



Triangle J Council of  
Governments

# Smart Growth Collaborative & Water Resources Collaborative Joint Meeting: Recovery and Resilience During COVID-19

Thursday, December 10, 2020  
2:00 pm – 3:30 pm  
Virtual meeting – Microsoft Teams

## **Attendance**

*Wendy Jacobs, Durham County Board of Commissioners Vice-Chair*

*Steve Rao, Morrisville Councilmember*

*TJ Cawley, Morrisville Mayor*

*Mary Tiger, OWASA*

*Michael Wallace, National League of Cities*

*Darrell Smith, City of Oxford*

*Rob Deaton, NCDOT Division V*

*Nancy Daly, Wake County*

*Rick Savage, Carolina Wetlands Association*

*Peter Raabe, American Rivers*

*Cy Stober, City of Mebane*

*Chandra Farmer, Johnston County Public Utilities*

*Kyle Smith, City of Mebane*

*Dick Hails*

*Emily Barrett, TJCOG*

*Alex Holloway, TJCOG*

*Lindsay Whitson, TJCOG*

*Maya Cough-Schulze, TJCOG*

*Hannah Barg, TJCOG*

*Joseph Hoffheimer, TJCOG*

Smart Growth Collaborative Co-Chairs Wendy Jacobs (Durham) and Steve Rao (Morrisville) opened the meeting at 2:04pm.

## **COVID-19 Recovery Funding Overview, Michael Wallace, National League of Cities**

Michael Wallace, Legislative Director for the National League of Cities, provided an overview of emergency federal resources and appropriations for programs that may be used to assist residents and small businesses harmed by COVID-19. His full PowerPoint is available on the Smart Growth/Water Resources Collaborative website.

- Economic development has three prongs: housing stability, job stability, economic mobility
  - Instability factors make it difficult for employees to show up to work on time
  - Healthcare benefits (health issues are a major reason for employees not showing up to work)
  - Plenty of jobs available, but not plenty of **good** jobs (service industry have unpredictable hours and pay)
  - Childcare, transit, internet, community center support

- People may favor better transit over moving to a new, even if opportunity-rich neighborhood (people do not want to move from communities they are attached to)
- Pre-COVID, most housing construction across country was luxury housing—governments have role to help diversify types and price of housing
- Start-ups create jobs but are volatile
  - Stability and affordability are key
  - Local governments can foster an environment that supports start-ups to help create good jobs
- Not feasible to rely on (federal, state) government resources for economic development
  - Need local, stable revenue
  - Pivot to support a community-wide environment that supports entrepreneurship
- COVID has made it hard for start-ups and small businesses
  - Racial inequity: COVID impacting minorities disproportionately
  - Most small businesses have enough reserves to continue w/o revenue for only 27 days
  - 60% of business closures due to COVID are likely permanent
- CARES Act- most assistance will end Dec 31<sup>st</sup> unless Congress passes a new bill
  - Forgivable loans ended August 8<sup>th</sup>
  - Disaster loans
  - Express bridge loans- gap financing
  - SBA debt relief- pay expenses for ~6 months
- Communities with small financial institutions (community banks, credit unions) provided much more stability during COVID
- See slides for examples of creative economic response to COVID in cities across the US
- Technical assistance examples:
  - Hosting webinars for minority-owned businesses (Chattanooga, TN example)
  - Centralizing resources for small business start-ups
  - Guidebooks for transitioning to COVID-friendly business models
- NLC's City Innovation Ecosystems program- contact info for this org in slides if you want one-pagers and access to webinars on COVID-response examples to see if this might be applicable in your local government
  - Cityspeak.org for updated examples
  - Contact Jen Steinfeld or Michael Wallace

## Q & A:

Wendy Jacobs: Durham Recovery and Renewal Task Force is a local example that allows gov't response and local businesses to move quickly. Also "Back on the Bull", which inspired Honolulu to do a similar initiative. Green Light Durham developed an app to help folks stay safe/healthy. Also: Durham Small Business Fund.

