

Wake County Board of Commissioners
Work Session
August 13, 2018
2:00 P.M.
Wake County Justice Center Room 2800

Commissioners Present:

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

Wake County Staff Present:

David Ellis, County Manager; Johnna Rogers, Chief Operating Officer; Ben Canada, Assistant to the County Manager; Nicole Kreiser, Assistant County Manager; Bill Greeves, Chief Information and Innovation Officer; Denise Hogan, Clerk to the Board; Yvonne Gilyard, Deputy Clerk to the Board; Portia Johnson, Executive Assistant to the Board; Michelle Cerett, Executive Assistant to the Board; Scott Warren, County Attorney; Regina Petteway, Human Services Director; Annemarie Maiorano, Human Services Deputy Director; Dara Demi, Communications Director; Kerry McComber, Communications Manager; Todd Lanning, Information Technology Project Manager; Alice Avery, Communications Specialist; Frank Cope, Community Services Director; Marcus Kinrade, Revenue Director; Mark Forestieri, Facilities, Design and Construction Director; Emily Lucas, Interim Finance Director; Alicia Arnold, Human Services Division Director; Chris Snow, Parks, Recreation and Open Space Director; Mark Edmondson, Facilities Project Manager; John Stephenson, Internal Audit Director; Kim Lorbacher, Financial Services Manager; Michelle Venditto, Budget and Management Services Director; Kelli Baraldi, Administrative Services Coordinator II; Pam Harrington, IT Analyst; Jenny Coats, Business Officer; Jason Horton, Community Services Manager; Paarth Mehta, Senior Budget and Management Analyst; and Emerson Barker, Business Officer.

Others Present:

Tom McNeish, CPA, Elliott Davis; and Phillip Cash, Principal, HR&A.

Chair Holmes called the meeting to order at 2:00 p.m. and welcomed everyone to the meeting. Mr. David Ellis, County Manager, thanked everyone for attending today's meeting. He shared the agenda items that will be discussed today.

Processing of Revenue and Cash Receipts Review

Ms. Emily Lucas, Interim Finance Director, provided an overview of today's agenda item. She thanked the finance and internal audit departments for their assistance with the audit process. She also thanked the departments for their cooperation and Elliott Davis for their partnership in the process.

- Share an update with the Board on cash management and oversight efforts since September 2017
 - Share with the Board the results of the Agreed Upon Procedures (AUP) performed on the processing of revenue and cash receipts to include:
 - Goals of the AUP
 - Overview of work performed
 - Results and planned actions
 - Other improvements made to date
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She shared a recap of the process that has taken place since September 2017 when the county engaged Elliott Davis to examine and test cash collection procedures and policies throughout the county.

- ✓ Finance emphasized cash handling roles and responsibilities to personnel at cash collection sites
- ✓ County implemented a Fraud, Waste & Abuse Awareness Policy to raise awareness of fraud and how to report suspected fraud
- ✓ Over 750 employees attended in-person training to review cash handling policies and procedures
- ✓ Finance established dedicated email account to quickly address cash handling questions
- ✓ Engaged external auditors to observe and report on procedures and controls at cash collection sites through Agreed Upon Procedures

Ms. Lucas provided an explanation of Agreed-Upon Procedures (AUP). She said the AUP's differ from audits. The County chose Elliott Davis to develop the AUP's.

- *The independent accountant is engaged to:*
 - Perform specific procedures on given subject matter, and
 - Issue a report of findings based on the procedures performed
- *The procedures to be performed are:*
 - Based on the needs of the client, and
 - Are agreed to in writing by the client and the accounting firm
- *The accountant's report:*
 - Should be in the form of procedures and findings
 - Should *not* express an opinion or limited assurance

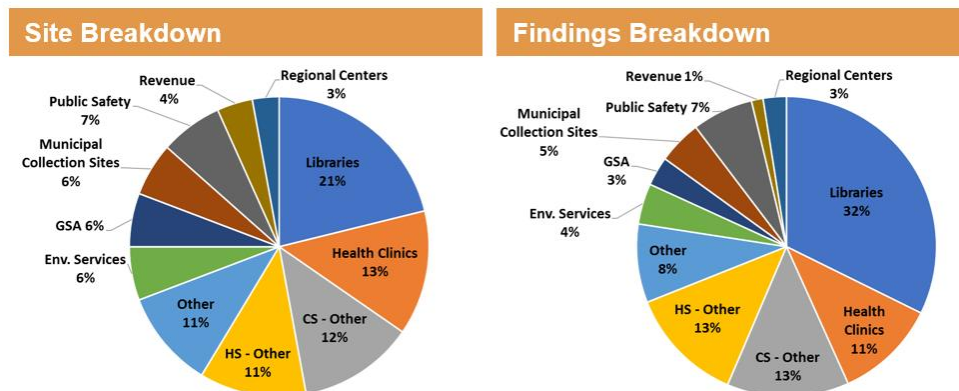
She shared the county's goals for the engagement.

