



# Wake County

301 South McDowell Street  
Raleigh, NC

## Meeting Meetings Board of Commissioners

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Tuesday, May 19, 2020

3:00 PM

Wake County Justice Center

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### Continuation of 5/18 BOC Regular Meeting - Meeting Held Remotely

**Present: 7** Chairman Greg Ford, Vice-Chair Vickie Adamson, Commissioner Matt Calabria, Commissioner Susan Evans, Commissioner Jessica Holmes, Commissioner Sig Hutchinson, and Commissioner James West

Others present: David Ellis, County Manager, Scott Warren, County Attorney; Denise Hogan, Clerk to the Board; Yvonne Gilyard, Deputy Clerk to the Board; Emily Lucas, Chief Financial Officer; Chris Dillon, Assistant County Manager; and Ben Canada, Assistant to the County Manager

### Meeting Called to Order: Chairman

#### Greg Ford

Chairman Ford opened the meeting at 3 p.m. He said the public hearing is being continued from the May 18, 2020 regular meeting and the public has been given opportunity to provide public comments regarding the Agreement with the NC Rural Economic Development Center, Inc. to administer a Wake County Small Business Loan Program. He shared the format for today's meeting.

### Regular Agenda

1. [Public Hearing on an Agreement with the NC Rural Economic Development Center, Inc. to administer a Wake County Small Business Loan Program](#)

Chairman Ford opened the meeting to hear the summary of online public comments from citizens.

Ms. Denise Hogan, Clerk to the Board, shared the summary of citizen public comments that were received in the past 24 hours as follows:

- Funding needs to be given to businesses that will make less than a million a year and who have 10 or less employees
- Only \$5 million of the \$194 million allocated from the CARES ACT is going

toward businesses that were forced to shut down. Where is the \$139 million from the federal government coming from?

- Financial assistance from the CARES ACT should be disbursed as grants and/or forgivable loans at zero interest
- A Request that the entire \$5 million in relief package goes in the hands of small business owners in NC
- Make loans to small for-profit businesses only, based on objective measures such as employee count, payroll, and expenses. Do not use the funding for non-profit, education or any other purpose besides registered for-profit corporations with the Secretary of State. Take time to define and install safeguards to prevent fraud, corruption and cronyism. Require repayment within two years.
- Use the funding for every small business who has suffered these nine weeks
- Request that the funds not be used for special interest groups or individual 501Cs.

Ms. Hogan shared that there were some comments received that were not relevant to the terms of the program.

**\*A full version of the comments are attached and were provided to the Board of Commissioners\***

Chairman Ford closed the public comments.

Chairman Ford asked staff if they had additional comments to add.

Ms. Emily Lucas, Chief Financial Officer, and Mr. Chris Dillion, Assistant County Manager, said they had no additional comments and welcomed discussion by board members on the topic.

Commissioner Holmes asked County Attorney Scott Warren if the interest rate could be lowered more than 5.5 percent presented in the terms. Attorney Warren deferred to Ms. Lucas.

Ms. Lucas said that the terms are with the NC Rural Economic Development Center, and if the interest rates were to be lowered, another partner would be needed.

Mr. Dillion said in speaking with the School of Government and other entities, the terms are in the best interest of protecting the county and a good value for businesses. He said that it would be a challenge to find a program with a lower rate. He echoed Ms. Lucas' comments that an agreement would need to be sought with other partners for a lower rate.

Commissioner Hutchinson asked for clarification for the number of employees that the terms include.

Mr. Dillon said the program considers a full-time employee (FTE) as 30 hours a week

and a part-time employee is considered a half FTE. He said that a business can have 100 employees on payroll dependent on the number of hours they work.

Vice-Chair Adamson asked about the timeline for the application process and the records needed for the process.

Mr. Dillon said if the recommendation is approved today, the link will go live at noon tomorrow on WakeGov.com. The business will need to have last year's tax records and proof of residency in Wake County.

Commissioner West inquired about loans for low-income farmers. He said that cost shares, poverty indicators and leveling would be criteria to be considered.

Mr. Dillon said agricultural operations have tax law requirements from the federal government as it relates to small businesses. He said he would work with the Cooperative Extension on cost share programs that may be available. He said it is challenging to find a loan that would apply to low-income farmers due to the current situation with the food supply chain. He said that he would continue to research if there are North Carolina or federal programs that apply for agriculture programs.

Commissioner West asked if there is a designated recovery period for businesses that have been affected by COVID-19.

Mr. Dillon said he was not certain of a projection timeline.

Commissioner Calabria referred to the citizen public comment regarding funding needs to be given to businesses that make less than a million a year and who have 10 or less employees. He said based on the previous information provided by grant administering agencies, that this funding is designated to small businesses. He said that specifically \$1 million is designated for sole proprietors. He said that the board lobbied for these loans to be grants instead of loans. He said there are constraints in place that govern the terms. He said the most favorable terms have been sought without violating the law. He said that if the county does not act, then many businesses will be left behind. He said these loans are designed to assist businesses make ends meet. The first six months there is no interest on the loans and no penalty for paying them off early. He said these are the first steps for additional measures in place to ensure that citizens thrive.

Commissioner Calabria moved, seconded by Commissioner Holmes, that the Board of Commissioners:

1. Conduct a public hearing on an agreement with the NC Rural Economic Development Center, Inc. to administer a small business loan program within the geographical boundaries of Wake County, pursuant to NC General Statutes 158-7.1; and

2. Following a public hearing, authorizes the County Manager to execute a contract with the NC Rural Economic Development Center, Inc., subject to the terms and conditions acceptable to the County Attorney. The motion passed unanimously.

Chairman Ford said the board continues to work hard with staff and partners for COVID-19 recovery efforts. He said this is the “beginning of the beginning” of the economic recovery in Wake County. He expressed his appreciation to the board and staff for their leadership as reinvestments are made back into the community.

Chairman Ford noted County Manager Ellis presented the Fiscal Year 2021 budget yesterday. He encouraged citizens to provide comments on the budget so that the Board of Commissioners considers the proposal on June 15, 2020. He encouraged citizens to provide citizen public comments on the WakeGov.com website from May 21 through June 2.

### **Adjourn**

Commissioner Hutchinson moved, seconded by Vice-Chair Adamson, to adjourn the meeting. The motion passed unanimously.

Respectfully submitted,

Denise Hogan, NCMCC  
Clerk to the Board  
Wake County Board of Commissioners