



TOWN OF CHAPEL HILL

Town Council Meeting Minutes - Draft

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

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

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

Wednesday, April 24, 2024 6:00 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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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.

Entry and Speakers

- 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

- Present:** 8 - Mayor Jessica Anderson, Mayor pro tem Amy Ryan, Council Member Camille Berry, Council Member Paris Miller-Foushee, Council Member Adam Searing, Council Member Karen Stegman, Council Member Theodore Nollert, and Council Member Melissa McCullough
- Absent:** 1 - Council Member Elizabeth Sharp

OTHER ATTENDEES

Town Manager Chris Blue, Deputy Town Manager Mary Jane Nirdlinger, Deputy Town Manager Loryn Clark, Town Attorney Ann Anderson, Community Safety Public Information Officer Alex Carrasquillo, Affordable Housing and Community Connections Director Sarah Viñas, Planning Director Britany Waddell, Senior Planner Katherine Shor, Police Officer Danny Lloyd, Planner II Charnika Harrell, Affordable Housing Manager Emily Holt, Principle Planner Tas Lagoo, DEI Officer Shenekia Weeks, and Deputy Town Clerk Amy Harvey.

OPENING

Mayor Jessica Anderson called the meeting to order at 6:00 p.m. and reviewed the agenda. Council Member Sharp was absent/excused.

ANNOUNCEMENTS BY COUNCIL MEMBERS

0.01 Mayor Anderson Regarding Public Input Opportunities. [\[24-0235\]](#)

Mayor Anderson said that the Town would be accepting public input on the Downtown Public Right-of-Way Plan until May 3, 2024. She then pointed out that members of the Town's Planning staff would be at the Farmers Market on April 27th and would hold a public information meeting on the Land Use Management Ordinance rewrite at the Public Library on April 29th.

0.02 Mayor Anderson Regarding the Northside Festival. [\[24-0236\]](#)

Mayor Anderson said that the Northside Festival on April 27th would include live entertainment, dancing in the street, old school games, and great food.

0.03 Mayor Anderson Regarding Two Future Meetings. [\[24-0237\]](#)

Mayor Anderson announced that there would be a Special Council Meeting on a potential bond referendum at the Public Library on April 26th at 8:30

am. The next Regular Council Meeting had been scheduled for May 1st, she said.

0.04 Council Member Miller-Foushee Regarding House Us Now! March. [\[24-0238\]](#)

Council Member Miller-Foushee urged residents to join a May 4th march to support housing for those who make 30 percent of the area median income, and below. That march would begin at 2:00 p.m. at Peace and Justice Plaza and move to the Hargraves Center, she said.

0.05 Council Member Berry Regarding 24th Annual Mildred Council Community Dinner. [\[24-0239\]](#)

Council Member Berry pointed out that the 24th Annual Community Dinner would take place at 1:00 p.m. on Sunday, April 28th, at McDougle Middle School.

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.

0.06 Multiple Speakers Request Affordable Housing Bond. [\[24-0240\]](#)

Jane Hathaway and nine other people urged the Council to put an Affordable Housing (AH) bond referendum on the November 2024 ballot. Ms. Hathaway, director of the Furniture Project of Orange County, described the plight of some who were waiting for AH and asked how anyone of good conscience could consider delaying the referendum.

George Barrett, executive director of the Marian Cheek Jackson Center and co-chair of Orange County AH Coalition, urged the Council to put an AH bond for at least \$35 million forward in 2024. A \$10 million bond would be woefully inadequate, he said.

Ryan Lavalley, co-coordinator of the Orange County Home Preservation Coalition, stressed the need for AH for long-term residents, older adults, people with disabilities, communities of color and others.

Ian Scott, representing the Chamber for a Greater Chapel Hill-Carrboro, said that the advantages of holding an AH bond referendum in 2024 would outweigh anything that might be gained by waiting until 2025. He said that employers of every size and sector agree that AH was a top priority.

Travis Wayne, a Chapel Hill renter, argued that AH should be considered a human right and said that an AH bond of at least \$35 million would dramatically help to house more people.

