

CONCORD CITY COUNCIL  
ANNUAL PLANNING SESSION  
JANUARY 30 and JANUARY 31, 2020

A special meeting of the City Council for the City of Concord, North Carolina, was held on January 30 and January 31, 2020, at City Hall located at 35 Cabarrus Avenue, West. The January 30<sup>th</sup> session began at 6:00 p.m. in Conference Room #330, and the January 31<sup>st</sup> session began at 8:00 a.m. in the Council Chambers. Mayor William C. Dusch presided.

**Members Present:**

Mayor Pro-Tem John A. Sweat, Jr.  
Council Member Andy Langford  
Council Member W. Brian King  
Council Member Ella Mae P. Small  
Council Member JC McKenzie  
Council Member Terry L. Crawford  
Council Member Jennifer H. Parsley

**Others Present:**

City Manager, Lloyd Wm. Payne, Jr.  
City Clerk, Kim J. Deason

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Mayor Dusch called the January 30, 2020 meeting to order and welcomed everyone. The following was discussed:

**Travel & Training Policy/Procedure**

The City Clerk provided a brief training/refresher on the City's travel/training policy.

**2020-2023 Strategic Plan update**

The City Manager provided updates on the ongoing 2020-2023 Strategic Plan Goals & Objectives.

The following Goals & Objectives were complete or almost complete:

**Public Works**

- Explore options for implementing a solid waste fee (complete) – implemented \$2.24 solid waste fee; continued evaluation of solid waste services and costs; and staff evaluating cost benefits of bringing in-house (vs. contract)
- Secure property for Electric Delivery #4 and budget for construction (almost complete) – verbal agreement on land (11 acres, \$835,000); surveying underway; projected closing in 30-60 days; design will begin in September with construction beginning in late Fall (2.5 years to complete and estimated total of \$11.5 million)

The following Goals & Objectives are ongoing:

**General Government**

- Continue to adhere to approved financial management policies that maintain the City's financial strength and integrity including continuation of conservative revenue estimates that reflect economic conditions.
- Invest in coworker compensation and benefits to ensure the recruitment and retention of talent to deliver community services.
- Continue to enhance partnership among management, directors, and Customer Service Advancement Team to serve our employees and citizens, apply best practices to enhance satisfaction levels, and focus on continuous improvement.

- Implement recommendations from employee survey to ensure employee voice is a priority throughout our organization.
- Support the recognized neighborhood program and seek opportunities to enhance the quality of relationships, strengthen communications, and build capacity of neighborhood leaders.
- Explore additional resources to provide enhanced communications and outreach in the form of more original content and improved social media engagement.
- Redesign City website to make it more user and mobile friendly.
- Continue to establish and cultivate relationships at the local, State, and Federal levels to facilitate collaborative projects for Concord.

#### Public Safety

- Support the projected Public Safety facility, equipment, and personnel needs to meet service demands.
- Secure property for Fire Station #12 and budget for construction.
- Actively look for property to construct a Fire/Police training facility.
- Complete the Weddington Road communication tower relocation.

#### Public Works

- Fund recommendations to fully implement Water, Sewer, and Storm Water master plans.
- Continue emphasis on improving community appearance through regular street sweeping, litter pick-up and removal of signs that violate City ordinance. Focus on litter through enforcement, communication, and City-led roadside activities.
- Strengthen the City's fiber infrastructure and ensure all City facilities have fiber capability.
- Continue to pursue strategies to promote water conservation, water re-use, and investigate alternatives to reducing individual water use.
- Examine ways to better educate the public on importance of recycling.

#### Recreation and Culture

- Support the connectivity of City parks, neighborhoods, and community centers through the enhancement of greenways, sidewalks, and multi-use paths.
- Continue to explore options to acquire property in the northwest area of Concord for the development of passive and active recreation.
- Work with internal City departments to identify projects that offer opportunities for greenway, park, and connectivity development.
- Consider enhancing the City's support of public art installations with process and funding models recommended by the Public Art Advisory Committee.
- Address the deteriorating health of downtown street trees and communicate with stakeholders and the community in general about how street trees and lighting relate to the Downtown Master Plan's streetscape and beautification goals.
- Actively look for opportunities to open space/greenspace in Downtown Concord.
- Work with Planning Department with a goal of having ordinances in place by 2020 to require dedication and potential construction of greenways and connectivity. Supporting language exists in the Parks and Recreation section of the draft 2030 Land Use Plan.
- Pursue funding for acquisition and construction consistent with the Parks & Recreation Open Space Connectivity Analysis and Comprehensive Master Plan.

