

**DURHAM CITY COUNCIL WORK SESSION
THURSDAY, OCTOBER 6, 2022 @ 1 PM
IN-PERSON & VIRTUAL MEETING**

The Durham City Council held an in-person and virtual Work Session on the above date and time in the City Hall Council Chamber, 101 City Hall Plaza in Durham, North Carolina with the following members present: Mayor Elaine O'Neal, Mayor Pro Tempore Mark-Anthony Middleton and Council Members Javiera Caballero, DeDreana Freeman, Monique Holsey-Hyman, Jillian Johnson and Leonardo Williams. Absent: None.

Also present: City Manager Wanda Page, Deputy City Attorney Fred Lamar and City Clerk Diana Schreiber.

[CALL TO ORDER]

Due to technical difficulties with the virtual meeting, the Work Session was called to order by Mayor O'Neal at 1:07 p.m.

[ANNOUNCEMENTS BY COUNCIL]

Mayor O'Neal called for announcements.

Council Member Caballero appreciated Durham County staff involved with hosting the Durham County Farm Tour that focused on urban farming; and announced the Durham Cross Country Championships and alerted Council she may have to leave early to attend the meet.

Mayor Pro Tempore Middleton celebrated Durham's participation in the Mayors' for Guaranteed Income Pilot and indicated the national recidivism rate of justice-involved individuals was approximately 30% and locally, the individuals in the local pilot had a zero recidivism rate.

Assistant to the Mayor Amber Wade and StepUp Durham were recognized for their efforts in the pilot.

Council Member Johnson announced a proposed resolution in support of graduate student workers at Duke University who desired to form a workers' union. The union was expected to be organized in order to enter into a collective bargaining arrangement with Duke University.

It was the consensus of the Council to bring the resolution forward at the next work session.

Council Member Holsey-Hyman announced October was economic education month and advocated for programs to enhance the economic welfare of Durham residents; and expressed condolences to the family of her friend and mentor Dr. Pamela Denning. The late Dr. Denning was a social work professional with over 35 years in field of social work in the Triangle.

Council Member Williams arrived at the meeting at 1:08 p.m.

Council Member Williams reiterated that October was economic education month and announced the Durham Bulls recently won an international championship and were celebrating their success.

[PRIORITY ITEMS OF THE CITY MANAGER, CITY ATTORNEY AND CITY CLERK]

City Manager Page made brief announcements:

- Spectrum Channel 8, was not available today; the streaming issue was being resolved and viewers could watch the Work Session on Frontier, ATT Uverse and the City's YouTube Channel and website.
- Acknowledged the collaboration involved with preparing and responding to weather associated with Hurricane Ian by employees in various city departments and with Duke Energy.
- Spoke in commemoration of and offered condolences to the late Frankie Jones, a dedicated employee of the Solid Waste Department.

City Manager Page requested the following under Priority Items:

- 19) US Department of Housing and Urban Development Fair Housing Cooperative Agreement FY2023. Made a request to suspend the rules in order to vote on the item.
- 10) Participatory Budgeting (PB) Durham Cycle III. PowerPoint presentation item.
- 24) Presentation and Ordinance to Create a Social District. Background added.
- 26) Former Wheels Skating Center Assessment and Probable Opinion of Cost. Presentation would occur at 3 pm.
- 32) Affordable Housing Deep Dive Presentation from Dataworks NC. Supplemental Item added.
- 33) Repayment of Neighborhood Stabilization Program 3 Funds (Neighborhood Stabilization Program Grant Number 11-N-2189) to North Carolina Department of Commerce. Supplemental Item added.

Mayor Pro Tempore Middleton began presiding over the meeting at 1:22 pm.

The City Attorney and City Clerk Offices had no priority items.

Mayor Pro Tempore Middleton read the agenda items off the printed agenda. The following items were pulled for further discussion: Items 9, 11, 12, 14 and 33.

Prior to the pulled items being discussed, Council attended to the City Manager's Priority Item (Item 19).

