

**THE BOARD OF COUNTY COMMISSIONERS
DURHAM, NORTH CAROLINA**

Monday, April 4, 2005

9:00 A.M. Worksession

MINUTES

Place: Commissioners' Room, second floor, Durham County Government Administrative Complex, 200 E. Main Street, Durham, NC

Present: Chairman Ellen W. Reckhow, Vice-Chairman Becky M. Heron, and Commissioners Lewis A. Cheek, Philip R. Cousin Jr., and Michael D. Page

Absent: None

Presider: Chairman Reckhow

Agenda Adjustments

Chairman Reckhow announced an addition to the agenda: "Request for Impact Tax and Transfer Tax Legislation."

Commissioner Cousin moved, seconded by Vice-Chairman Heron, to amend the agenda for inclusion of the item.

The motion carried unanimously.

Citizen Comments—Mr. Ralph McKinney Jr.

Mr. McKinney requested time on the agenda to speak to the Commissioners about various issues; however, he was not present at the meeting.

Presentation from Farmland Protection Advisory Board Regarding the Annual Report of the Farmland Protection Program

Chairman Reckhow recognized Neil Frank, Chairman, Farmland Protection Advisory Board, to make the presentation.

Mr. Frank presented the annual report of the Farmland Protection Advisory Board to the County Commissioners. (Section 14-89 of the revised Farmland Protection Ordinance requires that an annual report be provided to the BOCC.) The report addressed the status, progress, and activities of the board, as well as its plans for the upcoming year. The Farmland Protection Advisory Board feels it has made great strides in the program this past year and wished to share its accomplishments.

The report follows:

2004 Durham County Farmland Protection Board Annual Report

Mission: The Farmland Board shall foster the wise use of our farmland resources by working with farmers, the community, government entities, agencies, and other resources to identify and implement strategies for the preservation and enhancement of our farming community while protecting the land and soils for future generations.

Roster: Neil Frank (Chairman)—At Large
 Talmadge Layton (Vice-Chairman)—Lick Creek VAD
 John Jones—Little River VAD
 Aileen Glasgow—Business Representative
 Beecher “Gus” Gray—Cape Fear VAD
 Averette Moore—Farm Bureau
 Wayne Cash—Durham Open Space and Trails Commission
 Eddie Culberson, Director, Durham Soil and Water Conservation District
 Mary Jacobs—BOCC 2004; Lewis Cheek—BOCC 2005
 Douglas Daye—Flat River VAD
 Anna Andrews—Eno River VAD
 Robert Rosenthal—Board of Supervisors, Durham Soil & Water Conservation District
 Allen Powell—At Large

Status of member farms participating in VADs

	Number of Farms	Parcels	Acreage
New 2004 Participants	14	30	796.5000

Total Participants	Number of Farms	Parcels	Acreage
Cape Fear River		25	402.6150
Eno River		6	132.5270
Flat River		39	1800.7170
Lick Creek		18	404.7800
Little River		23	668.1400

The total Durham County inventory of Farm and Forestland is:

	<u>Parcels</u>	<u>Acreage</u>
Agriculture	393	14888
Horticulture	5	110
Forest	472	12876

Agriculture Conservation Easement Status

2000	Herndon Easement	55 Acres	Cape Fear VAD
2002	Hill Easement	32 Acres	Flat River VAD
2004	Russell Easement	156 Acres	Flat River VAD
2004	Durham Soil & Water Conservation District Easement	49 Acres	Flat River VAD

Conservation Easement Workshop

The Farmland Protection Board sponsored a Conservation Easement Workshop on November 6, 2004 for Durham County farmland owners. This was a significant event for our board and included a number of topics related to protecting family farms and farmland. The response from those who attended the workshop was very positive and there was an excellent level of continuing interest in pursuing more information on Conservation Easements. Fifty-six people attended the session.

We would like to thank Performance Automotive, Ole NC BBQ, Bahama Ruritan Club, and the Northern High School Cooking Class for providing money and services to the event.

Operating Budget

Our current operating budget is \$3800 per fiscal year. In 2004, the two largest items in the budget have been material and expense related to the Conservation Workshop and buying and maintaining our VAD participant signs. Although in the past we have operated under budget, we would like to see an increase in our budget to \$5000 per year. There are two principal reasons for this request. First, we have a number of signs for VAD participants that are no longer readable due to age and materials used; we need to replace those signs. In addition, we are setting goals to gain more participants in the coming years. Second, building on the success of the easement workshop, we would like to be able to do similar events in the future to continue to generate interest in our cause.

Proposed Farmland Easement Budget

In the next fiscal year, we would like to create a budget in Durham County specifically for preserving farmland. Our initial request is for \$500,000.

VAD Participant Identification in County Offices

A major accomplishment for the year was to get the VAD/participant farms marked on the county maps displayed for public view in county offices. Thanks to the Soil and Water, Office of Deeds, and Tax Office teams for their help in getting this done.

