



TOWN OF CHAPEL HILL

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

Town Council

Meeting Minutes - Final

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 13, 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, Town Attorney Ralph Karpinos, Police Officer Rick Fahrer, Fire Inspector Donnie Morrissey, Planning Director Ben Hitchings, LUMO Project Manager Alisa Duffey Rogers, Principal Planner Corey Liles, Affordable Housing Manager Nate Broman-Fulks, Affordable Housing Development Officer Emily Holt, Assistant Police Chief Jabe Hunter, and Deputy Town Clerk Amy Harvey.

OPENING

Mayor Hemminger opened the public hearing at 7:00 p.m. She said that Mayor pro tem Anderson would be absent due to illness. Council Members Bell and Schaevitz arrived at 7:08 p.m. and 7:15 p.m., respectively.

ANNOUNCEMENTS BY COUNCIL MEMBERS

0.01 Mayor Hemminger Regarding Tar Heel Win over Duke.

[\[19-0245\]](#)

Mayor Hemminger congratulated the UNC Tar Heels Basketball Team for its second season win over the Duke Blue Devils. She said that Durham's Mayor Schewel was wearing a Tar Heel hat as a result of losing a bet on that game.

0.02 Mayor Hemminger Regarding Attending Metropolitan Planning Organization Meeting.

[\[19-0246\]](#)

Mayor Hemminger said that she and Council Member Parker had attended a Metropolitan Planning Organization meeting that day regarding plans for future projects such as autonomous vehicles. She said that there were approximately 5,000 electric vehicles in North Carolina and that a total of 40,000 were expected by 2030. Mayor Hemminger shared what she had learned about state plans to lay broadband during highway construction. Doing so would bring service to more communities and would prepare the state for autonomous vehicles, she said.

Mayor Hemminger said that she and Council Member Parker had mentioned the Town preference for alternatives to superstreets, and NC Department of Transportation Secretary James Trogon had replied that the state was willing to work with Chapel Hill. The state was forming a NC First commission to look at alternative revenue sources for statewide transit programs, Mayor Hemminger said, and she provided information about innovative and experimental state projects.

0.03 Mayor Hemminger Regarding Rogers Road Drop-in Sessions.

[\[19-0247\]](#)

Mayor Hemminger said that Rogers Road sessions would be held at the RENA Community Center on March 14th from 6:00-8:00 p.m. and on March 16 from 10:00-noon.

0.04 Mayor Hemminger Regarding Joint Advisory Board on Rogers Road Topic.

[\[19-0248\]](#)

Mayor Hemminger said that the Town's Joint Advisory Board would discuss Rogers Road on March 19 from 6:00-7:30 p.m. at Town Hall.

0.05 Mayor Hemminger Regarding Advisory Board Applications.

[\[19-0249\]](#)

Mayor Hemminger encouraged citizens to apply for Town advisory boards. She noted that information was available on the Town website and said that people could apply online or could call Town Hall.

0.06 Council Member Stegman Regarding Pi Day.

[\[19-0250\]](#)

Council Member Stegman wished everyone a happy Pi Day on March 14th. "Science still counts and Pi Day is a good excuse to eat pie," she said.

0.07 Mayor Hemminger Regarding National Mayors Organization; Notice of Equity Bill.

[\[19-0251\]](#)

Mayor Hemminger said that she had received notice from the National Mayors Organization that an equity bill had been filed in the US Congress that would guarantee the right of all to work and find housing regardless of who they are. Mayors against LGBT Discrimination would share more information as the situation unfolded, 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 Buansi, that R-1 be adopted, which approved the Consent Agenda. The motion carried by a unanimous vote.

1. Approve all Consent Agenda Items. [\[19-0232\]](#)

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

2. Call a Public Hearing on April 17, 2019 to Consider Land Use Management Ordinance Text Amendments and a Zoning Atlas Amendment for the Rogers Road Zoning Initiative. [\[19-0233\]](#)

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

INFORMATION

3. Receive Upcoming Public Hearing Items and Petition Status List. [\[19-0234\]](#)

This item was received as presented.

