



Carousel Event Center

Minutes of the Special Meeting Burlington City Council – Legislative Breakfast

1368 S. Main Street, Burlington, NC
9:00am - Monday, February 6, 2023

Mayor Jim Butler presided.

Council Members Present:

Mayor Jim Butler
Mayor Pro Tem Harold Owen
Council Member Robert Ward
Council Member Kathy Hykes

Council Members Absent: Council Member Ronnie Wall

Burlington's State and Federal Delegation Present:

Senator Amy Galey, Representative Dennis Riddell, Representative Stephen Ross
Office of Senator Thom Tillis, represented by Stephanie Blair, Regional Representative
Office of Senator Ted Budd, represented by Sam Shumate, Outreach Director
Office of Congresswoman Valerie Foushee, NC 4th, represented by Salima Thomas, District Director and Seth Washington, Scheduler

City Staff Present:

City Manager, Craig Honeycutt
City Attorney, David Huffman
City Clerk, Beverly Smith

Jessica Arias, Alan Balog, Scott Bibler, Sharisse Fuller, Isabella De La Garza, Casey Gural, Rachel Kelly, Nolan Kirkman, Jamie Lawson, Todd Lambert, Morgan Lasater, Tony Laws, Brian Long, Jay Mebane, Mike Nunn, Bob Patterson, Paige Shepard, Gary Smith, and John Vernon

Media Present: Alamance News, Tomas Murawski

Call to Order

Mayor Butler called the meeting to order at 9:01am.

Welcome & Introductions

Mayor Butler welcomed and thanked the delegation for their attendance. Everyone in attendance gave introductions. Following introductions Mayor Butler shared a summary of the agenda for the meeting.

Topics of Discussion

Mayor Butler led the discussion of the following top priorities with additional support and brief presentations from City staff on relevant subject matters.

State-Supported Project Update State Supported Projects

City Manager Craig Honeycutt provided an update on the status of each of the following state supported projects currently in progress in Burlington, highlighting the following key projects;

- **Downtown Utility Replacements** -- \$10,000,000
- **Economic Development Site Readiness:**
 - Site #2 Sewer Outfall Line -- \$1,200,000
 - Site #3 Sewer Outfall Line -- \$837,000
 - Site #3 Water Main Extension -- \$1,084,000
 - Site #12 Sewer Outfall Line -- \$2,750,000
- **Co-Located 911 Center** -- \$15,000,000 (to Alamance County)

Mr. Honeycutt provided anticipated dates of completion of the projects where funding was allocated to the City of Burlington and the City's interest in funding to Alamance County for the Co-Located 911 Center.

Senator Galey asked for insight on the lengthy amount of time it's taking to implement the co-located 911 center and expending those funds allocated by the state in 2021 budget.

Mr. Honeycutt responded Alamance County is the lead agency for the Co-Located 911 Center project in which those state funds were allocated and recently provided some cost data for the City to review. He explained the city does have interest in this project and hopes to continue communications with Alamance County throughout the process.

State Legislative Priorities

Tarheel Army Missile Plant – Western Electric

Mayor Butler provided an update on the status of this 760,000 SF, 22-acre vacant former Tarheel Army Missile Plant / Western Electric. This location once employed 4000+ at the height of the Cold War in the 1960's and is a symbol of Burlington's post-war growth in professional and technical occupations outside of textiles. He explained how the remediation and redevelopment of the property are a high priority for City Council and based on discussions over the years, understands the community has a strong interest in seeing action on this property. He shared the property is amid a federal CERCLA cleanup overseen by NCDEQ and undertaken by the US Army Environmental Command, the responsible party for the contamination on-site. Our understanding is that full remediation remains several years away, something that frustrates City leadership and community members alike. He reported the City has looked at various options for redevelopment, the qualifications required to be considered a Brownfield project, the enormous expense to safely demolish what's currently on the site, and anticipation of plans coming from the US Army on their cleanup efforts.

Mr. Honeycutt read an email recently received by Economic Development Director Peter Bishop, from the US Army Environmental Command on proposed plans for a feasibility study and a planned meeting with NCDEQ on project discussion by March of this year.

City Council members and the delegates discussed the complexities of the site, enormous expenses on the owner of the property related to the site development, and common interest in seeing this site in east Burlington developed in the near future.

Homelessness and Affordable Housing

Mayor Butler explained the City's interest in exploring and establishing new resources, programs or laws that support municipalities in handling unsheltered populations, mental health, and emergency housing.

