



TOWN OF CHAPEL HILL

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

Town Council

Meeting Minutes - Draft

Mayor Pam Hemminger
Mayor pro tem Jessica Anderson
Council Member Donna Bell
Council Member Allen Buansi
Council Member Hongbin Gu

Council Member Nancy Oates
Council Member Michael Parker
Council Member Karen Stegman
Council Member Rachel Schaevitz

Wednesday, June 19, 2019

7:00 PM

RM 110 | Council Chamber

Roll Call

Present: 7 - Mayor Pam Hemminger, Mayor pro tem Jessica Anderson, Council Member Donna Bell, Council Member Allen Buansi, Council Member Hongbin Gu, Council Member Nancy Oates, and Council Member Michael Parker

Absent: 2 - Council Member Karen Stegman, and Council Member Rachel Schaevitz

Other Attendees

Town Manager Maurice Jones, Deputy Town Manager Florentine Miller, Town Attorney Ralph Karpinos, Police Officer Rick Fahrer, Fire Inspector Chris Wells, Planning Director Ben Hitchings, Planning Operations Manager Judy Johnson, LUMO Project Manager Alisa Duffey Rogers, Senior Planner Anya Grahn, Planner II Michael Sudol, Executive Director for Housing and Community Loryn Clark, Manager's Office Intern Maggie Bailey, and Deputy Town Clerk Amy Harvey.

OPENING

Mayor Hemminger opened the meeting at 7:00 p.m. and said that Council Members Schaevitz and Stegman would be absent due to work-related travel. Mayor pro tem Anderson arrived at 7:04 p.m.

0.01 Success Video: Charting Our Future Project.

[\[19-0610\]](#)

The Council viewed a "Celebrating Successes" video about the Town's Future Land Use Map (FLUM), the part of the Comprehensive Plan that serves as a blueprint for implementing the community's vision. The video discussed community feedback to proposed FLUM revisions and explained how the FLUM would be used.

Mayor Hemminger noted that Agenda Item 7 would address the FLUM, as well, and that more information was available on the Town's website, where citizens could always leave comments.

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.

0.02 Rogers Road Neighbors Request Regarding Greene Tract Resolution.

[\[19-0611\]](#)

Larry Reid Sr., speaking on behalf of the Rogers Road/Eubanks Neighborhood Association and others involved with a "Mapping Our Community's Future" report, asked the Council to join with the Orange County Board of Commissioners and Carrboro Board of Aldermen in passing a resolution regarding the Greene Tract. More than a hundred petitioners were requesting that the Council pass that resolution, he said, and asked that it be put on the Council's June 26th agenda.

Reverend Robert Campbell, a Rogers Road resident, spoke about his neighborhood's aspirations and vision for achieving economic diversity and social development through use of the Greene Tract.

Delores Bailey, a Chapel Hill resident who had been involved with Greene Tract discussions since 2003, said that neighbors were merely asking the Council to move forward with a resolution in the same way that Orange County and Carrboro had already done. She reminded the Council that the Rogers Road/Eubanks community had endured pressures from the landfill for more than 20 years. They just wanted to see something good, such as mixed income housing brought into their neighborhood, she said.

Karen Reid, a Rogers Road/Eubanks Community resident, asked the Council to put the resolution on its June 26th agenda. The community wanted to see mixed-income housing and perhaps a school there, but wanted the most sensitive part of the Greene Tract preserved, she said.

Mayor Hemminger replied that she and the Council were committed to helping the neighborhood achieve its potential and had dedicated resources to that goal. The Council was committed to affordable housing (AH) and had developed zoning that would prevent "gentrification" once the sewer system had been installed, she pointed out. She said that

there had been confusion regarding Greene Tract boundaries and that the Chapel Hill-Carrboro School Board had determined that the tract was not a good site for a school.

Mayor Hemminger said that the three governmental bodies had previously agreed to provide information to the community in early September, and the Town's schedule for June 26th was already packed. She assured the speakers that she was not procrastinating but did want to have broad community buy-in when proceeding. "I promise to you that moving it forward is a goal of mine," she said.

Council Member Bell confirmed that the proposed resolution was the same one that had been presented to the Council on February 19, 2019 and that passing it was necessary in order to have further conversations. It seemed like a small step to approve a resolution that the Town's partners had already passed, she said.

Mayor Hemminger replied that she thought the larger community would be more supportive if it had more information. She wanted everyone to be excited about the plan and not confused due to lack of information, she said.

