

## TOWN OF CHAPEL HILL

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

# Town Council Meeting Minutes - Draft

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, April 23, 2025

6:00 PM

RM 110 | Council Chamber

## Language Access Statement

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

ဘာသာပြန်ဆိုခြင်းနှင့် စကားပြန်ခြင်းအတွက်၊ (၉၁၉) ၉၆၉-၅၁ဝ၅ ကိုဖုန်းခေါ်ပါ။

如需口头或 书面翻译服 务,请拨打 919-969-5105

Para servicios de interpretación o traducción, llame al 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
- Spectrum is replacing 1998 encoder that transmits programming to cable channel
   18. It remains offline until complete.
- 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.

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**Entry and Speakers** 

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- · Entrance on the ground floor.
- Sign up at the meeting starting at 5:30 PM with the Town Clerk to speak.
- If more than 14 people sign up for an item, Council will reduce speaking time from 3 minutes to 2 min./person.
- · Please do not bring signs.

#### **ROLL CALL**

Mayor Anderson called the meeting to order at  $6:00\ p.m.$  and reviewed the agenda.

Present: 8 - Mayor Jessica Anderson, Mayor pro tem Amy Ryan, Council

Member Camille Berry, Council Member Paris

Miller-Foushee, Council Member Karen Stegman, Council Member Theodore Nollert, Council Member Melissa

McCullough, and Council Member Elizabeth Sharp
1 - Council Member Adam Searing

## Absent: OTHER ATTENDEES

Interim Town Manager Mary Jane Nirdlinger, Deputy Town Manager Loryn Clark, Town Attorney Ann Anderson, Strategic Communications and Marketing Executive Director Susan Brown, Planning Director Britany Waddell, Planning Manager Corey Liles, Transportation Planner Josh Mayo, Affordable Housing and Community Connections Director Sarah Viñas, Affordable Housing Manager Emily Holt, Planner I Anna Scott Myers, Fire Marshal Chris Wells, Police Officer Wagner, Fire Chief Jay Mebane, Chief Of Staff Jeanne Brown, Business Management Assistant Director Matthew Brinkley, Economic Development Director David Putnam, Public Housing Manager Felts Lewis, and Deputy Town Clerk Amy Harvey.

#### **OPENING**

1. Proclamation: National Maintenance Day

[25-0178]

Council recognized April 15 as National Maintenance Day in the Town of Chapel Hill. Council Member Stegman read an acknowledgment and encouraged the community to show appreciation for the Town's maintenance staff and all who work in the maintenance field.

.. Proclamation: National Community Development Week

[25-0179]

Council proclaimed April 21 - 25 as Community Development Week in the Town of Chapel Hill. Council Member McCullough read an acknowledgement and encouraged all community members to join in recognizing the important role that community development plays in creating a more vibrant, resilient, and equitable community.

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	2.01 Proclamation Small Business Week	[25-0190]	
	Council proclaimed May 4 - 10, 2025 as Small Business Week in the town of Chapel Hill. Council Member Sharp read an acknowledgement and urged residents to support local small businesses.		
	2.02 Proclamation: Volunteers Week	[25-0191]	
	Council proclaimed April 21 - 25 as Community Development Week in the town of Chapel Hill. Mayor Pro Tem Ryan read the proclamation and urged everyone to recognize and support those who volunteer and serve in our community.		
ANNO	ANNOUNCEMENTS BY COUNCIL MEMBERS		
	2.03 Mayor Anderson Regarding Upcoming Weekend Events.	[25-0196]	
	Mayor Anderson announced a Magical Chapel Hill Festival at the Community Center on April 26th from 11:30 a.m. to 1:00 p.m, a Mural Walk and Artist Talk at Bolin Creek from 2:00-4:00 p.m. on April 26th, and opportunities at various Town locations on April 24th, 25th, and 26th to share ideas about the Town's new Parks Master Plan.		
	Mayor Anderson noted the next Council meeting will be held on May 7th at 6:00 p.m. at Town Hall.		
	2.04 Council Member Miller-Foushee Regarding Empowerment Inc.'s Ribbon Cutting for Peach Apartments.	[25-0197]	
	Council Member Miller-Foushee announced that EmPOWERment Inc. would hold a ribbon cutting ceremony at PEACH Apartments at 11:00 a.m. on April 25th.		
	2.05 Council Member Miller-Foushee Regarding Northside Festival	[25-0198]	
	Council Member Miller-Foushee said that the Marian Cheek Jackson Center would host the Northside Festival on April 26th from noon to 3:30 p.m.		
	IC COMMENT FOR ITEMS NOT ON PRINTED AGENDA AND TIONS FROM THE PUBLIC AND COUNCIL MEMBERS		
are he and ur upon a motion	ns and other similar requests submitted by the public, whether written or or ard at the beginning of each regular meeting. Except in the case of urgency nanimous vote of the Council members present, petitions will not be acted at the time presented. After receiving a petition, the Council shall, by simple n, dispose of it as follows: consideration at a future regular Council meeting; all to another board or committee for study and report; referral to the Town	<i>y</i>	

