

September 16, 2020

The Martin County Board of Commissioners met in a Special Called Session on Wednesday, September 16, 2020 in the Commissioners' Boardroom and electronically, 305 E. Main Street, Williamston, North Carolina.

ASSEMBLY

Present in the Commissioners' Boardroom: Chairman Tommy Bowen, Vice Chairman Dempsey Bond, Jr., Commissioner Ronnie Smith, County Manager David Bone, Clerk to the Board Jessica Godard and Chief Deputy Drew Robinson.

Present via Cisco Webex: Commissioner Elmo "Butch" Lilley and Commissioner Joe R. Ayers.

County Attorney Richard James and Finance Officer/Deputy Clerk Cindy Ange were not present.

Chairman Tommy Bowen called the meeting to order at 5:00 p.m. Vice Chairman Bond led the Pledge of Allegiance. Commissioner Smith provided the invocation.

AGENDA APPROVAL

Vice Chairman Bond made a MOTION to approve the agenda as presented, with a SECOND by Commissioner Smith. The Board APPROVED the motion unanimously.

PUBLIC HEARING

Community Development Block Grant Coronavirus Program (CDBG-CV) Second Public Hearing

At 5:03 p.m., Commissioner Smith made a MOTION to go into a public hearing, with a SECOND from Vice Chairman Bond. The Board APPROVED the motion unanimously.

County Manager Bone stated on August 25, 2020, the state announced a new grant program for local governments. NC Commerce's Community Development Block Grant Coronavirus (CDBG-CV) grant program is designed to help local governments and communities respond to the health and economic impacts of COVID-19. The program provides \$28.5 million in funding received from the U. S. Department of Housing and Urban Development (HUD) to support North Carolina's COVID-19 response efforts. This allocation was authorized by the CARES Act of 2020.

CDBG-CV would assist non-entitlement communities across the state, which included incorporated municipalities under 50,000 and counties under 200,000 in population, through grants to local governments that support public service, public facilities, and special economic development activities. The Department of Commerce began accepting applications on September 1, 2020.

On September 9, 2020, the Board of Commissioners held a first public meeting for the CDBG-CV program. The purpose of the first public hearing was to the gather public input and suggestions for the application.

A draft plan / grant application was the subject for a second public hearing for this meeting.

Martin County proposed utilizing CDBG-CV funds as a public service activity through subsistence payments on behalf of its LMI residents. North Carolina Governor Cooper's Executive Orders 124 and 142 prohibited utility shut-offs for nonpayment for residential customers during the declared State of Emergency from March 10, 2020 to July 29, 2020.

The County's area-wide LMI is 43.27%, less than 51%. However, the subsistence payments would go towards verified LMI households, accomplishing the required benefit to 100% LMI residents. Therefore, 100% of CDBG-CV funds would be used to assist LMI residents.

Martin County would apply for up to approximately \$900,000 of CDBG-CV funds, with the final budget being completed based on data from Martin County utility providers and the Choanoke Area Development Association of North Carolina (CADA).

The primary objective of the county proposal was to provide up to 6 months of emergency utility payments to prevent service disconnection of electricity, water, sewer, gas, internet, and telephone services. A second objective was to provide up to 6 months emergency rent/mortgage payments to prevent eviction and homelessness.

The CDBG-CV application required an action plan to prevent duplication of benefits, which required: 1) payments to utility/housing provider on behalf of the individual of family, and 2) households to payback funds if it is determined that duplication of benefits has occurred.

Assistance payments and number of households assisted were contingent upon: 1) eligibility determination from NC Commerce, 2) income verification of each household, and 3) verification of no duplication of benefits.

A cap would be established for each household in order to provide assistance to as many households as possible, with most assistance intended for very low- and low- income households than moderate-income households.

Since the Choanoke Area Development Association, or CADA, had access to multiple funding sources, CADA was a vital partner in the CDBG-CV program in the areas of application intake, determining best-fit financial assistance for households needing assistance with available funds, and making subsistence payments on behalf of households directly to the utility providers (a required provision). CADA's database resources enabled them to ensure that no duplication of benefit takes place.

Post award, the County would contract with an experienced CDBG Grant Administrator consultant, which will provide technical assistance to CADA for the income verification requirements.

