

**City Council Work Session  
October 27, 2014**

The City Council of the City of Elizabeth City met in work session on Monday, October 27, 2014 in Council Chambers, located on the 2<sup>nd</sup> floor of the Municipal Administration Building, 306 E. Colonial Avenue, Elizabeth City, NC.

MEMBERS PRESENT: Mayor Joe Peel  
Councilwoman Jean Baker  
Councilman Ray Donnelly  
Mayor Pro Tem Anita Hummer  
Councilman Tony Stimatz  
Councilman Michael Brooks (*arrived at 5:35 p.m.*)  
Councilman Kem Spence (*arrived at 5:50 p.m.*)  
Councilman Darius Horton  
Councilman Montravias King (*arrived at 6:25 p.m.*)

MEMBERS ABSENT: None

OTHERS PRESENT: City Manager Rich Olson  
City Attorney Bill Morgan  
Finance Director Sarah Blanchard  
Planning Director June Brooks  
Police Lieutenant Mike Boone  
Electric Department Superintendent Karl Clow  
Assistant to the City Manager Angela Cole  
ECDI Director Rebecca Cross  
Human Resources Director Katherine Felton  
Public Utilities Director Paul Fredette  
Fire Chief Larry Mackey  
Parks and Recreation Director Bobbi White  
City Clerk Vivian White

The City Council work session was called to order by Mayor Joe Peel at 5:30 p.m. Mayor Peel welcomed everyone to the meeting and recognized Phil Dowdy to give the invocation, after which all in attendance recited the Pledge of Allegiance.

**1. Agenda Adjustments and Approval:**

Mayor Peel called for any adjustments to and approval of the agenda.

Mayor Peel requested to add a presentation by River City YouthBuild students regarding their New Generation Initiative Grant.

**Motion was made by Mayor Pro Tem Anita Hummer, seconded by Councilman Ray Donnelly, to approve the agenda with any necessary adjustments. Those voting in favor were: Baker, Donnelly, Hummer,**

**Stimatz, and Horton. Against: None. The motion carried unanimously.**  
*(Brooks, Spence and King had not yet arrived.)*

**2. Statement of Disclosure:**

The City Clerk read the Statement of Disclosure. No conflict of interest disclosures regarding items listed on the agenda were made.

**3. Presentation: Rita Bowe and Helen Williams – Proposal to Operate City’s 709 Herrington Road Property as a Homeless Shelter “Visions of Hope”:**

Mayor Peel invited Helen Williams and Rita Bowe to the podium to present their proposal to operate the City’s property located at 709 Herrington Road as a homeless shelter.

City Manager Olson referred the Councilmembers to the information provided in the agenda packet, which included the Visions of Hope proposal, an overview of their program, resumes of the principals, a proposed budget and a staff memorandum.

Councilman Brooks stated that he had discovered that a 501c3 organization already exists under the name “Visions of Hope” and asked if Ms. Williams and Ms. Bowe were aware of that fact. Ms. Williams responded that she had been made aware of the name conflict by the State of North Carolina in 2013. She advised that the name of their organization had been changed accordingly to include the words “Emergency Shelter and Outreach Center” in order to alleviate any possible conflict. Ms. Williams assured the Council that no issues presently existed with the name of their organization.

Ms. Williams stated that homelessness in the area continues to be a very real problem and that the City only has one shelter for women and one shelter for men currently operating. She stated that their proposal was submitted in order to help tackle the issue of homelessness as it now exists.

Ms. Williams expressed that she and Ms. Bowe had over 25 years of experience working with social services, the elderly, the blind, substance abuse, behavioral health and child welfare services; and pointed out that her experience had revealed that in situations of homelessness, behavioral health problems always exist.

Ms. Williams presented the highlights of her proposal to the City Council and pointed out that it was their goal to address the reasons behind the issue of homelessness in order to determine what could be done to help persons help themselves to resolve their problem of homelessness.

Ms. Williams indicated that her group had already been looking for partners to assist in the operation of the shelter, had received positive feedback and therefore, would not be standing alone in the effort. She stated that they had prepared an extensive proposal and asked if members of the Council had specific questions regarding the information provided.

