



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, March 6, 2019

7:00 PM

RM 110 | Council Chamber

Roll Call

Present: 8 - Mayor Pam Hemminger, Council Member Donna Bell, Council Member Allen Buansi, Council Member Hongbin Gu, Council Member Nancy Oates, Council Member Michael Parker, Council Member Karen Stegman, and Council Member Rachel Schaevitz

Absent: 1 - Mayor pro tem Jessica Anderson

Other Attendees

Town Manager Maurice Jones, Deputy Town Manager Florentine Miller, Assistant Town Manager Mary Jane Nirdlinger, Town Attorney Ralph Karpinos, Police Officer Rick Fahrer, Fire Inspector Chris Kearns, Communications Specialist Mark Losey, Assistant Director of Housing and Community Sarah Vinas, Executive Director of Housing and Community Loryn Clark, Manager of Engineering and Infrastructure Chris Roberts, Community Safety Planner Meg McGurk, Police Chief and Executive Director for Community Safety Chris Blue, and Deputy Town Clerk Amy Harvey.

OPENING

0.1 Successes Video: Celebrating our 2018 Successes.

[\[19-0221\]](#)

Mayor Hemminger opened the meeting at 7:00 p.m. She said that Mayor pro tem Anderson would be absent due to illness. Council Member Gu arrived at 7:02 p.m.

Mayor Hemminger introduced a "Celebrating Successes" video narrated by Town Manager Maurice Jones which described the significant progress the Town had made in 2018 toward building an innovative organization and a safe community while maintaining economic and financial sustainability. Mr. Jones said he expected 2019 to be another banner year for the Town.

0.2 Proclamation: Skip the Straw Month.

[\[19-0222\]](#)

Mayor Hemminger read a proclamation on the dangers of single-use plastics to the environment and public health. She declared March 2019 to be Skip the Straw Month in Chapel Hill. She said that neighboring towns, the University of North Carolina at Chapel Hill (UNC), and local businesses had all been making good efforts toward reducing single-use plastics and encouraging reuse and durable alternatives. Mayor Hemminger noted that March 2019 was Skip the Straw Month nationally as well.

Orange County Solid Waste Planner Blair Pollock thanked the Council for supporting the Skip the Straw campaign which had begun in October 2018. He discussed upcoming Skip the Straw Month events and described efforts to engage local bars and restaurants as well as citizens. Mr. Pollock said that a documentary called "Straws" would be shown at the Varsity Theater on March 25th and the Chapel Hill Public Library on March 26th. Both showings would be free to the public, he said.

Mayor Hemminger mentioned that China had stopped accepting plastic from the US. Some towns had been sending it to their landfills, and the National Mayors Association was trying to figure out what to do, she said.

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

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

1. Environmental Stewardship Advisory Board Request to Modify the Blue Hill Form Based Code to Include a Requirement for Installing Roof-Mounted Solar Energy Systems.

[\[19-0200\]](#)

A motion was made by Council Member Parker, seconded by Council Member Schaevitz, that this Petition be received and referred to the Town Manager and Mayor. The motion carried by a unanimous vote.

- 1.1 Patrick Conway, Carol Conway, and Hunter Ross Regarding Affordable Housing for those with Intellectual and Developmental Disabilities.

[\[19-0223\]](#)

Patrick Conway, former president and current board member of Arc of Orange County, stressed the importance of affordable housing for adults with intellectual and developmental disabilities. He pointed out that those individual's SSI income was less than \$12,000 per year and that they could afford only \$340 a month for rent. Mr. Conway said that a Town project being built at 2200 Homestead Road would be an opportunity for housing and that a shared living project might be a good option.

Carol Conway; chair of PAACID, Parent Advocates for Adult Children with Intellectual or Developmental Disabilities, said that she and Patrick Conway had a 32-year-old, intellectually disabled son. She explained that PAACID included 180 families who were looking for housing for adult disabled children and that many more needed it as well. Ms. Conway described trying to find housing and stressed the need for help from state, local and federal governments. She asked the Council to keep PAACID in mind when making decisions about affordable housing.

Hunter Ross, a job coach at Teach Supported Employment, said that he had lived for three years at Friendship House in Durham with a 27-year-old man with Down Syndrome who had become one of his best friends. He advocated for a similar Friendship House in Chapel Hill and explained how that could benefit the broader community as well. Mr. Ross urged the Council to consider the 2200 Homestead Road location.