**SUBJECT: US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FAIR HOUSING COOPERATIVE AGREEMENT FY 2023 (ITEM
19/ PR 15755)**

MOTION by Council Member Caballero, seconded by Council Member Williams, to suspend the rules in order to vote was approved at 1:27 p.m. by the following vote: Ayes: Mayor O'Neal, Mayor Pro Tempore Middleton and Council Members Caballero, Freeman, Holsey-Hyman, Johnson and Williams. Noes: None. Absent: None.

MOTION by Mayor O'Neal, seconded by Council Member Caballero, to authorize the City Manager to execute the grant award document to accept funding from the US Department of HUD in the amount of \$95,900 for the continuation of the City's Fair Housing Program; and

To adopt the City of Durham Grant Project Ordinance was approved at 1:28 p.m. by the following vote: Ayes: Mayor O'Neal, Mayor Pro Tempore Middleton and Council Members Caballero, Freeman, Holsey-Hyman, Johnson and Williams. Noes: None. Absent: None.

Following the vote on Item 19, Mayor O'Neal began presiding over the meeting.

[ITEMS PULLED FROM THE AGENDA]

**SUBJECT: REQUEST TO CARRYOVER FUNDING FROM FISCAL YEAR
2021-22 TO FISCAL YEAR 2022-23, AMEND FISCAL YEAR
2022-23 BUDGET, OTHER GRANT PROJECT ORDINANCES
AND INTERNAL SERVICE FUND SPENDING PLANS (ITEM 9/
PR 15743)**

Christina Riordan, Deputy Budget and Management Director, provided the staff report.

Council Member Freeman inquired about the emergency watershed protection restoration project grant and how far was the city away from completion.

Assistant Director Riordan noted that there was a revision to the grant project ordinance and that additional information could be requested from staff about the status of the restoration project.

**SUBJECT: ARPA PROJECT – DURHAM: THE CITY OF BOOKS (ITEM 11/
PR 15745)**

Council Member Caballero requested more info on the ARPA Process and acknowledged that this project was the first ARPA project to be awarded funding.

Deputy City Manager Bertha Johnson updated Council on the process; spoke to challenges related to the institution of the final ARPA rules; and noted that Council approved each applicant receive 70% of their funding requests, this in turn, required the organizations to re-scope their proposals.

**SUBJECT: INTERLOCAL AGREEMENT FOR PROCUREMENT OF BUSES,
BUS EQUIPMENT AND PARTS (ITEM 12/ PR 15736)**

Deputy City Manager Keith Chadwell provided the staff report.

Council Member Freeman inquired about the interlocal agreement and was there a way to on-ramp the City's supply diversity priorities in the agreement.

Deputy Manager Chadwell noted that the interlocal agreement involved procurements utilizing a bidding process instead of issuing a RFP (Request for Proposal).

**SUBJECT: AMENDMENT #1 TO CONTRACT 18648 WITH EMA
RESOURCES INC FOR HANDLING AND DISPOSAL OF WATER
AND WASTEWATER TREATMENT PLANT RESIDUALS AND
BIOSOLIDS (ITEM 14/PR 15733)**

Council Member Freeman inquired about an item being pulled out of the contract by staff as per the memo.

Donald Greeley, Director of Water Management, provided the staff report and responded to questions related to the memo and its contract.

Director Greeley explained that at the beginning of the bidding of the contract, \$1 million was pulled out of the contract with the intent to bid out at a future date. Later, his staff re-negotiated a price with the contractor to include the increased cost of materials.

**SUBJECT: REPAYMENT OF NEIGHBORHOOD STABILIZATION PROGRAM
3 FUNDS (NEIGHBORHOOD STABILIZATION PROGRAM
GRANT NUMBER 11-N-2189) TO NORTH CAROLINA
DEPARTMENT OF COMMERCE (ITEM 33/ PR 15768)**

Mayor Pro Tempore Middleton welcomed Department of Community Development's Director Reginald Johnson and recognized the amount of work

accomplished by the Community Development staff; and inquired about the rationale about giving monies back to the NC Department of Commerce.