Town Manager Maurice Jones said that staff probably could put the item together fairly quickly, since there would not be much change from a previous memo.

Council Member Buansi pressed to have the item moved forward and proposed having a special Council meeting if the June 26th date was not feasible. Mayor pro tem Anderson and Council Members Parker expressed support for that idea.

Council Members Gu and Oates argued that more information was needed first, and Council Member Bell requested that they clearly state what that information was.

A motion was made by Mayor pro tem Anderson, seconded by Council Member Oates, that this Petition be received and referred to the Town Manager and Mayor to find a date for a special meeting and to provide the Council with information ahead of time. The motion carried by the following vote:

Aye: 6 - Mayor Hemminger, Mayor pro tem Anderson, Council Member Buansi, Council Member Gu, Council Member Oates, and Council Member Parker

Nay: 1 - Council Member Bell

ANNOUNCEMENTS BY COUNCIL MEMBERS

0.03 Council Member Oates Regarding Miss Orange County Ashton Blackburn's Involvement in Miss North Carolina Pageant. [\[19-0612\]](#)

Council Member Oates reported that Ashton Blackburn, Miss Orange County, was competing in the Miss North Carolina pageant. The crowning would occur at 8:00 p.m. on June 22nd and would be broadcast on ABC, she said.

0.04 Council Member Oates Regarding Death of Dr. Charles van der Horst. [\[19-0613\]](#)

Council Member Oates noted that Chapel Hill resident Charles van der Horst, a well-known AIDS researcher and social justice activist, had unexpectedly passed away the prior weekend. She expressed gratitude for the example Dr. van der Horst had been and for the life he had given.

0.05 Council Member Buansi Regarding Birth of his Child. [\[19-0614\]](#)

Council Member Buansi expressed joy and pride over the birth of his first child, a daughter named Zora, during the previous week.

0.06 Mayor Hemminger Regarding Community Tree Committee Meeting. [\[19-0615\]](#)

Mayor Hemminger said that about 30 people had attended a meeting at the NC Botanical Gardens regarding replanting trees in the community. She shared some of the ideas presented and said the goal was put trees in public places and in private yards. Anyone who wanted a tree or who would like to be involved with the project should contact Kevin Robinson at the Town's Parks and Recreation Department, she said.

0.07 Mayor Hemminger Regarding Movies Under the Stars. [\[19-0616\]](#)

Mayor Hemminger noted that movies would be shown, in partnership with UNC, on the grass at McCorkle Place, beginning on June 20th.

0.08 Mayor Hemminger Regarding 4th of July Celebration. [\[19-0617\]](#)

Mayor Hemminger noted that the annual Fourth of July celebration would be held at Southern Community Park this year.

0.09 Mayor Hemminger Regarding Food for the Summer. [\[19-0618\]](#)

Mayor Hemminger said that the Food for the Summer program needed volunteers for different opportunities, such as picking up and delivering food to sites and/or serving lunches to children.

0.10 Mayor Hemminger Regarding Item #4 Moving to End of the Agenda and Closed Session. [\[19-0619\]](#)

Mayor Hemminger pointed out that Agenda Item 4 had been moved to the end of the meeting.

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 Anderson, seconded by Council Member Parker, that R-1 be adopted as amended removing item #4, which approved the Consent Agenda. The motion carried by a unanimous vote.

1. Approve all Consent Agenda Items. [\[19-0588\]](#)
2. Approve the Year-End Miscellaneous Budget Ordinance Amendments to Adjust Various Fund Budgets for FY 2018-19. [\[19-0589\]](#)

This resolution(s) and/or ordinance(s) was adopted and/or enacted.
3. Adopt the Public Libraries Records Retention and Disposition Schedule. [\[19-0590\]](#)

This resolution(s) and/or ordinance(s) was adopted and/or enacted.
4. Approve a Framework for Chapel Hill's Participation in the Orange County Intergovernmental Work Group, Convey this Framework and Designate the Town's Representatives. [\[19-0591\]](#)

Item moved to the end of the meeting.

INFORMATION

5. Receive Upcoming Public Hearing Items and Petition Status List. [\[19-0592\]](#)

This information was received as presented.

DISCUSSION

6. Receive the Chapel Hill Downtown Partnership Annual Report. [\[19-0427\]](#)

Matt Gladdek, new executive director of the Downtown Partnership, described the search that had brought him to the position. He discussed the Partnership's budget and provided details on planned activities regarding investment and traction, place-making, and business services. He said that a strategic plan to develop a unified vision for Downtown would be launched at the end of 2019.