DISCUSSION

4. Charting Our Future - Consideration of the Draft Guiding Statements. [\[19-0235\]](#)

Alisa Duffey Rogers, LUMO (Land Use Management Ordinance) project manager, provided information on Town advisory boards' review of draft guiding statements. She explained that the version before the Council included a new statement regarding equitable planning and development which expressly mentioned providing housing units for a range of multi-unit or clustered housing types that include duplexes and triplexes. She pointed out that the draft statements also emphasized tree canopy and climate-responsiveness.

Ms. Duffey Rogers said that blueprints of focus areas would be available for review at the Council Committee on Economic Sustainability meeting on April 5th and at the June 1st and 22nd Council meetings. If those blueprints were accepted in May, staff would move toward a draft FLUM (Future Land Use Map) for consideration in June, she said. Ms. Duffey Rogers asked the Council for feedback on the guiding statements which would be officially adopted when the Chapel Hill 2020 Comprehensive Plan was amended to include the refined FLUM.

Council Member Oates asked about a section regarding adding new, single-family, detached dwelling units within existing subdivisions or in other parts of Town. She pointed out that the Town did not essentially have any large tracts of land.

Ms. Duffy Rogers replied that some parcels could potentially be split, and Council Member Oates recommended that she clarify that in the document.

Council Member Gu asked for a definition of "green infrastructure" in the document, and Ms. Duffey Rogers replied that it referred to things that capture run-off on site, create a more natural area, and make the land more permeable. Ms. Duffey Rogers agreed to improve the definition and provide examples in the document.

Council Member Gu asked how conflicts between guiding principles would be resolved, and Ms. Duffey Rogers discussed the importance of basing the document on Town values and evaluating what was important in each situation.

Council Member Parker praised the document but said that it needed to better reflect the advantages and challenges of Chapel Hill being a university town. The challenges of mitigating climate change should be better reflected as well, he said.

Mayor Hemminger pointed out that the document mentioned economic development but did not specifically address expanding the tax base for office, retail, and other interests. She emphasized the Town's desire for diversity and balance. Mayor Hemminger pointed out that economic development was not the same thing as creating more commercial space, and she asked that this be clarified in the document.

Ms. Duffey Rogers noted that there were many references throughout the document to office and retail. She said that one of the goals for equitable planning and development was to create opportunities and places to work for all. Doing that did diversify the tax base, but she would more specifically state it in those terms, she said.

Mayor Hemminger mentioned the Town's Light Industrial Zone where the Council had deliberately found a strategic opportunity and had prohibited residential in order to spur commercial development. It had been a Town goal to capture more office space and create more jobs, she pointed out.

Mayor Hemminger said that the Town was continuing to work on the document. She said that people could send comments via phone and email. The guiding principles for the FLUM would eventually be used in the LUMO rewrite, she said.

Benjamin Warshaw, a Chapel Hill resident, said that the document listed various focus areas in Town but did not state what took precedence, where, and the effects on development. He agreed with Mayor Hemminger about the desire to focus on jobs and said that noting the effect of environmental issues on development was important as well.

Council Member Buansi said he appreciated the section on equitable planning and development, and he noted the importance of thinking about how certain communities are impacted by development with regard to race, class, and other systems of discrimination. He agreed with others regarding the importance of making climate change part of the Town's decision-making process, he said.

Council Member Schaevitz noted that terms such as "strategic locations, targeted locations, and appropriate locations" had been used throughout the document. She confirmed with Ms. Duffey Rogers that they would be more specifically itemized during the LUMO rewrite because that would address individual parcels.

Council Member Schaevitz said that she wanted to understand when the Town would want to be clear about development interests, such as where to put dense student housing or where to put transit-accessible residential. She wanted to make sure that the Council knew when that was coming so it could look out for it, she said. Council Member Schaevitz said she agreed with Mayor Hemminger regarding commercial development being the specific focus of the economic development component of the LUMO.