#### Economic Development

- Evaluate ways to enhance the City's role in maintaining and building affordable housing, including exploring the pros and cons of investing in a General Fund allocation, creation of an affordable housing non-profit entity, and/or establishing formal designation as a Housing Authority.
- Implement the 2030 Land Use Plan, including prioritization of follow-up corridor and area plans.
- Continue strategic implementation of the Downtown Master Plan, according to the plan's existing implementation matrix.
- Continue to regulate the design criteria for commercial development in

accordance with the Concord Development Ordinance (CDO), with emphasis on low impact development.

- Continue to work closely with economic development partners in Cabarrus County to present a complete coordinated recruitment and retention effort.
- Work with public and private partners to redevelop and revitalize abandoned and blighted properties.

Transportation

- Continue, at a minimum, appropriating existing revenue amounts using 2-cents of the Ad Valorem tax and \$5.00 of the Vehicle tax for the Transportation Fund.
- Continue to routinely monitor projects and consider participation in additional projects to assure Transportation Fund revenues are being used to fund highest priorities and funds are available for local matches to leverage additional projects with a focus on City infrastructure.
- Continue efforts to secure funding for Congestion Mitigation Air Quality (CMAQ), Federal Transportation, Community, and System Preservation Program (TCSP), Economic Enhancement, Highway Safety Improvement (HSIP), and small construction projects from the federal government and/or the NCDOT and continue to coordinate associated local activities with NCDOT Division 10.
- Develop a viability analysis process to support privately and/or publicly-owned corporate/general aviation hangars at Concord Regional Airport.
- Work with CATS, Cabarrus County, and the City of Kannapolis on the extension of the light rail into Concord/Cabarrus County.
- Work with Cabarrus County and the City of Kannapolis to implement recommendations from the Public Transit Master Plan.

A motion was made by Council Member McKenzie, seconded by Council Member Crawford, and duly carried, to recess the meeting to Friday, January 31, 2020, at 8:00 a.m.—the vote: all aye.

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On January 31, 2020 at 8:00 a.m., Mayor Dusch reconvened the meeting.

**Members Present:**

- Mayor Pro-Tem John A. Sweat, Jr.
- Council Member Andy Langford
- Council Member W. Brian King
- Council Member Ella Mae P. Small
- Council Member JC McKenzie
- Council Member Terry L. Crawford
- Council Member Jennifer H. Parsley

**Others Present:**

- City Manager, Lloyd Wm. Payne, Jr.
- City Attorney, Valerie Kolczynski
- City Clerk, Kim J. Deason
- Department Directors

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The following items were discussed:

**Financial Analysis - Comprehensive Financial update for FY 19-20 and FY 20-21 projections**

The Finance Director, Pam Hinson, summarized the local economic conditions including unemployment rate, new construction of single family homes, residential home sales, and average home sales price. The top ten taxpayers represent 10.07% of the City's

revenues.

### General Fund

Operating revenues continue to outpace operating expenditures in 2020.

In 2020, total operating expenditures are estimated to increase 10% and operating revenues are estimated to increase 2%. Local option sales tax increased 7.5% in FY ending 2019. A 3% growth is estimated for FYE 2020 and 2021.

The Finance Director stated 2020 is a re-evaluation year for Cabarrus County property taxes. Assessed values are expected to increase 15%. She explained if the Council chooses to hold the City's current tax rate of \$.48, it would generate \$64.9 million in property tax revenue (an increase of \$8.4 million). Should the Council choose to have a revenue neutral tax rate of \$.43, this would generate \$58 million in tax revenue (an increase of \$1.6 million).

Utility Sales Tax collection in FY20 is estimated at \$4.7 million. In 2019, beer and wine distribution increased 2%. FY20 collections are estimated at \$395,000.

The Powell Bill collection for 2019 was \$2.3 million. Development fees declined in FY19. FY20 estimates are stable at \$270,000.