1. Understand System Resource Needs
 - Use AUP as a tool to understand existing resources
 - Further define scope requirements and prioritize use of CIP funds
2. Assess and Improve Training
 - Use AUP to assess the effectiveness of in-person training
 - Revise and relaunch training to fill in the gaps identified
3. Ensure Adherence to Policies and Procedures
 - Use AUP to benchmark activities to policies, procedures, and best practices
 - Improve reporting and monitoring, standardize procedures, document processes
4. Develop Audit Plan
 - Prioritize and develop 3-year rotation of cash collection site reviews based on risk assessment

She shared a summary of the work performed. The auditors provided a questionnaire to be completed by each department that handles cash.

- Period under review: **July 1, 2017 to November, 30 2017**
- Review work performed: **December 2017 to June 2018**
- Sites reviewed: **104**
- Sites where County Finance staff participated: **35**

She shared a summary of the findings.



Ms. Lucas shared an overview of the results and findings.

- Results categorized into 13 finding areas
- For each finding area will:
 - Summarize the condition
 - Identify number of sites where findings were noted
 - Discuss actions taken to date and actions planned to address the finding

She shared finding #1. Vice-Chair Hutchinson asked for an explanation of a sub-ledger. Ms. Lucas said a sub-ledger is a cashiering system that requires dual entry.

Chair Holmes asked for clarification of the cash amounts collected at libraries and what services are being paid in cash. Ms. Johnna Rogers, Chief Operating Officer, said library revenue equates to approximately \$4 million per year, which includes book sales.

Mr. Frank Cope, Community Services Director, said libraries collect \$500,000 cash per year on average. He said this equates to approximately \$68.00 per day, per library. The remainder of the revenue collected is debit or credit card transactions.

Chair Holmes asked for clarification of what type of services are paid for in cash at a library. Mr. Cope said staff collects fees from individuals who return books after the due date.

Commissioner West asked if only accepting debit or credit card transactions would be a feasible solution. Ms. Lucas said staff is reviewing options, but cost effectiveness may be an issue.

Ms. Lucas said money will be requested in FY 2020 to implement additional Point Of Sale (POS) software.

Finding #1: Use of Sub-ledgers to Reconcile Collections

Condition and Sites	Actions Taken	Actions Planned
Sub-ledger (cashiering system) is not in place, and the record of transaction occurring at the site is limited to bank deposits. <i>53 sites noted</i>	FY 2020 CIP includes a placeholder toward implementing automated solutions. Finance and other departments researching potential product solutions.	Utilize information from AUP to further define requirements and prioritize sites to implement automated solutions (Spring 2019).

She shared funding #2.

Finding #2: Revenue Reconciliation Process

Condition and Sites	Actions Taken	Actions Planned
While a sub-ledger is in place, transactions per the sub-ledger are not being compared to the sites daily bank deposits. <i>34 sites noted</i>	Implementation of the Land Development System eliminates this finding for Planning and Inspections Services. Provided Sunnybrook deposit preparer reporting access to sub-ledger systems. Community Services developed online cash reporting tool for libraries.	Work with remaining sites to implement recommended procedures or document approved alternate process (ongoing).

She shared finding #3. She said some departments do require management approval for voids, etc. but the current accounting system does not allow for documentation of the approval.

Finding #3: Transaction Approval

Condition and Sites	Actions Taken	Actions Planned
Cashiers have the ability to record items such as voids, zero-charge transactions, fee waivers, refunds, and other adjustments without documented approval from a designated supervisor. <i>46 sites noted</i>	Libraries designated manager on duty with responsibility to approve these adjustments. Implementation of the Land Development System eliminates this finding for Planning and Inspections Services.	Work with remaining sites to ensure designated supervisor is aware of responsibility. Determine best method to document approvals for remaining sites.

Ms. Lucas noted 39 of the sites noted in finding #3 use shared cash draws.

Commissioner Portman asked why a shared draw is needed. Ms. Lucas said there are multiple employees assisting individuals at one time.

Commissioner West asked for an explanation of the Land Development System. Ms. Lucas said this is the permit portal that is now in place for residents to apply for and pay for building permits.

Ms. Lucas shared finding #4.

Finding #4: Reconciliation Oversight

Condition and Sites

There is not an effective periodic review and approval of the reconciliation process by County personnel other than the site employee.

Actions Taken

Implementation of the Land Development System eliminates this finding for Community Services and Environmental Services.

Actions Planned

Meet with remaining sites to review and improve current processes (ongoing).

6 sites noted

She shared finding #5.

Finding #5: Access to Cash on Hand

Condition and Sites

Insufficient restrictions surrounding access to cash storage units including safes and cash drawers.

Actions Taken

Sites changed safe combinations; rekeyed cash drawer locks; and began utilizing tamper-evident deposit bags.

Actions Planned

Continued monitoring of sites where shared cash drawers are used.

Assist departments as needed on maintaining safety of cash at all times.

Work with non-County entities to ensure contractual enforcement of policy.

48 sites noted

She shared finding #6.

Finding #6: Cash Limits

Condition and Sites

Site retained cash balances on hand overnight in excess of \$250, and weekly or monthly deposits were not taking places as required per policy.

13 sites noted

Actions Taken

Finance developed an automated reporting process to verify locations are making deposits per policy. Supportive Housing program deposits picked up by courier to ensure timely deposit.

Actions Planned

For remaining sites, determine best methods to ensure timely deposits and periodically review for compliance (ongoing).