Program goals for coming year

- 1) Increase our VAD participants and acreage by 1000 acres.
- 2) Eliminate Business Personal Property (Farm Equipment) Tax in Durham County.
- 3) Increase the funding for Durham County Easement protection and split the budget for 'Farm' Easements from 'Open Space'.
- 4) Increase the number of farmland conservation easements in Durham County.
- 5) Create incentives that offer benefits to farmers in Durham County so that they can continue to farm profitably.

In order to meet these goals, we will need the full support of the Board of County Commissioners.

County Participation in the Farmland Protection Program

In 2004, we have had tremendous support from the County.

Mary Deitz and Sharon Davis from the Register of Deeds Office
Colleen Suarlett and Richard Morgart from the Tax Office

A very special thanks to Mike Giles and Jane Korest from Open Space & Real Estate Division, Cherri Smith from City/County Planning, and Millie Tilley and Eddie Culberson from Durham Soil & Water. We would not be able to get anything accomplished without their help.

Vice-Chairman Heron complimented the work of the Farmland Protection Advisory Board.

Chairman Reckhow expressed appreciation for a very productive year and looked forward to similarly productive years. She requested that the County Manager bring forward a recommendation on the Farmland Board's budget request. Chairman Reckhow announced that the Commissioners are considering an increase in the pool of resources for farmland protection and open space to give more flexibility; the Commissioners should be able to accommodate the budget request.

Budget Presentation for Nonprofit Agencies Applying for FY 2005-2006 Funding

Chairman Reckhow proceeded with the meeting by stating that the Board would hear presentations from several nonprofit organizations regarding their requests for funding in Budget Year 2005-2006. She welcomed the nonprofit representatives.

Chairman Reckhow asked the representatives to honor the presentation guidelines that were forwarded to nonprofit agencies last week. Speakers were awarded two minutes for comment. She asked that each group limit itself to three speakers.

Chairman Reckhow thanked staff for its compilation of the Nonprofit Budget Request notebook, which included at least one review of each nonprofit request by a County staff person. The total budget requests total \$2.5 million; allocation will be approximately \$1 million. The Commissioners will receive the presentations and incorporate funding priorities into deliberations prior to finalizing next fiscal year's budget.

Chairman Reckhow noted that the information in the notebook did not contain information about whether the nonprofits complied with the County's procedure in terms of submitting an annual audit, etc. She requested that this information be provided to the Board within the next couple of weeks.

The following nonprofit representatives made their budget requests to the Commissioners:

<u>AGENCY</u>	<u>REPRESENTATIVE</u>	<u>AMOUNT REQUESTED</u>
Durham Crisis Response Center	Dewey Morning 206 N. Dillard St. Durham, NC 27701	\$ 50,000
Bell Yeager Community Enrichment Center	David Bell, Shirley Williams, and Valerio Rich 128 E. Cornwallis Rd. Durham, NC 27707	\$186,750

Urban Ministries of Durham	Lloyd Schmeidler and Luther Barrett 410 Liberty Street Durham, NC 27701	\$160,000
Money Wise Durham Coalition	Glyndola Beasley 315 E. Chapel Hill Street Durham, NC 27701	\$ 15,000
Project Graduation Inc.	Dan Milam and Mary Holderness 4900 American Drive Durham, NC 27705	\$ 5,700
Genesis Home	Ryan Fehrman 300 N. Queen Street Durham, NC 27701	\$ 22,500
Child & Parent Support Services	Robert Murphy 3518 Westgate Drive, Suite 100 Durham, NC 27707	\$ 8,800
Senior PHARMAssist	Gina Upchurch 123 Market Street Durham, NC 27701	\$ 90,000
Piedmont Wildlife Center	Bobby Schopler 605-A NC Hwy 54 West Chapel Hill, NC 27516	\$ 20,000
Read Seed Inc.	Adelaide Banks 1415 Holloway Street Durham, NC 27703	\$ 25,000
Piedmont Wildlife Center (Education)	Gail Abrams and Bobby Schopler 605-A NC Hwy 54 West Chapel Hill, NC 27516	\$ 14,250
John Avery Boys & Girls Club	Elaine Hyman, Floyd Laisore, and Lauren Hester 511 Grant Street Durham, NC 27701	\$ 45,000
Operation Breakthrough	Robert Dubose, Matthew Ramadam, and Howard Clement 800 N. Mangum Street Durham, NC 27701	\$178,376
Henderson Grove Outreach Ministries ("REACH")	René Harper and Johnnie Bethea 2806 Page Road Morrisville, NC 27560	\$ 5,000