Mayor Hemminger said that she appreciated hearing and learning more from the speakers. She mentioned that her sister had Down Syndrome as well and said that it had taken a long time to find an independent living situation for her.

This item was received as presented.

ANNOUNCEMENTS BY COUNCIL MEMBERS

1.2. Council Member Schaevitz Regarding Information Session for Immigrant Residents.

[\[19-0224\]](#)

Council Member Schaevitz announced an information session for immigrant residents on Monday, March 11th from 2:00-4:30 p.m. at the Chapel Hill Public Library, Room B. The session had been organized by Apoyo and would address the lives of immigrant residents and how to support workers, she said.

1.3. Mayor Hemminger Regarding Habitat for Humanity Northside Dedication.

[\[19-0225\]](#)

Mayor Hemminger said that she and Council Member Schaevitz had attended a Habitat for Humanity dedication of a house in the Northside neighborhood earlier that day. The house, which was on Town-donated land, was for a refugee family from Burma who had received a wonderful

welcome from the neighborhood, she said.

1.4. Council Member Oates Regarding Meals on Wheels Ride-along Opportunity.

[\[19-0226\]](#)

Council Member Oates said that Meals on Wheels had invited the Council to ride along for a delivery shift. She hoped that all would take advantage of that opportunity to meet constituents who might not be able to come to Council meetings, she said.

1.5. Mayor Hemminger Regarding Letter to Governor Cooper to Restore Funding Levels for Bus Maintenance Program.

[\[19-0227\]](#)

Mayor Hemminger said that she had sent a letter on behalf of the Town to Governor Roy Cooper requesting that he restore funding for the Town's bus maintenance program to previous levels. She explained that changes to the state budget had impacted Chapel Hill by \$688,000. The Town had been able to use a federal grant to fill that hole, but she hoped to get support back from the state for the coming year, she said.

Council Member Stegman said that she would bring a resolution regarding state transportation improvement funds for alternate modes of transportation to the next Council meeting.

1.6. Mayor Hemminger Regarding Pop-Up Quilt Show.

[\[19-0228\]](#)

Mayor Hemminger said that the Durham-Orange Quilters Guild would be celebrating its 40th anniversary with a pop-up quilt show and sale on Friday and Saturday in the former Ackland store, at 109 E. Franklin Street.

1.7. Mayor Hemminger Regarding Rogers Road Community Drop-in Sessions.

[\[19-0229\]](#)

Mayor Hemminger noted that Rogers Road drop-in sessions would be held on March 14th at 6:00 p.m. and March 16th at 10:00 a.m. Citizens could provide input regarding new zoning standards for the area, she said.

1.8. Mayor Hemminger Regarding Advisory Board Opportunity.

[\[19-0230\]](#)

Mayor Hemminger pointed out that applications for Town advisory boards were currently being accepted. No experience was needed and serving on a board was a great way to make a difference in Town, she said. More information was available at Townofchapelhill.org.

1.9. Council Member Schaevitz Regarding WanderbUS.

[\[19-0231\]](#)

Council Member Schaevitz pointed out that a WanderbUS from Germany would be in Town at Lot 2 (Columbia/Rosemary Streets) on March 12th, beginning at 10:30 a.m. The 49-state educational tour was a collaboration between the Town and UNC's Center for European Studies, she said.

CONSENT

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

Approval of the Consent Agenda

A motion was made by Council Member Parker, seconded by Council Member Stegman, that R-1 be adopted, which approved the Consent Agenda. The motion carried by a unanimous vote.

2. Approve all Consent Agenda Items. [\[19-0201\]](#)

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

3. Affirm the Non-Profits Friends of the Library and Friends of Chapel Hill Parks and Recreation Department and Authorize the Town Manager to Enter into Performance Agreements with these Groups. [\[19-0202\]](#)

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

INFORMATION

4. Receive Upcoming Public Hearing Items and Petition Status List. [\[19-0203\]](#)

This item was received as presented.

5. Receive the 2018 University of North Carolina Annual Development Plan Report on Transportation. [\[19-0204\]](#)

This item was received as presented.

