



# TOWN OF CHAPEL HILL

## Town Council

### Meeting Minutes - Draft

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

Mayor Pam Hemminger  
Mayor pro tem Karen Stegman  
Council Member Jessica Anderson  
Council Member Camille Berry  
Council Member Tai Huynh

Council Member Paris Miller-Foushee  
Council Member Michael Parker  
Council Member Amy Ryan  
Council Member Adam Searing

**Wednesday, May 24, 2023**      **7:00 PM**      **RM 110 | Council Chamber**

#### 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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919-969-5105.

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#### In-Person Meeting Notification

View the Meeting

- View and participate in the Council Chamber.
- Live stream the meeting - <https://chapelhill.legistar.com/Calendar.aspx>
- View on cable television channel at Chapel Hill Gov-TV ([townofchapelhill.org/GovTV](http://townofchapelhill.org/GovTV))
- 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

- Parking is available at Town Hall lots and the lot at Stephens Street and Martin Luther King Jr. Boulevard.
- See <http://www.parkonthehill.com> for other public lots on Rosemary Street
- Town Hall is served by NS route and T route, and GoTriangle Routes of Chapel Hill Transit.

Entry and COVID-19 Protocols

- Entrance on the ground floor.
- Visitors and employees will self-screen. Do not enter if you have these symptoms: Fever, chills, cough, sore throat, shortness of breath, loss of taste or smell, headache, muscle pain

#### Speakers

- Sign up with the Town Clerk to speak at the meeting.
- If more than 14 people sign up for an item, Council will reduce time from 3 min. to 2 min./person. The maximum number of people who can speak on one topic is 45.
- Please do not bring signs.

#### ROLL CALL

**Present:** 8 - Mayor Pam Hemminger, Mayor pro tem Karen Stegman, Council Member Jessica Anderson, Council Member Camille Berry, Council Member Paris Miller-Foushee, Council Member Tai Huynh, Council Member Amy Ryan, and Council Member Adam Searing

**Absent:** 1 - Council Member Michael Parker

#### OTHER ATTENDEES

Interim Town Manager Chris Blue, Deputy Town Manager Mary Jane Nirdlinger, Deputy Town Manager Loryn Clark, Town Attorney Ann Anderson, Assistant Planning Director Judy Johnson, Planning Manager Corey Liles, Senior Planner Tas Lagoo, Principal Planner of Historic Preservation Anya Grahn-Federmack, Transportation Planner Josh Mayo, Business Management Director Amy Oland, Senior Planner Katherine Shor, Manager of Engineering and Infrastructure Chris Roberts, Planning Director Britany Waddell, Library Director Susan Brown, Police Chief Celisa Lehew, Emergency Management Coordinator Kelly Drayton, Human Resources Director Cliff Turner, Fire Chief Vince Harris, Assistant Business Management Director Matthew Brinkley, Affordable Housing and Community Connections Director Sarah Viñas, Senior Project Manager Sarah Poulton, Community Relations Manager Shay Stevens, Fire Marshal Chris Kearns, Police Officer Bell, Assistant Town Clerk Brenton Hodge, and Deputy Town Clerk Amy Harvey.

#### OPENING

Mayor Hemminger called the meeting to order at 7:00 p.m. and reviewed the agenda. Council Member Huynh arrived at 7:01 p.m. Council Members Anderson and Stegman arrived at 7:02 p.m., and Council Member Parker was absent due to illness. Mayor Hemminger commented on the overflow crowd of attendees and explained the rules for participation.

0.01 Proclamation: Public Works Week.

[\[23-0474\]](#)

Council Member Miller-Foushee read a proclamation that declared May 21-27, 2023, to be Public Works Week in Chapel Hill and thanked the Town's Public Works staff for their contributions to public health and quality of life. Manager of Stormwater and Infrastructure Chris Roberts accepted the proclamation on behalf of the Public Works Department.

**0.02 Proclamation: Period Poverty Week.**[\[23-0475\]](#)

Council Member Berry read a proclamation that declared May 22-28, 2023, to be Period Poverty Awareness Week in Chapel Hill. The proclamation pointed out that one in five women struggle to afford menstrual supplies and said that the Diaper Bank of North Carolina and other organizations had created programs to distribute those products through various channels. The proclamation encouraged residents to donate generously to organizations and drives that collect and distribute period supplies.

**0.03 Proclamation: Asian-American and Pacific Islander Heritage Month.**[\[23-0476\]](#)

Council Member Huynh read a proclamation that declared May 2023 to be Asian-American and Pacific Islander (AAPI) Heritage Month in Chapel Hill and encouraged everyone to recognize the contributions that AAPI residents had made to the community and nation. The proclamation also expressed solidarity with the AAPI community in the face of anti-Asian hate crimes and encouraged residents to turn grief and injustice into activism, inclusion and joy.