### Fund Balance

The Finance Director stated that the City is always very conservative and has always tried to keep adequate reserves. A City Council goal is to keep 30-35% in the Unassigned Fund Balance, which has been achieved.

### Debt Administration

New debt budgeted for FY20 includes a community hangar and the 2019 revenue bond refunding. Future debt issues for consideration include Transportation Improvement Projects, Fire Stations, Electric Systems Improvements & Operations Center, Fleet Operations Building, Recreation Master Plan implementation, Downtown Master Plan Implementation, Public Safety Training Center, and Water/Wastewater Master Plan implementation.

### Upcoming Budget Issues

The Finance Director stated upcoming budget issues include the possibility of the federal government withholding funding for HUD, transportation, and airport; possible loss of Powell Bill funding; growth; and personnel requests.

### Airport

Operations (takeoffs and landings) increased 9%. Allegiant Enplanements increased 24% and Allegiant passengers increased 22.5%. Parking revenue increased 49% due to a rate increase. There was a 12% increase in the number of Jet A fuel gallons sold.

### Utility Funds

- Water – Consumption increased 9% Year-end estimates of operating revenue are projected to meet budget projections.
- Wastewater – Consumption and rate revenues increased 5%.
- System Development Fees – Raftelis study was completed and implemented. Current Development Fee project reserves projections include \$5.3 million allocated to water projects and \$2.6 million unreserved for sewer projects. These fees must be spent as described in the NC General Statutes.
- Stormwater – Revenues are coming in as anticipated.
- Electric – Usage billed and rate revenue has increased 1%. There has been no

rate increase in 4 years. There is not a rate increase planned for 2021. Electric Capital Project reserves is \$15.8 million. The rate stabilization reserve is currently \$7.75 million. The new electric power purchase contract began January 1, 2019.

#### Other Funds

- Transit – Fixed route ridership increased 1.57% for calendar year 2019. ADA Paratransit ridership increased 13.8% for calendar year 2019. Operating revenue is 50% collected to date. The total budget is \$4.9 million.

The Budget Manager, Lesley Reder, presented the mid-year financial report.

- 2-year budget process has been implemented.
- City Council's Strategic Plan is linked to annual budget requests
- Expenditure Forecasting – General Fund pilot in 2019, rollout to Electric, Water, Stormwater, Sewer and Aviation in 2020
- Capital Project Impacts – Operating costs, personnel, fiber, utilities, and other implications
- Improved departmental budget tracking
- Modeling – debt and utility rate models
- Citizen's Financial Report (PAFR) – new document; hybrid of a CAFR and an Annual Budget document
- External Agencies – partnering with the Planning Department to transition to online application process

#### Citizens Survey results

The Public Affairs and Projects Manager introduced ETC Institute Senior Project Manager, Jason Morado, who joined the meeting via Blue Jeans. Mr. Morado provided the results for the biannual citizens survey.

Mr. Morado stated the seven-page survey was mailed to random households throughout the City of Concord. 413 households completed the survey with 88% rating Concord as excellent or a good place to live. Concord rated higher than the US average and regional average in 57 of 69 areas.

Satisfaction with overall quality of City services rated 31% above the US average and 26% above the regional average. Satisfaction with customer service from City employees rated 40% over the US average and 42% over the regional average. Based on the survey, the top priorities for City services were: traffic flow and ease of getting around the City, maintenance of streets, sidewalks, and infrastructure, and overall quality of economic development. The most important issues for the future were: maintaining an adequate and healthy water supply, improving public safety and crime prevention, and supporting small/local businesses.

Approximately 95% of the Concord residents who responded were satisfied with the overall quality of fire services and fire department response to medical emergencies. 90% of respondents felt very safe or safe in the neighborhood during the day, 75% felt safe overall in the City, and 75% felt very safe or safe in the neighborhood during the night. Other major City services that respondents are satisfied with are: parks and recreation programs and facilities (86%); appearance of City facilities (82%); quality of police services (84%); and quality of customer service received (82%). Respondents were least satisfied with the flow of traffic and the ease of getting around the City of Concord.

In summary, City residents have a very positive perception of the City (88%).

