

City of Norcross

*65 Lawrenceville Street
Norcross, GA 30071*



Meeting Agenda

Thursday, February 23, 2023

9:00 AM

Georgia Municipal Association Facility

201 Pryor Street, SW

Atlanta, GA 30303

Mayor and Council Retreat

Mayor Craig Newton

Mayor Pro Tem Bruce Gaynor

Councilmember Andrew Hixson

Councilmember Josh Bare

Councilmember Matt Myers

Councilmember Dr. Arlene Beckles

- A. Roll Call (recorded)
- B. 9:00 a.m. Mission, Vision, Values Mayor Craig Newton
- C. 9:10 a.m. Team Building Services Consultant Terrell Jacobs, GMA Member
- D. 9:40 a.m. Other Post Employee Benefit (OPEB) Update and Funding Eric Johnson
[City of Norcross GASB 75 OPEB Actuarial Valuation Report for August 31, 2022 Reporting](#)
- E. 9:50 a.m. Funding for Non-profit Agencies Eric Johnson
[Non-profits funding](#)
- F. 10:10 a.m. Hiring and Promotion Policy Discussion Councilmember Dr. Beckles
[Agenda Report - Hiring and Promotion Policy Discussion](#)
- G. 10:30 a.m. Employee Complaint Resolution Policy Councilmember Dr. Beckles
[Agenda Report - Employee Complaint Resolution Policy](#)
- H. 10:50 a.m. Surplus ARPA Funds - Small Business Grant Program William Corbin
[Retreat Agenda Report Surplus ARPA Funds Small Business](#)
[ARPA Advisory Commission Recommendations to M&C](#)
[Final APPROVAL Workbook ARPA Small Biz Grant Program 2023](#)
[City of Norcross ARPA - FINAL](#)
- I. 11:00 a.m. Mayor and Councilmember Pay Eric Johnson
[Final Elected Official Compensation - Copy](#)
- 11:30 a.m. Lunch**
- J. 12:00 p.m. Diversity, Equity, & Inclusion Training and City Certification Councilmember Dr. Beckles
[Agenda Report - DEI Certification](#)
[GMA Final Report - Equity and Inclusion Commission](#)
- K. 12:20 p.m. Sustainability Efforts Councilmembers Bare and Gaynor
[Green Communities Checklist](#)

- L. 12:50 p.m. Inclusionary/Affordable/Workforce Housing** **Councilmember Myers**
[Retreat Agenda Report Inclusionary Affordable Workforce Housing 2.23.23](#)
[Inclusionary Zoning Tools NMHC 2018](#)
- M. 1:10 p.m. West Peachtree Street City-owned Property** **Councilmember Myers**
[Retreat Agenda Report West Peachtree Street 2.23.23](#)
- N. 1:30 p.m. Smart City Initiatives** **Councilmember Myers and**
Eric Johnson
- O. 1:40 p.m. City Hall renovation/relocation** **Councilmember Bare**
[Maps02232023](#)
[Maps02232023Landscape](#)
- P. 2:00 p.m. Downtown property owners' Common Area Maintenance (CAM) fee** **Councilmember Bare**
- Q. 2:15 p.m. Parking Deck Update Between Cotton Gin and City Hall** **Councilmember Hixson**
[Agenda Report - Parking Deck Update](#)
[Parking Deck Memo](#)
[Concept 1](#)
[Concept 2](#)
- R. 2:35 p.m. Economic Development Incentives** **Eric Johnson**
[Memo - Economic Development Incentives](#)
- S. 2:50 p.m. City Manager Work Program** **Eric Johnson**
- T. 3:00 p.m. Adjourn**

City of Norcross OPEB Plan

**Governmental Accounting Standards Board (GASB)
Statement 75 Actuarial Valuation and Review of Other
Postemployment Benefits (OPEB)**

**Measured at August 31, 2021 for August 31, 2022
Reporting**

DRAFT



**The Burgess Building
201 Pryor Street, SW
Atlanta, GA 30303-3606
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1-888-488-4462**

This report has been prepared at the request of the City to assist in administering the Plan. This valuation report may not otherwise be copied or reproduced in any form without the consent of the City and may only be provided to other parties in its entirety. The measurements shown in this actuarial valuation may not be applicable for other purposes.

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Segal



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January 9, 2023

City of Norcross
Norcross, GA

Dear GMA Member:

We are pleased to submit this Actuarial Valuation and Review of Other Postemployment Benefits (OPEB) for the City of Norcross measured as of August 31, 2021 for reporting as of August 31, 2022 under Governmental Accounting Standards Board Statement No. 75. The report summarizes the actuarial data used in the valuation, discloses the Net OPEB Liability (NOL), and analyzes the preceding year's experience. The City currently funds this Plan on a pay-as-you-go basis. This report was based on the census data provided by the City and GMEBS, and the terms of the Plan. The actuarial calculations were completed under the supervision of Robert Burrell, ASA, MAAA, EA, Vice President and Consulting Actuary. The healthcare cost assumptions were developed under the supervision of Peter Wang, PhD, FCA, ASA, MAAA, Associate Actuary.

The measurements shown in this actuarial valuation may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; and changes in plan provisions or applicable law.

The actuarial valuation has been completed in accordance with generally accepted actuarial principles and practices. To the best of our knowledge, the information supplied in this actuarial valuation is complete and accurate. Further, in our opinion, the assumptions used in this valuation and described in Section 3, Exhibit II are reasonably related to the experience of and the expectations for the Plan. The actuarial projections are based on these assumptions and the plan of benefits as summarized in Section 3, Exhibit III.

Sincerely,

Segal

Robert Burrell, ASA, MAAA, EA
Vice President and Consulting Actuary

Attachment: City of Norcross GASB 75 OPEB Actuarial Valuation Report for August 31, 2022 Reporting

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Actuarial Valuation Summary

Purpose and basis

This report presents the results of our actuarial valuation of the City of Norcross' (the "City", the "Employer") OPEB plan as of August 31, 2021, as required by Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. The actuarial computations made are for purposes of fulfilling plan accounting requirements. Determinations for purposes other than meeting financial accounting requirements may be significantly different from the results reported here. This valuation is based on:

- The benefit provisions of the Plan, as administered by GMA;
- The characteristics of covered active members, retired members and beneficiaries as of July 1, 2021, provided by the City;
- Economic assumptions regarding future salary increases;
- Health care assumptions regarding per capita costs, trend rates and participation; and
- Other actuarial assumptions, regarding employee terminations, retirement, death, etc.

Section 1: Actuarial Valuation Summary

Highlights of the valuation

Accounting and Financial Reporting

1. For GASB 75 reporting as of August 31, 2022, the Net OPEB Liability (NOL) was measured as of August 31, 2021. Consistent with the provisions of GASB 75, the assets and liabilities measured as of August 31, 2021 are not adjusted or rolled forward to the August 31, 2022 reporting date.
2. The NOL as of August 31, 2021 is \$16,698,095, a decrease of \$878,033, from the prior valuation NOL of \$17,576,128. The NOL had been expected to increase to \$18,788,064, due to normal operations. The difference between actual and expected unfunded actuarial accrued liabilities was the net effect of several factors:
 - a. An actuarial experience gain *decreased* the NOL by \$1,596,260. This was the net result of gains and losses due to demographic changes and actual 2021 contributions and benefit payments that were different from expected. We have taken these actuarial gains and losses into account in reviewing our assumptions for the current valuation.
 - b. Valuation assumption changes *decreased* the NOL by \$382,992. This was a net result of (1) a *decrease* in obligations due to updating the valuation-year per capita health costs and the future trend associated with such costs, which was partially offset by (2) an *increase* in obligations due to lowering the applicable discount rate from 2.20% to 2.14%.
 - c. Plan changes decreased the NOL by \$110,717. This was the result of increasing the deductible, OOP maximum, and copays for prescription drugs on the non-Medicare plan.
3. The Annual OPEB Expense decreased to \$1,888,991 for the year ending August 31, 2021. The expense was \$2,161,094 last year.

Funding (pay-as-you-go)

4. The City funds OPEB benefits on a pay-as-you-go basis. This resulted in a contribution toward OPEB benefits of \$197,127 or 3.68% of payroll in the year ended August 31, 2021. Under GASB Statement No 75, if the City were to begin funding OPEB benefits, it would be able to take advantage of a higher discount rate than what is being currently used.

Section 1: Actuarial Valuation Summary

Summary of key valuation results

Reporting Date for Employer under GASB 75		August 31, 2022	August 31, 2021
Measurement Date		August 31, 2021	August 31, 2020
Disclosure elements for fiscal year ending August 31:	• Total OPEB Liability	\$16,698,095	\$17,576,128
	• Plan Fiduciary Net Position (Assets)	--	--
	• Net OPEB Liability	16,698,095	17,576,128
	• Plan Fiduciary Net Position as a percentage of Total OPEB Liability	0.00%	0.00%
	• OPEB Expense	1,888,991	2,161,094
	• Service Cost at Beginning of Year	1,002,490	829,278
	• Total Payroll	5,359,495	5,985,594
Schedule of contributions for fiscal year ending August 31:	• Actual contributions	\$197,127	\$365,856
	• Benefit Payments	197,127	365,856

Section 1: Actuarial Valuation Summary

Important information about actuarial valuations

An actuarial valuation is a budgeting tool with respect to defining future uncertain obligations of a postretirement health plan. As such, it will never forecast the precise future stream of benefit payments. It is an estimated forecast – the actual cost of the plan will be determined by the benefits and expenses paid, not by the actuarial valuation.

In order to prepare a valuation, Segal relies on a number of input items. These include:

Plan of benefits	Plan provisions define the rules that will be used to determine benefit payments, and those rules, or the interpretation of them, may change over time. Even where they appear precise, outside factors may change how they operate. For example, a plan may provide health benefits to post-65 retirees that coordinates with Medicare. If so, changes in the Medicare law or administration may change the plan's costs without any change in the terms of the plan itself. It is important for the City to keep Segal informed with respect to plan provisions and administrative procedures, and to review the plan summary included in our report to confirm that Segal has correctly interpreted the plan of benefits.
Participant data	An actuarial valuation for a plan is based on data provided to the actuary by the plan. Segal does not audit such data for completeness or accuracy, other than reviewing it for obvious inconsistencies compared to prior data and other information that appears unreasonable. It is not necessary to have perfect data for an actuarial valuation: the valuation is an estimated forecast, not a prediction. The uncertainties in other factors are such that even perfect data does not produce a "perfect" result. Notwithstanding the above, it is important for Segal to receive the best possible data and to be informed about any known incomplete or inaccurate data.
Assets	There are no plan assets.
Actuarial assumptions	In preparing an actuarial valuation, Segal starts by developing a forecast of the benefits to be paid to existing plan participants for the rest of their lives and the lives of their beneficiaries. To determine the future costs of benefits, Segal collects claims, premiums, and enrollment data in order to establish a baseline cost for the valuation measurement, and then develops short- and long-term health care cost trend rates to project increases in costs in future years. This forecast also requires actuarial assumptions as to the probability of death, disability, withdrawal, and retirement of each participant for each year, as well as forecasts of the plan's benefits for each of those events. The forecasted benefits are then discounted to a present value, typically based on an estimate of the rate of return that will be achieved on the plan's assets or, if there are no assets, a rate of return based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). All of these factors are uncertain and unknowable. Thus, there will be a range of reasonable assumptions, and the results may vary materially based on which assumptions the actuary selects within that range. That is, there is no right answer (except with hindsight). It is important for any user of an actuarial valuation to understand and accept this constraint. The actuarial model necessarily uses approximations and estimates that may lead to significant changes in our results but will have no impact on the actual cost of the plan. In addition, the actuarial assumptions may change over time, and while this can have a significant impact on the reported results, it does not mean that the previous assumptions or results were unreasonable or wrong.

Section 1: Actuarial Valuation Summary

Models

Segal accounting results are based on proprietary actuarial modeling software. The accounting valuation models generate a comprehensive set of liability and cost calculations that are presented to meet accounting standards and client requirements. Our Actuarial Technology and Systems unit, comprising both actuaries and programmers, is responsible for the initial development and maintenance of these models. The models have a modular structure that allows for a high degree of accuracy, flexibility and user control. The client team programs the assumptions and the plan provisions, validates the models, and reviews test lives and results, under the supervision of the responsible actuaries.

Our claims costs assumptions are based on proprietary modeling software as well as models that were developed by others. These models generate per capita claims cost calculations that are used in our valuation software. Our Health Technical Services Unit, comprised of actuaries and programmers, is responsible for the initial development and maintenance of our health models. They are also responsible for testing models that we purchase from other vendors for reasonableness. The client team inputs the paid claims, enrollments, plan provisions and assumptions into these models and reviews the results for reasonableness, under the supervision of the responsible actuary.

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Section 1: Actuarial Valuation Summary

The user of Segal's actuarial valuation (or other actuarial calculations) should keep the following in mind:

The actuarial valuation is prepared for use by the City's Finance Department. It includes information for compliance with accounting standards and for the plan's auditor. Segal is not responsible for the use or misuse of its report, particularly by any other party.

If the City is aware of any event or trend that was not considered in this valuation that may materially change the results of the valuation, Segal should be advised, so that we can evaluate it.

An actuarial valuation is a measurement at a specific date – it is not a prediction of a plan's future financial condition. Accordingly, Segal did not perform an analysis of the potential range of financial measurements, except where otherwise noted. The actual long-term cost of the plan will be determined by the actual benefits and expenses paid and the actual investment experience of the plan.

Sections of this report include actuarial results that are not rounded, but that does not imply precision.

Critical events for a plan include, but are not limited to, decisions about changes in benefits and contributions. The basis for such decisions needs to consider many factors such as the risk of changes in plan enrollment, emerging claims experience and health care trend, not just the current valuation results.

Segal does not provide investment, legal, accounting, or tax advice. Segal's valuation is based on our understanding of applicable guidance in these areas and of the plan's provisions, but they may be subject to alternative interpretations. The City should look to their other advisors for expertise in these areas.

While Segal maintains extensive quality assurance procedures, an actuarial valuation involves complex computer models and numerous inputs. In the event that an inaccuracy is discovered after presentation of Segal's valuation, Segal may revise that valuation or make an appropriate adjustment in the next valuation.

Segal's report shall be deemed to be final and accepted by the City upon delivery and review. The City should notify Segal immediately of any questions or concerns about the final content.

As Segal has no discretionary authority with respect to the management or assets of the Plan, it is not a fiduciary in its capacity as actuaries and consultants with respect to the Plan.

Section 1: Actuarial Valuation Summary

Actuarial Certification

January 9, 2023

This is to certify that Segal has conducted an actuarial valuation of certain benefit obligations of the City of Norcross' OPEB Plan's other postemployment benefit programs as of August 31, 2021, in accordance with generally accepted actuarial principles and practices. The actuarial calculations presented in this report have been made on a basis consistent with our understanding of GASB Statement 75 for the determination of the liability for postemployment benefits other than pensions.

The actuarial valuation is based on the plan of benefits verified by the Employer and reliance on participant, premium, claims and expense data provided by the Employer or from vendors employed by the Employer. Segal does not audit the data provided. The accuracy and comprehensiveness of the data is the responsibility of those supplying the data. Segal, however, does review the data for reasonableness and consistency.

The actuarial computations made are for purposes of fulfilling plan accounting requirements. Determinations for purposes other than meeting financial accounting requirements may be significantly different from the results reported here. Accordingly, additional determinations may be needed for other purposes, such as judging benefit security at termination of the plan, or determining short-term cash flow requirements.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: retiree group benefits program experience or rates of return on assets differing from that anticipated by the assumptions; changes in assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements; and changes in retiree group benefits program provisions or applicable law. Retiree group benefits models necessarily rely on the use of approximations and estimates, and are sensitive to changes in these approximations and estimates. Small variations in these approximations and estimates may lead to significant changes in actuarial measurements. The scope of the assignment did not include performing an analysis of the potential change of such future measurements except where noted.

To the best of our knowledge, this report is complete and accurate and in our opinion presents the information necessary to comply with GASB Statement 75 with respect to the benefit obligations addressed. The signing actuaries are members of the Society of Actuaries, the American Academy of Actuaries, and other professional actuarial organizations and collectively meet the "General Qualification Standards for Statements of Actuarial Opinions" to render the actuarial opinion contained herein.

Robert Burrell, ASA, MAAA, EA
Vice President and Consulting Actuary
Certifying Liability Calculations

Peter Wang, PhD, FCA, ASA, MAAA
Associate Actuary
Certifying Claims and Medical Trend Calculations

GASB 75 Information

General information about the OPEB plan

Plan Description

Plan administration. The City of Norcross Other Postemployment Benefits Plan (the “OPEB Plan”) is a defined benefit postretirement health care plan. The OPEB Plan is administered through the Georgia Municipal Employees Benefit System (GMEBS), an agent-multiple-employer OPEB Plan administered by the Georgia Municipal Association (GMA).

Plan membership. At July 1, 2021, City plan membership consisted of the following:

Retired members or beneficiaries currently receiving benefits	24
Vested terminated members entitled to but not yet receiving benefits	--
Active members	<u>110</u>
Total	134

Benefits provided. The City has the authority to establish and amend the OPEB Plan. The City provides medical, prescription drug and dental benefits to retirees. Retirees’ spouses are eligible for the same benefits as the retiree. Employees hired prior to 1999 become eligible for those benefits if they retire on or after the age 62 (55 for Public Safety employees) with 20 completed years of service or after the age of 65 with 5 completed years of service. Employees hired after 1998, but before 2018, become eligible for benefits if they retire on or after the age 62 with 10 years of service (55 and 20 years of service for Public Safety employees). Employees hired in or after 2018, who are permanent full-time career employees, and who have been employed a minimum of 20 full-time continuous years with the City and have attained their 62nd birthday (55th birthday for Public Safety) while employed full time by the City, become eligible to purchase single coverage medical insurance under the then current City medical insurance plan.

City Contributions. The City has not elected to advance fund the OPEB Plan, but rather maintains the OPEB Plan on a “pay-as-you-go” basis, in that claims are paid as they arise, rather than establishing an irrevocable trust to accumulate restricted funds.

Section 2: GASB 75 Information

Net OPEB liability

Reporting Date for Employer under GASB 75 Measurement Date	August 31, 2022 August 31, 2021	August 31, 2021 August 31, 2021
Components of the Net OPEB Liability		
Total OPEB Liability	\$16,698,095	\$17,576,128
Plan Fiduciary Net Position	--	--
Net OPEB Liability	16,698,095	17,576,128
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	0.00%	0.00%

The Net OPEB Liability was measured as of August 31, 2021 and August 31, 2020. Total OPEB Liability was determined from actuarial valuations using data as of July 1, 2021 and July 1, 2019, respectively.

Actuarial assumptions. The Total OPEB Liability was measured as of August 31, 2021 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary increases	2.25% plus service based merit increases
Discount rate	2.14%
Healthcare cost trend rates	
Medical	7.00% trended down to 4.50% by 2031
Prescription drug	7.00% trended down to 4.50% by 2031
Dental	4.00%
Mortality rates	Sex-Distinct Pri-2012 (head-count weighted) Tables with adjustments and mortality improvement from 2012

The actuarial assumptions were based on the results of an actuarial experience study for the period January 1, 2015 through June 30, 2021 conducted by Segal in November and December of 2019. Detailed information regarding all actuarial assumptions can be found in Exhibit II.

Section 2: GASB 75 Information

Determination of discount rate

Since the City funds this Plan on a pay-as-you-go basis, GASB requires the discount rate to be based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalently quality on another rating scale). To comply with this requirement, the discount rate is based on an index of 20-year, tax-exempt general obligation bonds. Specifically, the chosen rate is 2.14%, the Bond Buyer 20-Bond GO Index rate published closest to, but not later than, the measurement date of August 31, 2021.

Sensitivity

The following presents the NOL of the City as well as what the City's NOL would be if it were calculated using a discount rate that is 1-percentage-point lower (1.14%) or 1-percentage-point higher (3.14%) than the current rate. Also, shown is the NOL as if it were calculated using healthcare cost trend rates that were 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates.

	1% Decrease (1.14%)	Current Discount Rate (2.14%)	1% Increase (3.14%)
Net OPEB Liability (Asset)	\$20,115,928	\$16,698,095	\$14,009,244
	1% Decrease in Health Care Cost Trend Rates	Current Health Care Cost Trend Rates	1% Increase in Health Care Cost Trend Rates
Net OPEB Liability (Asset)	\$13,759,898	\$16,698,095	\$20,524,700

Section 2: GASB 75 Information

Schedule of changes in Net OPEB Liability – Last two fiscal years

Reporting Date for Employer under GASB 75 Measurement Date	August 31, 2022 August 31, 2021	August 31, 2021 August 31, 2020
Total OPEB Liability		
Service cost	\$1,002,490	\$829,278
Interest	406,573	458,421
Change of benefit terms	-110,717	- -
Differences between expected and actual experience	-1,596,260	51,640
Changes of assumptions	-382,992	1,815,279
Benefit payments, including refunds of member contributions	<u>-197,127</u>	<u>-365,856</u>
Net change in Total OPEB Liability	-\$878,033	\$2,788,762
Total OPEB Liability – beginning	<u>17,576,128</u>	<u>14,787,366</u>
Total OPEB Liability – ending	<u>\$16,698,095</u>	<u>\$17,576,128</u>
Plan Fiduciary Net Position		
Contributions – employer	\$197,127	\$365,856
Contributions – employee	- -	- -
Net investment income	- -	- -
Benefit payments, including refunds of member contributions	-197,127	-365,856
Administrative expense	- -	- -
Other	<u>- -</u>	<u>- -</u>
Net change in Plan Fiduciary Net Position	- -	- -
Plan Fiduciary Net Position – beginning	<u>- -</u>	<u>- -</u>
Plan Fiduciary Net Position – ending	- -	- -
Net OPEB Liability – ending	<u>\$16,698,095</u>	<u>\$17,576,128</u>
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	0.00%	0.00%
Covered payroll ¹	\$5,359,495	\$5,985,594
Plan Net OPEB Liability as percentage of covered payroll	311.56%	293.64%

¹ Covered payroll represents compensation earnable for those employees who are currently eligible or could become eligible to receive benefits from this Plan.

Section 2: GASB 75 Information

Notes to Schedule:

Benefit changes:

For 2022 Reporting:

- Deductibles for buy-up plan increased from \$1,000 / \$2,000 for individual / family to \$1,500 / \$3,000.
- OOP Maximum increased from \$6,350 / \$12,700 to \$6,500 / \$13,000.
- Copays for prescription drugs increased from \$5 / \$25 / \$50 for generic / formulary brand / non-formulary brand to \$10 / \$35 / \$70.

For 2021 Reporting:

- None

Changes of assumptions:

For 2022 Reporting:

- Per capita health costs and trend rates were updated to reflect the most recent claims experience and future expectations.
- The discount rate from the Bond Buyer 20-Bond GO Index for August 31, 2021 was 2.14%. For August 31, 2020 it was 2.20%.

For 2021 Reporting:

- The impact of the ACA excise tax was removed as it was repealed in December 2019.
- The discount rate from the Bond Buyer 20-Bond GO Index for August 31, 2020 was 2.20%. For August 31, 2019 it was 2.97%.

Section 2: GASB 75 Information

Deferred outflows of resources and deferred inflows of resources

Reporting Date for Employer under GASB 75 Measurement Date	August 31, 2022 August 31, 2021	August 31, 2021 August 31, 2020
Deferred Outflows of Resources		
Changes of assumptions or other inputs	\$3,311,410	\$4,074,431
Net difference between projected and actual earnings on OPEB plan investments	0	0
Difference between expected and actual experience in the Total OPEB Liability	<u>1,669,085</u>	<u>2,084,512</u>
Total Deferred Outflows of Resources	\$4,980,495	\$6,158,943
Deferred Inflows of Resources		
Changes of assumptions or other inputs	\$678,506	\$610,511
Net difference between projected and actual earnings on OPEB plan investments	0	0
Difference between expected and actual experience in the Total OPEB Liability	<u>1,452,479</u>	<u>129,025</u>
Total Deferred Inflows of Resources	\$2,130,985	\$739,536
Deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as follows:		
Reporting Date for Employer under GASB 75 Year Ended August 31:		
2022	N/A	\$873,397
2023	\$590,647	873,397
2024	766,264	1,049,014
2025	895,698	1,178,448
2026	895,698	1,178,448
2027	-16,047	266,703
Thereafter	-282,750	0

The average of the expected service lives of all employees is determined by:

- Calculating each active employee's expected remaining service life as the present value of \$1 per year of future service at zero percent interest.
- Setting the remaining service life to zero for each nonactive or retired member.
- Dividing the sum of the above amounts by the total number of active employee, nonactive and retired members.

Section 2: GASB 75 Information

Schedule of recognition of change in total Net OPEB Liability

Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of Differences between Expected and Actual Experience on Total OPEB Liability

Reporting Date for Employer under GASB 75 Year Ended August 31	Differences between Expected and Actual Experience	Recognition Period (Years)	2021	2022	2023	2024	2025	2026	2027	Thereafter
2018	-\$31,671	6	-\$5,279	-\$5,279	-\$5,279	\$0	\$0	\$0	\$0	\$0
2019	-236,936	6	-39,489	-39,489	-39,489	-39,489	0	0	0	0
2020	2,856,353	7	408,050	408,050	408,050	408,050	408,050	408,050	0	0
2021	51,640	7	7,378	7,377	7,377	7,377	7,377	7,377	7,377	0
2022	-1,596,260	7	N/A	<u>-228,038</u>	<u>-228,037</u>	<u>-228,037</u>	<u>-228,037</u>	<u>-228,037</u>	<u>-228,037</u>	<u>-228,037</u>
Net increase (decrease) in OPEB expense			N/A	\$142,621	\$142,622	\$147,901	\$187,390	\$187,390	-\$220,660	-\$228,037

Section 2: GASB 75 Information

Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of Assumption Changes

Reporting Date for Employer under GASB 75 Year Ended August 31	Assumption Changes	Recognition Period (Years)	2021	2022	2023	2024	2025	2026	2027	Thereafter
2018	-\$1,022,025	6	-\$170,338	-\$170,338	-\$170,338	\$0	\$0	\$0	\$0	\$0
2019	-539,668	6	-89,945	-89,945	-89,945	-89,945	0	0	0	0
2020	3,525,864	7	503,695	503,695	503,695	503,695	503,695	503,695	0	0
2021	1,815,279	7	259,323	259,326	259,326	259,326	259,326	259,326	259,326	0
2022	-382,992	7	N/A	<u>-54,714</u>	<u>-54,713</u>	<u>-54,713</u>	<u>-54,713</u>	<u>-54,713</u>	<u>-54,713</u>	<u>-54,713</u>
Net increase (decrease) in OPEB expense			N/A	\$448,024	\$448,025	\$618,363	\$708,308	\$708,308	\$204,613	-\$54,713

Section 2: GASB 75 Information

Total Increase (Decrease) in OPEB Expense

Reporting Date for Employer under GASB 75 Year Ended August 31	Total Increase (Decrease) in OPEB Expense	2021	2022	2023	2024	2025	2026	2027	Thereafter
2018	-\$1,053,696	-\$175,617	-\$175,617	-\$175,617	\$0	\$0	\$0	\$0	\$0
2019	-776,604	-129,434	-129,434	-129,434	-129,434	0	0	0	0
2020	6,382,217	911,745	911,745	911,745	911,745	911,745	911,745	0	0
2021	1,866,919	266,701	266,703	266,703	266,703	266,703	266,703	266,703	0
2022	-1,979,252	N/A	<u>-282,752</u>	<u>-282,750</u>	<u>-282,750</u>	<u>-282,750</u>	<u>-282,750</u>	<u>-282,750</u>	<u>-282,750</u>
Net increase (decrease) in OPEB expense		N/A	\$590,645	\$590,647	\$766,264	\$895,698	\$895,698	-\$16,047	-\$282,750

Section 2: GASB 75 Information

OPEB expense

Reporting Date for Employer under GASB 75 Measurement Date	August 31, 2022 August 31, 2021	August 31, 2021 August 31, 2020
Components of OPEB Expense		
Service cost	\$1,002,490	\$829,278
Interest on the Total OPEB Liability	406,573	458,421
Current-period benefit changes	-110,717	--
Expensed portion of current-period difference between expected and actual experience in the Total OPEB Liability	-228,038	7,378
Expensed portion of current-period changes of assumptions or other inputs	-54,714	259,323
Member contributions	--	--
Projected earnings on plan investments	--	--
Expensed portion of current-period differences between actual and projected earnings on plan investments	--	--
Administrative expense	--	--
Other	--	--
Recognition of beginning of year deferred outflows of resources as OPEB expense	1,178,448	911,745
Recognition of beginning of year deferred inflows of resources as OPEB expense	<u>-305,051</u>	<u>-305,051</u>
OPEB Expense	\$1,888,991	\$2,161,094

Section 2: GASB 75 Information

Schedule of reconciliation of Net OPEB Liability

Reporting Date for Employer under GASB 75 Measurement Date	August 31, 2022 August 31, 2021	August 31, 2021 August 31, 2020
Beginning Net OPEB Liability	\$17,576,128	\$14,787,366
OPEB expense	1,888,991	2,161,094
Employer contributions	-197,127	-365,856
New net deferred inflows/outflows	-1,696,500	1,600,218
Recognition of prior deferred inflows/outflows	<u>-873,397</u>	<u>-606,694</u>
Ending Net OPEB Liability	\$16,698,095	\$17,576,128

Supporting Information

Exhibit I: Summary of Participant Data

As of July 1, 2021	
Retired members or beneficiaries currently receiving benefits	24
Vested terminated members entitled to but not yet receiving benefits	0
Active members	<u>110</u>
Total	134

Section 3: Supporting Information

Exhibit II: Actuarial Assumptions and Actuarial Cost Method

Data:	Detailed census data, premium data and/or claim experience, and summary plan descriptions for OPEB were provided by the employer and GMEBS.
Actuarial Cost Method:	Entry Age Level Percent of Pay
Asset Valuation Method:	Market Value
Reporting Date:	August 31, 2022
Measurement Date:	August 31, 2021
Actuarial Valuation Date:	July 1, 2021
Discount Rate:	2.14%
Salary Increases:	3.00% to 8.50%, including inflation of 2.25%
Basis for Demographic Assumptions:	The demographic assumptions used in this valuation (including mortality, disability, turnover, retirement, percent married and relative ages of spouses) were approved by the GMEBS Board in December 2021 based on the results of an actuarial experience study for the period January 1, 2015 through June 30, 2021 conducted by Segal in November and December of 2021. The remaining demographic assumptions, such as enrollment elections, were based on the experience of the Plan and professional judgment.
Mortality Rates: <i>Healthy retirees and beneficiaries</i> <i>Disabled participants</i> <i>Active participants</i>	Sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25 Sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25 Sex-distinct Pri-2012 head-count weighted Employee Mortality Table The mortality tables are adjusted from 2012 to future years with sex-distinct generational projection using 60% of the improvement rates used for the intermediate (alternative II) assumptions for projections in the 2021 OASDI Trustees Report.