Council Member Oates urged Mr. Gladdek to advocate with others against

a NC General Assembly bill to allow alcohol sales at football games, and he agreed to find out if the Partnership board wanted to get involved in such advocacy.

Council Member Gu and Mr. Gladdek discussed the causes of empty storefronts and options for turning that situation around.

Mayor Hemminger thanked Mr. Gladdek for listening, rather than making assumptions, and for sharing his expertise with the Town.

Mayor Hemminger announced that Agenda Item 10 would be moved to the June 26, 2019 Council meeting.

This information was received as presented.

7. Charting Our Future - Review and Provide Feedback on the Draft Guiding Statements.

[\[19-0593\]](#)

LUMO Project Manager Alisa Duffey Rogers asked for feedback on guiding statements that would officially be adopted when the Chapel Hill 2020 Comprehensive Plan was amended to include the refined Future Land Use Map (FLUM). She pointed out that suggestions from Town boards and commissions had been incorporated in the draft before the Council.

Ms. Duffey Rogers read the 10 guiding statements and indicated changes that had been made since the Council's March review of them. She outlined the upcoming process through the summer and pointed out that the guiding statements would not be adopted until the revised Comprehensive Plan -- with the revised FLUM and all of its components -- was formally adopted.

Mayor pro tem Anderson confirmed with Ms. Duffy Rogers that staff would meet with the University of North Carolina at Chapel Hill (UNC) over the summer regarding the student housing components of the FLUM.

Council Member Gu confirmed that the Council would analyze how its guiding principles were being met and that the analysis could be as regimented as a scoring system or done at a more conceptual level.

Julie McClintock, a Chapel Hill resident, stressed the importance of getting the implementation pieces under each statement right. She read the first one, regarding climate change and environmental stewardship, and suggested items to include in that. Ms. McClintock also recommended creating a new guiding statement for transportation.

Mayor pro tem Anderson stressed the need for more than a focus group conversation on student housing. She expressed support for adding more about transportation and proposed also including additional information

about Town efforts to address parking issues and alternative transportation.

Council Member Parker stressed the need to describe goals for the LUMO itself. One such goal should be that the LUMO is fair and predictable for both developers and residents, he said.

Council Member Oates noted a couple of errors in the maps. She asked if there was a way to convey the Council's intent that duplexes, triplexes, and accessory apartments not be investment properties or student housing.

Council Members Oates and Gu stressed the importance of "concurrency" and of the guiding principles being most effective when working together. The Council and Mayor suggested several wording changes as well.

Ms. Duffey Rogers reviewed the next phases of the process. She said that Council's approval of the blueprint on June 26th would allow the staff to spend the summer engaging on all components of the FLUM including; the guiding statements, map series, and focus area maps.

Mayor Hemminger stressed the importance of inviting boards and commissions to combined meetings and of having four or five different sessions so that all could attend.

Council Member Parker confirmed with Ms. Duffy Rogers that staff was using Arc GIS for outreach and was trying to find locations in every focus area.

Mayor Hemminger said she had talked with UNC and others about student housing needs for the next 30 years. She said that a subcommittee of Town and UNC staffs had been tasked with making recommendations, and Mayor pro tem Anderson confirmed with Ms. Duffey Rogers that this would be reflected in Statement 10.

Mayor Hemminger asked about putting LUMO goals that the Council had discussed in writing, and Ms. Duffey Rogers offered to add those as Statement 11.

This information was received as presented.

8. Consider Pursuing a Text Amendment Process for Changes to the Land Use Management Ordinance in Response to Short Term Rentals (STR).

[\[19-0594\]](#)

Planning Director Ben Hitchings gave a PowerPoint presentation about the rapid expansion of short-term rentals (STRs) throughout the country. He said that there were about 300 STRs in Town, representing an estimated

\$5 million in revenue in 2018. There had been an approximated 40 percent increase in STR nights throughout the Town from 2017 to 2018, he said.

Mr. Hitchings said that key current concerns pertained to health and safety, missed occupancy tax revenue, community benefits/impacts, and the limits of staff capacity for enforcement. He recommended that the Council adopt Resolution 6, authorizing the Town Manager to do four things: 1) develop updated STR standards with input from community stakeholders; 2) conduct appropriate enforcement efforts in the short term; 3) conduct an education campaign prior to implementing new regulations; 4) explore possible enforcement assistance from third party vendors.