DISCUSSION

6. Presentation: University of North Carolina at Chapel Hill Semi-Annual Campus Development Report. [\[19-0205\]](#)

UNC Executive Director for Facilities, Planning and Design Evan Yassky gave the University's semi-annual report on campus capital improvement projects. He gave a PowerPoint presentation regarding projects that had recently been completed, were under construction, and were in design.

Mr. Yassky said that five major completed projects included sidewalk improvements on campus, the Karen Shelton Field Hockey Stadium, Finley practice fields, Porthole Alley, and the Mary Ellen Jones renovation. Projects in construction included central campus athletics facilities, Odum Village demolition, a meeting communications center, a solar and battery storage installation at the former Horace Williams Airport, and a surgical

tower project, he said. Mr. Yassky added that a new medical education building and a "translational" research building were in design.

Mayor Hemminger confirmed with Mr. Yassky that medical students would be housed in eight or nine different buildings during design and construction of the medical education building.

Council Member Gu asked about the plan for the Odum Village site.

Mr. Yassky pointed out that he had previously shown the Council a draft master plan for a mixed-use neighborhood there. The University was making way for a large redevelopment area and hoped to continue expanding its research program, but there were no immediate designs for any of the buildings, he said.

Council Member Gu asked what the solar and battery storage project would look like and if the Community Design Commission (CDC) would review it.

Mr. Yassky replied that it would consist of photovoltaic panels mounted on a rack and would look like other solar projects across the country. He did not think a CDC review would be required, he said.

Council Member Gu said that nearby neighbors would likely react to the project and that it might be good to communicate with them early on.

Mr. Yassky replied that he did not think the panels would be noticeable to those driving by and therefore had not imagined that such a level of community input would be necessary for the project, he said, but added that he would take Council Member Gu's comments back to UNC.

Mayor Hemminger pointed out that there were many solar fields in Orange County.

Council Member Oates confirmed with Mr. Yassky that the mixed-use development at Odum Village probably would include some graduate student housing and that designers had blocked out areas that would be suitable for that.

Mayor Hemminger pointed out that the Town had requested that its mobility plans be coordinated and aligned with UNC's. She said that the Town would reach out for a mobility check-in when the Town employee responsible for that returned from maternity leave.

This item was received as presented.

7. Consider Approving Habitat for Humanity's December 2018 Funding Request for the Affordable Housing Development Reserve as Recommended by the Housing Advisory Board.

[\[19-0206\]](#)

Assistant Director of Housing and Community Sarah Vinas introduced Habitat for Humanity's request for \$375,000 from the Town's Affordable Housing (AH) Development Reserve to assist with land acquisition and pre-development costs. She provided background on the reserve and discussed the timing and history of Council funding approvals.

Ms. Vinas described the inter-generational development that Habitat hoped to develop in partnership with Carol Woods retirement community. It would serve people at a variety of incomes and ages, she said. She reported that the Housing Advisory Board (HAB) had recommended fully funding Habitat's request through a combination of AH Development Reserve and AH Fund funding. Approval of the request would not bind the Council to approve the development which would be considered as part of the standard planning approval process, Ms. Vinas said.

Council Member Oates confirmed with Ms. Player that the requested \$375,000 would be 1 percent of the total cost of land acquisition and pre-development. She also confirmed that the first installment would be \$35,000 and that Habitat was in the process of finalizing its agreement with Carol Woods. Council Member Oates asked Ms. Player if the proposed assisted living units would fall under Carol Woods' prior state approval, and Ms. Player said that Carol Woods would need to answer that.

Ms. Player gave a PowerPoint presentation during which she said that she had been encouraged by the HAB's enthusiasm for the collaborative and innovative project. She explained that the funds would be used toward purchasing property and leveraging funds from other sources. The proposed project would ultimately include 95 permanently affordable units, she said.

Karen Lissy, representing the Sunrise Coalition, expressed concern about the Town funding a project that had not yet been approved. She said that the Coalition had not been informed about the funding request, despite the Council's specific request that the developer communicate with them. Ms. Lissy said that promising \$375,000 toward a high-density development would require a special use permit (SUP) and zoning change and had not yet been approved which could lead to a conflict of interest for the Town. She asked that the Council be fair and open during the process.

Mayor Hemminger confirmed with Ms. Vinas that Habitat already owned a large piece of property at the Sunrise Road site. Ms. Player said that five pieces of property were already owned by either Carol Woods or Habitat and two more would close under the current calendar year.