Work with non-County entities to ensure contractual enforcement of deposit policy.

She shared finding #7. She said the new vital records system will eliminate this finding.

Finding #7: Saleable Inventories

Condition and Sites	Actions Taken	Actions Planned
Blank certificate stock not tracked and logged, sale of certificates not reconciled to bank deposits. Access to inventory is not restricted to designated personnel.	New vital records system procured.	Implement new vital records system and work on specifications for tracking and reconciliation processes within new system (2018-2019).

3 sites noted

Ms. Lucas shared finding #8. She said some of these sites are small and have limited staffing, resulting in the segregation of duties finding.

Finding #8: Segregation of Duties

Condition and Sites	Actions Taken	Actions Planned
Reconciliation of sub-ledger receipts to the daily deposit is being conducted by same individual performing the cashiering function.		Work with sites to ensure independent staff member is reconciling revenues or verifying the reconciliation. Segregate other cash collection responsibilities to the maximum extent possible. Investigate use of online payments, where possible.

26 sites noted

She shared finding #9. She said this is related to revenue collected in the field.

Finding #9: Timely Recording of Collections

Condition and Sites	Actions Taken	Actions Planned
Posting of revenue collections to County's general ledger system may be delayed up to 15 days from the date of deposit.	Finance developed an automated reporting process to verify locations are recording deposits per County policy, 3 days. Finance works with departments if issues are found.	Continue to periodically review for compliance. Work with departments to streamline and document processes for remote sites submitting information to central office for recording in general ledger system (ongoing).

43 sites noted

She shared finding #10. She said finance is working with the department and this issue will be resolved soon.

Finding #10: Timely Deposit of Collections

Condition and Sites

Pre-payments received for future services are not being deposited in a timely manner and refunds are not being processed through Finance.

Actions Taken

Actions Planned

Work with site to adjust business processes, such as online registration and payments (in process).

1 site noted

Ms. Lucas shared finding #11. She said this issue will be resolved in the fall of this year.

Finding #11: Restrictive Endorsement of Checks

Condition and Sites

Checks are either not restrictively endorsed for an extended period of time or are being processed without endorsement.

Actions Taken

Ordered restricted check endorsement stamps for sites, as needed.

Actions Planned

Continue to periodically review for compliance.
Document approved alternative processes (remote deposit or check scanning technologies) and update policies as needed (Fall 2018).

33 sites noted

She shared finding #12. She said money received in the mail is not always documented entirely and does not always specify the purpose of the payment.

Finding #12: Check Log

Condition and Sites

A listing of payments received via mail is not being maintained to document the source or identify the employee responsible for opening mail.

Actions Taken

Finance developed check logs to be used for payments received via mail or from other departments for which they process payments.

Actions Planned

Work with remaining sites to implement improved procedures for payments received via mail (2018-2019).

8 sites noted

She shared finding #13. She said many changes have already been made to eradicate this issue.

Finding #13: Number of Collection Sites

Condition and Sites	Actions Taken	Actions Planned
Certain departments and offices are receiving and handling payments that should be remitted directly to Finance.	Finance now bills and directly receives payments for Workforce Development.	Work with management to centralize collection of miscellaneous receipts to the extent practical.
<i>5 sites noted</i>	Some Fire Services fees are now billed and collected through the Land Development System.	Work with vendors and customers to improve routing of receipts to appropriate locations.

Ms. Lucas shared the next steps.

2018-19 Focus on Application and Training

- As issues were identified during the review, Finance and Internal Audit staff began working with departments to improve processes
- Relaunched training in e-learning format to all existing employees and assign to new employees with cash handling roles and responsibilities
- Finance and Internal Audit Will Continue To:
 - Correct findings by applying applicable policies and procedures or identifying alternate compensating controls based on site resources
 - Meet with departments and County management to collaborate on planned improvements and modernization
 - Provide recommendations for use of CIP dollars for automated solutions

She shared steps the county is taking to provide additional fiscal oversight.

Support for Additional Oversight

Revenue Manager Position	FY 2019 Internal Audit Plan
<ul style="list-style-type: none"> • Approved with FY 2019 budget (recruitment underway) • Provides dedicated resource for oversight of and improvements to cash handling and revenue management • Results of AUP will shape work plan and prioritize activities 	<ul style="list-style-type: none"> • Use AUP results to finalize cash audit plan • All cash collection sites will be audited at least every 3 years • Work collaboratively with Finance and other departments to modernize business systems

She shared how the county will mitigate risks by reducing access to cash. She said electronic payment has already been added at five additional sites.

Credit Card Functionality	Remote Safe Legislation
<ul style="list-style-type: none"> • Register of Deeds (vital records) • Animal Control (online donations) • Human Services Pharmacy system upgrade • Finance • Land Development System (planning, permitting, inspections, and fire services) 	<ul style="list-style-type: none"> • Statutory authority granted June 2018 • Functionality potentially can be used at sites to: <ul style="list-style-type: none"> ○ Reconcile revenues in a timelier manner ○ Reduce opportunities for human error or cash misappropriation ○ Reduce courier fees

Mr. Tom McNeish, Elliott Davis, shared the AUP engagement process. (Two slides)
 He thanked all county staff for their help and cooperation during the audit process.