Senior Planner Anya Grahn provided more specifics on STR locations and explained that the LUMO predated them and currently regulated them through three definitions: Home Occupation, Tourist Home, and Overnight Lodging. Complaints to the Town regarding STRs had been related to increased parking, noise, and diminished character of the residential neighborhood, she said.

Ms. Grahn said that STR operators argue that the use regulates itself via the need for positive online reviews from customers. However, hoteliers had expressed concern about unfair competition, since they must adhere to health and safety inspections and other requirements that STRs do not, she said.

Ms. Grahn pointed out that there was only one zoning compliance officer for the entire Town and that additional staff would be needed to regulate and enforce 300 STRs. Hiring a third-party vendor to help with that would cost between \$5,000 and \$25,000 per year, she said.

Mr. Hitchings described recent efforts to address the STR phenomenon via the Town's noise ordinance and law enforcement. He proposed that the Town engage in a collaborative effort to upgrade LUMO standards, perhaps with help from the UNC School of Government. A public review process and education campaign would precede implementation of new standards, if the Council decided to adopt changes, he said. Mr. Hitchings noted the possibility that state legislation might limit or preempt local governments from establishing requirements, however.

The Council confirmed with Mr. Hitchings that the Town's current nuisance regulations were adequate to address some complaints but that issues such as trying to identify where STRs were located were more complicated. Mayor Hemminger confirmed that third party vendors could help locate STRs that were not paying occupancy taxes and could help with collections as well.

Council Member Parker verified with Mr. Hitchings that staff had met with the Chamber of Commerce regarding a recent petition from them and the Chapel Hill Alliance for a Livable Town and hoteliers regarding STRs. He confirmed that those who had drafted that petition would be providing input on standards.

The Council and Mr. Hitchings discussed the impact of STRs on local hotels. They discussed the makeup of a stakeholder committee to provide input, what hoteliers were required to do regarding health and safety regulations, and how having various definitions under STRs was confusing but did limit the total number of units in a given structure. "Overnight lodging" in the Blue Hill District had no limitation, Mr. Hitchings pointed out.

Town Attorney Ralph Karpinos noted that the Council had received a petition from a citizen asking the Town to look at allowing an enforcement action against property owners as well. That was in progress and might address some concerns, he said.

Mayor pro tem Anderson asked how the Town might track and enforce a maximum number of days that an owner could rent out an entire house, and Ms. Grahn recommended talking with software vendors regarding options.

David Hartman, Rodney McLamb, Kate Fix, Barbara Holloway and Richard Riggio told of their individual positive experiences as Chapel Hill residents who rent all or part of their homes through Airbnb. They each said that they were dependent on the income they received from their STR property. They argued that the Town needed a diversity of STR options. They said that Airbnbs were already regulated by the Airbnb rating and the Town's nuisance ordinance.

John Quintero, a local economic and social policy consultant and one of the petitioners, said that STRs were a commercial activity that the LUMO never envisioned and was poorly equipped to address. He said that the Town should create a distinct use category for the STR business model, and he encouraged the Council to create an advisory body that would include experts from the UNC School of Government.

Katie Loovis, representing the Chapel Hill Carrboro Chamber of Commerce, agreed with what Mr. Quintero had said and discussed the impact of STRs on investors, such as those who wanted to construct a hotel or a conference center in Town. With regard to proposed Resolution 6, the Chamber was against Number 2 because conducting enforcement efforts in the short term could create confusion, she said. Ms. Loovis recommended that Rebecca Badgett of the UNC School of Government be part of the

stakeholder committee.

Edmund Burke, president of a small HOA, asked to be a community stakeholder on the committee. He said that STRs were allowed in his Residential 3 community and that he and his neighbors had taken action against a violator. They had amended their HOA covenants with stronger enforcement action, which including fines, he said. Mr. Burke asked the Council to consider "putting some muscle behind your current ordinance" with fines.

The Council discussed the need for fair competition and the issues of health, safety and tax collection. They agreed that residents should be able to rent extra space in their homes but said that year-round whole-house rental needed careful thought. The Council agreed to proceed with all of Resolution 6 except Number 2 regarding enforcement and recommended finding out what had worked in other communities. There was a general agreement among Council members that the Town should respond to nuisances on a case-by-case basis but not go looking for problems.