Next, County Manager provided the following information regarding the public hearing and application process:

“ General CDBG

- This is a required public hearing for the FY2020-2021 North Carolina Small Cities Community Development Block Grant (CDBG) program(s) in order to submit application(s) for funding
- The purpose of this public hearing is to allow residents/citizens an opportunity to express views concerning community development priorities, available funds and eligible activities, and review of program compliance prior to the County’s project- specific application to the state administering agencies.
- This federal funding comes from the United States Department of Housing and Urban Development (U.S. HUD)
- CDBG program activities must meet one of the national objectives:
 - (1) Benefit low- and moderate- income (LMI) persons;
 - (2) Prevent or eliminate slum and blight;
 - (3) Address an urgent need
- Eligible locations (non-entitlement communities):
 - All NC small cities except the 24 entitlement municipalities
 - All NC counties except Cumberland, Mecklenburg, Union, and Wake
- The State receives approx. \$40-46 million each year for CDBG-ED, CDBG-NR, and CDBG-I funding.
- The CDBG program can fund a wide variety of community development activities. The State has chosen to fund several activities: water and sewer infrastructure, neighborhood revitalization, economic development, and special allocations for disaster (hurricane) recovery and COVID-19.

Available funding in NC FY2020-2021:

- A. Economic Development** - Administered by NC Dept of Commerce (DOC) Rural Economic Development Division (REDD). Approx. ~\$10-12M available annually for projects focused on job retention and creation
- B. Neighborhood Revitalization** - Administered by REDD. Approx. ~\$10-12M available annually for projects focused on LMI housing-related activities
- C. Infrastructure** - Administered by NC Dept of Environmental Quality (NCDEQ) Division of Water Infrastructure (DWI). Approx. ~\$21-26M available annually for projects focused on water and sewer for LMI residents
- D. Disaster Recovery/Mitigation** - Administered by NC Department of Public Safety (DPS) Office of Recovery and Resiliency (NCORR) to handle all funds received for recovery from hurricane disasters.
- E. Coronavirus** - Administered by REDD
 - 1. Approx. \$27 million funding is available in round 1, with potential round 2 of approximately the same amount.
 - 2. Maximum award is \$900,000.
 - 3. Application period begins September 1, 2020 and are accepted on a first-come, first serve basis.
 - 4. Grant period is 30 months.

Coronavirus Funding (CDBG-CV) *County is applying to DOC for CDBG-Coronavirus grant funds*

- Purpose of CDBG-CV funds is to help communities prepare, prevent, or respond to the health and economic impacts of COVID- 19.
- Activities must focus on critical local needs identified by the community in collaboration with state and local health officials, with primary assistance for LMI residents.
- All NC CDBG-CV project activities will meet the urgent need CDBG national objective; however, grantees must also have a benefit to LMI persons:
 - Public services and facilities must serve at least 51% LMI persons (area-wide benefit)
 - Direct activities must benefit 100% LMI households
 - Special economic development activities for small businesses and microenterprises must benefit at least 70% LMI persons.
 - Activities must not benefit moderate income persons at the exclusion of low-income persons
- CDBG-CV projects must incorporate at least one of the following focus areas:
 - Support families and communities through telehealth support and other public services.
 - Protect the most vulnerable and high-risk populations.
 - Assist small businesses with economic recovery.
 - Address testing, tracing, and trends.
- CDBG-CV priorities by eligible activity (examples of activities):
 - Public Service:
 - Subsistence payments to prevent evictions and utility disconnections (up to six (6) months of emergency assistance)
 - Food distribution, testing and diagnosis, employment training for health care workers on the frontlines, and supportive services to assist health care response to the pandemic
 - Public Facilities:
 - Acquisition, construction, rehabilitation of public buildings to enhance health care facilities and/or group living for testing, diagnosis, or treatment
 - Rehabilitation, retrofit, or building improvements (including interim assistance) for testing, diagnosis, treatment, accommodations for social distancing and isolation/quarantine
 - Broadband services and enhancing internet access that support increased connectivity to schools, jobs, financial institutions, and healthcare providers.
 - Economic Development:
 - Financial assistance to businesses with 100 or fewer employees, or microenterprises with five or fewer employees to aid in job retention and creation for LMI residents

- Examples include daily operations impacted by COVID-19, short-term working capital, retrofit for social distancing, and manufacturing of medical supplies.

