



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 Michael Parker
Council Member Jessica Anderson
Council Member Allen Buansi

Council Member Hongbin Gu
Council Member Tai Huynh
Council Member Amy Ryan
Council Member Karen Stegman

Wednesday, December 1, 2021 6:30 PM Virtual Meeting

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.

Virtual Meeting Notification

Town Council members will attend and participate in this meeting remotely, through internet access, and will not physically attend. The Town will not provide a physical location for viewing the meeting.

The public is invited to attend. The Town of Chapel Hill wants to know more about who participates in its programs and processes, including Town Council business meetings and work sessions. Please participate in an voluntary demographic survey <https://www.townofchapelhill.org/demosurvey> before accessing the Zoom webinar registration. After registering, you will receive a confirmation email containing information about joining the webinar in listen-only mode. Phone: 301-715-8592, Meeting ID: 867 7346 2341

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Roll Call

Present: 8 - Mayor Pam Hemminger, Mayor pro tem Michael Parker, Council Member Jessica Anderson, Council Member Allen Buansi, Council Member Hongbin Gu, Council Member Karen Stegman, Council Member Tai Huynh, and Council Member Amy Ryan

Other Attendees

Town Manager Maurice Jones, Deputy Town Manager Mary Jane Nirdlinger, Deputy Town Manager Loryn Clark, Town Attorney Ann Anderson, Planning Director Colleen Willger, Assistant Planning Director Judy Johnson, Director of Affordable Housing and Community Connections Sarah Vinas, Senior Planner Becky McDonnell, Public Housing Director Faith Brodie, Affordable Housing Development Officer Emily Holt, Business Management Director Amy Oland, Community Resilience Officer John Richardson, Executive Director for Technology/CIO Scott Clark, Executive Director for Community Arts and Culture Susan Brown, Transit Director Brian Litchfield, Executive Director for Community Safety/Police Chief Blue, Downtown Special Projects Manager Sarah Poulton, Assistant Director of Business Management Matt Brinkley, Budget and Management Analyst Brian Murphy, Special Projects Manager Steve Stewart, Assistant to the Town Manager for Administrative and Program Management Ross Tompkins, Human Resource Development Director Cliff Turner, Parks and Recreation Director Phil Fleischmann, Park Maintenance Superintendent Kevin Robinson, Communication Manager Ran Northam, and Deputy Town Clerk Amy Harvey.

OPENING

Mayor Hemminger called the Council work session/meeting to order at 6:30 p.m. and reviewed the agenda. She pointed out that one Consent Agenda item had been postponed to January 2022.

Mayor Hemminger called the roll and all Council Members replied that they were present.

ANNOUNCEMENTS BY COUNCIL MEMBERS

0.01 Council Member Stegman Regarding a Resolution Recognizing Transgender Day of Remembrance. [\[21-0930\]](#)

Council Member Stegman read a resolution that recognized the resilience and power of the transgender and gender non-conforming community and called for a Day of Awareness regarding hate crimes against them. The resolution described discrimination and violence toward transgender people and stated that the Town mourned the lives of those lost in the last year due to such violence. The resolution stressed that all community members were welcomed and supported in Chapel Hill.

The Council watched an Arbor Day video showing members of the Town's Parks Maintenance staff planting an urban forest along the Bolin Creek Trail. Mayor Hemminger commented on the amount of work involved and said that a Community Tree Committee, spearheaded by the Friends of Chapel Hill Parks and Recreation, had been working with Adopt-a-Trail to plant more than 77 trees in the area. She thanked Jeannette and Neal Bench, members of the Town's Parks Maintenance staff, and the 120-130

others who had volunteered their time.

A motion was made by Council Member Stegman, seconded by Council Member Buansi, that R-0.1 be adopted. The motion carried by a unanimous vote.

0.02 Arbor Day Celebration Video. [\[21-0931\]](#)

An Arbor Day Video was presented.

0.03 Mayor Hemminger Regarding Future Public Information Meetings. [\[21-0932\]](#)

Mayor Hemminger announced the following information meetings: a discussion of tennis court designs for Hargraves Park and Cedar Falls Park at 7:30 p.m. on December 2nd; a presentation on the demolition of existing buildings and a construction of 54 new affordable dwelling units at Trinity Court at 5:15 p.m. on December 3rd; a public meeting to gather input and to answer questions about a minor subdivision application for 811 Woodland Avenue at 5:15 p.m. on December 15th.