Council Member Oates confirmed that there were no funds in the recently-adopted Town budget for a new enforcement position. She suggested revisiting why the Town did not currently allow bed and breakfasts and expressed concerns that allowing STRs could contradict the Council's AH goals. There needed to be a penalty for violations, she said, and she recommended letting the public know right away that the Town was working on regulations.

Mr. Karpinos pointed out that there were enforcement provisions, such as civil penalties, criminal penalties, and opportunities to go to court to seek a court order directing compliance in the current zoning ordinance. The idea that the Town could only issue warnings was not correct, he said.

Council Member Buansi asked for periodic updates on how each action item was going and for a time-table regarding steps taken.

Mayor Hemminger agreed with others that Number 2 in Resolution-6 would only confuse people and might not be worth the time and energy. She had no problems with owner-occupied homes having people in their houses but mentioned wanting to learn more about whole house rentals. She expressed concern about outside investor groups buying homes, and said she agreed that having a level playing field for hoteliers needed to be considered.

Mayor Hemminger said that she had heard good things about Ms. Badgett at the School of Government. Crafting something that would work for Chapel Hill would require a variety of stakeholders, including some whose

neighborhood homeowner associations had experience with STRs, she said. She asked staff to return with one definition to fit all STRs and said she would like to know at some point why the Blue Hill District had a different model.

Mayor Hemminger confirmed with Mr. Hitchings that a webpage had been set up and that people could leave comments and/or let the Town know if they want to be involved in the stakeholder process.

A motion was made by Council Member Parker, seconded by Council Member Buansi, that R-6 be adopted as amended. The motion carried by a unanimous vote.

9. Update on the UNC Health Care Eastowne Development Agreement Proposal.

[\[19-0595\]](#)

Mr. Hitchings gave a presentation that was a follow up to earlier meetings regarding a development agreement (DA) with UNC Healthcare regarding its Eastowne project. The process had reached the end of the visioning phase and staff was checking in with the Council to see if it correctly understood the issues and considerations, he said.

Simon George, vice president for Real Estate at UNC Healthcare, gave a PowerPoint presentation on the Eastowne master planning process, which had included multiple meetings both internally and across the community, as well as a site analysis. He described the 48-acre site at the corner of Interstate-40 and US 15-501 in an area that was a major gateway to Town and was targeted for mixed-use zoning.

Mr. George explained UNC's goal to consolidate its outpatient clinics and to have more space to provide services for a local and statewide population. He said that the current meeting was marking the end of the visioning phase of the DA process and the start of the planning scenarios.

Consultant John Martin, a principal with Elkus Manfredi Architects, continued the applicant's presentation regarding the three-month visioning process, which had included listening; site tours; and meetings with advisory boards, Council members, neighbors and others. He said that the primary comments and concerns expressed had been related to the following areas: place-making, creating infrastructure that fosters later development, creating a sustainable design, creating a walkable design, enhancing the natural environment, and creating community prosperity.

Mr. Martin discussed the physical characteristics of the site, which was part of a dedicated natural heritage area, abutted an important watershed, and included a man-made farm pond. He said that UNC would develop scenarios that do and do not include many of those environmental features. Mr. Martin said that current utility service probably did not have

the capacity to support the kind of development that would satisfy all of the criteria he had listed and that any substantial development would require traffic mitigation. He looked forward to discussing whether the site was appropriate for AH, Mr. Martin said.

Planning Operations Manager Judy Johnson reviewed the schedule for phasing for the next couple of months, which included many meetings and two open houses. She said that staff would return to share a preferred alternative at a public meeting in late October. Meetings would be listed on the Town's website and notices would be sent out, she said.

Ms. Johnson explained that a draft DA, which had been changing every day, had gone to the Planning Commission and would go to other boards for input as well. It would then go to the Council and be posted on the webpage so that all boards would be able to continue adding to it, she said. Ms. Johnson explained that the DA would be an organic, living document that would help guide the Town as it develops its negotiation place for the DA.

Council Member Parker, a member of the Council Negotiating Committee, asked Mr. Hitchings about the stage at which an urban designer would help guide the process and what staff input would help synthesize advisory board feedback into something the Council Committee could start working on.

Mr. Hitchings described an 18-month process of gathering broad input that would include a consultant as well as the Town's technical review, which consisted of people from Public Works, Engineering, Stormwater, Police, Fire, Planning, and Housing Departments. He named some consultants that the Town and UNC Healthcare were poised to hire but stressed that it was early in the process and that key policy questions were still being addressed.

