

Wake County Board of Commissioners
Work Session
November 13, 2018
2:00 P.M.
Wake County Justice Center Room 2700

Commissioners Present:

Jessica Holmes, Chair
Sig Hutchinson, Vice-Chair
John Burns
Matt Calabria
Greg Ford
Erv Portman
James West

County Staff Present:

David Ellis, County Manager; Johnna Rogers, Chief Operating Officer; Chris Dillon, Assistant County Manager; Denise Foreman, Assistant County Manager; Nicole Kreiser, Assistant County Manager; Bill Greeves, Chief Information and Innovation Officer; Ben Canada, Assistant to the County Manager; Scott Warren, County Attorney; Allison Cooper, Senior Assistant County Attorney; Chris Snow, Parks, Recreation, and Open Space Director; Katherine Williams, Cooperative Extension Director; Regina Petteway, Human Services Director; Frank Cope, Facilities, Design, and Construction Director; Michelle Burgess, Budget and Management Analyst; Eric Staehle, Senior Facilities Project Manager; Emily Lucas, Chief Financial Officer; Ginny Satterfield, Fiscal and Policy Analyst; Andrew Sawyer, Communications Specialist; Alice Avery, Communications Specialist; Sharon Peterson, Long Range Planning Administrator; Mary Beth Collins, Nutritionist; Tim Maloney, Planning, Development and Inspections Director; Michael Gammon, Senior Budget and Management Analyst; Dara Demi, Communications Director; Denise Hogan, Clerk to the Board; Yvonne Gilyard, Deputy Clerk to the Board; Portia Johnson, Executive Assistant to the Board; and Michelle Cerett, Executive Assistant to the Board.

Others Present: Mr. Sam Bratton, President, Wake Stone Corporation; Mr. Tom Oxholm, Vice-President, Wake Stone Corporation; Mr. Kevin Fitzgerald, Consultant, Big Atlas, LLC; Dr. Jean Spooner, Umstead Coalition; Commissioner Elect Susan Evans, and Commissioner Elect Vickie Adamson.

Chair Holmes called the meeting to order at 2:00 p.m. and welcomed everyone to the meeting.

Mr. David Ellis, County Manager, provided an overview of the first item, which is the Wake Stone Corporation project, often referred to as the 286 project.

Wake Stone Corporation Presentation:

Mr. Ellis provided an overview of the discussion points for today's meeting.

- Brief background, followed by Wake Stone presentation
- Staff seek Board consensus to continue negotiations with RDU on lease agreement for "286" property
- Board advancement of this new proposal impacts. The Conservation Fund's acquisition of the Oddfellows tract

He provided RDU's Vision 2040 plans for future expansion.

MAJOR PROJECTS

- Airfield Expansion**
 Rebuild Runway 9/23R in a new location, with the ability to extend to 11,500 feet.
 - Includes additional taxiways
 - Allows current runway to be used while new one is built, no disruption in air service
- Terminal Development**
 Expand existing terminals incrementally as demand warrants.
 - Expansion of Terminal 2, including ticketing, bag claim and the Federal Inspection Service Facility
 - Minor expansion of Terminal 1
- Ground Transportation Improvements**
 Create new ground transportation facilities, including a rental car facility, transit connection for the region's transit choice, parking and supporting roadway improvements.
 - New Consolidated Rental Car Facility between terminals
 - New Ground Transportation Centers at each terminal
 - Additional parking between terminals
 - Expanded parking along terminal road (one as demand warrants)
- General Aviation Development**
 Support the growth of General Aviation through new facilities and facilities.
 - Expanded fixed-based operator space on the current General Aviation site
 - New corporate hangar campus near north end of the airfield
 - Land for a general aviation campus near Runway 14-32 for small aircraft

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- Airfield Expansion
- Terminal Development
- Ground Transportation
- General Aviation Development
- Land Use (as it relates to non-aeronautical use)

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He provided the non-aeronautical land use plan.



Along I-40 between Lake Crabtree and William B. Umstead State Park...

Sanctioned Recreation at Lake Crabtree County Park

- 1985 – 33 acres
- 1994 – 148 acres

Non-Sanctioned Recreation on "286" parcel and along Rocky Road

WAKE COUNTY

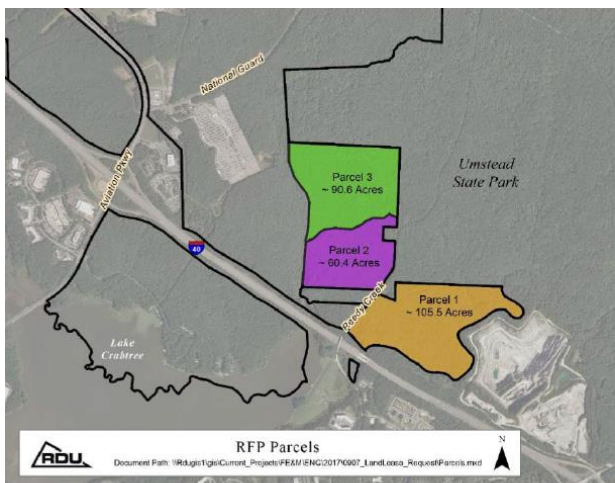
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He provided information on property currently leased by the county.



- Wake leases property for a wide-variety of uses
 - libraries, parks, EMS stations and communications towers
- Leases are with the State, municipalities, private companies and nonprofits
- Lease terms and rates vary, including,
 - \$1 for 40 years
 - \$50,000 one time payment

Mr. Ellis shared information on the RDU land lease request for proposals.