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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.

#### CONSEN

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

3.	Approve all Consent Agenda Items	[25-0172]	
	This resolution(s) and/or ordinance(s) was adopted and/or enacted.		
4.	Amend Chapter 7 - Fire Prevention and Protection of the Code of Ordinance.	[25-0180]	
	This resolution(s) and/or ordinance(s) was adopted and/or enacted.		
5.	Call a Hearing to Consider a Land Use Management Ordinance Text Amendment to modify Articles 3, 4, and 5 related to the Historic Rogers Road Subdistricts.	[25-0181]	
	This resolution(s) and/or ordinance(s) was adopted and/or enacted.		
6.	Adopt Minutes from January 29, February 12, and 26, March 5, 12, 14, and 26, 2025, Meetings	[25-0182]	
	This resolution(s) and/or ordinance(s) was adopted and/or enacted.		
DISCUSSION			

## DISCUSSION

Opportunity for Public Comment on the FY26 Town Budget

[25-0183]

Interim Town Manager Mary Jane Nirdlinger informed the Council that they had recently reviewed a presentation from Orange County regarding the 2025 property revaluation and received detailed information from staff about the FY 2026 budget during the work session.

Ms. Nirdlinger highlighted that the Town was facing a budget gap for FY 2026, primarily due to rising costs, slower sales tax growth, and existing financial commitments. She emphasized that property tax remains the Town's primary revenue source and presented a chart illustrating its growth since 2009. The chart showed that significant increases in property

tax revenue typically occur during revaluation years, when property values are adjusted to reflect current market conditions.

Ms. Nirdlinger noted that the current property tax rate is 59.2 cents per \$100 of assessed valuation. She explained that the revenue-neutral tax rate, which would generate the same property tax revenue as the previous year, is 44.2 cents per \$100 and provided an example of the impact of a revenue-neutral tax rate on an average home. Ms. Nirdlinger also mentioned that commercial properties, including multi-family apartment buildings, have not seen as significant an increase in value compared to residential properties.

Ms. Nirdlinger stated that the five-year budget plan presents an opportunity to capture additional revenues. The Council had previously discussed various budget scenarios on April 16th, and the current meeting was an opportunity for public input. She informed the Council that the Manager's recommended budget would be presented on May 7th, followed by a work session on May 14th, a public hearing on May 21st, and a final vote on the Manager's Recommended Budget on June 11, 2025.

Laurie Paolicelli, Executive Director of the Chapel Hill/Orange County Visitors Bureau, described upcoming events and activities and spoke about the cost-cutting measures the Visitors Bureau has implemented. She thanked the Town for keeping the Visitors Bureau in its budget and expressed pride in Chapel Hill's growing status as a tourist destination.

Mayor Anderson emphasized that residents will have multiple opportunities to learn about and provide feedback on the budget before the Council's final adoption in June. Information on meetings, including the calendar page on the Town website, videos of meetings, and the option to send questions and comments to mayorandcouncil@townofchapelhill.org. will be available to the public.

This item was received as presented.

 Open the Hearing and Consider Action on a Conditional Zoning Application for 2510 Homestead Road

Patrick Nerz, a project manager at DHIC, gave an overview of the organization and presented an aerial view of the proposed development on Homestead Road. He highlighted the site's convenient access to public transit, amenities, job opportunities, and services. Mr. Nerz mentioned that the residents of Maddry Meadows would be 55 years and older, with incomes at or below 60 percent of the area median income (AMI).