Council Member Oates asked if the guiding statements could include an emphasis on the Town's desire for home-ownership, not just rentals. She recommended removing Section 3b, regarding developing duplexes in single-family neighborhoods, because of unintended consequences. In order for the Town to diversify, citizens needed to have confidence that what they were buying would not change over the next 5-15 years, she said.

Council Member Bell said that a living document needed a statement on how the Town intended to use it. With regard to Section 3b, she verified with Ms. Duffey Rogers that almost all neighborhoods in Town allowed accessory dwelling units under certain circumstances. Some zoning districts allowed duplexes and triplexes and were classified under the LUMO as a multifamily use, Ms. Duffey Rogers said.

Council Member Bell commented that some of what was being described would not be a large jump. She asked if there were ways to activate some of the tools that were currently available. She proposed determining the best way to make the LUMO more user-friendly for those

who are not planners.

Council Member Stegman suggested edits for portions regarding a 30-year time-frame, anticipated population growth, and the Town's desire to be connected to surrounding communities. She made specific recommendations regarding several bullet points stating that the bullets were a little confusing because they were not exactly tied to the guiding statements.

Council Member Gu agreed that the climate change, population growth, and urbanization sections were important for understanding the need for a density strategy. She discussed expectations that communities would be more diverse and connected and stressed the importance of having more public spaces and opportunities for people to interact. Technology would influence the Town's decisions regarding public transit, she said. Council Member Gu argued that the guiding principles should put more emphasis on the importance of protecting the natural environment and the Town's transit-oriented development philosophy.

Mayor Hemminger said she agreed with much of what Council members had said and that she thought finding balance was achievable. She made suggestions for how to expand the town/gown relationship section and commented on the Town's desire to create more commercial space and nurture innovation. Mayor Hemminger confirmed with Ms. Duffey Rogers that staff would continue to refine the document and would return with another draft of the guiding principles again prior to the Council's summer recess.

This item was received as presented.

**5. Consider UNC Health Care Eastowne Development Agreement
Council Subcommittee Formation.**

[\[19-0186\]](#)

Planning Director Ben Hitchings noted that the Council had approved a set of guiding principles for the UNC Health Care (UNC-HC) Eastowne master planning effort on February 20, 2019. That approval had extended the development agreement (DA) negotiating process and had authorized the Town Manager and Town Attorney to determine an appropriate fee structure, he said.

Mr. Hitchings pointed out that the approval had also committed the Town to proceed in a timely manner that would be generally consistent with a draft schedule presented by UNC-HC. He said that Resolution 3 would charge a Council Subcommittee to begin discussions and negotiations with UNC-HC. The committee would include Council Members Gu, Hemminger, Parker and Schaevitz, he said.

Mayor Hemminger asked about advisory board participation, and Mr.

Hitchings explained that those boards were in the process of designating champions to represent them as regular participants. Mayor Hemminger also confirmed with him that consultants would be hired and stressed the importance of letting people know that an urban designer would participate.

Mr. Hitchings pointed out that UNC-HC had made a commitment to pay for an urban designer, an environmental scientist, and a transportation engineer which were selected by the Town.

Mayor Hemminger asked that information regarding those seats be included, perhaps as a footnote.

Council Member Oates proposed a friendly amendment to include "the Council acknowledges the updated schedule is forthcoming".

A motion was made by Council Member Stegman, seconded by Council Member Parker, that R-3 be adopted as amended. The motion carried by a unanimous vote.

6. Blue Hill Semiannual Report #9.

[\[19-0236\]](#)

Principal Planner Corey Liles gave a semi-annual report on projects in the Blue Hill District (BHD). He reviewed those in progress, Elliott Road Flood Storage, Elliott Road Extension, and noted that no new projects had been approved or completed since his previous report. He gave an update on development activity for Hillstone, Fordham Boulevard Apartments, and Greenfield Commons which were all under construction. Projects under review included Tar Heel Lodging, Park Apartments, Village Plaza amenity space/facade improvements, and a Babalu sign structure, he said.