0.04 Mayor Hemminger Regarding the Holiday Parade. [\[21-0933\]](#)

Mayor Hemminger explained that the Town had not had sufficient time to coordinate the annual holiday parade after learning that the Jaycees did not intend to participate this year.

0.05 Mayor Hemminger Regarding the Downtown Partnership's Chapel Hill Day. [\[21-0934\]](#)

Mayor Hemminger encouraged residents to support local small businesses at the holiday markets that would be held along Franklin Street during the first three Sundays in December.

0.06 Mayor Hemminger Regarding the Organizational Meeting. [\[21-0935\]](#)

Mayor Hemminger said that the Council would hold an Organizational Meeting on December 8th to swear in new Council Members. Due to the pandemic, the number of attendees would be limited because the meeting would be held in person, rather than virtually, she said.

0.07 Council Member Anderson Regarding Hanukkah. [\[21-0936\]](#)

Council Member Anderson wished a happy fourth night to those who were celebrating Hanukkah.

APPOINTMENTS

9. Appointments to the Community Policing Advisory Committee. [\[21-0901\]](#)

Mayor Hemminger pointed out that she had previously neglected to announce Simon Palmore's appointment to the Community Policing and Advisory Committee (CPAC). She said that CPAC had additional openings as well and was seeking diverse applicants with different perspectives.

10. Appointments to the Planning Commission. [\[21-0902\]](#)

Appointments were deferred to future meeting.

WORK SESSION AGENDA ITEMS

2. FY 2021 Audit Results & Financial Update. [\[21-0917\]](#)

Brandi Fesperman, a senior accountant with Martin Starnes and Associates, said that the Town had been issued an unmodified opinion for its FY 2021 audit. That was the highest opinion that Martin Starnes gave, she said. She reported that there had been no red flags and that the Town appeared to have stable property tax values and collection percentages.

Director of Business Management Amy Oland provided an update on the first quarter of FY 2022. In addition to the unqualified opinion from Martin Starnes, the Town had been awarded a Certificate for Excellence in Financial Reporting from the Government Finance Offices for its FY 2020 Annual Comprehensive Report, she said. She pointed out that Chapel Hill continued to maintain its AAA bond rating as well.

Ms. Oland said that FY 2021 had been strong for the Town due to its conservative budgeting practices, an unexpected 15.7 percent increase in sales tax revenue, and savings due to a hiring freeze. At the end of FY 2021, the Town's General Fund balance was up by about \$7 million to a total of \$34.3 million, she said.

Ms. Oland said that the available fund balance was \$21 million, up by \$5.9 million. At 35.3 percent, it was above the Town's goal of 22 percent, so the Council could appropriate excess funds for one-time expenditures, she said. She recommended using only \$4.9 million of the available amount, however, in order to have the fund balance at 22 percent or above at the end of FY 2022.

Ms. Oland showed a list of strategic goals and organizational needs that could be considered for use of the excess funds. She said that staff would return in January 2022 to discuss possible allocations.

Ms. Oland reviewed end of FY 2021 results for the Debt Fund, Transit Fund, Parking Fund, Housing Fund, and Stormwater Fund. She said that the Town's OPEB liability had decreased by \$26.8 million due to a change in healthcare provider and that claims would likely decrease as well due to

changes in how Medicare would cover retiree claims.

Ms. Oland said that property taxes for the first quarter were up \$1.5 million and occupancy taxes were up \$96,000 in the first two months. Grants from federal, state and local sources had been lower, parking fees and planning revenues were up, and inspections revenues were down, she said. She explained the reasons behind those changes for each revenue source.

Ms. Oland said that the Town would normally have spent about 25 percent of its Expenditure Budget by the end of the first quarter but had spent only 21.9 percent, primarily due to the vacancies in personnel. The Town had spent 15 percent of its Operating Budget by the end of the first quarter and that was comparable to the previous year, she said.

The Mayor and Council praised and congratulated staff for getting the Town through the COVID-19 pandemic without incurring huge deficits. Chapel Hill was fortunate to have put some good practices in place and to have high sales tax revenue that created a surplus, Mayor Hemminger said. She cautioned against spending the entire available amount but said that being able to think about bigger, broader, one-time projects was exciting and that the Council would be reaching out to the community for ideas.