Inspected the responses to the questionnaire as an initial assessment of the site

Visited each site to review the questionnaire with the preparer and obtain clarification of responses

Interviewed key employees regarding their roles and responsibilities as they relate to cash handling

Observed selected transactions with employees for comparison to questionnaire responses

Noted inconsistencies that were observed in comparison to County policy and questionnaire responses

Sampled daily deposits and observed supporting documentation for indication of compliance with County policy

Documentation observed included receipts, general ledger details, reconciliations to deposits, supply access logs, and bank records

Conducted status meetings with the Finance Department that included reviewing findings as they were identified

Reported findings as reflected in our AUP report and Management letter

Chair Holmes asked if the Elliott Davis audit was mandatory. Mr. McNeish said the county initiated it as a proactive measure and it was in addition to the mandatory audits.

Commissioner West asked if staff qualifications were reviewed during this process. Mr. McNeish said that was not looked at during this audit.

Commissioner Portman asked if there were any suggestions made by Elliott Davis that the county did not accept. Mr. McNeish said county staff was open to all suggestions and accepted them willingly.

Commissioner Calabria said he is pleased that the entire county was audited during this process. He asked if there is anything that causes deficiencies or makes staff duties more cumbersome. Ms.

Lucas said staff is making the new processes as user friendly as possible to avoid inconveniencing the public.

Commissioner Ford said it is important to mitigate risk in the future. He asked if policy changes will be coming before the board. Ms. Rogers said the changes are administrative and will be made at that level.

Commissioner Portman asked if the sites without POS are monitored closely for discrepancies. Mr. John Stephenson, Internal Audit Director, said those sites are monitored by finance as well as the audit department.

Commissioner Portman asked if the internal audit process has been changed to allow for more frequent auditing. Mr. Johnna Rogers, Chief Operating Officer, said every department will be audited every three years at a minimum and larger departments will be audited more frequently.

Vice-Chair Hutchinson thanked everyone for their work during this process. He said he is very pleased with the steps taken to mitigate the issue.

Ms. Lucas shared the strategies that will be used moving forward to ensure the AUP's are followed.

Modernize	Centralize	Reduce
Prioritize and recommend cashiering systems and system improvements (Spring 2019).	Provide oversight via Revenue Manager and ongoing Internal Audit cash collection audits (2018-2019).	Continue focus on training and awareness to mitigate risks (ongoing).
Update policies and procedures where needed (Fall 2018).	Collaborate with departments to standardize procedures in accordance with policies (2018-2019).	Implement available technologies to reduce cash handling (ongoing).

Use of County Land for Affordable Housing.

Mr. Ellis said part of the affordable housing plan was to assess county land for possible use for affordable housing units. He said that assessment has been complete and Ms. Alicia Arnold, Human Services Division Director, is present today with the results.

Ms. Arnold presented the purpose of today's presentation. She shared the context of her presentation. (Two slides)

- Public Land Disposition for Affordable Housing was recommended as a strategy in the Affordable Housing Plan
- Uses existing County resources to subsidize development of affordable housing
- Complements other housing investments, including new commitment of additional \$15 million annually
- Advances two Board initiatives related preserving and increasing our affordable housing inventory, and coordinating housing and transit investments
 - SEV1.1 and GS5.3

- Policy and Parcel Evaluation began in Winter of 2017 with multidisciplinary, cross-departmental team



Today's Goal: Present criteria for evaluating County property that inform the administrative policy and share the initial parcels to consider for housing

She said using county owned property was one of the top ten recommendations in the affordable housing plan.

She shared the policy review goals.

- I. Understand legal authority enabling County to enact a public land disposition policy for affordable housing**
- II. Develop administrative processes for disposition of sites with the highest opportunity for realizing new affordable housing development**
- III. Identify parcels that can physically accommodate affordable housing and align with County priorities and policy goals**

Ms. Arnold shared the statutory authority for disposition policy.

- North Carolina state law gives counties statutory authority to dispose of real property through **GS 153 A-376(b) and GS 153A-378(3)** to support affordable housing programs when there is a demonstrated need.
 - Via a private sale
 - To a public or private entity
 - Must impose affordability requirements:
 - At least 20% of units set aside for low-income residents (60% AMI and below)
 - Set aside units require a minimum 15 year affordability restriction
- Counties are also authorized to lease property for the construction of affordable housing (**GS 153A-176 and GS 153A-165**).

Vice-Chair Hutchinson asked if the 15-year affordability restriction could be increased. Ms. Arnold said the 15 years is a minimum, but the recommendation is longer.

Chair Holmes said the option to sell the land to a private entity will allow staff to work with a wider variety of contractors than they have in the past, which makes the cost more competitive.

Commissioner West said that it is a learning process and decision is part of the process. Mr. Ellis said working with a private developer helps the county meet the “sweet spot.”

Chair Holmes said these are minimum requirements and having a plan in place is important.

Commissioner West said this will assist in meeting the needs of the most vulnerable citizens.

Ms. Arnold shared information on precedent jurisdictions in North Carolina that use this process.