Executive Director for Housing and Community Loryn Clark explained that

there had once been a joint venture between the Town and Orange County to purchase the site. She believed that Habitat had repaid those funds to the Town but that Orange County's funds were still invested, but she would double check, she said.

Mayor Hemminger pointed out that the Town had a history of investing in land for AH in that part of Town.

Council Member Bell said that investing in affordable housing projects before they come before the Town for approval was how the Town had done business in the past in that area of Town. Those funds would have to be returned if the project were not approved, she pointed out. She said that the vote before the Council was whether it was willing to continue supporting the project as it goes through the negotiating process, and she urged others to vote in favor of that.

Council Member Schaevitz confirmed with Ms. Player that discussions about whether the process would be a Special Use Permit or Conditional Zoning were continuing.

Council Member Stegman, liaison to the HAB, said that the HAB had wanted to be sure what the implications were and clarify that funds would need to be returned if the project did not ultimately move forward. Habitat's application had been the highest scoring application before the HAB, which had very strongly supported it, she said.

Council Member Oates said she was troubled to hear about the lack of communication and encouraged the applicant to involve the community more. She said that she wished the applicant could provide more answers about how much money it was ultimately expecting from the Town.

Council Member Gu said that she, too, wanted to understand what the total expected Town commitment for the project was.

Ms. Vinas pointed out that a project budget had been included in the Council's packet. She said that it was a large and expensive AH project and that the applicant anticipated asking for bond funding as well. The Council would have an opportunity to evaluate each request, on a case-by-case basis, Ms. Vinas pointed out.

Council Member Gu pointed out that the Council did not know how many requests were coming and expressed concern about not knowing the total amount of Town commitment before agreeing on a first installment.

Mayor Hemminger said that she was perfectly willing to commit money for land acquisition and pre-development costs. If approved, Habitat would not build the project all at once, she pointed out, adding that the Habitat

model was to build in phases. Funding for land acquisition for AH was a first step toward creating more AH, and she was very comfortable with putting money toward land acquisition, Mayor Hemminger said.

Council Member Gu confirmed with Ms. Player that \$375,000 was 13.9 percent of the total cost of land acquisition (\$2,748,500). She asked if this was the only contribution toward land that Habitat expected to ask from the Town and Ms. Player replied that detailed financial and budget information had been sent to the Council. That information included all of the uses and sources of funding that Habitat currently anticipated, she said, noting that it was very early in the process.

Mayor Hemminger encouraged the applicant to reach out and share its timeline and other information with the neighbors.

A motion was made by Council Member Bell, seconded by Council Member Stegman, that R-3 be adopted. The motion carried by the following vote:

Aye: 6 - Mayor Hemminger, Council Member Bell, Council Member Buansi, Council Member Parker, Council Member Stegman, and Council Member Schaevitz

Nay: 2 - Council Member Gu, and Council Member Oates

8. Review Proposal and Consider Authorizing the Town Manager and Town Attorney to Negotiate a Development Agreement with Kidzu Children's Museum.

[\[19-0207\]](#)

Assistant Town Manager Mary Jane Nirdlinger outlined the proposal for a Kidzu Museum in the southern part of Town. She described the approximate 2.3-acre site, located on Highway 15-501 between the Park & Ride and Southern Community Park and provided background on Kidzu's February 2018 petition asking for permission to build a museum there. The Council was being asked to consider whether or not to proceed with a development agreement (DA) and lease, she said.

Ms. Nirdlinger said that the Council has expressed strong interest in the proposal in June 2018 but had asked Kidzu to explore a denser footprint than was being shown. She said that the Council also asked Kidzu to incorporate work that the Obey Creek Compass Committee had done in the past. Council members had wanted to remain open to partnerships and compatible uses but had not seen a need to formally solicit those at the current time, she said.

Ms. Nirdlinger reported that the Kidzu team had done much creative work since June and had tried to be responsive to earlier work that had been done. She explained Town interests, such as retaining ownership of the land and determining a reasonable lease term. Ms. Nirdlinger outlined a

DA process and recommended that the Council adopt Resolution 4 which would authorize the Town Manager and Town Attorney to negotiate a DA.

Lisa Van Deman, executive director at Kidzu, said that counties throughout North Carolina had been investing in public/private partnerships for children's museums. She said that Kidzu was eager to move forward with creating a new museum that would exemplify the Town's reputation for educational excellence. The new Kidzu Museum would demonstrate the Town's commitment to the youngest members of its community, she said.