Mayor pro tem Parker asked if there was a sense of how much of the surplus could be attributed to frugality and how much was based on other factors, such as the high sales tax revenues and federal CARES Act funding. Ms. Oland replied that CARES Act and ARPA funds were not accounted for in the General Fund and had not contributed to the \$7.9 million surplus.

Mayor pro tem Parker asked why there was nothing for climate action listed among the potential uses and whether some money could be used to help accelerate the Land-Use Management Ordinance (LUMO) rewrite. Town Manager Maurice Jones replied that Climate Action was certainly a top priority. He said that he would look into the LUMO question.

Council Member Anderson confirmed with Mr. Jones that the Town's hiring freeze had been lifted in July 2021.

This item was received as presented.

1. Five-Year Budget Strategy

[\[21-0916\]](#)

Mr. Jones gave a PowerPoint presentation on a five-year budget strategy that staff had begun discussing with the Council in early 2020 in order to better understand and address the Town's long-term needs. He said that some funding initiatives might take 10 to 15 years to achieve but that

staff would work with the Council to determine how to move forward.

Mr. Jones said that departmental teams had analyzed seven themes (environmental sustainability, capital, human services, human capital, transportation, operational sustainability, and economic and financial sustainability) and would make brief presentations about each of them.

Community Resilience Officer John Richardson explained how Environmental Sustainability work had been organized to match categories within the Town's Climate Action Response Plan. The estimated five-year budget gap would be at least \$20.5 million, he said, explaining that the main budget drivers were: Buildings and Energy (\$1.3 million); Transportation and Land Use (\$1.7 million); Water, Wastewater & Natural Resources (\$2.3 million); and Resiliency (\$15.2 million).

Chief Information Officer Scott Clark said that the Capital theme was focused on acquisition, maintenance and replacement of land, buildings, equipment, infrastructure, vehicles and technology. He showed a list of 13 subtopics but said that not all of those would be completed in five years. Eliminating the backlogs of deferred capital purchases and performing substantial maintenance would cost \$94 million, he said.

Deputy Town Manager Loryn Clark explained that the Human Services theme covered affordable housing, human services, community engagement, recreation and leisure. She said there was a projected \$15.8 million funding gap over the next five years and that funding sources other than the Town would be identified. Recovery from the pandemic was expected to continue and perhaps increase over the next several years, she said.

Public Library Director Susan Brown said that the Human Capital theme primarily addressed the personnel budget for the Town's more than 700 employees. The Council would receive a Classification and Compensation Study in January 2022 that would have a significant impact on this theme and budget, she said. She provided estimates on what implementing the Classification and Compensation Plan and hiring new employees would cost over the next five years.

Transit Director Brian Litchfield discussed current, planned, and proposed Transportation projects and the maintenance of existing assets based on several Town plans and programs. He said that staff had identified priorities but that lack of funding limited its ability to move forward on some key transportation projects. The estimated five-year budget gap for Transportation was \$122 million, not including the \$150 million for bus rapid transit projects that would come from federal and state sources, he said.

Police Chief Chris Blue said that the Operational Sustainability theme pertained to resources needed to support and conduct core Town services. He said that approximately 73 percent of the General Fund budget was made up of Personnel expenses with the remaining 27 percent being Operating and Capital expenses that increased annually. Departments often reduce other line items, sometimes essential ones, to meet budget targets, he said. He estimated that the gap over five years would be just under \$7 million.

Deputy Town Manager Mary Jane Nirdlinger said that the Economic and Financial Sustainability theme focused on property and sales taxes, economic development incentives, and fees. She and Economic Officer/Parking Services Director Dwight Bassett had highlighted opportunities to adjust fees to more closely match staff time and effort, she said. She mentioned areas where the Town could try new approaches.

Mr. Jones said that the staff presentations were the first phase of a process that would connect needs with funding sources. An important next step would be the Classification and Compensation Study, which would be presented to the Council in January 2022, he said. He said that the needs staff had just presented would be fully integrated with the FY 2022-23 budget development process over the next six months and beyond.

The Mayor and several Council Members thanked the Manager and staff for their presentations and said that the information was helpful. Council Member Anderson asked the Manager to provide estimates at the Council's upcoming retreat on the range of funds that the Town was expecting to receive.