Durham Public Schools—Middle School Afterschool Program	Sheila Alexander, Victoria Guthrie and Ron Roukema 302 Morris Street Durham, NC 27701	\$ 95,000
Watts School of Nursing	Peggy Baker 3643 N. Roxboro Road Durham, NC 27704	\$ 20,600
KB Career Services Inc.	Will Rogers 1508 Concord Street Durham, NC 27707	\$112,000
Eno River Association	Carol Trost (Executive Director?) Greg Bell 4419 Guess Road Durham, NC 27712	\$ 15,000
NCCU—Senior Aides Program, Title V	Arlene Ridgell 1801 Fayetteville Street Durham, NC 27707	\$ 28,500
Child Care Services Association	Megan Risley and Pamela Stover 2634 Chapel Hill Blvd. Durham, NC 27707	\$ 30,890
First In Families of NC (Life Time Connections)	Polly Medlicott, Betsy MacMichael and Gail Dupre 909 Burch Avenue Durham, NC 27701	\$ 47,805
Bethlehem Temple Apostolic Faith Church	Larry Copeland and Cleophus Brown 600 N. Roxboro Street Durham, NC 27701	\$ 56,520
Planned Parenthood of Central NC	Cari Merlos-Boram and Mitchell Price 820 Broad Street Durham, NC 27705	\$ 55,000
Triangle Radio Reading Service	Linda Ornt and Rob Munro 211 E. Six Forks Road Raleigh, NC 27609	\$ 4,250
Full Frame Documentary Film Festival Doc Arts Inc.	Peg Palmer 212 W. Main Street, Suite 104 Durham, NC 27701	\$ 25,000
Women In Action	Grace Marsh 539 Foster Street Durham, NC 27701	\$ 35,000

Durham Literacy Center Adult Programs	Reginald Hodges, Dominique Davis, Raymond Bernard 1410 W. Chapel Hill Street Durham, NC 27701	\$ 16,000
Durham Literacy Council Teen Career Academy	Lizzie Ellis-Furlong and Tonya Hall 1410 W. Chapel Hill Street Durham, NC 27701	\$ 32,000
Durham Community Land Trustees Healthy Connections	Selina Mack, Elaine Whitworth, and Terrence Sherrod 1204 W. Chapel Hill Street	\$ 50,000
Center for Employment Training (CET)	Tim Moore 807 E. Main Street Durham, NC 27701	\$ 50,000
Duke Health Community Care Duke Community Hospice Services Pediatric Palliative Care	Carol Ann Mullis 4321 Medical Park Drive, Suite 101 Durham, NC 27704	\$ 11,500
Teen Court & Restitution Program	Sabrina Cates and Crystal Winston 212 W. Main Street Durham, NC 27701	\$ 35,000
Big Brothers Big Sisters of Durham and Orange Counties Inc.	Kim Breeden and Josef Woodman 2634 Durham-Chapel Hill Blvd. Suite 208 Durham, NC 27707	\$ 35,000
Coordinating Council for Senior Citizens	Debbie Web Gondola and Bill Anderson 807 South Duke Street Durham, NC 27701	\$250,000
Little River Tutoring Program	Suzanne Mayer, Kate Blake, and Cassandra Soliman 8307 Roxboro Road Bahama, NC 27503	\$ 85,701
Sky Rizer's Family Center	Pastor Howard Harrison 4235 University Drive Durham, NC 27707	\$120,000
Alliance of AIDS Services—Carolina	Laini Echols 324 S. Harrington Street, Suite 101 Raleigh, NC 27603	\$ 10,000
JRuth Inc.	Jhnetta Alston 315 E. Chapel Hill Street Durham, NC 27701	\$ 20,000

Durham Companions Mentoring Program	Gordon McKinney 315 E. Chapel Hill Street, Suite 310 Durham, NC 27701	\$ 6,500
Historic Preservation Society of Durham	John Compton 331 W. Main Street, Suite 210 Durham, NC 27701	\$ 10,000
American Red Cross	Lynn Sherrill 4737 University Drive Durham, NC 27707	\$ 10,000

Commissioner Cheek requested the Bell Yeager Community Enrichment Center to provide the Commissioners a copy of its fund-raising plan.

Chairman Reckhow thanked the nonprofit representatives for presenting their requests. She stated that the Board would try to make wise budget decisions based on the requests.

Tour of Criminal Justice Resource Center

Chairman Reckhow announced that the Board would recess to take a tour of the Criminal Justice Resource Center (12:05 p.m.).

1:10 P.M.

Regional Transportation Development Plan

Chairman Reckhow stated that Durham County's transportation costs, having become expensive and burdensome, must be addressed. She asked County Manager Mike Ruffin to give introductory remarks relative to the development plan.