Council Member Gu asked what would happen at the end of the 50-year lease, and Ms. Nirdlinger clarified that the term length had not yet been decided. The Council had proposed less than 90 years and staff would work closely with the Town Attorney and others to determine what would happen when the lease ends, she said.

Mayor Hemminger explained that negotiations to determine what happens when a lease ends typically begin two years before the end date. Sometimes automatic renewal clauses are added and sometimes there is an entire re-evaluation, she said.

Ms. Nirdlinger pointed out that a DA process would include negotiating what happens at the end of the lease and that would come to the Council for review.

Council Member Oates asked if the Town had ever done a lease for less than 99 years for a building constructed on Town property.

Town Attorney Ralph Karpinos replied that he did not think the Town had leased any property other than 140 West, which was a 99-year lease with an option to buy the air rights, but not the land.

Council Member Oates asked staff to bring back information on the advantage of having a shorter lease at some point, and Mr. Karpinos replied that it would come to the Council during the DA process.

Mayor Hemminger said that one reason she typically cautions against 99-year leases is that buildings need to be completely renovated at some earlier point and usually needed major work at about 50 years. She said that there were examples of arrangements in which one entity owns the land and another owns the building, but the Town had not participated in one of those.

Council Member Gu confirmed with Ms. Nirdlinger that issues such as design and operation would be negotiated in a DA process and applied to the correct legal documents.

Council Member Parker said that Council members were raising a few potential concerns that could be addressed through a DA process. It might be better to not lease the entire 3.2 acres and reserve some of that land for future Town uses, he said. He noted that previous consultant work had shown the land to be a major opportunity site, and said that he would encourage the Council to look at reserving part of it for other compatible partners, if possible. Council Member Parker asked for information on the minimum that Kidzu could build, in addition to the maximum, and said it would be helpful to have progress reports.

Council Member Buansi confirmed with Ms. Nirdlinger that the first thing produced after DA approval would be a detailed schedule from staff mapping out the entire process, including public engagement. He recommended expanding outreach to children and urged the Town to think more holistically about Southern Village and the surrounding area, perhaps by having a small area plan.

Mayor Hemminger noted that a small area plan required much time and energy and said that she would like to see something that included the Obey Creek Compass Committee which had already studied the area. She pointed out that a nearby church also wanted to be included in conversations. Mayor Hemminger recommended that the Town Manager and Kidzu representatives meet with the Compass Committee to discuss a more holistic vision for the area.

Ms. Nirdlinger agreed to figure out how to address that interest as part of the public process. She noted that staff had been in touch with the church and that the Compass Committee had submitted a petition.

Council Member Oates asked what outreach the Town had done to find other organizations that might be interested in partnering with Kidzu.

Ms. Nirdlinger replied that the Council had decided in October 2018 to not have staff send out official requests for proposals but to be open to anyone expressing interest. She was aware of some informal conversations, but was not aware of anyone else expressing interested in building at the site, she said.

Council Member Oates expressed concern that publicizing Kidzu Museum as a "done deal" would prevent others from inquiring. Kidzu seemed open to having partners, so she wanted to make sure that the Town did its part as well, she said. She also stressed the importance of both sides being clear about expectations regarding the lease and having parameters spelled out from the start.

Council Member Bell said she agreed with much that the Council had

stated, but disagreed with the notion of beginning the master planning process with many partners. Building such relationships was resource-intensive, and she did not think the Town currently had the resources to bring that together, she said.

Council Member Stegman agreed with the idea of reserving part of the land, considering a smaller portion for Kidzu, if that would fit with their plan. She wanted a clear and equitable plan for how the Kidzu Museum would be as available as possible to the entire community, she said.

Council Member Gu pointed out that the Town needed public meeting and work spaces as well. She expressed interest in creating those facilities at the site and said she would like to know upfront what kind of return the Town would be getting on its investment. She agreed with others about the community benefits of having other partners on the site as well.

Council Member Schaevitz suggested re-conceptualizing what the project could be. She pointed out that a children's museum could bring economic development and tourism to Town and would not be a money-loser or drain. She said that it was much too early in the process to address other potential uses for the site even though there was great potential. The current question was whether or not the Council wanted to move forward with a DA, she said.