Section 3: Supporting Information

Disability Rates before Retirement:

Disability Rates before Retirement		
Rates (%)		
Age	Male Disability	Female Disability
20	0.03	0.02
25	0.03	0.03
30	0.03	0.03
35	0.03	0.03
40	0.07	0.04
45	0.11	0.06
50	0.17	0.09
55	0.25	0.18
60	0.33	0.28

Termination Rates before Retirement:

Turnover Rates					
Years of Service	Rate (%)	Years of Service	Rate (%)	Years of Service	Rate (%)
0 but less than 1	26.5	6 but less than 7	10.5	12 but less than 13	5.7
1 but less than 2	20.5	7 but less than 8	9.5	13 but less than 14	5.3
2 but less than 3	18.5	8 but less than 9	8.5	14 but less than 15	4.9
3 but less than 4	16.5	9 but less than 10	7.5	15 or more years	4.5
4 but less than 5	14.5	10 but less than 11	6.5		
5 but less than 6	12.5	11 but less than 12	6.1		

Rates end upon eligibility for retirement.

Section 3: Supporting Information

Actives' Retirement Rates:

The table below is based on a given participant's age when they first become eligible for regular or alternative normal retirement. Rates do not apply if the participant is not eligible for either early or normal retirement.

Age	NRA attained before 60	NRA attained between 60 and 64	NRA attained after 64
Under 55	3% /10% ¹	3%	0%
55-59	3% /10% ¹	3%	5%
60	20%	3% /10% ²	7%
61	25%	10%	7%
62	35%	10%	20%
63	40%	10%	10%
64	45%	10%	10%
65	50%	35%	35%
66-71	25%	25%	25%
72 & over	100%	100%	100%

The rates are adjusted in the year the participant achieves NRA. If the NRA is under 60, the adjustment is +10%, if the NRA is 60 or 61, the adjustment is +20%, if the NRA is 62, 63 or 64, the adjustment is +30%, and if the NRA is 65 or over, there is no adjustment.

¹ 3% prior to normal retirement eligibility, but 10% plus adjustment after normal retirement eligibility

² 3% if NRA is between 62 and 64, but 10% plus adjustment if NRA is 60 or 61

Unknown Data for Participants:

A missing census item for a given participant was assumed to equal the average value of that item over all other participants of the same status for whom the item is known.

Section 3: Supporting Information

Participation and Coverage Election:	For retirements before age 65, 90% of employees eligible to retire and receive subsidized postretirement welfare coverage were assumed to elect medical and prescription drug coverage. For retirements at or after age 65, 100% of employees eligible to retire and receive subsidized postretirement welfare coverage were assumed to elect medical and prescription drug coverage. 100% of employees were assumed to elect dental coverage.																																																	
Dependents:	Demographic data was available for spouses of current retirees. For future retirees, husbands were assumed to be three years older than their wives. 90% of future retirees who elect to continue their health coverage at retirement are assumed to have an eligible spouse who also opts for health coverage at that time.																																																	
Per Capita Cost Development:	Per capita costs were based on the premiums effective on September 1, 2020 for non-Medicare retirees and January 1, 2021 for Medicare retirees. Actuarial factors were applied to the weighted average premium rate to estimate individual retiree and spouse costs by age and gender.																																																	
<i>Medical and Prescription Drugs</i>																																																		
<i>Dental</i>	Per capita dental costs were based on the dental premium rate adjusted for the demographic makeup of the retiree group.																																																	
<i>Administrative Expenses</i>	Administrative expenses are assumed to be included in the premium rates used to calculate the per capita costs.																																																	
Per Capita Health Costs:	Combined medical and prescription drug claim costs for the year beginning July 1, 2021, including assumed expense, are shown in the table below for retirees and for spouses at selected ages. These costs are net of deductibles and other benefit plan cost sharing provisions. <table><tr><th colspan="5">Medical and Prescription Drug</th></tr><tr><th rowspan="2">Age</th><th colspan="2">Retiree</th><th colspan="2">Spouse</th></tr><tr><th>Male</th><th>Female</th><th>Male</th><th>Female</th></tr><tr><td>50</td><td>\$11,910</td><td>\$13,566</td><td>\$8,319</td><td>\$10,892</td></tr><tr><td>55</td><td>14,144</td><td>14,603</td><td>11,132</td><td>12,608</td></tr><tr><td>60</td><td>16,797</td><td>15,740</td><td>14,902</td><td>14,623</td></tr><tr><td>64</td><td>19,271</td><td>16,698</td><td>18,812</td><td>16,458</td></tr><tr><td>65</td><td>5,241</td><td>4,455</td><td>5,241</td><td>4,455</td></tr><tr><td>70</td><td>6,074</td><td>4,801</td><td>6,074</td><td>4,801</td></tr><tr><td>75</td><td>6,546</td><td>5,168</td><td>6,546</td><td>5,168</td></tr></table> The annual per capita dental claims cost for the year beginning July 1, 2021 was assumed to be \$721 increasing 4% per year.	Medical and Prescription Drug					Age	Retiree		Spouse		Male	Female	Male	Female	50	\$11,910	\$13,566	\$8,319	\$10,892	55	14,144	14,603	11,132	12,608	60	16,797	15,740	14,902	14,623	64	19,271	16,698	18,812	16,458	65	5,241	4,455	5,241	4,455	70	6,074	4,801	6,074	4,801	75	6,546	5,168	6,546	5,168
Medical and Prescription Drug																																																		
Age	Retiree		Spouse																																															
	Male	Female	Male	Female																																														
50	\$11,910	\$13,566	\$8,319	\$10,892																																														
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64	19,271	16,698	18,812	16,458																																														
65	5,241	4,455	5,241	4,455																																														
70	6,074	4,801	6,074	4,801																																														
75	6,546	5,168	6,546	5,168																																														

Section 3: Supporting Information

Health Care Cost Trend Rates:

Health care trend measures the anticipated overall rate at which health plan costs are expected to increase in future years. The rates shown below are "net" and are applied to the net per capita costs shown on the prior page. The trend shown for a particular plan year is the rate that must be applied to that year's cost to yield the next year's projected cost.

Year Ending June 30,	Medical & Drug Rate (%)
2022	7.00
2023	6.75
2024	6.50
2025	6.25
2026	6.00
2027	5.75
2028	5.50
2029	5.25
2030	5.00
2031	4.75
2032 & later	4.50

The trend rate assumptions were developed using Segal's internal guidelines, which are established each year using data sources such as the 2023 Segal Health Trend Survey, internal client results, trends from other published surveys prepared by the S&P Dow Jones Indices, consulting firms and brokers, and CPI statistics published by the Bureau of Labor Statistics.

Medicare Part D Subsidy Assumption:

GASB guidelines prohibit the offset of OPEB obligations by the future value of Medicare Part D subsidies. Therefore, these calculations do not include an estimate for retiree prescription drug plan federal subsidies that the Plan may be eligible to receive for plan years beginning in 2006.

Retiree Contribution Increase Rate:

Retiree contributions are assumed to grow at the health care cost trend rates.

Excise Tax:

The excise tax for high cost plans beginning in 2022 as required by the Affordable Care Act was repealed in December 2021, and is not reflected in this valuation.

Plan Design:

Development of plan liabilities was based on the substantive plan of benefits in effect as described in Exhibit III.

Section 3: Supporting Information

Assumption Changes:

- Per capita health costs and trend rates were updated to reflect the most recent claims experience and future expectations.
- The discount rate from the Bond Buyer 20-Bond GO Index for August 31, 2021 was 2.14%. For August 31, 2020 it was 2.20%.

Section 3: Supporting Information

Exhibit III: Summary of Plan

This exhibit summarizes the major benefit provisions as included in the valuation. To the best of our knowledge, the summary represents the substantive plans as of the measurement date. It is not intended to be, nor should it be interpreted as, a complete statement of all benefit provisions.

Eligibility:	Eligibility for medical, prescription drug and dental benefits is as follows:			
	Hire Date	Public Safety	General Employees	
	Before 1999	Earliest of: Age 55 with 20 Years of Service and Age 65 with 5 Years of Service	Earlier of: Age 62 with 20 Years of Service and Age 65 with 5 Years of Service	
	1999 to 2017	Age 55 with 20 Years of Service	Age 62 with 10 Years of Service	
	After 2017	Age 55 with 20 Years of Service	Age 62 with 20 Years of Service	
Benefit Types:	Medical, Prescription Drug, and Dental			
Duration of Coverage:	Lifetime			
Dependent Benefits:	Medical, Prescription Drug, and Dental			
Dependent Coverage:	Lifetime. Surviving spouses also covered for life for employees hired prior to 2018.			
Retiree Contributions:	Retiree and spouse contribution rates are set by the City. The monthly contributions for medical and dental coverage are shown in the table below:			
		Medical		
		Hired before 1999	Hired 1999 to 2017	Hired after 2017
	Retiree only w/o Medicare	\$150.00	\$150.00	\$200.00
	Retiree + Spouse w/o Medicare	\$200.00	\$200.00	N/A
	Retiree only with Medicare	\$0.00	\$0.00	\$0.00
	Retiree + Spouse with Medicare	\$25.00	\$25.00	N/A
		Dental		
	Retiree	\$0.00	\$0.00	\$ 0.00
	Retiree + Spouse	\$30.00	\$30.00	N/A

Section 3: Supporting Information

Benefit Descriptions:	Medical and Prescription Drug	Non-Medicare Plans	
	Description of Coverage	Base	Buy-Up
	Deductible		
	Individual	\$2,000	\$1,500
	Family	\$4,000	\$3,000
	Medical Out-of-Pocket Maximum		
	Individual (includes deductible)	\$6,500	\$6,500
	Family	\$13,000	\$13,000
	Co-Insurance	20%	15%
	Office Visit		
	PCP	\$20 copay	\$20 copay
	Specialist	\$35 copay	\$35 copay
	Prescription Drugs (30-day supply)		
	Formulary Generic		\$10 copay
	Formulary Brand Name		\$35 copay
	Non Formulary Brand		\$70 copay
	Specialty	20% coinsurance with \$150 maximum	
	Prescription Drugs (90-day supply)		
	Formulary Generic		\$30 copay
	Formulary Brand Name		\$105 copay
	Non Formulary Brand		\$210 copay

Section 3: Supporting Information

Benefit Descriptions (continued):

Medical and Prescription Drug

Medicare Plan

Description of Coverage

In-Network

Deductible

Inpatient

\$200

Outpatient

\$166

Co-Insurance

0%

Part A

0%

Part B

0%

Prescription Drugs Out-of-Pocket Maximum*

\$4,130

Prescription Drugs (30-day supply)

Formulary Generic

\$5 copay

Formulary Brand Name

\$25 copay

Non Formulary Brand

\$50 copay

Prescription Drugs (90-day supply – Home Delivery)

Formulary Generic

\$10 copay

Formulary Brand Name

\$50 copay

Non Formulary Brand

\$125 copay

**After prescription out-of-pocket maximum is reached, patient pays the greater of 5% coinsurance or \$2.95 copay for generic drugs and \$7.40 copay for all other drugs.*

Dental

Description of Coverage

In Network

Out of Network

Deductible

Individual

\$50

\$50

Family

\$150

\$150

Calendar Year Maximum

\$5,000

\$5,000

Preventative Services

10% co-insurance

10% co-insurance

Basic Services

20% co-insurance

20% co-insurance

Major Services

50% co-insurance

50% co-insurance

Orthodontic

50% co-insurance

50% co-insurance

Lifetime Maximum for Orthodontic

\$1,000

\$1,000

Section 3: Supporting Information

Changes of plan provisions:

- Deductibles for buy-up plan increased from \$1,000 / \$2,000 for individual / family to \$1,500 / \$3,000.
- OOP Maximum increased from \$6,350 / \$12,700 to \$6,500 / \$13,000.
- Copays for prescription drugs increased from \$5 / \$25 / \$50 for generic / formulary brand / non-formulary brand to \$10 / \$35 / \$70.

Section 3: Supporting Information

Appendix A: Definition of Terms

Definitions of certain terms as they are used in Statement 75. The terms may have different meanings in other contexts.

Actuarially Determined Contribution:	A target or recommended contribution to an OPEB plan for the reporting period based on the most recent measurement available.
Assumptions or Actuarial Assumptions:	The estimates on which the cost of the Plan is calculated including: - Investment return — the rate of investment yield that the Plan will earn over the long-term future; - Mortality rates — the death rates of employees and pensioners; life expectancy is based on these rates; - Retirement rates — the rate or probability of retirement at a given age; - Turnover rates — the rates at which employees of various ages are expected to leave employment for reasons other than death, disability, or retirement.
Covered Payroll:	The payroll of the employees that are provided OPEB benefits
Discount Rate:	The single rate of return, that when applied to all projected benefit payments results in an actuarial present value that is the sum of the following: - the actuarial present value of projected benefit payments projected to be funded by plan assets using a long term rate of return, and - the actuarial present value of projected benefit payments that are not included in (1) using a yield or index rate for 20 year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher
Entry Age Actuarial Cost Method:	An actuarial cost method where the present value of the projected benefits for an individual is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit age
Healthcare Cost Trend Rates:	The rate of change in per capita health costs over time
Net OPEB Liability:	The Total OPEB Liability less the Plan Fiduciary Net Position
Plan Fiduciary Net Position:	Market Value of Assets
Real Rate of Return:	The rate of return on an investment after removing inflation
Service Cost:	The amount of contributions required to fund the benefit allocated to the current year of service.

Section 3: Supporting Information

Total OPEB Liability:	Present value of all future benefit payments for current retirees and active employees taking into account assumptions about demographics, turnover, mortality, disability, retirement, health care trends, and other actuarial assumptions.
Valuation Date:	The date at which the actuarial valuation is performed

Section 3: Supporting Information

Appendix B: Accounting Requirements

The Governmental Accounting Standards Board (GASB) issued Statement Number 75 – Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. Under these statements, all state and local government entities that provide other post-employment benefits are required to report the cost of these benefits on their financial statements. The accounting standards supplement cash accounting, under which the expense for postemployment benefits is equal to benefit and administrative costs paid on behalf of retirees and their dependents (i.e., a pay-as-you-go basis).

The statements cover postemployment benefits of medical, prescription drugs, dental, vision and life insurance coverage for retirees; long-term care coverage, life insurance and death benefits that are *not* offered as part of a pension plan; and long-term disability insurance for employees. The benefits valued in this report are limited to those described in Exhibit III of Section 3, which are based on those provided under the terms of the substantive plan in effect at the time of the valuation and on the pattern of sharing costs between the employer and plan members. The projection of benefits is not limited by legal or contractual limits on funding the plan unless those limits clearly translate into benefit limits on the substantive plan being valued.

The new standards prescribe an accrual-basis accounting requirement, thereby recognizing the employer cost of postemployment benefits over an employee's career. The standards also prescribe a consistent accounting requirement for both pension and non-pension benefits.

The total cost of providing postemployment benefits is projected, taking into account assumptions about demographics, turnover, mortality, disability, retirement, health care trends, and other actuarial assumptions. These assumptions are summarized in Exhibit II of Section 3. This amount is then discounted to determine the Total OPEB Liability. The Net OPEB Liability (NOL) is the difference between the Total OPEB Liability and market value of assets in the Plan, called the Plan Fiduciary Net Position.

Once the NOL is determined, the Annual OPEB Expense is determined as the change in NOL from the prior year with deferred recognition of certain elements. In addition, Required Supplementary Information (RSI) must be reported, including historical information about the Net OPEB Liability and the contributions made to the Plan. Appendices A and C of Section 3 contain a definition of terms as well as more information about GASB 75 concepts.

The calculation of an accounting obligation does not, in and of itself, imply that there is any legal liability to provide the benefits valued, nor is there any implication that the Employer is required to implement a funding policy to satisfy the projected expense.

Actuarial calculations reflect a long-term perspective, and the methods and assumptions use techniques designed to reduce short-term volatility in accrued liabilities and the actuarial value of assets, if any.

Section 3: Supporting Information

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and the actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

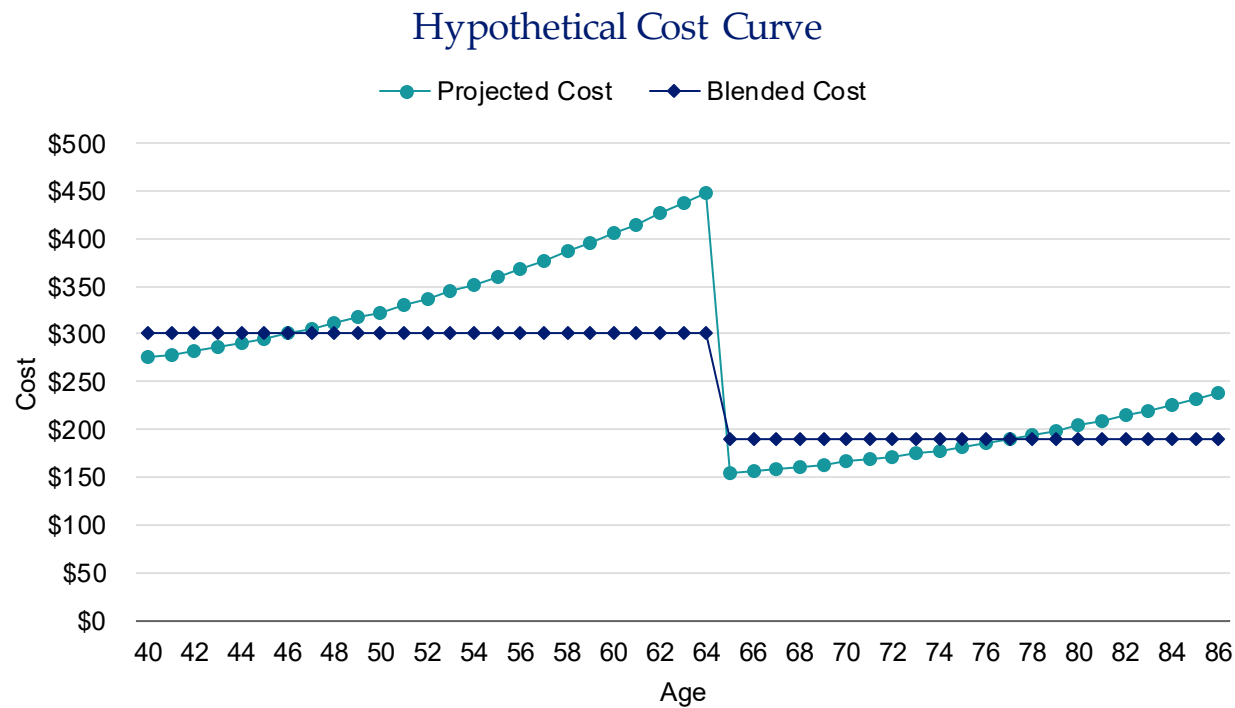
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Section 3: Supporting Information

Appendix C: GASB 75 Concepts

The following graph illustrates why a significant accounting obligation may exist even though the retiree contributes most or all of the blended premium cost of the plan. The average cost for retirees is likely to exceed the average cost for the whole group, leading to an implicit subsidy for these retirees. The accounting standard requires the employer to identify and account for this implicit subsidy as well as any explicit subsidies the employer may provide.

9609264v2/07074.010



Non-Profit Funding

Payments to non-profits can be authorized through the annual budget process, through a supplemental authorization during the year, or simply paid based on a membership, class, or service being purchased.

One method for consideration in funding a non-profit would be to apply the standards required when spending federal or State grants. In such a scenario, a payment is made based on a negotiated payment per unit of service provided directly by the non-profit (e.g., clients served) or reimbursement of the cost of equipment or a capital improvement incurred by the non-profit. There is a good or service purchased and the cost of the good or service directly relates to the contribution.¹

Some non-profits request funds as part of their fundraising efforts. The challenge with contributions under those scenarios is that the value of a ticket to a dinner or an ad in promotional material is not proportionate in value to the contribution – they reflect promotional costs of obtaining sponsorships in which the majority of the raised funds go to expenditures unrelated to the event or promotional material. In this situation, the non-profit determines how those excess funds will be spent, not the contributor. The non-profit is, in effect, the purchaser of goods or services, not the contributor.

These concepts related to recent requests for funding from non-profit organizations that provide external support to Norcross High School. The City has historically funded scoreboards – purchases of equipment that can be easily confirmed. Requests associated with fund-raising event, however, do not provide proportionate benefits to the City to the amount of funds requested because there is nothing tangible purchased other than tickets to an event and/or advertising in promotional materials.

¹ Any payments should be considered subject to random audits – ensuring that the organization has supporting documentation for costs that have been paid or reimbursed. Some examples: an organization requests payment for the services of a staff member. An audit would examine payroll records to show the employee was paid at the rate reported. In the case of payments for clients served, an audit would examine client records to confirm services were provided. For an equipment purchase, an audit would confirm the purchased equipment.



MAYOR **CRAIG NEWTON** • MAYOR PRO TEM **MATT MYERS** • COUNCILMEMBER **ANDREW HIXSON** • COUNCILMEMBER **JOSH BARE**
COUNCILMEMBER **BRUCE GAYNOR** • COUNCILMEMBER **ARLENE BECKLES** • CITY MANAGER **ERIC JOHNSON** • CITY CLERK **MONIQUE LANG**

Agenda Report

To: Mayor and Council

From: Councilmember Dr. Arlene Beckles

Meeting Date: October 17, 2022 – Policy Work Session

Item No.: 22-6595

Title: Hiring and Promotion Policy Discussion

CC: Eric Johnson, City Manager

Recommendation

Discuss Hiring and Promotion policies and practices.

Background

There is no consistency in the hiring and promotion of staff. Some positions are advertised internally/externally and follow the current prescribed HR process, while others bypass the process. Streamlining our hiring process is key and requires a systematic approach.

Financial Impact

N/A

Consistent with Comprehensive Plan?

The related goal is to shape the city's direction by continuing to define Norcross' sense of place by strengthening the city as an inclusive and safe environment to live, **work** and play.

Next Steps

N/A

Attachments

N/A

Update

N/A



MAYOR **CRAIG NEWTON** • MAYOR PRO TEM **MATT MYERS** • COUNCILMEMBER **ANDREW HIXSON** • COUNCILMEMBER **JOSH BARE**
COUNCILMEMBER **BRUCE GAYNOR** • COUNCILMEMBER **ARLENE BECKLES** • CITY MANAGER **ERIC JOHNSON** • CITY CLERK **MONIQUE LANG**

Agenda Report

To: Mayor and Council
From: Councilmember Dr. Arlene Beckles
Meeting Date: October 17, 2022 – Policy Work Session
Item No.: 22-6596
Title: Employee Complaint Resolution Policy
CC: Eric Johnson, City Manager

Recommendation

Create and implement a new HR Policy that guides how unresolved HR Complaints are handled.

Background

From an organizational standpoint, we are at a juncture we have never been before, and it must be addressed with a Policy and follow the prescribed protocol that is ethical and guided by the law.

As Mayor and Council, how do we address unresolved issues between:

- a) Staff and M&C
- b) Staff and City Manager
- c) M&C and City Manager

Most importantly, what will we do about HR complaints from staff that go unresolved?

Example 1:

After the chain of command has been followed and exhausted – there are no results.

Example 2:

Promotions/Job opportunities do not follow the prescribed guidelines established by HR.

As the sworn leaders of this city, my question is, "what does that say about us?"

In short, our staff feels undervalued by the leadership team (Department Heads and M&C), and they are scared to come forward due to the fear of retaliation.

Our Charter states:

Sec. 2.15. - Inquiries and investigations.

The mayor and city council may make inquiries and investigations into the affairs of the city and the conduct of any department, office, or agency thereof and for this purpose may subpoena witnesses, administer oaths, take testimony and require the production of evidence. Any person who fails or refuses to obey a lawful order issued in the exercise of these powers by the mayor and city council shall be punished as provided by ordinance.

Financial Impact

N/A

Consistent with Comprehensive Plan?

The related goal is to shape the city's direction by continuing to define Norcross' sense of place by strengthening the city as an inclusive and safe environment to live, **work** and play.

Next Steps

In the city's best interest and to come to a resolution on how unresolved HR complaints are handled, a full investigation of current unresolved HR complaints must be initiated and completed. A Complaint Resolution policy created and fully implemented. Once implemented, training materials must be created, distributed, and acknowledged by staff, and the Employee Handbook updated on an annual attestation.

Attachments

N/A

Update

N/A



MAYOR **CRAIG NEWTON** • MAYOR PRO TEM **BRUCE GAYNOR** • COUNCILMEMBER **ANDREW HIXSON** • COUNCILMEMBER **JOSH BARE**
COUNCILMEMBER **MATT MYERS** • COUNCILMEMBER **ARLENE BECKLES** • CITY MANAGER **ERIC JOHNSON** • CITY CLERK **MONIQUE PHILIP**

Agenda Report

To: Mayor and Council

From: William Corbin, Economic Development Director

Meeting Date: February 23, 2023 – Mayor & Council Retreat

Item No.: 23- 6668

Title: Surplus ARPA Funds – Small Business Grant Program

CC: Eric Johnson

Recommendation

Discuss potential next steps for surplus funds from the city's ARPA Small Business Grant Program.

Background

The City of Norcross received American Rescue Plan Act (ARPA) funds. Mayor & Council allocated \$720,000 of those funds towards a Small Business Grant Program.

\$72,000 of that money was allocated for ACE, per their contract with the city, which means that there was \$648,000 of grant money available for small businesses.

We ended up exhausting \$50,709.68 of the \$72,000 contract with ACE, which equals a \$21,290.32 surplus.

The city ended up awarding five \$10,000 grants and one \$15,000 grant to small businesses, totaling \$65,000 out of the \$648,000 available – and thus leaving a \$583,000 surplus.