Director Johnson explained there was a mismatch between the project and its funding; with the funding, the lots were purchased, demolished and then reset. After the lots were reset, the lots were then sold to market rate buyers. The funds were used for what they could be used for and sent back the funds that did not match the funding criteria/program goals.

Council Member Freeman inquired about the number of units at market rate units versus affordable ones. It was confirmed 26 of the 48 total houses were sold to moderate income buyers.

Council Member Johnson asked for the rationale involved in Community Development not devising a process that would allowed the city to utilize all of the project's funds.

Director Johnson provided the background of the project noting that the project came first and the state funding came later. When this occurred the city accepted too much funding, too quickly. He also confirmed that certain elements of the project did not qualify for funding and therefore had to be returned.

[PRESENTATIONS]

Taking the prerogative of the Chair, Mayor O'Neal announced Item 24, Social District item to be next on the agenda.

SUBJECT: PRESENTATION AND ORDINANCE TO CREATE A SOCIAL DISTRICT (ITEM 24/ PR 15769)

Mayor O'Neal announced there were speakers to the item. The following individuals spoke in support of Social Districts. There were no speakers in opposition.

- Senator Mike Woodard
- Roberto Copa Matos
- Brianna Brake
- Amos Cooper
- Karen Casey
- Adair Mueller (59:20:00 Point in video where audio recording can be heard.)
- Megan Cain
- Jes Averhart
- Chan Little
- Nish LeBlanc
- Sean Umstead
- Cecilia de Davis

Damin Moore
Chris Creech
Susan Amey
Rashanda Mason
Fasil Tesfaye
Diane Currier

Wade Walcutt, Director of Parks and Recreation, made a PowerPoint presentation titled, *Social Districts*.

The presentation contained the following:

Purpose of Social Districts

- Defined outdoor space defined where customers can enjoy alcoholic beverages
- Opt-in district

Social District Signage & Cups standards (according to state law), Designee, Outreach including Enforcement

Proposal

- Develop, implement marketing, education and communication plan for public and businesses
- DDI to be Social District Designee
- Proposed times: Monday thru Sunday, 11 am to 10 pm
- Maintain litter standards and responsibilities within BID and Social District

Technical difficulties impacted the audio of the meeting.

Mayor O'Neal requested her colleagues' feedback on the item.

Council Member Freeman appreciated the public's feedback and inquired with staff about the applicability of social districts at convenience stores outside of Downtown and how would the enforcement mechanism work.

It was confirmed that city ordinances would apply to persons who were outside of the social district.

Council Member Caballero spoke in support of social districts and urged expanding the conversation to include all of Durham.

CEO of Downtown Durham Incorporated Nicole Thompson addressed a program called the Streetery and urged Council's support of the initiative.

Mayor Pro Tempore Middleton noted that this agenda item was a much anticipated discussion; announced he was on the board of DDI and the North

Carolina League of Municipalities; and noted that the social district was driven by economics from small municipalities and that Durham was an economic driver.

Council Member Johnson expressed support for social districts and that the desire for more pleasant environments outdoors did not lead to excessive drinking. She inquired about enforcement and open container violations- and urged the Police Department to respond at a future meeting.

Council Member Holsey-Hyman noted social districts would bring back vibrancy to Downtown and would encourage more conventions and admitted there were safety concerns that needed to be addressed at a future meeting.

Director Walcutt noted that Durham's peer cities had not seen an increase in public intoxication with social districts. The districts were intent on increasing business revenues and in turn, tax dollars.

SUBJECT: FORMER WHEELS SKATING CENTER ASSESSMENT AND PROBABLE OPINION OF COST (ITEM 26/ PR 15752)

Mayor O'Neal stated there was a speaker to the item.

Gideon Bueno spoke in support of Wheels as a destination location.

Shawna Parker and Henry Prospero, General Services, made the staff PowerPoint presentation, titled *Wheels Fun Skating Center Assessment*, that contained the following:

Summary: code analysis assessment overview and findings; deficiency categories; preliminary project timeline; cost model – probable opinion of cost by deficiency category.