Mayor Hemminger expressed support for the project and pointed out that Kidzu had programs for all children, regardless of ability to pay. She noted that the Town's contribution of land and future property taxes would be large, but said that the project would be a community benefit. The Town desperately needed meeting space, teen programming activities, and spaces and places for children's summer camps, she pointed out.

Mayor Hemminger said that the terms of the lease needed to be worked out and that the Town needed to consider that entire area of Town. She agreed with the suggestion for check-ins with the Council. Mayor Hemminger recommended seeing if reserving part of the parcel at the start could be done and seeing how parking areas could be made accessible for all.

A motion was made by Council Member Parker, seconded by Council Member Schaevitz, that R-4 be adopted. The motion carried by a unanimous vote.

9. Consider Including Additional Parking with the Required Repairs to the Wallace Parking Deck.

[\[19-0208\]](#)

Manager of Engineering and Infrastructure Chris Roberts presented information on a staff recommendation to consider adding parking spaces to the Wallace Deck in addition to completing needed repairs. He said that repairs to the top level could not be delayed much longer because

water was intruding and degrading the structure. Needed repairs would include removing concrete planters, installing a waterproof layer, and adding parking spaces, and would cost about \$1.8 million, he said.

Mr. Roberts provided additional information about plans for the deck and surrounding area and said that a recent parking study had stated a need for approximately 1,000 more parking spaces Downtown. More spaces were particularly needed in the Wallace Deck area, he said.

Mr. Roberts explained that additional spaces would cost about \$6,000 each, in addition to repair costs, and that about 100 spaces could be added. He said that Council adoption of Resolution 5 would authorize the Manager to include additional parking with the Wallace Parking Deck repair.

Council Member Parker confirmed with Mr. Roberts that a motorist would not be able to access the deck's top level from the second level without coming out of the deck, going around the block, and coming back in. Mr. Roberts pointed out that the deck could be modified with an internal ramping system at a later date.

Mayor Hemminger said that the Town had already had discussions about reserving spaces in the top level for those with monthly leases, and Mr. Roberts noted that signs could be posted when a level was full so that people would not pull in.

Council Member Gu confirmed with Mr. Roberts that the Town had recently completed the internal repair items that had been identified in a 2012 assessment and also asked for confirmation that the deck could last another 50 years before needing another major repair.

Council Member Stegman confirmed with Mr. Roberts that the planters would not be reusable and with Mayor Hemminger that an electronic parking app was not yet available. Signs at the deck's entrance would show how many spaces were available, Mayor Hemminger pointed out.

Council Member Oates ascertained from Mr. Roberts that the repair would not keep the Town from doing further renovations in the future. She verified that repairs would be done in phases with as many spaces kept open as possible and would be going on for about nine months.

Mayor Hemminger asked about installing solar ports for cars, and Mr. Roberts agreed to provide cost estimates for that.

Matt Gladdek, executive director of the Downtown Partnership, thanked the Town for finding a cost-effective way to add 100 parking spaces. He said that \$6,000 per spot was less than the cost of surface lots and might lead to removing surface lots in the future.

Council Member Gu said that she wanted to see a master plan for a more integrated parking solution Downtown, and Mr. Roberts replied that staff would return in late spring/early summer to discuss more steps for addressing parking issues.

A motion was made by Council Member Parker, seconded by Council Member Buansi, that R-5 be adopted as amended. The motion carried by a unanimous vote.

10. Consider Authorizing the Inter-Faith Council for Social Service to Re-Occupy the Second Floor of Historic Town Hall.

[\[19-0209\]](#)

Town Manager Maurice Jones outlined a request from the Interfaith Council (IFC) to temporarily use the second floor of Historic Town Hall until its new facility was operating. He reviewed the Town's long relationship with the IFC. He said that the non-profit organization had housed a men's shelter and office at Historic Town Hall until 2015 and still used parts of that building for a community kitchen, office and storage space.

Mr. Jones said that construction for a new IFC facility in Carrboro had begun and was expected to take a year. He provided additional details on the requested arrangement and recommended that the Council adopt Resolution 6, which would authorize the IFC to re-occupy the second floor of Historic Town Hall, at no charge until completion of its new facility.

Mayor Hemminger said that the IFC would need additional parking spaces as well and that the Town was offering to begin by giving eight hang tags that would allow parking in nearby spaces. She pointed out that the Town was already paying for utilities at Historic Town Hall.