Councilman Stimatz asked if Visions of Hope already possessed letters of commitment from groups willing to assist in the effort, to which Ms. Williams responded that the potential partners were pending, awaiting official word regarding where specific help could be provided.

Mayor Peel questioned if grant sources had been identified to help fund the shelter operations. Ms. Williams stated that she was still looking for grant funding; but reiterated the fact that she had received pledges and letters of interest from persons desiring to assist once a definitive decision was reached by the Council.

Mayor Peel raised the issue of the condition of the facility. Mr. Olson responded that City staff estimates that approximately \$17,000 would be needed to return the facility to a usable condition.

Councilman Stimatz inquired as to the number of residents that could be accommodated by the facility. Ms. Williams responded that the capacity would not be determined until the fire department issued a permit; however, she advised that she would estimate nine to ten persons could be served at one time.

Mayor Peel asked about the absence of salary expenses in the proposed budget. Ms. Williams responded that they were not looking for salaries at this point and were willing to work voluntarily in order to get the shelter running. Ms. Williams stated that those working would possess the necessary certifications required. At the request of Councilman Donnelly, Ms. Williams provided an overview of the proposed staffing level.

Councilman Donnelly raised the issue of dispensing medications. Ms. Williams reported that medications would be dispensed from a locked facility upon request by the resident in order to protect the medications from possible misuse by others living in the facility. She assured the Council that since they would only be dispensing medications already prescribed by a medical professional, no particular training or certification would be required.

Councilman Horton stated that he wanted to thank Ms. Bowe and Ms. Williams for answering the call of many homeless persons and those in need. He stated that he had taken the time to read over the proposal and found it quite detailed. He acknowledged that the City had concluded that it was not in the position to open and operate a homeless shelter. He declared that he personally felt that the effort was worth supporting and said that he believed as a Christian that when you put one step forward, the Lord would help with the second step. He pointed out that the City has a house, there exists a need and an organization has come forward to try and help the homeless population.

**Motion was made by Councilman Darius Horton, seconded by Councilman Kem Spence that the property at 709 Herrington Road be given to Visions of Hope Emergency Shelter and Outreach Center for the purpose of using it for a homeless emergency shelter here in Elizabeth City.**

Councilman Brooks stated that he was in total agreement and was impressed by the amount of work expended to put the proposal together. He said that any operational issues, such as the medication issue raised by Councilman Donnelly, could be “tweaked” once the operation began.

Councilman Spence stated that everyone knew of his support for the homeless shelter and he thanked Ms. Williams and Ms. Bowe for putting the package together in such a short time. He commended them for their work.

Councilman Stimatz asked Ms. Williams if she thought she could make it work, to which she responded they knew that they could. He stated that no one on Council had wanted to see the City’s shelter go away, but no one had stepped up to operate it. Councilman Stimatz asked if City staff had any major concerns.

Mr. Olson stated that he wanted to say for the record that Ms. Williams’ and Ms. Bowe’s resumes are outstanding. He said staff’s primary concern is whether or not the shelter is sustainable financially. He cautioned that in looking at the proposed revenues and expenses, he feared that in six months the shelter would experience trouble because grant funding is just not available.

Councilman Stimatz pointed out that it is a risky venture for Visions of Hope, but not for the City. He said that since the building belongs to the City, where does staff propose getting the funding to do the repairs? He also asked what the City’s “off ramp strategy” would be should it become necessary to close the shelter.

Councilman Spence suggested that the City could be relieved of all responsibility by signing the building over to Visions of Hope. Mr. Olson responded that the City could not do that, based on the prior advice of CI. Mr. Olson stated that the motion entered was an incorrect motion and advised that what the City needs to do is enter into a Sub-recipient Agreement because federal funds are involved. He reported that in addition, Visions of Hope would be required to obtain a Special Use Permit from the Board of Adjustments to operate the shelter. He suggested that if the Council wanted to move forward, the first step for the motion would be to enter into a Sub-recipient Agreement. He stated that the second step would be for Planning Department staff to assist Visions of Hope in the process of obtaining a Special Use Permit.