County Manager Ruffin conveyed that the Triangle County Board Chairs (meetings held monthly) have been exploring with North Carolina Department of Transportation (NCDOT) representatives whether to authorize a study of the three-county community transportation systems to determine if consolidation would create cost efficiencies. Durham County Access, Durham County's community transportation system, is administered through the Cooperative Extension Department and utilizes a fleet of 16 vehicles to provide transportation services to four human service agencies. Durham County's unit cost is significantly higher than Orange County's unit cost; Wake County's unit cost is substantially higher than Durham County's unit cost. An argument exists as to whether the unit costs are correct. A study will be made to determine accurate costs. The methods for providing services are different in each county, which influences the cost and creates the cost variance. Chairmen from the three Triangle counties have agreed to take the question of study participation to their respective boards. The State Department of Transportation would fund the study; therefore, no local costs will be incurred.

County Manager Ruffin's recommendation was that the Board agree in principle to participate in the study and place the question on the April 11, 2005 Consent Agenda for approval.

Sanford Cross, contract employee with the Triangle J Council of Governments, briefed the Board about the reasons for the study, the proposal, and the process. (Durham County was the first county to receive his presentation.)

Chairman Reckhow pointed out that an advisory group comprising community stakeholders would be formed to work with the consultants.

Vice-Chairman Heron asked Mr. Cross to explain the types of services provided by each county. She also requested information about the service providers.

Chairman Reckhow summarized that the consensus of the Board is to agree in principle to study participation and to place the question on the April 11, 2005 consent agenda for approval.

Chairman Reckhow asked County Manager Ruffin to: (1) inform the Board as to whether Wake and Orange County Governments approve the study; and (2) publicize the formation of the advisory committee and membership categories. Any County Commissioner with a strong interest in serving may be appointed to the committee.

Fiscal Year 2005-06 Tax Base

Tax Administrator Kenneth L. Joyner made the following presentation to the Board on the tax base calculation for the upcoming budget year based on findings of the tax valuation working group:

Tax Base Projections

Members of the Tax Base Estimation Workgroup

Kenneth L. Joyner, Tax Administrator
George K. Quick, Finance Officer
Pamela Meyer, Director of Budget & Management Services
Kimberly H. Simpson, Deputy Tax Administrator
Jay V. Miller, Deputy Assessor

What is the Tax Base?

All Taxable Real & Personal Property
All Taxable Registered Motor Vehicles
Public Services Valuations

Ways of Developing the Estimate

Growth Estimation
Historical Estimation
Reliance on both the Growth & Historical

Projections

Fiscal year	Real Property	Personal Property	Public Service Co.	Motor Vehicles	
2005-06	\$16,807,856,693	\$2,320,387,420	\$510,000,000	\$1,542,589,162	PROJECTED
2004-05	\$16,292,200,126	\$2,325,387,420	\$523,810,967	\$1,483,258,810	YEAR-END FINAL TOTALS
2004-05	\$16,291,198,517	\$2,348,593,306	\$525,000,000	\$1,513,936,896	REVISED BUDGET ESTIMATE

Totals

Fiscal year		
2005-06	\$ 21,180,833,275	PROJECTED
2004-05	\$ 20,624,657,323	ACTUAL
2004-05	\$ 20,678,728,719	BUDGETED

How Does the Projection Compare With Our Historical Growth?

	Tax Base from an Historical Perspective					Revaluation year
	Real Property	Personal Property	Public Service Companies	Registered Vehicles	Total Assessed Values	
1992-93	\$6,230,331,197	\$2,164,779,714	\$372,517,432		\$8,767,628,343	
1993-94	\$6,192,396,873	\$1,912,873,686	\$482,598,299	\$879,258,899	\$9,467,127,757	
1994-95	\$7,950,827,706	\$2,137,887,701	\$482,598,298	\$823,568,478	\$11,394,882,183	
1995-96	\$7,888,623,319	\$2,299,807,119	\$489,737,817	\$795,019,831	\$11,473,188,086	
1996-97	\$8,403,453,568	\$1,809,720,184	\$493,043,394	\$933,385,010	\$11,639,602,156	
1997-98	\$8,679,036,560	\$1,954,330,979	\$431,651,479	\$1,189,613,743	\$12,254,632,761	
1998-99	\$8,888,974,990	\$1,974,820,493	\$481,500,851	\$1,203,734,077	\$12,549,030,411	
1999-00	\$9,557,053,142	\$1,961,623,899	\$514,804,670	\$1,231,665,105	\$13,265,146,816	
2000-01	\$10,009,832,306	\$2,039,578,482	\$460,389,522	\$1,416,085,275	\$13,925,885,585	
2001-02	\$14,691,794,947	\$2,335,651,127	\$605,245,298	\$1,456,774,687	\$19,089,466,059	Revaluation year
2002-03	\$15,040,338,854	\$2,381,310,934	\$555,146,419	\$1,497,626,784	\$19,474,422,991	
2003-04	\$15,689,420,685	\$2,363,385,156	\$536,047,683	\$1,484,745,571	\$20,073,599,095	
2004-05	\$16,292,200,126	\$2,325,387,420	\$523,810,967	\$1,483,258,810	\$20,624,657,323	