Mr. Morado left the meeting.

#### Downtown Streetscape Enhancements

The Planning and Neighborhood Development Director, Steve Osborne, and the Urban Design Senior Planner, Kaylee Canton, presented the planned improvements and conceptual designs of each phase of the streetscape design.

Phase One includes Union Street, North and Union Street, South; Phase Two includes McCachern Blvd, Means Ave, and Barbrick Ave; Phase Three includes Market Street, and Cabarrus Avenue, East; Phase Four includes Church Street, South, Church Street, North East, and Spring Street; and Phase Five+ includes McCachern Blvd, Killarney Avenue, Brumley Avenue, Corban Avenue, South East, Corban Avenue, South West, and Cabarrus Avenue, West.

The City Manager stated Phase One is underway; the remaining phases are conceptual at this time. He stated, if the Council was in agreement, staff would move forward with the design of Phase Two.

It was the consensus of the Council to move forward with the design of Phase Two and Three.

### **Transportation – Reconstruction of City concrete streets**

Transportation Director, Phillip Graham, stated concrete deteriorates differently from asphalt. Traditional patching has been a temporary solution. He stated the City has approximately 4.2 miles of concrete roadways and 4.7 miles of streets that have a concrete base overlaid with asphalt.

Burrage Road and Killarney Avenue are the most recent rehabilitated roadways. Virginia Ave rehabilitation is set to begin in 2020. It is estimated to cost \$2.1 million per mile for total rehabilitation of concrete roads. Additional costs could be incurred for various utility replacements.

Staff recommended allocating an additional \$.02 of the ad valorem tax (approximately \$500,000) to the Transportation Fund. The additional funding would then be allocated appropriately to supplement the annual resurfacing/preservation budget in order to help bridge the gap between the pace of street network deterioration and the pace of treatments to help maintain and hopefully increase the overall PCR throughout the City, and to decrease the reliance on CIPs for the reconstruction of concrete street segments

The City Manager stated he will be recommending in the upcoming proposed budget an additional \$.005 of ad valorem tax be allocated to the Transportation Fund (approximate total would be \$675,000).

### **Administrative, Financial and General Policy Issues**

#### **Federal Legislative Agenda Presentation from Jennifer Imo, The Ferguson Group**

Ms. Imo discussed the following 2020 Federal priorities:

- Concord Regional Airport – Ensure projects that are included on FAA's Work Plan maintain priority and funding; support full funding for the contract tower program in FY 2021 budget and appropriations; support contract tower staffing/annuity bill to address growing shortage in qualified air traffic controllers at federal contract towers; ensure FAA's AIP funds can be used for remote tower operations; highlight the need to prioritize non-hub airports, which do not collect passenger facility charges; work with TSA to become an approved gateway airport and participating Fixed Base Operator in the TSA's DCA Access Standard Security Program into Washington Reagan National Airport.
- Rider Transit – support full funding for FTA programs and efforts to secure discretionary funding for system needs; assess and support transit options around the light rail, Concord Mills, the Speedway, and the airport; maintain special operations cap (100 bus rule) in FAST Act reauthorization; pursue

change to federal policy that does not allow FTA funds to be used to purchase buses from the General Services Administration.