Council Member Parker said that the Negotiating Committee was trying to develop the criteria that would be used to analyze the scenarios. It wanted to have its own opinion of what would make a good project on the site which UNC Healthcare could then look at before spending a great deal of time developing scenarios that may not be responsive to what the Town wants, he said.

Mayor pro tem Anderson clarified with Mr. Hitchings that staff planned to put ideas and options together for the Council to use in developing its negotiating position.

Council Member Gu, a Council Negotiating Committee member, asked for additional clarity on the process. Mr. Hitchings described a sequence in which the Council and UNC Healthcare would talk at a high level to decide

on key characteristics and then staff would meet with the technical team and advisory boards to refine those scenarios and bring them back to the Council Committee for confirmation.

Mayor pro tem Anderson argued that the Town's negotiating position should be based on what it wants and determined before negotiations begin. She asked when Council members would have that conversation among themselves.

Mr. Hitchings replied that the goal was to have options for the Council to consider by the end of June, with Council feedback in early July becoming a preliminary negotiating position that the Town could send to UNC Healthcare.

Mayor pro tem Anderson confirmed that staff hoped to have urban designer Tony Cease under contract within the next few weeks.

Council Member Parker said that the Town needed consultant input on its negotiating position as soon as possible, and Mayor Hemminger proposed having the Council Committee meet with the technical team and consultants at noon on July 22, prior to its 2:30 p.m. negotiating meeting with UNC Healthcare.

Council Member Gu confirmed with Mr. Hitchings that staff was working to bring a proposed template regarding key features of various scenarios for discussion.

Council Member Parker noted a lack of a common vocabulary regarding words such as "scenario". He said that the Council needed a common language and common level of detail and asked for an outline of what elements a scenario would contain.

Julie McClintock suggested that scenario characteristics be in a framework with metrics to be taken to the negotiations with UNC Healthcare.

Council Member Bell asked if the framework for negotiations felt complete to the Council Committee, and Council Member Gu replied that it was an evolving document that staff would give to the boards and commissions for input and would continue to update. Deciding how to align the two negotiating frameworks was something that would be discussed, said Council Member Gu.

Council Member Parker again stressed the need for help with creating a coherent document that the Town could use and UNC Healthcare could understand, and Council Member Gu replied that information was still being collected. It had not been integrated into a coherent document yet but would be by the Council Committee's July 22nd meeting, she said.

Town Manager Maurice Jones commented that staff would try to get consultants involved prior to that July meeting.

Council Member Buansi said that he wanted to be part of the loop even though he was not on the negotiating committee, and Mayor Hemminger and Mr. Jones commented on the importance of developing ways to have check-ins and ongoing communication with the entire Council.

Council Member Oates said that UNC seemed "skittish" with regard to AH on the site. She noted that they would have a workforce there and stressed how absolutely critical the housing piece was to the Council.

This information was received as presented.

- 10.** Discuss Affordable Housing Goals for Rental Housing Development.

[\[19-0596\]](#)

This item was deferred to the June 26, 2019 Council meeting.

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, a citizen speaking on an agenda item is 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.

- 11.** Concept Plan Review: Bridgepoint, 2214 & 2312 Homestead Road.

[\[19-0597\]](#)

Planner Michael Sudol gave a PowerPoint presentation on a proposed 54-townhome development encompassing up to 121,000 square feet of floor area at the corner of Homestead Road and the Weaver Dairy Road Extension. The proposal was to modify a currently approved SUP that had approved a rezoning to Residential-5/Conditional, he said. He described a new additional proposal to build an access point and roundabout to satisfy AH requirements.

Mr. Sudol showed the location of the proposed roundabout. He said that the Town's Inclusionary Zoning Ordinance traditionally required 15 percent of units to be set aside as affordable, half at 65 percent and half at 80 percent of the area median income (AMI). He said that the applicant was proposing a new access point and roundabout as an alternative to that requirement, with a cash payment in lieu for any remaining balance.

Mr. Sudol said that the Housing Advisory Board (HAB) had strongly advocated for AH units onsite and was asking the applicant to clearly demonstrate why those units were not feasible. The HAB did think that a driveway shared with the Town's development at 2200 Homestead Road made sense and encouraged the applicant and Town to work on that, he said.

