

**HIGH POINT CITY COUNCIL
SPECIAL MEETING
APRIL 18, 2022 – 4:00 P.M.
COUNCIL CHAMBERS – MUNICIPAL BUILDING**

MINUTES

ROLL CALL, and CALL TO ORDER

Mayor Wagner called the Special Meeting to order at 4:00 p.m.

Upon call of the roll, the following Council Members were Present (8):

Mayor Jay W. Wagner; Mayor Pro Tem Monica Peters, Ward 3; Council Member Britt W. Moore, At Large; Council Member Tyrone E. Johnson, At Large [not present for first half of Special Meeting, but was in attendance when City Council reconvened the Special Meeting at 5:51 p.m.]; Council Member Cyril A. Jefferson, Ward 1; Council Member S. Wesley Hudson, Ward 4; and Council Member Victor A. Jones, Ward 5 [not present for first half of special Meeting, but arrived at 5:57 p.m. and participated in the second portion of the Special Meeting]; and Council Member Michael A. Holmes, Ward 6 [not present for first half of Special Meeting, but was in attendance when City Council reconvened the Special Meeting at 5:51 p.m.]

Council Member Christopher Williams, Ward 2, was **Absent**

Staff Present:

Tasha Logan Ford, City Manager; Greg Ferguson, Deputy City Manager; Eric Olmedo, Assistant City Manager; JoAnne Carlyle, City Attorney; Meghan Maguire, Assistant City Attorney; Sandy Dunbeck, Director of Economic Development; Sarah Stevenson, Economic Development Manager; Mary S. Brooks, Deputy City Clerk; and Lisa B. Vierling, City Clerk

Others Present:

David Woodard, Poyner Spruill; Bruce Ashley, Fox Rothschild; Patrick and Susan Harman, Hayden-Harman Foundation; Jakki and Corvin Davis, D-Up

PRESENTATION OF ITEMS

2022-177 North Carolina General Assembly- Short Session Legislative Priorities

Staff will provide information regarding state level legislative priorities to address legislation with the North Carolina General Assembly during its 2022 short session which begins on May 18, 2022.

In preparation of getting ready for the upcoming Short Session of the North Carolina General Assembly which begins on May 18th, City Manager Tasha Logan Ford provided an

update to City Council to ensure that staff is aware of the legislative priorities that Council would like to be addressed during the Short Session. Madam Manager identified the following two legislative priorities that are on the radar.

- 1. Social Districts. Making sure that cities are able to implement those since there has been much discussion and questions about how to implement social districts and the rules/guidelines for social districts.*
- 2. Local Act to Amend City Charter regarding some planning and development items. She advised that Representative Faircloth sponsored the bill which is now out of the House and pending in the Senate Rules Committee.*

Manager Logan Ford asked if there were any other legislative priorities of interest to Council that staff should be aware of. She advised that conversations have taken place regarding these items between staff and Fred Baggett, the city's lobbyist at the NC General Assembly; a conference call is planned with the NC League of Municipalities towards the end of April to see if there are any other issues that have come up with other cities; Mr. Baggett will also be providing an update to staff.

Mayor Wagner asked council members to please share any other ideas on the legislative priorities with the staff.

2022-178 Update- American Rescue Plan Funds

Staff will provide an update to Council on available American Rescue Plan Funds and solicit

Stephen Hawryluk, Budget & Performance Manager, mentioned the ARPA one-page summary that was placed at the dais. He reported that High Point's total allocation of ARP funds is \$22,699,511; half was received a year ago; the remaining half should be received in the next couple of months; the calculation based on the Interim Final Rule was determined to be \$12,807,922; the Final Rule made some changes on how the revenue loss numbers could be calculated; it offers discretion for staff to choose between the calendar of fiscal year; allows for the discretion of staff to include utility revenue which was excluded from the Interim Final Rule; staff can include no utility revenue or can include all of it; Financial Services has run the calculations under all the different scenarios and concluded that under the Final Rule, the city's total revenue loss exceeds the total amount; as a result, all of the city's ARPA allocation can be used under the revenue loss category.