**0.04 Proclamation: National Tap Dance Day and Gene Medler Day.**[\[23-0477\]](#)

Council Member Ryan read a proclamation that declared May 25, 2023, to be National Tap Dance Day in Chapel Hill and encourage everyone to learn about percussive dance forms such as rhythm tap. She read that Mr. Medler, who had founded the NC Youth Tap Ensemble in 1983, had received many awards and honors, including the prestigious Jubba Award in 2010.

Council Member Ryan said that the Town was proclaiming "Gene Medler Day in Chapel Hill" as well. That day would be a time to express appreciation for his teaching, mentorship and artistry, which had positively impacted thousands of people in Chapel Hill and beyond, she said.

Mr. Medler accepted the proclamation, accompanied by nine dancers from the NC Youth Tap Ensemble.

**ANNOUNCEMENTS BY COUNCIL MEMBERS****0.05 Mayor Hemminger Regarding Update from State Legislature.**[\[23-0478\]](#)

Mayor Hemminger told the Council that the NC Senate had been moving on a bill that would remove municipal zoning authority over extraterritorial jurisdictions. However, changes had been made that would allow larger municipalities to maintain that authority, she pointed out. She said that

the bill would move to the Finance and Rules Committee before going to the Senate floor for a vote.

**0.06 Mayor Hemminger Regarding Downtown Mobility Plan Reveal.**[\[23-0479\]](#)

Mayor Hemminger announced that the Town would be hosting a "big reveal" for the Downtown Mobility Plan at 5:30 p.m. on May 25, 2023, at 307 West Franklin Street.

**0.07 Mayor Hemminger Regarding Memorial Day Events.**[\[23-0480\]](#)

Mayor Hemminger pointed out that several Memorial Day events had been planned, including an annual program at the Veterans Memorial that would include local advocacy groups, such as Moms Against Gun Violence.

**0.08 Mayor Hemminger Regarding Gun Violence Awareness Rally.**[\[23-0481\]](#)

Mayor Hemminger said that the Town's annual Gun Violence Awareness Rally would be held at the Peace and Justice Plaza on June 2, 2023. She encouraged participants to wear the color orange in support of sensible gun laws.

**0.09 Mayor Hemminger Regarding Start of Pride Month and Pride Promenade.**[\[23-0482\]](#)

Mayor Hemminger said that Pride Month would begin on June 3, 2023, with a Second Annual Pride Promenade from 2:00 to 4:00 p.m. that would extend from Peace and Justice Plaza to 140 West Plaza. A special art exhibit and other festivities would be part of that celebration, she pointed out.

**0.10 Mayor Hemminger Regarding Future Council Meetings.**[\[23-0483\]](#)

Mayor Hemminger pointed out that the Council Committee on Economic Sustainability would meet at 8:00 a.m. on June 2, 2023, at the Chapel Hill Public Library.

**0.14 Mayor Hemminger Regarding New Weaver's Grove Project.**[\[23-0484\]](#)

Mayor Hemminger said that a ribbon-cutting ceremony for Weaver's Grove had been held on the prior Saturday. Habitat for Humanity had given the Town an award for its investment in that development, which would provide more than 100 new affordable homes in the community, she said.

**PUBLIC COMMENT FOR ITEMS NOT ON PRINTED AGENDA AND PETITIONS FROM THE PUBLIC AND COUNCIL MEMBERS**

Petitions and other similar requests submitted by the public, whether written or oral, are heard at the beginning of each regular meeting. Except in the case of urgency and unanimous vote of the Council members present, petitions will not be acted upon at the time presented. After receiving a petition, the Council shall, by simple motion, dispose of it as follows: consideration at a future regular Council meeting; referral to another board or committee for study and report; referral to the Town Manager for investigation and report; receive for information. See the Status of Petitions to Council webpage to track the petition. Receiving or referring of a petition does not constitute approval, agreement, or consent.

0.11 David Adams Requests True Community Park on American Legion Property. [\[23-0485\]](#)

David Adams, a Chapel Hill resident representing more than 1,000 petitioners, urged the Council to create a community park on the entire American Legion property. He disagreed with aspects of a recent report about stormwater and said that a thorough hydrology study should be done before any decision was made about removing a dam and pond.

This item was received as presented.

0.12 Tanvi Gaur and Maya Vizueté Request Collaboration with Town on Increasing Abortion Access. [\[23-0486\]](#)

Tanvi Gaur and Maya Vizueté spoke on behalf of NC Teens for Abortion Access, a non-profit, student-led organization, which they helped found, that promoted safe and accessible abortions for all women in NC. They said that they hoped to increase their impact and engagement through collaborating with the Town and they suggested several ways to do so.

