommendation for the award of badge to Senior Police Officer John Thompson who retired from the City on April 1, 2021 with more than 13 years of dedicated service.

C. FY 2020-2021 ORDINANCE AMENDMENTS - removed from Consent Agenda**D. GRANT APPLICATIONS:**

- 2021 Patrick Leahy Bulletproof Vest Partnership (BVP) - \$19,250; requires 50% match; funding to be used to replace 44 bulletproof vests; and
- North Carolina Science Museum Grant - \$37,550 for FY 2022 and FY 2023

Motion was made by Councilmember Daughtride, seconded by Councilmember Walker and unanimously carried that the recommendations relative to the Consent Agenda items be approved inclusive of approval of tax releases; award of police badge; and authorization for staff to submit grant applications on behalf of the City and for the Mayor, City Clerk, City Attorney or other appropriate individuals to execute any required documentation, certifications and subsequent grant agreements on behalf of the City.

FY 2020-2021 ORDINANCE AMENDMENTS:

- Budget Ordinance:
 - 1) **Ordinance No. O-2021-33** entitled **ORDINANCE AMENDING THE BUDGET ORDINANCE FOR THE FISCAL YEAR 2020-2021 FOR CITY HEALTH INSURANCE FUND** - appropriates funds in the Self-Insurance Internal Service Fund (\$1,330,000) for health insurance claims in current fiscal year
- Project Ordinances: - appropriates funds to be received by the City from the North Carolina Department of Commerce's Building Reuse Grant Program (\$1,180,000):
 - 2) **Ordinance No. O-2021-34** entitled **GRANT PROJECT ORDINANCE - ECONOMIC DEVELOPMENT PROJECT "BABINGTON"** - \$200,000;
 - 3) **Ordinance No. O-2021-35** entitled **GRANT PROJECT ORDINANCE - ECONOMIC DEVELOPMENT PROJECT "LS TRACTOR"** - \$190,000;
 - 4) **Ordinance No. O-2021-36** entitled **GRANT PROJECT ORDINANCE - ECONOMIC DEVELOPMENT PROJECT "X-RAY"** - \$500,000;
 - 5) **Ordinance No. O-2021-37** entitled **GRANT PROJECT ORDINANCE - ECONOMIC DEVELOPMENT PROJECT "BLVD"** - \$200,000; and
 - 6) **Ordinance No. O-2021-38** entitled **GRANT PROJECT ORDINANCE - ECONOMIC DEVELOPMENT PROJECT "JAY GROUP"** - \$90,000

Motion was made by Councilmember Blackwell, seconded by Councilmember Joyner and carried by a vote of 6-0 (Councilmember Daughtride recused himself due to the appearance of conflict) that the Ordinances be adopted.

APPOINTMENTS

No action was taken to fill the vacancies on the City's Boards, Commissions and Committees.

TEMPORARY STREET CLOSING (ADDED TO AGENDA IN OPEN MEETING)

The City Council received a request from Toni Battle for permission to close the 300 block of Smith Street to the corner of Davis Street

from 2:00 p.m. until 6:00 p.m. on Saturday, May 29, 2021 for a Memorial Day gathering.

Motion was made by Councilmember Joyner, seconded by Councilmember Blackwell and unanimously carried that the request be granted.

REQUEST FOR LOCAL LEGISLATION FOR DEFERRAL OF 2021 MUNICIPAL ELECTION (ADDED TO AGENDA IN OPEN MEETING)

The City Council was advised that the need to delay the City's 2021 Municipal Election is obvious but the authority to delay elections prior to former receipt of census data is unclear. It was recommended that the City Council adopt a resolution to clarify the City's authority to delay the 2021 Municipal Elections.

Motion was made by Councilmember Joyner, seconded by Councilmember Blackwell and unanimously carried that Resolution No. **R-2021-24** entitled **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROCKY MOUNT REQUESTING LOCAL LEGISLATION TO CLARIFY AUTHORITY FOR DEFERRAL OF THE OCTOBER 5, 2021 MUNICIPAL ELECTION DUE TO DELAYS IN RECEIPT OF 2020 CENSUS DATA** be adopted. This resolution authorizes and directs the City Manager to convey the Resolution to the members of the City's local legislative delegation and provide them with such assistance as may be necessary in order to accomplish the request contained therein.


CLOSED SESSION (ADDED TO AGENDA IN OPEN MEETING)

A Closed Session was requested for a matter concerning personnel.

Motion was made by Councilmember Joyner, seconded by Councilmember Daughtridge and unanimously carried that the City Council enter into Closed Session at 5:59 p.m. for discussion relative to a personnel matter. The minutes of the Closed Session shall be filed as **ESM-579** at the end of **Minute Book 37** upon approval for release by the City Attorney.

OPEN SESSION/ADJOURNMENT

The Council returned to open session at 7:25 p.m. and there being no further business, without opposition, the meeting was adjourned.



Pamela O. Casey
City Clerk