



# TOWN OF CHAPEL HILL

## Town Council Meeting Minutes - Draft

Town Hall  
405 Martin Luther King Jr.  
Boulevard  
Chapel Hill, NC 27514

Mayor Jessica Anderson  
Mayor pro tem Amy Ryan  
Council Member Camille Berry  
Council Member Melissa McCullough  
Council Member Paris Miller-Foushee

Council Member Theodore Nollert  
Council Member Adam Searing  
Council Member Elizabeth Sharp  
Council Member Karen Stegman

**Wednesday, February 14, 2024 6:00 PM Library Meeting Room B**

### Language Access Statement

For interpretation or translation services, call 919-969-5105.

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Para servicios de interpretación o traducción, llame al 919-969-5105.

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如需口头或  
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919-969-5105.

### In-Person Meeting Notification

Changes to meeting start time

- Meetings (business and work sessions) begin at 6 PM to potentially allow for greater community participation and meetings that end earlier.

Changes in Meeting Material content

- You'll notice streamlined reports and hyperlinks to supporting documents.
- Staff presentations will be posted after the meeting to allow more time to prepare high-quality presentations.

View the Meeting

- Public attendance is welcome, and limited to room capacity
- We will not live stream the event, but will provide the Post-Meeting Video <https://www.townofchapelhill.org/councilvideo/>
- The Town of Chapel Hill wants to know more about who participates in its programs and processes, including Town Council meetings.
- Participate in a voluntary demographic survey before viewing online or in person - <https://www.townofchapelhill.org/demosurvey>

### Parking and Entry

- Parking is available at the Library lots. The Library is served by CL Route, D Route, and GoTriangle Routes of Chapel Hill Transit
- Meeting Room B is to the right from the main entrance.
- Please do not bring signs.

### ROLL CALL

**Present:** 9 - Mayor Jessica Anderson, Mayor pro tem Amy Ryan, Council Member Camille Berry, Council Member Paris Miller-Foushee, Council Member Adam Searing, Council Member Karen Stegman, Council Member Theodore Nollert, Council Member Melissa McCullough, and Council Member Elizabeth Sharp

### OTHER ATTENDEES

Town Manager Chris Blue, Deputy Town Manager Mary Jane Nirdlinger, Deputy Town Manager Loryn Clark, Town Attorney Ann Anderson, Affordable Housing and Community Connections Director Sarah Viñas, Business Management Director Amy Oland, Planning Manager Corey Liles, Planning Director Britany Waddell, Police Officer Danny Lloyd, Affordable Housing Manager Emily Holt, Assistant Director of Business Management Matt Brinkley, Fire Administrative Services Manager Ryan Campbell, and Deputy Town Clerk Amy Harvey.

### OPENING

Mayor Jessica Anderson called the meeting to order at 6:00 p.m. and outlined the agenda. All Council Members were present.

### ANNOUNCEMENTS BY COUNCIL MEMBERS

0.01 Mayor Anderson Regarding Black History Month. [\[24-0084\]](#)

Mayor Anderson pointed out that February 2024 was Black History Month and said that opportunities to celebrate were posted on the Town's social media page.

0.02 Mayor Anderson Regarding Public Information Meetings. [\[24-0085\]](#)

Mayor Anderson announced that two public information meetings had been scheduled for February 25th: a virtual meeting regarding an affordable housing proposal for Longleaf Trace at 5:00 p.m.; and an in-person 6:00 pm meeting at the Chapel Hill Public Library regarding the design for an inclusive playground at Community Center Park.

0.03 Mayor Anderson Regarding Next Week's Work Session. [\[24-0086\]](#)

Mayor Anderson noted that a Council work session on the Town's Land Use Management Ordinance rewrite would be held at 6:00 p.m. on February 22nd at the Chapel Hill Public Library.

0.04 Mayor pro tem Ryan Regarding Future Council Committee on Economic Sustainability Meetings. [\[24-0087\]](#)

Mayor pro tem Ryan reminded the Council that there would be a Council Committee on Economic Sustainability meeting at the Public Library on February 16th from 8:00 to 10:00 a.m.