Real Property from an Historical Perspective	
Fiscal Years	Real Property
1992-93	\$ 6,230,331,197
1993-94	\$ 6,192,396,873
1994-95	\$ 7,950,827,706
1995-96	\$ 7,888,623,319
1996-97	\$ 8,403,453,568
1197-98	\$ 8,679,036,560
1998-99	\$ 8,888,974,990

1999-00	\$	9,557,053,142
2000-01	\$	10,009,832,306
2001-02	\$	14,691,794,947
2002-03	\$	15,040,338,854
2003-04	\$	15,695,954,506
2004-05	\$	16,292,200,126
2005-06	\$	16,872,312,421

Historical Growth Factor for Real Property

	Real Property
1993-94	0.993911347
1994-95	1.283966107
1995-96	0.992176363
1996-97	1.065262369
1997-98	1.032794016
1998-99	1.024189140
1999-00	1.075158064
2000-01	1.047376441
2001-02	1.467736371
2002-03	1.023723712
2003-04	1.032794016
2004-05	1.038419484
Mean Growth Factor	1.033616700
Smallest growth during period	0.992176363
Median growth factor	1.035606750

Comparison of Actual Versus Historical

Actual	\$16,807,856,693
Historical	\$16,872,312,421

What About the Other Tax Base Categories?

Personal Property

Slight reduction this year after two straight years of reductions

Public Service Companies

Valuation Based on Information from NCDOR

Registered Motor Vehicles

After three years of relatively no growth, beginning to see some increases

Mr. Joyner answered questions posed by the Commissioners regarding various aspects of the presentation.

Chairman Reckhow thanked Mr. Joyner for his report.

**Revisions to County's 10-Year Capital Improvements Program (CIP)—
 FY 2006-FY2015**

Chairman Reckhow called on County Manager Mike Ruffin to introduce the two-year update to the 10-Year Capital Improvement Program.

Mr. Ruffin stated that he had met with each of the Commissioners, except Commissioner Cheek (who had been sick), to explain information concerning the 2006-2015 CIP. Staff has undertaken a review of the previously adopted 10-Year CIP for FY 2006-2015, with the following goals:

- Review all project estimates for accuracy and ensure that all costs have been included to bring each project to fruition;
- Consider any new projects that may have surfaced since last revision;
- Revise project scheduling and funding to accommodate the earlier completion of several projects; and
- Revise revenue estimates for property taxes, sale taxes, and other dedicated revenues for the capital finance plan, which supports the CIP.

To assist the Commissioners in their review, County Manager Ruffin provided a summary of important CIP changes in the following PowerPoint presentation:

Durham County 2006-2015 Capital Improvement Program (CIP)

CIP Process

Several layers of review

- Departmental Review
- Engineering Review
- Budget Review
- Manager Review

New & Changed Projects

Proposed CIP:	\$615.6 million
Current CIP	<u>\$542.5 million</u>
Increase	\$ 73.1 million

Why \$73.1 Million?

Timing of Projects

Construction price increases

- Steel
- Gypsum
- Project delays

New Projects

Existing Project Cost Changes

New Justice Center (with parking deck)

Current CIP:	\$79.4 million
Proposed CIP:	<u>\$91.2 million</u>
	\$12.8 million

Human Services Complex

Current CIP:	\$62.2 million
Proposed CIP:	<u>\$78.2 million</u>
	\$16.0 million

Existing Project Cost Changes

Judicial Building Renovation	\$1.4 million
IT Replacement	\$3.2 million
Whitted School Facility	\$.36 million
Animal Control	\$.05 million
Open Space	\$2.9 million
Water Extensions	\$.2 million
Sewer Extensions	\$1.2 million
DTCC Campus Improvements	\$3.0 million
Main Library Renovations	\$.3 million
Museum of Life & Science	\$6.3 million

New Projects

VoIP	\$1.4 million
Detention Center	\$1.5 million
800mhz Radio System	\$5.8 million
CJRC Renovations	\$2.1 million
Rail-Trail Project	\$2.3 million
DTCC Main Campus	\$2.0 million
Contingency	\$4.0 million
911 Center Study	\$0.2 million

Enterprise Fund Project Changes

WWTP Improvements	\$3.1 million
Collection System Rehabilitation	\$1.6 million
Reuse of Wastewater	\$1.0 million

Finance Model

Compilation of all revenue sources needed to fund recommended capital projects

Revenue Sources

Property taxes (County Contribution)

Two one-half cent sales taxes

Occupancy Taxes

Miscellaneous revenue (interest income, leases, American Tobacco deck, General Fund operating savings, etc.)