Proposed Project

- Martin County proposes utilizing CDBG-CV funds as a public service activity through subsistence payments on behalf of its LMI residents.
- North Carolina Governor Cooper's Executive Orders 124 and 142 prohibited utility shut-offs for nonpayment for residential customers during the declared State of Emergency from March 10, 2020 to July 29, 2020.
- The County's area-wide LMI is 43.27%, less than 51%. However, the subsistence payments will go towards verified LMI households, accomplishing the required benefit to 100% LMI residents. Therefore, 100% of CDBG-CV funds will be used to assist LMI residents.
- Martin County will apply for up to approximately \$900,000 of CDBG-CV funds, with the final budget being completed based on data from Martin County utility providers and the Choanoke Area Development Association of North Carolina (CADA).
- **County Objectives:**
 - Primary is to provide up to 6 months of emergency utility payments to prevent service disconnection of electricity, water, sewer, gas, internet, and telephone services.
 - Secondary is to provide up to 6 months emergency rent/mortgage payments to prevent eviction and homelessness.
- The CDBG-CV application requires an action plan to prevent duplication of benefits, which requires 1) payments to utility/housing provider on behalf of the individual of family, and 2) households to payback funds if it is determined that duplication of benefits has occurred.
- Assistance payments and number of households assisted *are contingent upon* 1) eligibility determination from NC Commerce, 2) income verification of each household, and 3) verification of no duplication of benefits.
 - A cap will be established for each household in order to provide assistance to as many households as possible, with most assistance intended for very low- and low- income households than moderate-income households. Under consideration is to calculate the average monthly cost per utility to estimate the cap.
 - *For example, preliminary calculations assume receipt of the full grant amount and a cap of approximately \$1,200 per household for the 6 months. If this were to occur, it is estimated that approximately 670 households can be assisted.*
- Since CADA has access to multiple funding sources, CADA is a vital partner in the CDBG-CV program in the areas of application intake, determining best-fit financial assistance for households needing assistance with available funds, and making subsistence

payments on behalf of households directly to the utility providers (a required provision). CADA's database resources enable them to ensure that no duplication of benefit takes place. For example, if a household is eligible for a combination of CDBG-CV funds and other funds, CADA would ensure the household does not exceed the maximum benefit for six months. Post award, the County will contract with an experienced CDBG Grant Administrator consultant, which will provide technical assistance to CADA for the income verification requirements.

CDBG Performance & Requirements

- Formal public hearings have been held for every CDBG application round to inform residents/citizens of the potential project(s) and obtain feedback.
- ***Martin County has a healthy history of receiving CDBG program funding in the past primarily for economic development purposes for building reuse and has had no compliance issues.***
- If awarded a CDBG grant, plans and policies required by U.S. HUD will be adopted that will govern fiscal management, efficient operation and maintenance, and program compliance, such as:
 - American with Disabilities Act/Section 504 Plan to address non-discrimination in the treatment of and program access to handicapped/disabled persons
 - Fair labor standards in accordance with the U.S. Department of Labor (DOL) Davis-Bacon & Related Acts
 - Citizen participation in and access to program information and implementation
 - Equal opportunity and procurement through program implementation
 - Fair Housing Plan to affirmatively furthering fair housing
 - Language Access Plan to provide meaningful access to those with limited English proficiency
 - Section 3 Plan to encourage job creation for local low-income persons
 - Section 519 provision to prohibit the use of excessive force by law enforcement agencies within the jurisdiction against any individuals engaged in non-violent civil rights demonstrations
 - Residential Anti-Displacement and Relocation Plan to ensure no that displacement / relocation of residents occurs during project implementation without public notification and just compensation
 - Anti-displacement and relocation is primarily applicable to housing-related projects, however acquisition of public utility easements on private property also triggers the Uniform Relocation Act (URA)
 - Displacement assistance as necessary will be available
 - ***The County's current Plan with the CDBG-ED grant is presented as an example***

Citizen Comments

- Application materials will be available at Martin County Governmental Center, 305 East Main Street, Williamston, NC 27892, upon request, between the hours

of 10:00 AM and 4:00 PM.