Mayor Pro Tempore Middleton inquired about the timing of the expenditures within the current and future budget cycles; and recognized the master plan for the property that incorporated swimming and skating.

City Manager Page noted that the presentation was not an action item and requested Council to provide direction to staff.

City Manager Page addressed the overall project of the Wheels Facility in the CIP; stated funding existed for Wheels, allocated to design services not to construction activity in the current year. The rink could be re-prioritized with a firm handling the design of the site.

Council Member Johnson proposed moving the project forward and asked if there was there enough funding in CIP to cover the proposed costs.

City Manager Page stated there was an estimation of \$2 million in the CIP for Wheels; the expected completion of the facility was in four years.

Council Member Johnson asked P&R how other work occurring on the property would interact with the Wheels space and were there potential conflicts.

Henry Prospero, General Services, responded that both projects (splash pad/pool) and the skating rink could happen concurrently; and noted that a presentation to Council was forthcoming of the master plan that included aquatics.

Council Member Johnson emphasized the social importance of the location and stated the investment was worthwhile.

Council Member Williams asked about the design phases for the rink and aquatics, could they be done concurrently or consecutively.

Mayor O'Neal inquired if it was more beneficial to have both projects going concurrently or not.

Director Walcutt stated the assessment was very basic and that operators could be invited to consider upgrades to the rink, for operational purposes. It was estimated that the roller rink would require 15 months to build out. At that point, a vendor could already be set up to operate the facility.

City Manager Page responded that Council's direction was needed for staff to move forward with the \$1.7 million renovation and to ensure CIP funding was available for this purpose. She noted the item was not an action item at this time.

Director Walcutt reiterated the presentation was an assessment of the site and facility and that resident committees would be scoring the upgrades for the facility; emphasized the skating rink had not been a planned expense in that it was a new expense and that staff would need to figure out how to cover the expense; and offered a method of reaching out to prospective, experienced bidders in the RFQ process for the rink by asking how the bidders expected operations to be funded (fully on bidder, partial city/bidder or fully city).

Council Member Freeman inquired if a council member could participate on the committee referenced by Director Walcutt. Deputy City Attorney Lamar did not see a problem with a council member serving on a committee that advised staff.

Council Member Caballero questioned if the \$1.7 million investment was in order to bring the building up to code; asked if the funding was currently in the CIP and earmarked/allocated to Wheels; and asked if the vendor could request the outdated amenities be updated.

City Manager Page responded that the money in the CIP was not earmarked for the skating rink project; however, there was funding in the CIP for the multi-year Wheels project and if not enough, staff would bring forward a CIP amendment.

Council Member Caballero wanted to ensure that the public was clear when reorganizing the CIP which potentially could impact projects outside of Wheels.

Council Member Freeman urged the project move forward immediately.

Council Member Johnson emphasized that ticket prices needed to be reasonably priced.

Director Walcutt responded that ticket pricing was an element of the bid scoring.

Mayor O'Neal requested estimates on how much it would cost to run the skating rink.

City Manager Page clarified that in order to get an estimate on operating the rink, a specific provider would need to be selected from the RFQ process first. She also reiterated that staff was asking for Council's direction on moving forward or not.

Mayor O'Neal noted there was a speaker to the item.

Danielle Spratley, representing Quatro Skate Fitness, a black, female, LGBTQ-owned small business, spoke in support of the investment revitalizing the Wheels facility.

Director Walcutt shared details on the larger Wheels project that included Long Meadow Park improvements; and spoke to making the two facilities part of one big connected space, based on community feedback.

It was the consensus of Council to move forward with the Wheels roller rink project.

Mayor O'Neal called for a break at 4:04 p.m. Council resumed their deliberations at 4:10 p.m.

SUBJECT: PARTICIPATORY BUDGETING DURHAM (ITEM 10/ PR 15764)

Participatory Budgeting Steering Committee staff members, Carmen Ortiz, Engagement Manager and Fallen Thompson, Senior Engagement Analyst, provided the staff report on PB Cycle III.