Yvette Matthews, representing the Community Empowerment Fund, pointed out that some people were living on the Town's streets and in cars. She -- as well as Carrboro AH Commission representative Betty Curry and Interfaith Council volunteer Tom Fenn -- proposed that \$35 million of a \$50 million bond be used to create housing for those living at 30 percent of the area median income (AMI), and below.

Quinton Harper, executive director with Pee Wee Homes, spoke about the critical need for housing for those living at less than 30 percent AMI.

Chapel Hill resident Daren Campbell agreed with others that an AH bond was critical to creating equity and diversity in Town. It was time to stop talking and start taking action, he said.

This item was received as presented.

0.07 Renuka Soll Requests Parks and Recreation Bond. [\[24-0241\]](#)

Renuka Soll, chair of the Parks, Greenways and Recreation Commission, petitioned the Council to put a \$7.5 million Parks and Recreation bond referendum on the November 2024 ballot for deferred maintenance and a list of much needed Parks projects.

This item was received as presented.

0.08 Jacqueline Rome Requests Improvements to Oakwood Apartments. [\[24-0242\]](#)

Jacqueline Rome, an Oakwood Apartments resident, said that no improvements had been made to her apartment in 30 years. She hoped that the Town would have enough money to address the deteriorated condition of that public housing, she said.

A motion was made by Council Member Berry, seconded by Council Member Miller-Foushee, that the Council received and referred to the Manager and Mayor. The motion carried by a unanimous vote.

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 Mayor pro tem Ryan, seconded by Council Member Berry, that R-1 be adopted as amended, which approved the Consent Agenda. The motion carried by a unanimous vote.

1. Approve all Consent Agenda Items. [\[24-0205\]](#)

The Council postponed Item 3 until May 1st and added Item 3.1, which was related to a purchase of property near North Forest Hills Park/Piney Mt. Road.

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

2. Amend Chapter 2, Article IV, Section 2-72 of the Town Code of Ordinances Regarding Campaign Contribution Limitations. [\[24-0206\]](#)

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

3. Update the Town's Traffic Calming Policy. [\[24-0207\]](#)

This item was deferred to a different date.

- 3.1 Authorize the Town Manager to Execute Option to Purchase Real Property Near Piney Mountain Road, Adjacent to the Current N. Forest Hills Park [\[24-0225\]](#)

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

DISCUSSION

4. Public Forum: Use of 2024-2025 Community Development Block Grant Funds. [\[24-0208\]](#)

Affordable Housing Manager Emily Holt gave a PowerPoint presentation on staff's recommended 2024-2025 Community Development Block Grant (CDBG) Program funding plan. She pointed out that the process had begun with a public forum on November 15, 2023, and said that staff anticipated Council action in June 2024. Staff would then submit the plan to the US Department of Housing and Urban Development (HUD) before August 2024, she said.

Ms. Holt explained the purpose of CDBG funds and said that Chapel Hill had been designated an "entitlement community". The Town received \$415,000-\$420,000 from HUD each year to primarily benefit households earning less than 80 percent of the AMI, she said.

Ms. Holt said that staff's 2024-2025 action plan proposed allocating a

total of \$426,563 for AH. That would include an estimated \$419,225 in CDBG funding and \$7,338 of income from a previous CDBG project, she explained. Staff was recommending fully funding five of six applications, she said, explaining that a request from Refugee Community Partnership had not been submitted before the deadline.

Ms. Holt presented the following recommendations: \$30,000 for homebuyer assistance at Community Home Trust; \$89,500 to support home preservation at Rebuilding Together of the Triangle; \$139,983 for Neighborhood Revitalization; \$17,784 for Transplanting Traditions Community Farm, \$35,000 for the Town's Summer Youth Program; and \$28,984 for the Inter-Faith Council's homeless case management program. She asked the Council to open the public hearing and receive comments on the recommended CDBG funding plan.

Council Member Nollert and Ms. Holt discussed the deadline rules behind the recommendation to fund Neighborhood Revitalization (which had not made a request) while not funding Refugee Community Partnership (which had made a request).

Council Member Miller-Foushee confirmed with staff that the Town's Diversity Equity and Inclusion officer had been involved in the application review process and that applicants did have a pathway for talking about barriers or process issues.