- Transportation – support continued funding for DOT’s Congestion Mitigation and Air Quality (CMAQ) Program; explore opportunities to address sidewalk gaps using federal Transportation Alternatives Program (TAP) and Safe Routes to School funds.
- Water Infrastructure – monitor federal assistance for infrastructure projects, such as sewer and waterline rehabilitation/replacement, water treatment upgrades to meet new treatment standards, stormwater culvert replacement for failing infrastructure, and regional stormwater treatment facility construction; monitor and report the status of the EPA/Corps’ proposed rule on “Waters of the U.S.”; monitor and report the EPA’s Lead and Copper Rule revisions.
- Brownfields – review potential brownfield locations and monitor EPA funding opportunities.
- Concord Police Department – monitor funding opportunities for law enforcement technology and personnel needs; explore opportunities to secure funds from the Republican National Convention for the 2020 Convention in Charlotte; monitor funding opportunities to help support the Public Safety Complex, including the indoor firearms range and firearms simulator.
- Concord Fire Department – pursue federal assistance for department needs, including the FEMA Assistance to Firefighters Grant program and FEMA SAFER Grant; support firefighter cancer registry and other health and wellness legislation.
- Housing – Pursue federal assistance for department needs; HUD FSS Services Coordinator Grant, Resident Opportunity and Self Sufficiency Program, Emergency Safety and Security Grant, Lead-Based Paint Capital Fund Program, Mainstream Voucher Program, Family Unification Program through the Housing Choice Voucher Program, Project Safe Neighborhood, and Good Neighbor Next Door; support HUD VASH Program and continued efforts to secure VASH vouchers working with the VA hospital in Salisbury .
- Future Park Sites – Pursue federal assistance to secure land for future park site; support permanent authorization of Land and Water Conservation Fund.
- Open Space and Connectivity Plan – Pursue federal assistance to implement parts of the City’s Open Space and Connectivity Plan.
- Greenways – pursue federal assistance for greenway system; work with NC Division of Parks and Recreation to secure funds through Recreational Trails Program and with the Cabarrus-Rowan MPO to secure transportation enhancement funds.
- Broadband – monitor and report on legislative and administrative (FCC) efforts to accelerate broadband deployment and preempt local authority on right-of-way and land use decisions as well as fees for pole attachments.
- Opportunity Zones – monitor and report on federal guidance related to the Department of Treasury’s Opportunity Zones and how they can be used to expand affordable housing and commercial development.
- Financing – support tax-exempt municipal bonds and advance refunding bonds.
- Infrastructure Package – TFG will monitor and report on Administration’s infrastructure package and resulting legislation.
- FY 2021 Budget and Appropriations – support full funding for priority federal programs.

State Legislative Agenda Presentation from Rose Vaughn Williams, Associate Executive Director of Public & Government Affairs, NC League of Municipalities

Ms. Williams discussed the State Legislative Agenda and legislative issues that are being discussed or proposed for discussion.

The City Council received the information as presented and will consider any revisions to the 2019 State goals at a future Council meeting.

Concord-Padgett Regional Airport – Landside-Ground Transportation Analysis

The Aviation Director, Dirk Vanderleest, stated Allegiant started service in Concord in December 2013 with twice weekly flights to Orlando. Allegiant began this service out of a converted hangar near the General Aviation Terminal. In 2016, Allegiant moved operations to the new Commercial Airline Terminal. The adjacent parking deck (675 spaces) was constructed in 2016 also.

From 2013 – 2016, Allegiant grew from 2 weekly flights to 1 destination to 10 weekly flights with 3 destinations. From 2017 – 2019, Allegiant continues to grow and add destinations. In 2020, the proposed schedule is 35 weekly flights with 7 destinations.

With increased flights comes a need for additional parking. Currently, the South Gravel Lot is being utilized for overflow parking. Parking deck capacity was exceeded over 26 days in CY 2019. This is creating a revenue loss as the City is not able to charge for parking in the gravel overflow lot.

He stated ground transportation is essential to the overall success for commercial service growth.

Staff recommended to increase parking shuttle operations, conduct a landside and ground transportation study (estimated cost is \$75,000 to be paid with Aviation Enterprise Funds and completed by the first quarter of FY21) and initiate the following Master Plan projects sooner: new commercial service terminal access road, parking deck expansions, rental car parking lot expansion, and paving of south gravel lot.

**Greenway Development and Connectivity – Implementation of the Open Space Connectivity Plan & Implementation of the Comprehensive Parks and Recreation Master Plan**

The Parks and Recreation Director, Bob Dowless, stated the need to create and improve connectivity for pedestrians and bicyclists for the City of Concord is a high priority to the City Council. The Open Space Connectivity Analysis, adopted by the City Council in May 2019, recommends a 5-year greenway development prioritization along priority creek corridors including Three-Mile Branch, Rocky River, Clarke Creek, Coddle Creek, and Irish Buffalo Creek.

All these corridors have several properties to acquire that will consist of owner notification, right-of-entry, surveying, appraisals, environmental evaluation, and final negotiations; a process that takes a great deal of time. Staff has developed a Standard Operating Procedure for Greenway Land Easement Site Control/Acquisition.