Community Engagement Manager Morgan Lasater and Police Chief Brian Long shared examples of challenges in meeting the needs for mental health and substance abuse support for some of these individuals, the success of the cleanup efforts by the City's newly established Downtown Enhancement Team, the importance of their presence in downtown Burlington area, and reiterated challenges in finding the resources needed for the unsheltered population.

District Director, Salima Thomas, inquired about the City's investment, strategies leveraged with housing authorities, and any funding provided to affordable housing either through partnerships or county support.

Mayor Butler responded to the City's plans for the creation of a new HOME consortium, the partnerships in place with other agencies including strong relationships with the Burlington Housing Authority. He noted Patrick Mills, board member representing the Burlington Housing Authority, was present at this meeting with interest in funding opportunities. He shared some proposed projects including a multifamily housing project off Forestdale, recently approved project coming to Burlington by Good Homes involving studio apartments in a former hotel off Maple Avenue, and the importance of leveraging funds for sustainable projects.

Assistant City Manager, Development Services, Nolan Kirkman and Planning Director Jamie Lawson provided feedback on development and work with nonprofits addressing affordable housing, minimal housing efforts, and the importance of HOME funds as well as the communication in progress with grant funding.

Economic Development Tools

Mayor Butler introduced the discussion and importance of leveraging funds for economic development incentives for local site development, expansion of incentives for local development funding, NC Commerce Building Reuse Grant funding, and funding targeting economic development activities in low-to-moderate income areas.

City Manager Craig Honeycutt noted this is a direct ask of the delegation to increase the building reuse grant funding to \$20 million and the City's receipt of six building reuse grants over the last four years which has totaled 206 new jobs and \$13 million in investments in formally vacant buildings in the Burlington community.

Economic Development Site Readiness

Mr. Honeycutt discussed the importance of site readiness and explained why Burlington seeks funding sources to identify and prepare large land tracts for further industrial development. This request is in addition to the already funded and programmed mega site funding and identification, to support smaller sites that can capture medium-sized investments and suppliers to other regional mega sites.

Regional Representative Stephanie Blair recommended federal US EDA Economic Adjustment Assistance Grant for land use study. She shared an example of a project recently approved in Greensboro and encouraged city staff to reach out to her should the city apply for any grant funding opportunities for additional support.

City Occupancy Tax

Mayor Butler shared a brief update on the City's local permission to increase the local tax by 3% directly to the municipality in line with other communities along I-85 corridor to help fund tourism-related improvements in Burlington. There is a willingness to work cooperatively with other Alamance County cities, but the city would like to establish a separate TDA to ensure funding that aligns with city goals and priorities. He shared a brief update on major improvement projects currently underway that support tourism including the Burlington Athletic Stadium entertainment venue that will provide year-round use and expansion of the Paramount Theater for year-round uses. He explained the Paramount Theater expansion provides a multi-level facility with additional space for programming and a rooftop entertainment venue to draw areas beyond theater, such as, music, comedy, and various other entertainment opportunities. He noted the value of these projects and how occupancy tax can help further support and help promote these endeavors.

Manager Honeycutt included the additional synthetic soccer fields projects at Springwood Park and installation of pickleball courts that will offer the opportunity for more tournaments in the city which would support the use of hotels which currently Burlington has 58% of all hotel rooms within Alamance County.

Mayor Butler reiterated Burlington's interest in being involved in the opportunity to have dialogue and communications pertaining to the occupancy tax for any future conversations.

Senator Galey inquired if the city has a representative in the TDA.

Mr. Laws responded Burlington does not currently have a representative assigned and Craig Turner with Alamance County is working on the inclusion of a city representative from all municipalities including Burlington.

Senator Galey recalled a past meeting involving occupancy tax discussions and the need for additional meetings to find a solution that everyone can agree with that recognizes multijurisdictional involvement when visitors are in the area for tournaments that involve overnight stays in various locations in Alamance County.