Mr. Nerz shared a site plan for a split-level building that would feature 53 units across three and four floors. The units would be a mix of studios, one-bedroom, and two-bedroom apartments. He also discussed plans to

construct a multi-use path that would link the Town's North-South
Greenway through the Maddry Meadows property. Mr. Nerz presented
proposed building designs and massing, noted that the parking area would

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be landscaped and situated below street level, mentioned Resource Conservation District (RCD) land buffered the site on its north and west side, and Duke Energy substation buffered it on the east.

Planner II Josh Mayo explained that the request was to rezone the property from Residential-2 to Residential Community Priority Conditional Zoning District (R-CP-CZD). This rezoning would permit DHIC to develop up to 53 housing units with the 60 percent AMI requirement. Mr. Mayo pointed out that the site is within the North Martin Luther King Focus Area, where the proposed heights and uses are deemed suitable.

Mr. Mayo reported that the project aligns with the Council's values and the Comprehensive Plan, and meets all Complete Community considerations. The Planning Commission had recommended approval, contingent on minimizing the impact on the RCD land. Mr. Mayo advised the Council to open and close the public hearing and consider adopting Resolution-4 and enacting Ordinance-2 for approval.

The Council and staff discussed a provision that would provide the Town with a public access easement if the applicant could not build a walking path. Mr. Nerz mentioned that adding another floor to the building would render the project economically unviable. The Council also emphasized the importance of maintaining the single elevator in a building designed for older residents.

Council Member McCullough suggested reducing the number of parking spaces, if feasible, and adding bike charging stations. She also requested more native plantings and less turf. The Council confirmed that the same individual who manages Greenfield Commons and Greenfield Place would be responsible for maintenance at Maddry Meadows.

A motion was made by Council Member Stegman, seconded by Council Member Berry, that the Council closed the Legislative Hearing. The motion carried by a unanimous vote.

A motion was made by Council Member Stegman, seconded by Council Member Miller-Foushee, that the Council adopt R-4. The motion carried by a unanimous vote.

A motion was made by Council Member Stegman, seconded by Council Member Nollert, that the Council enact O-2. The motion carried by a unanimous vote.

[25-0184]

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 Approve the Recommended Funding Plan for the Affordable Housing Funding Program. [25-0185]

Affordable Housing Manager Emily Holt introduced the Affordable Housing and Community Connections Department's Affordable Housing Funding Program. She noted that the plan aims to leverage approximately \$16 million in external funding and will prioritize the following areas: rental housing for households earning 50 percent or less of the area median income (AMI); high-impact projects; shovel-ready projects; proximity to frequent public transit; significant leverage from outside sources; and environmentally friendly and sustainable design.

Ms. Holt detailed the plan to allocate \$2,459,677 in local funds for 53 new units at DHIC's Maddry Meadows and to rehabilitate four units at Creekside Trail managed by EmPOWERment, Inc. She mentioned that the Town had received 14 funding requests, but four were better suited for CDBG funding. Additionally, four other requests were ineligible but would have the opportunity to apply for bond funding in June. Ms. Holt asked the Council to consider adopting Resolution 6, which would approve the recommended FY 2025 Affordable Housing Funding Plan.

Mayor Anderson sought confirmation from Affordable Housing and Community Connections Director Sarah Viñas that staff had assisted applicants in connecting with other funding opportunities.

Deloris Bailey, Executive Director of EmPOWERment, Inc., expressed gratitude to the Town for funding the four units at Creekside Trail. She explained that most of the 95 units there had been converted to market rate, and EmPOWERment, Inc. was proud to have retained four of them.

Mayor Anderson noted that Council Member Miller-Foushee would need to recuse herself from voting on this item due to her position on the EmPOWERment, Inc. board.

A motion was made by Mayor pro tem Ryan, seconded by Council Member Berry, that the Council recused Council Member Miller-Foushee from voting on item 9. The motion carried by the following vote:

Aye:

8 - Mayor Anderson, Mayor pro tem Ryan, Council Member Berry, Council Member Miller-Foushee, Council Member Stegman, Council Member Nollert, Council Member McCullough, and Council Member Sharp

Absent: 1 - Council Member Searing

A motion was made by Council Member Stegman, seconded by Council Member Berry, that the Council adopted R-6. The motion carried by the

following vote:

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Aye: 7 - Mayor Anderson, Mayor pro tem Ryan, Council Member

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Berry, Council Member Stegman, Council Member Nollert, Council Member McCullough, and Council Member Sharp