Town of Chapel Hill

- Town Council set aside a site for a proposed mixed-income residential community, and a developer submitted a concept plan application for the site in March 2018

City of Charlotte

- Staff evaluated City-owned sites most suitable for multifamily development in September 2017
- City released a RFQ to solicit developer interest for new affordable housing projects on nine sites

Mecklenburg County

- County adopted policy in September 2017 to prioritize affordable housing whenever disposing of County-owned surplus real estate
- Empowers County to lease or sell surplus real estate and impose minimum affordability requirements via an RFQ and RFP process

Durham County

- County is exploring potential for a public-private partnership to develop a mix of uses on two sites in Downtown Durham, including affordable housing, and using a competitive process to identify partners

City of Raleigh

- In April 2018, the City issued a RFP for the purchase and development of approximately 5.72 acres on multiple City-owned properties with the priority of maximizing the number of affordable rental units

She shared the process of developing a public land disposition policy.

- Staff convened a Public Land Disposition Working Group, consisting of representatives from four County departments:
 - Human Services
 - Community Services: Planning, Development and Inspections
 - Facilities, Design and Construction
 - Attorney's Office
- The Working Group's primary responsibilities included:
 - Identify criteria to be used for site evaluation; and
 - Develop administrative and implementation processes for disposition
 - Develop affordability and applicability standards;

Ms. Arnold shared the affordability requirements.

- **Level of Affordability:** The public land disposition policy for affordable housing will prioritize the following target levels of affordability based on area median income (AMI):
 1. **Rental units:** 30-40% AMI
 2. **Rental units:** 40-60% AMI
 3. **For-sale units:** <= 80% AMI
- **Length of Affordability:** At least **30 years** for both rental and for-sale units
 - Exceeds state minimum affordability period of 15 years (GS 157-9.4)

She shared the applicability of the process.

- The Public Land Disposition Policy is intended to **supplement County policies** regarding disposition of property for development of **Multifamily or Single Family** Affordable Housing. All real estate decisions will continue to be presented to the Board of Commissioners.
- Before presenting recommendations on the disposition of County-owned properties, staff will include an **evaluation of the property's potential to support new affordable housing**, based on established physical criteria and market suitability criteria.
- Staff will **maintain an inventory of County-owned sites, provide site assessments, and update evaluation criteria as necessary.**

She shared the physical feasibility criteria of the process. She said this is a two-phase process.

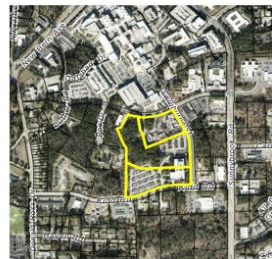
- **Flood Risk:** Is majority of parcel in a floodplain?
- **Topography:** Does site have steep slope that would make development difficult?
- **Utilities:** Does site have existing connections to utilities?
- **Access:** Does site have existing paved road connection?
- **Incompatible Use:** Is site in close proximity to incompatible uses, such as an airport, landfill, or swamp?

**To date, only sites suitable for multifamily housing (at least 1 acre in size) have been evaluated using the above physical feasibility criteria.*

She shared an example of a physically feasible site. She said the Swinburne/Falstaff Road property is underdeveloped.

Site: Swinburne St. & Falstaff Rd.
Size: 19 Acres
Jurisdiction: Raleigh
Zoning: OX-5

Site Overview: Three parcel assemblage proximate to WakeMed. Partially occupied by Human Services buildings.



Checklist for Evaluating Multifamily Site Feasibility	
Criteria	Site Condition
Floodplain	✓ Not in floodplain
Topography	✓ Sloped, slight
Utilities	✓ Existing utility connection
Access	✓ Existing paved road access to parcel
Incompatible Use	✓ No incompatible use within 0.5 mile (e.g. landfill, airport, manufacturing)

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She shared examples of physically infeasible sites. She said the analysis will filter out this type of property.



Site: 6512 Old Smithfield Rd.
Size: 162 Acres
Jurisdiction: Holly Springs

Physical Infeasibility:
 Adjacent to South Wake
 Landfill, portion of parcel
 within floodplain



Site: 0 Adam Lane
Size: 32 Acres
Jurisdiction: County

Physical Infeasibility:
 Partially in floodplain, no
 paved road access



Site: 3705 Old Holly Springs Apex Rd.
Size: 20 Acres
Jurisdiction: Holly Springs

Physical Infeasibility:
 Adjacent to firearms facility, proximate
 to South Wake Landfill

Ms. Arnold said staff has reached out to municipalities to see if they are interested in doing an analysis of their own land. She said she has received good feedback and many of them are interested in the county analysis process.

Commissioner Calabria asked what would be done with the land that is not feasible for affordable housing. Mr. Ellis said that would be determined in the future. Chair Holmes said that even though the land is unfeasible for affordable housing, it may be of interest a municipality or private individual. She said if the land is indeed sold, the proceeds could then be used for other affordable housing costs.

Commissioner Portman agreed that if unfeasible land is sold, the money should be invested in affordable housing. He said if land can be sold using the upset bid process, that should be take place in order to maximize the county's revenue. Mr. Ellis said land is sometimes hard for the county to purchase, and he cautioned against selling unfeasible land.

Vice-Chair Hutchinson said the goal is to use the land for affordable housing. He said there are costs associated with the upset bid process, which would in turn decrease the amount of money available to invest in other affordable housing costs.