The presentation consisted of the following:

Compared PB Cycles I and II; preparing for PB Durham Cycle III; explained the assessment process;

Recommendations are:

- Continue strengthening and clarifying the process
- Optimize the process timeline
- Increase support for outreach and engagement efforts
- Develop additional stakeholder engagement at each phase of the process
- Increase availability of accessibility support
- Leverage the process to promote equity
- Design and integrate evaluation throughout the process
- Utilize increased online and mobile engagement

Key takeaways:

Intentionality in processes and responsibilities'

Communication and collaboration and engagement and external capacity building

Tentative PB Cycle 3 Timelines – comparing traditional with extended.

PB Cycle III City-Wide funding strategy

If the item is approved by Council PB Cycle III:

Fund one-time projects related to physical infrastructure and technological improvements and community enhancements;

Time will be extended an additional three months; and

Funds will be distributed city-wide.

Council appreciated the presentation; and voiced support for revising the voting period from the Spring to Fall.

Staff clarified the extended 15-month timeline would not be permanent and that the committee would revert back to the 12-month implementation timeline in the next cycle. It was confirmed there would be a short overlap- starting the idea collection segment back to November.

Council Member Johnson encouraged staff to reach out to guidance counselors, social studies teachers and administrators to incorporate PB into the school curriculum, with special mention of the voting phase. She also inquired about the capital project that was scheduled to go onto private /non-profit property and asked about its legal status; and looked forward to PB community outreach.

Deputy City Attorney Fred Lamar responded to the legal question regarding public funds utilized on private/non-profit property. Attorney Lamar noted that some of the projects were tweaked to comply with state law. There had to be evidence of a public benefit over the useful life of the project. Staff noted that the budget delegates would discuss this topic with the city attorney's office at the appropriate time.

SUBJECT: SUPPLMENTAL ITEM: AFFORDABLE HOUSING DEEP DIVE PRESENTATION BY DATAWORKS (ITEM 32/ PR 15798)

Presenter John Killeen of DataWorks NC (www.dataworks-nc.org) made a PowerPoint presentation titled, *Who Owns Durham?* Dataworks is a non-profit democratizing data to facilitate an empowered, productive and equitable community.

The presentation provided a historical perspective related to affordable housing, land acquisition and trend analysis.

The presentation consisted of statistical data featuring the following:

History: Land not ceded to white settlers from the Shakori and Skaruhreh/Tuscarora peoples prior to colonial settlement (Information from Native Land Digital Project (<https://native-land.ca/>))

1750-1800 First settlers developed comprehensive partitioning of land via Land grants with established system to manage the partitions.

19th Century circa 1890 Accumulation of large areas of land for agriculture production using enslaved and indigent peoples on plantation lands. Ex. Cameron-Bennehan Plantation Lands.

1920s-present Became illegal to zone communities by race in 1917, racial restrictive covenants were used instead. Risk Maps included a practiced called Red/Greenlining, locking generations of African-Americans and ethnic minority groups out of lending and prioritizing lending to privilege whites in upper class neighborhoods.

1960s – 1970s Black neighborhoods were bulldozed with federal financing while utilizing data intensive processes, removing blighted neighborhoods. Ex. Hayti. Source: Durham County Urban Renewal Archive.

1980s-2000s Neighborhood Compass information. Loss of the tobacco and textile industries to nations with lower labor expenses. Use of eminent domain as part of DT reconfiguration. Planning of Durham's gentrification with landmarks. Examples of public investment: Durham Bulls Athletic Park, American Tobacco Redevelopment, Downtown Innovation District and parking decks.

By 2011, the local narrative was not aligning with the national reputation of rebirth; tension emerged.

Programs responding to the tension: Participatory Budgeting, Bull City United, Eviction Diversion, Forever Home, Basic Income, HEART (unarmed crisis response team).

2010-2020 Demographic changes

How do the demographic changes compare with NC and US?

Who is moving to Durham? Statistics from American Community Survey; AMI statistics related to federal poverty levels from US Health and Human Services, 2021).

Median Homebuyer Income in Durham County from 2007 to 2021 by race. Sources: Dataworks NC, Consumer Financial Protection Bureau, 2022. Ex. Southside homeowner purchases.