This item was received as presented.

5. Consider Approving the Recommended Affordable Housing Funding Plan. [\[24-0209\]](#)

Director of Affordable Housing and Community Connections Sarah Viñas gave a PowerPoint presentation on staff's Recommended Affordable Housing Funding Plan, which would allocate \$1,668,800 in local funding to develop 66 new affordable units and preserve 10 others. She pointed out that 20 percent of those units would serve people who earn 0-30 percent of AMI. The requested funds would leverage more than \$20 million from outside sources, she said.

Ms. Viñas explained that a total \$2.35 million was available for the current application cycle, thanks to a Community Project Award the Town had recently received for the Tanyard Branch Trace project and other money that had not been needed for a Low-Income Housing Tax Credit project. She said that staff had evaluated six applications, using a scoring rubric that the Housing Advisory Board had developed, and was recommending funding for five of those six.

Ms. Viñas said that the organizations recommended for funding were: Community Home Trust, EmPOWERment, Inc., Habitat for Humanity of Orange County, Residential Services Inc., and Taft-Mills Group/Community

Home Trust. Those projects fell into the categories of new construction, rehabilitation, and acquisition, and they totaled \$1.7 million, she said, and she provided information on each of them.

Ms. Viñas explained that staff was not recommending funding for a Habitat for Humanity repair project at Pine Knolls and was proposing that the applicant work with the Orange County Home Preservation Coalition (OCHPC) to develop a more cost-effective scope and budget. She said that the \$45,000 that had been requested exceeded the assessed value of the home and that the Town would expect affordability restrictions to be in place for a project of that scope.

Council Members asked several questions about best practices. They asked about Habitat's Pine Knolls project in particular and confirmed that, as proposed, there would be no affordability restrictions on that property. Staff's decision to not fund it had been based on multiple factors, Ms. Viñas said. She pointed out that the Town provided CDBG funds to the OCHPC, which was made up of community organizations that rehabilitate AH projects. Staff typically channeled such projects through that organization, she said.

Community Home Trust Director Kimberly Sanchez, speaking as an OCHPC representative, said that Low Income Housing Tax Credit projects had been "gobbling up" much of the available AH money. There would not be much left for other projects without a \$35 million AH bond, she said.

Ryan Lavalley, a OCHPC coordinator, discussed the pros and cons of potential funding sources for the Pine Knolls project. He commented on how affordability requirements sometimes disproportionately affected Black families and long-term residents and could interfere with wealth retention. He proposed that the Town commit to keeping the Pine Knolls residents in their home without requiring indefinite affordability.

Christine Abernathy, representing the Marian Cheek Jackson Center, provided additional information about the Pine Knolls homeowner, who was a single woman caring for an adult daughter with cerebral palsy. She described that homeowner's need to make structural changes to accommodate a wheelchair, hospital bed, ventilator and lift in the home.

Delores Bailey, executive director of EmPOWERment, Inc., described Davie Circle, a naturally occurring affordable housing (NOAH) project that would include eight permanently affordable units. Davie Circle would be the first of EmPOWERment's three NOAH projects, two of which would be in Chapel Hill, she said.

Taylor Phillips, a home repair manager at Habitat for Humanity, said that the Pine Knolls home had been built as a temporary structure decades ago and had reached the end of its service life. He spoke about the difficulty of finding funding for such large repairs and asked the Council to

reconsider staff's recommendation.

In response to a request for guidance from the Mayor, Town Attorney Ann Anderson explained that an essential requirement for allocating public AH funds was that affordability be maintained. She spoke about the legal concerns and logistical challenges for staff when trying to craft a performance agreement without such a restriction.

Council members praised the proposed mix of innovative projects. Several asked staff to keep trying to find a solution for the Pine Knolls project and to provide them with follow up information. Mayor Anderson pointed out that the Council did not want to make such decisions from the dais but did want staff to try and find a solution. She expressed pride in the work that the Town's AH staff was doing and thanked them for continuing to bring projects to celebrate.