This item was received as presented.

0.13 Bill Brashear Regarding Legion Park Dam. [\[23-0487\]](#)

Bill Brashear, a Chapel Hill resident, said that the Legion Road pond and dam served as a retention area for the properties below it. He pointed out that volunteers had made a lot of progress with rehabilitating the land in that area.

This item was received as presented.

## CONSENT

Items of a routine nature will be placed on the Consent Agenda to be voted on in a block. Any item may be removed from the Consent Agenda by request of the Mayor or any Council Member.

### *Approval of the Consent Agenda*

A motion was made by Council Member Anderson, seconded by Council Member

Berry, that R-1 be adopted, which approved the Consent Agenda. The motion carried by a unanimous vote.

1. Approve all Consent Agenda Items. [\[23-0443\]](#)  
This resolution(s) and/or ordinance(s) was adopted and/or enacted.
2. Approve Amending the HOME Investment Partnership American Rescue Plan Allocation Plan. [\[23-0444\]](#)  
This resolution(s) and/or ordinance(s) was adopted and/or enacted.
3. Award a Bid and Authorize the Town Manager to Execute a Contract for the Resurfacing and Construction of the Three Tennis Courts at Hargraves Park. [\[23-0445\]](#)  
This resolution(s) and/or ordinance(s) was adopted and/or enacted.
4. Amend Chapter 21-13 of the Town Code of Ordinances to Include an All-Way Stop at the Intersection of Henderson Street and North Street. [\[23-0446\]](#)  
This resolution(s) and/or ordinance(s) was adopted and/or enacted.
5. Approve the Amended Charter Resolution of Central Pines Regional Council (Formerly Triangle J Council of Governments). [\[23-0447\]](#)  
This resolution(s) and/or ordinance(s) was adopted and/or enacted.
6. Authorize the Mayor to Execute a Comprehensive Participation Agreement, A Component of the Orange County Transit Governance Interlocal Agreement. [\[23-0448\]](#)  
This resolution(s) and/or ordinance(s) was adopted and/or enacted.
7. Authorize the Mayor to Execute a Revised Memorandum of Understanding for the Orange County Partnership to End Homelessness. [\[23-0449\]](#)  
This resolution(s) and/or ordinance(s) was adopted and/or enacted.
8. Approve a Source of Income Protections Policy for Town-Supported Residential Developments. [\[23-0450\]](#)  
This resolution(s) and/or ordinance(s) was adopted and/or enacted.
9. Authorize the Town Manager to Seek an Affordable Housing Partner for the American Legion Property and Begin Negotiating an Agreement under which the Parties would Prepare a

Proposed Development Project.

This resolution(s) and/or ordinance(s) was adopted and/or enacted.

10. Amend the 2022-23 Council Calendar. [\[23-0452\]](#)

This resolution(s) and/or ordinance(s) was adopted and/or enacted.

11. Continue the Legislative Hearing and Defer Considering the South Creek Conditional Zoning Application to June 7, 2023. [\[23-0453\]](#)

This resolution(s) and/or ordinance(s) was adopted and/or enacted.

12. Defer the Legislative Hearing to Amend the Chapel Hill Zoning Atlas for the Chapel Hill Crossings Conditional Zoning Application. [\[23-0454\]](#)

Mayor Hemminger pointed out that the revised resolution called for a public hearing on June 7, 2023.

This resolution(s) and/or ordinance(s) was adopted and/or enacted as amended.

13. Adopt Minutes from February 15, and 22, 2023 and March 8, and 15, 2023 Meetings. [\[23-0455\]](#)

This resolution(s) and/or ordinance(s) was adopted and/or enacted.

#### INFORMATION

14. Receive Upcoming Public Hearing Items and Petition Status List. [\[23-0456\]](#)

This item was received as presented.

#### DISCUSSION

15. Open the Public Hearing: Recommended Budget for FY 2023-2024. [\[23-0457\]](#)

Interim Town Manager Chris Blue presented the highlights of his recommended FY 2023-2024 Town budget, which totaled \$143,696,978 and proposed a property tax rate of 57.2 cents, which would represent a 5-cent tax increase. He pointed out that there had been no significant Town tax rate increase since 2008, but the cost of doing the Town's business had significantly increased over that time. The proposed budget prioritized Town employees and core services and would enable the Town to catch up on its backlog and begin to address Council goals, he said.