Council Member Ryan said she wanted to make sure that the Town invested in operational and personnel needs, which often get cut during hard times. Council Member Stegman expressed concern about the staffing situation as well and proposed taking a holistic look at pay, hours and working conditions, including for Town boards. Council Member Stegman recommended that the Council find a way to shift the time it spends on development applications toward working more on other priorities as well.

Council Members spoke in favor of taking a hard look at Town expenditures and making sure that money was not being wasted on things that no longer needed to be done. Mayor pro tem Parker said that everything needed to be on the table, and he pointed out that he had previously requested a bench-marking study.

Mr. Jones replied that he could return with a cost estimate for a bench-marking study, which probably would take at least three to six

month to complete.

Council Member Gu proposed defining the task and the funding resources before discussing priorities, but Mr. Jones pointed out that the Council had directed him to identify needs as a first step in the process. The Council would focus on cost and how to pay for it over the next three to six months, he said.

Mayor Hemminger cautioned Council Members to not conflate Operating Budget and Capital Needs. Larger capital expenses came out of the Debt Fund, not the Operating Fund, she pointed out.

Council Members Buansi and Huynh spoke in favor of pursuing technology that would eventually enhance staff efficiency and workload. Council Member Buansi asked for information on requests for technology and on how much more efficient and easy such technology would be. Council Member Huynh said that cyber-security would increasingly become an essential investment.

This item was received as presented.

3. American Rescue Plan Act Update.

[\[21-0918\]](#)

Ms. Oland gave an update on the American Rescue Plan Act (ARPA), a \$1.9 trillion federal package that aimed to combat the effects of the COVID-19 pandemic. She said that the Town had already received half of its allotted \$10,668,497 share of those funds and that the other half would be coming in May 2022.

Ms. Oland explained that ARPA funds could be used to support public health, replace lost revenue, provide premium pay for essential workers and support those in critical infrastructure sectors, invest in water, sewer and broadband infrastructure, and more. ARPA funds needed to be committed by December 21, 2024, and spent by December 31, 2026, she said.

Ms. Oland said that the UNC School of Government used the term "safe harbors" when referring to a provision of NC statutes that specified allowable expenditures. Examples of safe harbors under ARPA included, but were not limited to, programs and services in qualified census districts and low income communities that were most negatively impacted by the pandemic, she said. She displayed a map showing qualified census districts in Chapel Hill.

Ms. Oland said that ARPA allocations could be used in four areas: revenue impact in 2020; internal project proposals; projects coming from outside entities; and community-based projects. She provided details on potential Town uses in each of those areas. She pointed out that a

\$4.175 million figure for Town revenue lost was not actual loss. It was growth that the Town could potentially have had if not for the pandemic, she explained.

Downtown Special Projects Manager Sarah Poulton presented a plan to empower the community to participate in deciding how some of the ARPA funds would be spent. She pointed out that the release of ARPA funds was lining up with several other Town projects that require community input or interaction as well. She proposed addressing all of those projects at the same time through a series of "input cafes", community meetings, and events that would be held both virtually and in person.

Ms. Poulton said that staff was working on an equity-based design that would ensure an inclusive and equitable process. Project evaluation would include staff assessment, a community review and ranking process, and ultimate Council approve, she said. She said that staff had been thinking that the community would vote on the community-based ideas but had not completely ironed out what that process would look like.

Ms. Poulton said that Phase 1 of the Community Engagement Plan had already launched a web survey on how ARPA funds should be spent. Beginning in January 2022, staff would begin an aggressive public outreach campaign, she said. She explained that all applications and input would be due by mid-March and said that staff would present the Council with a list of projects to consider in May 2022. Staff hoped to have awards and contracts in place by July, she said.

Council Members expressed enthusiasm and support for the proposed process and praised the equitable approach to community engagement. Several requested that the Council be involved earlier in the process. They commented on the importance of giving clear guidance and fostering collaboration rather than competition among the not-for-profit organizations. They emphasized the need to have an idea of funding sources and the criteria for evaluating projects in place before applications began coming in.

Council Member Stegman confirmed with Mr. Jones that the Council could submit ideas on how issues being presented aligned with Council priorities. A meeting for Council check-in could easily be built into a work session between January and May, 2022, he said. Mr. Jones pointed out that he and the Council had also discussed piloting a kind of participatory budgeting process that would include community recommendations.

Council Members suggested talking with Orange County and Carrboro about possible collaborations with the Town since they had received allocations as well. They stressed the importance of having parameters and guardrails in place regarding what was possible. They confirmed with

Ms. Poulton that information would be translated into several languages during the community engagement process.