## AGENDA ITEMS

1. Update on Implementation of Town Affordable Housing Strategies and Tools and Mid-Year Progress. [\[24-0069\]](#)

Director of Affordable Housing and Community Connections Sarah Viñas gave a progress report on the Town's affordable housing (AH) programs and goals. She said that staff had been pursuing opportunities for mixed income, transit-oriented development that would be in keeping with Complete Community Framework (CCF) objectives. She discussed the Town's AH challenges and said that there was an estimated gap of 1,900 housing units for households earning less than \$50,000 per year.

Ms. Viñas pointed out that staff had developed a strong pipeline of projects but said that progress on those was constrained by inadequate funding. She noted that the Council had approved a five-year AH Plan in fall 2023. Staff's 2024 work would focus on funding AH projects, initiating the development and preservation of AH units, owning and managing housing, and creating and implementing housing policies, she said.

Affordable Housing Manager Emily Holt continued the staff's PowerPoint presentation. She pointed out that funding allocations to support local AH partners had included a \$1 million allocation from the Town. In addition, the Council had approved seed money to complement a \$5 million contribution from UNC Health toward a \$20 million AH Loan Fund (AHLF). That AHLF could support up to 600 affordable units and the Town had chosen Self Help to administer it, she said. She said that staff had been working toward closing on the first loan by the end of the calendar year, with full deployment within five years.

Ms. Holt reviewed AH Plan goals, presented a progress report on development projects on Town-owned land, and discussed the Town's Transitional Housing repairs program. She said that staff had been helping developers prepare Low Income Housing Tax Credit (LIHTC) applications for projects at Legion Road and Longleaf Trace. Projects that were in the pipeline were expected to be completed over the next five years, she said.

Ms. Holt told the Council that additional funds would be needed to successfully complete projects that were being planned for years 2027 through 2029. An important part of staff's future work would be to identify options for implementing the AH Plan's investment strategy,

which called for \$10 million each year for five years to fully implement its recommendations, she said. She presented a schedule of items that staff expected to present to the Council through the remainder of 2024.

The Council confirmed with Ms. Viñas that the estimated total AH need was \$50 million, and that staff anticipated a large portion of that coming from bond funding. They verified that staff would look into sources such as the Inflation Reduction Act for energy efficiency weatherization funds. However, the Town did not often qualify for such federal programs due to its size and number of low-income residents, Ms. Viñas said. The Council confirmed with her that staff had contemplated regional strategies for funding but that more internal capacity would be needed in order to pursue those.

Council Member Miller-Foushee and Ms. Holt discussed LIHTC qualifications and Council Member Miller-Foushee urged staff to pursue such tax credits for the Greene Tract as well. She also spoke about LIHTC reforms that would have positive implications for the Town and recommended urging US Representative Valerie Foushee to support those.

Council Member Nollert and Ms. Viñas discussed how master leasing was one tool in the Town's toolbox but not a permanent solution because such units are not affordable if the subsidy is removed. Ms. Viñas offered to provide information on a Community Home Trust partnership with the Town for master leasing six units at Glen Lennox. Council Member Nollert expressed interest in discussing dedicating portions of future revenue to a master leasing program and treating it as a perpetual benefit.

Council Member Sharp commented on possible hardships associated with having AH developments grouped together at Legion Road rather than integrated them with a more well-resourced community. Ms. Viñas pointed out that Legion Road developments would be small scale and would have market-rate housing immediately adjacent to them.

Council Member Stegman said that concerns about having too much AH in one location had been generally based on inner city experiences that would not be issues in Chapel Hill. She was a fan of master leasing, but the trade-offs made it a tool rather than a solution, she said. Council Member Berry commented that administering master leasing at Glen Lennox had included many challenges. The Town's goal was to be inclusive but having affordable and market rate homes next to each other in the same development did not always mean that, she pointed out.

Mayor Anderson said that the Town had long sought to integrate neighborhoods wherever possible. She said that Town staff had a laser-like focus on finding ways to do that and should be commended for trying to address the AH crisis in every possible way. The need was so great that the Town would not always be able to achieve its idyllic version of what integration should look like, she said.

Council Members verified with Ms. Viñas that there was approximately \$970,000 available in the Town's AH Development Reserve Fund. That money would be sufficient to resource one LIHTC project per year, but nothing more, Ms. Viñas said. The Council discussed the need for \$10 million a year, the \$20 million AHLF, and the need for \$45 million to fully fund the AH Plan. Mayor pro tem Ryan said that providing \$45 million over five years would be very challenging but that she was looking forward to discussing how to make it all happen.