Mr. Liles reported that 652 residential units were currently under review projects, 454 if Park Apartments are removed. He showed and updated a scorecard showing that the cumulative revenue was expected to exceed debt payments by FY 2020-2021.

Council Member Parker asked if an estimated \$130,000 for commercial development included a new requirement that all new residential have 10 percent commercial.

Mr. Liles replied that the current understanding was that the Staples site would be redeveloped as a multi-family project. That would be \$30,000 of the \$130,000 and the remainder was University Inn which was assumed to be redeveloped as a new hotel, he said.

Mayor Hemminger pointed out that the goals for the BHD were 360,000 square feet of office, 250,000 square feet of retail, and 1,200 units of residential with 300 AH units. She acknowledged that commercial was

way off and recommended that staff show a comparison with original goals. It might be realistic to change those goals, Mayor Hemminger said, and she also asked staff to provide totals on net new development.

Council Member Stegman confirmed that the Elliott Road Flood Storage area would be a passive, green, recreation space. She asked about a cost estimate that had increased from what was \$1.7 million to \$2.9 million, and Mr. Liles agreed to return with more information.

Council Member Schaevitz asked if the project qualified for the Town's Percent for Art program, and Mr. Liles said that Public Arts staff had been involved in planning. He agreed to obtain more information.

Council Member Bell questioned whether the numbers being shown truly reflected what had happened in the BHD, stating that she wondered if it just looked different on the ground. She mentioned several locations where vacancies had been filled and said that projections had been based on what property owners contemplated for their properties' uses. The project had been very successful regarding goals such as activating the BHD area, she said, adding that she did not feel the staff's presentation was telling the true story.

Council Member Buansi asked Mr. Liles to provide additional information on how many people had attended a recent housing fair for Park Apartment tenants and what the next steps would be.

Council Member Gu asked how long the Town would be paying for debt service, and Mr. Liles said he would ask the Town's business manager. There was an opportunity to pay ahead that the Town could consider, he said.

Council Member Gu asked for the total amount of payment that the Town would make. She commented on how property tax was not as significant as she had thought it would be. She suggested that the scoreboard include how much tax revenue new construction would bring and how much infrastructure improvement the Town would make. She had been hoping for a presentation that would include such a financial component, she said.

Council Member Gu argued that the BHD story should not be only about money and pointed out that the original concept was for a walkable, bikeable community with public spaces/destinations. Those improvements, as well as parking, environmental impact, and stormwater measures should be part of the scoreboard as well, she said. Council Member Gu stressed that the Council needed such information in order to evaluate the BHD development philosophy and to know if modifications were necessary.

Council Member Oates asked if the Town had a way to measure what Town changes and improvements would need to be made in the future as the result of more people living in the BHD.

Mr. Liles pointed out that the Town had shared estimates regarding that in the fall and had recently resent them to Council. That information had not changed because it pertained to the same level of development, he said.

Council Member Oates recommended that staff insert an asterisk for such information. She then asked if debt would be re-amortized if the Town paid ahead, and Mr. Liles agreed to find out.

Terry Vance, a Chapel Hill resident, said she agreed with Council members' questions and comments. She characterized the "system" as corrupted and said that staff's advice to Council had been based on propaganda and development myths. Dr. Vance urged the Council to look at expert videos and hold seminars with guest speakers and consultants. More development ultimately backfired on AH, jobs, resources, and finances, she said, and she discussed how some residents had opposed the BHD.

David Adams, representing CHALT (Chapel Hill Alliance for a Livable Town), said that he was being personally impacted because he lived next to the BHD. CHALT favored reducing the maximum building height in the district and going back to using the 2011 Ephesus/Fordham small area plan as a guide, he said. He said that CHALT supported having multiple review paths with an option for expedited review if the project meets certain incentives. Mr. Adams said he felt encouraged by the focus on balancing residential and commercial development but that 50 percent commercial would be better than 10 percent.

Joshua Levenson, a Chapel Hill resident, urged the Town to work toward creating a unique character that maintains and enhances beautiful greenspace. He offered several ideas for achieving that and said that the Town had the option of looking at a very futuristic model.