Park Planner, Jason Pauling, stated the Comprehensive Parks and Recreation Master Plan was adopted by the City Council in 2017. This Plan identifies park land needs City-wide of about 100 to 300 acres.

The following three park land search areas are recommended for acquisitions:

- Northwest/West District and Community Park – mostly north and west of I-85 stretching from the county line near Concord Mills to Highway 73 on the north end, and to Lake Howell and Coddle Creek on the east side. Parks and Recreation will also seek funding for a second park site in the Northwest.
- Central Neighborhood Park – a large under-served gap in the north-central area of the City, which essentially stretches from I-85 at the north end to George Liles Parkway at the west end, to Highway 29 at the south end and to Concord Parkway and Irish Buffalo Creek at the east end. Neighborhood parks are typically 10-20 acres in size.
- South Community Park – this area essentially stretches from the Charlotte Motor Speedway on the west side to Old Charlotte Road and the railroad tracks on the east side, just north of Highway 29 along Pitts School Road to the north and Highway 49 and Harrisburg to the south.

The comprehensive master plan also identified the need to master plan and redesign existing parks over the next five years, to create a prioritized project list of improvements and development opportunities. Master Plans for Dorton Park, Caldwell Park, David Phillips Activity Center, and Wilson Street Property are nearing completion and will move into the detailed design phase contingent on funding. The next series of master plans needed includes:

- Gibson Field & Neighborhood Park & Development of Academy Recreation Center Complex – Parks and Recreation and Planning have discussed and coordinated efforts in the Gibson Village neighborhood in regards to facilities and property owned and managed by the City of Concord. These efforts have identified the need for a new master plan and conceptual design on park, connectivity and development options for several of these properties owned by the City.
- Hartsell Park & Ballfield Complex – Hartsell Park, similar to Caldwell is one of Concord's oldest parks, and a master plan and conceptual design is critical in order to address aging facilities and neighborhood connectivity.

In addition, staff will also be developing a parking lot and connectivity options to the Tarheel Trailblazers Mountain Bike Park, the City's first of such facility, as well as expansion of parking at the Logan Multi-Purpose Center, and additional parking and restrooms at the McEachern Greenway trail head facility at Wilson Street.

The City Manager stated he is proposing in the FY20-21 budget to allocate \$0.01 of the tax rate to Parks and Recreation for land acquisition to be used for greenway and park construction/expansion.

#### **Solid Waste Discussion – Bulky and Yard Waste Collection Analysis (update only)**

The Solid Waste Director, Robin Barham, stated the information provided is for Council to better understand the current collection efforts in bulky and yard waste and how it compares to what other municipalities provide.

She explained and showed examples of the current volume or capacity limits for bulky waste. There are no volume or capacity limits for yard waste.

She presented the following different types of bulky waste and the survey results:

- Construction debris – 22% of bulky waste stops. Of 16 cities surveyed, only 3 collect construction debris; 2 of the 3 are fee-based collection and the remaining city will only collect debris that fits into a 32 gallon container at no charge.
- Carpet and padding – 5% of bulky waste stops. 9 cities do collect carpet; 4 are fee based.
- Household furniture/other items – 55% of bulky waste stops. 14 of the 16 cities surveyed do collect household bulky waste items; 12 with no fee, 1 offers free quarterly collection, 3 fee based on weight/number of items.
- Electronic Waste, Tires, and White Goods/Metal – 5% electronic, 4% tires, and 9% white goods/scrap metal. 11 of the 16 cities collect electronics (8 with no additional fees), 7 of the 16 collect tires (most with no fee but with a limit of 5-8 tires per collection), and all 16 collect white goods/metal (11 with no additional fee). She noted there is no cost to provide this service currently, but there could be a cost in the future.

She presented the following yard waste results:

- Limb collection – 64% of yard waste collection stops (105,552 collections). All 16 cities collect limbs curbside; 8 have no limit on volume; others range from 2 cubic yard to 20 cubic yard; several are fee based when the volume reaches 4 cubic yard or more; majority of cities limit size of limbs from 4 to 6 feet in length and 3 to 6 inches in diameter.
- Bagged collection – 36% of stops (59,332 collections). All 16 cities provide

collection of loose yard waste materials; 11 of 16 collect loose yard waste in bags; the remaining 5 only use the loose leaf vacuum style trucks for leaves and grass clippings; 3 cities have limits on number of bags, ranging from 5 to 20 per week.