PFAS Regulation

Water Resources Director Bob Patterson reported on the City's efforts to address PFAS levels since summer 2019 when NCDEQ asked wastewater treatment plants to implement PFAS testing. He briefly explained what PFAS chemicals can be found in such as flame-retardant materials, nonstick cookware, rain repellants, stain resistant fabrics, cosmetics, and prevalence in a volume of products used in everyday life. He addressed how these chemicals have been found in some hot spots in surface waters and testing requirements for drinking sources Burlington. He explained research that led to findings of high levels of PFAS in the Haw River, and a letter received of intent to sue by local environmental group Haw River Assembly presented by the Southern Environmental Law Center that suggested the City's treatment plants were not in compliance with permits due to the PFAS. He explained there were unregulated chemicals that had no permit requirements and there were no violations of the City's permits, but the City did enter into an agreement to conduct comprehensive studies even though they were unprecedented. He reported through extensive studies any discharges found typically via larger textiles mills are being addressed. He explained the concerns and challenges nationally in the US EPA's recent announcement of adjustments to the allowable PFAS in water and sewer systems and how Burlington supports consistency in regulation and application at the State and Federal level. He noted

the City meets the regulatory requirements and continues monitoring and exploring treatment plant upgrades to address any concerns. He asked delegates through the legislative process to support CERCLA Hazardous Waste exemptions relating to PFAS to utilities for those biosolids that have been legally disposed through the years so the

substantial costs associated with those issues do not fall on the municipalities and their citizens. He asked for fairness and consistency across the area and region as it relates to economic development advantages as well when these rules are applied. He reported the City has spent \$150,000 in testing and \$150-\$200,000 for consulting engineers. He reported continuous testing costs associated with these types of forever chemicals would need to be considered for all areas that are up and down stream of one another and shares some examples of those paid out by Cape Fear and Pittsboro.

Mayor Butler commented on the City's response to stay ahead of this and voluntary compliance. He stated this remains a constant priority for the City of Burlington and its community, and will continue operating under the guidance received to meet the standards.

Delegates and staff discussed the anticipated costs associated with the best treatment techniques and funding sources needed for ongoing monitoring and maintenance.

Increase Transportation Funding

Mayor Butler acknowledged the success of Link Transit and accomplishments of a fixed route system in Burlington and welcomed director of Transportation Mike Nunn to report.

Mr. Nunn reported in the last seven years since Link Transit was established the City has exceeded the projections currently operating five routes six days a week which has been a big boost to the local community college, medical center, and overall employment. He reported two electric buses were recently purchased arriving in June 2023. He pointed out the importance of NCDOT SPOT prioritization system and the City supports more annual funding of SPOT projects as well as modifications that provide points for economic development-related projects, high priority local or regional projects and more Powell Bill funds.

Mayor Butler reiterated the importance of funding for public transit and the consistency in looking for any funding methods that can help Burlington meet the transportation needs of the community and the regional provider we aim to be to meet these services needs for the neighboring communities of Burlington.

Senator Galey requested data on the number of riders per route and costs associated annually.

Mr. Nunn will provide the requested data to Senator Galey.

Municipal Annexation

Mayor Butler explained the proliferation of local bills restricting municipal annexation paints a troubling picture for growing cities like Burlington that are interested in continuing to extend water and sewer services and thereby expanding city limits. He realizes some areas in the past have abused the benefit of having annexations and noted Burlington has always had a lot of forethought and at times were cleaned up as the result of some holes created in locations such as the University Drive area.

ACM, Nolan Kirkman and Planning Director Jamie Lawson discussed how restricting municipal expansion by circumventing traditional annexation petitions tied to water and sewer service, as evidenced in these local acts, further stifles logical and orderly growth opportunities for municipalities.

Furthermore, it undervalues the significant investments that municipalities have made in their utility infrastructure and disincentives municipalities to offer such extensions and connections to their systems.

Burlington-Alamance Airport Master Plan Development

Mayor Butler discussed the importance of the airport to Burlington and the region and serves as a critical piece especially with the economic development and mega site growth in the area.

Mr. Honeycutt concurred and shared potential expansion plans at the airport including ramp, apron, hangar, and terminal spaces with a recent purchase of 60+ acres of land for new operations. He reported the airport is a huge economic development driver to the community and any additional funding is needed to realize this growth potential for business and general aviation.

City-Wide Greenway

Mr. Nunn reported on the city-wide greenway plan adopted by City Council and continue to strive for walkability/bicycling improvements which are a priority throughout the City. Whether through additional NCDOT funding, more competitive recreation grant structures or direct appropriations, the city is seeking additional support for trails, sidewalks, and bike paths. He noted the City has a comprehensive plan in place and are working with developers on requirements in their development plans to put those sections of greenways in when building near those spots.

Ms. Blair inquired if the city has any events planned or put in place for the North Carolina “Year of the Trail”.