- For additional information or to submit written comments, please contact: Jessica Godard, Clerk to the Board, P.O. Box 668, 305 East Main Street, Williamston, NC 27892, 252-789-4300, TDD: (800) 735-2962 or Relay NC 711.
- The first public hearing was held on September 9, 2020 and written comments were to be accepted and postmarked by September 15, 2020.
- The newspaper notice for this public hearing incorrectly stated that comments would be accepted until Friday, September 11. Comments should be postmarked no later than **September 21, 2020** and a written response will be made within 10 business days.

Next Steps

- A Resolution to Apply to the specific program needs be adopted, along with designating County Manager David Bone, and successors so titled, as authorized to complete any application documents that do not require board action.

This information is available in Spanish or any other language upon request. Please contact Jessica Godard, Clerk to the Board at 252- 789-4300 or P.O. Box 668, 305 East Main Street, Williamston, NC 27892, for accommodations for this request.

We open the floor for comments and questions about the CDBG program and about the proposed project.”

Commissioner Lilley stated the program would be an outstanding program that the County should take full advantage. Commissioner Lilley thanked County Manager Bone for bringing the project to the Board’s attention.

Commissioner Smith stated this was a great opportunity. He further stated there would be more people in need than there would be available dollars. Commissioner Smith stated the County should ensure the CDBG funds were appropriately monitored. Lastly, Commissioner Smith said all citizens should know how to make their needs known. He stated \$900,000 was not a large amount when applications were being taken on a first come, first serve basis. All citizens that were in a position of needing help should make their needs known in order to be able to get some assistance.

There was time allowed for any participants on Webex or viewing on Facebook to make comments. No comments were offered.

At 5:23 p.m., Commissioner Smith made a MOTION to go out of out the public hearing, with a SECOND from Vice Chairman Bond. The Board APPROVED the motion unanimously.

Commissioner Smith made a MOTION to adopt the resolution “Resolution for the County of Martin Application for Community Development Block Grant Funding for the Subsistence Payment Project” which also designates the County Manager as authorized to complete any application documents that do not require Board action, with a SECOND from Vice Chairman Bond. The Board APPROVED the motion unanimously.

RESOLUTION FOR THE COUNTY OF MARTIN APPLICATION FOR COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING FOR THE SUBSISTENCE PAYMENT PROJECT

WHEREAS, the Martin County’s Board of Commissioners has previously indicated its desire to assist in community development efforts for housing within the County; and

WHEREAS, the Board of Commissioners has held two public hearings concerning the proposed application for Community Development Block Grant funding to benefit low- and moderate-income households of Martin County requesting assistance with utility payments and rent/mortgage payments; and

WHEREAS, the Board of Commissioners wishes the County to pursue a formal application for Community Development Block Grant funding to benefit low- and moderate-income households of Martin County requesting assistance with utility payments and rent/mortgage payments; and will request \$900,000 grant funds.

WHEREAS, the Board of Commissioners certifies it will meet all federal regulatory and statutory requirements of the State of North Carolina Community Development Block Grant Program.

NOW, THEREFORE BE IT RESOLVED, by the Martin County Board of Commissioners that

1. The County of Martin is authorized to submit a formal application to the North Carolina Department of Commerce for approval of a Community Development Block Grant to benefit low- and moderate-income households of Martin County requesting assistance with utility payments and rent/mortgage payments.
2. That the following designees, and/or successors so titled, are hereby authorized to execute any grant-related documents not requiring Board/Council action:
David Bone, County Manager

Adopted this the 16th day of September, 2020.

ADJOURNMENT

With no further business to discuss, Commissioner Vice Chairman Bond made a MOTION to adjourn, with a SECOND from Commissioner Smith. The Board APPROVED the motion unanimously (5-0). Chairman Bowen adjourned the meeting at 5:26 p.m.

The next scheduled meeting would be Wednesday, October 7, 2020 at 7:00 p.m. in the Commissioners’ Boardroom, 305 East Main Street, Williamston, NC 27892.

Tommy Bowen, Chairman

Jessica Godard, NCCCC – Clerk to the Board