Council Member Huynh mentioned a community-driven process for coming up with ideas that the Chapel Hill-Carrboro Chamber of Commerce had begun and said that it might be a good starting point. Council Member Buansi encouraged staff to include public health professionals in the process as well.

Mayor Hemminger said that having an excess in Fund Balance as well made it an exciting time for the Town to do some transformative things. She mentioned projects that the Metro Mayors Coalition had been discussing and said she agreed that collaboration was key to making it all happen.

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.

4. Approve all Consent Agenda Items. [\[21-0919\]](#)

The consent items were deferred to a future meeting.

5. Adopt a Resolution Allocating Funding for the Orange County Street Outreach, Harm Reduction and Deflection Program. [\[21-0920\]](#)

The consent items were deferred to a future meeting.

DISCUSSION

CONCEPT PLAN REVIEW

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

speaking beyond the three minute limit are requested to make prior arrangements through the Mayor's Office by calling 968-2714.

6. Concept Plan Review: Trinity Court (Project No. 21-071) [\[21-0921\]](#)

Assistant Planning Director Judy Johnson gave an overview of a concept plan for Trinity Court, a public housing project that would be rebuilt on approximately 3.5 acres of land on Pritchard Avenue. The proposal was to construct 54 residential units in two 3- to 4-story buildings in an area that the Town's Future Land-Use Map identified as high residential, she said.

Ms. Johnson said that the site was zoned Residential 4 and the applicant anticipated applying for Conditional Zoning. The Community Design Commission, Stormwater Utility Advisory Board, and Housing Advisory Board had all seen the application, and the applicant had been discussing the project with the Town's urban designer, she said. She recommended that the Council adopt Resolution 3, which would transmit its comments to the applicant.

Public Housing Director Faith Brodie provided background information on the property, which had been vacant since 2018. She outlined the plan to move forward with a HUD Rental Assistance Demonstration (RAD) project and said that the Town had chosen to work with Community Housing Partners (CHP), an experienced affordable housing developer.

Samantha Brown, CHP's vice president for Real Estate Development, described CHP's mission to create healthy, sustainable and affordable homes, and communities. She explained that the development team also included Public Participation Partners, Timmons Group, and Moseley Architects, which are based in Raleigh, and two other firms headquartered in Maryland and Greensboro.

Ms. Brown said that CHP had developed 11 projects in North Carolina that serve residents at or below 40, 50 and 60 percent of the area median income (AMI). Being a RAD conversion project would allow residents with Section 8 housing subsidies, she pointed out. She said that the overall average household income at Trinity Court would be less than 60 percent of the AMI and affordable for 30 years.

Ms. Brown said that redevelopment plans for Trinity Court included demolishing 40 units and replacing them with 54: 20 two-bedroom, 20 three-bedroom and 14 one-bedroom apartments. She explained that increasing the building height to four stories would make those additional 14 apartments possible. She said that CHP would be the property manager as well as the developer at Trinity Court.

Ms. Brown said that the current estimated total cost of the project was

\$11,350,000. She explained that the majority of RAD projects applied for either 4 percent or 9 percent low-income housing tax credits, which reduced cost. The Town could submit for a 4-percent tax credit if it did not succeed in securing 9 percent, she said.

Will Altman, project manager for Timmons Group, discussed site conditions, preliminary design, and the plan to use as much of the current footprint as possible. He explained that the development would avoid encroaching on a stream and that a road would be widened from 18 to 20 feet.

Tom Liebel, a principal with Mosely Architects, discussed elevations and site constraints and showed an initial design concept that had been tweaked based on community feedback. He said that a fourth story was needed in order to add more units since there was no additional footprint on the site. He showed samples of potential exterior materials and discussed a plan to include about 1,500 square feet of community space.

Council Member Ryan confirmed with Ms. Brown that there would be no gap funding if the Town were to secure the 9 percent tax credit, and about \$2.5 million if it secured 4 percent. Ms. Brown said that HUD deadlines for RAD conversion would preclude the Town applying for 9 percent again in the second round, and Council Member Ryan asked for confirmation of that. Mayor pro tem Parker noted that the Town needed to determine what it would do if both Trinity Court and Jay Street received only a 4-percent tax credit.