Mr. Blue said that the Transit Fund had increased by 2.2 percent and was

stable. The Parking fund had decreased by 0.5 percent but had been balanced with money from the Debt Service Fund and would be stable once the Rosemary Deck was up and running, he said. He reported that the Stormwater Fund had increased by 1.6 percent and was stable but might require additional funding in the future. The Housing Fund was up 7 percent due to increases in federal contributions and rent revenue, he said.

Mr. Blue presented a chart that showed the impact a 5-cent increase would have on citizens' tax bills. For example, a property valued at \$150,000 would pay an additional \$75 annually while a \$10 million property would pay \$5,000, according to the chart. Mr. Blue pointed out that those would amount to increases of \$6.25 and \$416.67, respectively, when calculated monthly. He discussed how the increase would affect Town priorities, such as staffing, operations, facilities, fleet, parks, fire, affordable housing and greenways. It would provide the resources to kick-start many of Council's commitments regarding Complete Communities, he said.

Mr. Blue told the Council that staff had been gathering information from Orange County regarding its tax relief program for people on limited or fixed incomes. He expressed confidence that the Town would be able to collaborate with them on that program, and he proposed setting \$100,000 aside for doing so. Mr. Blue proposed that he bring the recommended budget back for adoption on June 7, 2023.

Laura Wells, representing the Orange County Affordable Housing Coalition, thanked the Council for committing to making Chapel Hill a place where everyone could live and thrive. The Coalition strongly urged raising the penny for affordable housing to two cents, she said, and she explained why that increase was needed.

Captain Ricky Cherry, president of the Chapel Hill Firefighters Association, said that a 5-cent tax rate increase would be a step in the right direction. He discussed the Fire Department's aging buildings and equipment and said that its staffing level was dangerously low. Town salaries and benefits had fallen behind its peers and that had made it more difficult to recruit and retain staff, he said.

Daniele Berman, representing Community Home Trust (CHT), thanked the Town for investing in CHT and the community and read additional expressions of gratitude from homeowners.

Council Member Searing characterized the recommended budget as not yet responsible and not focused on true Town needs, but other Council members disagreed with that assessment.

Council Member Berry described Fire Department shortages that she had seen and said that a 5-cent tax increase would not be irresponsible.

Council Member Anderson pointed out that the Council had not raised taxes during the pandemic because doing so would have had harmful effects on residents and businesses.

Council Member Ryan said that the Town spent money carefully and its budgets reflected Town values.

Mayor Hemminger said that she was "not thrilled" with the tax increase, but she pointed out how the Town had suffered through staffing shortages during the COVID-19 pandemic.

The public hearing was closed. Council will consider the ordinance on June 7, 2023.

#### LAND USE MANAGEMENT TEXT AMENDMENT(S)

- 16.** Open the Legislative Hearing: Land Use Management Ordinance Text Amendment- Articles 1, 3, 4, 5, 6, and 7 and Appendix A Regarding Housing Regulations and Housing Choices for a Complete Community.

[\[23-0458\]](#)

Principal Planner Anya Grahn-Federmack said that zoning alone could not fix housing shortages, but the proposed Land Use Management Ordinance (LUMO) text amendment (TA) could help by diversifying housing types, increasing housing production, encouraging compatible infill, and promoting gentle density. To that end, staff had held nine public meetings and thirteen neighborhood meetings and had conducted digital outreach, she said.

Ms. Grahn-Federmack reviewed changes that staff had made to the proposed TA since January 2023 based on community feedback. She presented maps that showed proposed locations for the new uses. She said that two-family developments would be permitted in all Residential districts and that single-family and cottage uses would be permitted starting in Residential-1. There would be no change in where three- and four-family attached or detached homes could be located, she said.

Ms. Grahn-Federmack noted that the proposed TA would allow administrative approval for smaller, multi-family developments of up to four units in zones that already allow three to seven units. It would impose dimensional standards to ensure that new development is compatible with existing neighborhoods, she said.

Ms. Grahn-Federmack pointed out that the TA would not make single-family houses non-conforming, or prohibit single-family

development, or eliminate single-family residential zoning. It would not supersede restrictive covenants or entitlements, would not guarantee income-restricted affordable housing, and would not prevent student rentals, she said.

Ms. Grahn-Federmack said that staff was not proposing any amendments to Neighborhood Conservation Districts (NCDs) but had added language that would allow new uses. She recommended that the Council open the legislative hearing, receive public comment, and continue the hearing to June 21, 2023, for possible action.

Mayor Hemminger mentioned that two bills regarding accessory dwelling units (HB 409 and SB 374) were currently before the NC General Assembly. If passed, those bills would mandate changes that would supersede Town regulations, she said. She summarized the proposed changes and said that the Town's lobbyists believed that some version would pass.