More info about Durham resources Wendy referenced:

<https://bloombergcities.jhu.edu/news/how-networks-between-cities-can-foster-faster-and-better-innovation>

<https://www.backonthebull.com/>

<https://durhamnc.gov/4329/Recovery-Renewal-Task-Force>

Michael Wallace- Is a big proponent of Councils of Governments. Regional governments can help coalesce resources, provide examples, and offer technical assistance in land use, affordable housing, other issue areas that promote economic development.

Lindsay Whitson- One example we are currently working on: Clayton was not able to efficiently contact all of their businesses, so now TJCOG is working to help them map and update contact information for all businesses to have them in one place so all can be contacted more easily about economic opportunities.

Michael- Businesses that are not registered or licensed may still be able to receive assistance with COVID relief funds. This is one of many ways we can help communities become more resilient in the future, beyond COVID.

Some resources that Michael referred to in this presentation for further exploration:

<https://www.nlc.org/article/2020/12/03/five-steps-cities-should-take-to-advance-entrepreneurship-amid-covid-19/>

<https://www.nlc.org/article/2020/11/11/building-back-community-wealth-through-entrepreneurs-of-all-types-in-rochester-ny/>

<https://www.nlc.org/article/2020/04/14/five-ways-local-governments-are-supporting-small-businesses-during-covid-19/>

<https://www.nlc.org/article/2020/07/10/how-equitable-access-to-banking-improves-economic-conditions-for-everyone/>

<https://www.nlc.org/article/2020/06/10/supporting-small-businesses-during-covid-19-in-columbia-sc/>

<https://www.cpr.org/2020/12/01/small-business-owners-especially-spanish-speaking-ones-tap-thorntons-alliance-center-to-save-their-shops-from-pandemic/>

### **COVID-Related Utility Revenue and Affordability Challenges & Solutions, Mary Tiger, OWASA**

Mary Tiger, who leads OWASA's Affordability Outreach Program, provided an update on the challenges that COVID has created for utility revenue and customer assistance, OWASA's suspension of service disconnections during the pandemic (which is still underway) and the strategies the utility is employing to help develop and connect customers to bill payment assistance. Her full PowerPoint is available on the Smart Growth/Water Resources Collaborative website.

- A major takeaway: The pandemic has exacerbated existing affordability issues water customers face
- OWASA is a unique utility because it is not housed within a local government – and thus does not receive any federal or state funding (or CARES act funding, though Chapel Hill, Carrboro and Orange County pooled funds for housing support and water bill support was eligible.) Thus OWASA is particularly dependent on revenue from customers.
- OWASA decided not to disconnect for non-payment and extend this due to COVID, but are prohibited by current regulations from forgiving any debt
- Intent is to resume standard collection practices 30 days after state of emergency is lifted, but may not be able to wait this long
- Intended to pursue 5% rate increase in 2020, but approved a budget that did not include a rate increase to relieve burden for customers
  - Delayed 5.4 million in infrastructure projects and suspended raises for employees
  - Significant decrease in water sales because of UNC partial closure (down 12%)
- OWASA realizes that because debt cannot be forgiven, it will not be sustainable for customers with growing outstanding balances to continue to accumulate debt
- OWASA is preparing to assist customers in directing them toward financial assistance

- OWASA’s Care to Share program, in partnership with the Interfaith Council for Social Services, is one of the first customer assistance programs in the state and country. Contributions to this fund have increased (raised about \$15,000 in the past months) but this is not nearly enough to cover outstanding balances.
  - Learn more about Care to Share from this CWEP blog post: <https://nc-cleanwater.com/2020/07/20/program-spotlight-owasas-care-to-share/>
  - OWASA works regularly to communicate with social service agency partners about topics such as disconnection. Also communicated directly to customers that are past due and how they can get assistance
  - Under standard collection practices, work hard to get in touch with customers and after 2 months of non-payment they are eligible for disconnection
    - 3-month (at the least) disconnection notice
      - Encourage customers to set up a payment plan for those who need it

#### Q and A:

- Hannah: How does what you are doing compare to other water utilities?
- Mary: Other municipalities may have carved out more for bill assistance with CARES Act funds. All utilities in the region are under extended utility plans and trying their best to keep folks up to date.
- Wendy Jacobs- really impressed with everything that OWASA is doing- thank you.