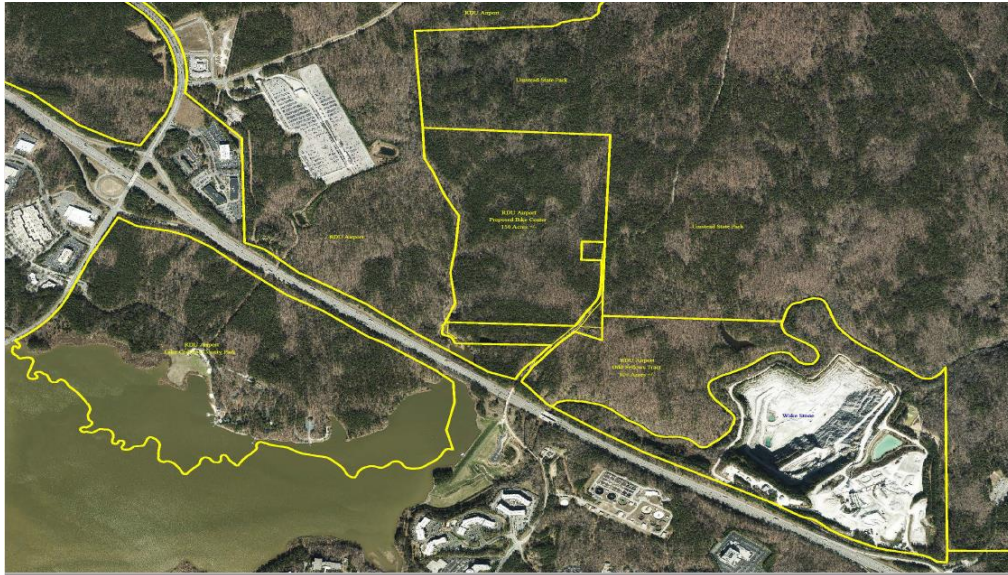


- Supported the Conservation Funds' proposal to purchase parcel 1 for inclusion into Umstead
- Wake only submitted for parcels 2 & 3 (the "286" property)
- Requested maximum term
- Proposed recreation "similar to Lake Crabtree," multi-use trails
- Lease rate would have been based on fair market value

Mr. Ellis said Wake County was the only one who submitted a proposal for the lease of this land.

Mr. Sam Bratton, President, Wake Stone Corporation, thanked the Board of Commissioners for the opportunity to present this item. He said this is a significant outdoor recreation opportunity for Wake County.

He shared a map of the proposed leased property. He said RDU is not permitted to sell property, but they are willing to consider leasing options.



He provided an overview of the three properties being considered and the RFP process.

1. Wake Stone Corporation's 220 acre Triangle quarry property
2. RDU's 105 acre Odd Fellows property
3. RDU's 150 acre proposed mountain bike center property

In September 2017, the RDU Airport Authority issued an RFP for lease proposals for the 105 acre Odd Fellows property, and for two other tracts totaling 150 acres.

In October 2017, the RDU Airport Authority accepted a proposal from Wake County to lease the 150 acre parcel based upon a fair market value, which will be negotiated. The RDU Authority did not accept offers from The Conservation Fund to purchase the Odd Fellows property or Wake Stone's proposal to lease the property for the expansion of the Triangle quarry.

Mr. Bratton said RDU will not sell the property; therefore, the only qualified offer presented for the Odd Fellows property was Wake Stone's mining lease.

Over the past 12 months, Wake Stone has re-engaged the airport in discussions to develop a proposal that is a win for all interested parties.

Mr. Bratton shared Wake Stone's proposal and the community benefits.

- 35 year mining lease with RDU Airport Authority for the 105 acre Odd Fellows property
- As a part of that lease, Wake Stone will contribute \$3.6 million for lease payments for a 150 acre mountain biking center on RDU property.
- Wake Stone will build recreational features on the 105 acre property after mining is completed RDU has indicated they would be willing to lease this parcel at that time for a minimal amount.
- Wake Stone will contribute crushed stone for a new parking area to access the bike center.

Benefits to the Community

- Provides an estimated \$24 million in funding for RDU Vision 2040 plan
- A 150 acre lease dedicated to mountain biking for Wake County residents and tourism with at least 10 years paid by Wake Stone
- Eliminates trespassing on RDU properties by cyclists
- Provides connectivity of Cary Greenway System to Umstead Park to Capital Greenway System
- Preserves 30 jobs at Wake Stone Corporation with an average salary of \$65,000/year
- Continues mining of a natural resource essential to the economic growth and vitality of Wake County (Annual per capita consumption of crushed stone in Wake County is estimated at 10 tons)

Mr. Bratton asked that employees of Wake Stone to stand and be recognized.

He shared a map of how the proposed triangle quarry expansion would look if the project is approved.



Mr. Bratton shared an outline of Wake Stone's plans for mining of the area.

- During the 35 year mining lease, Wake Stone will mine stone reserves from the 105 acre Odd Fellows property utilizing a new primary crushing station on the RDU property with a conveyor system connecting to the existing Triangle quarry secondary crushing and screening plant.
- All customer truck traffic will continue to utilize the existing Triangle quarry entrance on Harrison Avenue. There will be no quarry customer truck traffic on Old Reedy Creek Road.

- Upon execution of a 2 ½ year option to lease, Wake Stone will begin lease payments over a minimum 10 year period totaling \$3.6 million for the RDU Mountain Bike Center. RDU is willing to lease the property for up to 40 years.
- If Wake Stone is unable to exercise the option to lease, it will no longer be obligated for these payments.

He shared a map of the proposed triangle trail center after the mining is complete.



Mr. Bratton shared an overview of the land use upon completion of the mining.

- Upon completion of mining, Wake Stone will reclaim the RDU 105 acre property with similar features as labeled on this exhibit including paved/natural trails, overlooks, and connectivity to the Triangle quarry property with its own trails and recreational features.
- RDU could then lease the 105 acre quarry property to Wake County for a nominal payment such as the current lease agreement for Lake Crabtree Park.
- Wake Stone also plans to develop approximately 77 acres of the Triangle quarry property for commercial use. This development will likely incorporate features identified in the UNC School of Government's Development Finance Initiative (DFI) report such as hospitality, recreational retail, brew pubs, and shops.
- The location of the Triangle quarry property and Odd Fellows tract provide an excellent opportunity to improve connectivity of the Capital Area and Cary Greenway systems through Umstead State Park.

He shared a map of the greenway connectivity. He said this project provides an exceptional opportunity to connect the Cary Greenway to Umstead and Lake Crabtree Parks. He said it also

Mr. Bratton shared a map of the area upon completion of all projects.



Vice-Chair Hutchinson said he has been involved in biking for thirty years. He said this property could be significant to economic development in Wake County. He referred to a similar project in Arkansas. He thanked everyone for attending the meeting today. He suggested proposing questions for staff to answer prior to the matter being considered for approval.

Vice-Chair Hutchinson asked Mr. Scott Warren, County Attorney, if the county has authority to dictate what the RDU authority does with their property. Mr. Warren said the county does not have the authority to veto or approve actions of the RDU Authority.