Council Member Ryan said that having only 64 parking spaces for 54 units would be tight since there was no other place for visitors to park. She encouraged the developer to squeeze in a little more, if possible. She ascertained that the developer viewed balconies as potential maintenance issues over time but would provide outside storage areas for each tenant.

The Council confirmed that infrastructure would be in place for EV charging stations. They discussed connectivity issues, confirmed the criteria for screening applicants, and asked that the development include child-friendly amenities. The Council verified with Ms. Brown that CHP projects typically remained affordable in perpetuity.

Robert Beasley, a Chapel Hill resident, commended CHP for engaging with the community and presenting information in an understandable manner.

The Council expressed enthusiasm for the general direction the project was taking. However, Council Member Ryan said that units being shown at the 80 percent AMI level should be much lower, certainly under 60 percent. Some Council Members raised concerns about the potential dangers of having the playground near the parking lot. The Council

emphasized the importance of including a community gathering space.

Council Members stressed that the building should be as energy efficient as possible. They asked the developer to think about finding a way to make the site less isolated. Council Member Stegman asked the applicant to commit to having 25 percent of the units below 30 percent AMI, regardless of financing, and several Council Members said that they wanted to discuss guaranteeing affordability in perpetuity.

Mayor Hemminger said she was pleased that the new Trinity Court would include community amenities for its residents despite the site constraints. She appreciated the sidewalk, she said, and she urged the developer to do whatever it could to connect the building to the larger community.

A motion was made by Mayor pro tem Parker, seconded by Council Member Buansi, that R-3 be adopted. The motion carried by a unanimous vote.

CONTINUED DISCUSSION

7. Close the Legislative Hearing and Consider an Application for Conditional Zoning, 150 East Rosemary Street. [\[21-0922\]](#)

Senior Planner Becky McDonnell gave an overview of a Conditional Zoning application for a seven-story wet lab/office building over three levels of underground parking at 150 East Rosemary Street. She discussed recent updates from the applicant, Grubb Properties, that related to bio-safety levels, a mechanical penthouse, LEED certification, EV parking, E-bike parking, ADA accessibility, and the location of a solid waste collection area. She recommended that the Council close legislative hearing and consider approving Resolution A and Ordinance A.

Architect Michael Stevenson, of Perkins Eastman, provided information on four aspects of the project: 1) He proposed locating the trash receptacle in an alley next to a loading dock; 2) He said that 99 percent of the space would be bio-safety levels 1 & 2, there would be a low likelihood of having level 3 at that location, and a level 4 facility would never be housed there; 3) He showed a revised design that made the building appear more integrated into the area's architecture; 4) He explained how the mechanical penthouse could be made to look smaller by rearranging louvers and using various materials.

Mayor Hemminger confirmed that the applicant was willing to stipulate that there would be no bio-safety level 4 labs in the building and that the final design would not have louvers facing Franklin Street.

Council Member Anderson confirmed with Mr. Stevenson that he had received feedback from the Town's urban designer but only after he had developed the latest revision and that he had not had time to look at it.

Joe Dye, executive vice president with Grubb Properties, said that the urban designer's sketch had led Grubb to think differently about how to treat that floor.

Council Member Gu read a definition of level 3 bio-labs and asked why the applicant felt qualified to design a building that could safely house them.

Mr. Stevenson described his experience with similar projects and pointed out that the building would be a core infrastructure. Each tenant would need to meet the bio-safety requirements of its specific type of research, he said.

Mayor Hemminger confirmed with Mr. Dye that Grubb Properties would agree to have a safety oversight committee that would review safety protocols.

Matt Gladdek, director of the Chapel Hill Downtown Partnership, thanked the Council and developer for making changes that would ensure a great building. It would provide space for UNC researchers who prefer to stay in Town and be part of its future, he said.

Mr. Beasley recommended that Council Members ask themselves if anticipated tenants could be trusted to follow the level 3 safety protocols.

The majority of Council Members expressed strong support for the project. Council Member Ryan confirmed that the applicant would accept a stipulation to continue working with the Town's urban designer on the Franklin Street facade and on seeing what more might be done to reduce the feel of massing and height. She proposed specific wording for that, and the majority of Council Members indicated agreement.

Mayor Hemminger confirmed that the Council supported the applicant's plans regarding trash relocation, EV charging stations, and E-bikes. She confirmed that they supported asking the Town Manager to create a format for a bio-safety review committee that would look at this and future similar projects in the community.