Chair Holmes said every transaction will come before the board for a vote.

Ms. Arnold shared the market suitability criteria. (Two slides) She said this is the second phase of the process.

- **Encumbrances:** Does the site have existing deed restrictions/encumbrances preventing housing?
- **Proximity to Existing Residential and Commercial:** Is the site located in a residential neighborhood with nearby commercial?
- **Connectivity:** Is the site connected to existing or planned public transit? Is the site proximate to existing sidewalks?
- **Zoning:** Is the site currently zoned to allow multifamily residential?
- **Proximity to Basic Services:** Is this site proximate to basic needs (e.g., grocery stores, pharmacies)?
- **LIHTC Eligibility:** Is the site able to meet criteria for Low-Income Housing Tax Credit development deals? For 9% deals, does the site score high enough? For 4% deals, is the site large enough?
- **Market Strength:** Is the site located in an active market with new development? Is the surrounding market strong enough to support mixed-income housing? Is the site located in a community likely to support affordable housing?

Mr. Ellis asked for clarification on the LIHTC. She said access to grocery stores and pharmacies is a requirement in order to receive the 9 percent credits.

She shared an example of a market suitable site. She said the Swinburne/Falstaff property meets many of the criteria requirements.

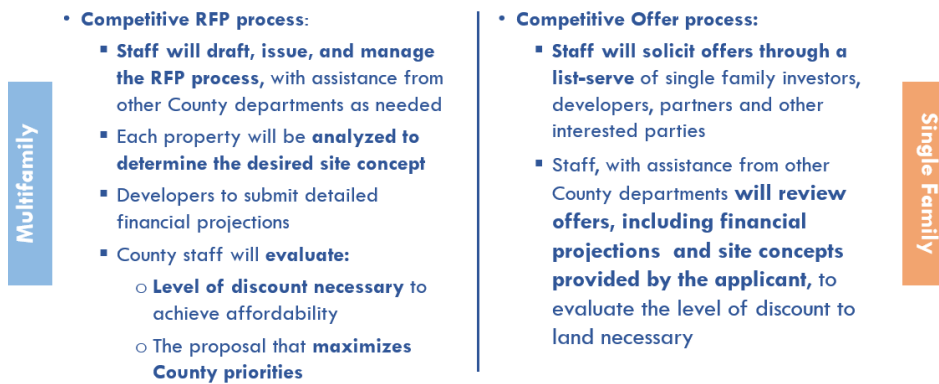
Site: Swinburne St. & Falstaff Rd.



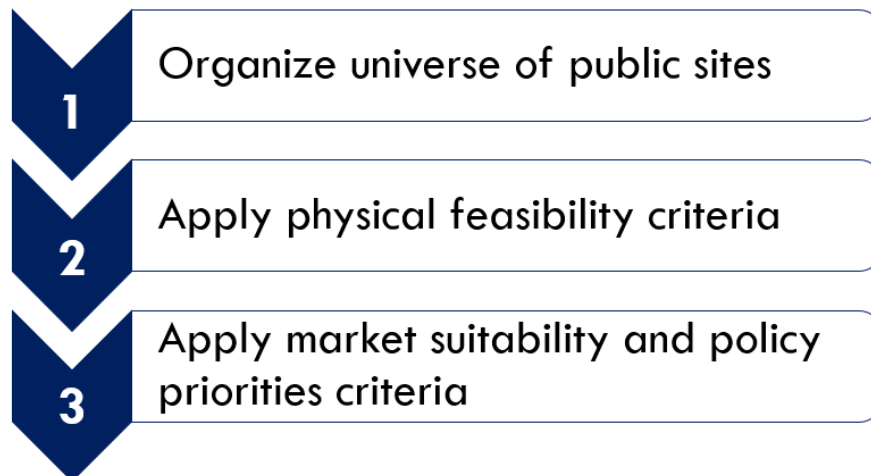
Checklist for Evaluating Site Suitability	
Criteria	Desired Characteristics
Encumbrances	✓ No known legal title issues
Proximity to Existing Residential and Commercial	✓ Over 400 multifamily units within 0.5 mile radius
Connectivity	✓ Within 0.25 mile from planned high-frequency bus line ✓ Within 0.25 mile of existing sidewalk
Zoning	✓ Mixed-Use
Proximity to Basic Services	✓ Within 1 mile of grocery store and pharmacy
LIHTC Eligibility	✓ LIHTC score of 58/60 for eligibility for 9% credits
Market Strength	✓ Pipeline multifamily project in the area

She shared the disposition process.

