

**MINUTES OF A
RECONVENED REGULAR MEETING
OF THE JACKSON COUNTY
BOARD OF COMMISSIONERS
HELD ON
AUGUST 10, 2021**

The Jackson County Board of Commissioners met in a Reconvened Session on August 10, 2021 at 12:55 p.m., that was reconvened until August 10, 2021 at 2:00 p.m., Justice and Administration Building, Room A201, 401 Grindstaff Cove Road, Sylva, North Carolina.

Present:	Brian McMahan, Chairman	Don Adams, County Manager
	Boyce Deitz, Vice Chair	Heather C. Baker, County Attorney
	Mark Jones, Commissioner	Angela M. Winchester, Clerk to Board
	Tom Stribling, Commissioner	
	Gayle Woody, Commissioner	

Chairman McMahan called the recessed meeting of August 10th at 12:55 p.m. back to order.

(1) DOGWOOD HEALTH TRUST GRANT OPPORTUNITY: Mr. Adams presented a Manager's Summary of Dogwood Health Trust ARPA Advantage Program Opportunity:

The Dogwood Heath Trust Fund released a grant opportunity to counties, municipalities and the EBCI in an effort to leverage their funds with the American Rescue Plan Act (ARPA) funds being allocated to these governments. Affordable housing (permanent or transitional) was the focus of the grant. A total of \$10 million dollars was available for this specific initiative. Individual requests may range from \$500,000 - \$2.5 million dollars. The grant application was due by 5:00 p.m. on August 16th. Awards would be made by the end of September and funds would be available by October, 2021.

There were two major opportunities for the county with these funds. These opportunities included serving domestic violence victims and serving the homeless. The county currently partnered with the Center for Domestic Peace and HERE to serve these population groups. A detailed description of each were as follows.

(a) Center for Domestic Peace: The county had a long history of partnering with non-profits to serve the victims of domestic violence and sexual assaults. The county's main partner from the year 1978 until 2012 was REACH of Jackson County (Resources-Education-Assistance-Counseling-Housing). REACH of Jackson County discontinued services in 2012. The county immediately worked out an arrangement with REACH of Macon County to take over services for domestic violence and sexual assaults in Jackson County. This included providing temporary shelter space when needed.

Recognizing the need to bring these services back to Jackson County, community leaders organized a task force in 2012 to study these issues. The Center for Domestic Peace (CDP) was created out of this task force and became incorporated as a non-profit in December, 2013. The CDP had worked closely with REACH of Macon County since then to transition these services back to Jackson County. Domestic violence services transitioned to the CPD as of July 1, 2020. The CDP would take over sexual assault and human trafficking services in July, 2022. The final phase of transition would be to provide shelter services directly in the county.

It was proposed that the county apply to the Dogwood Health Trust ARPA Advantage Program to fund the construction of a new domestic violence shelter in Jackson County. The property was owned by Mountain Projects and was located in the Sylva town limits off of Plum Street near Highway 107/East Main Street. The parcel consisted of 2.27 acres and was currently being used by Mountain Projects for housing programs. This parcel was the former location of the previous domestic violence shelter prior to its demolition.

He provided the Board a zoning verification letter from the Town of Sylva that indicated the property was located in the Institutional District that allowed for a variety of “by right” use types including shelter/group homes. He provided a proposed site plan for a two story 7,000 square foot facility along with the additional parking required to serve a facility such as this. The initial estimated total was \$4,098,995, which included construction costs, contingency, soft costs (i.e. architect, engineering, surveying, permitting) and furniture/technology equipment.

It was extremely important to note several items about this proposed plan. These items were as follows:

- The proposed plan would require approval by the Mountain Projects Board. Executive Director Patsy Davis was supportive of the plan to build a shelter on this property. She intended to discuss this with the Mountain Projects Board on August 13th. Mountain Projects would continue to be part of these discussions until a site and facility plan was finalized. Mountain Projects would be asked to give final approval once the exact details were known.
- The proposed plan would require the services of an architect to finalize the specific space schematics. Other engineering services, such as geotechnical and surveying would be necessary to finalize the site plan in detail.
- The final building schematic information along with the engineered site plan details would allow for more detailed cost estimates.
- Final zoning, land development and construction permitting approval would be dictated by the results of the finalized architectural and engineering plans.
- Steps 1-4 above would take 8-12 months to complete. These steps would need to be accomplished prior to authorizing the construction/bid documents to be completed.
- It would take another 8-12 months for construction documents to be completed and for bidding to take place.
- It would take another 12 months for construction to be completed.
- The entire process from grant award in October, 2021 would take up to three years to be completed.

(b) HERE -Housing-Equity-Resources-Education: Community groups such as Jackson Neighbors in Need (JNIN) organized shelter and case management services for the homeless for many years. Due to the increasing need, the county provided funding to JNIN in FY 15-16. Since JNIN was not an official non-profit organization, this funding was expended through other non-profits such as Habitat for Humanity and Mountain Projects. In the next couple of years, the need for additional rooms increased along with the need for additional case management.

