



NC Metro Mayors Coalition Annual Member Meeting

December 2-3, 2021

Durham, NC



Meeting and report
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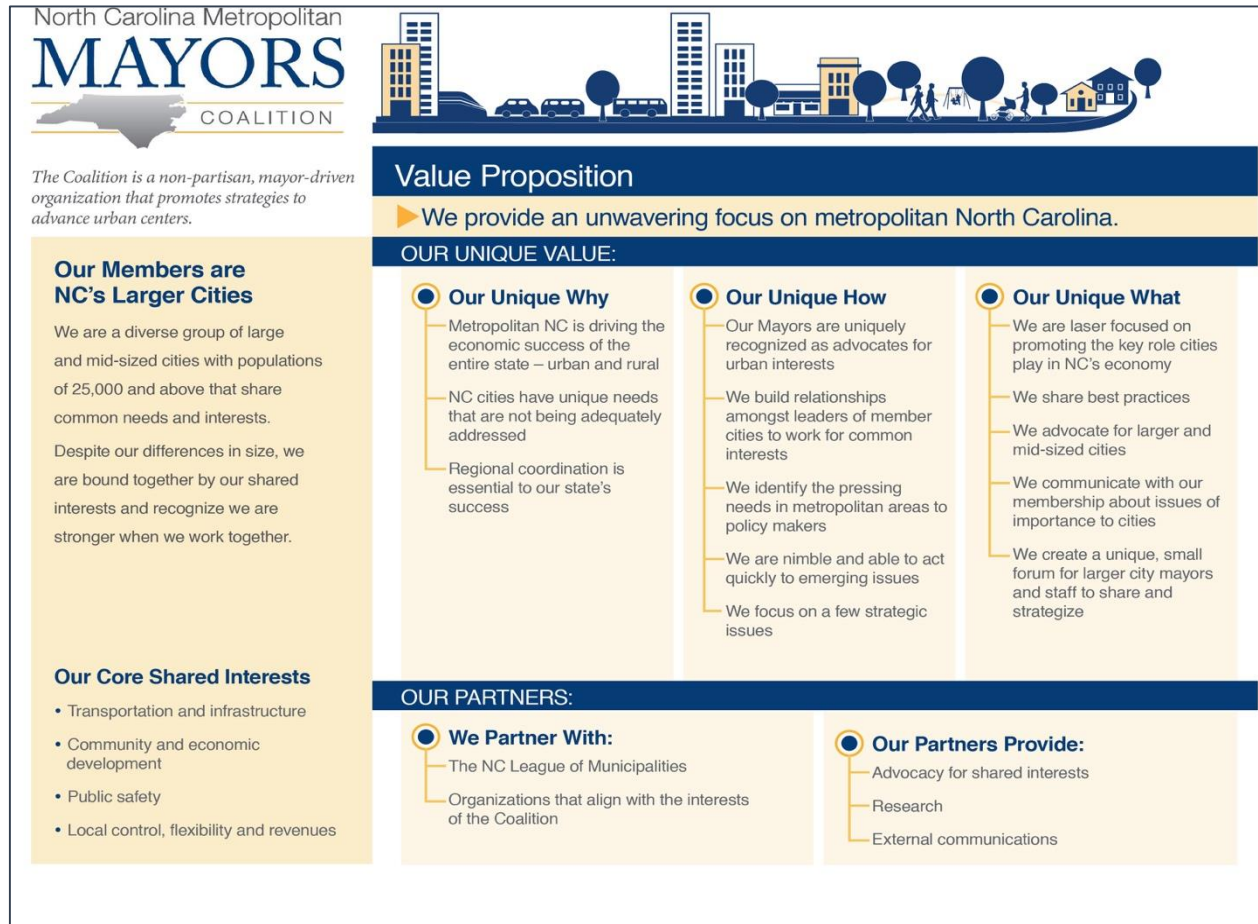


Executive Director Beau Mills, beau.mills@metromayors.com, mobile 919.637.0873

Meeting Summary

Greensboro Mayor Nancy Vaughn, current Chair of the Coalition, along with Durham Mayor Steve Schewel welcomed the Metro Mayors Coalition (MMC) to Durham and reviewed the agenda. Members, including newly elected Mayors, were introduced. The Mayors shared a brief highlight of activities in their community during the “*Mayors Minute*.”