Chair Holmes offered clarification on the reason the board is considering this project. Mr. Warren said this project has been discussed for a while. He said staff is looking to the Board of Commissioners for direction on how to proceed if a lease or sublease opportunity is presented.

Commissioner West asked if the RDU authority has complete control over this process and if so, where is the accountability. Mr. Warren said the RDU authority is responsible for this process and they consult their own legal counsel for direction. He said county staff has conducted a lot of research on the project and since it is not a sale transaction, it is permissible. He said it is important for the county to respect the RDU Authority board and not overstep the bounds of county authority.

Vice-Chair Hutchinson said the reason this is being considered is because the county was the only one to submit a bid in response to the RDU request for proposal.

Mr. Ellis said staff wants to be as transparent as possible and make sure all board members receive the information prior to a decision being considered.

Commissioner Burns said the county would have control over the lease, but Wake Stone has requested funding for the long-term lease. He said if county funding is involved, it is proper for the

Board of Commissioners to be involved. He said of the eight-member RDU authority, two of them are appointed by the Board of Commissioners.

Chair Holmes said the county has two appointees on the RDU authority board. She said the commissioners have the opportunity to provide their thoughts to the appointees, and she expects those wishes to be conveyed to the other six board members.

Chair Holmes asked who would be responsible for the construction and management of the mountain bike park. Mr. Ellis said it would most likely be a private/public partnership, but that has not been discussed yet.

Mr. Bratton said Wake Stone would lease the property at fair market value, but the county would be responsible for the lease payments for the bike center. He said it was his understanding that the county offered to pay for the bike trail, but no fair market value has been established. Wake Stone offered to provide \$3.6 million to the county for the construction of the bike center with repayment terms of ten years. He said Wake Stone is requesting board direction on if they would like to continue negotiations.

Commissioner Burns asked how long the Wake Stone mine has been at its current location. Mr. Bratton said it has been there since 1982. Commissioner Burns asked if there are plans to expand mining beyond the 105 acres. Mr. Bratton said the only mining opportunity is the 105 acres.

Commissioner Burns asked if Wake Stone would be mining in Umstead Park. Mr. Bratton said there are no plans to do that, they would simply be buffering the operation from that property.

Commissioner Burns asked if the mining operation provides a threat to Crabtree Creek water supply. Mr. Bratton said the state will not permit that to happen. He said Wake Stone has been a great neighbor to the park and will continue to do so. He said Wake Stone has never posed a threat in the past and he insures that will continue to be true.

Commissioner Portman asked if any other quarries in the area are on public property. Mr. Bratton said that is not typical on the east coast, but it occurs often on the west coast.

Commissioner Portman asked if there is money available to return the property to its original state after the mining. Mr. Bratton said it can't be returned to its original state after it has been mined, but there are plans to remediate the area and it will be bonded as such. He said many quarries are turned into parks after they are mined. He said they would make the area attractive to the public.

Commissioner Portman said this is a difficult decision, and it has drawn interest from many citizens. He said the Board of Commissioners role is important when considering the 40-year lease. He said you can't lease something that is being removed and the merits of the decision should be based on that.

Commissioner Portman said this property has always been used for recreational purposes. He does not agree with the county leasing the property for the benefit of Wake Stone. He said leased property should be returned to its original state after the completion of the lease. Mr. Bratton said they have a similar lease in South Carolina and have had no issues with it being a lease agreement. He said standard mining leases are used in all parts of the country.

Commissioner Portman said he respects that, but his issue is that public land should not be used for a lease. He also said the Board of Commissioners and the RDU Airport Authority have a fiduciary responsibility to sell the land at fair market value.

Commissioner Portman said he is concerned the airport authority will receive the benefit of the mining lease while the tax payers are left with the cost of “filling the hole.” He said just because you can do something doesn’t mean you should.

Commissioner West shared Commissioner Portman’s concerns. He said he is unsure how this fits into the county strategic process. He said it is very important to look at decisions based on goals of the board.

Commissioner Ford thanked Mr. Bratton for his presentation. He asked if there is an urgency for a decision. Mr. Bratton said all they are seeking at this time is direction from staff on if and how to proceed.

Commissioner Ford said it is important to have all questions answered prior to a decision being made. Commissioner Ford thanked the public for their attendance and weighing in on the matter.

Chair Holmes said the request is to provide direction to staff. She asked Commissioner Ford for clarification on his thoughts. Commissioner Ford said he would like more information before providing direction to staff.

Vice-Chair Hutchinson said the issue at hand is the 286 property, but there are a lot of questions to be answered. He said there is no appraisal on the property and the board is not in the position to provide direction to staff until more information is received.

Chair Holmes said there are separate issues at hand. She said she is in favor of staff pursuing the options of leasing the 286 land. However, she said staff should not be involved in the transaction between Wake Stone and RDU. Commissioner Burns agreed staff should be involved in the 286 opportunities, but not the Wake Stone/RDU agreement.

Chair Holmes said the bike center should be considered individually without the consideration of the Wake Stone/RDU agreement. Commissioner Burns said the bike center could be a bonus to the area, but agreed that a lot more information is needed.

Chair Holmes said it is important for the public to understand that the Board of Commissioners remains neutral on the Wake Stone/RDU agreement.

Commissioner Calabria said the county needs to remove involvement from the Wake Stone/RDU agreement. He asked staff to clarify the maximum lease term for the county.

Commissioner Calabria stated he has received concerns from residents regarding a threat to Crabtree Creek and the Lake Crabtree County Park. He asked that staff confirm the concerns and address them if necessary. He also requested clear direction from the attorney regarding the county options.

Commissioner Portman said the county does have an interest in the recreational opportunities, but they also need clarification on what the airport intends to do with the other property. He is also concerned about entering into a forty-year lease and feels the transaction should be a sale.

Chair Holmes clarified the two county appointed RDU board authority members represent the will of the Board of Commissioners. She said if they do not support the will of the board, she will not support their appointment. She said while the county doesn't have a vote on the matter, she expects the county board authority appointees to convey the wishes of the Board of Commissioners.

Vice-Chair Hutchinson said this project offers additional recreational opportunities and he looks forward to working with his colleagues.

Chair Holmes clarified that public comment is not offered at Work Sessions; however, she honored a request by Dr. Jean Spooner to address the board on behalf of the Umstead Coalition.