The Council confirmed with staff that related initiatives, such as a pre-approved design book, might be completed in about six months and would trigger the TA's effective date when complete. They confirmed that the allowable size for an accessory apartment would increase from 750 to 1,000 square feet but the size of duplexes would not change. They ascertained that staff was investigating whether state law allowed the Town to set tree canopy standards in Residential-1 districts.

Council Member Searing asked if staff was aware that a similar initiative in Gainesville, Florida was being repealed, and Senior Planner Tas Lagoo replied that Gainesville's proposed changes were drastically different from what Chapel Hill was proposing.

Council Member Ryan asked for more clarity on the Noell Consulting Group's conclusions, and Mr. Lagoo agreed to provide that before the next public hearing.

Council Member Huynh asked about potential changes regarding places of worship, and Ms. Grahn-Federmack said that those explorations needed more time. He also confirmed with her that the Town had applied to LLC Capstone Challenge Series for help with the design book and was waiting to learn if it had been accepted.

Mayor Hemminger mentioned a Historic District Commission concern about tearing down houses to build duplexes and asked if there was a way to prevent that. Ms. Grahn-Federmack pointed out that the state did allow demolition but said that staff could look into adding guardrails if the Council was interested. Mayor Hemminger also confirmed with staff that four cars would be allowed for duplexes and that there was no current regulation regarding single-family homes.

Forty-two members of the public commented on the item. The following

28 expressed support:

Kathy Kaufman, representing the Orange-Chatham group of the Sierra Club, said that their policy supported the TA, which would lessen the Town's carbon imprint, build climate resilience, and promote housing equity.

Aaron Nelson, representing the Chamber for a Greater Chapel Hill and Carrboro, said that the Chamber strongly supported the TA. He pointed out that 43,000 people drive into Town every morning. Housing prices and lack of accessibility were the primary reasons why local businesses were struggling to recruit and retain employees, he said.

Chapel Hill residents Martin Johnson, Laura Wells, Maria Palmer, Erin Bergstrom, JD Xerri, Patrick Hemming, Dan Levine, Mei-Yen Ireland, Carolyn Klamm, John Wallace, Lauren Rosenfeld, Margaret Olsen, Courtney Sears and Mark Foskey all expressed support for the TA and its goal of making the Town a more equitable community in which people from all backgrounds could live and prosper.

Chapel Hill resident Kristie Mather talked about the need to reduce carbon emissions by limiting sprawl. Jasmine Davidson, Director of Environmental Affairs with UNC Graduate and Professional Student Government (but speaking only for herself), pointed out that long commutes were harmful to individuals and the environment.

Tyler Curtain, an English professor at UNC-CH, Michael Beauregard, a UNC-CH graduate student, and Clarke Martin, a local attorney, shared personal struggles that they or their colleagues had experienced when trying to find affordable housing in Town. Chapel Hill residents Christian Matthaues, Abby Parcell, David Anderson and Anne Gordon shared personal stories about their current neighborhoods and expressed support for the TA.

Sue Hunter, Housing Advisory Board chair (but speaking only for herself), said that she wanted more options for creating housing on her own property. Chapel Hill resident Stephen Whitlow said that the modest step would not solve every housing problem, but the TA could build upon it and be improved in the future. Chapel Hill Resident Theodore Nollert said that the TA, though less ambitious than its previous version, would help more people than it would harm.

The following 13 people spoke against the TA:

Sean Murphy, chair of Historic District Commission (HDC), read a statement regarding the HDC's unanimous vote to recommend that the TAs not be applied in their current form to historic districts. Tom Heffner, representing Preservation Chapel Hill, said that allowing multi-unit housing types in historic neighborhoods would irrevocably compromise their unique character and negatively impact property values and quality

of life.

Chapel Hill resident Naomi Slifkin said that increased quantity did not lead to affordability and diversity. Ken Brooks said he did not think the TA would achieve its stated goals and he urged the Town to not try to be all things to all people.

David Adams, a savechapelhill.org supporter, said that there had not been adequate time for public review of the changes. Edward Marshall, a Safe and Affordable Housing Coalition for Chapel Hill leader, said that the Coalition did support more low-income housing but not at the expense of single-family neighborhoods.

Chapel Hill resident Don Liner critiqued the results of what he said was a "flawed" Town-commissioned study regarding duplexes. Residents Robin Langdon, Ann Hatley and Stephanie Greenberg expressed concern about unintended consequences and asked for a plan to mitigate any that might occur. Resident Norm Rosen said that he agreed with the Council's goal but wanted guardrails in place that would protect existing neighborhoods from drastic change.