Executive Director Beau Mills shared updates on the activities of MMC over the past year. The work is consistent with the **value proposition** that was developed and approved in December 2018.



Director's Report

Since the MMC last met in 2019, our members have managed a once in a generation pandemic, faced economic uncertainty, and social unrest that changed the way the coalition has conducted business, including:

- Over 75 legislative Zoom meetings and debriefs
- Several meetings with Governor Roy Cooper and Zoom-based social
- Several meetings with Secretary of the NC DHHS, Dr. Mandy Cohen

- Meeting with Secretary of NC DOT, Eric Boyette as well as a meeting with North Carolina Senate Transportation Committee Chair, Senator Vickie Sawyer
- Emergency meetings during social unrest that included some member cities and Governor Cooper
- Numerous policy and pandemic-related email updates
- Zoom meetings with NC Agriculture Commissioner Steve Troxler and NC Attorney General Josh Stein
- Officially joined the NC League of Municipalities as an affiliate organization

North Carolina Cities Initiative – Environmental Defense Fund (EDF)

Zach Ambrose, President of Ambrose Strategy shared the work of the Cities Initiative. EDF's work is data driven and believes in the power of collaboration. They continue to work with local governments that want to focus on greenhouse gas (GHG) emission reduction in North Carolina - attempting to fill a gap by bringing local units to together to share best practices and resources at the national level, but giving special attention to looking at policy and regulatory issues to address systemic problems at the state level. The Cities Initiative has identified **12 consensus action items** to speed up meaningful GHG reductions in North Carolina:

- Obtain additional locally controlled transportation revenue
- Adjust State Transportation Improvement Program (STIP) allocations
- Incorporate GHG scoring for state-funded projects
- Develop a voluntary carbon credit tracking system
- Aggregate data access at a safe level to allow for program prioritization
- Create a utility billing platform that helps cities and customers understand energy use
- Allow for new renewable energy procurement options
- Increase speed and transparency of the interconnection process
- Address barriers to Commercial Property Assessed Clean Energy (C-PACE) in North Carolina
- Develop a local government supported green energy bank
- Improve energy impact of building codes
- Change makeup of the NC Building Code Council

Phase 2 launched in 2019, with a focus on developing implementation goals and strategies for the consensus action items to address statewide barriers to reducing GHG emissions. The following local governments are participating in Phase 2. (*MMC members noted* - additional government are invited to join.)

- | | | |
|----------------------|---------------------|------------------------|
| • <i>Apex</i> | • Davidson | • <i>Matthews</i> |
| • <i>Asheville</i> | • <i>Durham</i> | • <i>Mooreville</i> |
| • <i>Boone</i> | • Durham County | • PTRC |
| • Buncombe County | • <i>Greensboro</i> | • <i>Raleigh</i> |
| • Canton | • Hendersonville | • <i>Salisbury</i> |
| • <i>Carrboro</i> | • High Country COG | • TJCOG |
| • <i>Cary</i> | • Hillsborough | • <i>Wilmington</i> |
| • <i>Chapel Hill</i> | • <i>Kannapolis</i> | • <i>Winston Salem</i> |
| • <i>Charlotte</i> | • LRCOG | |

Update from the White House – Office of Intergovernmental Affairs

Gabe Amo, Deputy Director of the White House Office of Intergovernmental Affairs provided an update on the Bipartisan Infrastructure Law (Infrastructure Investment and Jobs Act) and what North Carolina cities can expect; the importance of access to clean drinking water and broadband and asked for continued advocacy by the MMC.

Funding for North Carolina:

- \$7.2 billion for North Carolina roads and highways over the next five years.
- \$911 million for North Carolina public transportation over the next five years.
- \$109 million to build a network of electric vehicle charging stations over the next five years.
- \$457 million for North Carolina bridge construction and repair over the next five years.
- \$440 million for clean water in North Carolina through the Clean Water State Revolving Fund (CWSRF) program and Drinking Water State Revolving Fund (DWSRF) over the next five years.
- \$100 million for broadband in the first year for North Carolina to provide broadband services to the 424,000 North Carolinians who currently do not have access to them, with the state eligible for additional funding in subsequent years.
- \$27 million to protect against cyber-attacks in North Carolina.