In the spring of 2017, the county provided additional funds to Southwestern Child Development Commission (SCDC) to take over these operations. SCDC temporarily took on these responsibilities at the request of the county. In FY 18-19, SCDC gave notice to the county that they no longer wished to provide these services. In January 2019, the county issued a Request for Proposals to provide temporary shelter services and case management services to the homeless in the county. The basic core mission in this RFP was that “no one’s life in our community should be at risk due to exposure to extreme weather”. Another core component in the mission was that “the homeless population should be afforded access to services and programs that could eventually lead to permanent housing solutions”.

HERE responded to the county’s Request for Proposals and HERE was selected as the county’s lead agency to provide services to the homeless. These services included cold weather sheltering (via hotels) during winter months and case management services that assist in transitioning some to permanent housing. The county awarded \$153,841 to HERE in FY 21-22. The county expended approximately \$635,000 in the past five years serving the homeless. The county expended approximately \$705,000 serving the homeless in the past 10 years. HERE was looking to transition from a “hotel model” to a “brick and mortar” model.

It was being proposed that the county apply to the Dogwood Health Trust ARPA Advantage Program to fund the construction of a shelter to serve the homeless. The property being considered for the location of the shelter was owned by Evergreen Foundation and was located in the Sylva town limits on Medical Park Loop near Harris Regional Hospital. The parcel consisted of 3.5 acres with an existing 17,000 square foot facility. The facility formerly housed Meridian Behavioral Health and was the temporary location of the Health Department.

He provided a letter from the Evergreen Foundation stating their willingness “to work with Jackson County and HERE to study the feasibility of possibly converting this building to provide a place to house these services”. He provided a zoning verification letter from the Town of Sylva indicating that this property was located in the Institutional District that allows for a variety of “by right” use types including shelter/group homes. It was proposed that 8,800 square feet of this facility be renovated to accommodate the shelter space. An initial cost estimate to renovate the 8,800 square feet was \$3,523,701. This estimate included construction costs, contingency, soft costs (i.e. architect, engineering, surveying, permitting) and furniture/technology equipment.

It was extremely important to note several items about this proposed plan. These items were as follows:

- The proposed plan would require approval by the Evergreen Foundation Board. The Evergreen Foundation voted unanimously to work with the county and HERE. They would have to develop a detailed plan that allowed for continued use of the remaining portions of the facility. Ultimately, the details of the final schematic plans, remaining uses of the building and long-term status of the facility would have to be agreed upon by all organizations involved before moving forward with construction documents.
- The proposed plan would require the services of an architect to finalize the specific space schematics and operational flow between different uses.
- The final building schematic information, along with the operational flow analysis would allow for more detailed cost estimates.
- Final zoning, land development and construction permit approval would be dictated by the results of the finalized plans.
- Steps 1-4 above would take 8-12 months to be completed. These steps would need to be completed prior to authorizing construction documents to be completed.
- It would take another 8-12 months for construction documents to be completed and for bidding to take place.
- It would take another 12 months for construction to be completed.
- The entire process from grant award in October, 2021 would take a minimum of three years to be completed.

Commissioner Woody stated that Mountain Projects owned the property. Once the county built on the property, would the county own the property, would CDP own it or would Mountain Projects retain ownership?

Mr. Adams stated the intentions were for Mountain Projects to transfer the property. The Board of Commissioners and CDP would need to discuss ownership.

Commissioner Woody asked about the Evergreen Property if they did the extensive renovations, would the county own the building or would Evergreen retain ownership?

Mr. Adams stated that Evergreen Foundation was not offering to give the county the building. That was not part of the conversation. The architect was able to look at the 17,000 sq. ft. building and estimate the use of HERE to be 8,800 sq. ft. of the building. Evergreen wanted to work with the county and he believed on the homeless side, the county could talk to them about long-term leases. But he thought Evergreen’s expectation was for the county to build this out in a way that allowed the property to be rentable so that Evergreen continued to have some type of income.

As the county would plan the facility out, he thought they would determine if there were other nonprofits that paid rent somewhere else that would be willing to look at the space. Evergreen was open for all of these discussions, but it would not make sense to invest that amount of money and then have a large rent. Evergreen did fund other nonprofit operations in the county with the proceeds from the rents. These details would have to be worked out in the next 8-12 months.

General discussions were held.

Mr. Adams presented:

(c) Overall Projected Expenses:

- Center for Domestic Peace: \$4,098,995
 - Planning/Project Administration: \$ 125,000
 - Subtotal for CDP: \$4,223,995
- HERE: \$3,648,701
 - Planning/Project Administration: \$ 125,000
 - Subtotal for HERE: \$3,648,701
- Grand Total Expense: \$7,872,696

(d) Overall Projected Revenues:

- County ARPA Funds: \$2,500,000
- Dogwood Health Trust ARPA Advantage Grant: \$2,500,000
- Grant Total Revenue: \$5,000,000
- Shortfall in revenues for both projects: (\$2,872,696)