Mayor pro tem Parker emphasized that no Council Members took his or her responsibility to citizens lightly. With existing standards and an oversight committee, he felt confident that whatever went into the building would enrich the community and meet the highest safety standards, he said.

Council Member Anderson expressed disappointment over an apparent public perception that the Council had discussed allowing level 4 labs. She said that Council and staff were always looking out for the health and safety of the community.

Council Member Gu said that she continued to have concerns about safety. She agreed that an oversight board would be important and necessary if the Town were to allow level 3, but said that level 3 accidents had happened where no one ever imagined that they would.

The Mayor and Council discussed possible treatments for the mechanical penthouse's exterior, and Mayor Hemminger thanked the applicant for working with the Town on those aspects. She said that the building would bring the kind of energy that was needed to make the Downtown succeed and that having an oversight committee and a stipulation prohibiting Level 4 would help to have a good outcome.

Mayor Hemminger confirmed that the applicant was amenable to working with Sustainability Officer John Richardson to figure out best practices and with staff on tree planting requirements and ADA compliance. The Council voted 7-1 to close the hearing and adopt Resolution 4, with Council Member Gu voting nay.

Town Attorney Ann Anderson presented the ordinance with the Council's proposed edits and additions. Council Member Gu asked to include a statement that the oversight committee must approve safety documents, but Ms. Anderson recommended against that because doing so could interfere with federal regulations and create preemption issues.

Council Member Anderson said she wondered if the Council had given appropriate guidance regarding the committee, and Mayor Hemminger proposed letting the Town Manager bring back a proposal for the Council to vote on. The Council voted 7-1 to enact Ordinance A, with Council Member Gu voting nay.

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

A motion was made by Mayor pro tem Parker, seconded by Council Member Stegman, that Item R-4 be adopted. The motion carried by the following vote:

Aye: 7 - Mayor Hemminger, Mayor pro tem Parker, Council Member Anderson, Council Member Buansi, Council Member Stegman, Council Member Huynh, and Council Member Ryan

Nay: 1 - Council Member Gu

A motion was made by Mayor pro tem Parker, seconded by Council Member Anderson, that O-1 be enacted as amended. The motion carried by the

following vote:

Aye: 7 - Mayor Hemminger, Mayor pro tem Parker, Council Member Anderson, Council Member Buansi, Council Member Stegman, Council Member Huynh, and Council Member Ryan

Nay: 1 - Council Member Gu

8. Community Splash Pad Update. [\[21-0923\]](#)

Parks and Recreation Director Phil Fleischmann gave a brief update on options for bringing one or more splash pads into the Town's park system. He said that a community petition with more than 850 signatures had been the impetus and that a Splash Pad Work Group had been convened in November 2021 to narrow down the options.

Park Maintenance Superintendent Kevin Robinson described the pros and cons of three options that the Work Group had been discussing: to convert the underutilized AD Clark wading pool; to explore the concept of pop-up splash pads; to build a large destination attraction. He noted that the Town could create multiple small splash pads as well.

Mr. Fleischmann recommended exploring all three options further and said that doing a feasibility study would be crucial. The decision-making process would include robust community engagement he said, adding that staff understood that there was a strong desire to move quickly.

Council Member Anderson, a Splash Pad Work Group member, emphasized the importance of being clear that any plan regarding the Hargraves wading pool would be to upgrade that facility to a splash pad or maybe something else. She said that the community in general seemed to be primarily interested in having one big attraction.

Mayor Hemminger agreed that there was no point in discussing options until the feasibility study had been completed. She said that the Council had the goal of getting something in place for the summer.

This item was received as presented.

REQUEST FOR CLOSED SESSION TO DISCUSS ECONOMIC DEVELOPMENT, PROPERTY ACQUISITION, PERSONNEL, AND/OR LITIGATION MATTERS

A motion was made by Mayor pro tem Parker, seconded by Council Member Anderson, that the Council went into a closed session per General Statute 143-318.11(a)(3), to consult with the Town Attorney to preserve the attorney-client privilege. At the conclusion of the closed session, the Council will adopt a single

motion to end the closed session and adjourn the meeting without taking further action. The motion carried by a unanimous vote. The motion carried by a unanimous vote.

ADJOURNMENT

The meeting recessed at 11:08 p.m., the Council went into a closed session and the meeting adjourned at the end of the closed session.