Mayor Pro Tem Hummer asked if staff could bring the item to the Finance Committee for consideration regarding where the money would come from to do the repairs. Mr. Olson responded that he would check the budget to determine a recommendation for funding. Mr. Olson stated that whether or not the improvements are performed to benefit the Visions of Hope shelter, they would still add value to the City’s asset if it had to be sold in the future.

**Councilman Donnelly stated that he would like to make a friendly amendment to Councilman Horton’s motion that the City also pursue a Sub-recipient Agreement and try to move forward with the first step.**

**Councilman Horton accepted the friendly amendment.**

Councilwoman Baker requested that Ms. Williams provide a “wish list” of items needed for the shelter in order to involve the public. Ms. Williams stated that she would do that and also advised that they would be advertising that agencies and individuals could “adopt a room” in order to be involved.

Councilman Horton called for the question.

Mayor Peel called for a vote on the motion.

**Those voting in favor were: Baker, Donnelly, Hummer, Stimatz, Brooks, Spence, Horton and King. Against: None. Motion carried unanimously.**

Councilman Spence made a motion, seconded by Councilman Horton, to provide \$3,000 from the City’s reserves to the Visions of Hope Emergency Shelter and Outreach Center as startup funds. Councilman Stimatz called for a point of order and the motion was withdrawn since the Finance Committee had not considered the request.

Mayor Peel advised that the Finance Committee would place the matter on the Finance Committee’s next agenda for consideration and recommendation.

**4. Discussion/Consideration – Reform of the Community Support Grant Application Process:**

Mayor Peel recognized Angela Cole, Assistant to the City Manager, to provide information regarding this discussion and consideration.

Ms. Cole stated that during the October 6, 2014 Regular City Council Meeting, the City Council decided the funding allocation for organizations applying for 2014-2015 fiscal year Community Support Grants. She stated that for this fiscal year, the City Council budgeted \$50,000 for the grant program; and so far, the Council has appropriated \$45,150 to 13 different organizations. She said that during both the Finance Committee and City Council deliberations, multiple issues were raised, including grant goals and the policy statement, the application process, unsatisfactory application response, nonprofit and/or tax exemption status of applicants, and staff-level review. Ms. Cole advised that in light of the Council’s concerns, City staff believes the backend of this award cycle presents a good opportunity to review the policies and framework of the Community Support Grant application, review and award process.

She advised that presently, the grant application process is rather straightforward in that Council designates the program funding amount during the budget process, and shortly thereafter Council authorizes staff to advertise and receive applications by the established deadline. She explained that at the close of the application period, staff facilitates review by both the Finance Committee and the Council and committee review and presentation dates are established. She advised that each applicant is invited to provide a presentation to the Finance Committee detailing their organization and

funding request; and with recommendation from the Finance Committee, the Council body determines final grant amounts. She offered that the application and review process, as described, has been a part of the Community Support Grant framework for three fiscal cycles. Ms. Cole concluded by expressing that City staff seeks the Council's direction regarding amending the Community Support Grant program statement, application document, and the process.

Councilman Brooks stated that he had made an earlier suggestion that the total amount of available funding should be emphasized on the application document to let the applicants know the amount of funding available. He said that he would like to see that requirement included.

Councilman Stimatz stated that there was a lot of "good stuff" in staff's analysis section of the agenda write-up; and said that to some extent all of the information should be included. He said that he did not think the mission statement should be made any narrower. He suggested that a scoring rubric should be used to provide negative points for applications submitted for services that are duplications of City services. He stated that the Council should focus on supporting things for the community that the City can't afford to do. He advised that his biggest concern is for applications submitted to provide sports programs, because the City already provides \$1.2 million for the Parks and Recreation Department and that covers a lot of sports programs. He suggested that the grant program should focus on things to help the City's less fortunate residents, such as the RCCDC biennial WorkCamp program; and pointed out that key to the process is for the City to communicate exactly what it is looking for in applications. Councilman Stimatz stated that he thought having some sort of grant workshop ahead of time was a great idea to let people know what the City is looking for. He also suggested that the Council needed to be cognizant of the return on investment to the community for the grant funds.