Advice to MMC by Deputy Director Amo:

1. Prepare your City Departments' grant intake capacity.
2. Establish **a central point of contact** at your city to coordinate with the State and Federal Government.
3. Tell your story – Remind the media and public how critical this investment is for your communities

Gabe Amo | gabriel.f.amo@who.eop.gov

Legislative Overview and Methodology Discussion - Kilpatrick Townsend

The Kilpatrick Townsend team including Ches McDowell, Nelson Freeman, Amanda Donovan, and Hampton Billips provided a Legislative Session Overview handout that can be found at the end of this document. The 2021 Session was a good budget for most cities, included the passage of the first comprehensive budget the state has enacted since 2018 and was good for cities, as well as other legislative victories for the MMC. The team then discussed various legislative and political strategies that members should leverage when working on issues with legislators. A few examples that were provided include:

- Public Transportation
 - Rather than focusing on the hot-button considerations, pivot the conversation to traffic, roads airports and seaports as a way to build consensus.
- Affordable Housing and Short-Term Rentals
 - Start the conversation first with legislators that focus on housing, building code, and land use in local government. When cities establish the context for why regulation is necessary, it helps legislators to understand and explain to other legislators.

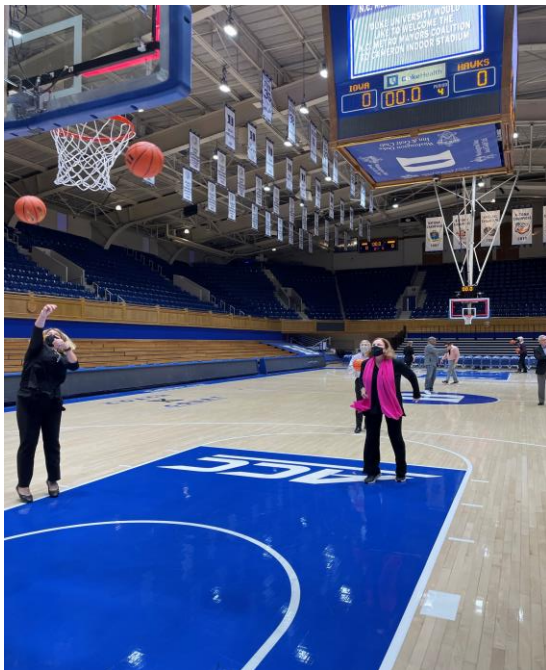
- Climate Change
 - Rather than tackling the issue head-on, try working around the edges. Make the case starting with economic development, flood mitigation and resiliency.

Ches McDowell | cmcdowell@kilpatricktownsend.com | 336.607.7366

Durham Tour: The Chesterfield, Cameron Indoor Stadium, and Willard Street Apartments

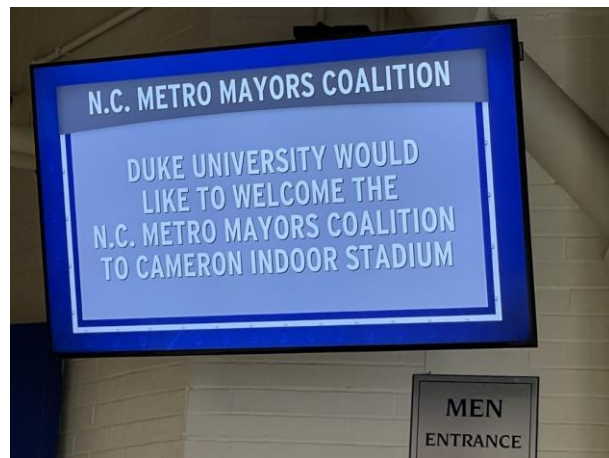
The City of Durham and Mayor Schewel hosted a tour of exciting work that is going on in the city.