Dr. Spooner said she is speaking on behalf of the Umstead Coalition, community partners and the 2.2 million visitors of the Umstead State Park and the Lake Crabtree County Park. She said the Coalition is supportive of recreation opportunities, but not supportive of the mining of the Oddfellows tract. She said the coalition feels the transaction is indeed a sale, not a lease.

Dr. Spooner provided a written opinion from the Coalition Attorney and encouraged board members and the county attorney to review it. She said the Coalition would appreciate the continuation of conversations with the county.

Chair Holmes thanked all those who attended the meeting and encouraged them to stay engaged in the process. She said children of the future should have the same recreational opportunities that we have today.

Population Health Task Force Report

Ms. Regina Petteway, Director, Wake County Human Services, thanked the board for allowing her to present the report to them. She recognized the Task Force Co-Chairs, Commissioner Hutchinson and Dr. Stuart Levin, community partners and staff who worked diligently on the report process. She said the purpose of the presentation today is to receive feedback prior to the report presentation at the board meeting.

She said it is important to compile SMART (Specific, Measurable, Attainable, Relevant, Time Bound) goals from the report in order to accomplish the long-term goals.

Ms. Petteway introduced Mr. Kevin Fitzgerald, Consultant, Big Atlas, LLC, who assisted with the creation of the report.

Mr. Fitzgerald said Wake County has been recognized as the healthiest county in the state. He said recommendations have been put in place to continue that trend.

He provided an overview of the report process.

- Process
 - o Seeking Board feedback today
 - o Full Board presentation at November 19, 2018 regular meeting
 - o Bring implementation strategies to Board in February 2019
- Staff will evaluate ideas
 - o What ideas are most feasible for County to tackle?
 - o How can we operationalize ideas within County services?
- Bring Board implementation strategies
 - o Specific targets and outcomes
 - o Prioritize recommendations for consideration in FY2020 budget process
 - o Quantitative impact and accountability measures (SMART goals...)

He shared how Wake County is contributing to the Population Health.

- ✓ is a leader in health
- ✓ is learning from others
- ✓ is resetting the agenda
- ✓ has a plan to make measurable improvement in health for all residents



WAKE COUNTY

He shared the history of the Population Health Task Force.

Appointed by county commissioners on February 20, 2017 to review work underway and recommend improvements.

Charge:

- Examine how communities across the country are approaching population health.
- Develop recommendations to address health disparities; encourage healthier

communities; influence the county's architecture, streetscapes, parks, and zoning to promote healthier environments; and "make the healthy choice the easy choice" for all residents.

- Recommended strategies to engage the widest array of stakeholders in promoting health conscious policies and choices for residents.

Mr. Fitzgerald shared a list of the Task Force members. He introduced members of the task force that are present today.

- | | | |
|--------------------------------|--------------------------|------------------------|
| • Sig Hutchinson (Chair) | • Mitchell Cohen, MD | • Carol Anne Moehring |
| • Stuart Levin, MD (Co-Chair) | • Melanie Davis-Jones | • Cathy Moore |
| • Kia Baker | • Mayor Frank Eagles | • Peter Morris, MD |
| • Alicia Barfield | • Jill Heath | • Regina Petteway |
| • Reverend Asa Bell | • Lisa Humphries | • James Smith, III, MD |
| • Mark Benton | • Brian Klausner, MD | • Betsy Vetter |
| • Dr. Craig Brookins | • Dave Koch / Cindy Sink | • Penny Washington |
| • Linda Butler, MD | • Howard Manning | |
| • Reynolds Clodfelter, Jr., MD | • Sara Merz | |

He shared the organization of the Task Force. He said there were three work groups created to focus on the specific needs.

Three work groups:

Healthy Wake:

Supporting overall health and well-being of all residents

Vulnerable Populations:

Groups of people at risk for poor outcomes

Familiar Faces:

Individuals who are frequent users of emergency and medical, social, law enforcement, and other services

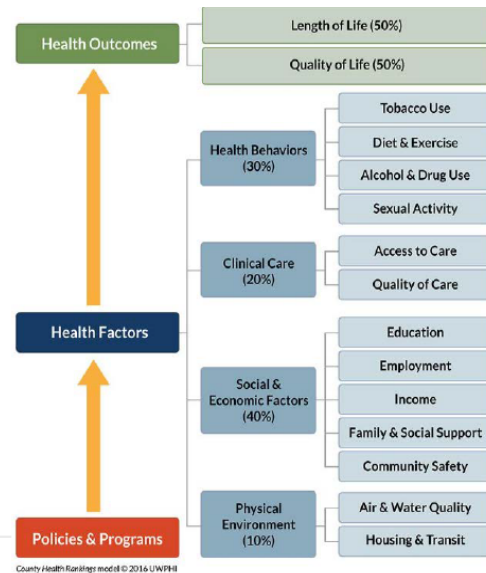


He shared the framework for achieving favorable population health.

Every Wake County resident, regardless of background or neighborhood, should have equal opportunity for optimal health and well-being.

<http://www.nationalcollaborative.org/our-programs/hope-initiative-project/>

WAKE COUNTY



Mr. Fitzgerald shared the definition of population health. He provided the breakdown of what compiles total population health.

The health outcomes of a group of individuals, including the distribution of such outcomes within the group.

From Robert Wood Johnson Healthy Communities Framework:

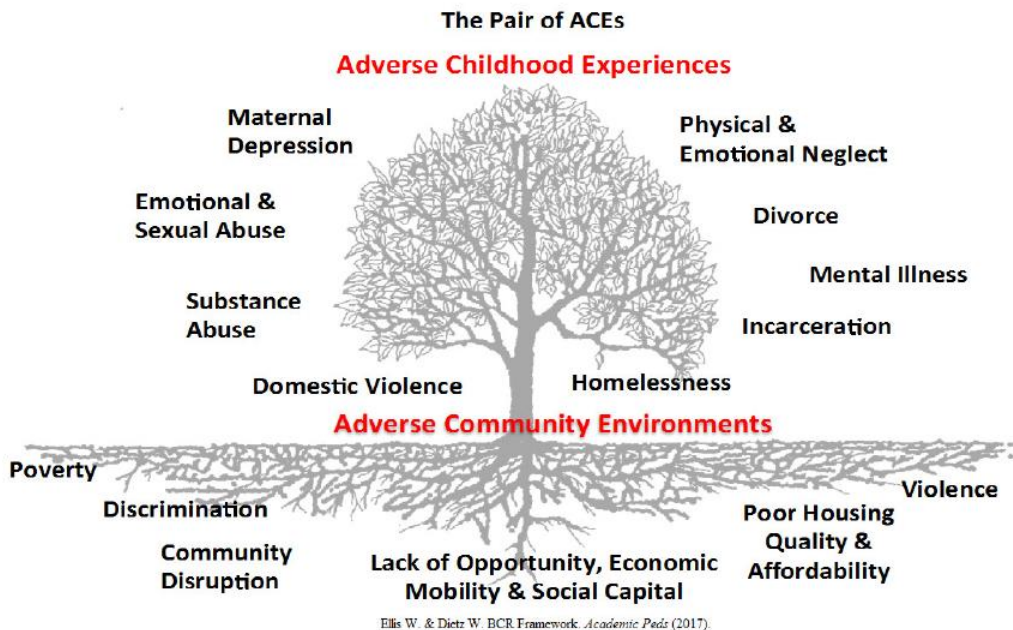
- Health Behaviors (30%): tobacco use, diet & exercise, alcohol & drug use, sexual activity
- Clinical Care (20%): access to care, quality of care
- Social & Economic Factors (40%): education, employment, income, family & social support, community safety
- Physical Environment (10%): air & water quality, housing & transit



He shared national lessons learned regarding population health.

- Broad definition of “health” that includes social factors and is focused on all populations
- Recommendations are data-driven, with impact and accountability measures
- Use of collective impact strategies that coordinate and align community partners
- Community engagement approaches are inclusive
- Effective marketing of health as a community benefit
- Accountability and transparency are built in
- The plans evolve over time – they are not “one and done”

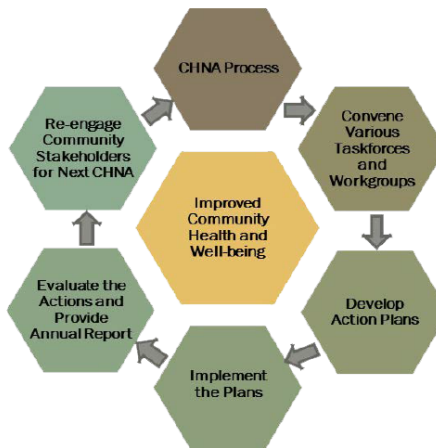
Mr. Fitzgerald shared information on the vulnerable populations.



Mr. Fitzgerald shared how the population health task force goals align with the Community Health Needs Assessment. He said the Community Health Assessment is done on a three-year cycle.

Community Health Needs Assessment (CHNA) Process

- Effective process that engages community and is data-driven
- Focuses on critical health needs
- Helps align community stakeholders' goals
- New CHNA process underway
- Will increase focus on implementation



He shared the overarching goals of the population health task force.

1. **Broaden** the definition of health to guide policy and budgetary decisions
2. **Align existing efforts** in the County to improve health and focus on **outcomes** over activities
3. Distinguish and address the needs of the **general population, vulnerable residents, and frequent users** of health and social services
4. Recognize population health as a key component of Wake County's **competitiveness**

Mr. Fitzgerald shared the Task Force recommendations. He said the social determinants of health are very important to eliminating barriers to population health.

1. Sustain and expand the scope of the Community Health Needs Assessment (CHNA) and increase the accountability and focus on implementation
2. Ensure the alignment of population health initiatives with cross-county efforts, statewide efforts, and appropriate data metrics
3. Designate a public/private partnership implementation team comprised of businesses, philanthropic organizations, and county government to operationalize, coordinate, and evaluate population health initiatives

He shared the Healthy Wake Work Group recommendations.

1. Designate and adequately resource a formal public /private partnership to serve as an accountability mechanism that coordinates health-related efforts in Wake County
2. Address the wellness and healthcare needs of Wake County by broadening the scope and increasing participation in the 2019 Community Health Needs Assessment. The CHNA should be resourced and empowered to link actions and interventions to outcomes
3. “Make the healthy choice the easy choice” by creating and enriching healthy physical and educational environments by 2030

Mr. Fitzgerald shared the Vulnerable Population Work Group recommendations.

1. Develop a public/private community grant fund to support population health initiatives
2. Create safe and humane environments; remove barriers to healthy food, affordable transportation, and housing
3. Decrease incidence of Adverse Childhood Experiences (ACEs); support employment; and reduce over-criminalization that removes children from schools, and parents from homes
4. Encourage early childhood brain development and cultivate a more creative, healthy, well educated, and economically engaged population
5. Expand the Social and Economic Vitality Model to other communities to address disparities in health and social outcomes

He shared the Familiar Faces Work Group recommendations.

1. Develop an ongoing Familiar Faces Work Group and utilize business agreements/collaboration with local hospitals, jail system, EMS, Behavioral Health Alliance and other community providers to share and link pertinent data
2. Identify a lead organization who could coordinate existing organizations and/or manage a central database
3. Pilot the use of a standardized Social Determinants of Health screening assessment for clinical settings
4. Develop community protocols to coordinate the existing case management programs in the community
5. Provide training, support and engage workforce currently working directly with familiar faces
6. Develop a return on investment model to demonstrate efficacy of interventions

He shared feedback from the Wake County Human Services Board and Board of Commissioners Human Services Committee.

WCHS Board

Common Theme: A shared responsibility
WCHS and Community Partners

- Work to assure municipalities are included
- Shared expertise and assistance with Non-Governmental Organizations
- High level of engagement from WCHS Board in advocacy
- Focus on “whole person” needs – physical/ behavioral/ social

BOC Human Services Committee

Common Theme: Ensure outcome-based strategies are in place to implement recommendations

- Findings are clearly linked to current board goals
- Define outcomes and metrics
- Assure both public and private resource allocations
- Iterative process for a dynamic initiative with multiple partners

Mr. Fitzgerald shared the next steps.

- Board of Commissioners
 - Full Board presentation at November 19, 2018 meeting
 - Bring implementation strategies to Board in February 2019
- Staff and Partner Agencies will evaluate ideas
 - What outcomes do we want?
 - What ideas are most feasible for County to tackle?
 - How can partner agencies operationalize within their structure?
- Implementation strategies should
 - Provide specific targets and outcomes
 - Prioritize recommendations for consideration in FY2020 budget process
 - Quantify impact and accountability measures (SMART goals...)