#### Questions & Open Discussion

This is intended as a venue to learn and share ideas—potential discussion topics include:

- *What strategies are local governments using to reach individuals and small business owners that may not know about COVID recovery funds and water bill assistance?*
- *How are water utilities and NLC addressing equity considerations in these processes?*
- *What could TJCOG do to help direct people in the Triangle region toward COVID recovery funds and water bill assistance?*
- *What are some strategies or practices that North Carolina water utilities can use to maintain services, affordability, and revenues?*

Michael- We have to figure out how to communicate broadly with all local businesses

- To register unregistered businesses, city needs to partner with the trusted authorities in those areas- it could be a church, community center, etc.
- Unregistered businesses may still have crucial roles in communities
  - Communicate that now might be the best window to get registered with the city, they will not penalize you

Wendy Jacobs- People need to know what resources, organizations, and partnerships exist to be able to utilize them, so agree that these communication networks are key. Durham has hired “community ambassadors” who approach businesses to help them access resources. It is not always about the money, it’s also about the technical expertise.

T.J. Cawley- In Morrisville we partnered with the Chamber of Commerce because there is no way to register businesses. WakeHelps stopped in November, hoping this or a similar program restarts soon if Congress passes another bill.

Maya- Is there any other information or assistance that we could continue to share through TJOCG?

Lindsay- Sharing resources that Michael has outlined, answering questions, providing assistance.

T.J. Cawley- Reminds any TJCOG members that are not on TJCOG's "The Week Ahead" e-mail listserv to sign up - Maya can help!

Mary Tiger- Support for a longer-term water bill assistance program is needed, perhaps some of these COVID initiatives could transition into this. It is a heavy lift.

Michael- In the next round of COVID relief funding, NLC is trying to make clear that cities can use assistance for revenue shortfalls i.e. utility bill shortfalls. In the long term, funding for this is needed due to aging infrastructure, climate change, etc.

Lindsay- Any insight into how to make rural/ small towns to encourage an entrepreneurial environment?

Michael- Make sure small businesses have access to credit. Also, keeping the main street built environment looking good to attract new businesses. This is obviously a challenge b/c of the revenue shortfall but should be a priority.

Maya- Appreciate how you all are speaking to how COVID is highlighting the challenges that already existed. When we are trying to reach undocumented individuals regarding assistance programs, how can we address trust, language issues, etc.?

Mary- Our community partners are so important to our affordability outreach program (Care to Share). They can tell us when we are we creating hurdles that we do not even know about. Example: Told us to extend a 25 day notice to a 28 day notice helped people who are paid monthly make payments on time.

### **Closing**

Maya- Next meeting in March will have Smart Growth and Water Resources meeting separately. Smart Growth meeting will be on Development Trends. Water Resources Collaborative may focus on green infrastructure and climate resilience unless attendees have other ideas!

- Wendy- Conversations should continue to focus on COVID recovery, rather than just going back to the way things were, how our communities can create positive transformation.
- TJ Cawley- Could we focus on how our water resources (supply and capacity) have been impacted by COVID? Are people using more water overall?
  - Feel free to send Maya any suggested ideas or speakers!

Happy and safe holidays to everyone! We will see you in the new year.

*The meeting adjourned at 3:31pm.*

## Speaker Biographies

**Michael Wallace** is Legislative Director for Housing, Community and Economic Development at the National League of Cities, an organization dedicated to helping city leaders build better communities. Working in partnership with 49 state municipal leagues, NLC serves as a resource to and an advocate for over 19,000 cities, villages and towns.

As a member of the Federal Relations team, Michael works closely with mayors, council members, and municipal staff to represent local priorities in the areas of housing, community development, and economic growth.

Prior to joining NLC, Michael worked for U.S. Congresswoman Julia Carson (IN), managing her House Financial Services Committee portfolio.

Michael graduated from Marian University in Indianapolis, Indiana, with degrees in philosophy and theology. He moved to Washington, DC to run the Llewellyn Scott Catholic Worker House, a homeless services provider and shelter.

**Mary Tiger** is the Sustainability Manager for the Orange Water and Sewer Authority (OWASA). In her role with OWASA, Mary leads the organization's Affordability Outreach Program which includes working with over 20 social service agencies in Orange County to address the affordability of water and wastewater services.