- Rode on one of the new GoDurham electric buses
- Visited The Chesterfield, a 284,000 square foot adaptive re-use historic building in downtown Durham that is a new center of gravity in the life science and technology ecosystem. The building was built in 1948 operated as a cigarette manufacturing factory until its transformation.
- The Metro Mayors took to Coach K Court for a shoot around following a tour of Cameron Indoor Stadium.
- The final stop for the Durham tour was the Willard Street Apartments. Developed by a partnership led by DHIC along with Self-Help Ventures Fund, Duke University, the City of Durham, and Capitol Broadcasting, Willard Street Apartments offers 82 affordable apartment homes (39 one-bedroom & 43 two-bedroom) for modest wage-earners working in downtown Durham with a mix of 30% and 60% AML units.



Chapel Hill Mayor Pam Hemminger and Raleigh Mayor Mary-Ann Baldwin shooting hoops on Coach K Court.

The MMC received a warm welcome to Cameron Indoor Stadium.





The MMC visited Willard Street Apartments, an affordable housing complex, located adjacent to the Durham Station Transportation Center and American Tobacco Campus. Above - Michael Rodgers with DHIC and Dan Levine from Self-Help Ventures telling the story of the project partnership.



Metro Mayors toured The Chesterfield, a former cigarette factory that has been converted to a center for firms focused on life sciences innovation and discovery in Downtown Durham.

Reception and Dinner – The Durham Hotel

Trey Rabon, President of AT&T North Carolina gave brief remarks at the evening reception, followed by dinner on outdoor Rooftop at The Durham Hotel. The MMC appreciates the continued support of AT&T.



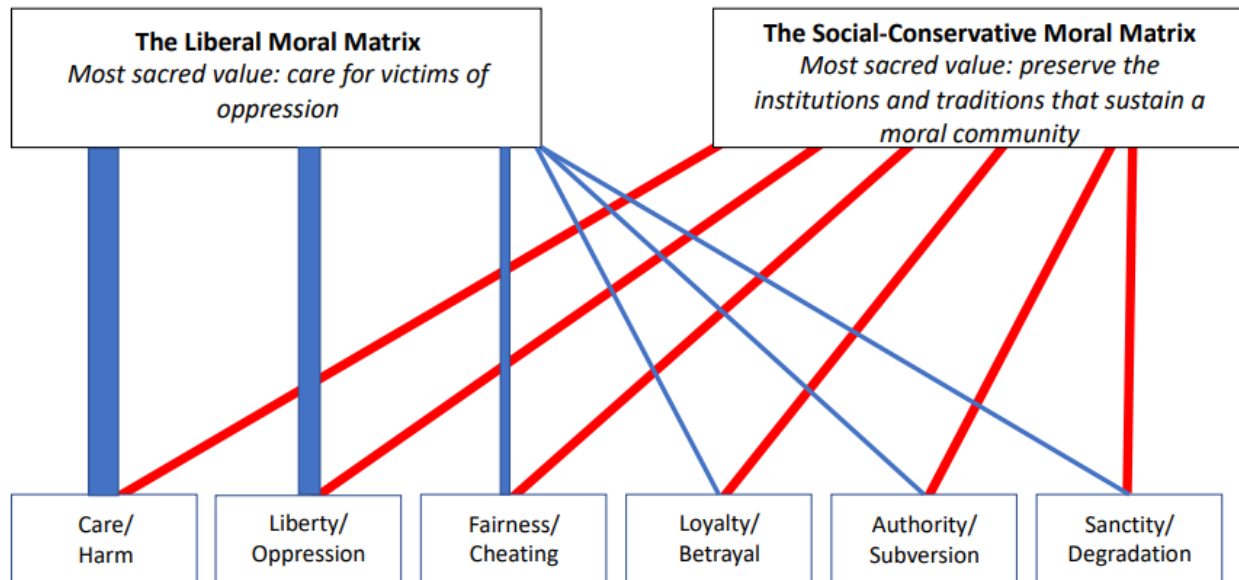
Dinner on The Durham Hotel Outdoor Rooftop featured a panel discussion with Metro Mayor Coalition founders – former mayors Bill Bell, Durham, Susan Kluttz, Salisbury and Scoot Padgett, Concord with Durham Mayor Steve Schewel acting as emcee.