Vice-Chair Hutchinson thanked Mr. Fitzgerald for his work on this report. He also thanked the Task Force members, executive board, and all who assisted with the process. He said population health is a complex process and focusing on outcomes is important. He said being a healthy community is important in attracting new residents.

Commissioner Ford thanked all those who assisted with the report as well. He said there was a lot of work put into the process. Commissioner Ford commented on the public/private partnership in the goals of each work group and asked if there is an outline for that partnership. Ms. Petteway said no decision has been made, but several models are being reviewed.

Mr. Ellis said this process is a fundamental shift in how the Human Services department works. He said it will take some time to accomplish and must be done with SMART goals.

Commissioner West said he has been following the process. He said it is great work, but the goals will take time to accomplish. He said it is important to include all residents when working on these goals. He said including social factors is important.

Commissioner Burns said when he first joined the Board of Commissioners, population health was discussed and he is glad to see it coming to fruition. He said it is important to be willing to break past practices in order to move forward.

Commissioner Calabria thanked all who worked on the report. He said he is interested in hearing more about “making the healthy choice the easy choice” and how that will be accomplished. He said he is interested in learning what can be done to reduce the number of infant deaths.

Chair Holmes referred to an article by the News and Observer years ago regarding children being born into poverty in Wake County and the number who remain in poverty. She said there is significant and negative correlation between poverty and social determinants of health. She said she is incredibly proud to see the work that Wake County has done and the progress that has been made in recent years. She thanked Ms. Petteway for leading all of those initiatives and said she is an asset to Wake County.

Dr. Stuart Levin thanked the board for their concern with population health. He also thanked county staff as well as Ms. Petteway for their work and support. He said population health cannot be accomplished without local support.

Ms. Petteway said she is very excited to see this all coming together and it is only possible due to the support of the board of commissioners. She said staff can see the importance of the board goals and how their work supports those goals.

Commissioner West thanked Ms. Petteway for her leadership and direction on addressing Human Services issues. She said the various plans that have been developed in recent years are due to the work and support of the Board of Commissioners.

Orphan Roads

Mr. Tim Maloney, Director, Planning, Development and Inspections, provided the history of the Water, Sewer, and Road Financial Policy.

Purpose:

To determine when the County should consider public financing of critical community infrastructure projects

- Assistance with community or individual wells that have become contaminated or degraded
- Assistance with non-municipal or individual sewer (septic) systems that are failing
- Improvement or repair of subdivision roads (orphan roads) for acceptance into the

NCDOT maintained system

He shared the background of the proposed policy changes.

Changes to the policy and petition were presented and discussed at the following meetings:

March 12, 2018 Growth, Land Use & Environment Committee

April 9, 2018 Growth, Land Use & Environment Committee

June 11, 2018 Growth, Land Use & Environment Committee

- Committee accepted staff proposed changes and recommended they move forward for consideration for the full board.

July 23, 2018 Board of Commissioners tabled the item

****Communities expressing interest were advised of these meetings and attended****

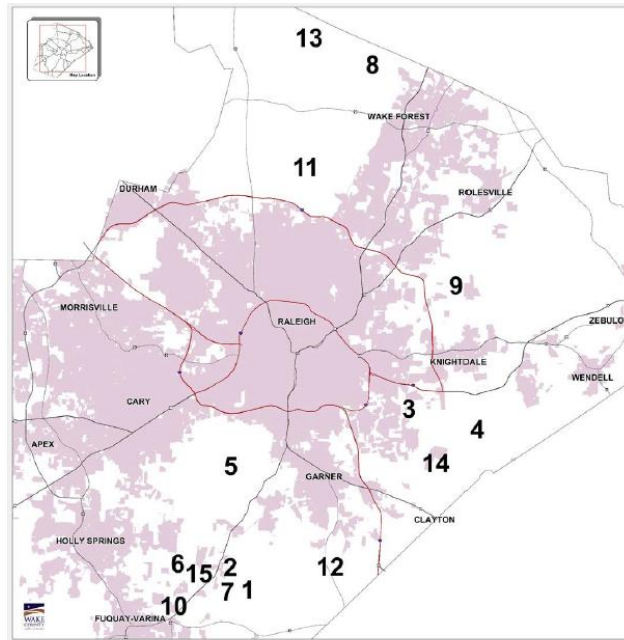
He shared what has taken place since the policy was adopted.

- Banks Pointe subdivision was the first project completed under the new policy. (Transferred \$1M from RTP infrastructure projects to fund project)
- Staff has spoken with approx. two dozen communities about this policy...specific to their subdivision roads
- Two new petitions for road repairs were submitted earlier this year totaling \$1.127M (Mallard Crossing and Rose Hall)
 - These requests prompted the need to revisit the policy
- Staff is not issuing any new petitions until the board considers changes to the policy
- No petitions received for water or sewer projects

Mr. Maloney shared the reason for the Orphan road issues.

- Developers fail to build the roads to NCDOT standards and the state will not accept them
- Communities began seeking assistance from the County
- Approximately 150 to 195 miles of orphan roads in Wake County
- The estimated cost to bring a road up to NCDOT standards can range from \$250K to \$500K or more per mile

He shared a map of the orphan road locations.



Inquiring Communities

1. Air Park Road
2. Banks Pointe
3. Beechwood
4. Autumn Woods
5. Carolton
6. Crooked Creek
7. Dayton Woods
8. Forrest Ridge
9. Mallard Crossing
10. Miller's Creek
11. Rose Hall
12. Southern Trace
13. Sutherland
14. The Preserve at Long Branch
15. West Oaks

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Mr. Maloney shared options for property owners.

1. Do nothing
2. The community can fund/finance the road repairs themselves by hiring a contractor and working with NCDOT
3. The community can convert the roads into legal private roads
 - Maintenance agreement among all property owners
 - Resurvey and re-record the roads as private
 - Establish a community road maintenance fund
4. Request County financing in accordance with the policy and state law

He shared the process for requesting county financing.

1. Community must prepare a detailed cost estimate to repair the roads
2. County prepares a petition for each property owner to consider financing from the County (cost estimate on petition is not a guaranteed max price)
3. State law requires at least 75% of the property owners sign the petition and then submit to the County
4. Board of Commissioners consider financing the project (public hearing)
5. County manages design and construction like any other CIP project
6. County coordinates with NCDOT for acceptance of the roads
7. All property owners are assessed their equal portion of the total project cost

Mr. Maloney shared how the total project costs are shared among property owners.