Chapel Hill resident Susan Smith requested that Town planners and Council Members take more time to figure out a more balanced and equitable solution. The current proposal was not sensitive and site specific enough, she said. Resident Breckany Eckhardt questioned the Council's decisions on various issues and said that the Town had been destroying existing affordable units and replacing them with luxury apartments.

One person, Ronni Booth, who works on change management at UNC Health, said that she was neither for nor against the TA but hoped that the Town would progress with a phased approach that would bring every part of the community together.

Several Council members pointed out that the proposed TA was intended to provide more housing but was not an affordable housing strategy. Some shared personal information about their own experiences with housing. In addition to addressing the need for more housing, the Council was trying to mitigate damage done by past discriminatory practices, they pointed out.

The Mayor and Council said that they supported having a design book with pre-approved standards. Some Council members asked for further clarification on the economic analysis as well as additional study regarding guardrails that could be put in place. Council Members Anderson and Ryan expressed interest in looking at mitigations for historic structures.

Council Member Ryan asked staff to look at increasing some of the canopy standards and said that she wanted to better understand the Noell

Consulting report. She emphasized that the Council, not developers, should be driving the process in order to ensure that the Town incentivizes multipurpose housing, not just student housing.

Mayor pro tem Stegman proposed moving forward and making changes along the way, and Council Member Ryan suggested setting the effective date for some time after the guardrails had been put in place. Planning Director Britany Waddell said that the TA would be executed in a phased approach that would include a public dashboard and status reports to the Council. Certificates of Appropriateness from the Historic District Commission would be required if someone wanted to tear down and rebuild a historic structure, she pointed out.

Council Member Searing said that he was against the TA, which he characterized as "terrible public policy". He said that a number of large neighborhoods with restrictive covenants, and others that could afford to hire attorneys, would be exempt. In the end, only older homes in historic districts close to the University or those in more modest neighborhoods would be affected, he said.

Council Member Miller-Foushee pointed out that the Northside Neighborhood Conservation District, where she lived, did allow duplexes and would soon be welcoming four new families. Council Members wanted to work with local developers who were invested in the community and the Council would make its vision clear to them, she said.

Council Members Searing and Huynh both cited an Urban Institute report, but they interpreted the conclusions differently. Council Member Searing said that the study had found no effect from such initiatives on housing supply and affordability for mid- and low-income residents and only a slight increase in supply for high-income residents. Council Member Huynh said that the lead researcher had stated that the study and the broader data had demonstrated that up-zoning was not a miracle solution but could be one tool for increasing housing affordability.

Mayor Hemminger expressed appreciation to staff for accomplishing so much despite public fear and communication challenges. She liked the proposed parking regulations and would be looking to see other revisions, she said. She stated that the fact that some neighborhoods would be exempt did not mean that the Town should not act on its values and change the dynamic of more than 40,000 people driving cars into Chapel Hill for work each day.

A motion was made by Council Member Berry, seconded by Council Member Anderson, that the Council continued the Legislative Hearing to June 21, 2023. The motion carried by a unanimous vote.

### ZONING ATLAS AMENDMENT(S)

Zoning Atlas Amendment: The Zoning Atlas Amendment, to change the zoning designation on this property, is Legislative. The Council receives and considers public comment on the merits of the proposed rezoning, including opinions, when making Legislative decisions.

### 17. Close the Legislative Hearing and Consider a Conditional Zoning Application for UNC Health Eastowne. [\[23-0459\]](#)

Mr. Lagoo provided background and recent additional information on the Conditional Zoning (CZ) application for UNC Health's Eastowne project. He said that UNC Health had recently agreed to only build a parking structure on an environmentally sensitive 20-acre portion of the site (known as N 20) if parking at that point in the future was at 80 percent during peak hours. Additionally, he pointed out that the Town could authorize additional RCD encroachment elsewhere, if the applicant were willing to preserve more of the N 20 by moving its parking structure farther south.

Mr. Lagoo reviewed the applicant's offer to provide \$5 million toward a revolving affordable housing (AH) loan fund with a 20-year term and 0% interest. Staff anticipated that such a fund could facilitate the production of 500 to 1,000 affordable units over 20 years, he said. He discussed recent improvements to UNC Health's EV parking plans and said that they had committed to meeting either state energy codes or being 20 percent above 2016 ASHRAE standards, whichever was more stringent.

If the Council approved the CZ request, UNC Health expected to apply for its first permit within five years, Mr. Lagoo said. He pointed out that the Town's ordinance would require them to improve a pedestrian crossing a US 15-501, subject to NC Department of Transportation approval. He recommended that the Council close the legislative hearing and consider adopting Resolution-13 and enacting Ordinance-2, for approval.