Therefore, about \$604,000 in ARPA funds remain from the Small Business Grant Program:

- \$21,290.32 remaining on ACE service contract
- \$583,000 remaining funds M&C allocated for small businesses

TOTAL = \$604,290.32

Financial Impact

\$604,290.32

Consistent with Comprehensive Plan?

N/A

Next Steps

Decide how to allocate surplus funds from the ARPA Small Business Grant Program.

Attachments

Applicant Grant Approval List for ARPA Small Business Grant Program

Update

N/A

ARPA Advisory Commission Recommendations

American Rescue Plan funds should be distributed 60% (\$720,000) to small businesses and 40% (\$480,000) to non-profits helping individual households. These numbers could be adjusted if all the grant money in a particular category is not expended.

Aid to households should take the form of grants to non-profits serving the Norcross community. This will support individuals by providing feeding program resources, rent assistance, etc., while utilizing a partnership with those who have expertise in this area and systems in place to maximize impact.

Aid to small business is to be distributed in partnership with ACE (Access to Capital for Entrepreneurs). Announcement and advertising for the program will be performed in collaboration with the City's Economic Development Department.

The program will take the form of grants up to \$10,000 and \$15,000, with strategic support provided by ACE, and will allow for maximized impact for small businesses meeting the following criteria:

- Has **1-10 full-time equivalent employees**, from a **commercial location** within the city limits of Norcross, GA, on or before January 1, 2019, **OR**
- Has **2-10 full-time equivalent employees**, from a **home-based location** within the city limits of Norcross, GA, on or before January 1, 2019,

This represents a significant majority of the businesses in Norcross. Administering the program through ACE will leverage a local non-profit's experience with similar grant programs while at the same time minimize impact on city staff.

Any grants will be subject to the criteria set by the federal government and by the city. Criteria are spelled out in the Grant Application Forms and in the Interim Final Report.

If the number of applicants exceeds the available dollars, recipients will be decided by lottery.

Reporting to the federal government will be a city responsibility. However, organizations receiving money must monitor grants awarded to ensure that federal and city guidelines are followed and that support data is forwarded to the city.

All dollars must be used before the deadline established in the Interim Final Report.

ARPA Small Business Grant Award Winners

Business Name	Grant	Business Address	Primary Contact
Kiian Silver LLC	\$10,000	5675 Jimmy Carter Blvd Ste 670, Norcross GA 30071	Viren Solanki
HnS Logistics Inc	\$10,000	5720 Buford Hwy Ste 209, Norcross GA 30071	Hyung Seon Park
Fleecher Designs LLC	\$10,000	35 S Peachtree St Suite B, Norcross GA 30071	Laura Balfour
Silky Corporation	\$15,000	5675 Jimmy Carter Blvd Ste 625, Norcross GA 30071	Hayal Bhatt
CNU Medical Institute	\$10,000	5855 Jimmy Carter Blvd Suite 190	Emelia Orubele
The Local Peach	\$10,000	125 Lawrenceville Street Suite 100, Norcross GA 30071	Nona Johnson

Invoice

Access to Capital for Entrepreneurs, Inc.

3173 Highway 129 N
Cleveland, GA 30528

Date	Invoice #
2/1/2023	1019

Phone # 678-335-5600 Fax # 877-287-6081

Bill To

Christabel Ghansah
Business Development Manager
City of Norcross
65 Lawrenceville Street
Norcross GA 30071



Terms

Due on receipt

Description	Amount
City of Norcross ARPA Grants Program	
Total contract amount \$72,000 over 12 months - <i>Compensation shall be paid in equal monthly installments beginning upon the execution of the agreement and thereafter on the monthly anniversary date with a term of 12 months.</i>	
Payment due:	
4/20/22 - 5/20/22	\$6000.00
5/21/22 - 6/20/22	\$6000.00
6/21/22 - 7/20/22	\$6000.00
7/21/22 - 8/20/22	\$6000.00
8/21/22 - 9/20/22	\$6000.00
9/21/22 - 10/20/22	\$6000.00
10/21/22 - 11/20/22	\$6000.00
11/21/22 - 12/20/22	\$6000.00
12/21/22 - 1/3/2023 (14 days)	\$2709.68
Thank you for your partnership!	Total \$50,709.68

Attachment: City of Norcross ARPA - FINAL (23-6668 : Surplus ARPA Funds)

City:	Population (2021)	Council Member Annual Salary:	Mayor Annual Salary:	Mayor Pro Tempore Annual Salary:	If elected officials are compensated on a non-annual basis, please explain here.	Year of most recent update to elected official compensation:	Upcoming plans for updates to elected official compensation:
Alpharetta	66,000	\$ 15,000	\$ 30,000	\$ 30,000			Unsure
Avondale Estates	3,500	\$ 4,800	\$ 7,200	\$ 4,800		About 2018	No
					Mayor and Council are compensated monthly		
Berkeley Lake	2,000	\$ 900	\$ 5,000	\$ 1,200		Unknown	
Brookhaven	55,000	\$ 12,000	\$ 16,000	\$ 12,000		2012	Unsure
Cartersville	23,200	\$ 4,800	\$ 7,200	N/A	N/A	Unknown	N/A
Clarkston	15,000	\$ 12,000	\$ 15,000	\$ 12,000			No
Covington	14,900	\$ 12,000	\$ 18,000	N/A	N/A	N/A	No
Decatur	25,000	\$ 12,000	\$ 15,000	\$ 12,000			Unsure
Doraville	11,000	\$ 14,000	\$ 18,000				No
Douglasville	35,000	\$ 12,900	\$ 39,600	\$ 12,900	Monthly	2012	Yes
Duluth	31,000	\$ 2,400	\$ 6,000	\$ 2,400			No
						2008 - dates back to incorporation; original salaries never changed	
Dunwoody	52,000	\$ 12,000	\$ 16,000	\$ 12,000	Annual salary basis, paid monthly		No
East Point	38,000	\$ 16,000	\$ 20,000	\$ 16,000		2019	No
Fairburn	16,000	\$ 9,000	\$ 18,000	\$ 9,000			Yes
Johns Creek	82,000	\$ 15,000	\$ 25,000	\$ 15,000	n/a	2006	No
Kennesaw	33,000	\$ 12,000	\$ 19,200	\$ 13,800			Unsure
					They are compensated once per month		
Lawrenceville	31,000	\$ 10,200	\$ 12,600	\$ 10,200		01.01.2020	Unsure
Lilburn	15,000	\$ 3,500	\$ 5,000	\$ 3,500		1990	Yes
Loganville	14,000	\$ 6,000	\$ 12,000	\$ 6,000			No
					Paid in monthly installments	Changes in 2016, effective 2018	No
Marietta	61,000	\$ 18,900	\$ 25,200	\$ 20,400			
Norcross	17,000	\$ 8,100	\$ 10,350	\$ 9,000			
Peachtree Corners	42,200	\$ 8,000	\$ 9,000	\$ 8,000	N/A	N/A	No
Powder Springs	15,700	\$ 12,000	\$ 18,000	\$ 12,000			Unsure
						It's been a very long time. I don't have the year available.	No
Roswell	93,000	\$ 18,000	\$ 40,000	\$ 18,000	They are paid monthly		
Sandy Springs	110,000	\$ 18,000	\$ 40,000	N/A		Unsure	Unsure
Snellville	20,000	\$ 8,000	\$ 12,000	\$ 8,000		2018	No

Sugar Hill	25,000	\$	3,600	\$	5,400	\$	4,500	They are paid once a month after the Council Meeting Elected officials are compensated but the numbers given are annual	? Unsure
Suwanee	21,000	\$	9,000	\$	15,000	\$	11,100		No
Woodstock	31,000	\$	11,400	\$	14,400			Council paid \$950 monthly, mayor paid \$1,200 monthly	2016 No



MAYOR **CRAIG NEWTON** • MAYOR PRO TEM **MATT MYERS** • COUNCILMEMBER **ANDREW HIXSON** • COUNCILMEMBER **JOSH BARE**
COUNCILMEMBER **BRUCE GAYNOR** • COUNCILMEMBER **ARLENE BECKLES** • CITY MANAGER **ERIC JOHNSON** • CITY CLERK **MONIQUE LANG**

Agenda Report

To: Mayor and Council

From: Councilmember Dr. Arlene Beckles

Meeting Date: October 17, 2022, Policy Work Session

Item No.: 22-6597

Title: Diversity Equity & Inclusion Training and City Certification

CC: Eric Johnson, City Manager

Recommendation

Review and implement the standards and policies outlined in the Municipal Equity and Inclusion Certification Program and further seek Georgia Municipal Association's (GMA's) Municipal Equity and Inclusion Certification. as a Diverse, Equitable, and Inclusive Municipality. It is further recommended that The City Clerk and HR offices attend this inaugural program as they touch every department in the city and can lay the framework for adoption. In addition, both are liaisons with Mayor, Council, and the public.

Background

Earlier this year, the final report of the GMA's Equity and Inclusion Commission was released. One of the recommendations of the Commission is the Municipal Equity and Inclusion Certification Program. Cities may achieve certification for addressing equity and inclusion in the following seven categories: Workforce Housing, Education, Health and Well-being, Public Safety and Restorative Justice, Community and Economic Development, Municipal Workforce Development and Employment, and Community Dialog/Stakeholder Engagement. The Program entails four tiers of certification based on the number of categories a city chooses to address, with a minimum of two categories – one of which must be Community Dialog/Stakeholder Engagement.

Financial Impact

To be determined. Costs will include the required training referenced below, which should largely be able to be absorbed in the existing department and Mayor and Council training budgets except for training of members of boards and commissions. Reallocation of staff will be required to this project, or a position created and dedicated to this ongoing program. Other costs may be associated with specific criteria to obtain sufficient points to complete the selected categories.

Consistent with Comprehensive Plan?

The related goal is to shape the city's direction by continuing to define Norcross' sense of place by strengthening the city as an inclusive and safe environment to live, **work** and play.

Next Steps

Prepare for application for the Program by completing the following requirements:

- Designate an Equity and Inclusion point person (to receive 6 hours of E&I training specific to governments).
- Hold meetings with community and business stakeholders.
- Identify certification categories the city will pursue.
- Adopt GMA model resolution.
- Four or more elected officials, members of city boards and commissions, and senior staff obtain 3 hours of E&I training.
- Create a plan for training all other employees in E&I over a 5-year period.
- Demonstrate city has analyzed and addressed equity and inclusion in personnel policies.
- Demonstrate city has addressed equity and inclusion in its hiring process.
- Demonstrate city has analyzed equity and inclusion in its contracting and procurement policies.
- Demonstrate city has analyzed and addressed equity and inclusion in its operational and capital resource allocation.

Attachments

GMA Final Report – Equity and Inclusion Commission (Details on the certification process can be found in Appendix B, beginning on page 45.)

Update



Final Report of the
Georgia Municipal Association's
**EQUITY AND INCLUSION
COMMISSION**

Our Journey Together Continues

January 2022

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INTRODUCTION

“It’s time for a new covenant between cities and their residents, one rooted in mutuality and a commitment to the ideals of our democracy. I’m confident that if we commit ourselves to being open to the experiences of others and to the principles of justice, equality and fairness, we can make each of our cities a place all would be proud to call home.”

VINCE WILLIAMS, GEORGIA MUNICIPAL ASSOCIATION
2020-2021 PRESIDENT AND UNION CITY MAYOR



This document embodies the work of GMA's 26-member Equity and Inclusion Commission, co-chaired by Augusta Mayor Hardie Davis and LaGrange Mayor Jim Thornton and created by the GMA Officers in June 2020. The summer of 2020 was a turbulent time for our nation. The public health and economic fallout from COVID-19 highlighted disparities in our most vulnerable populations, including deeply rooted systemic barriers that existed long before the pandemic. A concurrent pandemic of racial injustice and prejudice caused further anger and despair across the nation.

The disparities in opportunities across Georgia are due to complex factors, including intergenerational and persistent poverty, healthcare access, educational attainment, and affordable housing, among others, that overlap and influence each other. No single solution can address the equity and inclusion challenges Georgia communities face. Yet, there are local actions that cities can take and encourage that can begin to address these challenges.

GMA's leadership recognized that as an organization, we must lead, and we must lead with action. As the architects of the future of our cities, it is incumbent upon local leaders to convey the message that there is no place for racism, inequity and exclusion in our cities. GMA's officers understood that the association is uniquely positioned to be a

catalyst for lasting change. To that end, they created the GMA Equity and Inclusion Commission to address these issues and develop a long-term plan of action.

The work of this Commission represents the first step of a long-term journey. With the Commission's foundational work now complete, we expect its efforts to be carried forward and become integral to GMA's ongoing mission for many years to come.

There is no better place than in our cities to begin healing the wounds our democracy and culture have sustained. These efforts, both through GMA and those undertaken locally, will require humility, sacrifice, and an understanding that "inclusion" is a much different and more worthy goal than mere "tolerance."

We urge city leaders to use this report as a guidebook in your ongoing efforts to eradicate systemic inequities where they exist in your communities. The recommendations are grouped according to topic area to help in viewing your city's policies and services through the lens of equity, inclusion, and diversity. By adopting the recommendations in this report, GMA's goal is to help city leaders identify and eliminate obstacles that block participation and achievement for every community member. The report also includes recommendations for steps GMA should take to address these issues in all cities.

Members of GMA's Equity & Inclusion Commission join GMA staff for a "Valuing Differences" exercise.



FOREWORDS

“OUR JOURNEY TOGETHER CONTINUES”



JIM THORNTON,
CO-CHAIRMAN



HARDIE DAVIS,
CO-CHAIRMAN

In January of 2020, none of us could imagine that the world would forever change in front of multiple generations of people across the globe. As mayors and city leaders, we did not know that each of us would be confronted with the harsh reality of lurking societal inequities. We did know that every day our society looks for leadership, guidance, direction, and a word of hope and encouragement when life gets tough.

It is said that there is sometimes a season of convergence when things seem to come together. This convergence in America, in Georgia, and in every one of our cities occurred when the COVID-19 pandemic struck friends and family members, the pandemic of racial injustice stood front and center in Minnesota but also here in Georgia, and an overburdened and under-resourced healthcare system stood on the verge of collapse, revealing inequities that had long been masked under the cloak of insured status.

These difficult moments reminded us of the brokenness of the world and of our nation's most urgent challenges, but they also inspired many to act and to do our part to make things better for all.

GMA, on behalf of all 537 cities in Georgia and their residents, decided to take action. As “Cities United,” we agreed to listen intently and dialogue constructively with one another to develop a blueprint for a more equitable and inclusive Georgia. These recommendations begin with the fundamental belief that we will achieve our greatest success as a state and as human beings by learning to value and accept our differences with the understanding that embracing diversity, equity and inclusion makes us stronger and more successful.

We have been honored to lead this effort as co-chairs of the Equity and Inclusion Commission. Over the ensuing eighteen months, the Commission has developed a series of specific action items and achievable

goals for Georgia to reflect our state's motto of “Wisdom, Justice, Moderation” toward all citizens—to be truly one Georgia.

As noted in the introduction, this report of the Equity and Inclusion Commission certainly doesn't complete our journey, but it is a first step. We believe it is a significant first step, because many of the action items developed by the Commission are already underway, and because many of the goals and aspirations set forth in the report are realistic and possible in the near term.

We know that this journey will continue. We have witnessed the passion of city leaders across Georgia, including those on the Commission, and of the GMA staff who have made this work part of their vocation and their mission. We have also witnessed the desire in the hearts of Georgians to displace past divisions with the loving embrace of each other. For all these reasons, we are confident that things will continue to get better in our cities and throughout the state.

This has been a journey that we have undertaken together, and it will continue for many years to come. As we turn the page on this chapter of our work, the words of Georgia's native son, the late Rev. Dr. Martin Luther King, Jr. ring loud in our hearts as we remind one another: “Now is the time to make real the promises of democracy.”

The fact that the journey takes time should not concern us; rather, it should inspire us. It should inspire us to take that next step together and to continue our journey. And together we shall.

GMA Equity & Inclusion Commission Co Chairs

Jim Thornton, GMA President and Mayor of LaGrange

Hardie Davis, GMA Board Member and Mayor of Augusta

FOREWORDS



LARRY H. HANSON
GMA Executive Director

As Dr. Martin Luther King, Jr. so eloquently and powerfully stated, “the ultimate measure of a man is not where he stands in moments of comfort and convenience, but where he stands at times of challenge and controversy.” Since 1933, GMA’s mission has been to anticipate and influence the forces shaping Georgia’s cities and to provide leadership, tools and services that assist municipal governments in becoming more innovative, effective and responsive. This also means standing up at times that demand strong resolve with a commitment to bring city leaders together to address critical issues and through collaboration, to make a difference in our state and our local communities.

The events of 2020 required a strong statement and commitment to action to show that GMA stands in solidarity in opposition to racism, violence, and acts of injustice, inequity and intolerance. The global COVID pandemic only intensified and made more visible disparities that have existed for many years for vulnerable populations. Once seen, these inequities cannot be ignored and as a membership-driven organization, we accepted the responsibility to develop a call to action. In 2020, GMA’s leadership made a pledge to commit the resources needed to make a difference in the areas of diversity, equity and inclusion. Over the course of the last 18 months, the GMA Equity and Inclusion Commission set aside space and time to focus, **to listen deeply, unite widely, and act boldly.**

The ultimate goal of the Commission’s work is to make the lives of Georgians better: How do we move people from where they are to where they should be? The Commission has spent eighteen months examining organizational systems—visible and invisible—for opportunities

to increase fairness, equity and inclusion and by modeling what’s right, not what’s easy. Throughout this process, the Commission demonstrated a commitment to justice by practicing acts of awareness, kindness, love and understanding through thoughtful listening and constructive dialogue. This report is a distillation of the Commission’s work and includes specific recommendations that will help local leaders create communities that are more welcoming, inclusive, and equitable. This is a beginning, not an end. On this journey together, we will work to implement a sustainable program that will make a difference in this state and in our cities. This work requires a long-term commitment, one that we are committed to and ready to demonstrate by our actions, efforts and resources. GMA will adhere to the values in our mission and GMA’s staff, at every level, will be here to assist every member city in this critical effort to promote justice, equity, and inclusiveness. As Cities United, we will make a difference, and with a commitment to openness, transparency, and compassion, we will make our cities and our state a better place for everyone. We are confident the action items in this report will foster sustainable changes in human minds and human hearts and empower us to embrace our differences and see the value in each other.

We sincerely ask today that you join us in this important effort and look forward to continuing on this important journey together.

Larry Hanson

EQUITY AND INCLUSION COMMISSION MEMBERS



Jim Thornton,
Mayor, LaGrange (co-chairman)



Kelly Girtz,
Mayor, Athens-Clarke County



Liz Ordiales,
Mayor, Hiawassee



Hardie Davis,
Mayor, Augusta (co-chairman)



Tyree Goodlett,
Councilmember, Dalton



John Reid,
Mayor, Eatonton



Linda Blechinger,
Mayor, Auburn



Cornell Harvey,
Mayor, Brunswick



Matt Seale,
Mayor, Ocilla



Michelle Cooper Kelly,
Councilmember, Marietta



Lisa Clarke Hill,
Councilmember, Moultrie



Julie Smith,
Mayor, Tifton



Carmen Chubb,
Mayor's Chief of Staff, Atlanta



Doug Hollberg,
Mayor, Griffin



Al Thurman,
Mayor, Powder Springs



Amir R. Farokhi,
Councilmember, Atlanta



Isaiah Hugley,
City Manager, Columbus



Keith Turman,
Mayor, Royston



Anthony Ford,
Mayor, Stockbridge



Michael-Angelo James,
Mayor, Waycross



Dr. Clemontine Washington,
Mayor Pro Tem, Midway



Patti Garrett,
Mayor, Decatur



Cam Jordan,
Deputy Administrator, Fitzgerald



Mike Young,
Mayor, McRae-Helena



Andrea Gibby,
Mayor, Young Harris



Bianca Motley Broom,
Mayor, College Park

THE FORMATION OF GMA'S EQUITY AND INCLUSION COMMISSION

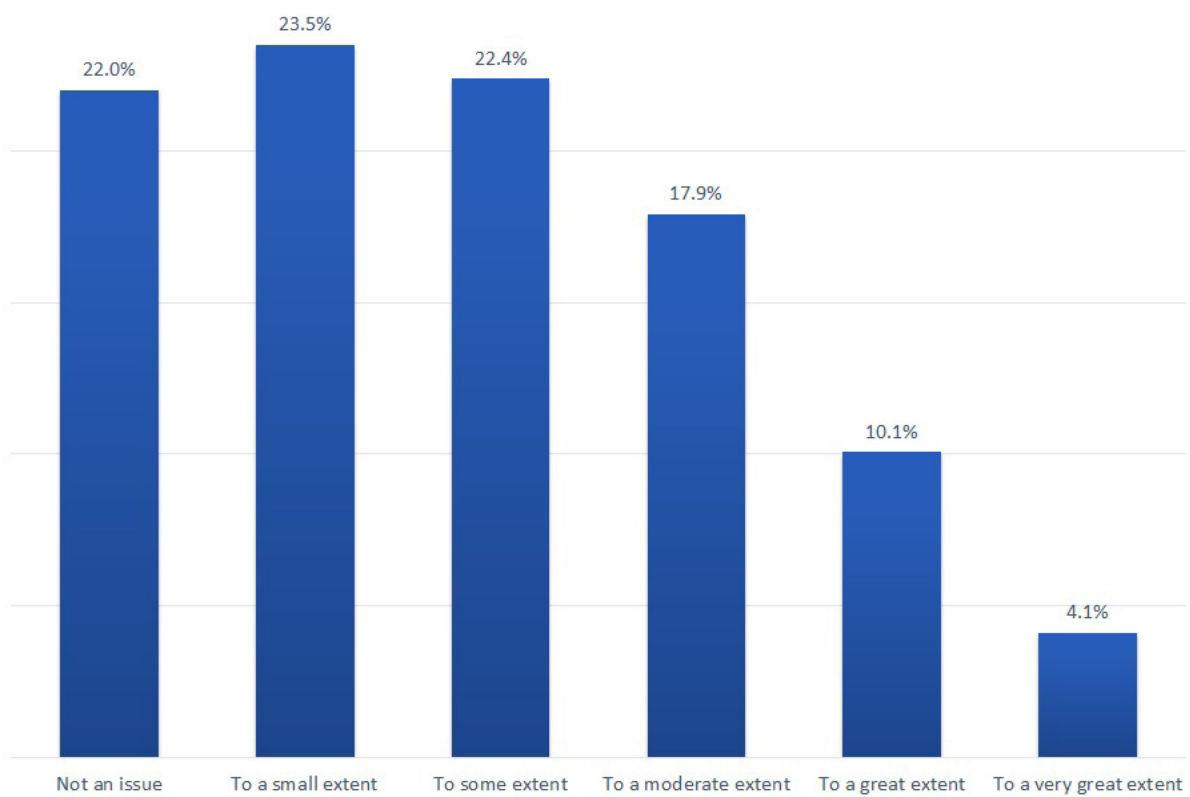
2020 was a turbulent year across the globe in communities of all sizes and regions. In addition to the effects of the global COVID-19 pandemic, people of color nationwide experienced racial injustice and police brutality, including here in Georgia. These actions led to a wave of civil unrest and protests in opposition to systemic racism toward communities of color.

GMA's leadership recognized that as an organization, cities must lead with action. As the architects of the future of our cities, it is incumbent upon local leaders to convey the message that there is no place for racism, inequity and exclusion in our cities. GMA's officers understood that the association is uniquely positioned to serve as a catalyst for lasting change. To that end, in early June 2020, GMA's officers, led by Dublin Mayor Phil Best (GMA Immediate Past President) and Union City Mayor Vince Williams (GMA President), sent a statement to the membership that expressed the association's strong opposition to racism, violence and acts of injustice, inequity and inequality that were occurring across the nation. Leaders also created the GMA Equity and Inclusion Commission to address these issues and develop a long-term plan of action.

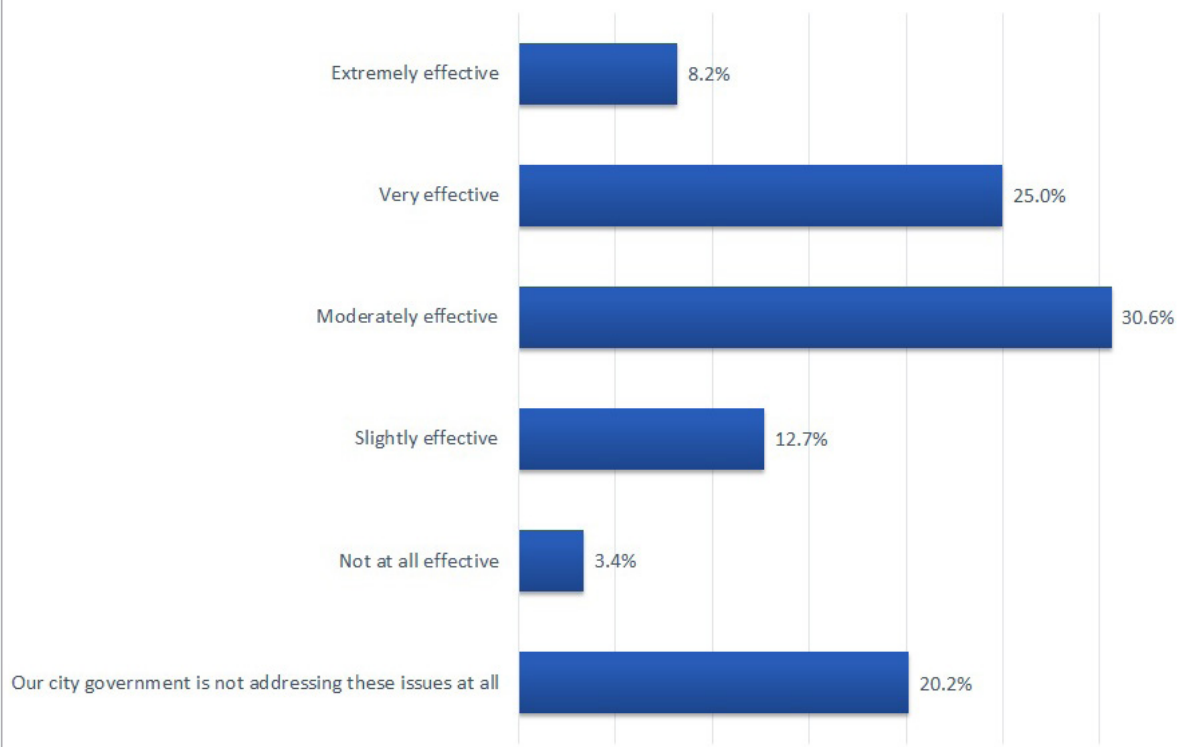
In July, GMA created its first Equity and Inclusion Commission. The role of the 26-member Equity and Inclusion Commission is to recommend actions that bear witness to the principles of justice, equality and fairness, develop a long-term plan of action to address institutional and systemic racism, and equip city leaders to listen thoughtfully and dialogue constructively with the residents they serve. GMA officers and leadership named LaGrange Mayor Jim Thornton and Augusta Mayor Hardie Davis as the co-chairs of the commission.

In late July, GMA conducted an email survey of municipal elected officials throughout the state. GMA received 268 responses for an 8.7% response rate. The graphs below provide key feedback GMA received from survey responses on select questions. The graphs on the following pages provide key feedback GMA received from survey responses on select questions.