- Total project cost is spread equally among all owners (assessment)
- The assessment begins at the end of the project after the roads have been accepted by NCDOT
- Assessments are administered by the County Revenue Department
- Owners can pay their assessment in full/upfront without any finance charge
- Owners also have the choice to finance their assessment over a set term, determined by the Board, requiring annual payments including a finance charge
- The County has the authority to foreclose on any unpaid or delinquent assessments

He shared the lessons that have been learned by the process so far.

- Petitioners expect a project that receives a 75% yes vote from their community to move forward
- County has the statutory authority to set the assessment period for any term up to 10 years
- Current language used in the petition of “*up to 10 years*” gives property owners the presumption that the assessment period will be 10 years and 1/10 annual payment
- A 10-year assessment period for every project limits the ability to create a sufficient revolving fund to support future projects

He shared ways to improve the process.

1. Make clarifications to the policy and petition
2. Set the financing terms up front before petitions are signed by property owners
3. Reduce the financing term so that more projects may be considered

Mr. Maloney shared matters that need clarification in the policy and the petition process.

1. Petitions will be considered on a case by case basis in the order received
2. The county is under no obligation to provide project financing
3. Financing will be considered during the annual budget process
4. Projects will only move forward once funding has been appropriated in the budget

He shared suggestions for the financing terms.

- The county’s financing terms (assessment period and interest rate) should be stated in the petition
- Establish a formula to determine the assessment period
- The formula could result in expedited payback to the county (less than 10 years) so that more road projects may be considered for funding
- Include the formula in the policy

He shared the suggested formula to determine the assessment period.

The estimated annual installment, per lot, shall be approximately equal to the average annual property tax of all the lots requesting county financing, not to exceed a period of 10 years.

He provided an example of the assessment and the repayment period.

Banks Pointe as an example

Avg. Assessed Home Value: \$509,602 Low: \$379,448 High: \$774,071 Avg. Annual Property Tax: \$3,641 Low: \$2,698 High: \$5,536	Term / Yrs.	Annual Installment	Total to be Collected
	2	\$4,852.10	\$9,704.20
	3	\$3,234.73	\$9,704.20
	10	\$970.42	\$9,704.20

Assessment period would have been in 3 years vs. 10, residents would pay \$2,300 more per year **AND** County would have \$800,000 available after 3 years to fund future projects. **To date, 30% of homeowners have paid the full assessment.**

Commissioner Burns commented on the various values of homes in some developments and the burden this method would put on home owners. Mr. Maloney pointed out that each project will be considered separately by the board on an as needed basis.

Commissioner Burns asked if income-based assessments are permitted. Mr. Maloney said that is not legally possible.

Ms. Johnna Rogers, Chief Operating Officer, said some determinations can be made once the assessment and taxes are reviewed.

Mr. Maloney shared an analysis of the current petitions being reviewed.

		Mallard Crossing	Rose Hall
Property Data	Year Built	1995-1997	2007-2017
	Avg. Property Value	\$138,494	\$954,632
	Avg. Tax Value	\$1,005	\$6,842
	Number of Lots	58	43
Project Data	Project Estimate	\$420,000	\$707,000
	Approx. Total Assessment per Lot	\$7,241	\$16,442
	Annual Assessment over 10 years	\$1,053	\$1,978
	Assessment per Formula	\$871 (8 years)	\$4,477 to \$5,869 (3 to 4 years)

Commissioner Portman asked for confirmation on how the re-payment assessment is determined. Mr. Maloney said all re-payment assessments are determined equally.

Commissioner Ford commented on the cost of the existing projects and the possibility of additional assistance being requested once the public is aware of the county willingness to finance. He asked how projects will be ranked and what the process will be for requesting board approval.

Mr. Maloney said the public is already aware of the options available. He said real estate professionals and Home Owner's Associations are also aware of the options and share them with residents. He said county financing is not the only option and some developments have already decided against pursuing it.

Ms. Rogers said once the formula is determined, staff will be able to do modeling to determine which developments may be most suitable for the county financing. She said determining the formula will also allow for adequate budgeting on the county end.

Chair Holmes said she is concerned about receiving multiple requests and not being able to fund all of them. Mr. Maloney said not all communities will pursue county financing. He said the county is not under any obligation to approve projects.

Ms. Rogers said banks will not approve a loan for a road project, but levying the assessment on the home allows home owners to use the home to leverage funding through liens or second mortgages.

Commissioner Calabria said one suggestion he received was having the county act as a guarantor, but he found that is not a legal option.

Mr. Maloney shared the definition of a financial hardship as stated in the policy. He said this language is in relation to income taxes.

A financial hardship provision is proposed for the policy. It will allow property owners to demonstrate in writing to the Revenue Director their financial hardship. The Revenue Director will make a determination on allowing modified payment arrangements.

He shared possible consequences of not making revisions to the policy and petition process.

- Property owners may sign a petition without clear information and understanding on financing terms
- Property owners may falsely presume that a completed petition with 75% signatures means the project moves forward with County financing
- Retaining 10-year financing term for all projects reduces the County's ability to fund more orphan road projects

He shared the benefits of the policy and petition revisions.

- Clarifies how each petition will be considered upon submittal
- Clarifies that the County is not obligated to fund every project that has a completed petition
- Clarifies when funding will be appropriated for projects that are approved for County financing
- Eliminates the presumption of a 10-year financing term for all projects by establishing a formula based on the communities average annual property tax payment
- Reduces the financing term for most projects enabling the County to consider more orphan roads projects

Mr. Maloney shared the next steps.

- Consider adopting changes to the policy and petition at an upcoming Board of Commissioners meeting.

Commissioner Calabria thanked Mr. Maloney for his work on this issue. He said he has received feedback from home owners regarding the shortened repayment terms. He said shortening the repayment term will eliminate some communities from being able to use the county financing option.

Commissioner Calabria suggested using median home values instead of an average. He also suggested considering the number of residents that can pay without using county financing.

Commissioner Calabria stated the orphaned road problem developed due to the state changing the bond requirement.