Council Member Gu confirmed that the IFC would not pay rent and that the Town would incur the utility and maintenance costs.

Council Member Oates verified with Mr. Jones that the second floor was 3,200 square feet and that market rate for Downtown space was \$28 to \$32 per square foot. The Town was being very generous, she said.

Council Member Schaevitz confirmed with Mr. Jones that all of the IFC's operations would move out from all floors when its new facility was completed.

Council Member Bell said that the Town did not have any current plans for the space that the IFC was asking to use. She confirmed with Mr. Jones that most of the repairs were the type that the Town would make as the landlord anyway and that staff would provide Council with an update on utility costs once the IFC was occupying all floors.

Council Member Stegman asked about why some maintenance costs were being separated out, and Mr. Jones explained that the IFC had agreed to

pay an estimated \$6,000 to \$8,000 for damage that had occurred during its use of the building.

Former Mayor Kevin Foy thanked the Council for allowing the IFC to use the facility while finishing its new \$5.5 million building in Carrboro. He expressed appreciation for the IFC's 30-year partnership with the Town and said that the new facility should be ready for occupation in about 15 months. He pointed out that the IFC provided free services to all, and he characterized that as an extraordinary effort in partnership with the Town. Mr. Foy noted that the Town had been subsidizing utilities and maintenance for 30 years and said the IFC appreciated the Council's consideration of continuing that.

Robert Dowling, executive director of Community Home Trust, thanked the Mayor, Manager and staff for their efforts to help the IFC out quickly. He said that the IFC had been looking for space since the fall and that Historic Town Hall was its last possibility. They were waiting to hear from one foundation and would be very close to raising the \$5.6 million that they needed if they receive that donation, he said.

Mayor Hemminger expressed appreciation for all that the IFC did for the community. She praised staff for doing a great job on figuring out how to make the arrangement work.

Council Member Stegman offered a friendly amendment to have the Town cover the IFC's \$6,000 to \$8,000 in maintenance costs. She said that she would prefer to see their very limited budget go toward serving the community.

Mr. Jones replied that the Public Works Department had said that it probably could find those funds, if required.

Mayor Hemminger pointed out that the Town had already spent an equal amount and that this would be an additional \$6,000 to \$8,000.

Council Members Bell and Schaevitz accepted the friendly amendment.

Council Member Oates confirmed with Mr. Jones that Town plans would not be impacted if the arrangement lasted longer than a year. She commented again on how generous the Town was being.

Mayor Hemminger reminded Council members that an Old Town Hall Task Force had studied the building and concluded that there were various opportunities for using it. It was in the Debt Fund for some point in the future, but there were no immediate plans to use the building, she said.

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

11. Review of Pilot Process for Receiving and Considering Requests from Non-Profits for Capital Funding.

[\[19-0210\]](#)

Mr. Jones pointed out that the Town had received several requests from non-profits to help fund capital campaigns but did not have a strong process for evaluating those. To address that, staff had developed a pilot program for reviewing such requests in a structured and thorough way, he said. Mr. Jones asked for the Council's feedback on moving forward with a pilot program.

Ms. Nirdlinger provided further details on the idea and asked Council to consider whether or not to initiate a pilot program and to provide suggestions on timing, communication, and ways to improve it. She said that next steps, if the Council were interested in proceeding, would be to refine the application process and timeline and to discuss budget implications during the budget process.

Council Member Stegman confirmed with Mr. Jones that the Town had received three capital requests over the last six to eight months.

Mayor Hemminger pointed out that there had been two requests prior to that as well, so a total of five requests. She said that other towns in Orange County did not fund capital projects, but some had it built into their human service processes. There was no standard, and the Council had the opportunity to do what it felt was best for the Town, she said.

Council Member Parker characterized the proposal as a little premature since the Council had not discussed whether it wanted to fund capital projects or not. He gave several reasons why the timing might not be right and said he would rather see it be a subset of what the Human Services Advisory Board (HSAB) was currently doing.

Mr. Jones said that limiting the number of grants would be key. He proposed doing only two or three per year, depending on the amount of available funding.

Council Member Schaevitz said that the proposal had more to do with signaling the Town's support for a project than the impact it might have on the overall budget of a capital campaign. Stating that the Town had chosen to support an entity could be helpful even without stating the amount, she said.