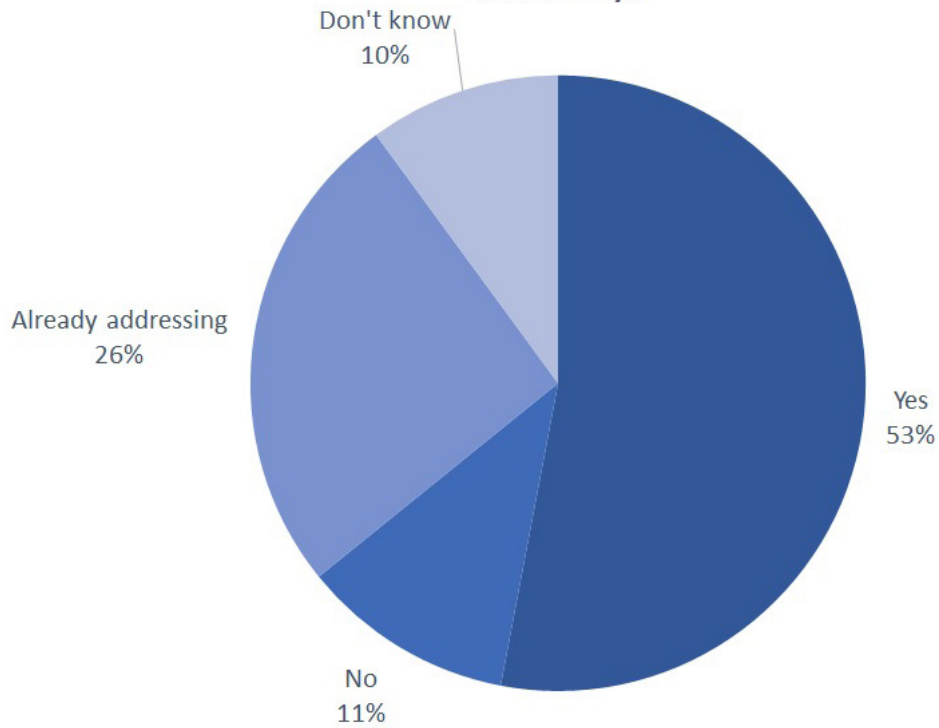
As a city official, to what extent do you feel that racism is an issue in your city?



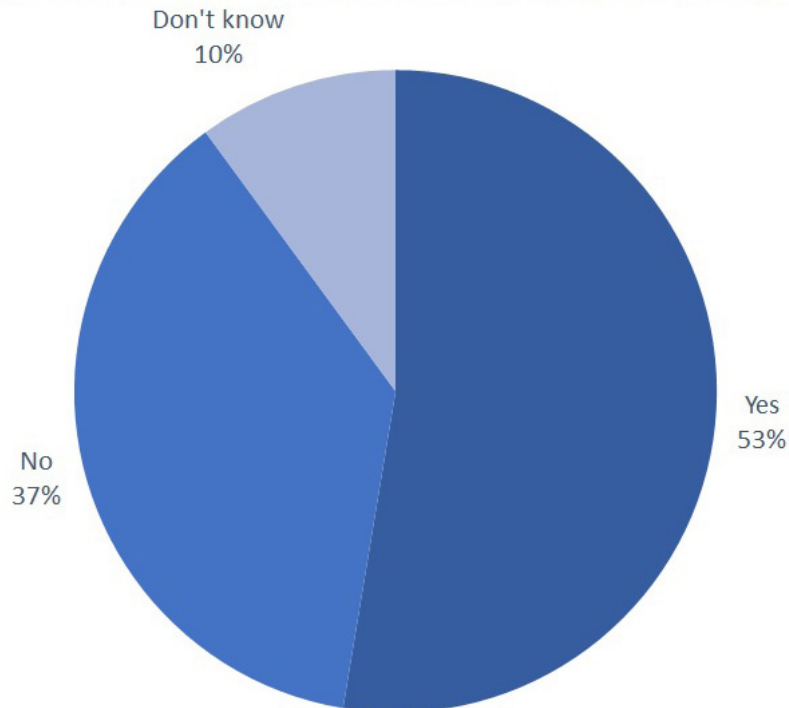
How effective do you feel your city government's response has been to handling issues of race and equity community wide?



Do you feel that your city government should be involved in assessing and responding to issues of race, equity, and diversity in your community?



Do you believe your city should review policies, practices, and procedures with a lens on race, equity, and diversity?



MEETING OVERVIEWS

EQUITY & INCLUSION COMMISSION IN ACTION

Virtual Meetings:

August 20, 2020: Kickoff Meeting

September 24, 2020: Part 1: Impediments to Equity and Inclusion (E&I) - Housing, Healthcare and Education

October 22, 2020: Part 2: Impediments to E&I - Housing, Healthcare and Education

November 19, 2020: Public Safety & Restorative Justice ; Discussion of Historic Monuments

December 17, 2020: Training & Education

January 28, 2021: Community and Economic Development

February 25, 2021: Workforce Development and Employment

March 25, 2021: Open Discussion: Where Are We Now?

April 22, 2021: City Policies

May 27, 2021: Community Dialogue/ Stakeholder Engagement; Diversity in Leadership

In-Person Meetings:

June 24, 2021: Georgia City Solutions E&I Initiatives; E&I Municipal Certification Review

August 6-10, 2021: GMA Annual Convention Sessions

November 18, 2021: Review and adoption of proposed recommendations

January 12, 2022:

Adoption of Final Report by the Commission

Meeting Overview

August 2020: On Thursday, Aug. 20, GMA hosted the first meeting of its Equity & Inclusion Commission. Ambassador Andrew Young delivered a virtual keynote address to the group. GMA Executive Director Larry Hanson reminded commission members of the importance of listening deeply, uniting widely and acting boldly in order to bring justice to the complex systems that shape and influence today's society.



September 2020: During the commission's September meeting, members focused on impediments to Equity and Inclusion as they relate to housing. Leon Andrews, then Director of the National League of Cities' Race, Equity and Leadership (REAL) initiative, urged the Commission to create an intentional space to discuss matters of racial inequity; to work to normalize consideration of equity and justice; and to commit to changing all systems and policies. In addition, NLC staff provided an overview of the housing landscape in the U.S. prior to COVID-19 and noted that homelessness disproportionately impacts Black individuals, who make up 13% of the U.S. population but 40% of the homeless population.

October 2020: October was dedicated to education, health and well-being. Expert presenters stressed that while city officials often don't have direct involvement in schools, city leaders have the power to convene, build partnerships, and use their bully pulpit to stand up for policies and programs that bring equity to education. With regard to health, presenters stressed the need to consider heightened issues of inequity during the COVID crisis and discussed how local leaders can take part in efforts to address the determinants of health with a focus on housing, city planning and design and economic opportunity.

November 2020: In November, the Commission took a deep dive into impediments to equity and inclusion as they relate to public safety and the criminal justice system. Mike Ayers, executive director of the Georgia Peace Officer Standards and Training Council (POST), provided an overview of the mission and activities of the agency, and Sarah Karaga with the National Alliance on Mental Illness (NAMI) offered support through the organization's free training programs for law enforcement agencies. Former Governor Nathan Deal served as the meeting's keynote and discussed the impact of criminal justice reform policies implemented during his administration.



Also in November, members of the Commission discussed historic monuments and determined that while the ultimate goal should be legislative change to provide more flexibility for local governments to make decisions about removal and relocation, the first approach should be for GMA to develop a playbook that provides cities with a good understanding of all aspects of the issues around historic monuments to support local officials.

December 2020: The central focus of the Commission's December meeting was training and education. Commission members received an overview and perspective on these topics from experts from the City of San Antonio, Texas, and Young Harris College, as well as a report from Decatur Mayor Patti Garrett about the city's Better Together initiative. Members engaged in facilitated breakout groups to discuss challenges and opportunities for equity and inclusion in training and education in their communities. The meeting also included an update on the proposed Municipal Equity and Inclusion Certification Program and GMA's Diversity, Equity and Inclusion training program.

January 2021: The Commission kicked off the first meeting of 2021 with a focus on Community and Economic Development. Speakers included Chris Clark, President & CEO of the Georgia Chamber of Commerce, who shared an update on the chamber's efforts to examine the benefits of diversity and inclusion to the state of Georgia. Commission members also heard from Chef Josh Lee, Co-Founder of the Soulful Company Restaurant Group in Atlanta, who spoke about challenges and barriers to African-American entrepreneurs and small business owners, and how city leaders can help. Ray Pennie, President of Business Development for Access to Capital for Entrepreneurs (ACE), also shared information about how their organization provides support to women- and minority-owned businesses. Representatives from Partnership for Southern Equity spoke about historic land use and financial policies that set the stage for problems we are seeing today with creating a level playing field for all communities. The meeting concluded with an opportunity for members to engage in breakout roundtable discussions with three of Georgia's mayors to discuss how diversity, equity and inclusion (DEI) needs are being addressed to promote community and economic development.

February 2021: February's focus was on Workforce Development and Employment. The agenda focused primarily on an interactive roundtable panel discussion with city leaders on perspectives of diversity, equity and inclusion in the workplace. Johnny Knatt with HR Workplace also served on the panel and roundtable discussions and shared an in-depth training on emotional intelligence and bias later in the program. Finally, Commission members heard a presentation on recruitment and retention, including information on GMA's "It Starts with Me" campaign.

March 2021: In March, the Commission shifted focus away from presentation-heavy agendas to allow space for all Commission members to have a meaningful and honest conversation around how Commission members are doing personally, how they are contributing to the DEI conversation, where they need support contributing to the conversation, what challenges they have encountered, what has changed since last summer and more.

April 2021: The topic for April's meeting was City Policies. The first speakers on the agenda were from the Office of Sustainability in Tempe, Arizona, who talked about the "Equity in Action Equitable Engagement Framework" the city uses. Braden Kay and Jonae Harrison with the city also participated in breakout sessions with Commission members to get "in the weeds" on Tempe's program and learn from what the city is doing and how those lessons could be applied in Georgia's cities. Commission members also heard from leaders in Augusta, Decatur, and Stockbridge about these cities' policies for procurement and contracting and how they actively work to make these processes more equitable and inclusive. Another round of breakout conversations allowed Commission members to delve more deeply into the experiences of these cities.

May 2021: The May meeting focused on Diversity in Leadership. The meeting opened with an announcement of GMA's Excellence in Policing initiative, an overview of plans to engage GMA's membership in DEI at the Annual Convention and at fall district meetings and farewell words from Leon Andrews, then director of the NLC Race, Equity and Leadership program. Facilitated breakout groups allowed Commission members to discuss ICMA's Equity and Inclusion Resources, GMA Data Tools and Employee Demographics, and engage in roundtable discussions with city leaders on community dialogue and stakeholder engagement.

June 2021: GMA was pleased to host the first in-person meeting of the Commission at GMA's new headquarters in Atlanta. Topics included an update on Georgia City Solutions and potential DEI initiatives; the discussion of an idea to create a GMA Equity and Inclusion Advisory Council and an update on the Municipal Equity and Inclusion Certification Program. Freddie Broome, GMA's Director of Equity and Inclusion, also described upcoming engagement opportunities for the GMA membership. Members also heard an update on the Excellence in Policing Initiative. Broome led a facilitated discussion with the Commission on DEI and where the Commission should go from here.

July 2021: Members engaged in Work Team Meetings.

August 2021: GMA members were offered several engagement opportunities at the in-person GMA Annual Convention August 6-10 in Savannah, including two options to attend a DEI forum. Each forum closed with time to share any DEI efforts in cities or offer closing remarks. GMA also held a DEI Rapid Fire Session for small cities and one for larger cities. The purpose of the sessions was to showcase programs that can be scaled and replicated in other cities. And finally, during the convention, GMA offered a DEI Training course "Making Cultural Diversity Work."

September and October 2021: Each of GMA's 12 fall district in-person meetings included a focus on Equity and Inclusion, with the first segment of each meeting devoted to a brief training by Freddie Broome and an interactive DEI exercise and friendly inter-district competition with attendees doing "the wave." In addition, work teams continued to meet to finalize their respective recommendations.

November 2021: The Commission met in person in Atlanta to review and adopt the Commission's recommendations for inclusion in the Final Report that will be presented to GMA's Board of Directors in January 2022.

December 2021: The Commission postponed its December meeting due to the holidays and reconvened in January for review and adoption of the final report.

January 2022: The Commission met to adopt its Final Report.





GMA EQUITY AND INCLUSION RECOMMENDATIONS

GENERAL RECOMMENDATIONS FOR GMA & CITIES

The Commission's recommendations are divided into two categories – one identifies actions GMA should undertake to assist city leaders in their efforts to implement sustainable equity and inclusion initiatives within city governments and communities at-large and the other outlines policies and practices the association's 537 member cities should pursue.

GENERAL RECOMMENDATIONS FOR GMA & CITIES:

The Commission recommends that GMA:

- Establish a Municipal Equity and Inclusion Certification Program to be administered by GMA in partnership with Georgia City Solutions. (See page 39 for a description of the program.)
- Develop resources and a list of experts, facilitators and speakers that city officials can use to discuss and educate their community about the importance of workforce housing.
- Develop a Historic Monument Playbook that provides cities with a thorough understanding of all aspects of state law, case studies from other communities, and resources to support local conversations that are constructive, inclusive and productive.
- Add a course on “Health in All Policies” to the association’s training program. “Health in All Policies” is a collaborative approach that integrates and articulates health considerations into policymaking across sectors to improve the health of all communities and people.
- Conduct an annual survey of the association’s member cities to learn how elected officials are coping, managing and addressing issues of equity and inclusion in communities around the state.
- Create a standing Equity and Inclusion Advisory Council.
 - The work of the Equity and Inclusion Commission represents the beginning, not the end, of GMA’s commitment to diversity, equity and inclusion. The creation of an Equity and Inclusion Advisory Council will provide a body to oversee the implementation of the Commission’s recommendations as well as to recommend additional initiatives, programs and policies.

The role of the Advisory Council should be to:

- Oversee the implementation of the Equity and Inclusion Commission’s recommendations.
- Recommend additional programs, training, research and other initiatives that can be undertaken by GMA and/or Georgia City Solutions (GCS) to assist city officials in their efforts to promote equity and inclusion within their municipal government and community.
- Provide a forum for city officials to explore opportunities for collaboration between GMA, GCS, agencies and organizations whose mission focuses on equity and inclusion.
- Foster the exchange of ideas and information on programs and initiatives that have a proven positive impact on equity and inclusion.
- Propose legislative policies, as necessary, to the appropriate GMA policy committees that would help cities address equity and inclusion issues.
- The Advisory Council should be chaired by a municipal official appointed by the GMA president. The chair should serve a two-year term and be eligible to be reappointed to serve one additional term.
- Approximately 25 municipal elected officials and staff should be appointed to the Advisory Council.
- Consistent with other GMA advisory councils, appointments should be made by the executive director in consultation with the president.

GENERAL RECOMMENDATIONS FOR GMA & CITIES:

- Each of the association's twelve districts should be represented by at least one member. Terms should be for one year, but members should be eligible to be reappointed.
- The Advisory Council should meet no less than two times per year.

The Commission recommends that all cities:

- Seek completion of the Municipal Equity & Inclusion Certification Program referenced in the above section. As noted in the program summary on page 39, cities may achieve certification for addressing equity and inclusion in seven categories.
- Adopt and implement personnel policies that address equity and inclusion and are gender-neutral.
- Require and provide annual DEI training for employees.
- Require and provide annual DEI training for elected officials.
- GMA recommends municipalities consider adoption of the policies on this report's section on Excellence in Policing to improve the quality of policing and ensure safer, more equitable communities in Georgia.

WORKGROUP-FOCUSED RECOMMENDATIONS FOR CITIES:

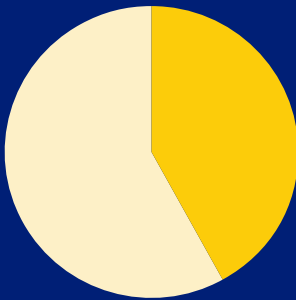
The Commission recommends that all cities carefully review and consider implementing the standards and policies outlined in the Municipal Equity and Inclusion Certification Program regardless of whether certification status is sought. These standards and policies are listed below by areas of focus of the Commission's workgroups.



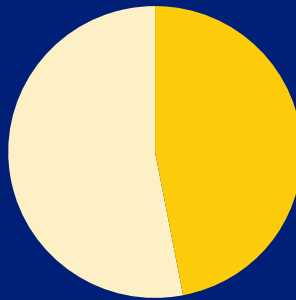
HOUSING

The “American Dream” of owning a home?

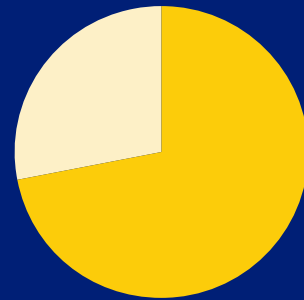
It’s a reality for only 42% of Black and 47% of Hispanic households, compared to nearly 72% for Whites.



42% OF BLACK
HOUSEHOLDS



47% OF HISPANIC
HOUSEHOLDS



72% OF WHITE
HOUSEHOLDS

WORKGROUP-FOCUSED RECOMMENDATIONS FOR CITIES: HOUSING

Housing instability is a significant factor impacting economic mobility for many Americans. Research shows that housing stability, affordability, quality, and safety all impact school and health outcomes. When sustainable housing is available to serve residents of all income levels and generations, opportunities for economic prosperity develop community wide. Local governments have a role to play by making good housing decisions that create positive outcomes for residents and communities.

GMA's Equity and Inclusion Commission recommends that cities should:

- Complete a community housing assessment to determine whether the current housing stock meets the needs of current residents based on income levels within the community.
- Undertake actions to increase workforce housing, such as establishing inclusionary policies, including inclusionary zoning and land use policies, as well as addressing needs identified in a community housing assessment.
- Cultivate partnerships with housing development and advocacy organizations and the business community.
- Develop a housing affordability action plan.
- Offer, either directly or through partnerships, homeowner "readiness" courses or workshops on financial literacy, credit counseling and other topics related to purchasing and maintaining a home.
- Use municipal financial resources, such as CHIP, CDBG and tax credits, to support the development of affordable housing.
- Organize community days of service.
- Develop a workforce housing action plan.
- Offer or support community education efforts that explain what workforce housing is and the importance of having enough workforce housing available in a community.



EDUCATION



For each enrolled student, the average **non-White** school district receives about \$2,200 less than a **White** school district.



White students outperform **Black** students by: 12% in reading, 16% in math, and 27% in science and **Hispanic** students by: 8% in reading, 11% in math, and 19% in science.



79% of **Black** and 81% of **Hispanic** students graduate from high school on time compared to 89% of **White** students.



40% of **Whites** age 25 and older have a bachelor's degree or higher compared to 26% of **Blacks** and 19% of **Hispanics**.



Blacks and **Hispanics** are 36% of the college-age population, but only 19% enroll at public colleges.



White students are 54% of the college-age population, but 64% enroll at public colleges.

WORKGROUP-FOCUSED RECOMMENDATIONS FOR CITIES: EDUCATION

Education is a key component of creating a diverse and equitable community and a high-quality education system is one of the most important drivers of economic growth and an indicator of a city's overall health. Yet statistics point to alarming disparities and tell a story of mismatched needs. While cities in Georgia typically do not play a direct role in providing education, city leaders can play a vital partnership role by exerting meaningful influence and recommending policies that improve student outcomes, strengthen schools, and ensure that their cities actively address education challenges.

To meet these challenges, GMA's Equity and Inclusion Commission recommends that cities should:

- Host meetings between members of the city's governing body and staff with members of the school board and staff with the goal of cultivating and strengthening relationships between the two entities.
- Provide opportunities for principals, teachers, parents and students at schools located in the city to share how the city and city officials can support local educational efforts.
- Implement or support actions to enhance/improve support for underperforming schools in the community.
- Support programs that encourage students to stay in school and receive their high school diploma/GED.
- Organize or support child literacy programs in the community.
- Organize or support adult literacy programs in the community.
- Assist in or support strengthening relationships between the business community and school system to address the workforce needs of the future.
- Organize or support aftercare programs.
- Establish and maintain city internships to provide basic job skills training.
- Provide equity and inclusion educational awareness programs in the community.
- Establish or maintain a city youth council or participate in an area youth council.



HEALTH AND WELLBEING



16% of **Hispanics** and 11% of **Blacks** are uninsured compared with 6% of **Whites**.



Black and **Hispanic** people are at least 1.2 times more likely to be overweight than **Whites**, at least 1.6 times more likely to suffer from diabetes and half as likely to receive mental health services.



Black mothers were 2.3 times and **Hispanic** mothers were 1.7 times as likely to receive late or no prenatal care compared to **White** mothers.



14% of **Blacks**, 10% of **Hispanics**, and 8% of **Whites** self-report as having poor health.



For some measures, public health is a “black and white” issue...

The death rate for **Blacks** is generally higher than **Whites** for heart diseases, stroke, cancer, asthma, influenza and pneumonia, diabetes, HIV/AIDS, and homicide.

Blacks have the highest mortality rate for all cancers compared with any other racial and ethnic group.

There are 11 infant deaths per 1,000 live births among **Black** children, more than twice the rate of **White** children.

Life expectancy for **Blacks** is 75 years – four years shorter than for **Whites**.

WORKGROUP-FOCUSED RECOMMENDATIONS FOR CITIES: HEALTH AND WELLBEING

Health disparities in Georgia communities lead to excess medical costs, lost productivity and a lower quality of life. These disparities include lack of access to providers and hospitals; missing appointments for routine care due to lack of transportation; negative maternal health and birth outcomes; and the high cost of medical care and prescriptions, among others. While cities are not direct providers of health care, municipal leaders play an important role in understanding the needs of all members of the community and advancing policies and initiatives that address issues of inequity in residents' physical and mental health.

To ensure that the social determinants of health adequately address local diversity, equity and inclusion challenges, GMA's Equity and Inclusion Commission recommends that cities should:

- Conduct an assessment of current community health and wellbeing outcomes and determine if certain communities or census tracts have healthier outcomes than others and why.
- Convene community meetings to 1) discuss/assess how the city currently addresses health and wellbeing in the community, 2) provide an understanding of the social determinants of health (social, physical and economic environments), and 3) assess where the gaps are to determine how to effect positive outcomes.
- Undertake actions to address identified health and wellbeing issues in the areas of a city with significant health and wellbeing challenges.
- Promote and support programs to address food insecurity.
- Address municipal employee healthcare needs.
- Provide or promote city-wide health and wellbeing initiatives, including programs that address mental health, homelessness, and substance abuse.
- Encourage and support other local health and wellbeing initiatives, such as efforts to improve high school graduation rates, increase financial literacy, support early childhood education, organize community days of service for home repairs, cultivate the city's tree canopy, increase walkability and so on.



PUBLIC SAFETY & RESTORATIVE JUSTICE



People of color are more likely than Whites to be imprisoned...

Black and **Hispanic** Americans make up almost **60%** of the **prison population**, **more than twice** their share of the adult population.

Whites account for **30%** of prisoners, **about half** of their share of the adult population. The **Black imprisonment** rate is **nearly twice the rate of Hispanics** and **more than five times the rate among Whites**.



People of color are more likely to enter the prison system at an earlier age...

Black men ages 18 to 19 were almost **13 times** as likely to be imprisoned as White men of the same ages

Hispanic men ages 18 to 19 were more than **3 times** as likely as White men of the same ages to be imprisoned.

...and receive longer sentences than Whites for the same crimes

19% longer for **Black** men and

about **5% longer** for **Hispanic** men



PUBLIC SAFETY & RESTORATIVE JUSTICE



When it comes to police encounters...

Black adults are about **five times** as likely as Whites to say they have been **unfairly stopped** by police.

Nearly **half** of **Black** Americans do not believe the police in their community treat people with different skin colors the same (compared to 20% of Hispanics and 12% of Whites).

When police initiate contact, **Blacks** and **Hispanics** are more than **twice as likely** to experience the threat or use of **physical force** than Whites.

Black men are about **2.5 times** and **Hispanic** men are about **1.4 times more likely to be killed** by police than are White men.

WORKGROUP-FOCUSED RECOMMENDATIONS FOR CITIES: PUBLIC SAFETY & RESTORATIVE JUSTICE

Local government leaders face disruptive public safety challenges every day. Leadership and transparency with the public are crucial to reform efforts. Having more transparency and accountability in public safety directly impacts the community-public safety relationship and can help mitigate criminal activity and reduce recidivism. Equity, inclusion, and diversity are essential to ensuring protections and resolving justice for all are achieved and are required for productive public safety agencies and communities.

To ensure accountability and transparency in public safety and restorative justice, GMA's Equity and Inclusion Commission recommends that cities should:

- Provide citizen engagement programs, such as Citizen Police Academy, Citizen Fire Academy, Citizen Emergency Response Team.
- Adopt a model use of force policy.
- Provide training in use of force alternatives for police, fire, and/or EMS personnel, as applicable.
- Provide anti-bias training for police, fire, and/or EMS personnel, as applicable.
- Implement a public safety strategic plan.
- Develop hiring and retention policies aimed at reflecting community demographics.
- Adopt policies for and provide training in mental health response and crisis intervention for police, fire, and/or EMS personnel, as applicable.
- Review/update disciplinary standards and policies to ensure appropriate action for misconduct.
- Attain/maintain State Certification (Police).
- Attain/maintain Commission on Accreditation for Law Enforcement Agencies (CALEA) Accreditation.
- Attain/maintain GMA Excellence in Policing Certification .
- Attain/maintain Center for Public Safety Excellence (CPSE) Certification.
- Create and maintain a Citizen Advisory/Engagement Committee to address public safety issues.
- Implement a community-based approach to violence prevention (violence interrupters), e.g., Cure Violence Global.
- Provide for equity in Insurance Services Office (ISO) ratings among various areas of the city.
- Implement mental health programs/training to support officer resilience.
- Assist with expungement of records/amnesty program as permitted by law.

WORKGROUP-FOCUSED RECOMMENDATIONS FOR CITIES: PUBLIC SAFETY & RESTORATIVE JUSTICE

- In cooperation with area nonprofits and other governmental entities, provide and/or partner to provide re-entry programs for individuals leaving prison.
- Establish public safety priorities that limit arrests for low-level misdemeanor offenses, limit ticketing for certain traffic offenses, and ticket (rather than arrest) using misdemeanor ticketing form when possible and appropriate.



COMMUNITY AND ECONOMIC DEVELOPMENT



In America, White households...

...have 10 times more wealth than Black and 8 times more wealth than Hispanic households

White - \$171,000

Hispanic - \$20,700

Black - \$17,200

...are less than half as likely to live in poverty than Black or Hispanic families

White - 9%

Hispanic - 19%

Black - 22%

and earn 70% more than Black and 40% more than Hispanic households per year

White - \$71,000

Hispanic - \$51,000

Black - \$42,000



COMMUNITY AND ECONOMIC DEVELOPMENT



There are more economic disparities...

In November 2020, the unemployment rate was about 42% higher for Blacks (11%) and Hispanics (10%) than for Whites (6%)

Blacks and Hispanics only own about 17% of all businesses, yet are about 29% of the U.S. population

The “American Dream” of owning a home?
It’s a reality for only 42% of Black and 47% of Hispanic households, compared to nearly 72% for Whites

WORKGROUP-FOCUSED RECOMMENDATIONS FOR CITIES: COMMUNITY AND ECONOMIC DEVELOPMENT

For families and communities to thrive, it is vital to address the differing needs of community members and ensure they have access to both employment opportunities that pay a living wage and the support services needed to effectively address barriers to employment and entrepreneurship. Homelessness, low educational attainment, lack of access to high-quality childcare, the absence of investment capital, the ongoing need for training for small business owners and criminal history all contribute to the challenge of obtaining and maintaining long-term employment.

To increase diversity, equity and inclusion opportunities for economic and community development, GMA's Equity and Inclusion Commission recommends that cities should:

- Convene meetings with community stakeholders to discuss community, economic and business needs and challenges.
- Create liaisons with other economic and community development partners, e.g., local chamber, economic development authority, downtown development authority, etc.
- Address city-imposed challenges of starting a business.
- Assist individuals with business and social networking resources and opportunities.
- Develop and partner with other agencies to create a "Starting A Business" guide and website page.
- Provide training opportunities for new business owners.
- Increase diversity in city leadership and internship programs.
- Develop policies to ensure access to participation in city projects/contracts and to advance racial equity in government contracting and procurement.
- Review development and redevelopment strategies to ensure they are inclusionary and make amendments if necessary.
- Review zoning process to ensure it encourages opportunities for housing affordability and make amendments if necessary.
- Establish and use tools to help people attain home ownership.
- Advocate for requiring the inclusion of an Equity and Inclusion component as part of the state-mandated comprehensive planning process for local governments.



COMMUNITY DIALOGUE AND STAKEHOLDER ENGAGEMENT



Georgia Civic Health Rankings At-a-Glance

Georgia is below the national average in:

Percent who attend a public meeting (34th)

Voting (37th)

Voter registration (37th)

Contacted or visited a public official (49th)



Just 8.3% of Georgia residents reported contacting a public official in 2017, a decline from the 2011 rate of 12% and less than the national rate of 11.4%. Georgia ranked 49th in contacting public officials.

Rural residents were more likely to contact their public officials than suburban or urban residents.

The likelihood of contacting a public official increased with age, more education, and higher income levels.

Men were more likely to contact public officials than women, 9.4% vs. 7.4%.