The State of Divided Politics in North Carolina

Dr. Michael Bitzer, Leonard Chair of Political Science at Catawba College discussed the political environment in North Carolina through the lens of polarization and partisanship. Dr. Bitzer referenced works of social science scholars and provided an analysis of polarization, specifically evaluating the urban/rural divide. His analysis demonstrated a divide between the moral foundations of political identities and that partisanship can be explained by a biological predisposition where identity can be malleable, but also resistant to change. Dr. Bitzer stated the central dividing issue is whether one respects the status quo or is open to change.

Dr. Bitzer provided a couple of pieces of advice:

1. Create cross-party friendships to help Conservatives and Liberals know where each are coming from.
2. Using the moral foundation matrix, found within the slideshow, to think about how public policy issues can be framed to influence those on the other side.



The Moral Foundation Matrix referenced by Dr. Michael Bitzer in his presentation to the MMC.

Update from Governor Roy Cooper

Governor Roy Cooper discussed the recent passage of the North Carolina State Budget, the first comprehensive budget the state has enacted since 2018. He focused on the State's investment in water and sewer and broadband and expanded funding opportunities in the federal infrastructure bill for cities and towns in North Carolina.

Governor Cooper highlighted the advocacy work he did in concert with the MMC, along with the NC League of Municipalities, to remove harmful policy provisions from the budget that would have restricted local authority and prohibited our members from enforcing regulations to protect their citizens. He emphasized the importance of the Mayors Coalition as there is still work to be done to improve our cities for all North Carolinians.



Governor Roy Cooper greeting incoming MMC Chair, Chapel Hill Mayor Pam Hemminger, before giving remarks to the MMC.

Special Project: North Carolina Metro Cities Report

Director Beau Mills presented a special project proposal, the North Carolina Metro Cities/Regions Report. The report, similar the US Conference of Mayors US Metro Economy Report, would provide a custom economic outlook and retrospective examination of NC metropolitan economies, with e goal of providing strong evidence of the central role our cities and their regions play in the overall economic health of the state . A breakdown of a proposed report timing, deliverables, and fees is listed below.

Deliverable	Timing	Fee
Inaugural NC Metro Economies Annual Report	Spring 2022	\$31,992
On-site conference presentation (Durham)	Spring/Summer 2022	\$5,000 (excl. T&E)
Year-2 NC Metro Economies <u>Annual Report</u>	November 2022	\$22,088

MMC Budget

Director Beau Mills presented the proposed budget. The proposal accounts for the first year of the NCLM contract and includes revenue/expense projections for in-person meetings. Approval of the proposed budget directs the Executive Committee to review and approve/disapprove a proposed contract to IHS Markit to develop an *Annual North Carolina Metro Economies Report*. Additionally, approval directs the Executive Committee to review and approve expenses for the Metro Mayors Coalition 20th Anniversary Celebration. Mayor Outlaw moved approval of the budget; Mayor Alexander seconded. The budget received unanimous approval.

NC Metropolitan Mayors Coalition

COVID and FIRST YEAR of NCLM CONTRACT

	Adopted FY2020-21	Actual FY2020-21	Proposed FY2021-22 for approval
Revenues			
Membership Dues	325,000.00	338,114.85	336,000.00
Annual Meeting	-	-	5,000.00
Event Sponsorships	7,000.00	-	7,000.00
Investment Income	3,000.00	2,569.81	3,000.00
Summer Meeting	2,500.00	-	2,500.00
Affordable Housing Initiative	-	-	-
Transfer From Fund Balance	-	-	-
Total Revenues	337,500.00	340,684.66	353,500.00
Operating Expenses			
Administrative	-	-	-
Affiliate Service Fees	195,000.00	195,000.00	195,000.00
Bank Service Charges	250.00	7.55	250.00
Insurance	760.00	801.00	800.00
Fall/Winter/Other Meetings	5,000.00	3,840.30	15,000.00
Lobbyist Registration	-	-	-
Professional Services/Personnel/L	-	-	-
Personnel Expenses:Director Sala	-	-	-
Professional Services: Lobbying	65,000.00	61,260.00	65,000.00
Professional Services:Accounting	1,500.00	900.00	1,500.00
Professional Services:	-	-	-
Professional Services:Legal	1,050.00	1,050.00	1,050.00
Projects and Sponsorships	12,000.00	-	15,000.00
Travel and Related Expenses	5,000.00	-	5,000.00
Mileage and Car Rental	-	-	-
Miscellaneous	-	664.35	-
IT/Office Space/Bookkeeping	2,400.00	-	2,400.00
Transfer To Fund Balance	49,540.00	-	52,500.00
Total Operating Expenses	337,500.00	263,523.20	353,500.00
Net Revenue Over Expenses	-	77,161.46	-
* Direct Executive Committee to review approve/disapprove Metro Economy report			
* Direct Executive Committee to review and approve expenses for 20th Anniversary Celebration			