Council Member Buansi confirmed that the HSAB had supported the idea but had not seen it as a close match with its own mission. He said that he, a former liaison to the HSAB, thought they were good at reviewing funding requests. If the HSAB was not eager to have a role, then he was not sure the Council was equipped to make those decisions, he said.

Council Member Gu recounted the HSAB discussion at a meeting that she had recently attended. Their typical evaluations were performance-based and they did not feel they had the expertise to evaluate capital grants, she said. She confirmed with Ms. Nirdlinger that the Town process to date had been somewhat ad hoc and that staff was asking if the Council wanted to have a new process.

Council Member Gu asked for examples of projects that the Town had approved in the past, and Mr. Karpinos replied that contributing land, or a long-term lease, or any other use of Town property would be considered a capital contribution. The Town did not give grants, but did enter into performance agreements with non-profit agencies, Mr. Karpinos said.

Council Member Gu confirmed with staff that such requests were rare and that the proposed program would constitute a new commitment. She pointed out that the Council had agreed to resolve a discrepancy between expenses and revenues in the budget and said she thought there was a disconnect between that conversation and the proposed pilot process. She would like to support the great work of the Town's non-profits, but wanted to know the financial implications of such a commitment and whether it would be sustainable year after year, she said.

Mr. Jones replied that it was one of the reasons why staff had developed the proposed framework which did not just address what the project was but included how it aligned with Town priorities. He said that requests come to the Town ad hoc and the proposed process would help to structure the discussion. Mr. Jones said that having the discussion as part of the budget process would enable the Council to look at the idea from a holistic standpoint regarding other needs and programs that the Town wanted to invest in.

Council Member Stegman said that she felt conflicted. She was not sure that capital campaigns were the highest and best priority, considering the choices the Council has to make for how to spend money, she said. She noted that the Council would have to devise narrow and clear criteria or else there would be stacks of requests. Council Member Stegman said she would rather use Town funds for services and operating costs.

Council Member Oates pointed out that the Town had an Affordable Housing Fund for big donations, so not having a process in place did not mean that the Town would not make those, she said. She argued that the Town did not currently have any extra money and would probably have a tax increase this year. Chapel Hill was not a philanthropic organization and what it gave out was sacrificial from the taxpayers, she said, and she recommended deferring the idea for a year.

Mayor Hemminger discussed the value of partnerships and of combining taxpayer money with non-profits to do great community work. The Council had asked Mr. Jones to bring back a process because the Town had been getting ad hoc requests and having no process for addressing them had led to inconsistent and contradictory responses, she said. She spoke in favor of determining during the current budget cycle if there was any money that the Council would like to put toward that. She said that the discussion regarding how much would occur during the budget process.

Council Member Bell said that she had not seen many capital campaign requests in the past and was wondering if it had been happening more frequently recently. She noted that recent requests from Club Nova, the Orange County Rape Crisis, and the IFC were "once-in-30-year asks". It would be good to have a consistent way for people to request grants even if the Town could not fund them, said Council Member Bell.

Mayor Hemminger said that there did not seem to be much support for the proposed timeline, but she hoped there would be support for thinking about developing a process after budget discussions.

Ms. Nirdlinger replied that staff could wait until after the budget process to know whether there was funding available and to look at how to synchronize the program with the next budget cycle.

Mr. Jones agreed but asked for Council feedback on whether or not it was generally in favor of investing in capital campaigns.

Council Member Gu said that she could not answer yes or no because committing resources depended on budgetary conditions.

Mayor Hemminger asked for a show of hands regarding whether or not Council members philosophically agreed that the Town should consider contributing to a capital request if it had the money and priorities had been met.

Council Member Gu said that she would need to know the kind of money and from which fund before having that conversation. She expressed concern that opening the door would cause people to rush in thinking that the Council was willing to consider a new level of commitment. She wanted the Council to have a clear idea of what commitment it was willing to make before opening that door, she said.

Mr. Jones replied that one reason staff had proposed it, as it had, was to allow that discussion within all of the other priorities that the Town needed to consider when putting together a budget.

Mayor Hemminger rephrased her question. "Who has interest in exploring

a process whether or not there is money," she said. There was general consensus on the Council in favor of doing so.

This item was received as presented.

ADJOURNMENT

The meeting was adjourned at 10:37 p.m.