## **Affordable Housing**

### **Transitional Neighborhood – options and opportunities**

The Planning and Neighborhood Development Director stated Market Study Data shows that within the next five years there will be a significant gap between affordable housing and market-rate rent/home prices. Market rates have increased nine times faster than Area Median Income (AMI) and is expected to continue to increase. At the time of the study, 42% could afford a new \$60,000 home.

Based on the study, the average worker made \$36,493 annually; approximately 60% of the AMI. Median gross rent was \$858 monthly with an expected 37% increase in the next five years. The average home prices was \$179,000.

He stated in order for the City to provide access to affordable housing for residents in the next ten years, Concord needs to have 3,130 additional housing units incorporated into the housing stock such as scattered single family residents, single family developments, multi-family, townhomes, etc. To fill the housing gap, a significant funding source is needed as land costs, site improvements, construction costs, building materials, labor, etc. continue to increase. Census data shows 30% of the homeless population is aged 50 and above.

He stated the City has taken steps toward filling the housing gap by providing \$350,000 in the General Fund for the construction of affordable housing. The Concord Development Ordinance (CDO) was amended to allow an accessory unit with a single family home. The Concord Family Enrichment Association, a non-profit, was created to allow the pursuit of additional funding sources in the form of grants and private partnerships. Federal funds from HUD are available for residents with a gross household income of 80% or below AMI. In 2019, Concord received \$633,508 in CDBG and \$191,752 in HOME funds. Concord also partners with Habitat for Humanity, Salvation Army, and Corporate Christian Ministry.

Staff recommended offering incentives to developers for including affordable housing units in the development plans, seeking additional partnerships for non-profits, explore regulations that require mandatory inclusionary housing as part of a development along with exploring land bank and land trusts options, and to continue to provide greater solutions for transportation by increasing public transportation access, improving walkability, and encouraging job creation within closer proximity to housing.

The City Manager stated he is proposing in the upcoming budget to allocate \$0.01 of the tax rate (approximately \$1.35 million) for affordable housing and to see matches from the private sector to acquire land for the construction of a variety of mixed-use housing.

### **Corban Avenue – 11 units**

The Housing Deputy Director, Mercedes Edwards, presented a summary of the HUD Section 202 Grant application.

She stated the HUD Section 202 Grant will provide capital advance funding for the development and operations of supportive rental housing for very low income persons age 62 and above for a set number of years. Funds may also be used to provide supportive services, maintenance and to hire a Service Coordinator.

If grant funds are awarded, staff is proposing to construct an 11 unit, 15,240 square foot building to provide affordable housing for senior citizens. The proposed building would include two ADA units, a common area, fencing on three sides, a mix of single occupant and double occupant

units along with an outdoor gardening space. Each unit will have a porch or patio space. The proposed rent per month is \$695. Total cost of construction is estimated to be \$2, 057,400.

The proposed building would be located at 77 Corban Avenue. This area was selected due to the proximity of the downtown, the McCachern greenway, and access to public transportation.

If grant funds are not awarded, staff will continue to seek other opportunities or grant funds designated for senior affordable housing.

Reuse of Fire Station #10 modular unit

The Housing Deputy Director stated the 2,255 square foot modular unit owned by the City and used as Fire Station #10 temporarily until the permanent station could be constructed. Initial work has begun for the new building and the modular is located where the parking area will be located. The modular is still in good condition and can be relocated and renovated into a duplex to be used for housing needs and provide a source of revenue.

The Housing Department is proposing to relocate the modular 471 Pharr Drive (owned by the City of Concord). The approximate costs for moving and renovating the unit is \$100,000 - \$120,000. Renovations would take approximately 90 days to complete.

To accomplish this goal, the Housing Department would request City funds in the form of a loan and see other federal funds that could be used.

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With there being no further business to discuss, a motion was made by Council Member Parsley, seconded by Council Member Crawford, and duly carried, to adjourn the meeting—the vote: all aye.

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William C. Dusch, Mayor

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Kim J. Deason, City Clerk