Simon George, vice president for Real Estate at UNC Health, repeated what Mr. Lagoo had said, emphasizing that UNC Health was agreeing to build future parking on the N20 only if it was needed. He said that UNC Health was committed to placing a minimum of 10 of the N 20 acres into perpetual preservation. However, there was an agreed-upon stipulation for an easement to come across that land if a future road became necessary, he pointed out.

Mr. George pointed out that the terms of UNC Health's offer to provide a \$5 million zero percent interest AH loan for 10 years had been changed to include a 10-year extension. He said that the opportunity cost of that to UNC Health was more than \$11 million, and he emphasized that UNC Health provided tens of millions of unreimbursed healthcare to Chapel Hill residents as well.

Council Member Searing said that he was bothered by how the AH

proposal seemed to be predicated upon an approval that included a parking deck in the N20. All non-profit hospitals were required to do a certain amount of community benefits and the IRS allowed housing to be one of those, he said.

Council Member Ryan said that the applicant had been speaking in generalizations ("we'll try to" or "we agree to talk about") rather than making hard guarantees. With regard to the proposed 10 acres of preserved land, she wanted to see the specific area, she said. She confirmed with the applicant team that a parking deck on the N20 would be required if parking use remained the same as it currently was over the 25-year build-out.

Council Member Ryan said that there would be new standards that would supersede ASHRAE in 20 years and that she wanted to see that more specifically laid out. She asked to add terms that would prevent parking counts from including cars that were parked at Eastowne while their occupants shuttled to UNC's main campus. If other Council Members decided to allow the applicant to build on the N20, then she wanted the building to be pushed as far toward US 15-501 as possible, she said. She also requested that an environmental impact analysis be a required part of the approval process.

Mayor pro tem Stegman confirmed with Mr. George that UNC Health had not offered a payment in lieu (PIL) for taxes because it had offered \$5 million for AH. She asked about reducing the AH contribution to \$4.9 million and providing a \$100,000 PIL per year, but Mr. George replied that it would be unacceptable. When asked if any number would be acceptable, he said that reducing the AH contribution to \$3 million and paying \$30,000 annually per building would. The Council confirmed with Mr. George that UNC Health currently paid a total of \$414,000 in taxes per year for Eastowne. Of that total, \$150,000 went to the Town, he said.

Council Members asked about making parking decks taller in order to eliminate the need for parking on the N20, but the applicant team said that having to navigate so many levels would be difficult for patients. The Council asked about putting employee parking under buildings, but Mr. George said that would be cost prohibitive. Council Member Huynh suggested putting the staff parking at the top levels of the decks, but Mr. George said that the sheer number of cars would create too much congestion. Council Member Huynh commented that staff would be coming and going at specific times of the day, but the applicant team replied that patients come in at those times as well.

Council Member Anderson asked about possible opportunities to buy a parcel in the surrounding area rather than building on the N20, and Mr. George described difficulties that UNC Health had encountered when looking into land swaps. She asked why the applicant would not just buy land, and he replied that they already had it.

Council Member Anderson asked if UNC Health would include a stipulation saying that it would change the parking ratio if a use changed. Mr. George replied that he would not be comfortable with doing that, adding that UNC Health would only build the parking that it needed at a particular time.

Mayor Hemminger ascertained from the applicant team that building a parking deck on the N20 would probably cost up to \$40 million at the current time and that cost would likely double in 20 years. She pointed out that \$80 million probably could buy a different parcel.

Mr. Nelson said that the Chamber strongly supported the project, which would provide high-wage jobs in an industry that improves the quality of life and brings employment to the places where the Town wants it. No one would be working harder than UNC Health to find a way to not have to spend \$30 million, he said.

Several Council Members encouraged the applicant to find a better solution than putting a parking deck on the N20 heritage site, due to its environmental sensitivity. They also asked for a PIL for taxes to help pay for Town services. They confirmed with staff that UNC Health, as a state agency, could build on the N20 without permits from the Town. Town Attorney Ann Anderson said that there was much that UNC Health could build there by right but that the extent to which a parking deck was a building was somewhat ambiguous.

Mayor Hemminger pointed out that the applicant team could ask the Council to delay its vote since one Council Member was absent. She encouraged them to do so and then return after working more with staff regarding the parking deck and the PIL for taxes.

Mr. George opted to have the Council vote at the current meeting, and Mayor Hemminger confirmed with Attorney Anderson that the Council could move to continue the hearing and let the applicant decide whether or not to return. After some further discussion, the Council voted (7-1) to continue the hearing to June 21, 2023, with Council Member Ryan voting no.

