



TOWN OF CHAPEL HILL

Town Council Meeting Agenda

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

Mayor Pam Hemminger
Mayor pro tem Michael Parker
Council Member Jessica Anderson
Council Member Allen Buansi

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

Wednesday, September 16, 2020 6:30 PM

Virtual Meeting

Virtual Meeting Notification

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

The public is invited to attend the Zoom webinar directly online or by phone. Register for this webinar:

*https://us02web.zoom.us/webinar/register/WN_OGt2YnL_QjGahT6b5gDSwQ
After registering, you will receive a confirmation email containing information about joining the webinar in listen-only mode. Phone: 301-715-8592,
Meeting ID: 833 8110 5144*

View Council meetings live at <https://chapelhill.legistar.com/Calendar.aspx> – and on Chapel Hill Gov-TV (townofchapelhill.org/GovTV).

ROLL CALL

AGENDA ITEMS

1. Update on Town Efforts to Respond to the COVID-19 Crisis. (no attachment)

[\[20-0606\]](#)

PRESENTER: Chris Blue, Police Chief/Community Safety Executive Director

Vencelin Harris, Fire Chief

Kelly Drayton, Emergency Management Coordinator

The purpose of this item is for the Town Emergency Management/Public Safety staff to provide an overview of Town efforts to respond to the COVID-19 crisis.

- 2.** Continued Discussion of Chapter 160D Updates to Land Use Management Ordinance and Town Code of Ordinances. [\[20-0607\]](#)
- PRESENTER: Alisa Duffey Rogers, LUMO Project Manager
Corey Liles, Principal Planner
- The purpose of this item is for Council to receive the staff presentation and provide guidance on the identified Policy Choices.
- 3.** Discuss the Concept Plan Review Process. [\[20-0608\]](#)
- PRESENTER: Adam Nicholson, Senior Planner
- The purpose of this item is for the Council to provide input on the Concept Plan Review process.
- 4.** Receive an Update on Public Housing Activities. [\[20-0609\]](#)
- PRESENTER: Faith M. Brodie, Public Housing Director
- The purpose of this item is for Council to receive an overview of Chapel Hill Public Housing.
- 5.** Future Items for Discussion. (no attachment) [\[20-0610\]](#)
- Facilitator: Ann Anderson, Town Attorney

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



TOWN OF CHAPEL HILL

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

Item Overview

Item #: 2., **File #:** [20-0607], **Version:** 1

Meeting Date: 9/16/2020

Continue Discussion of Chapter 160D Updates to Land Use Management Ordinance and Town Code of Ordinances.

Staff:

Alisa Duffey Rogers, LUMO Project Manager
Corey Liles, Principal Planner
Gene Poveromo, Interim Zoning Enforcement Manager

Department:

Town Manager’s Office
Planning
Building Services

Overview: Chapter 160D of NC General Statutes was established under Session Law 2019-111, which was signed into law on July 11, 2019. Before July 1, 2021, it is necessary for the Town to update the Land Use Management Ordinance (LUMO) and other sections of the Town Code to continue operating in compliance with State law. Staff introduced this project to address necessary updates at the [June 17, 2020 <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=4569906&GUID=0CE76AA5-06B3-4421-8884-D0D1FBD81E30>](https://chapelhill.legistar.com/LegislationDetail.aspx?ID=4569906&GUID=0CE76AA5-06B3-4421-8884-D0D1FBD81E30) Council Meeting.

☆ **Recommendation(s):**

That the Council receive the staff presentation and provide guidance on the identified Policy Choices.

Decision Points:

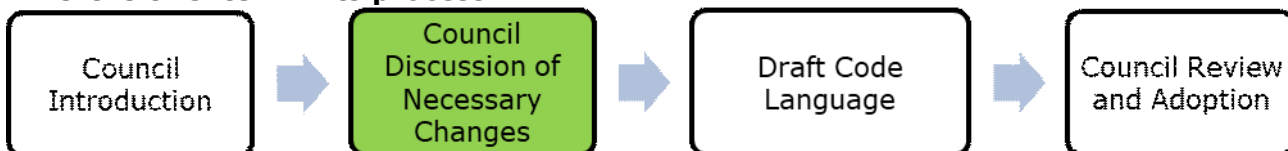
- What are appropriate measures to increase the opportunity for Conditional Zoning review - to comply with State law and to potentially expand its usefulness?
- How should the Planning Commission and other Advisory Boards be involved in the Special Use Permit review process?
- Who should receive appeals of decisions made by the Historic District Commission?