NC Metropolitan Mayors Coalition FY 2021-2022 Annual Budget

MMC Elections of new officers

Mayor Lavelle presented the proposed slate of new officers on behalf of the nominating committee. Mayor Schewel moved adoption of the slate and Mayor Hinnant seconded the motion. The new officer slate was passed unanimously. The officers are:

Chair: Mayor Pam Hemminger, Chapel Hill

Vice Chair: Mayor Bill Saffo, Wilmington

Treasurer: Mayor Bill Dusch, Concord

Immediate Past Chair: Mayor Nancy Vaughan, Greensboro

At-large: Mayor Miles Atkins, Mooresville

At-large: Mayor Allen Joines, Winston-Salem

At-large: Mayor Costi Kutteh, Statesville

At-large: Mayor Jacques Gilbert, Apex

At-large: Mayor Mary-Ann Baldwin, Raleigh



Group photo of the Metro Mayors Coalition outside of Duke University's Cameron Indoor Stadium

The North Carolina Cities Initiative

Background

In 2018, EDF launched the North Carolina Cities Initiative – a program designed to help North Carolina local governments achieve their climate and clean energy goals. The Cities Initiative brings together over two dozen North Carolina local governments to address systemic barriers to reducing greenhouse gas (GHG) emissions.

Current participants include Apex, Asheville, Boone, Buncombe County, Canton, Carrboro, Cary, Chapel Hill, Charlotte, Davidson, Durham, Durham County, Elon, Forsyth County, Greensboro, Hendersonville, High Country COG, Hillsborough, Kannapolis, LRCOG, Matthews, Mooresville, PTRC, Raleigh, Salisbury, TJCOG, Wilmington and Winston Salem.

Consensus Action Items

Cities Initiative participants developed twelve action items that can empower localities to reduce their GHG emissions:

- Secure additional locally-controlled revenue for transportation
- Adjust State Transportation Improvement Program (STIP) allocations
- Incorporate GHG scoring for state funded projects
- Develop a voluntary carbon credit tracking system
- Aggregate data access at a safe level to allow for program prioritization
- Create a utility billing platform that helps cities and customers understand energy use
- Allow for new renewable energy procurement options
- Increase speed and transparency of the interconnection process
- Address barriers to Commercial Property Assessed Clean Energy (C-PACE) in North Carolina
- Develop a local government supported green energy bank
- Improve energy impact of building codes
- Change makeup of the NC Building Code Council

The Work

The Cities Initiative continues working to build upon momentum from early successes and develop strategies to implement the consensus action items. The Cities Initiative convenes approximately every six weeks at various locations across the state (sessions are currently virtual due to COVID). Each session focuses on two to three consensus action items where participants dive deep on issues with subject matter experts, refine goals, develop strategies and identify partners.

New participants are welcome. Please contact Michelle Allen, mallen@edf.org, or Zach Ambrose, zambrose@AmbroseStrategy.com, for more information.