A motion was made by Council Member Anderson, seconded by Council Member Huynh, that the Council continue the Legislative Hearing to June 21, 2023. The motion carried by the following vote:

**Aye:** 7 - Mayor Hemminger, Mayor pro tem Stegman, Council Member Anderson, Council Member Berry, Council Member Miller-Foushee, Council Member Huynh, and Council Member Searing



**Nay:** 1 - Council Member Ryan

**Absent:** 1 - Council Member Parker

18. Close the Legislative Hearing and Consider a Conditional Zoning Application for Barbee Chapel Apartments at 5101 Barbee Chapel Road. [\[23-0460\]](#)

Mr. Lagoo presented changes to the Conditional Zoning application for Barbee Chapel Apartments. He said that the applicant was offering a choice of two alternatives to a prior affordable housing proposal: 30 units, split evenly between 60 percent and 80 percent of the area median income (AMI); or 23 units at 60 percent AMI. The applicant had also removed 49 surface parking spaces, increased its stormwater commitment to accommodate a 50-year storm event, and added a new condition regarding adjustments to stormwater infrastructure, he said. He recommended that the Council close the legislative hearing, adopt Resolution-15, and enact Ordinance-3, for approval.

Michael Skena, representing the applicant, expressed gratitude to the Council and Town boards for their comments and to staff for the work they had done to improve the project. He indicated on a map where parking had been reduced and said that the change would allow larger trees and better connections to a dog park and recreation areas.

Jodi Flick and Henry Lister, area residents who said they were speaking for their neighbors as well, said that the project would not address missing middle housing needs. It would be out of character with everything else in the area and would decrease the value of neighboring homes, said Ms. Flick. Mr. Lister stated that any project in that area should be lower in density than R-6. He had sent the Council an email outlining neighbors' concerns, he said.

Frank Herlant, one of the landowners, said that the proposed development would be transit-oriented, which would make it different from other nearby developments. He also argued that high-density would be the best use for that property.

The Mayor and most Council Members said they preferred the AH option that would provide 23 units at 60 percent of AMI.

A motion was made by Council Member Anderson, seconded by Council Member Huynh, that the Council closed the legislative hearing. The motion carried by a unanimous vote.

A motion was made by Council Member Anderson, seconded by Council

Member Huynh, that the Council adopted R-15. The motion carried by a unanimous vote.

A motion was made by Council Member Anderson, seconded by Council Member Huynh, that the Council enacted O-3 as amended. The motion carried by the following vote:

**Aye:** 6 - Mayor Hemminger, Mayor pro tem Stegman, Council Member Anderson, Council Member Miller-Foushee, Council Member Huynh, and Council Member Ryan

**Nay:** 2 - Council Member Berry, and Council Member Searing

**Absent:** 1 - Council Member Parker

19. Open and Close a Public Hearing to Consider Closing a Portion of Public Right-of-Way of Hamilton Road within the Glen Lennox Development. [\[23-0461\]](#)

Manager of Engineering and Infrastructure Chris Roberts presented a request to close a portion of a public right-of-way at Hamilton Road in Glen Lennox. He said that Glen Lennox was the only adjacent property owner and that the requested road realignment was in accordance with their agreement with the Town. He said that the Council's decision should be based on whether or not the closing would be detrimental to public interests or individual property rights. Staff had not heard any opposition and was recommending that the Council open and close the public hearing and consider adopting Resolution 17 to close the right-of-way, he said.

A motion was made by Mayor pro tem Stegman, seconded by Council Member Berry, that the Council closed the public hearing. The motion carried by a unanimous vote.

A motion was made by Council Member Ryan, seconded by Council Member Berry, that the Council adopted R-17. The motion carried by a unanimous vote.

### APPOINTMENTS

20. Appointments to the Chapel Hill Public Library Advisory Board. [\[23-0462\]](#)

The Council re-appointed Patrick Gunsch to the Chapel Hill Public Library Advisory Board.

21. Appointments to the Cultural Arts Commission. [\[23-0463\]](#)

The Council appointed Meredith Graham, Nic Johnson, Kemisa Kassa, and Jennifer Lawson to the Cultural Arts Commission.

**22.** Appointments to the Historic District Commission. [\[23-0464\]](#)

The Council re-appointed Josh Gurlitz and Polly Van de Velde to the Historic District Commission.

**23.** Appointments to the Orange Water and Sewer Authority Board of Directors. [\[23-0465\]](#)

The Council appointed Kyle Onda to the Orange Water and Sewer Authority Board of Directors.

**24.** Appointments to the Transportation and Connectivity Advisory Board. [\[23-0466\]](#)

The Council appointed Samuel Green to the Transportation and Connectivity Advisory Board.

**ADJOURNMENT**

This meeting was adjourned at 11:48 p.m.