Council Member Gu said that the lesson learned from the BHD was that looking only at tax revenue would probably not lead to desired results. The Council needed to be proactive and consider the impact on current and future BHD residents, she said, mentioning traffic and parking issues and the desire for public/green spaces. She requested that the next semi-annual report address a more comprehensive outcome for the BHD.

Council Member Schaevitz confirmed with Mr. Liles that staff had shown in its October 2018 update where new trails, bike lanes, sidewalks, and public spaces were being built or had been completed. She asked that a

more comprehensive picture be given with each report and that reports include reminders of work that had been done beyond just new development.

Mayor Hemminger said that one goal for the BHD was to activate the area and increase commercial space in order to help pay for infrastructure improvements. She asked staff to determine if any data showed an increase in bus ridership in the area. She pointed out that some redevelopment was taking place around the edges of the BHD. She lamented the loss of AH, but noted that the goal of getting some office space into the area before it became inundated with residential development. With regard to the question raised about debt, the Town could pay ahead and reduce overall interest, she said.

Mr. Liles explained that Agenda Items 8 would include information on recent legislation that had changed how the Town could address stormwater treatment in the BHD. Item 9 would respond to a Council request that staff look at solutions for encouraging non-residential development, he said.

This item was received as presented.

7. Receive an Update on Study of Blue Hill Massing & Permeability Standards.

[\[19-0237\]](#)

Item 7 was removed from the agenda to return at a later date.

8. Consider Pursuing a Text Amendment Process for Changes to the Blue Hill Form-Based Code in Response to New State Stormwater Legislation.

[\[19-0238\]](#)

Mr. Liles explained that the form based code (FBC) in the BHD required that 50 percent of after-construction impervious area have stormwater treatment which was a stricter requirement than existed in other parts of Town. However, the NC General Assembly had recently enacted a technical corrections bill (Session Law 2018-145) that allowed local governments to require stormwater treatment for only the net increase in impervious areas, which in many cases, would be less than 50 percent, he said. Therefore, the Town's requirement was no longer enforceable, he pointed out.

Mr. Liles asked the Council for feedback on a possible text amendment that would restructure the FBC code and offer the applicant three paths for project review: 1) Special Use Permit, SUP 2) administrative review; 3) conditional rezoning. He reviewed each path and said that the goal would be to restore the ability to improve stormwater treatment through BHD development. He proposed a process and timeline for developing a text amendment that staff would present in June 2019 and asked the Council

for feedback on whether or not to begin that process.

Council Member Parker stressed the importance calculating what treating 50 percent of impervious surface typically cost. He said that financial modeling would help ensure that the Town was not creating the opposite of what it wanted to achieve. Path 1 looked less attractive to him than path 2, but the Town would need to validate that by running some numbers, he said. Council Member Parker urged staff to discuss ideas with the development community, emphasizing the importance of collaborating with those who actually build the projects.

Council Member Buansi verified with Mayor Hemminger that the statute had changed as a result of developers lobbying. He asked if there were any other areas of Town that had higher stormwater management standards than was required by statute.

Mr. Liles replied that some, such as the Enterprise Zone on Millhouse Road, had stricter regulations. However, those had been enabled through Conditional Zoning in a process different from FBC, he said.

Town Attorney Ralph Kaprinos pointed out that the Enterprise Zone was a greenfield area that was being developed for the first time, as distinguished from one that was being redeveloped.

Mayor Hemminger mentioned that the Enterprise Zone was also near a Research Conservation District.

Council Member Buansi recommended that the Stormwater Utility Advisory Board be included with other boards in the text amendment process.

Council Member Schaevitz asked if the BHD was the only place in Town that was vulnerable to the legislation.

Mr. Karpinos replied that the BHD was where the legislation mattered because it was the only place where the Town required 50 percent impervious surface.

Council Member Oates noted that the Town had told nearby neighbors that the BHD would not increase flooding and would improve stormwater runoff conditions. She asked if the new state legislation meant that conditions would not be improved.