White Georgians were more likely to contact public officials at 10.3%, compared to Black Georgians (5.9%) or Hispanic Georgians (2.7%).

WORKGROUP-FOCUSED RECOMMENDATIONS FOR CITIES: COMMUNITY DIALOGUE AND STAKEHOLDER ENGAGEMENT

Democracy works best when there is broad-based participation by the community, be it a nation, state or city, and when policies are enacted by elected officials that do not benefit one group over another. Civic engagement is essential to the democratic process, yet recent research indicates civic engagement in Georgia has declined in recent years. According to the 2019 Family Connection Partnership's Georgia Civic Health Index, civic health is linked to economic resilience; workforce development; youth development and public health outcomes; access to opportunity; community vitality; lower violent crime rates and youth delinquency; and reduced mortality. Local leaders have a duty to recognize that work responsibilities, childcare needs, disabilities, language barriers, criminal history, and health issues are among the barriers that can prevent equitable access to the democratic process.

To ensure that community members feel welcome, valued and included, GMA's Equity and Inclusion Commission recommends that cities should:

- Seek out stakeholder groups to represent all segments of the community to listen, help identify barriers to engagement, seek input and develop solutions.
- Offer options and have a transparent process for citizens to receive information, participate in professionally facilitated discussions, and provide feedback/input on strategic priorities, budget and resources allocation.
- Provide balanced, objective and user-friendly information to the community through various channels.
- Adopt a city-wide public information communication plan detailing methods and types of communication to the public.
- Review imagery and content in all forms of city media and communications for message clarity and consistency and to ensure it is representative of the community.
- Explore opportunities to achieve certifications and/or other designations to demonstrate a commitment to diversity, equity and inclusion.
- Provide ongoing training and cross training (at least annually) for staff and volunteers to ensure clarity and consistency of messaging when engaging with the community as well as sustainability of established processes as new staff and volunteers are onboarded.



WORKFORCE DEVELOPMENT AND EMPLOYMENT



People of color make up about 38% of the workforce ages 25-64, and nearly half of the population under 25.



White workers are 50% more likely than workers of color to hold good jobs.



Median wages are higher for White workers with a high school diploma and no college than for Black workers with an associate degree.



Almost one-quarter of Georgians without a high school diploma live in poverty.



According to the “Jobs with Purpose” Phase I needs assessment conducted in 2021 by the University of Georgia’s Carl Vinson Institute of Government for GMA:

Over 85% of responding municipalities reported that it is difficult to attract applicants with the skills their municipal government needs

About half of municipal governments have skill shortages currently or anticipate them in the next 12-24 months

Turnover rates in municipal government are lower than the economy as a whole
Workers in municipal government are slightly older than the US average



WORKFORCE DEVELOPMENT AND EMPLOYMENT



A November 2021 Atlanta Journal Constitution article indicated:

The number of public safety officers that retired so far in 2021 peaked at 1,105 over the last six years.

In 2020, 3280 officer certifications lapsed or were removed, the highest number in five years. What's more, new certifications hit a new low of 1,852, and it is expected to drop further this year.

WORKGROUP-FOCUSED RECOMMENDATIONS FOR CITIES: WORKFORCE DEVELOPMENT AND EMPLOYMENT

Employers across the country must identify steps to center the principles of equity, diversity, and inclusiveness for in their businesses and organizations. While cities cannot address workplace inequity in all of society, cities play an important role in setting the standards for recruiting and hiring. Across the state, employers including city governments are struggling to attract and retain skilled workers. For cities, this presents a significant challenge to providing high-quality services and completing critical infrastructure projects. Local leaders have a responsibility to face this challenge by establishing standards and policies to recruit, hire, and retain workers who not only fill a slot, but are the best fit for the city.

To facilitate equity and inclusion in workforce development and employment, GMA's Equity and Inclusion Commission recommends that cities should:

- Develop municipal workforce development goals.
- Implement recruitment policies and practices that ensure a diverse applicant pool.
- Include anti-discrimination language in city human resource policies and procedures.
- Review terminology in all employment policies to ensure they are inclusive.
- Include DEI training in the employee onboarding/orientation process.
- Provide internship or other program(s) to serve as a municipal workforce pipeline.
- Create community learning programs about city government to serve as a municipal workforce pipeline.
- Provide a regular facilitated forum for employees to voluntarily participate in group discussions on DEI topics.
- Partner and collaborate with the local school system to participate in career days, job fairs or other activities to provide a pathway to local government jobs.
- Demonstrate inclusive processes and procedures in recruiting, appointing and selecting internal employee workgroups, boards and committees.

WORKGROUP-FOCUSED RECOMMENDATIONS FOR CITIES: TRAINING AND EDUCATION

Understanding and embracing differences is imperative to ensure that city leaders treat all situations in a fair and just manner. This, however, requires sustained effort to understand, appreciate and integrate the principles of equity and inclusion into the work culture of a city and into the broader community. The realization that people and institutions are complex requires ongoing effort to educate those involved on what these complexities are and to develop the skills and knowledge to address them.

To increase diversity, equity and inclusion, GMA's Equity and Inclusion Commission recommends that cities should:

- Encourage their elected officials and staff to participate in GMA's "Embrace" learning series.
- Encourage their elected officials and managers/administrators to attend the "Making Cultural Diversity Work" training offered through the Harold F. Holtz Municipal Training Institute.
- Provide diversity leadership training for all members of the leadership team.
- Incorporate DEI training into the city's annual sexual harassment training.
- Participate in a needs survey developed by GMA or another professional organization to determine what training is applicable to address diversity, equity and inclusion concerns.
- Provide Emotional Intelligence training for all public safety employees.
- Encourage their elected officials to take GMA's health and wellbeing training course once approved and developed.
- Require newly elected officials and administrators receive a minimum of three hours of DEI Training within their first year.

WORKGROUP-FOCUSED RECOMMENDATIONS FOR CITIES: CITY POLICIES

City leaders have an important duty and opportunity to advance equity and inclusion through structural changes to local government. By applying a DEI lens to functions of local government, including budgeting, land use planning, ordinance development, and other high-level decisions, local leaders can improve outcomes for all the community.

To increase diversity, equity and inclusion, GMA's Equity and Inclusion Commission recommends that cities should:

- Analyze and address equity and inclusion in procurement policy (Equity and Inclusion for Contracting and Procurement).
- Analyze and address equity and inclusion in resource allocation (Equity and Inclusion for Operational and Capital Resource Allocation).
- Make DEI part of the comprehensive planning process.
- Require staff, elected officials and appointees of the city (boards and commissions) to complete six hours of DEI training per year. For new employees and appointees, this DEI training should be conducted within the first three months of hiring or appointment.
- Require and provide DEI training for city boards and commissions.
- Analyze and address equity and inclusion in personnel policies.

MUNICIPAL EQUITY & INCLUSION CERTIFICATION PROGRAM

During an early meeting of the Equity and Inclusion Commission, commission members expressed interest in creating a certification program to recognize cities which adopt policies and practices that promote equity and inclusion within their municipal government and community at large. The concept was likened to the GMA Certified Cities of Ethics Program, through which a city that meets the stated criteria receives recognition for being a city of ethics. To that end, the Commission recommends that GMA, in partnership with Georgia City Solutions, implement a Municipal Equity and Inclusion Certification Program. The following is a brief description of the program.

Cities may achieve certification for addressing equity and inclusion in the following seven categories:

- Workforce Housing
- Education
- Health and Wellbeing
- Public Safety and Restorative Justice
- Community and Economic Development
- Municipal Workforce Development and Employment
- Community Dialogue/Stakeholder Engagement (required for initial and continued certification)

Acknowledging that different cities have different equity and inclusion challenges and different levels of resources, as well as the broad array of categories, four tiers of certification may be achieved based on the number of categories a city chooses to address. The tiers are as follows:

- **Bronze:** 2 categories;
must include Community dialogue/Stakeholder engagement
- **Silver:** 3-4 categories
- **Gold:** 5-6 categories
- **Platinum:** 7 categories

Prior to applying for certification, cities will be required to meet certain pre-application thresholds. These pre-application requirements relate to:

holding meetings with community and business stakeholders; adopting a resolution declaring the city's intent to apply for certification in selected categories; training for the city's equity and inclusion point person, elected officials, members of city boards and commissions and city employees; and updating city policies to address equity and inclusion in personnel policies, the hiring process, procurement and resource allocation. Additionally, a city must apply for certification in at least two categories to receive initial certification, with community dialogue/stakeholder engagement being one of those initial categories.

Cities may apply online during a rolling application period. Applicants will receive feedback on their applications from the reviewing committee. As long as a city continues to work on its application, it will stay in the system until the city achieves certification. Draft information about action items required or suggested for certification within each individual category are in the appendix to this report.

To maintain certification, a city will be required to adopt a resolution every year affirming its commitment to equity and inclusion and hold at least two community stakeholder meetings each year to discuss gaps in equity and inclusion as well as progress. Additionally, elected officials, members of city boards and commissions and senior staff will be expected to participate in annual equity and inclusion training. The city's equity and inclusion point person will also be expected to participate in annual equity and inclusion training.

A city must apply for recertification every three years. To receive recertification, a city must demonstrate that it continues to work towards equity and inclusion in the categories in which it is certified. Additionally, it must demonstrate substantial completion of its employee training plan and continued adherence to the policies required for initial certification. Finally, as a condition of recertification, a majority of a city's sitting elected officials (members of the governing authority) must complete the Harold F. Holtz Municipal Training Institute's six-hour "Making Cultural Diversity Work" course within the previous five years for the city to retain certification.

EXCELLENCE IN POLICING

Excellence in Policing Program Report:

In Spring 2021 GMA began an Excellence in Policing Initiative, co-chaired by College Park Mayor Bianca Motley Broom and LaGrange Police Chief Lou Dekmar. The committee is comprised of 16 members ranging from mayors, police chiefs, lawyers, a community activist and a mental health expert.

The group was tasked with developing an affordable, achievable, scalable, and measurable set of best practices and guidelines for public safety agencies to utilize as part of Municipal Equity and Inclusion Certification Program.

The intent is to provide model policies, training modules, and best practices for law enforcement agencies in Georgia. The resources are intended to support agencies in their efforts to implement professional policies and practices in a manner that is cost effective and efficient and meets standards in line with ones existing in other certification programs.

The group's work focused on four subcategories – personnel policies, critical task policies, role of technology in policing and criminal justice reform.

With those guiding principles, GMA recommends municipalities consider adoption of the following policies to improve the quality of policing and ensure safer, more equitable communities in Georgia.

Excellence In Policing Required Policies & Criteria –

Law enforcement departments shall have:

- Equal Opportunity Employment Plan (written directive governing all personnel policies, etc.)
- Written directive for all rules of conduct for employees/officers
- A policy governing identification, collection, packaging, storage, and disposal of evidence/property

- A written directive requiring all officers to receive vehicle operations policy and legal update training on vehicle pursuits annually and defensive driving at least every three years
- A policy governing search and seizure, both with and without a warrant
- A 'Use of Force' or 'Response to Aggression' policies
- A policy governing the arrest of individuals
- A policy governing employees' off-duty and extra-duty employment
- A policy outlining equipment required for use by officers while on-duty and when equipment is required (i.e., ballistic vests)
- A policy governing officers' response to and interactions with persons who may be experiencing a mental health issue and persons with diminished capacity
- A policy governing body and car camera usage

Additional Recommended Focus Areas:

- Body and car cameras issued to each officer / vehicle
- Public Safety Information Officer
- Decriminalization of misdemeanor offenses and bail reform
- GMA Affirmation Form for municipal court judges

GEORGIA CITY SOLUTIONS EQUITY & INCLUSION INITIATIVES

Making sure everyone is included, that every voice is welcomed, respected and accounted for, is an active, continuous process requiring a sustained commitment from local leaders. Applying an equity and inclusion lens to municipal operations means identifying opportunities throughout local governance where cities can and must account for the needs of all citizens. It means integrating principles of equity and inclusion into key components of a city's administration—its legal and organizational infrastructure, for example, its staff training and processes such as budgeting, planning and data collection and analysis.

When effectively implemented, equity and inclusion foster creativity and innovation, as a diversity of ideas and experiences strengthens problem-solving and decision-making capabilities.

The Equity and Inclusion Commission endorses the following Georgia City Solutions initiatives:

- **Diversity and Inclusion Training:** This course offers a basic overview of diversity and inclusion, emphasizing the importance of working together to understand and appreciate one another's differences and strengths and the capacity of each individual to effect lasting change in this regard. It is a three- or six-hour course, customizable to a city's needs.
- **Having Difficult Conversations:** This customizable, three-hour course empowers participants to lead and engage in honest, at times difficult, conversations around conscious and unconscious biases that affect how individuals interact within their communities.
- **Technical Assistance:** In support of cities' DEI efforts, technical assistance and resources are available including but not limited to: videos and a municipal guide to equity and inclusion; an online forum for ongoing discussion; a train-the-trainer program for local government equity and inclusion officers; review of city policies and procedures; facilitation of community conversations; the development of a community conversation toolkit; and GCS representation on hiring interview panels.



Georgia City Solutions, Inc. (GCS) is a non-profit subsidiary of the Georgia Municipal Association created to establish and support new and innovative programs, solutions and research to build vibrant, economically prosperous and well-managed cities, and improve the quality of life of municipal residents. With the overarching goal of addressing intergenerational poverty, the GCS Board of Directors has identified equity and inclusion as one of its three core program areas, along with youth leadership development and engagement and municipal workforce development. The goals and priorities of GCS' equity and inclusion initiatives, branded as EMBRACE, include:

- Equip cities with tools and resources to combat institutional and systemic racism, violence, acts of injustice, inequity and intolerance
- Foster healthy lines of communication that yield sustainable change
- Deliver training and technical assistance to cities
- Execute the GMA Equity and Inclusion Commission's recommendations

GEORGIA CITY SOLUTIONS EQUITY & INCLUSION INITIATIVES

- **Municipal Government Diversity, Equity and Inclusion Certificate Program for individuals:** Offered under the EMBRACE suite of programs, this program is designed to equip municipal leaders with tools and resources to combat institutional and systematic racism, injustice and inequity by grasping the essence of valuing differences, fostering relationships and creating an environment of belongingness for the betterment of all. The framework of the program includes seven modules where participants will explore concepts of inclusive leadership, emotional intelligence, financial management, public safety, community and economic development and workforce development, all from an equity and inclusion perspective.
- **Equity and Inclusion (DEI) Learning Lab:** GCS's DEI Learning Lab will offer hands-on opportunities for city officials to learn to use DEI assessment/impact tools and address DEI issues by developing policies and pilot projects that "test" potential outcomes. Whether virtual, in

person at GMA's Atlanta offices, or on-site at a field location in Georgia, the Learning Lab will be a multiple-day summit where community stakeholders can come together to test DEI policies with guidance from experienced practitioners.

- **Development of Municipal Equity Assessment Tool (EAT):** An equity assessment tool (EAT) analyzes and measures the extent to which a proposed action or decision will affect people who differ in race, age, gender, religion, sexual orientation, or education level. EATs help mitigate unanticipated adverse consequences in a variety of situations, including the analysis of proposed policies, institutional practices, programs, initiatives, strategies and budgetary decisions. An equity assessment tool is a critical device that can help cities prevent institutional discrimination and racism and identify opportunities to address long-standing inequities.



GMA & GCS PROGRESS SINCE JANUARY 2021

CATEGORY	SESSIONS	ESTIMATED ATTENDANCE
DEI Training delivered to city elected officials, city, and partner organizations	59	1127
DEI Training at Conferences	8	584
Presentations (Mayor/Council, Boards, Committees, District Meetings, etc.)	26	888
Opening Session/Keynote Speaker Engagements	3	220
Technical Services (Interview panels, Fire Department Evaluations, EI Assessments)	12	44
EMBRACE 1-hour Webinar	6	203
EMBRACE Workshop	3	33
TOTAL (AS OF 12/17/2021)	117	3099

APPENDIX A

GMA EQUITY AND INCLUSION COMMISSION FINAL WORK SCHEDULE 2020-2021

September 2020

Speaker: Leon Andrews, Director, NLC Race, Equity and Leadership (REAL) Program

Impediments to Equity and Inclusion – Part 1

- Housing
- Healthcare
 - Mental health resources
 - Medicaid expansion
 - Hospital stability
 - Telemedicine – broadband access
- Education (broadband access, condition of schools, diversity of schools, allocation of teachers, programs at schools)

October 2020

Impediments to Equity and Inclusion – Part 2

- Housing
- Healthcare
 - Mental health resources
 - Medicaid expansion
 - Hospital stability
 - Telemedicine – broadband access
- Education (broadband access, condition of schools, diversity of schools, allocation of teachers, programs at schools)

Discussion of Potential State Legislation

- Monument Removal
- Housing, Healthcare and Education

November 2020

Public Safety Reform

- Racial profiling
- Training (funding and mandatory improvement)
- Hiring practices (psychological testing, racial and implicit bias testing, recruiting female officers, pre-employment polygraph)

- Mandatory Use of Force policies
- Mandatory Vehicle Pursuit policies
- Citizen's Arrest Law
- Police advisory committees
- Community Oriented Policing (training and best practices)
- Arrest procedures (minimize interactions with police)
- Use of in-car and body cameras

Criminal Justice Reform

- Decriminalization and sentencing
- Municipal criminal justice reform (bonds, bail, expunging records)

Discussion of Potential State Legislation

- Public Safety
- Criminal Justice

December 2020

Training & Education

- Municipal Training Institute course
- Newly Elected Officials Training – new module
- Knox Municipal Leadership Institute
- Community and civic engagement training (race, equity and diversity)

Municipal Equity and Inclusion Certification/Recognition Program (status report from subcommittee)

- Adoption of Mid-Year Report

January 2021

Community and Economic Development

- Business Creation – Access to Capital
- Developments (use of enterprise zones, new market tax credits, incentives, opportunity zones)
- Public transportation
- Job tax credits to incentivize business location

APPENDIX A

GMA EQUITY AND INCLUSION COMMISSION FINAL WORK SCHEDULE 2020-2021

February 2021

Workforce Development and Employment

- Job training
- Education requirements
- Use of criminal records for exclusion
- Wage policies
- Expansion of HOPE scholarship for trades (welding, technology, general repairs, auto mechanics, CDL licenses and others)

March 2021

Open Discussion: "Commission Connection: Where Are We Now?"

- Facilitated Discussion Among Commission Members
 - How are you doing personally?
 - How are you contributing to the diversity, equity, and inclusion conversation?
 - Where do you need support contributing to this conversation?
 - What challenges have you encountered with addressing equity and inclusion in your communities?
 - What has changed in your communities since the civil unrest of last May/June?
 - What have we learned to date?
 - What can we do better as a commission?
 - What issues still need more attention?
 - What do you hope the Commission's work will accomplish?
 - How can we best engage the GMA membership at the Annual Convention, in the fall and at other points?

April 2021

Commission Meeting

- City Policies

May 2021

Commission Meeting

- Community Dialogue/Stakeholder Engagement

- Diversity in Leadership

June 2021 (in-person meeting at GMA; virtual option provided)

Commission Meeting

- Georgia City Solutions – Potential E&I Initiatives
- Discussion of Idea to Create a GMA E&I Advisory Council
- Municipal Equity and Inclusion Certification Program Update

July 2021

Work Team Meetings (if necessary)

August 6-10, 2021

GMA Annual Convention

- Update/Feedback Session(s) for the GMA Membership

September 2021

- Town Hall Meetings with the GMA Membership

October 2021

Work Team Meetings

- Adoption of Recommendations for Consideration by the Full Commission

November 2021

Review and Adoption of Recommendations

December 2021

Preparation of Final Report

January 2022

Final Report Presented to GMA Board of Directors at the Cities United Summit

APPENDIX B

CERTIFICATION PROCESS

Seven Categories

- Workforce Housing
- Education
- Health and Wellbeing
- Public Safety and Restorative Justice
- Community and Economic Development
- Municipal Workforce Development and Employment
- Community Dialogue/ Stakeholder Engagement
(required for initial certification and continued certification)

Four Tiers

- Bronze: 2 categories
- Silver: 3-4 categories
- Gold: 5-6 categories
- Platinum: 7 categories

Pre-application requirements

- City holds meetings with community and business stakeholders
- Identify certification categories city will pursue
- Adopt GMA model resolution declaring intent to apply for certification in selected categories
- Designate E&I point person at city
 - o 6 hours of E&I training specific to local governments; 3 must be through GMA or GCS
- Elected officials (majority of mayor and council) and members of city boards and commissions: 3 hours of basic E&I training; doesn't have to be specific to local governments
- Employees in senior staff/ management team positions: 3 hours of E&I training
- Create plan for training all other employees in E&I over a 5-year period
- Demonstrate city has analyzed and addressed equity and inclusion in personnel policies, particularly ensuring policies are gender neutral
- Demonstrate city has addressed equity and inclusion in its hiring

process, with the goal of ensuring the hiring process is conducted in a fair, inclusive and equitable manner

- Demonstrate city has analyzed and addressed equity and inclusion in its contracting and procurement policies
- Demonstrate city has analyzed and addressed equity and inclusion in its operational and capital resource allocation

Application

- On-line application form
- Rolling application period
- Will get feedback on any issues from reviewing committee; if don't respond to or correct concerns within 2 months application will be denied; if keep working on application it will stay in the system

After Certification

- Adopt E&I resolution every year
- At least 1 community stakeholder meeting each year to have dialogues around E&I
- Annual training
 - o 3-hour "booster" for EOs (majority of mayor and council), members of city boards and commissions, and senior staff/management team
 - o 9 hours of annual training for E&I point person

Recertification

- Apply for recertification every 3 years
- Submit application for renewal
- Site visit by GMA staff or member of certification committee
- Majority of sitting EOs must have taken the Harold Holtz 6-hour E&I course within the previous 5 years
- Demonstrate substantial completion of employee training plan
- Demonstrate continued adherence to policies and assessments required for initial certification

APPENDIX B

MUNICIPAL EQUITY & INCLUSION CERTIFICATE PROGRAM MEASURES

POINTS	POINTS APPLIED FOR BY CITY	WORKFORCE HOUSING - POINTS REQUIRED TBD	REQUIRED OR OPTIONAL
TBD		A. Community housing assessment completed (includes meetings with community stakeholders; could include participation in Georgia Initiative for Community Housing (GICH); involves assessment of current housing stock in city, considers whether current housing stock is affordable to and meets needs of current residents based on the income levels within the community, impact of zoning on housing. The assessment should suggest action items that will help improve access to or enhance workforce housing).	TBD
TBD		B. Actions taken to increase workforce housing (e.g., inclusionary zoning policies; actions taken to address needs identified in A).	TBD
TBD		C. Cultivate partnerships with development organizations and business organizations (e.g., Chamber of Commerce).	TBD
TBD		D. Develop a Housing Affordability Action Plan.	TBD
TBD		E. Offer Homeowner "Readiness" Courses or Workshops (e.g., financial literacy course, credit counseling).	TBD
TBD		F. Use City Financial Resources (Community Housing Improvement Program (CHIP), Community Development Block Grant (CDBG), tax credits) to support development.	TBD
TBD		G. Organize Community Days of Service.	TBD
TBD		H. Develop a Workforce Housing Action Plan (may fall under B).	TBD
TBD		I. Training for city elected officials (members of the governing authority) and senior staff related to workforce housing.	TBD
TBD		J. Development of city policies related to workforce housing.	TBD
TBD		K. Offer or support community education relating to workforce housing (educational programs offered to community, business leaders, realtors, school boards, etc. to explain what workforce housing is and importance of having enough workforce housing); this measure is partnered with a request that GMA provide or identify entities that can provide this type of community training and/or list of resources to assist cities with this type of training.	TBD
TBD		L. Other.	TBD
0	0	TOTAL WORKFORCE HOUSING MEASURE POINTS	

APPENDIX B

MUNICIPAL EQUITY & INCLUSION CERTIFICATE PROGRAM MEASURES

POINTS	POINTS APPLIED FOR BY CITY	EDUCATION - POINTS REQUIRED TBD	REQUIRED OR OPTIONAL
TBD		A. Develop/Strengthen Relationship between City Council and School Board, as well as administration of higher educational institutions.	TBD
TBD		B. Meet with principals, teachers, parents, students of schools in the city to discuss challenges	TBD
TBD		C. Actions (based on A & B) taken to enhance/improve support for underperforming schools in the community.	TBD
TBD		D. Support programs that ensure kids stay in school & get HS diploma/GED.	TBD
TBD		E. Organize/support child literacy program(s) in the community.	TBD
TBD		F. Organize/support adult literacy program(s) in the community.	TBD
TBD		G. Create a Workforce Advisory Committee/Council to strengthen relationships with business community and school system to address the workforce needs of the future.	TBD
TBD		H. Establish, Operate or Support Aftercare Program	TBD
TBD		I. Establish and maintain city internships to provide basic job skill training (select interns through E&I lens).	TBD
TBD		J. Provide E&I educational awareness programs in the community.	TBD
TBD		K. Establish, maintain or support city youth council (middle and high school).	TBD
TBD		L. Training for city elected officials (members of the governing authority) and senior staff related to education.	TBD
TBD		M. Development of city policies related to education.	TBD
TBD		N. Other.	TBD
0	0	TOTAL EDUCATION MEASURE POINTS	

APPENDIX B

MUNICIPAL EQUITY & INCLUSION CERTIFICATE PROGRAM MEASURES

POINTS	POINTS APPLIED FOR BY CITY	HEALTH AND WELLBEING - POINTS REQUIRED TBD	REQUIRED OR OPTIONAL
TBD		A. Convene community meetings to discuss/assess current recreational facilities uses, programs, and accessibility; determine metrics.	TBD
TBD		B. Actions to address issues raised in community stakeholder meetings (could include actions taken to enhance/increase availability and accessibility of recreational facilities and programs in the community).	TBD
TBD		C. Promotion and support of programs to address food insecurity.	TBD
TBD		D. Address employee healthcare needs (e.g, availability of wellness center or wellness initiatives for employees, vaccine clinics, other health clinics, pay living wage in light of area cost of living, provide basic health benefits at reasonable cost to employees).	TBD
TBD		E. Provide or promote city-wide health/wellbeing initiatives (including programs that address mental health and substance abuse).	TBD
TBD		F. Majority of Elected officials take GMA Health Care Training Course (assuming GMA Training Board approves it as a training course).	TBD
TBD		G. Training for city elected officials (members of the governing authority) and senior staff related to health and well being.	TBD
TBD		H. Development of city policies related to health and well being.	TBD
TBD		I. Other: initiatives to improve HS graduation rates, financial literacy programs, support early childhood education, organize community days of service for home repairs.	TBD
0	0	TOTAL HEALTHCARE/WEELLNESS MEASURE POINTS	

APPENDIX B

MUNICIPAL EQUITY & INCLUSION CERTIFICATE PROGRAM MEASURES

POINTS	POINTS APPLIED FOR BY CITY	PUBLIC SAFETY AND RESTORATIVE JUSTICE (INCLUDES POLICE, FIRE, EMS) - POINTS REQUIRED TBD	REQUIRED OR OPTIONAL
TBD		A. Provide citizen engagement programs: Citizen Police Academy, Citizen Fire Academy, Citizen Emergency Response Team.	TBD
TBD		B. Adopt a model Use of Force Policy.	TBD
TBD		C. Provide training in use of force alternatives for police, fire, EMS personnel, as applicable.	TBD
TBD		D. Provide anti-bias training for police, fire, EMS personnel, as applicable.	TBD
TBD		E. Implement a Public Safety Strategic Plan	TBD
TBD		F. Develop hiring and retention policies aimed at reflecting community demographics.	TBD
TBD		G. Adopt policy for and provide training in mental health response and crisis intervention for police, fire, EMS personnel.	TBD
TBD		H. Review/update disciplinary standards & policies to ensure appropriate action for misconduct.	TBD
TBD		I. Attain/Maintain State Certification (Police).	TBD
TBD		J. Attain/Maintain CALEA Certification.	TBD
TBD		K. Attain/Maintain GMA Excellence in Policing Certification.	TBD
TBD		L. Attain/Maintain CPSE Certification.	TBD
TBD		M. Create and maintain a Citizen Advisory/Engagement Committee to address public safety issues.	TBD
TBD		N. Implement community-based approach to violence prevention (violence interrupters), e.g., Cure Violence Global.	TBD
TBD		O. Equity in ISO Ratings among various areas of the city.	TBD
TBD		P. Implement Mental Health Programs/Training to Support Officer Resilience.	TBD
TBD		Q. Expungement of records/amnesty program.	TBD
TBD		R. Provide and/or partner to provide re-entry programs. Consider working with area nonprofits, others on re-entry programs for individuals leaving prison .	TBD
TBD		S. Establish Public Safety priorities that limit arrests for low-level misdemeanor offenses, limit ticketing for certain traffic offenses, and ticket (rather than arrest) using misdemeanor ticketing form when possible and appropriate.	TBD
TBD		T. Training for city elected officials (members of the governing authority) and appropriate city staff related to public safety.	TBD
TBD		U. Development of additional policies related to public safety that are not specific to public safety departments.	TBD