Key Issues:

- Part I of Session Law 2019-111 is already in effect. Staff met with Council members during the summer to share how development review procedures must change to address the provisions of Part I.
- As a vehicle for modernizing land use laws, Part II requires the Town to update LUMO and other sections of the Town Code to maintain compliance.

Fiscal Impact/Resources: There are no anticipated fiscal impacts from the project as proposed. Town staff will conduct the public engagement and develop the draft Code language.

Where is this item in its process?



**Attachments:**

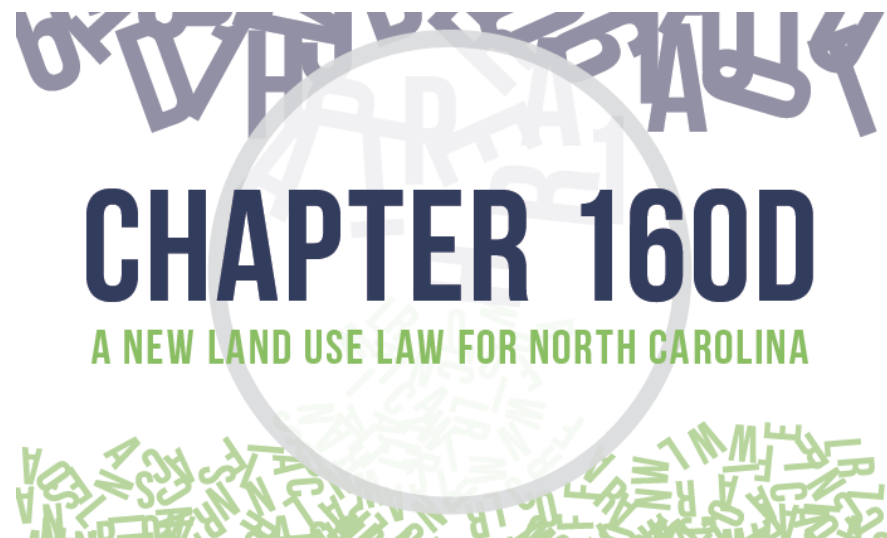
- Draft Staff Presentation
- Staff Memorandum

The Agenda will reflect the text below and/or the motion text will be used during the meeting.

PRESENTER: Alisa Duffey Rogers, LUMO Project Manager
Corey Liles, Principal Planner

The purpose of this item is for Council to receive the staff presentation and provide guidance on the identified Policy Choices.

TOWN COUNCIL
WORK SESSION
SEPTEMBER 16, 2020



Agenda:

Quick Background on 160D

Policy Considerations for Selected 160D
Provisions

Questions

Next Steps

DRAFT

BACKGROUND

Chapter 160D – new section of NC General Statutes containing rules for local land use authority

- Created by Session Law 2019-111
- Revised by Session Law 2020-25

PART I

In effect now

Revisions to development review procedures –

no text amendments required

PART II

Compliance required by July 2021

Updates to LUMO and Town Code

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CHAPTER 160D

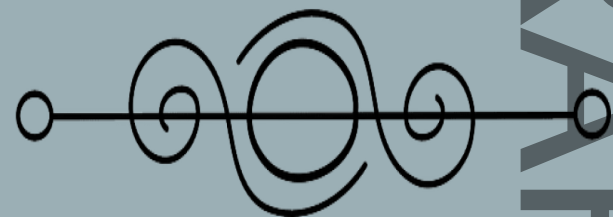
A NEW LAND USE LAW FOR NORTH CAROLINA

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WHAT DOES THIS LAW MEAN FOR CHAPEL HILL?