A motion was made by Council Member Nollert, seconded by Mayor pro tem Ryan, that the Council recused Council Member Miller-Foushee from the next vote. The motion carried by a unanimous vote.

A motion was made by Mayor pro tem Ryan, seconded by Council Member Stegman, that the Council adopted R-3. The motion carried by the following vote:

Aye: 7 - Mayor Anderson, Mayor pro tem Ryan, Council Member Berry, Council Member Searing, Council Member Stegman, Council Member Nollert, and Council Member McCullough

Recused: 1 - Council Member Miller-Foushee

6. **Rewriting Our Rules - A LUMO Update.**

[\[24-0210\]](#)

Principal Planner Tas Lagoo presented a PowerPoint update on the Town's Land Use Management Ordinance (LUMO) rewriting process. He pointed out that the evening's discussion would be the sixth high-level conversation that staff had had with the Council in seven months. The Council and staff had already discussed by-right development, environmental protection, the need for a stronger commercial base, and finding more ways to create missing middle housing, he said. He explained that staff would continue working on the LUMO over the summer and then return in fall with tangible materials, such as design and dimensional standards.

Senior Planner Katherine Shor described staff's 19 recent community engagement efforts and said that six more would occur throughout the spring. During the summer, staff and the consultant team would pause those events and focus on refining the draft LUMO and would start the community engagement efforts up again in the fall, she said.

Ms. Shor told the Council that staff had been looking at land use rules through an equity lens, with the goal of addressing inequitable outcomes that had been institutionalized through past land use rules, plans and decisions. She described a three-part racial equity analysis that would address exclusionary zoning policies and rules that had limited the Town's racial and economic diversity.

Ms. Shor pointed out that Chapel Hill's Black population in 2022 was 11 percent, while Black residents made up 25 percent for North Carolina's population as a whole. Such inequity in Chapel Hill and across the country had resulted from systemic oppression of marginalized groups, disparate access to resources, and discrepancies in how land has been regulated, valued and used, she said.

Ms. Shor explained how the Town's current land use rules contributed to higher housing costs by limiting infill development and restricting housing types. Black, Hispanic and mixed-race people were more likely to be renters and 58 percent of the Town's renters were cost-burdened, she pointed out. She discussed how such disparities could lead to lower educational attainment, less access to capital, and the inability to build wealth through homeownership.

Ms. Shor said that staff had assessed the LUMO against 35 policies in the American Planning Association (APA) 2022 Equity in Zoning Guide. They had found that many elements of the current LUMO were not aligned with those national best practices, she said. She pointed out that the Town had recently updated some of its policies with LUMO amendments and through policy-level guidance. Staff would be recommending more policies regarding equity in zoning in the future, she said.

Mayor pro tem Ryan asked if it would be possible to get a list of recommended equity actions earlier than the fall, so that the Council could weigh in on solutions. Planning Director Britany Waddell replied that the staff would need that guidance at a point when the Council could see their work and hear their reasoning.

Mayor Anderson commented that Council members wanted to get information along the way and to understand where potential conflicts might be. She wanted to hear how the equity assessment would reflect the Council's conversations, she said.

Ms. Shor replied that staff would continue to have policy discussions with the Council and seek feedback on ideas and recommendations based on best practices. DEI Director Shenekia Weeks confirmed that staff had been addressing the APA's proposed policies and using an equity lens as that work was being done.

Mr. Lagoo said that a primary APA recommendation was to expand opportunities for by-right development because doing so could lead to

equitable outcomes. Staff would keep equity top of mind and make sure that it was always part of the discussion, he said. He said that staff understood the Council's desire to "get out of the weeds" and into a more policy-making role. However, some community interests could be protected by having the Council involved in development review and staff would balance that while writing new processes and standards, he said.

Mayor Anderson suggested that staff mirror the Council's conversations back to it in a way that shows staff understands what was said. It would also be helpful for the Council to know what staff was hearing from other groups, she said, noting that Council members wanted to understand how the process was unfolding. She said that the Council wanted to know how staff was processing different pieces of information and she asked Mr. Lagoo to point out if she or others say something that is in conflict with other Town interests.