Mr. Laws responded the Recreation and Parks Department is participating and has planned at least one event per month during the “Year of the Trail”.

Broadband Improvements

Mayor Butler explained broadband has been a priority for many years to help underserved areas within municipalities. He introduced Information Technology Scott Bibler to report on proposed projects.

Mr. Bibler shared the city’s engagement in 2016 with the Tri-Gig Initiative partnering with Greensboro, High Point, and Guilford County, Duke University, A&T University, and UNC Greensboro, to build out fiber into underserved areas and those that needed more affordability. He reported North State Communications won the RFP and began work in Guilford County building out from Greensboro to Burlington and connectivity for these areas should be in place soon with the help of the GREAT grant. He asked for additional support of grant funding that would include municipalities along with the county funding to fill the holes left by current rural-focused policies.

FY23-23 - City Revenue Outlook

City Manager Honeycutt reported on the consistency of the property tax collection rate for the City of Burlington at 95% and is cautiously optimistic on sales tax collection rates realizing some predictions of recession in FY23-24. He reported the water/sewer collection rates are consistent. He commented on the revaluation on the tax base which went up to around 70%, the city’s increased costs associated with personnel, fire department pay studies, and part time pay studies necessary to pay competitive wages which apply long term costs increases to the city that will need to be addressed to recommend an upcoming budget. He noted the City is in good financial shape and expressed appreciation to the Finance Department for the consistency in monitoring the financial needs of the city. He reiterated the cost of inflation and growth will need to be considered in future budgeting plans.

Direct Allocation Opportunities For Local Impact – Partnerships

Mayor Butler briefly explained the following projects and associated costs where any additional funding opportunities would be of significant benefit and impact the community for projects that have additional partnerships.

- Site #2 Roadway Improvements to NC62/Anthony Road, Anthony Road slope correction, Anthony turn lanes [\$2M]
- Western Recreation Center – Partnership/50% Shared Cost with City [\$10M share]
- Site #3 Roadway Improvements: Primary Access (Airpark/Miretta connection, Anthony/Airpark Lanes), Secondary Access (Frank Holt Jr. Dri. Extension to Whites Kennel) [\$3M]
- Site #12 Roadway Improvements: Primary Access (NC61 to Elmdale) [\$3M]
- Paramount Theater Expansion Project for Downtown Area – Partnership/50% Shared Cost with City [3.5M share]
- Tucker Street Interchange – Partnership/50% Shared Cost with City to Support Economic Development Areas [\$8M share]
- Burlington-Alamance Regional Airport – Direct funding to support the development of a new terminal and airport operations area to further expand offerings and respond to a jump in operations, activity and based aircraft [\$40M]
- Dedicated funds specific to the cleanup and redevelopment of the Tarheel Army Missile Plant (TAMP) locally referred to as Western Electric [\$10M]

Opportunities Eligible for Federal Community Project Funding

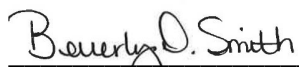
Police Chief Brian Long provided an overview of the purpose and need for funding support for the Commerce, Justice, Science Appropriations (CJS), COPS Law Enforcement Technology CAD/RMS Multi-Jurisdictional Migration (estimated \$5M).

ACM, Rachel Kelly explained the following federal projects were determined as eligible for Federal Community Project Funding (earmarks) with the top priorities for Burlington in the bold print. She noted the CAD/RMS project would be community wide benefit.

- Interior Appropriations Bill – EPA State and Tribal Assistance Grant (STAG)
- Transportation – HUD Appropriations Economic Development Initiative (EDI)
- **CAD/ RMS Migration [\$3.1 - \$5M for multi-jurisdictional conversion]**
- **Downtown Streetscape Projects – Partnership/50% Shared Cost with City [\$3.5M share]**
- **Springwood-Davidson Greenway [\$1.5M]**
- E Webb Ave (HWY 100) – 1 mile of 8” and 12” diameter water line replacement [\$2.6M]
- W Webb Ave (HWY 100) – 0.7 miles of 12” diameter water line replacement [\$1.3M]

Adjourn

Mayor Butler expressed appreciation for those in attendance, the platform to share the City’s priorities and challenges, and noted the City’s commitment to being good stewards of taxpayer dollars. The meeting adjourned at 11:06am.



Beverly D. Smith, CMC, NCCMC, City Clerk

February 6, 2023, Special Meeting