Council Member Moore asked staff about the figure for the electric portion. Mr. Hawryluk noted this was inside the number provided; he wasn't sure about the specific number, but could provide the information.

Mr. Hawryluk then provided the spending to date for the ARP funds for the Council approved set of projects approved on February 7, 2022 and listed as Police Services. He explained the allocation for police services reduced the city's administrative burden on the other projects that those funds freed up; the \$5.8 million in Police Services freed up dollars that could be used for critical items such as items for the fire department, transportation capital, parks and recreation capital, etc....that were deferred during last year's budget; the remaining unassigned amount of \$16,837,426.

Two community input sessions were held on November 16 and November 18, 2021. Some of the broad categories mentioned were employment, housing, community programs/non-profits, education, infrastructure. Mr. Hawryluk stressed these are not indicative of a priority list ranking, but were the general themes received from the feedback of the community input meeting and the feedback from the survey that went out.

Mr. Hawryluk proceeded by identifying a list of Council Priority Projects that have been discussed by Council as follows. He pointed out these are the projects the Council has expressed an interest in but a funding source has yet to be identified.

Project	Amount
Homeless shelter local match (local match for the federal grant that the city has been allocated to receive)	\$1,000,000
Recreation and facility enhancements	\$5,000,000
Athletic field improvements	\$2,000,000
Samet Drive extension (this is only the roadway portion, the utilities portion would be funded through water/sewer/electric funds)	\$2,450,700
Targeted neighborhood improvements	\$2,500,000
Foxwood Meadows alternate access	\$1,100,000
Build Back Better Regional Challenge	\$15,752,288
Subtotal-	\$15,752,288
Remaining Unassigned Funds	\$1,085,138

The following outside funding requests have been received to date.

Project	Amount
Building the Best Guilford	\$2,500,000
The "Bridge" Proposal	\$3,858,000
High point Schools Partnership- Broadband	\$30,000
United Way	N/A
Caring Services	N/A
PTA Health Hydration	N/A
Subtotal	\$6,388,000

Lastly, Mr. Hawryluk advised that many other jurisdictions have opened up their ARPA funds to an application process and provided some details on what some of the initial steps might look like.

- ✓ *Staff would develop an application similar to the city's annual community agency application used as part of the budget process*

- ✓ Applications would be reviewed by the Citizen's Advisory Council
- ✓ Recommendations would be brought forward to the City Council

He went on to say that the applications would include supplemental questions such as how an agency was affected by the COVID pandemic; what kind of sustainable funding they would have in place to ensure sustainable funding after the ARPA funds run out.

At the conclusion of staff's update, Mayor Wagner opened the floor for questions.

Council Member Jefferson inquired about the targeted neighborhood discussion that took place during the August 2, 2021 Community Development Committee. Mr. Hawryluk explained this was for the \$2.5 million and the request was up to \$25,000 for eligible households in qualified Census tracts to make emergency repairs. Council Member Jefferson asked if that was related to the strategic priority that Council identified in February around targeted neighborhoods. Assistant City Manager Greg Ferguson confirmed it was the portion that came out of the Community Development Department and did not address the big strategic priority which was more along the lines of using data to look at neighborhoods in Census tracts in an effort to eventually choose a neighborhood for a larger project for things such as streetscape, parking, water/sewer, lighting.

City Manager Logan Ford recalled there was also discussion around the identification of an area and whether or not the city makes those investments in the infrastructure (sidewalks, utilities, etc...) and whether it would be visible enough to drive other development so as to see the transformation using those dollars. She also noted there were some different conversations and thoughts about which neighborhood to invest those dollars in.