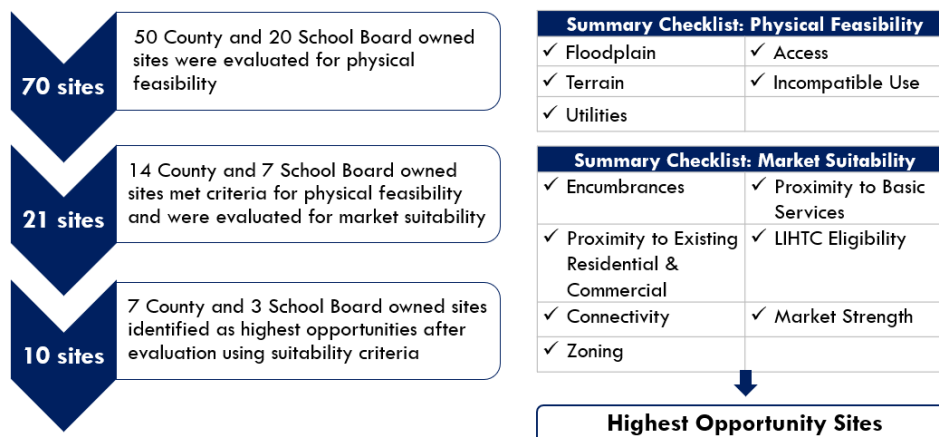
Disposition Process



She shared the process for identifying suitable sites.



She shared a summary of the highest opportunity sites for multifamily housing units.



Ms. Arnold shared the initial evaluation results for county owned parcels.

Initial Evaluation Results: County

Site	Ownership	Strengths	Potential Challenges	Strength of Near Term Development Potential
2960 Falstaff Rd. 220 Swinburne S. 3000 Falstaff Rd. Raleigh, NC	County	<ul style="list-style-type: none"> Proximate to transit Adjacent to other County-owned parcels Three parcel assemblage 	<ul style="list-style-type: none"> Existing buildings present a challenge Would necessitate new shared parking solutions 	High
8920 Deponie Dr. Raleigh, NC	County	<ul style="list-style-type: none"> Close to three schools Recent development activity Highest score for 9% LIHTC 	<ul style="list-style-type: none"> Surrounded by industrial uses Proximity to landfill Odd shaped parcel, potential challenges in MF units 	High
1317 N. Main St. Holly Springs, NC	County	<ul style="list-style-type: none"> Close to a town center and amenities Large parcel 	<ul style="list-style-type: none"> Municipal vision Proximity to landfill Terrain & slope concerns 	Medium
0 Industrial Dr. Wendell, NC	County	<ul style="list-style-type: none"> Close to a town center May be most suitable for development as SF 	<ul style="list-style-type: none"> No recent development Low density zoning could make it hard for MF units 	Medium
400 E Holding Ave. Wake Forest, NC	County	<ul style="list-style-type: none"> Close to town center Zoned residential mixed-use 	<ul style="list-style-type: none"> Parcel's vacant area is mainly surface parking 	Medium

She shared the initial evaluation results for Board of Education owned parcels.

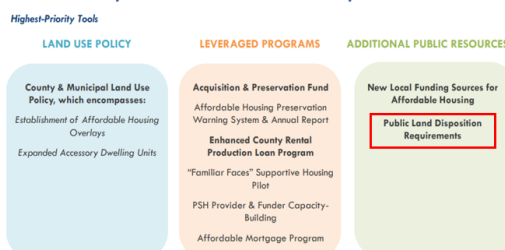
Initial Evaluation Results: Board of Education

Site	Ownership	Strengths	Potential Challenges	Strength of Near Term Development Potential
901 E Young St. Rolesville, NC	School Board	<ul style="list-style-type: none"> Less than 2 miles to amenities of Rolesville's Main St. Town support for affordable housing Planned development in the area Large parcel 	<ul style="list-style-type: none"> Terrain & slope need to be investigated further Would require coordination and willingness to collocate a school and housing 	High
0 Foundation Dr. Wake Forest, NC	School Board	<ul style="list-style-type: none"> Proximity to existing school Existing residential and commercial within walking distance 	<ul style="list-style-type: none"> Irregularly shaped parcel constrained by floodplain Difficult soil conditions, including rock 	High
332 Parkside Valley Morrisville, NC	School Board	<ul style="list-style-type: none"> Large parcel surrounded by residential neighborhoods Active market with new multifamily and retail construction 	<ul style="list-style-type: none"> New elementary school, need for coordination and willingness to collocate a school and housing 	Medium

She shared the takeaways from the study.

Takeaways

- State law gives counties authority** to dispose of property for the purpose of affordable housing
- Wake County and the Board of Education have publicly owned property** that meets physical feasibility and market suitability criteria
- This policy implements one of the Affordable Housing Plan **highest priority tool recommendations**



Ms. Arnold shared the next steps.

- **Prioritize Properties for Disposition:** Given the market conditions, site challenges, geographical need, and financial feasibility, determine the priority of properties disposed
- **Analyze Property for Site Concept:** Determine the County priorities based off each site (e.g. number of units, target population, mixed-use)?
- **Develop RFP:** Issue Request For Proposal process, identify multidisciplinary review team, and award disposition

Commissioner Calabria asked if the new criteria take environmental issues into consideration. Mr. Phillip Cash, HR&A, said this is not in the criteria and an appraisal would be needed to determine if there are issues.

Commissioner Ford asked if there is a working timeline for the next steps. Ms. Arnold said work will begin on the process as soon as possible.

Mr. Ellis said it is important for the county to be strategic and leverage existing resources.

Chair Holmes asked for confirmation that the top two board of education properties are still available. Mr. Mark Edmondson, Facilities Project Manager, said the property in Wake Forest was under contract, but the deal fell through; therefore, the land is still available. He said he is unsure of the Rolesville property.