Mayor Anderson thanked AH staff for always doing a truly fantastic job. She asked about the criteria that applicants use when deciding what type of AH to put in a specific area, and Ms. Holt explained that it was based on the developer's market research, site constraints, community interest, and what might transition well to surrounding areas.

This item was received as presented.

2. Council Retreat Follow-up Discussion on Capital projects. (no attachment)

[\[24-0070\]](#)

Town Manager Chris Blue introduced the continuation of a budget discussion that had begun at the Council's recent retreat. He said that staff would share general, high-level information about the Town's debt portfolio and capacity and on initial plans for a 2025 bond referendum. He pointed out that the Town's capital needs exceeded its available funding and said that planning for a 2025 bond referendum needed to begin. Staff was not currently making any recommendations at such an early stage in the process, he said, and he encouraged Council Members to discuss priorities rather than numbers.

Business Management Director Amy Oland gave a PowerPoint presentation and provided general information about the bond referendum process. She explained that General Obligation (GO) bonds required a referendum to voters. The Town's typical practice was to issue GO bonds for projects that cost more than \$1 million and have a useful life of at least 10 years, she said.

Ms. Oland said that Town department heads had identified 29 projects for funding. She said that the Town would typically issue debt for 24 of those. The remaining five projects (four Transit and one Parking) would ideally be paid out of Transit and Parking funds, she said. She provided estimated amounts and emphasized that the identified projects had not been fully vetted. Multiple factors could affect those estimated amounts, she said.

Ms. Oland outlined the Town's process for prioritizing referendum projects and said that there were existing resources to borrow \$50 million. She provided information about evaluation measures and presented a proposed timeline for a FY 2025 GO bond referendum that would result in

the first issuances in early 2026. She then presented scenarios for illustration purposes only and emphasized that staff was not currently making any recommendations regarding specific projects.

Mayor Anderson reminded Council Members that they had recently affirmed their interest in being policy focused and keeping conversations at a high level. She suggested reviewing the project evaluation criteria that staff was presenting rather than discussing specific projects at the current time.

Council Member Stegman asked about remediation money that had been set aside in the past, and Ms. Oland offered to find out if any of that remained.

Council Members mentioned Urgency, Resilience, Impact on Capacity, Community Impact, Beneficiaries, and Complete Community Framework as important factors to consider when proposing allocations. Council Member Searing stressed the importance of getting enough detail for discussions regarding public safety facilities. Council Member Miller-Foushee pointed out that a November 2024 bond referendum was urgent with regard to affordable housing as well.

Mayor Anderson said that she wanted to know about tradeoffs, and Council Member McCullough asked for information on where the Town could get multiple benefits with a single action. Council Member Sharp asked staff to provide information on the future maintenance costs of implementing something new, and Council Member Stegman asked about the possibility of a scenario in which the process could move faster.

Mayor Anderson pointed out that the Council wanted to know which projects staff thought would be absolutely critical and non-negotiable because their long-term tradeoffs would be too large. Mayor pro tem Ryan proposed that staff present a funding rubric (such as one that the Town had used for community allocations of American Rescue Plan Fund money) rather than scenarios.

In response to a question about splitting the bonds between AH and Capital projects, Ms. Oland said that doing so would be possible if the Council could agree on the total allocation in time to communicate with the public on it. She pointed out that a prior AH bond had been able to move quickly because it had been less complicated than what was currently being considered.

Mayor Anderson confirmed with Ms. Oland that funds from a November 2024 referendum would be available to use after two years. In response to a question from the Council about the future of projects removed from the list, Ms. Oland said that staff would share a sense of what future

availability might be. Council Member Nollert proposed tying that to the Town's 10-year Capital Improvement Projects list so that future Councils would have a roadmap.

Council Member Stegman confirmed that transit-related costs would be shared with the Town's Transit Partners (University of NC and Town of Carrboro). She and others proposed removing Parking Facilities from the list, since that was not as urgent as some other projects, but Council Member Berry said that she wanted to know the trade-offs before removing anything. Mayor Anderson also expressed reluctance to remove any projects until she had a better understanding of the complete picture.

Mayor Anderson emphasized the Council's interest in hearing from staff on what was important from the operations side. She and Mayor pro tem Ryan discussed the value of seeing a matrix that would show how individual projects weighed against Town criteria.

This item was received as presented.

#### **ADJOURMENT**

This meeting adjourned at 7:49 p.m.