Absent: 1 - Council Member Searing

Recused: 1 - Council Member Miller-Foushee

Open the Hearing on a Conditional Zoning Application for 1701
 Martin Luther King, Jr. Blvd

[25-0186]

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Spencer Peterson, representing Zimmer Development Company, requested a conditional rezoning to convert 5,176 square feet of unoccupied retail/commercial space into six affordable residential units. He noted that finding commercial tenants for this space in a 154-unit residential project had been challenging due to its low visibility and lack of pedestrian appeal

Mr. Peterson detailed the proposal for six new 1-bedroom/1-bath units, ranging from 700 to 860 square feet. These units would match the existing structure, possibly with different windows and doors. He emphasized that the change would reduce traffic and that all six units would be for residents earning 60 percent of the area median income (AMI). Mr. Peterson requested a 15-year affordability commitment instead of 30 years, explaining that the project is already 10 years old and the lender's agreement would expire before 30 years.

Zoning Administrator Corey Liles stated that the applicant sought to rezone the entire site to a Mixed-Use-Village Conditional Zoning District, allowing the addition of six affordable units to the existing 154 market-rate units. He noted that this change would not affect the development's alignment with the Comprehensive Plan. The ordinance would still permit office and commercial uses but not require them. Both the Planning Commission and Town staff recommended approval. Mr. Liles suggested the Council receive public comment, provide feedback, and continue the hearing to May 7, 2025.

The Council confirmed with Planning Director Britany Waddell that mixed-use districts in Chapel Hill often mandate specific percentages of various uses. Ms. Waddell noted that this requirement can sometimes be a deterrent and that staff would review the level of specificity during the Land-Use Management Ordinance (LUMO) rewriting process.

Council members discussed the potential need to modify doors and windows for security reasons and questioned Mr. Peterson about the 15-year affordability commitment. Mr. Peterson explained that the lender

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had agreed to extend the term from 10 to 15 years and reduce the affordability requirement from 80 to 60 percent of AMI, but would not agree to a 30-year term.

The Mayor and Council expressed strong support for the conditional rezoning request highlighting the suitability of affordable housing for the vacant space. Mayor Anderson also asked Mr. Peterson to attempt to secure a 30-year affordability commitment from the lender.

A motion was made by Mayor pro tem Ryan, seconded by Council Member Berry, that the Council continued the Legislative Hearing to May 7, 2025. The motion carried by a unanimous vote.

## CONCEPT PLAN REVIEW(S)

Concept Plans: Presentations for Concept Plans will be limited to 15 minutes.

Concept Plan review affords Council members the opportunity to provide individual reactions to the overall concept of the development which is being contemplated for future application. Nothing stated by individual Council members this evening can be construed as an official position or commitment on the part of a Council member with respect to the position they may take when and if a formal application for development is subsequently submitted and comes before the Council for formal consideration.

As a courtesy to others, people speaking on an agenda item are normally limited to three minutes. Persons who are organizing a group presentation and who wish to speak beyond the three minute limit are requested to make prior arrangements through the Mayor's Office by calling 968-2714.

 Concept Plan Review: 216 East Rosemary Street / Pi Kappa Phi Fraternity House [25-0187]

Planner Anna Scott Myers presented a map and an image of the Pi Kappa Phi Fraternity site, located in the Franklin-Rosemary Historic District. She outlined the Complete Community considerations that would be evaluated as part of the application process and recommended that the Council adopt Resolution 7 to transmit its comments to the applicant.

Architect Mark Krittenbrink provided context on the Pi Kappa Phi Fraternity and the constraints of its current space. He explained that the proposed renovation would repurpose existing areas and add a new extension. Mr. Krittenbrink addressed issues such as a retaining wall, parking lot, and landscaping, noting that future parking would primarily be off site. He showed a site plan and a rendering of the proposed building, highlighting changes made following discussions with Town staff, including plans to enhance the tree canopy and improve drainage.

The Council expressed positive feedback on the project. They confirmed with staff that the Town aims to bring tree canopies up to standards during site development, regardless of previous compliance issues. The Council encouraged the applicant to include shelter and charging stations for e-bikes and suggested giving priority to residents who do not own

A motion was made by Council Member Berry, seconded by Council Member Miller-Foushee, that the Council adopt R-7. The motion carried by a unanimous vote.

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#### **ADJOURNMENT**

The meeting was adjourned at 7:44 p.m.

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