2021 Legislative Session Overview

S105 (Session Law 2021-180), 2021 Appropriations Act

Budget Highlights

- \$25.9 billion for 2021-22 and \$27 billion for 2022-23
- First comprehensive budget the state has enacted since 2018
- Includes 5 percent pay increase for most state employees and 5 percent pay increase for teachers over the biennium
- \$1 billion for broadband expansion
- Decrease in the personal income tax rate from 5.25 percent to 3.99 percent by 2027, starting with 4.99 percent in 2022

Transportation

- **State Maintenance Assistance Program (SMAP) – WIN**
 - Full restoration of SMAP funding for urban transit operations
- **Commercial Service Airport Funding - WIN**
 - Fully funded, \$75M recurring

Public Safety

- **Pilot Program – Supplemental Insurance Policy for Firefighters Diagnosed with Cancer (Section 30.4A) - WIN**
 - Insurance benefit funded by the State instead of an unfunded mandate for cities

Economic Development

- **Workforce Housing Loan Program (Section 29.4) – NEUTRAL**
 - \$170M for the Workforce Housing Loan Program (WHLP) to assist with the development of multi-family affordable housing units across the State

Local Revenues/Local Control

- **Policy Provisions NOT Included in Final Budget**
 - **Stormwater** – Would have eliminated local stormwater rules that prevent flooding – **WIN**
 - **Short-Term Rentals** - Would have harmed the ability of local governments to regulate short-term rentals like AirBnB – **WIN**
 - **Tree Ordinance** - Would have eliminated local tree ordinances and only allow local tree removal and protection rules by a local legislative act – **WIN**
 - **School Zoning Preemption** – Would have allowed the siting of schools in any residential or commercially zoned area of a city, without consideration of appropriateness or infrastructure – **WIN**
- **Policy Provisions Included in Final Budget**
 - **Small Cell Wireless (Section 38.10)** – The provision would limit fees on the placement of small-cell wireless equipment on municipal owned poles – **LOSS**
 - **Outdoor Advertising (Section 41.47)** – When an existing billboard is impacted by road construction, this provision creates parameters for a required relocation - **LOSS**

2021 Legislative Session Overview

Public Safety

- **S300, Criminal Justice Reform**
 - This is an omnibus bill that would decriminalize certain local ordinances, implement stronger background checks and mandatory psychological screenings for criminal justice officers, and change the procedure for releasing body cam recordings. It would also create policies, databases, and follow up plans for law enforcement agencies.
 - The Metro Mayors did not support or oppose this legislation.
 - Current Status: Signed into Law – Session Law 2021-138 - **NEUTRAL**

Local Revenues/Local Control

- **S349, Increase Housing Opportunities**
 - This bill would have essentially eliminated single-family zoning statewide. It would lock-in each municipality's current zoning and not allow changes to be made unless density was increased. The bill would also eliminate conditional zoning.
 - The Metro Mayors opposed this legislation.
 - Current Status: Not passed, referred to Senate Rules Committee – **WIN**
- **H496, Property Owner's Rights/Tree Ordinances**
 - This bill would have prohibited local governments from adopting ordinances regulating the removal of trees from private property without the General Assembly's express authorization.
 - The Metro Mayors opposed this legislation.
 - Current Status: Not passed, referred to Senate Rules Committee – **WIN**
- **H831, Cities/Prohibited Service Agreements**
 - This bill would have prohibited cities from entering into agreements with public water or sewer systems that condition the provision or extension of water or sewer services upon the annexation of the area to be served by the city or water or sewer service district.
 - The Metro Mayors opposed this legislation.
 - Current Status: Not passed, referred to House Rules Committee - **WIN**
- **H890, ABC Omnibus Legislation**
 - Section 20 allows local governments to designate "social districts." Social districts would be a defined outdoor area for consumption of alcoholic beverages sold by a permittee during specified times.
 - Section 21 would permanently allow local governments to adopt an ordinance authorizing ABC permittees to utilize an area that is not part of the permittee's licensed premises for the outdoor possession and consumption of alcoholic beverages sold by the permittee under certain requirements.
 - The Metro Mayors did not support or oppose this legislation.
 - Current Status: Signed into Law – Session Law 2021-150 – **NEUTRAL**
- **H911, Regulatory Reform 2.0**
 - Section 2 of the bill would have prohibited a local government from adopting or enforcing an ordinance requiring a permit or registration system to lease or rent residential real property.
 - The Metro Mayors opposed this section of the legislation and any legislation that would limit a local government's ability to regulate short term rentals.
 - Current Status: Not passed, referred to Senate Rules Committee - **WIN**