Councilman Stimatz referred to the "non-profit issue" by stating that he did not have a problem if the entity is a "state-recognized" non-profit and not necessarily a 501c3 organization. He pointed out that would eliminate someone just walking in off the street to apply with no real organizational status. He acknowledged that the funds should not be used for business start-up; and he also advised that the organization should have some established track record because someone "new out of the box" presented a greater risk. He communicated that he personally did not like the idea of "funding limitations" because conceivably someone could walk in with a large grant proposal that "blows us away" and he would not want to deny them an opportunity to present their project to the Council. He stated that if an applicant submits information that is incomplete, he thought staff should be proactive, bring them in and work with them to complete all information requested. He said that a major concern for him was that organizations must be able to provide information regarding their projected annual budget as well as a budget for the proposed project.

Ms. Cole inquired if the Council would be willing to consider a longer application and review period to compensate for applications submitted that were not up to par.

Councilman Stimatz responded that staff could back the process up as far as necessary to assist applicants prior to the Council's consideration of the applications. He reiterated that the City should communicate to proposed applicants what the goal of the process involves and help them meet that goal.

Ms. Cole asked if the Council was indeed interested in a staff-level review of applications. Councilman Stimatz stated that it is his personal opinion that the process should be similar to a Request for Proposals (RFP) – if someone is not responsive to the particular RFP after staff has worked with them on their proposal, why should the Council even look at the application?

Councilwoman Baker stated that she would like to see timelines placed on when applications can be submitted rather than having applications accepted throughout the year. She also agreed that she would like for staff to conduct a class for applicants, because it was apparent that people did not know what the City is looking for. She explained that a lot of the applicants were not business organizations and did not have experience in writing grant applications and oftentimes were not familiar with the types of financial documents the Council wished to see.

Councilman Donnelly stated that he agreed with staff offering a workshop for applicants so they would know exactly what needed to be submitted. He also advised that he did not have a problem with staff screening applications, because if the criteria are not met, no further consideration is necessary. He stated that it was his opinion that applicants should be a "not for profit" and further, that a formal application with signatures should be submitted rather than a letter of interest. Councilman Donnelly also recommended that an annual budget should be submitted to include how the proposed project fit within that budget.

Councilman Horton stated that he agreed with everyone's suggestions. He stated that as a member of the Finance Committee, he found it frustrating that the applicants did not have insight and guidance into what the Council was looking for. He requested that even if a grant workshop is held, he would like to see a list of all organizations that apply but do not meet the requirements. He stated that oftentimes, situations happen and the Councilors will receive telephone calls, and he would like to be prepared with an answer.

City Manager Olson stated that it was staff's opinion that the pre-grant workshop should be mandatory of all applicants and he encouraged the City Council to consider making mandatory attendance a part of the guidelines. Mr. Olson asked if the Council wanted to make it a requirement that all applicants must be a recognized non-profit organization. He provided the AAU basketball teams and the SOULs Feeding Ministry as examples of projects funded previously that are not recognized non-profit organizations. Mr. Olson also mentioned that governmental entities such as the library are not non-profits under state law.

Councilman Stimatz stated that he thought what the Council was looking for is a “business organization” – either a non-profit, other government agency or a “for-profit” that provides a service. He said he did not have a problem with any of those types of organizations applying. He stated that the Council did not want people just walking in off the street with nothing; rather, applicants should have some organizational context for existing.

Mayor Peel inquired of Ms. Cole if she had what she needed to continue with this project. Ms. Cole responded that she did. She stated that staff did not have an exact timeline as to when the matter would be returned to an agenda for consideration, but she would work quickly and responsively.

##### **5. Presentation: River City YouthBuild:**

Mayor Peel invited Angie Wills, Program Manager for the River City YouthBuild Program, to the podium for comments and introduction of two YouthBuild students. Ms. Wills reported that they wished to inform the Council about the New Generations Initiative grant, which they received that stemmed from Mayor Peel’s Vision 2020 effort. She stated that River City CDC identified the grant opportunity with the NC Rural Center, which focused on youth and young adults ages 16 – 30 and had been a successful applicant for \$20,000.