Mr. Karpinos replied that the Town could no longer require developers to retain or treat more than the marginal difference unless it tried some other approach, such as what was being presented.

Council Member Gu asked if including additional standards for greenspace

under "other development standards" might affect impervious surface, and Mr. Liles agreed to look at that idea.

Council Member Parker recommended that staff do a more detailed analysis and discuss changes with the development community before drafting a text amendment. He cautioned that getting it right was more important than doing it fast.

Council Member Schaevitz agreed with Council Member Parker and said that it would be helpful to see if other state legislatures had done something similar and, if so, how other towns had responded.

Council Member Buansi said he agreed as well. He confirmed with Mr. Liles that staff did have concerns about a worst case scenario where an application might come in under the current state standard.

Mayor Hemminger agreed with the suggestions to talk with developers and obtain information about other towns. Her instinct was that the three pathways being proposed were overly complicated and that there might be better alternatives, she said. She argued that developers were unlikely to choose path 1 or 3 and that directing them to path 2 would not be a choice. The Town did pass an "illicit discharge ordinance" for the BHD, so some strides had been made in capturing stormwater and reducing what goes into it, she pointed out.

This item was received as presented.

9. Explore Affordable Housing Strategies in the Blue Hill District.

[\[19-0239\]](#)

Affordable Housing Development Officer Emily Holt displayed a map that showed four areas of the BHD that the Town had not rezoned in order to take time to identify strategies for including affordable housing (AH). The staff presentation would focus on ways to meet the goal of 300 new AH units for households earning 80 percent or less of area median income (AMI), she said. She said that staff had been working with the managers at Park Apartments to support the relocation of those residents over the summer.

Ms. Holt said that the Town had achieved 155 affordable units toward its goal of 300, but did not know of any others being planned. Therefore, staff had devised some AH strategies which it had presented to the Housing Advisory Board and was currently bringing before the Council for feedback, she said.

Affordable Housing Manager Nate Broman-Fulks presented the following five possible strategies for reaching the Town's AH goals in the BHD: 1) pass a text amendment to revise the form-based code (FBC) to require a pre-application meeting with Town staff to explore potential partnerships

and community impacts; 2) offer a development review process option to support AH and perhaps offer an exemption to the 10 percent commercial requirement in exchange for AH; 3) partner with developers to provide AH opportunities, such as subsidizing new units, designating units for specific target populations, or master leasing with the Town or an AH provider; 4) offer an expedited review process; 5) allocate a portion of the increased tax revenue in the district to AH.

Mr. Broman-Fulks gave additional details on each strategy and discussed the pros and cons. He addressed a potential timeline for pursuing any of them and explained next steps. He asked the Council for feedback on the proposed ideas.

Council Member Parker confirmed with Mr. Broman-Fulks that the BHD was not subject to the Town's Inclusionary Zoning Ordinance with regard to "for sale" housing. Mr. Broman-Fulks said he would evaluate whether it could be, and Council Member Parker asked him to also investigate whether a payment in lieu of AH could be required for new construction in the BHD.

Council Member Stegman asked why the Park Apartments had agreed to a payment in lieu of additional affordable units.

Executive Director for Housing and Community Loryn Clark replied that the former Town Manager had negotiated that with the Park Apartments owners.

Council Member Stegman verified with Mr. Broman-Fulks that the Town could pay the subsidy in Strategy 3 but that there could be other arrangements as well. She suggested exploring whether the code could be changed so that a 150-day review process could be 100 days if a developer provided AH.

Council Member Oates confirmed with Mr. Broman-Fulks that the connection between stormwater and AH was so the Council could set a certain percentage of AH as a standard in addition to requiring enhanced SW treatment. She cautioned against turning developers away by making the process too erroneous.

Council Member Oates verified with Mr. Broman-Fulks that the subsidy in Strategy 3 would come from either the AH Development Reserve or the AH Bond, depending on the use. It could be an up-front subsidy for the development of units or a subsidy to lower rents on the back end, he said. If Council decided in the future to set aside a portion of increased tax revenue, that could be a funding source to help with the subsidy, Mr. Broman-Fulks pointed out.