CONTINUED ON NEXT PAGE

APPENDIX B

MUNICIPAL EQUITY & INCLUSION CERTIFICATE PROGRAM MEASURES

POINTS	POINTS APPLIED FOR BY CITY	PUBLIC SAFETY AND RESTORATIVE JUSTICE (INCLUDES POLICE, FIRE, EMS) - POINTS REQUIRED TBD	REQUIRED OR OPTIONAL
TBD		V. Other: See Resource Guide for Examples; Additionally, if a city has achieved certification through CALEA, State Certification, Excellence in Policing or CPSE but has gone beyond CALEA standards in measures that overlap with certification requirements may apply for additional points towards certification in this category.	TBD
0	0	TOTAL PUBLIC SAFETY AND RESTORATIVE JUSTICE MEASURE POINTS	

APPENDIX B

MUNICIPAL EQUITY & INCLUSION CERTIFICATE PROGRAM MEASURES

POINTS	POINTS APPLIED FOR BY CITY	COMMUNITY AND ECONOMIC DEVELOPMENT - POINTS REQUIRED TBD	REQUIRED OR OPTIONAL
TBD		A. Convene meetings with community stakeholders to discuss community, economic and business needs and challenges.	TBD
TBD		B. Assist individuals with business and social networking resources and opportunities.	TBD
TBD		C. Increase diversity in leadership and internship programs.	TBD
TBD		D. Address city-imposed challenges of starting a business.	TBD
TBD		E. Develop policies to ensure access to participation in city projects/contracts and to advance racial equity in government contracting and procurement.	TBD
TBD		F. Actions to ensure development/redevelopment strategies are inclusionary.	TBD
TBD		G. Actions to ensure zoning encourages opportunities for housing affordability.	TBD
TBD		H. Establish and use tools to help people attain home ownership.	TBD
TBD		I. Develop a "Starting A Business" Guide and Training for new business owners.	TBD
TBD		J. Develop a "Starting A Business" Website page.	TBD
TBD		K. Training for city elected officials (members of the governing authority) and senior staff related to economic and community development.	TBD
TBD		L. Development of city policies related to economic and community development.	TBD
TBD		M. Other.	TBD
0	0	TOTAL ECONOMIC AND COMMUNITY DEVELOPMENT MEASURE POINTS	

APPENDIX B

MUNICIPAL EQUITY & INCLUSION CERTIFICATE PROGRAM MEASURES

POINTS	POINTS APPLIED FOR BY CITY	MUNICIPAL WORKFORCE DEVELOPMENT & EMPLOYMENT - POINTS REQUIRED TBD	REQUIRED OR OPTIONAL
TBD		A. Develop Municipal Workforce Development Goals ("Starts with Me" as resource)	TBD
TBD		B. Implement recruitment policies and practices that ensure a diverse applicant pool.	TBD
TBD		C. Include anti-discrimination language in HR policies and procedures.	TBD
TBD		D. Review terminology in employment policies to ensure documents are inclusive.	TBD
TBD		E. Include E&I training in City's employee onboarding/orientation process.	TBD
TBD		F. Provide internship or other program(s) to serve as municipal workforce pipeline.	TBD
TBD		G. Create community learning programs about city government to serve as municipal workforce pipeline.	TBD
TBD		H. Provide a regular forum for employees to voluntarily participate in group discussions on E&I topics.	TBD
TBD		I. Partner and collaborate with local school system to participate in career days, job fairs or other activities to promote local government jobs.	TBD
TBD		J. Demonstrate inclusive processes and procedures in recruiting, appointing, and/or selecting internal employee workgroups, boards, committees, volunteers, etc.	TBD
TBD		K. Training for city elected officials (members of the governing authority) and senior staff related to municipal workforce development and employment.	TBD
TBD		L. Development of city policies related to municipal workforce development and employment.	TBD
TBD		M. Other.	TBD
0	0	TOTAL MUNICIPAL WORKFORCE DEVELOPMENT AND EMPLOYMENT MEASURE POINTS	

APPENDIX B

MUNICIPAL EQUITY & INCLUSION CERTIFICATE PROGRAM MEASURES

POINTS	POINTS APPLIED FOR BY CITY	COMMUNITY DIALOGUE/STAKEHOLDER ENGAGEMENT - POINTS REQUIRED TBD	REQUIRED OR OPTIONAL
TBD		A. Seek out stakeholder groups to represent all segments of the community to listen, help identify barriers to engagement, seek input, and develop solutions.	TBD
TBD		B. Offer options and have a transparent process for citizens to receive information, participate in discussions, and provide feedback/input on strategic priorities, budget and resources allocation.	TBD
TBD		C. Provide balanced, objective and user-friendly information through various channels.	TBD
TBD		D. Develop a city-wide public information communication plan.	TBD
TBD		E. Achieve certification(s) demonstrating a commitment to diversity, equality and inclusion (Example: Welcoming America)	TBD
TBD		F. Provide ongoing training and cross training (at least annually) for staff and volunteers to ensure clarity and consistency of messaging when engaging with the community as well as sustainability of established processes as new staff and volunteers are onboarded.	TBD
TBD		G. Develop city policies related to community dialogue and stakeholder engagement	TBD
TBD		H. Other.	TBD
0	0	TOTAL COMMUNITY DIALOGUE/STAKEHOLDER ENGAGEMENT MEASURE POINTS	



www.gacities.com

201 Pryor St SW,
Atlanta, GA 30303

ARC Green Communities Certification Checklist

(City of Norcross Final Checklist - November 2021)

GREEN BUILDING

Possible Points	Points Applying For	Government Measures
10	10	1. Require all new large buildings constructed and owned by the local jurisdiction to be LEED certified.
10	0	2. A local government building is LEED certified.
5	5	3. Require new buildings constructed and owned by the local jurisdiction to be certified ENERGY STAR or EarthCraft Light Commercial.
5	5	4. Require local government building renovations to be ENERGY STAR certified or follow LEED guidelines.

30	20	Total Government Measures Points
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Possible Points	Points Applying For	Community Measures
5	5	5. Offer incentives for green building certifications (LEED, EarthCraft, ENERGY STAR) such as expediting planning development review process, offering reductions/waivers of development fees or other methods of encouraging green building.
5		6. Offer incentives for affordable and workforce housing entities to certify affordable housing as EarthCraft House, EarthCraft Multifamily, ENERGY STAR or LEED for Homes.

10	5	Total Community Measures Points
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40	25	Total Green Building Points
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ENERGY EFFICIENCY

Possible Points	Points Applying For	Government Measures
10	10	7. Conduct energy audits of local government facilities and implement recommendations -or- Engage in performance contracting for energy efficiency in government buildings.
5	0	8. Become a local government ENERGY STAR Partner and develop an Energy Strategy for the Future.
5	5	9. Adopt a policy to purchase at least ENERGY STAR rated equipment and appliances.
5	0	10. Install or retrofit Dark Sky-compliant light-emitting diode (LED) lamps in street lights.
5	5	11. Have a "lights out / power down" and/or a "lights out and electronics off when not in use" policy.
5	5	12. Have a demonstration cool roof.
10	10	13. Have a program that encourages the replacement of inefficient light bulbs with more energy efficient light-emitting diode (LED) light bulbs.

45	35	Total Government Measures Points
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Possible Points	Points Applying For	Community Measures
5	0	14. Establish an active inspection program for residential and commercial construction projects to enforce Georgia's energy codes.
5	5	15. Have ordinances or incentives to operate outdoor lighting more efficiently.

10	5	Total Community Measures Points
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55	40	Total Energy Efficiency Points
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GREEN POWER

Possible Points	Points Applying For	Government Measures
10		16. Have a demonstration renewable energy project (such as solar or methane capture).
10		17. Become a U.S. Environmental Protection Agency (US EPA) Green Power Partner.

20	0	Total Government Measures Points
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ARC Green Communities Certification Checklist

(City of Norcross Final Checklist - November 2021)

Possible Points	Points Applying For	Community Measures
5	5	18. Support community solar power efforts by implementing best management practices (BMPs) to promote and facilitate rooftop solar installation.

5	5	Total Community Measures Points
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25	5	Total Green Power Points
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WATER USE REDUCTION AND EFFICIENCY

Possible Points	Points Applying For	Government Measures
10	10	19. Conduct water audits (indoor and outdoor) of existing local government facilities and implement recommendations -or- Engage in performance contracting for water use in government buildings.
10	10	20. Develop a policy and schedule for the replacement of inefficient toilets, urinals, and faucets within government buildings with ultra-high-efficiency plumbing fixtures that meet the following standards: WaterSense labeled toilets using 1.1 gpf or less, urinals using 0.125 gpf or less, and faucets/aerator retrofits using 1.0 gpm or less.
5	5	21. Use captured rainwater or reuse water to irrigate landscapes at government facilities.
5		22. Become a Georgia Department of Community Affairs WaterFirst Community.
5		23. Have a demonstration green infrastructure project.

35	25	Total Government Measures Points
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Possible Points	Points Applying For	Community Measures
5	5	24. Comply with Metro Water District Water Resource Management Plan.
5	5	25. Develop and implement a local water education and public awareness program.
5		26. Adopt local amendments to the Georgia State Minimum Standard Plumbing Code that requires ultra-high efficiency standards for residential bathroom plumbing fixtures.

15	10	Total Community Measures Points
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50	35	Total Water Points
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TREES AND GREENSPACE

Possible Points	Points Applying For	Government Measures
10	10	27. Meet at least one of the following benchmarks for greenspace: (1) have 20 acres per 1,000 residents, (2) have at least 8 percent of total land protected for greenspace, or (3) all residents live within ½ mile walking distance to a park.
10	10	28. Adopt a government no net loss of trees policy for government property.
5	5	29. Develop, adopt and implement a greenspace plan that provides for connectivity of protected greenspace within and among communities.
5		30. Have a demonstration green roof project.
5	5	31. Adopt organic and drought tolerant landscape practices at local government facilities.

35	30	Total Government Measures Points
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Possible Points	Points Applying For	Community Measures
5	5	32. Become a Tree City USA (requires Tree Board or dept to develop a comprehensive tree management program, tree care ordinance, a community forestry program with an annual budget of at least \$2 per capita, Arbor Day observance and proclamation).
5	5	33. Develop and enforce parking lot canopy standards that result in 50% canopy coverage of impervious parking surfaces within 15 years of completion.
5	5	34. Adopt a community forest master plan.
5	5	35. Support and designate space for community gardens or orchards.
5	5	36. Support and designate space for farmers markets.
5		37. Develop, adopt and implement a local food systems plan to influence and shape how food is produced, processed, distributed, consumed and disposed of within the community.
5	5	38. Become a Bee City USA or a Community Wildlife Habitat.

35	30	Total Community Measures Points
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70	60	Total Trees and Greenspace Points
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ARC Green Communities Certification Checklist

(City of Norcross Final Checklist - November 2021)

TRANSPORTATION AND AIR QUALITY

Possible Points	Points Applying For	Government Measures
10	10	39. Adopt a Commute Option program for employees that supports alternatives to driving alone or driving at the peak.
10	10	40. Adopt a green fleet policy that includes purchasing the most fuel efficient and least polluting vehicle that will meet the needs for the use of the vehicle (appropriate size and type) and gives preference to the purchase of alternative fuel and/or hybrid fleet vehicles for fleet vehicle replacement.
5	5	41. Adopt a no-idling policy for local government vehicles.
5		42. Retrofit gasoline-powered government fleet vehicles to use alternative fuels.
5	5	43. Produce and/or purchase alternative fuel(s) for government fleet vehicles.

35	30	Total Government Measures Points
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Possible Points	Points Applying For	Community Measures
10	10	44. Adopt complete streets policy or ordinance.
5	5	45. Work to improve traffic signal synchronization to ease congestion and reduce idling times.
5	5	46. Implement a Safe Routes To School program to promote safe walking and bicycling to school.
5	5	47. Require end-of-trip bicycle facilities at all community facilities.
5	5	48. Adopt bicycle and pedestrian friendly policies.
5		49. Become a Bicycle Friendly Community at the Bronze level or higher.
5		50. Become a Walk Friendly Community at the Bronze level or higher.
5	5	51. Amend development regulations to encourage shared parking, joint parking and/or reduce parking requirements (could adopt a max parking requirement).
5	5	52. Take steps to become Electric Vehicle ready.

50	40	Total Community Measures Points
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85	70	Total Transportation and Air Quality Points
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RECYCLING AND WASTE REDUCTION

Possible Points	Points Applying For	Government Measures
10	0	53. Implement environmentally preferable purchasing program.
5	5	54. Implement a recycling program for traditional recycling materials at local government facilities.
5	5	55. Implement a recycling program for non-traditional recycling materials at local government facilities.
5	5	56. Purchase recycled copy, computer, and fax paper with at least 30 percent recycled content.

25	15	Total Government Measures Points
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Possible Points	Points Applying For	Community Measures
5	5	57. Offer curbside recycling to all residents through local operations or solid waste contracts.
5	5	58. Offer glass recycling to all residents through local operations, solid waste contracts or drop off locations.
5	5	59. Offer recycling services to commercial businesses through local operations or solid waste contracts.
5	5	60. Have recycling drop off location(s) or regularly scheduled events for electronics, rechargeable batteries and cell phones.
10	0	61. Operate recycling drop off location(s) or regularly scheduled events for properly disposing of common household hazardous wastes.
5	5	62. Implement organics and yard debris collection for composting and other beneficial uses.
10	10	63. Become a Municipal Measurement Program participant to measure and improve your local recycling program's performance.
5	5	64. Develop and implement a local recycling and public awareness program.

50	40	Total Community Measures Points
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75	55	Total Recycling and Waste Reduction Points
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ARC Green Communities Certification Checklist

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LAND USE

Possible Points	Points Applying For	Government Measures
10	10	65. Locate one or more local government facilities at a brownfield site.
5	5	66. Locate one or more local government facilities at a greyfield site.
5	5	67. Locate one or more local government facilities at an infill site.

20	20	Total Government Measures Points
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Possible Points	Points Applying For	Community Measures
5	5	68. Adopt a local historic preservation ordinance.
5	5	69. Offer incentives that support smart growth (such as incentives for development and redevelopment in existing downtown areas, transit oriented development, traditional neighborhood development, mixed use development and/or in-fill development).
5	0	70. Analyze potential areas and develop incentives and/or other revitalization strategies for reuse of buildings, greyfield redevelopment and / or brownfield redevelopment. Make this information available to developers and promote.

15	10	Total Community Measures Points
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35	30	Total Land Use Points
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EDUCATION

Possible Points	Points Applying For	Government Measures
5	5	71. Educate staff on the green community measures being implemented and offered within the jurisdiction.
5 or 10	5	72. Establish a historical baseline of energy (electricity and natural gas) and water usage in government buildings and put an ongoing tracking and reporting system into place to monitor and decrease usage long-term.

15	10	Total Government Measures Points
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Possible Points	Points Applying For	Community Measures
5	5	73. Educate the public, schools, professional associations, businesses, and industries about implemented green communities program measures made available in the jurisdiction.
10	10	74. Develop, adopt and implement a sustainability plan.
5	5	75. Develop and implement a program to engage the community's youth around the environment and community sustainability.
5	5	76. Develop and implement an outreach program to engage the business community around the benefits of adopting a sustainability ethic and collaborate on sustainability issues.

25	25	Total Community Measures Points
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40	35	Total Education Points
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INNOVATION

Possible Points	Points Applying For	Innovation Measures
5	5	77. Implement projects, policies, programs, etc. that reduce the local community's environmental impact. (ePlan Review)
5	5	78. Implement projects, policies, programs, etc. that reduce the local community's environmental impact. (Demolition Recycling)
5	5	79. Implement projects, policies, programs, etc. that reduce the local community's environmental impact. (Uncommon Items Recycling)
5	5	80. Implement projects, policies, programs, etc. that reduce the local community's environmental impact. (Waste Auditing)

20	20	Total Innovation Points
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ARC Green Communities Certification Checklist

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TOTALS

Possible Points	Points Applying For	Major Categories
40	25	Green Building
55	40	Energy Efficiency
25	5	Green Power
50	35	Water Use Reduction and Efficiency
70	60	Trees and Green Space
85	70	Transportation and Air Quality
75	55	Recycling and Waste Reduction
35	30	Land Use
40	35	Education
20	20	Innovation
495	375	Total Points Applying For

Bronze	175 - 229 Points
Silver	230 - 279 Points
Gold	280 - 329 Points
Platinum	330 - 495 Points



MAYOR **CRAIG NEWTON** • MAYOR PRO TEM **BRUCE GAYNOR** • COUNCILMEMBER **ANDREW HIXSON** • COUNCILMEMBER **JOSH BARE**
COUNCILMEMBER **MATT MYERS** • COUNCILMEMBER **ARLENE BECKLES** • CITY MANAGER **ERIC JOHNSON** • CITY CLERK **MONIQUE PHILIP**

Agenda Report

To: Mayor and Council
From: William Corbin, Economic Development Director
Agenda: February 23, 2023 – Mayor & Council Retreat
Item No.: 23- 6673
Title: Inclusionary/Affordable/Workforce Housing
CC: Eric Johnson, City Manager

Recommendation

Discuss potential incorporation of inclusionary zoning into the city's ordinance

Background

Councilman Myers, through City Manager Johnson, requested that city staff in the Community Development and Economic Development Departments perform due diligence on the concepts and best practices of inclusionary zoning.

The following paragraphs provide an overview of the concept of Inclusionary Zoning, per the National Multifamily Housing Council's white paper on Inclusionary Zoning Housing Affordability.

Inclusionary zoning policies can increase affordability if they are flexible, properly structured with sufficient incentives, and limited to strong housing markets.

What is Inclusionary Zoning?

Inclusionary zoning policies require new rental housing developments to include a certain percentage of apartments at below-market rents in order to be approved. In exchange for those affordable units, most policies offer incentives that offset the costs of lower rents.

Common Incentives include:

- Additional development density
- Reduced parking requirements
- Accelerated approval

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<http://www.norcrossga.net>

- Tax abatements
- Impact fee waivers
- Design flexibility
- By-right development
- Public financing

How Inclusionary Zoning Works

The economics of inclusionary zoning policies are often misunderstood. Inclusionary policies are viewed by many local governments as ‘costless’ solutions to their housing affordability challenges. In reality, inclusionary policies impose significant costs on new rental development by reducing total rents on the property and making it harder for developers to get the financing they need to build.

A well-designed inclusionary policy adheres to four principles that minimize and offset the costs the policy creates.

The Four Principles of Effective Policies

1. Provide a sufficient range of incentives to offset reduced rents
 - Without sufficient incentives, inclusionary zoning can actually reduce affordability
2. Target neighborhoods with strong housing markets
 - “Areas not experiencing any or much market-rate development will likely not generate significant results from an IZ policy” -Urban Land Institute
3. Provide developer with flexible participation options in housing markets
 - Mandatory inclusionary policies can harm affordability
4. Enable simpler administration and developer participation
 - Inclusionary policies that are simple to comply with are more effective

Considerations & Limitations

Before deciding to pursue an inclusionary housing policy, local governments should consider the limitations and benefits:

- It can be very difficult to get an inclusionary zoning policy right. If the locality doesn’t include the right incentives to offset the cost to comply with these programs, they can actually worsen their affordability challenges.
- Local governments and the communities they serve should also have realistic expectations about the number of inclusionary units and the level of affordability a policy will achieve. The number of units produced by inclusionary policies is typically a small percentage of development in the area subject to the policy.
- Few policies are effectively able to serve extremely low-income households because of the deep subsidy level required. An inclusionary policy can be an effective component of a larger affordability strategy, but it will not be sufficient to address all affordability challenges of any community alone.

- In implementing housing policies, local governments may pursue a range of housing goals. Properly structured inclusionary policies can be effective at creating units with affordable rents and mixed-income neighborhoods, but will not necessarily address racial segregation, displacement of existing residents, or other housing goals.

Additional Notes

- If incentives do not cover the gap between the below-market rents and market-rate rents, owners will either have to raise the rents for the market-rate units or cancel plans to develop the property altogether.
- Even modest rent reductions not recovered through incentives significantly reduce the financing a property can secure.
- While density bonuses are the most common incentive used, they are not a panacea.
- Citywide inclusionary policies should include different incentives and requirements for different neighborhoods.
- Include a payment in-lieu option.
- Keep income documentation and reporting requirements simple. Don't default to burdensome federal requirements.
- Ensure the resident selection process doesn't make it difficult to lease inclusionary units.
- Inclusionary policies should maximize production by focusing on unit sizes and bedrooms, not finishes and materials.

Financial Impact

N/A

Consistent with Comprehensive Plan?

Yes.

Next Steps

Decide policy direction

Attachments

Inclusionary Zoning Housing Affordability Toolkit (National Multifamily Housing Council)

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Tool: Inclusionary Zoning

THE HOUSING AFFORDABILITY TOOLKIT

Developed in Partnership with
HR&A Advisors

Inclusionary Zoning

Inclusionary zoning policies can increase affordability if they are flexible, properly structured with sufficient incentives, and limited to strong housing markets.

What Is Inclusionary Zoning?

Inclusionary zoning policies require new rental housing developments to include a certain percentage of apartments at below-market rents in order to be approved. In exchange for those affordable units, most policies offer incentives that offset the costs of lower rents.

Common Incentives

- Additional development density
- Reduced parking requirements
- Accelerated approval
- Tax abatements*
- Impact fee waivers
- Design flexibility
- By-right development*
- Public financing

“Since 1974, almost 900 local governments have enacted inclusionary zoning policies, either mandatory or voluntary. Voluntary programs allow developers to determine whether market conditions are right for participation.”

How Inclusionary Zoning Works

The economics of inclusionary zoning policies are often misunderstood. Inclusionary policies are viewed by many local governments as ‘costless’ solutions to their housing affordability challenges. **In reality, inclusionary policies impose significant costs on new rental development by reducing total rents on the property and making it harder for developers to get the financing they need to build.**

A well-designed inclusionary policy adheres to four principles that minimize and offset the costs the policy creates.

The Four Principles of Effective Policies



Provide a sufficient range of incentives to offset reduced rents



Target neighborhoods with strong housing markets



Provide developers with flexible participation options in housing markets



Enable simple administration and developer participation

*Additional information on these incentives is provided in subsequent tools documents.

Provide Sufficient Incentives

Without sufficient incentives, inclusionary zoning can actually reduce housing affordability.

If incentives do not cover the gap between the below-market rents and market-rate rents, owners will either have to raise the rents for the market-rate units or cancel plans to develop the property altogether. Both scenarios undermine affordability.

In markets where there is strong demand, the rents for market-rate units can rise to cover the reduction in rents on inclusionary units, shifting the cost of the reduced rent onto the market-rate units.

In markets where the demand for rental housing is not strong enough to support higher rents, projects on the margin may not be built. The decrease in development restricts supply and increases competition for existing housing, contributing to displacement and higher rents for existing rental housing.

Decreased Development Portland, OR

Since Portland’s inclusionary policy took effect in February 2017, multifamily building permit applications have decreased 65%. The drop appears to be at least partially because the policy failed to provide sufficient incentives and created an onerous administrative process.

Source: Portland Housing Bureau

Even modest rent reductions not recovered through incentives significantly reduce the financing a property can secure. A \$100 per month rent reduction for a single unit translates into approximately \$20,000 less per unit in financing.

IMPACT OF RENT REDUCTION ON FINANCING

-\$100

Reduction in Monthly Rent for 1 Unit

=

-\$20K

Financing Gap

The “cost” of an inclusionary policy to developers depends on how many below-market units are required and the allowable rent levels for those units. This example compares the burden of a policy that requires 15% of the units to be at 80% AMI* to a policy that requires 10% of the units to be at 60% AMI.

Level of Affordability	# of units	Rent Reduction	Financing Gap
A			
-\$200 (80% AMI)	X 30	= -\$6K	= -\$1.2M
B			
-\$400 (60% AMI)	X 20	= -\$8K	= -\$1.6M

\$100 reduction in monthly rent supports \$20,000 in debt, assuming a 30-year amortizing mortgage with an interest rate of 5%.

AMI (Area Median Income) is a Department of Housing and Urban Development-determined measure of the household income for the middle household in a region.

Inclusionary zoning can also include for-sale homeownership housing. However, this is not addressed within this document.

Establishing Effective Incentives

Stakeholders should take a holistic approach when designing incentives.

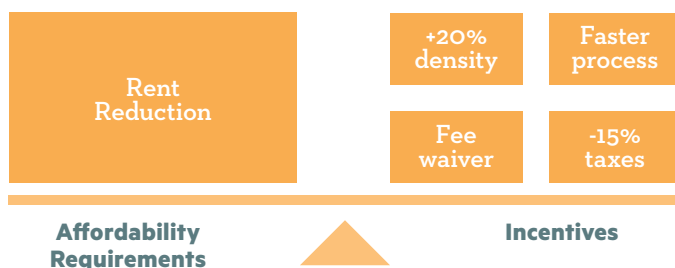
Collaborate with property managers, owners, and developers. Establishing a set of affordability requirements and offsetting incentives tailored to the conditions of a specific housing market is difficult absent input from stakeholders. These private sector partners are likely to have a more in-depth understanding of local market conditions from neighborhood to neighborhood and the complexities of multifamily housing finance than policymakers. Private sector partners substantive involvement in designing the program is necessary for its success. Since housing markets change over time, it may be necessary to engage them even after the policy has been adopted to modify it to adapt to changing market conditions.

Stakeholder Input Nashville, TN

In 2015, Nashville's Metro Planning Department convened stakeholders, including developers and lenders, to provide input on an inclusionary zoning policy through meetings and individual and group interviews. Their participation and input on land costs, development costs, rental rates and incentives helped develop a viable inclusionary policy that was adopted in 2016.

Possible incentives

- Additional development density "bonuses"
- Reduced parking requirements
- Accelerated approval
- Tax abatements
- Impact fee waivers
- Design flexibility
- By-right development
- Public financing



Policymakers need as many incentive options at their disposal as possible to accommodate the diversity of their housing market needs. Rarely will just one incentive program sufficiently offset reduced rent for every type of project and in every neighborhood. In some projects, additional density is more valuable in covering rent gaps than tax abatement. In other neighborhoods, the opposite may be true. Some developments may need to combine incentives to cover rent and financing gaps.

While density bonuses are the most common policy incentive used, they are not a panacea. Density bonuses are not always the most effective for many reasons.

1. They only work in a neighborhood where there is enough demand to absorb the additional units, otherwise there is no economic benefit to the bonus.
2. They only work if the extra density doesn't change the type of construction, such as going from a less expensive mid-rise building to a much more expensive high-rise property. In those cases, the increased construction costs will typically exceed the value of the density bonus.
3. The density bonus must allow for developers to add more market-rate units than the number of below-market rents required. A one-for-one incentive will not offset the reduced rent in an inclusionary unit.

DENSITY BONUS IN PRACTICE



Target Strong Markets

Effective inclusionary policies should target strong housing markets and vary according to market conditions.

“Areas not experiencing any or much market-rate development will likely not generate significant results from an IZ policy.”

– Urban Land Institute

Inclusionary policies require strong housing markets to be effective. They depend on market-rate development to produce inclusionary units and demand from middle- and high-income renters to offset the reduced rent for inclusionary units. Neighborhoods with low rates of vacancy, high levels of construction, and steady growth in rent are most conducive to supporting an inclusive policy. Community perception about the strength of a real estate submarket often exceeds the actual strength of the market. A clear, data-driven assessment of the strength of the housing market is imperative for an informed discussion about where an inclusionary policy could be feasible.

Most cities do not have a strong enough housing market to support a citywide mandatory inclusionary policy. Many will have some neighborhoods with lower market rents, higher vacancies or limited development activity where incentives simply can't offset the cost of the below-market-rent inclusionary units.

Citywide inclusionary policies should include different incentives and requirements for different neighborhoods.