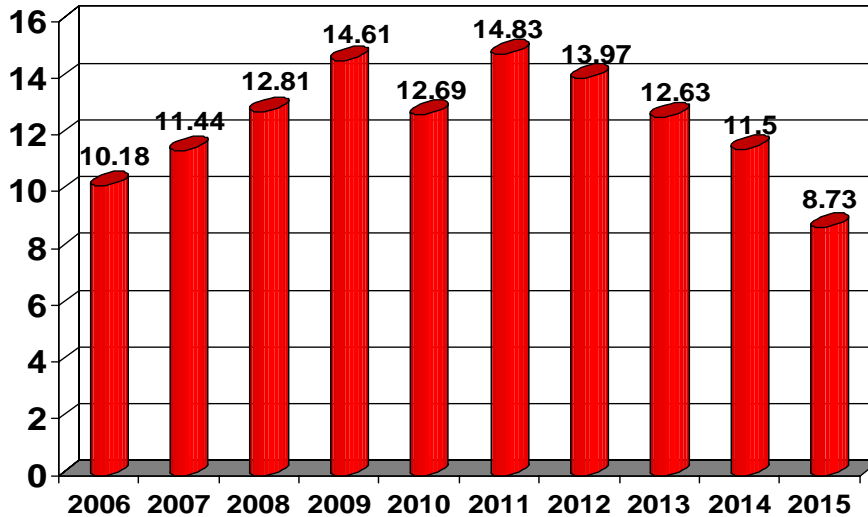
Community Health Trust Fund

Capital Fund Balance Appropriation



Property Tax Needs

■ Total Cents Dedicated to Capital Financing per Fiscal Year



Items for Discussion

Courthouse
Human Services Building
Durham Technical Community College
Museum of Life and Science
Detention Center

Timeline

April 4 Receive Presentation
April ? CIP Worksession
May 2 Regular Worksession
May 9 Adopt CIP

Chairman Reckhow asked Mr. Ruffin to determine whether the new deck (American Tobacco project) scheduled to begin in FY 2005-06 could be delayed one year, given the current schedules and planning; she requested more information about when the project could commence.

Chairman Reckhow urged consideration of attracting an organization in the private sector, possibly a nonprofit or NCCU, which may have interest in the Whitted School building for reuse; this would save the County demolition costs.

Chairman Reckhow encouraged the Sheriff to look at a regional approach/joint venture among Sheriff's Offices and perhaps Police Departments to alleviate the need for a Training Center & Driving Range.

Chairman Reckhow requested that staff consider a non-optimal, short-term solution for fingerprinting since the project is not scheduled until FY 2006-07.

Vice-Chairman Heron suggested the possibility of utilizing grant funds.

In regards to the Timberlake Rail Trail, Chairman Reckhow directed that the Transportation Bill be monitored. The County may know by adoption of the CIP in May whether the earmark is approved, which will reduce the cost by \$1 million. In the out year associated with development, the County may be able to obtain transportation improvement funds and enhancement funds to reduce the costs.

Chairman Reckhow suggested that Durham Public Schools provide projected improvement costs for years 2012-2015; this would make the ten-year CIP more realistic. The plan is not complete since this major component is missing.

Chairman Reckhow questioned whether ground could be broken this year on the South Regional Branch Library; the project should be shifted back at least a year.

Regarding Criminal Justice Resource Center renovations, Chairman Reckhow requested that County Manager Ruffin find out if the square footage on the third floor will accommodate probation and parole.

After discussion, the Commissioners agreed to hold a CIP Worksession on April 18, 9:00 a.m. to 12:00 noon.

County Manager Ruffin informed that he would forward answers to the questions posed by Chairman Reckhow to the Commissioners prior to the April 18 meeting.

Request for Impact Tax and Transfer Tax Legislation

Chairman Reckhow stated that bills have been introduced in the General Assembly to give Orange and Chatham Counties the ability to adopt an Impact Tax Ordinance (H1067) and levy a Transfer Tax (H1062). She asked the County Attorney to brief the Board on the legislation.

County Attorney Chuck Kitchen explained the Impact Tax Ordinance and the Transfer Tax. Impact Tax revenue would be used for school construction only. However, unlike Impact Fees, the construction could involve replacement structures as well as additional structures. The Tax would also be applicable to both residential and commercial development. The Transfer Tax could be used for any purpose. The maximum amount of the tax would be \$1.00 per \$100.00 of value. In Durham County, the amount generated from such a tax would have been \$18,230,491.50 for calendar year 2004.

For Durham County inclusion in one or both of these bills, a member of the County's Legislative Delegation must make the request; the primary sponsors would then have to agree to include Durham County.

County Attorney Kitchen requested that the Board direct staff on how to proceed.

Commissioner Cousin moved, seconded by Vice-Chairman Heron, to suspend the rules to allow the Board to vote on this item.

The motion carried unanimously.