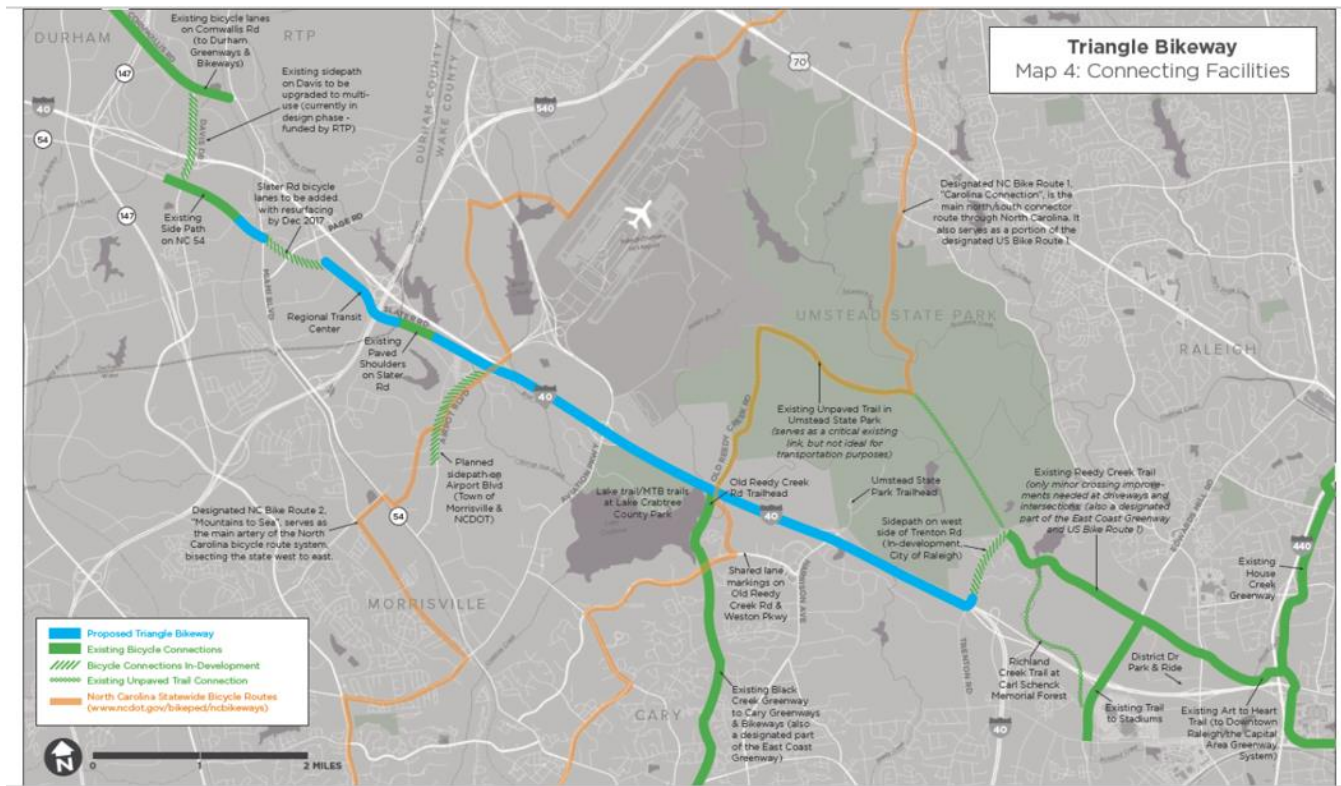
Commissioner Portman asked if potential buyers should be notified of the property being on public roads versus private roads. Mr. Warren said that information can be determined by a title search. He said it is important for the county to not interfere with property sales.

Vice-Chair Hutchinson asked Mr. Chris Dillon, Assistant County Manager, if the bond requirement issue is on the legislative agenda. Mr. Dillon confirmed that it is on the agenda and other counties are having similar issues. Mr. Dillon said this is a safety issue due to fire or emergency responders not being able to access these properties. He said it is a state-wide concern and there is a lot of support in having the legislature reverse their earlier decision.

Mr. Maloney said staff will consider feedback from today's meeting prior to presenting it for consideration.

Bike Trails in Western Wake County.

Mr. Chris Snow, Director, Parks, Recreation and Open Space, provided information on the Triangle Bikeway feasibility study. He shared a map of the connecting facilities.



Mr. Snow said two funding streams were pursued, but neither were successful. He said there is another opportunity available through Capital Area Metropolitan Planning Organization (CAMPO) and an application has been submitted. He said there is no local match for this grant and the amount requested was \$500,000. He said a decision has not been received yet, but he will update the board of commissioners once he receives a decision.

Vice-Chair Hutchinson said this project is important to recreation as well as population health. He said CAMPO is excited about this project and there is wide-spread support from the municipalities involved. He thanked Mr. Snow for bringing this forward.

Chair Holmes asked for clarification on the length of the trail and the cost per mile. Mr. Snow said the trail is roughly eight miles, which would make the cost approximately \$3 million per mile.

Vice-Chair Hutchinson said that cost is low compared to others. He said it is important to offer several transportation options.

Chair Holmes asked if a usage assessment has been completed. Mr. Snow said it initially was considered a bike “super highway”, but it has since become more pedestrian friendly.

Mr. Snow said letters of support have come from all municipalities involved.

Commissioner Ford asked why CAMPO denied the initial request. Mr. Snow said the Locally Administered Projects Program (LAPP) and Strategic Transportation Prioritization funding (SPOT), both focus on construction, not feasibility.

Vice-Chair Hutchinson said the project scored well, but the low county match reduced the score.

Commissioner West asked if there is demographic data available indicating which areas of the county will benefit from this project. Mr. Snow said those numbers are available county-wide, but he doesn't have numbers specific to this project.

Mr. Ellis said staff is being transparent and open in providing this information.

Chair Holmes expressed concern about expectations that will be placed on the county if the grant is approved.

Vice-Chair Hutchinson said the grant in question is state money. He said this project also qualifies for the Open Space and Greenway Bond project.

Commissioner Ford asked what the application deadline is for this grant. Mr. Snow said the deadline has passed, but the county application was submitted on time. Vice-Chair Hutchinson said CAMPO will make a decision on the grant by the end of this year.

Adjourn

There being no further business, Chair Holmes adjourned at 4:50 p.m.

Respectfully submitted,

Michelle L. Cerett
Executive Assistant to the Board