Council Member Oates also confirmed with him that Tar Heel Lodging was under the original FBC and would not be subject to any of the proposed new strategies. She verified that expedited review would pertain to other parts of Town since the BHD was already expedited. She recommended changing "surrounding areas" to "areas in Town".

Council Member Oates confirmed that staff was using the term master leasing to mean an arrangement similar to a recent proposal from Community Home Trust to Glen Lennox. However, that was very different, she said, noting that the Glen Lennox units had been affordable to begin with and that the subsidy was to make them affordable to people coming out of homelessness.

Mr. Levenson spoke in favor of Strategy 5 because it would take more time and look at a long-term solution. He advocated for initiating experiments in the short term and stressed the importance of creating housing for homeless people, teachers, graduate students, the elderly, and others. Mr. Levenson spoke in favor of alternative models, such as community-style/shared housing for young people.

Council Members Schaevitz, Buansi, Parker and Stegman expressed interest in Strategies 1 and 5 and there was some interest in learning more about Strategy 2. Council Member Stegman expressed interest in Strategy 3, Council Member Schaevitz said it was worth trying, Council Member Buansi said he would like to see it fleshed out more, and Council Member Parker said he was leery of it, stressing the need for revenues to support it. They had mixed reactions to Strategy 4 and asked for more information on that.

Council Member Bell said she would not address any of the strategies without thinking about resources the Town was able to bear, such as land and money. She agreed in general with having as many things in the Town's AH toolkit as possible; however, he pointed out that the AH Coalition had recommended that AMI be lower for rental than home ownership, 60 rather than 80 AMI. Council Member Bell said she would like to know what market pressures were creating more rentals than condos and how the Town could rethink its AH policy in that new environment.

Council Member Stegman said that the Housing Advisory Board had talked about having applicants provide an analysis of the cost of including affordable housing. She confirmed with Mr. Broman-Fulks that the Town was looking into that idea.

Council Member Gu said that the purpose of FBC was to generate community benefits and the Town had provided an expedited permitting process route in order to do that. However, tax revenue should not be the

dominant reason for providing expedited review, she said. She argued that a project should just go through the regular permitting process unless the Town could see clear community benefits, including AH.

Mayor Hemminger suggested determining how many AH units might be developed in the remaining parcels in and around the edges of the BHD. She discussed how the original point of not including AH in the FBC had been to spur commercial development. She pointed out that there were Town properties and other spaces where redevelopment could be negotiated and said she was not willing to pit commercial development and AH against each other.

Mayor Hemminger said that she was leery of Strategy 5 without knowing what the future holds and how the Town would address its debt repayment schedule. She suggested keeping Strategy 5 as a place-marker and noted that many Council members supported Strategies 1 and 2, seemed to like Strategy 3, and were mixed on Strategy 4. Most were in favor of Strategy 5, but she had reservations, she said.

Council Member Schaevitz mentioned that some community members had been discussing whether FBC would be appropriate in other parts of Town, if it were designed better, and could achieve what had been hoped for. Some had talked about how it had worked well in other communities, she said.

Council Member Gu agreed, adding that the advantage of FBC was that the Town could specify what it was looking for in a more streamlined and predictable process. FBC was not currently generating the results the Town wanted, but that did not mean that the tool itself could not work, she said.

The Council received the information as presented.

APPOINTMENTS

10. Appointment to the Chapel Hill Cultural Arts Commission.

[\[19-0240\]](#)

The Council appointed Annetta Streater to the Chapel Hill Cultural Arts Commission.

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

A motion was made by Council Member Schaevitz, seconded by Council Member Parker, that the Council enter into closed session as authorized by General Statute Section 143-318.11(a)(5) to consider possible acquisition of an interest in real property. The motion carried by a unanimous vote.

ADJOURNMENT

The meeting was recessed at 10:31 p.m., the Council went into closed session and the meeting adjourned at the end of the closed session.