Chair Holmes called for a short break.

Wake County Public Dashboard

Mr. Bill Greeves, Chief Innovation and Information Officer, provided an overview of his agenda item.

He said that great government is county objective #4. He said this is a draft and is a work in progress. Mr. Greeves thanked the following staff for their help on the project; Chris Matthews, Jason Horton, Michelle Venditto, and Todd Lanning.

- Implement data-driven decision-making processes and methods wherever possible across the County.
 - **Initiative 4.2** - *Establish a public-facing performance dashboard to capture, document and display key performance measures for the organization.*
 - **Initiative 4.3** - *Establish a countywide performance management program, including guidance for departments to use for development of qualitative and useful performance metrics.*
- Both initiatives are included in the Top 22 priorities for 2018 and are closely linked

He shared the process for building a transparency portal. He said some of these items are currently available on the county website.

- **Current Resources:**
 - **Public Records Request** – Request public records online
 - **Wake Accountability Tax Check (WATCH)** – Review detailed Wake County financial transactions
 - **Open Data Portal** – Download dozens of Wake County data sets
 - **Wake County By the Numbers** – Review community indicators of the quality of life of our residents, the diversity of our citizens, the stability of our businesses, and the health of our infrastructure

He shared the two new elements that staff are working on.

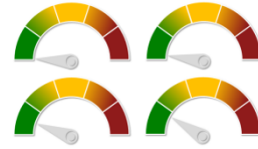
Incorporating Dashboards “Version 1.0”

- **Board Goal Measures** – Review the County's progress towards the Board of Commissioners' Goals, Objectives & Initiatives
 - Highlighting priorities and accomplishments
 - Linking to additional information
 - Updated (at least) quarterly
- **County Operational Measures** – Review the goals and measures that track the performance of County operations
 - Focused on representative measures that make sense to the general public with little to no explanation
 - Continue to refine and add measures over time

Mr. Greeves shared requirements of a good dashboard. He said staff reviewed dozens of municipal dashboards to gather ideas. He shared the pros of the new dashboard.

What Makes a Good Dashboard?

- Easy-to-understand
- Visually appealing
- Minimal government lingo and acronyms
- Automated data sources for more timely updates
- One-stop overview of performance
- Includes links to additional details and data sources for follow-up
- Goal-oriented



Mr. Greeves shared the next steps.

- Incorporate BoC feedback and launch Transparency Portal – *Sept/Oct*
- Work with departments to continue improvement of Operational Measures – *Ongoing*
- Update Board Goal Measures – *Ongoing (Quarterly)*
- Establish formal performance management program - *Ongoing*
- Update Board Goals/Objectives/Initiatives - (January)

He shared that the current county transparency site and provided a demonstration of the revised site. He outlined the new operational features, which will include performance measures for environmental services, education, community services, human services and public safety.

Commissioner Burns suggested adding an indicator that shows when a project is ongoing, such as affordable housing. Mr. Greeves said they would include additional highlight points and add additional details.

Commissioner Calabria said there are three separate functions the dashboard can accomplish. He said board goals, organizational goals, and general county information will all be outlined for the public through the dashboard.

Commissioner Hutchinson thanked staff for their work on the dashboard. He commented on the open data portal section. He asked if public feedback will be received and taken into consideration. Mr. Greeves confirmed that will be implemented prior to the design being finalized.

Mr. Greeves said the open data source section will be helpful to the public in building mobile apps.

Chair Holmes suggested adding a running social media feed to the dashboard. Mr. Greeves said staff would take that into consideration.

Review of Parks, Greenways and Open Space Bond Referendum Educational Materials

Ms. Dara Demi, Communications Director, shared information about her agenda item. She shared the process for getting the word out about the upcoming election referenda questions. She provided a draft of a flyer that will be distributed to the public and reviewed it with the board. She said the brochure is strictly educational, not advocational. She said in addition to the brochure, staff will be available to speak at engagements if requested to do so.

- Launch a webpage on wakegov.com
- Share social media messages
- Look for opportunities to pitch stories to media
- Place banners, bookmarks in libraries
- Establish a speakers bureau
- Develop a tool kit for presenters
- Place banners, flyers at parks
- Create short videos urging voters to visit the webpage
- Post articles on the WIRE

THE NEWS & OBSERVER



YouTube



Instagram

Vice-Chair Hutchinson said he is impressed with the brochure and thanked staff for their work. Commissioner Portman asked if a similar brochure would be done for Wake Tech and the Board of Education. Ms. Rogers said Wake Tech is providing their own and the Raleigh Chamber of Commerce is providing one for the Board of Education.

Chair Holmes asked that the photos in the brochure be reconsidered prior to approval. She would like to see more county specific pictures, such as pictures specific to our county parks.

Commissioner Burns suggested adding iconic greenway pictures.

Chair Holmes said the State of the County is October 9th and the Elected Officials Build Day is October 13th. She also said an informational item will be added to the next work session regarding the update on the Fairview Fire Station.

Adjourn

There being no further business, Chair Holmes adjourned the meeting at 4:41 p.m.

Respectfully submitted,

Michelle L. Cerett
Executive Assistant to the Board