Vice-Chairman Heron moved, seconded by Commissioner Cheek, to ask the Durham Legislative Delegation to include Durham County in Impact Tax Ordinance (H1067) and Transfer Tax (H1062) and to ask our lobbyist for support through his lobbying efforts.

The motion carried unanimously.

Closed Session

Chairman Reckhow commented that several citizens had requested to speak on the closed session item, which is unusual for a worksession. She asked the Commissioners if they would like to hear from the citizens.

The consensus of the Board was to allow citizen comment since the Commissioners would probably take action on the item at today's meeting.

Chairman Reckhow called the following persons forward, stating that two minutes would be allowed per person:

The following citizens beseeched the Commissioners to acquire the Duke Tract for public use, to make the Erwin Area more pedestrian friendly, and to improve access to the New Hope Creek Corridor for people throughout the region:

Randy Pickle, 27 Beverly Drive, Durham

Wade H. Penny Jr., 4105 Pickett Road, Durham

Kevin Brice, Executive Director, Triangle Land Conservancy, 1101 Haynes Street, Raleigh

Jeff Fisher, Erwin Road, Orange County

Wendy Jacobs, 142 Solterra Way, Durham

Deborah Christie, Piney Mountain, Orange County

Hildegard Ryals, Forest at Duke, Pickett Road, Durham

Laura Drey, 1419 Dollar Avenue, Durham

The following speakers opposed the acquisition:

Jim Anderson, 204 Edgewater Circle, Chapel Hill, representing Crosland Inc.

Anita Keith-Foust, 323 W. Trinity Avenue, Durham

Commissioner Page moved, seconded by Commissioner Cheek, to adjourn to Closed Session to instruct staff concerning the position to be taken on the terms of possible acquisition of property known as the Preserve at Erwin Trace (PIN # 0801-03-12-7186, owned by Duke University) and to consider the initial appointment of a public officer pursuant to G.S. § 143-318.11(a)(5) & (6).

The motion carried unanimously.

The Commissioners adjourned to closed session.

Reconvene Into Open Session

Vice-Chairman Heron moved, seconded by Commissioner Cousin, to authorize the purchase of the Erwin Trace Property for the sum of \$1,500,000 from Duke University. The purchase is contingent on contributions from the City of Durham in the amount of \$75,000, the Town of Chapel Hill in the amount of \$100,000, and the County of Orange in the amount of \$200,000. The purchase is further contingent on the County of Orange agreeing to the conditions contained in the "Orange County Position Statement on Participation in Joint New Hope Open Space Project" as amended by the County of Durham on this date. All commitments must be made and notice transmitted to Durham County by 12:00 noon on Friday, April 8.

Chairman Reckhow requested that County Attorney Chuck Kitchen read the amended conditions on Orange County's Position Statement.

The position statement and changes follow:

Orange County Position Statement on
Participation in Joint New Hope Open Space Project
March 31, 2005 (revised 4/4/05)

In keeping with Orange County's interest in the protection of the New Hope Creek corridor, and the concept of a New Hope Creek trail connecting Orange and Durham, Orange County has agreed to participate in a proposed joint initiative to acquire lands owned by Duke University (and other parties) by taking the following actions:

1. Contributing ~~\$125,000~~ **\$200,000** over three years toward the proposed joint acquisition of the 43-acre tract owned by Duke University and located in both Durham and Orange Counties, with the following conditions:

- a. That Orange County, either independently or in conjunction with the Town of Chapel Hill, hold title to the approximately 11 acres of the subject property in Orange County
 - b. That the partner jurisdictions agree to discuss and execute at a future date an inter-local agreement governing the uses and responsibilities of the property
 - c. That the property be publicly-accessible and used for low-impact recreation only (as a "New Hope Preserve")
 - d. ~~Orange County will participate on a 50%-50% basis with Durham County in the construction, operation, and maintenance of trails to be constructed on the 11 acres of the property located in Orange County, consistent with a future adopted master plan for the site.~~ **Orange County will pay for all costs of construction, operation, and maintenance of trails or other amenities located in Orange County. Durham County will pay for all costs of construction, operation, and maintenance of trails or other amenities located in Durham County.**
 - e. That, in conjunction with the participation in the joint acquisition of the 43-acre tract, Orange County will accept an assignment from Triangle Land Conservancy (TLC) of the option TLC holds on 25 acres of land owned by Wade and Carolyn Penny and abutting New Hope Creek in Orange County. Orange County is willing to accept responsibility for remaining funds needed to accomplish this purchase. The County appreciates the efforts of TLC and the Pennys to help complete this part of the New Hope corridor, which has long been identified as an important component of the New Hope plan. Orange County looks forward to continuing to work with TLC on collaborative projects along the Orange County portion of the New Hope Creek corridor.
 - f. The County is also willing to accept the proposed conservation easement from the Penny's for the remainder of their property located in Orange County
 - g. **The first \$500,000 of any governmental grant received for the purchase of the subject property shall be used to offset Durham County's contribution to the purchase of the property. Any governmental grant funds received over and above \$500,000 for the purchase of the subject property shall be used to offset the contributions of all the participating governments on a pro rata basis based on the total amount of the unreimbursed contribution of each government.**
2. Orange County's participation in the New Hope Creek corridor is not limited to the 43-acre property mentioned above. It has offered to purchase, and Duke University has agreed to sell, an adjoining 8-acre parcel (known informally as the Hollow Rock access) owned by Duke within Orange County for a purchase price of \$72,000. This land is located adjacent to the subject property above and is west of Pickett Road at its intersection with Erwin Road. In so doing, the County continues a series of collaborative efforts with Duke over the past several years to work together on conservation and open space projects. Orange County remains extremely appreciative of Duke's willingness to work with Orange County on matters of common interest, and commends Duke for its cooperative spirit in helping to preserve open space.