Mr. Lagoo said that incentives and small-scale housing development projects would inform much of staff's work over the next several months. He explained the consultant's conclusions that density bonuses and buffer/setback relief were not good tools for inducing market-rate developers to provide significant AH. He pointed out, though, that such incentives might be meaningful to mission-oriented developers, and he confirmed that several Council members were interested in having staff look into building such incentives into the Town's Residential Community Priority Process for AH.

Mr. Lagoo said that staff had been addressing breaking points. For example, when a project is too small to bear the cost of AH, rental projects with at least 12-16 units and for-sale projects with at least 10-12 units could each bear the cost of one affordable unit, he said. He said that staff would return in May to discuss the scope of Conditional Zoning (CZ) and the types of projects that should take that route. He gave examples of issues that staff were planning to address and said that there would be an opportunity to think about moving the needle on how much housing could be administratively approved.

Council Member Nollert confirmed with Mr. Lagoo that the revised LUMO would be a living document that could be continuously amended and improved. Ms. Waddell commented that all of the Town's major plans should be revisited within five years, then re-written within ten years, and constantly evaluated.

John Weis, Community Design Commission (CDC) chair, said that the Council had not yet discussed an analysis of typologies that the CDC had sent to the Town. He would return to talk about those at another time, he said, adding that the CDC would be more than happy to get engaged.

Daren Campbell, a Planning Ambassadors Program member, said that many of the Town's land use ordinances were equivalent to Jim Crow laws. It would take much time and work to change them, but staff was making a good start, he said. He spoke about the need for more diverse housing and diverse businesses in Town.

John Mitchell, speaking for the Planning Commission chair who had left the meeting, thanked staff members for their patience and thoroughness. He asked how a consensus on a number of important values would translate into a strategic decision that drafting would carry out. He pointed out that the PC currently had little visibility into those decisions and said that it was hard to provide advice without getting a better understanding.

Delores Bailey, executive director of EmPOWERment, Inc., expressed appreciation to staff for bringing the LUMO to the community at meetings. She said that the process needed to be made more understandable, though, so that people could see how LUMO changes would personally affect them and their community. She was interested in unpeeling institutional racism and figuring out how the LUMO would relate to small communities such as Northside and Pine Knolls, she said.

Council Member McCullough stressed the importance of acknowledging the institutional racism that had led to some people being more privileged even if they might not have personally caused it. Institutional racism was an aspect of society that the Town had an obligation to try to address, she said.

Council Member Nollert commented on the conflict between insuring that a house remains affordable and providing an opportunity for the homeowner to realize a profit from his/her property. He was interested in learning what options community members wanted to see in the LUMO, he said.

Mayor pro tem Ryan said that she was looking forward to seeing an updated Engineering and Design Manual with one set of rules for the Town. She wanted to ensure that Council and staff understood each other before the summer break and that the Council had an opportunity to provide some high-level guidance, she said. She stated that more discussion was needed before staff began writing and doing detailed work, and Ms. Waddell replied that staff was planning to provide a summary in June.

Council Member Stegman praised how the equity analysis had been laid out. She wanted to hear about ways to address how overuse of Neighborhood Conservation Districts (NCDs) and Historic Districts (HDs) had impacted land use and been a barrier to the Town's natural involvement, she said. She agreed that it would be great to get a summary from staff before summer break but said that she thought that

the Council's current way of checking in had been working.

Council Member Miller-Foushee emphasized the importance of staff's racial equity work and said that she, too, was interested in looking at NCDs, noting that the most AH probably had been built in Northside's NCD. She said that community benefit requirements should not thwart housing projects or undermine AH goals. She was comfortable with the current process but wanted to understand her colleague's comments better, she said, adding that it sounded as though some wanted to provide feedback on things that had not yet been drafted.

Mayor Anderson pointed out that the Council was expressing much appreciation for staff's equity work. She said that she appreciated the information being kept at a policy level but that it was important for Council members to understand "where we are" before the summer break. She supported figuring out what needed to be administrative and agreed with Mayor pro tem Ryan regarding the importance of updating the Engineering and Design Manual, she said.

This item was received as presented.

ADJOURNMENT

The meeting was adjourned at 9:05 p.m.