A downtown housing market where large residential towers are being developed calls for a different policy than a former warehouse district where industrial buildings are being converted to loft apartments. Both might be strong markets, but the appropriate incentives and the number and kind of required below-market units will differ significantly. The inclusionary policy must be targeted accordingly to reflect these differences.

Inclusionary policies should be reevaluated periodically.

Since effective inclusionary programs require strong housing markets, inclusionary policies should be reviewed on a regular basis to determine if the incentives they offer still cover the rent gap in the current market conditions. Once again, engaging stakeholders, such as developers and property owners, is critical to ensure that the affordability requirements don't exacerbate housing affordability.

Regular Policy Updates Boston, MA

The City of Boston adopted an inclusionary zoning policy in 2000 that required any multifamily developer constructing 10 or more units, receiving funding from the city, developing property owned by the city, or receiving zoning flexibility from the city, to make 10% of the units affordable (or build the required units off site). In 2015, the city changed the on-site affordability requirements after a feasibility study and stakeholder input determined the current requirements were misaligned with market conditions. They began another policy review in March 2018.

Source: City of Boston, Boston Globe

Offer Flexibility

Effective inclusionary policies offer flexibility to developers in how they participate.

Mandatory inclusionary policies can harm

affordability. If the policy does not offer sufficient incentives to cover rent gaps, developers will have to raise rents for the market-rate units or cancel plans to build. The opportunity for a mandatory inclusionary policy to harm housing affordability is significant because most are relatively complicated, apply across multiple neighborhoods and building types, and include a range of affordability requirements.

Voluntary policies are less risky for affordability.

If the incentives in a voluntary program don't align with market conditions, developers can simply choose not to participate, but they can still build the housing the community needs. Assuming the policy is well-designed and incentives to include below-market-rent units outweigh the costs, developers will be motivated to participate.

Mandatory/Voluntary Mix New York, NY

NYC uses both mandatory and voluntary inclusionary policies in different areas of the city. The mandatory policy is closely linked to areas of the city where rezoning to allow for higher density is planned or has occurred. The voluntary program is used in neighborhoods that cannot support a mandatory policy.

Source: Housing Virginia, Fairfax County, VA

Engaging developers is the best way to ensure the best outcome for stakeholders and policymakers.

Attracting sufficient participation can be a challenge with any inclusionary policy. As previously noted, if a mandatory policy doesn't offset the program costs, developers will build elsewhere. If the program is voluntary, they will opt out. Working with developers to design policies is one way to ensure they will be effective.

Voluntary Policy Fairfax County, VA

Fairfax County's Workforce Dwelling Unit (WDU) Program incentivizes development in high-density areas. If developers choose to opt-in to providing affordable workforce units within their high-rise developments, they are granted an up to 20% density bonus. Since these buildings are already employing higher-cost construction, the bonus has real economic value. In addition, the policy targets households at higher incomes, those earning between 60% and 120% of AMI, which reduces the rent gap between the market-rate and workforce units. Twenty-five include units that participate in the WDU program, creating approximately 1,200 units for workforce renters.

Source: Housing Virginia, Fairfax County, VA

Include a payment in-lieu option. Many inclusionary policies allow developers to pay a fee to the jurisdiction in-lieu of including below-market units in their development. These set fees reduce risk to the developer and encourage their participation in the program. Under them, they know they won't face unexpected costs from delays in finding a qualified resident, ongoing monitoring requirements, or other additional requirements.

The developer can weigh the cost of the fee in-lieu against the incentives the policy offers and make a choice about whether and how to participate. If the policy is mandatory, the fee still eliminates the administrative burden and risks of participation. Localities can use these fees to provide grants to nonprofits to build affordable housing where it is needed most and may be more cost effective to produce.

Keep It Simple

Inclusionary policies that are simple to comply with are more effective.

Administratively complex programs harm

affordability. They take more time and resources with which to comply, which increases their “costs” to developers and results in higher rents or fewer units being developed if developers opt out.

Keep income documentation and reporting requirements simple. Don’t default to burdensome federal requirements. Federally funded affordability programs are overly complex and discourage private sector participation as a result. Many local inclusionary policies default to burdensome federal rules for income documentation and recertification because they think it is easier for their local housing departments to administer. That simplicity comes at a cost to developers in terms of training and compliance, which affects their decision on whether or not to participate in a voluntary inclusionary program or whether or not to build in a jurisdiction where it’s mandatory.

Annual Reporting Montgomery County, MD

Every April, property owners must report the number of below-market units leased, residents' names, household size, dates of lease and lease expiration, total annual household income and a notarized statement that the residents meet the eligibility requirements to the best of the property owner's information. These requirements exemplify a streamlined process, breaking from more onerous federal requirements.

Source: Montgomery County, MD

Ensure the resident selection process does not make it difficult to lease inclusionary units.

Identifying residents eligible to occupy the inclusionary units can add significant costs to owners and can delay filling a building if they are unable to find residents. To avoid this, resident screening requirements should be clear and easy to incorporate into the standard screening process. One best practice to reduce the costs of delay is for local governments to work with a nonprofit partner to identify a pool of eligible residents from which property owners can draw.

Inclusionary policies should maximize production by focusing on unit sizes and bedrooms, not finishes and materials. The size of a unit and the number of bedrooms are directly related to affordability, and an inclusionary policy can reasonably require that inclusionary units be comparable to market-rate units to maximize production. An effective inclusionary policy does not establish requirements about materials, location within the building, and access to amenities for inclusionary units. These are not issues related to affordability and can decrease the number of units a developer is able to deliver.

Resident Selection Montgomery County, MD

Basic resident eligibility requirements include gross income requirements, primary residency status, and not having owned residential property within the past five years. Prospective residents must complete a certification form and submit most recent federal tax returns, W-2s and pay stubs. Similar to annual reporting, these requirements are streamlined and do not default to more extensive federal requirements.

Source: Montgomery County, MD

Considerations & Limitations

Before deciding to pursue an inclusionary housing policy, local governments should consider the limitations and benefits.

It can be very difficult to get an inclusionary zoning policy right. As this document explains, if the locality doesn't include the right incentives to offset the cost to comply with these programs, they can actually worsen their affordability challenges.

Local governments and the communities they serve should also have **realistic expectations about the number of inclusionary units and the level of affordability a policy will achieve.** The number of units produced by inclusionary policies is typically a small percentage of development in the area subject to the policy.

Few policies are effectively able to serve extremely low-income households because of the deep subsidy level required. **An inclusionary policy can be an effective component of a larger affordability strategy, but it will not be sufficient to address all affordability challenges of any community alone.**

Housing Goals



**UNITS PRICED
AFFORDABLY**



**MIXED-INCOME
NEIGHBORHOODS**

In implementing housing policies, local governments may pursue a range of housing goals. Properly structured inclusionary policies can be effective at **creating units with affordable rents and mixed-income neighborhoods**, but will not necessarily address racial segregation, displacement of existing residents, or other housing goals.

Impact

“Average annual production under local IZ programs varies across regions, but in all areas has contributed only a modest amount of affordable housing.”

– Lance Freeman, Columbia University and
Jenny Schuetz, Federal Reserve System

Recommendations

To design an effective inclusionary policy, a city should take a four-tiered approach.

PROVIDE SUFFICIENT INCENTIVES: WITHOUT EFFICIENT INCENTIVES, INCLUSIONARY ZONING POLICIES CAN ACTUALLY REDUCE HOUSING AFFORDABILITY

- If incentives do not cover the gap between the below-market rents and market-rate rents, owners will either have to raise the rents for the market-rate units or cancel plans to develop the property altogether.
- Even modest rent reductions not recovered through incentives significantly reduce the financing a property can secure.
- The “cost” of an inclusionary policy to developers depends on how many below-market units are required and the allowable rent levels for those units.
- Collaborate with property managers, owners, and developers.
- Policymakers need as many incentive options at their disposal as possible to accommodate the diversity of their housing market needs.
- While density bonuses are the most common policy incentive used, they are not a panacea.

TARGET STRONG MARKETS: EFFECTIVE INCLUSIONARY POLICIES SHOULD TARGET STRONG HOUSING MARKETS AND VARY ACCORDING TO MARKET CONDITIONS

- “Areas not experiencing any or much market-rate development will likely not generate significant results from an IZ policy” – Urban Land Institute.
- Most cities do not have a strong enough housing market to support a citywide mandatory inclusionary policy.
- Citywide inclusionary policies should include different incentives and requirements for different neighborhoods.
- Inclusionary policies should be reevaluated periodically.

OFFER FLEXIBILITY: EFFECTIVE INCLUSIONARY POLICIES OFFER FLEXIBILITY TO DEVELOPERS IN HOW THEY PARTICIPATE

- Mandatory inclusionary policies can harm affordability.
- Voluntary policies are less risky for affordability.
- Engaging developers is the best way to ensure the best outcome for stakeholders and policymakers.
- Include a payment in-lieu option.

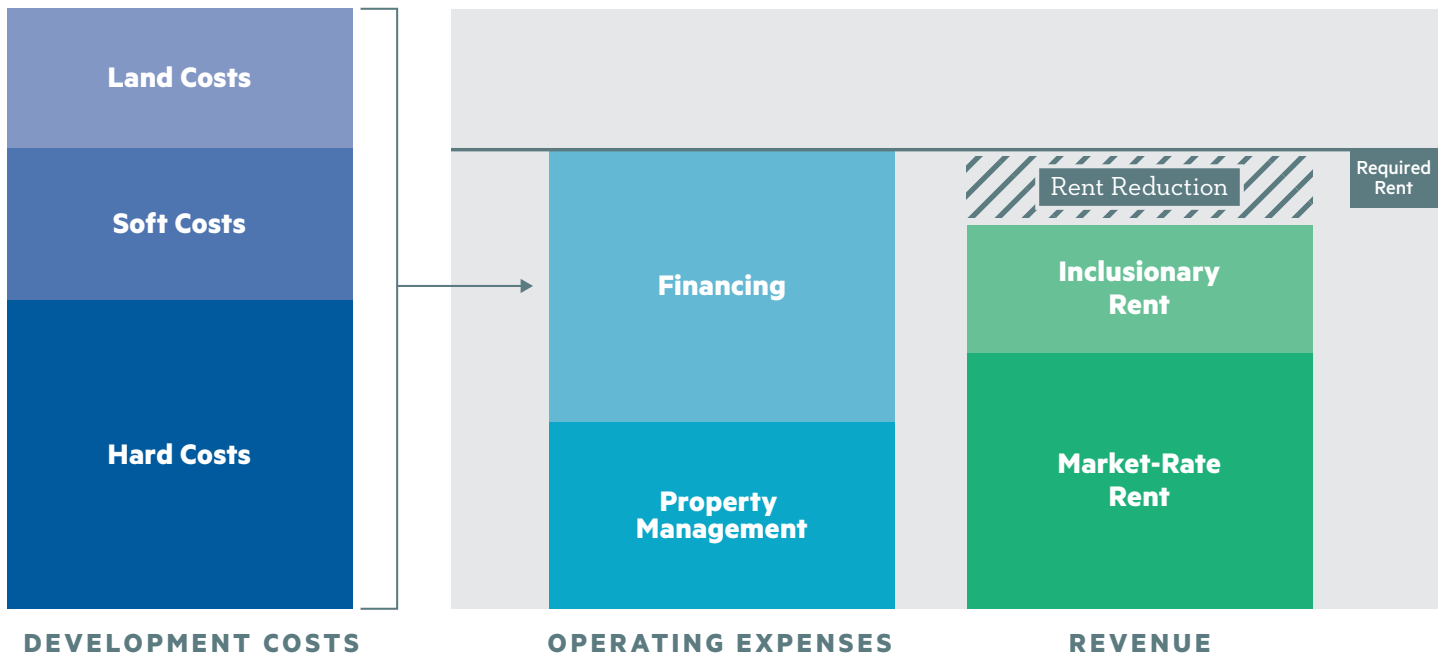
KEEP IT SIMPLE: INCLUSIONARY POLICIES THAT ARE SIMPLE TO COMPLY WITH ARE MORE EFFECTIVE

- Administratively complex programs harm affordability.
- Keep income documentation and reporting requirements simple. Don’t default to burdensome federal requirements.
- Ensure the resident selection process does not make it difficult to lease inclusionary units.
- Inclusionary policies should maximize production by focusing on unit sizes and bedrooms, not finishes and materials.

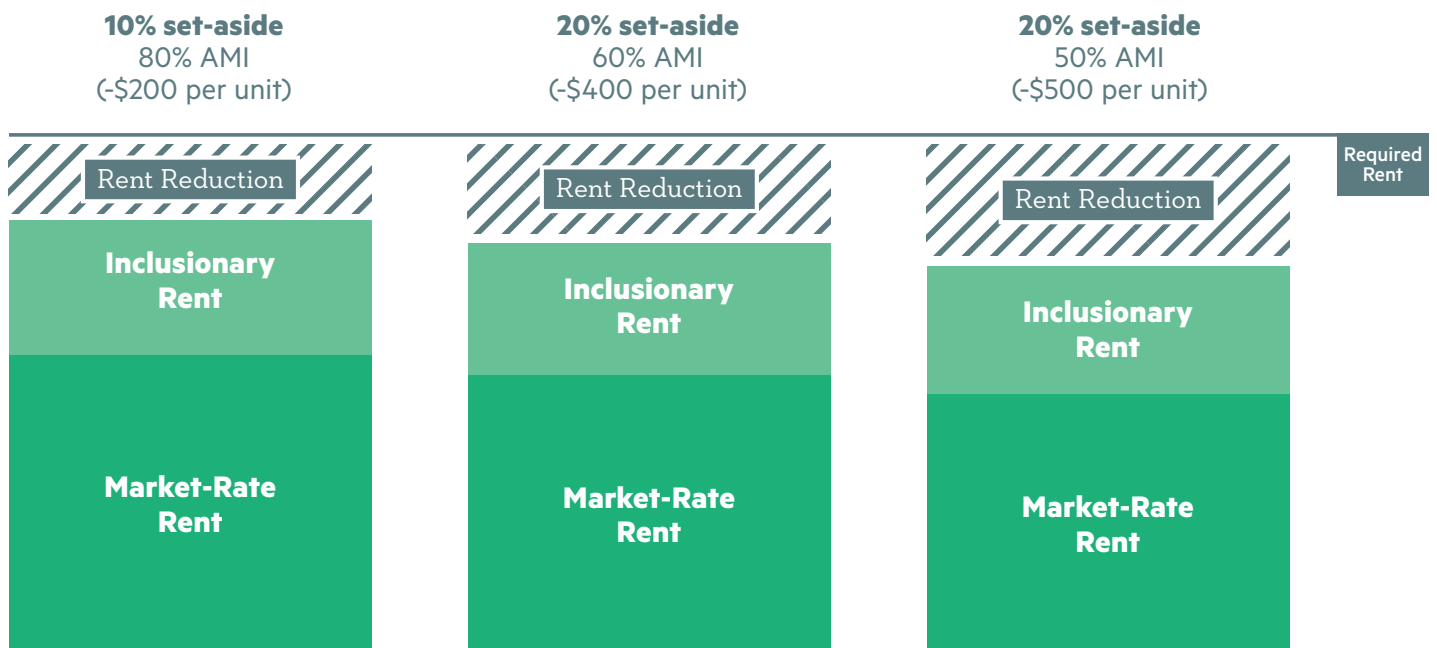
Economics of the Tool

Revenue from rent is reduced as affordability requirements are added.

The addition of inclusionary units in a new development introduces a gap in revenue. Without adequate revenue to cover expenses, a project becomes infeasible.



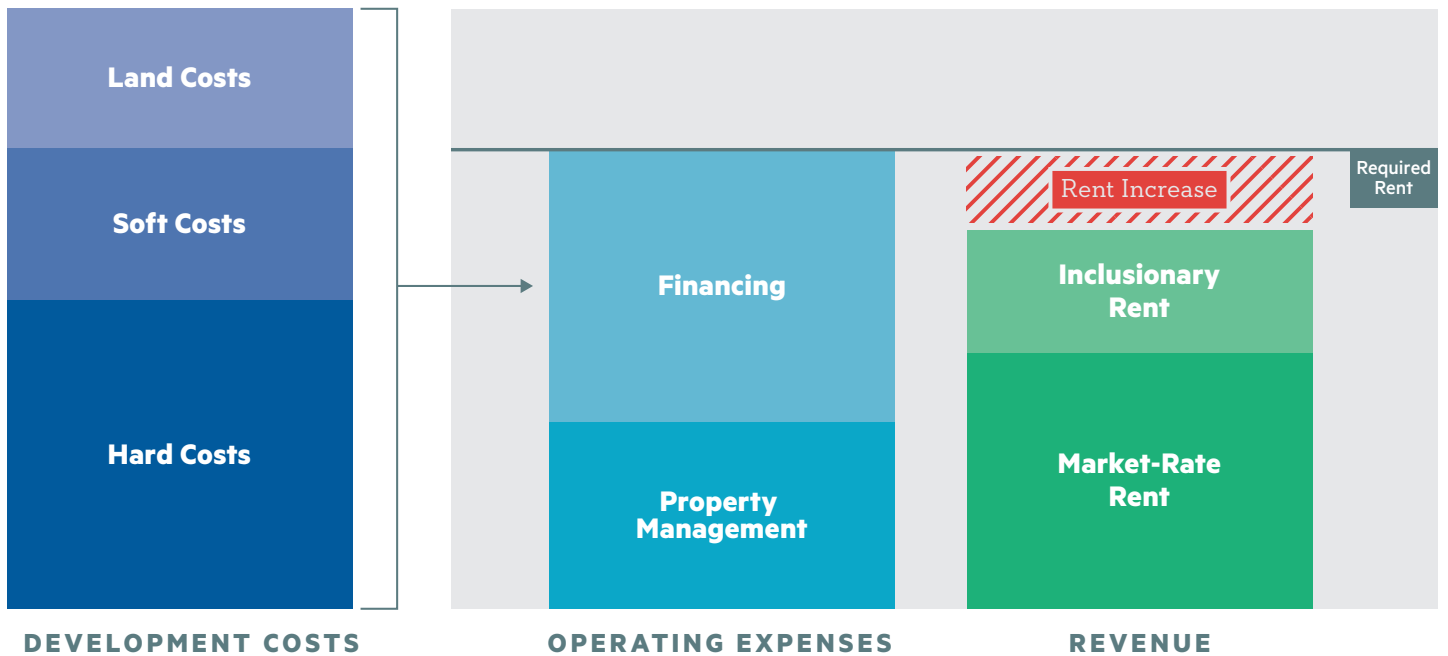
As affordability requirements deepen, the reduction in rent expands.



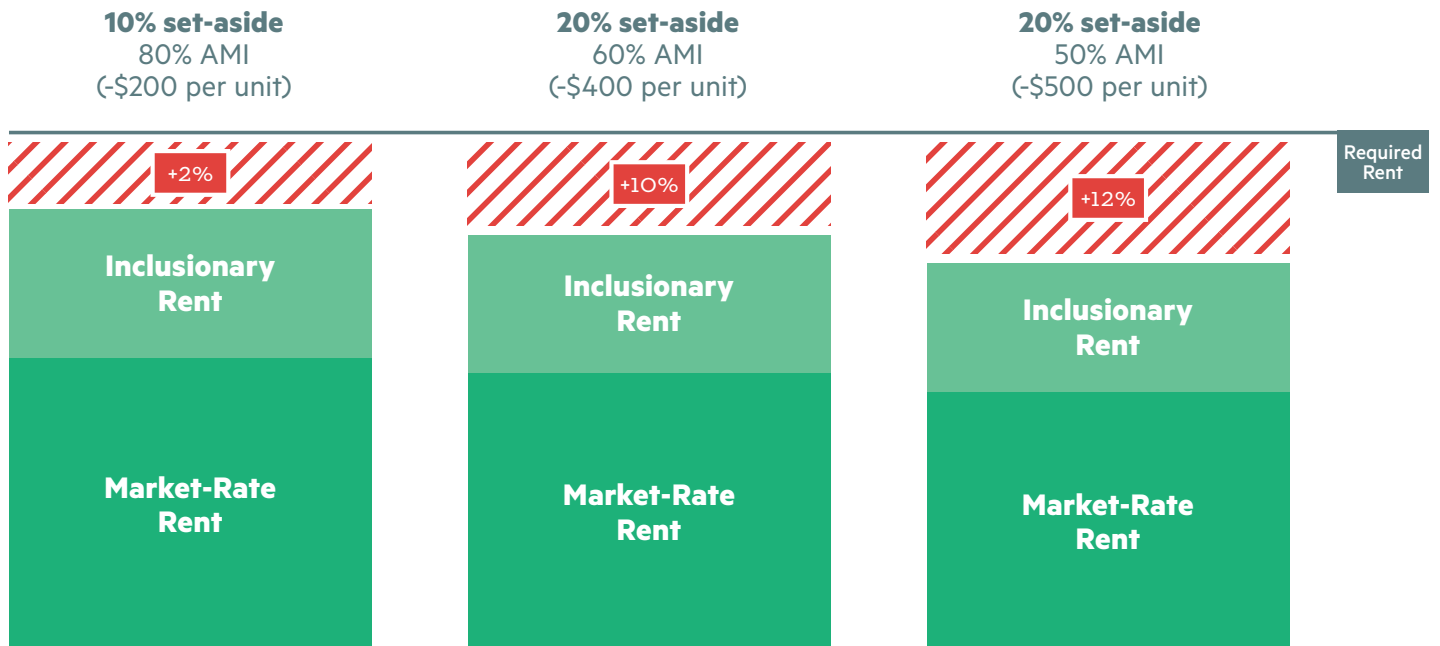
Economics of the Tool

Without incentives, market-rate rents must rise to offset the reduction in rent for inclusionary units.

Market-rate rents rise to cover the gap in revenue created by the affordability requirements.



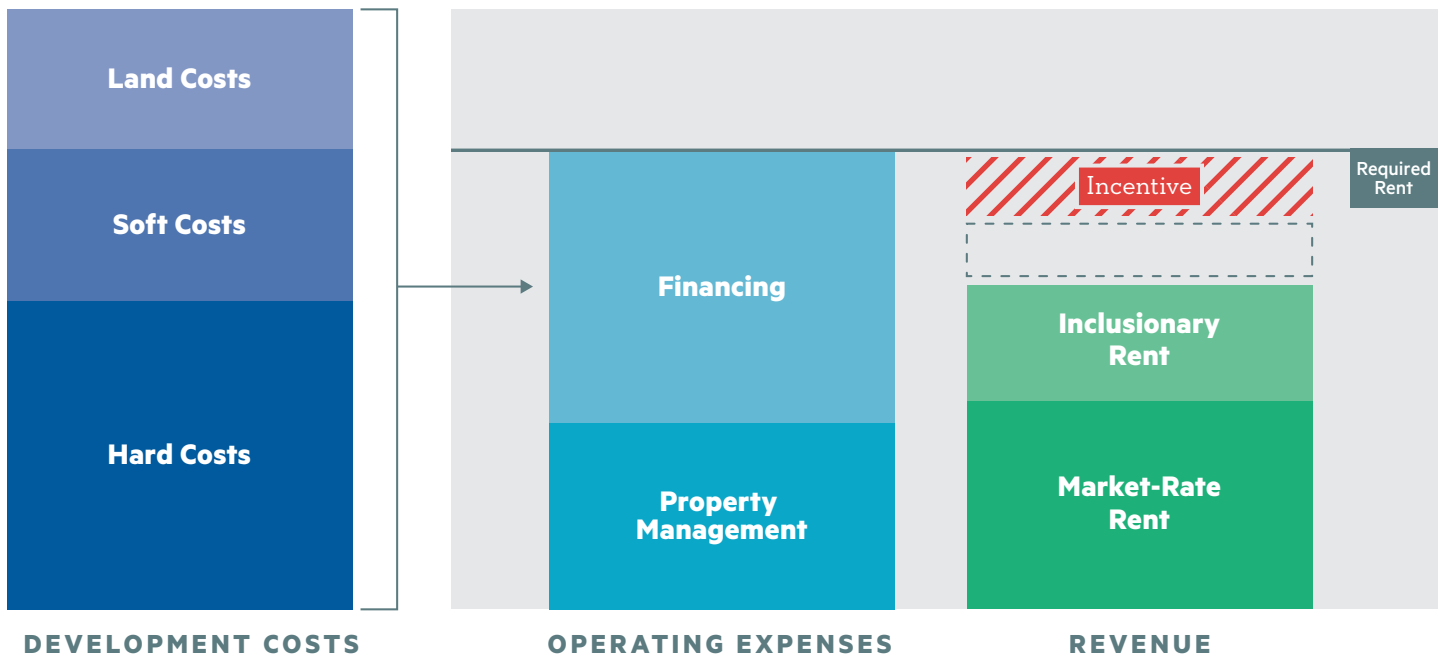
As affordability requirements deepen, the required rise in rent grows. If the market cannot support the increase, the project will not be built.



Economics of the Tool

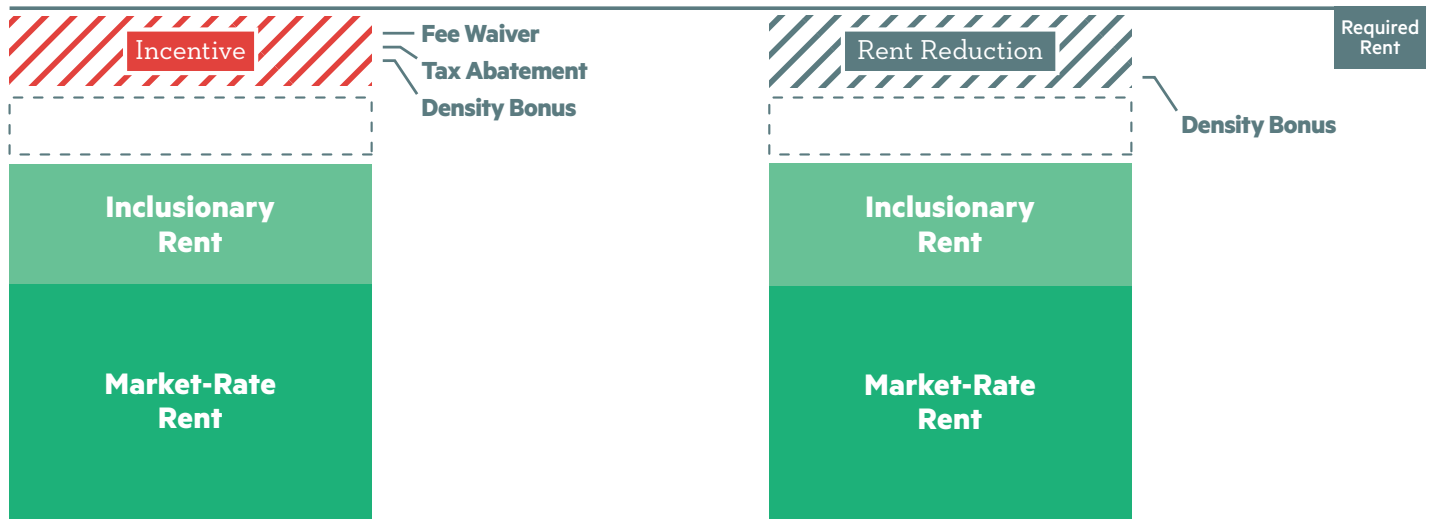
Incentives can offset the reduction in rents from inclusionary requirements.

Jurisdictions can offer a variety of incentives to close the revenue gap. The incentives can lower development costs or operating expenses or increase the revenue earned from market-rate development.



If an incentive package addresses the gap created from rent reduction, market-rate rents will not rise.

If the incentives do not sufficiently fill the gap, market-rate rents will still rise, but to a lesser degree.





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Agenda Report

To: Mayor and Council
From: William Corbin, Economic Development Director
Agenda: February 23, 2023 – Mayor & Council Retreat
Item No.: 23- 6674
Title: West Peachtree Street City-owned Property
CC: Eric Johnson, City Manager

Recommendation

Discuss development options for city-owned property on West Peachtree Street.

Background

The City of Norcross owns a 1.73-acre parcel of land at the corner of West Peachtree Street and Hunter Street close to the downtown historic core.

Over the past year-and-a-half, Mayor & Council issued two invitation for sealed bids for the sale of this property.

Despite this, each invitation to bid was unsuccessful.