People Moving Every Day figures (2018-19) Coming/Leaving Durham Source: IRS County to County Migration tables.

How has housing supply changed? Comparing growth in housing units with growth in population. Source: Census Bureau.

Corporate investment makes Durham Less Liveable- 15% houses sold were purchased by corporate investors, predominantly in Black neighborhoods near NCCU.

Out of State Residential Ownership (special note of apartment buildings) in Durham 2000-2020 increased from 10% to approximately 16%; source: Durham Neighborhood Compass.

How have Durham residents' employment changed? Source: Quarterly Census of Employment and Wages, NC Commerce.

Wages Have Not Kept up with Rent Growth Source Quarterly census of Employment and American Community Survey.

Rental Costs have Skyrocketed during Pandemic. Durham Rental Prices, 2017-2021. Rents increased dramatically starting March/April 2020. Sources: DataWorks NC and Craigslist Rent Scraper.

Durham County Evictions Jan 2018-August 2022. Sources: Durham County Sheriff's Department, Dataworks NC (2022). Moratorium started/ended and two rounds of emergency rental assistance, steady increase since.

Evictions in Durham, April 2021-April 2022 by Race and number of filings by Census blocks.

What do affordable rents look like? Compared HUD AMI/Durham-Chapel Hill; Durham County and Bragtown.

Public Housing in Durham. Current Inspection Scores for public housing by location. Lowest McDougald Terrace, highest Work Street. Source: HUD Physical Inspection Scores (2022)

Displayed aerial view of Kew Gardens Neighborhood in February and May 2004 before/after the demolition project. A newspaper article noted that the residents were relocated, questions emerged related to residents' safety and other housing options.

Council Member Johnson inquired about the statistic regarding people moving every day (coming/going); mentioned the statistic reflected fewer people coming to Durham than leaving; asked about the rationale of the figures and noted she would investigate the statistic further. She asked about a total increase/decrease in population by year.

Mr. Killeen noted the statistics were sourced from IRS filing data and that a population growth estimate could be calculated. He also included voices of persons impacted in neighborhoods reflective of the data points.

Reflections:

- To what extent is there a housing shortage?
- Who owns rental housing now? Who should own rental housing?
- What is a more appropriate standard for affordability than those relied on?
- What can Durham do to stop evictions and address the underlying issues driving unaffordability?
- What would a long game to provide security of tenure to poor and working class Durhamites look like?

Mr. Killeen intended on sharing the presentation to Council.

Mayor O'Neal postponed discussion and addressed the subsequent agenda item.

City Clerk Schreiber announced Council's nominations to boards, committees, commissions and taskforces:

Discover Durham, Mayoral Appointment: Michael D Page
Durham Housing Authority Board of Commissioners, Mayoral Appointment: Kimberly V Williams
Workforce Development Board, Mayoral Appointment: Marshall Williams
Planning Commission: Stephen J Valentine
Recreation Advisory, Mayoral Appointment: Kenneth Barnes
Racial Equity Commission, Category: Ward 3: Delvin M Davis
Participatory Budgeting Steering Committee, Category: At-Large: Desmond Gatling

SETTLING THE AGENDA FOR THE OCTOBER 17, 2022 REGULAR CITY COUNCIL MEETING

City Manager Page stated that consent agenda consisted of Items 1 through 18, 20 through 23, 25 and 33, the General Business Agenda consisted of Item 24 and the General Business Agenda – Public Hearings consisted of Items 27 through 31.

MOTION by Council Member Freeman, seconded by Council Member Johnson, to accept the settling of the agenda for the October 17, 2022 regular city council meeting at 5:33 p.m. by the following vote: Ayes: Mayor O’Neal, Mayor Pro Tempore Middleton and Council Members Caballero, Freeman, Holsey-Hyman, Johnson and Williams. Noes: None. Absent: None.

Being no additional business to transact, Mayor O’Neal adjourned the Work Session at 5:34 p.m.

Diana Schreiber, NCCMC, CMC
City Clerk