Applicant Eric Chupp, of Capkov Ventures Inc., described the project and listed reasons why the area was a good location for a townhome community. He said that the SUP had been approved in 2009 and said that the new request was to increase the number of townhomes, eliminate the commercial component, and create a roundabout and shared entrance.

Mr. Chupp said that the proposal would fully comply with the Town's Inclusionary Zoning Ordinance by making a payment in lieu for AH based on 15 percent of the market rate lots. That amounted to 8.1 AH units, for a total contribution of \$688,500, he said. He proposed that a portion of that payment in lieu go toward constructing the shared road and traffic circle and that the remainder be paid to the Town's AH fund. Mr. Chupp provided details on how he believed the proposal would achieve Town goals.

The Council ascertained from Executive Director of Housing and Community Loryn Clark that the need for a traffic circle had not been determined and that the proposed payment in lieu of \$85,000 per unit had come from the Town's ordinance. Whether or not to accept a payment in lieu was a Council decision, said Ms. Clark.

The Council confirmed with Mr. Chupp that a proposed pocket park, described in the plan, would probably be owned and managed by the homeowners' association but that adjoining neighbors typically use such amenities as well.

Susan Nassar, a nearby property owner, expressed concern about tree removal, especially at the back of the property. She described water management issues in her neighborhood and said that area homeowners were concerned about the current holding pond not being large enough to meet additional stormwater needs.

Council Member Buansi said he strongly preferred affordable housing onsite and was not clear about why that was not a feasible option. Other Council members criticized the regimented feel of the project's design, where the developer seemed to be squeezing townhomes into every inch of the buildable area. Some thought that the pocket park was inadequate and the majority commented on the need for a better thought-out and more interesting place where residents would want to live. The Council did acknowledge that the proposal addressed the "missing middle" market, however.

Council members stressed their preference for AH units onsite and expressed reluctance to trade eight AH units for a traffic circle. However, they were willing to discuss adjusting AMI level, unit size, and other factors, they said. The Council confirmed with Ms. Clark that it was too early for staff to comment but that she would return with updated AH information and options as the project moved forward. Council Member Gu said she was open to innovative solutions but would like to know if the proposal would actually benefit AH.

Mr. Chupp agreed to take the Council's comments into consideration. He said that the density was the result of trying to build a townhome project with an RCD going through the back area. There were constraints with land, but he would go back and look at making it more livable, he said.

Cameron Rice, a civil engineer with Advance Civil Design, described the physical challenges with the site that prevented a meandering road network and townhome lots, and Council Member Oates verified with him that not being able to put buildings or plantings within the sewer easement had prevented the kind of graceful development that Mr. Chupp had done in other parts of Town.

Council Member Oates said she would need to be convinced of the need for a traffic circle, and Mr. Rice replied that the NC Department of Transportation would require the entrance to be aligned with the Courtyards at Homestead. He noted several ways in which having a traffic circle would improve traffic and prevent stacking in the area.

Council Member Oates replied that the Town had multiple multi-family projects that included more units than the one being proposed and that stacking had never been an issue. She saw the proposed traffic circle as a waste of space and a barrier between the two subdivisions, but was in favor of having shared driveways, she said.

Mr. Rice replied that eliminating the traffic circle would mean that the applicant would not be in compliance with the driveway permit that they anticipated getting from the NC Department of Transportation.

Council Member Oates said she did not want AH money to be used for a traffic circle and strongly requested that the applicant comply with the Inclusionary Zoning Ordinance.

Mayor Hemminger noted that the majority of Council members wanted AH onsite and said she agreed with not spending AH funds on a traffic circle. However, the Town might have to restructure some aspects of the affordability piece if it wanted middle type housing, she said. She said that she understood how the "grid look" was a product of the site's constraints but recommended breaking up a 750-foot wall of buildings along the road. Mayor Hemminger proposed that the applicant meet with the Town's Housing staff and Community Home Trust and return with a more creative AH proposal that includes some on site.

A motion was made by Mayor pro tem Anderson, seconded by Council Member Bell, that R-7 be adopted. The motion carried by a unanimous vote.

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

A motion was made by Council Member Parker, seconded by Council Member Buansi, that the Council enter into closed session as authorized by General Statute Section 143-318.11(a)(3) to consult with the Town Attorney. The motion carried by a unanimous vote.

ADJOURNMENT

The Council recessed the meeting at 12:23 a.m., and adjourned the meeting at the conclusion of the closed session.