Jeffrey Smith and Shakari Smith, both YouthBuild students, introduced themselves and described the North Carolina New Generation Initiative as a program that opens exciting new opportunities for rural young people and the communities they live in. During jointly delivered comments, they described the program as offering opportunities for young people to become engaged as community leaders, to start businesses and to train for skilled jobs in high-demand fields. The students reported that successful rural communities must have a population of young people engaged in decision-making and actively working to grow their local economies; but each year, hundreds of young people move away to attend college, join the military or take a job – and never return to become part of the economic and social life of their hometowns. They stated that many young people who stay feel disconnected from the mainstream of decision-making and activities. They described the initiative as aiming to help rural communities transform themselves by fully embracing the promise represented by their young people; and reported that it provides \$3.6 million in resources to engage rural youth and young adults in the life of their communities by fostering the next generation of rural business owners, skilled workers and economic and community leaders.

The YouthBuild representatives stated that they were looking for participants ages 16 – 30 to join them in their efforts of community improvement projects and invited anyone interested to contact the River City YouthBuild office for more information.

Mayor Peel commended the students on their presentation and thanked them for their service and commitment.



## 6. Committee Reports:

- a) EC-PC Economic Development Commission: Mayor Pro Tem Hummer, Councilwoman Baker, Councilman Donnelly and Mayor Peel

Mayor Pro Tem Hummer announced that leaders of the community met with the Governor's Military Affairs Committee and that the City and other organizations were very well represented. She stated that the task force members had said that the Elizabeth City delegation was the best group they had met with.

- b) Central Communications Advisory Board: Councilman Spence

Councilman Spence had no report.

- c) Fireman's Relief Fund Board: Councilman Brooks

Councilman Brooks had no report.

- d) NC Eastern Municipal Power Agency: City Manager Olson and Mayor Peel

Mr. Olson advised that a Rate Committee meeting is scheduled for November 17, 2014.

- e) Elizabeth City Downtown, Inc.: Councilman Donnelly

Councilman Donnelly stated that ECDI conducted a successful "Mess Hall" during the recent Ghost Walk event that netted approximately \$1,800.

- f) Elizabeth City Area Chamber of Commerce Board: Mayor Peel

Mayor Peel stated that the Chamber would be sponsoring the upcoming Small Business Awards luncheon and the State of Education breakfast.

- g) Finance Committee: Mayor Pro Tem Hummer, Councilman Donnelly, Councilman Horton and Mayor Peel

Mayor Pro Tem Hummer reported that all items that were discussed in the Finance Committee meeting were placed on the Council's Regular Meeting agenda with a recommendation.

- h) Parks and Recreation Advisory Board: Councilman Horton

Councilman Horton stated that the Parks and Recreation Department is working on some exciting projects and more information will be forthcoming in the near future.

- i) Elizabeth City/Pasquotank County Airport Authority: Councilman Stimatz

Councilman Stimatz stated that the airport is in the process of contracting some taxiway repairs. He said that contract sales are going well. He advised that the MOU between the State of North Carolina and the Coast Guard to jointly repair Runway I-19 is progressing to a signature date. He reminded everyone about the First in Flight event scheduled for the upcoming weekend.

- j) Storm Water Advisory Board: Councilman Stimatz, Councilman Donnelly and Councilman Brooks

Councilman Stimatz stated that the board had met with the marketing firm, Cahoon and Cross, to work on a plan involving the public in managing storm water facilities better. He said the group would be coming back with a proposal to consider. He said staff had updated the board regarding the development of a webpage. He advised that the Roanoke Avenue Drainage Project sign had been reviewed and approved and should be close to being installed.

- k) Tourism Development Authority: Councilwoman Baker

Councilwoman Baker stated that the board met and approved the City's request for funding for Port Discover as well as an application for the upcoming Splash Week. She reported on the very successful Ghost Walk that saw over 1,000 attendees from 12 different states and 30 North Carolina communities.

## **7. Adjournment:**

There being no further business to be discussed, Mayor Peel adjourned the meeting at 6:45 p.m.

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Joseph W. Peel  
Mayor

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Vivian D. White, CMC/NCCMC  
City Clerk