Mayor Pro Tem Peters pointed out Wards 2 and 3 have been neglected for the longest time. She shared that many people have publicly supported the "Bridge" Proposal that she sees this proposal as being a huge-targeted neighborhood improvement for that area. City Manager Logan Ford relayed this is something that could be looked into and the locations of other requests to see how the city could position and partner. She noted that additional work on the Leonard Street facility would be necessary if it is going to be re-purposed and used for something different and determine if other renovations might be necessary to ensure it becomes a community asset in terms of what is being provided in the space and also what it would look like in that area of the city. She agreed that future conversations would be needed once there is a level of agreement on which way the city would be moving forward, and reiterated that additional research on other neighborhoods of interest is needed to assist in evaluating that part of the process.

Council Member Jefferson shared that the "Bridge" Proposal as well as the Build the Best Guilford proposal were certainly two requests/projects that he would be in favor of and felt other projects on the Council Priorities list could be done with other financing mechanisms such as General Obligation Bonds. Mayor Wagner asked Council Member Jefferson to specifically identify those projects. One example he provided was the Samet Drive extension and noted the return on the investment back to the community, once the project is completed, would pay back the bond and economic benefits such as sales tax, property tax increases, etc....would be realized.

Council Member Moore felt it prudent to understand Council's fiscal responsibilities and noted applications for money/funds do not always show their quantitative return on investment and stressed that Council would have to be prudent moving forward in what the long-term conditions look like for the next year as far as inflationary pressures and other big ticket items/projects that might be necessary and not on the list. Bottomline, he pointed out there is not enough money to cover all the projects.

City Manager Logan Ford suggested it might be worthwhile to look at those three projects and have discussions with the city's financial advisors to get a better understanding of some other bonds or financing that are coming on-line, and this information could be shared with Council. Mayor Wagner agreed and proposed that staff gather that information and bring it back to Council for discussion to come up with a firm list and have a better understanding as to what can be done.

Council Member Jefferson felt in the spirit of coming out of the Pandemic, Council should show the community that Council is aware in terms of healthcare, food insecurity, economic loss, etc...to emphasize that the city is going to back projects that bring economic vitality into the city.

Council Member Moore asked how the revenue loss is defined and calculated in the Final Rule and if the \$16.8 million in lost revenue could be applied back. Mr. Hawryluk replied in the affirmative but noted the \$16.8 million would have to be applied toward some kind of project. Council Member Moore mentioned the list of ten possible projects and if it would be possible to take the lump sum money and put it against the balance of the ARPA money. Mr. Hawryluk explained it is a snapshot of revenues received over a certain amount of time with an assumed growth factor.

Mayor Wagner asked if there were any additional questions/comments. Hearing none, he announced that Council would now be going into Closed Session and entertained a motion to that effect.

2022-179 Closed Sessions- Economic Development, Personnel, and Attorney-Client Privilege

Closed Sessions are needed for the following:

1. Economic Development (pursuant to N.C. General Statute §143-318.11(a)(4);
2. Personnel (pursuant to N.C. General Statute §143-318.11(a)(6); and
3. Attorney-Client Privilege (pursuant to N.C. General Statute §143-318.11(a)(3))

At 4:28 p.m., Council Member Hudson moved to enter Closed Session for the purpose of economic development (pursuant to N.C. General Statute §143-318.11(a)(4); personnel (N.C. General Statute §143-318.11(a)(6); and attorney-client privilege (N.C. General Statute §143-319.11(a)(3).

At 5:22 p.m., Council reconvened into Open Session and recessed the Special Meeting in anticipation of the start of the Regular Meeting at 5:30 p.m.

At 5:51 p.m., Council recessed the Regular Meeting and reconvened into Open Session for the Special Meeting to conclude discussion regarding some Closed Session matters.

At 6:20 p.m., Council came out of Closed Session and reconvened into Open Session.

Mayor Wagner announced there would be no action taken as a result of the Closed Sessions.

ADJOURNMENT

There being nothing further to come before Council, the Special Meeting adjourned at 6:20 p.m. upon motion duly made by Council Member Moore and seconded by Council Member Johnson.

Respectfully Submitted,

Jay W. Wagner, Mayor

Attest:

Lisa B. Vierling, MMC
City Clerk