3. Furthermore, Orange County is appreciative of the role played by Durham County in this project to date, which continues a collaboration of the two bodies that includes previous partnership on the award-winning Little River Regional Park project. The County also notes the role played by citizens and the Erwin Road Neighborhood Group (EANG), which has announced plans to raise \$200,000 toward the project, for their assistance in heightening awareness and funding potential for the project.

By way of background, Orange County was a participant in the New Hope Corridor Open Space Master Plan in the early 1990s, and incorporated the New Hope Master Plan into the County's Comprehensive Plan in 1992. In more recent years, the County's Lands Legacy Program, created in 2000, identified the New Hope Creek corridor as a priority area for open space acquisition, and the Lands Legacy Action Plan includes planned acquisitions along the creek corridor.

Working with Triangle Land Conservancy, Orange County currently holds an easement on 1.7 acres where Erwin Road crosses over New Hope Creek, and owns outright one-acre where the New Hope crosses into Durham County. Negotiation for acquisition of additional lands in between these two points along the New Hope corridor was underway prior to the Erwin Trace subdivision approval and subsequent proposed joint inter-local initiative, including the aforementioned tentative acquisition of 8 acres from Duke.

Although acquisition of all of the lands in the planned Preserve at Erwin Trace were not specifically called for in the New Hope Master Plan, Orange County recognizes in agreeing to participate in the joint project that the subject property is complementary to the New Hope Corridor and that the opportunity for expansion of the open space holdings in this area offers many potential benefits to the citizens of all jurisdictions.

Orange County remains committed to the principles and goals of the New Hope Corridor Master Plan, and will continue with plans for acquisitions in the corridor between Erwin Road and the Durham County line that are planned or already underway. **The planned acquisitions outlined above would alone result in a commitment by Orange County of over \$200,000 toward land protection in the New Hope corridor.**

Commissioner Cheek informed that he was unable to support the motion. In his opinion, the proposal comprises more than preservation of open space. He feels that the County has higher priorities regarding open space that should take precedence over Erwin Trace.

Chairman Reckhow made the following statement: "In early December 2004, Durham County exercised a 120-day option on the Erwin Trace tract to consider the feasibility and desirability of acquiring the property as a regional park. During this short time, Durham County has worked actively to gauge the interest of the three neighboring jurisdictions and seek funding commitments, a very difficult task in a limited period. Durham County put forward a funding scenario that we felt we could live with. It called for participation of other local partners ranging from \$100,000 from Chapel Hill and the City of Durham, to \$200,000 from Orange County. In addition, the plan was predicated on the use of state tax credits with

Crosland, something Crosland had initially agreed to. Unfortunately, Orange County did not meet their target and Crosland informed us a few weeks ago that they were not willing to partner on tax credits any longer. This has created a situation where the financial burden for Durham County for this initiative is too great. As a result, we are requesting full participation as we had originally outlined from all of our stakeholders in order for this project to move forward.”

Chairman Reckhow commended members of the Erwin Area Neighborhood Group and citizens across Durham County for their passion in preserving open space and their willingness to work through this issue and raise money. She also commended the Triangle Land Conservancy for stepping up with an outright contribution and for its willingness to partner with Durham County and help raise money. Chairman Reckhow thanked Duke University for its flexibility in working with Durham County in terms of the payment plan.

Chairman Reckhow called for the question.

The motion carried with the following vote:

Ayes: Cousin, Heron, and Reckhow

Noes: Cheek and Page

Vice-Chairman Heron added to Chairman Reckhow’s comments by stating that equal organization and public participation was displayed during establishment of the Eno River Association as was displayed during this process. “Conservation of this land will be a great accomplishment!”

Adjournment

There being no further business, Chairman Reckhow adjourned the meeting at 4:22 p.m.

Respectfully submitted,

Vonda C. Sessoms
Interim Clerk to the Board