(e) **Financial Summary:** He provided a summary of projected expenses versus projected revenues. The summary showed that there was an initial shortfall of approximately \$2.9 million dollars if both projects were included in the grant application. There were multiple options for the Board of Commissioners to choose in regards to these proposals. They were as follows:

- Option 1. Reject all proposals at this time.
- Option 2. Move forward with a planning proposal only for one project or for both projects. Total estimated costs for planning / project administration for each project was \$125,000 (total for both projects was \$250,000). This would equate to matching the requested grant with ARPA funds in the amount of \$62,500 for one project or in the amount of \$125,000 for both projects.
- Option 3. Move forward with applying for grant funds that completely pays for the Center for Domestic Peace project and also funds the planning/project administration costs of the HERE project. The funds needed for this scenario were as follows:

Project Name	Dogwood Amount	ARPA Amount	TOTAL AMOUNT
CDP Facility	\$2,049,497.50	\$2,049,497.50	\$4,098,995
CDP Planning	\$62,500	\$62,500	\$125,000
HERE Planning	\$62,500	\$62,500	\$125,000
TOTAL	\$2,174,497.50	\$2,174,497.50	\$4,348,995

Note: An additional option would be to drop the HERE planning portion of this example.

- Option 4. Move forward with applying for grant funds that completely pays for the HERE project and also funds the planning/administration costs of the CDP project.

Project Name	Dogwood Amount	ARPA Amount	TOTAL AMOUNT
HERE Facility	\$1,761,850.50	\$1,761,850.50	\$3,523,701
HERE Planning	\$62,500	\$62,500	\$125,000
CDP Planning	\$62,500	\$62,500	\$125,000
TOTAL	\$1,886,850.50	\$1,886,850.50	\$3,773,701

Note: An additional option would be to drop the CDP planning portion of this example.

- Option 5. Move forward with submitting both projects with planning/administration costs. This would require both the CPD and HERE to come up with a plan for the additional \$2.9 million dollars within the next 12 months. Otherwise, the development of construction / bidding documents would need to be delayed until the funding was acquired.

The August 16, 2021 grant deadline was quickly approaching. Staff from the CDP, HERE, the county and the Southwestern Commission Council on Governments were working diligently to put these grant documents together. Unfortunately, this tight timeline required the Board of Commissioners to decide which option was desired. The county had a long history of supporting both domestic violence programs and homeless programs.

These two programs had already intended to make some type of request for assistance within the next year regarding their space needs. If it was plausible that the county may assist either of these organizations with their space needs, then the Dogwood Health Trust ARPA Advantage Program was an excellent opportunity to double their efforts in these matters.

He hoped that the Board would not consider anything less than options 3, 4 and 5.

General discussions were held.

Chairman McMahan stated that he had heard too many questions about the HERE project to support applying for the \$2.5 million for them. If they did anything for the HERE project, it should be to expend planning funds. He thought there were too many unknowns with rent and other items they had questions about that needed to be answered. They could do some planning and continue discussions, but he thought the Center for Domestic Peace project was much further along and it seemed to be the easier of the two projects, assuming Mountain Projects approved the project.

Commissioner Stribling stated that he agreed with Chairman McMahan. He thought it was more important to do the Center for Domestic Peace project.

Commissioner Woody stated that she agreed. She wanted to see them move forward with the Center for Domestic Peace project as she thought it was a wonderful opportunity, as long as Mountain Projects approved. She did want to see them move from a motel model with the homeless. If they applied for the planning, would that not allow them to get the funds?

Mr. Adams stated that in his conversation with Ms. Grimes, he let her know about the \$2.9 million shortfall and she stated that her budget cycle started over in January. He believed they had the opportunity to request funds at a later time.

Commissioner Deitz stated that with the HERE project, there were a lot of variables that they did not have answers for, but it all may work out fine. Commissioner Stribling talked about having a piece of county property to build on and he thought that was good thinking. He thought they should move forward with Center for Domestic Peace.

Chairman McMahan stated that looking for a piece of property was another option and this would give them time to do more research.

Commissioner Jones stated that it sounded like they were all in agreement with moving forward with planning for both projects to get some of the questions answered and definitely moving forward with Center for Domestic Peace.

Chairman McMahan stated that would mean that the Board was talking about Option 3.

Mr. Adams stated that if the Board wished to move forward, he would request official action to authorize the County Manager to sign off on the grant application with the understanding they were looking to commit \$2,174,497.50 of ARPA funds towards the project.

Motion: *Commissioner Woody moved to authorize the county to move forward with Option 3 and for the County Manager to submit a proposal to Dogwood Trust, contingent upon the approval of Mountain Projects, as requested. Commissioner Stribling seconded the Motion.*

Discussions:

Commissioner Woody thanked Mr. Adams for all his work and staff that assisted him, as it was a lot of work that was very thorough.

Motion carried by unanimous vote.

There being no further business, Commissioner Stribling moved to adjourn the meeting. Commissioner Deitz seconded the Motion. Motion carried and the meeting adjourned at 3:01 p.m.

Attest:

Approved:

Angela M. Winchester, Clerk to Board

Brian Thomas McMahan, Chairman