Upon further review, city staff has identified and explored the site as an opportunity to partner with a developer to build a tiny home or cottage-style community (400-1,500 SF) as a best practice, showcase-type of project. This potential project could be affordable or workforce housing as well, depending on the desires and direction that Mayor & Council wish to move toward.

A high-bid process is the only way for a city to legally dispose of land in its possession, unless it transfers the land through a development authority. According to city attorney staff, based on recent judicial opinions, the legality of a residential-only project is questionable.

Therefore, the likely way the city would be able to move forward with a residential development of that nature is through its Urban Redevelopment Agency (URA), which is represented by Mayor & Council.

Financial Impact

Dependent on various factors, but at current market rates, without subsidies, the property could sell for a rate of about a million per acre, or \$1.7 million.

Consistent with Comprehensive Plan?

Yes. The Comprehensive Plan for this area identifies it as Hopewell Woods, Character Area 5.

This area is envisioned as a mixed-use area with a diversity of housing types, institutional and office uses as well as limited commercial to support residents and area employees.

A development, as described in this Agenda Report, fits that vision.

Next Steps

Decide development direction.

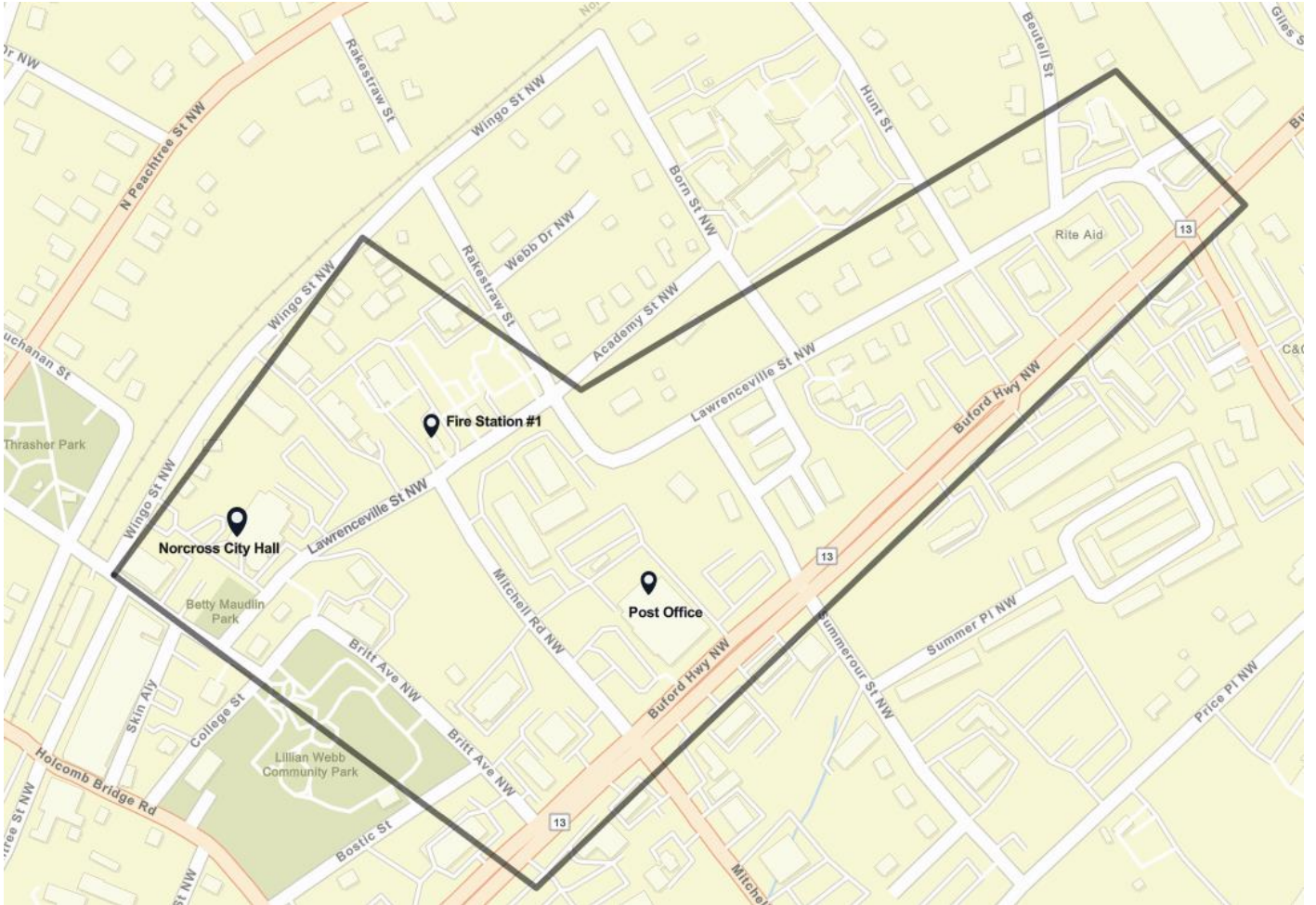
Attachments

None

Jones, Wingo, Firestation #1 – 02.21.2023

Attachment: Maps02232023 (23-6683 : City Hall Renovation/Relocation)

Lawrenceville St NW, Buford Hwy.

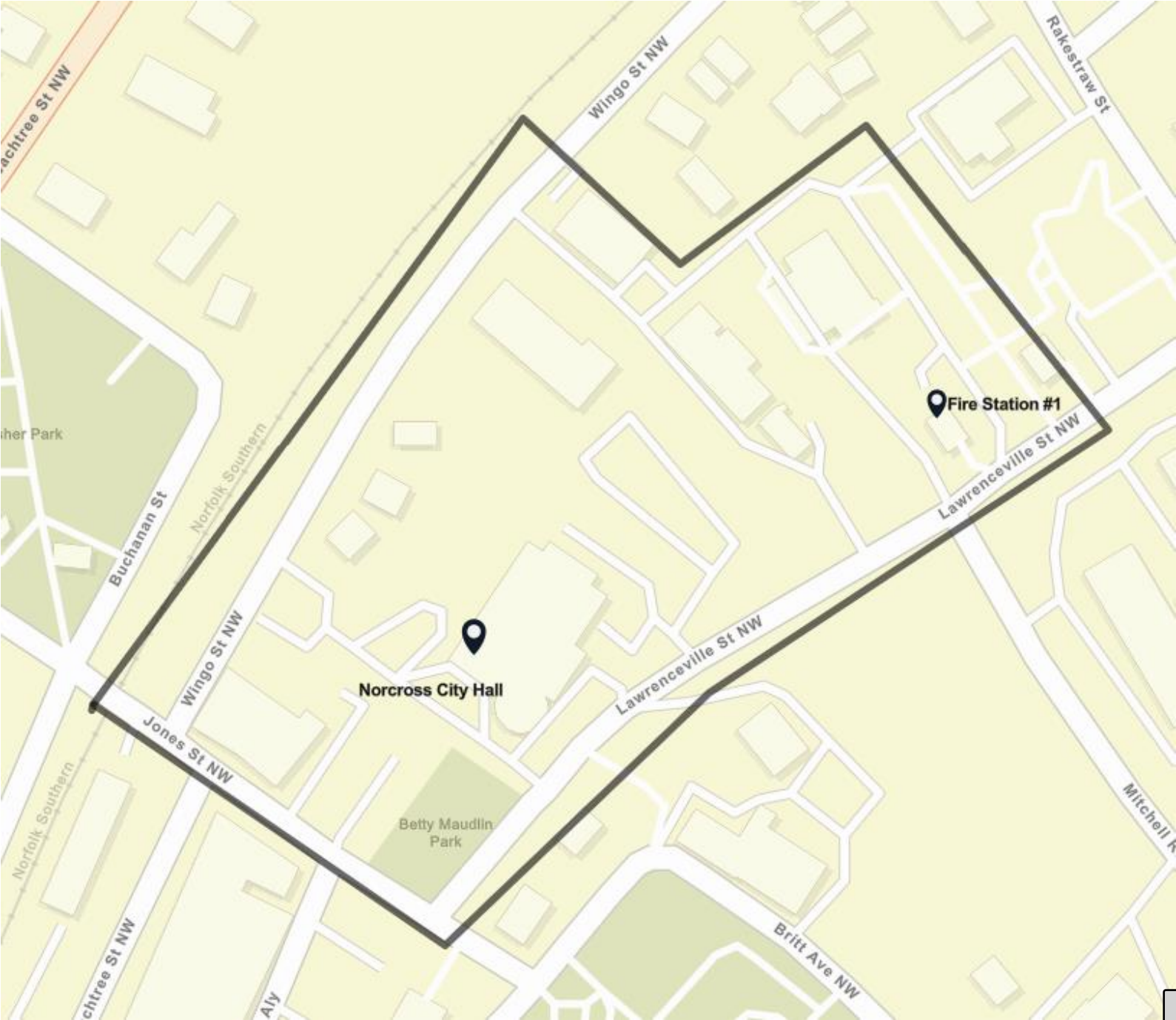


Thrasher Park, Thrasher St, Post Office (Norcross)

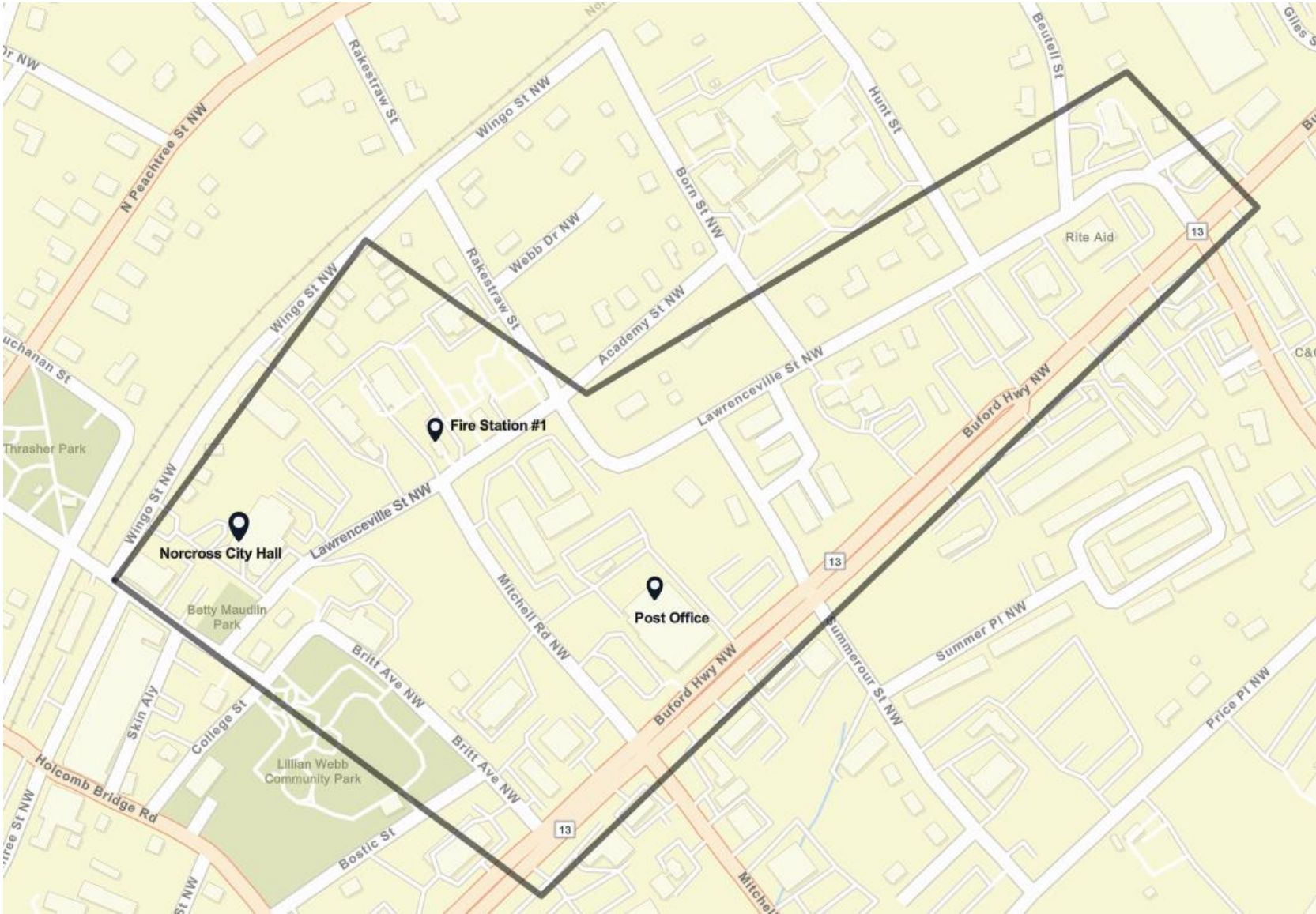


Attachment: Maps02232023 (23-6683 : City Hall Renovation/Relocation)

Jones, Wingo, Firestation #1 – 02.21.2023



Lawrenceville St NW, Buford Hwy.



Attachment: Maps02232023Landscape (23-6683 : City Hall Renovation/Relocation)

Thrasher Park, Thrasher St, Post Office (Norcross)



Attachment: Maps02232023Landscape (23-6683 : City Hall Renovation/Relocation)



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Agenda Report

To: Mayor and Council
From: Matthew Zaki, Public Works, Utilities and Parks Director
Agenda: October 17, 2022 – Policy Work Session
Agenda #: 22-6578
Item: Parking Deck update between Cotton Gin and City Hall
CC: Eric Johnson, City Manager

Recommendation

Provide an update to the latest concepts and cost estimates for the parking deck between Cotton Gin and City Hall.

Background

Council requested staff investigate the feasibility of a parking deck at the existing parking lots between the City Hall and Cotton Gin building. Staff reached out to consultants and the parking decks concepts, and the associated costs were provided.

The rendering and the associated space counts for two different concepts are as follows:

- 1) 2-Storey split-level parking deck, no ramps, accessible from City Hall on the Upper Side and from the Cotton Gin on the Lower Level, the footprint of the parking structure remained the same as the rendering completed in the 2019 parking study, except for the removal of the retail/office component and updating the parking counts. **(Concept 1)**
- 2) 2-Storey split-level parking deck, no ramps, accessible from City Hall on the Upper Side and from the Cotton Gin on the Lower Level, the footprint of the parking structure remained the same as the rendering completed in the 2019 parking study but remove the retail/office component and extend the parking structure to Lawrenceville Street and updating the parking counts. **(Concept 2)**

The existing parking lots between the city hall and the Cotton Gin are 97 parking stalls that will have to be removed to proceed with either parking deck option.

To summarize the memo, the costs below were based on the range between \$25,000 - \$35,000

Concept 1 provides 198 Parking spaces, with an estimated costs ranging between \$5.6M - \$8.3M

Concept 2 provides 142 Parking spaces, with an estimated costs ranging between \$4.1M - \$5.9M

65 LAWRENCEVILLE STREET, NORCROSS, GEORGIA 30071
(678) 421-2027 **UPSTAIRS CITY HALL** (770) 242-0824 **FAX** (770) 448-2111 **POLICE DEPARTMENT**
<http://www.norcrossga.net>

Attachment: Agenda Report - Parking Deck Update (23-6667 : Parking Deck Update Between Cotton Gin and City Hall)



MAYOR **CRAIG NEWTON** • MAYOR PRO TEM **MATT MYERS** • COUNCILMEMBER **ANDREW HIXSON** • COUNCILMEMBER **JOSH BARE**
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The costs above include additional soft costs (A&E fees, Environmental Eval,)

Financial Impact

Awaiting direction from Mayor and Council, staff will proceed with the selected option. Funding source to be determined.

Consistent with Comprehensive Plan?

Proceeding with any of the options enforces Goal 2 of the Community Vision outlined in the 2040 Norcross Comprehensive Plan: Continue to strength Norcross as a livable, inclusive, and safe Environment as well as Goal 3 to promote safe and efficient transportation for pedestrians, cyclists.

Next Steps

If approved to proceed, staff will coordinate with the consultants to proceed with the posting for an RFP for design services on the parking deck.

Attachments

- 1) Parking Deck Memo
- 2) Concept 1
- 3) Concept 2

Update

N/A

MEMO



DRAFT Norcross Parking Deck
Parking Deck Rough Estimates Memo
8/25/2022

To: Matthew Zaki, Public Works, Utilities and Parks Director, City of Norcross
 From: Deanna Murphy, Director of Planning, Sizemore Group

According to WGI, the **median** parking deck *construction cost* for 2022 in Atlanta is: **\$25,473 per space**.
 This typically includes:

- 8'-6" to 8'-9" wide parking spaces
- Precast concrete superstructure
- Precast façade with simple architecture treatment
- Glass-backed elevators and unenclosed stairs clad with exterior glass curtain wall
- Standard wayfinding and signage
- Shallow-spread footing foundations
- All above-grade construction
- Open parking structure with natural ventilation; no mechanical ventilation or fire sprinklers
- Minimal or no grade-level commercial space
- Conventional parking access and revenue control system
- Standard energy-efficient LED lighting

This is **not** inclusive of soft costs. Soft costs are estimated to be 15-20% of construction costs.
 Soft costs include:

- Land acquisition
- Architectural and engineering fees
- Environmental evaluations
- Material testing
- Special inspections
- Geotechnical borings
- Financing
- Owner administration and legal

Sizemore Group has seen current parking deck construction costs **range from \$25,000 to \$35,000** depending on site conditions and architectural facades.

Attachment: Parking Deck Memo (23-6667 : Parking Deck Update Between Cotton Gin and City Hall)

Norcross Estimates

Based on the conceptual layouts developed by Sizemore Group, overall parking deck costs are anticipated to be within the following ranges:

Concept 1: 198 parking spaces

\$5,692,500 - \$8,316,000

240' x 120' parking deck size

Construction Costs

$$198 \times \$25,000 = \$4,950,000$$

$$198 \times \$35,000 = \$6,930,000$$

Soft Costs (15-20% of construction cost)

$$\$4,950,000 \times 15\% = \$742,500$$

$$\$4,950,000 \times 20\% = \$990,000$$

$$\$6,930,000 \times 15\% = \$1,039,500$$

$$\$6,930,000 \times 20\% = \$1,386,000$$

Total Cost (construction costs + soft costs)

$$\text{Low end: } \$4,950,000 + \$742,500 = \$5,692,500$$

$$\text{High end: } \$6,930,000 + \$1,386,000 = \$8,316,000$$



Concept 2: 142 parking spaces

\$4,082,000 - \$5,964,000

120' x 180' parking deck size

Construction Costs

$$142 \times \$25,000 = \$3,550,000$$

$$142 \times \$35,000 = \$4,970,000$$

Soft Costs (15-20% of construction cost)

$$3,550,000 \times 15\% = \$532,000$$

$$3,550,000 \times 20\% = \$710,000$$

$$\$4,970,000 \times 15\% = \$745,500$$

$$\$4,970,000 \times 20\% = \$994,000$$

Total Cost (construction costs + soft costs)

$$\text{Low end: } \$3,550,000 + \$532,000 = \$4,082,000$$

$$\text{High end: } \$4,970,000 + \$994,000 = \$5,964,000$$



Increasing costs:

It is important to note that construction costs have seen incredible increases in the past few years. According to WGI, while prices will continue to increase in upcoming years, the increases won't be quite as dramatic as seen in the last year – an 8.6% increase was observed for parking deck construction costs from 2021 to 2022. These increased costs are a result of many factors, including inflation rates, material and labor shortages, productivity challenges and increases in design services and construction labor costs. It is anticipated that many of these challenges will continue to increase construction costs over the next couple of years.

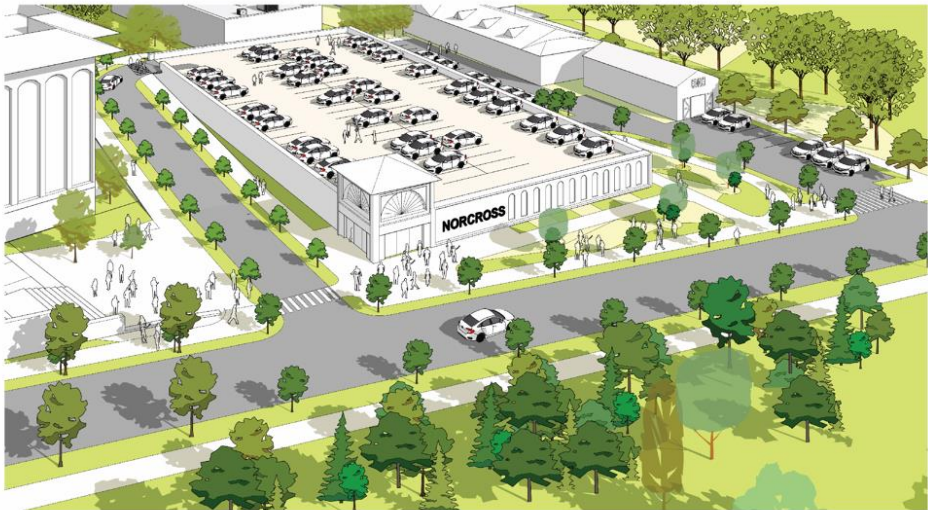
*WGI is a national parking consulting firm. They provide an annual parking structure cost outlook which was reference for this memo.

**Sizemore Group is an architecture, planning and interiors firm who works in both the public and private sectors. Institutional knowledge from experience in costing and designing parking structures was utilized in this memo.

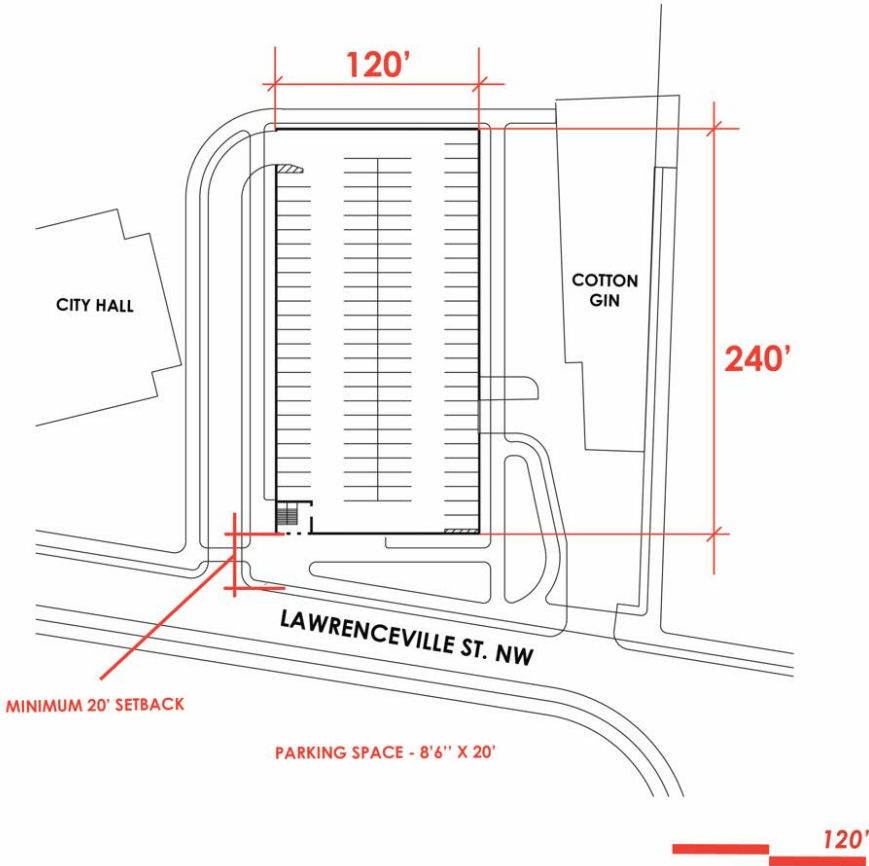
CITY OF NORCROSS
Parking Deck Rendering - Concept 1



PARKING DECK VIEW 1 - LOOKING WEST



PARKING DECK VIEW 2 - LOOKING NORTH



PARKING DECK

Ground Floor Parking = 99
Roof Parking = 99
Total Parking = 198



Attachment: Concept 1 (23-6667 : Parking Deck Update Between Cotton Gin and City Hall)

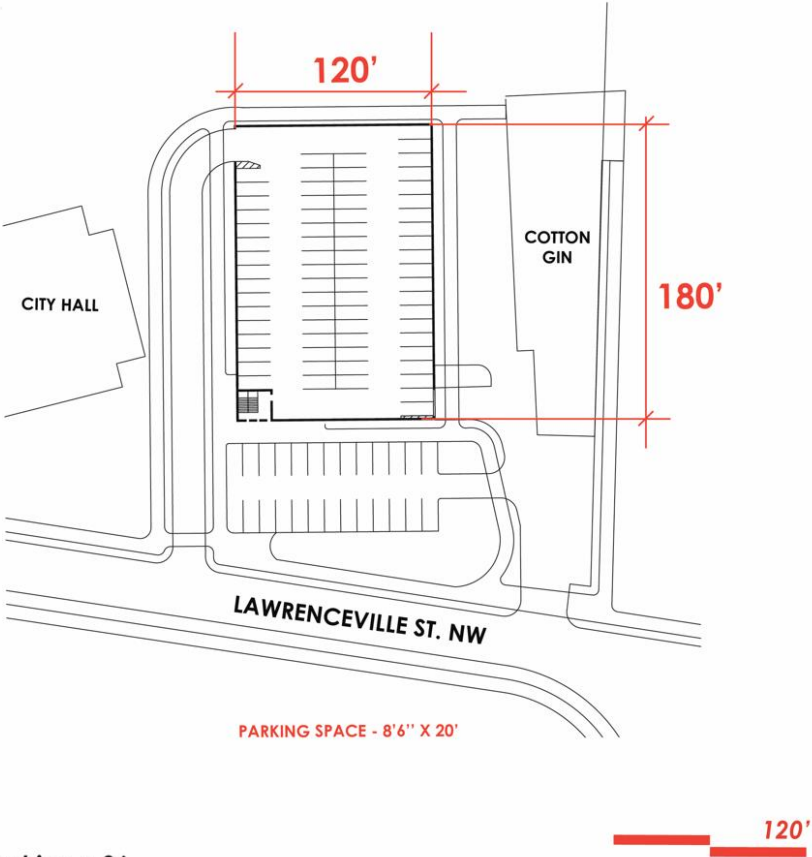
CITY OF NORCROSS
Parking Deck Rendering - Concept 2



PARKING DECK VIEW 3 - LOOKING WEST



PARKING DECK VIEW 4 - LOOKING NORTH



SURFACE
Surface Parking = 26

PARKING DECK
Ground Floor Parking = 71
Roof Parking = 71

Total Parking = 168



Economic Development Incentives

With economic impacts of the pandemic fading, they have been replaced by other types of uncertainty: rising interest rates, the potential for another market correction in 2023, and remaining supply chain disruptions.

It is not unusual for developers to seek various forms of assistance. Identifying what the City values, and what measures it is willing to employ to facilitate achieving those values, and provides a faster ability to respond to inquiries.

Having a matrix of what incentives are available and specifically what development would qualify for them allows the City to both easily validate what types of development would qualify and quickly respond to developers.

In regards to City values, they can be identified through different lenses:

- The impact on improving the non-residential proportion of the tax base;
- Supporting “target industries” (e.g., logistics, film and the arts) that are compatible with the local workforce, geography, and/or other values unique to the community such as sustainability;
- The quality of jobs that will be created – for example, will they pay above the prevailing wages/salaries for the industry;
- The number of permanent jobs that will be created; and/or
- The clients who will be served – which vary from a commercial business that will bring customers and revenue from a broader geographic area than the city, to a residential development that will address an underserved population – seniors, veterans, those with low income.

The cost of incentives can vary from nothing to a substantial City investment in infrastructure or a long-term abatement of some or all City taxes.

For example, expedited reviews, permitting and inspections has virtually no financial cost. Discounts on fees for a large development has a financial cost, but a large development may otherwise generate more fees than the cost of associated services (while smaller developments may cost more to support than the fees they pay).

Tax abatement can have the advantage of providing relief from taxes otherwise owed to another taxing authority, so while it can have a direct financial impact on the City, the value of the financial impact to the developer is greater. The net impact to the City can be reduced through a payment-in-lieu of taxes (a “PILOT”) passed back to the City while the developer retains the value of other tax savings.

There are broader versions of a public-private partnership (a “P3”) where, for example, a developer builds and maintains a structure and the City enters into a long-term (e.g., a 99-year) lease after which ownership reverts to the City.

As a utility provider, the City has the opportunity to discount the cost to a developer of installing electric infrastructure.