TOPICS

- Discontinuation of Conditional Use District Zoning
- Advisory Board Review of Special Use Permits
- Appeals of Historic District Commission Decisions



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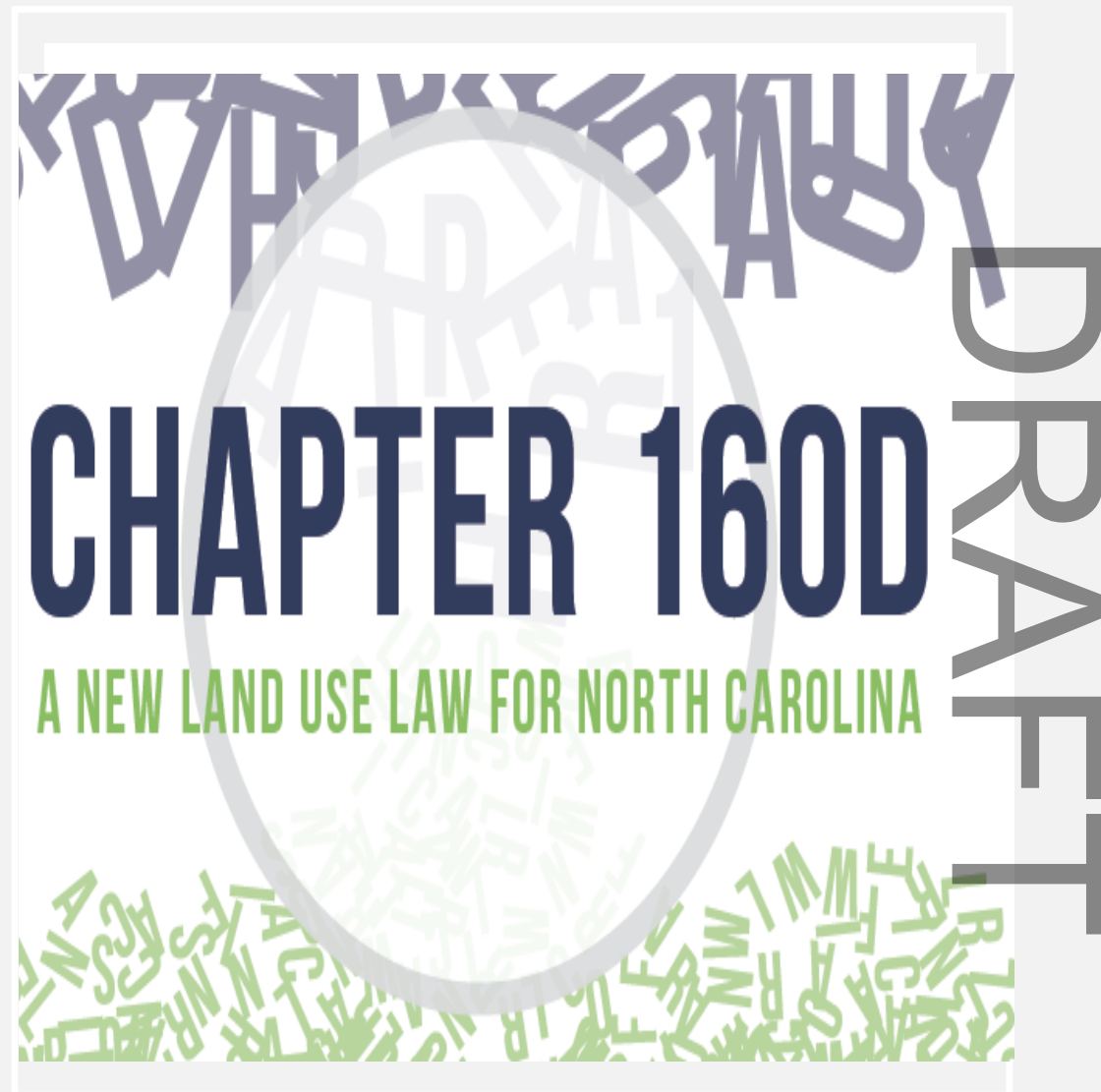
CONDITIONAL USE DISTRICT ZONING

- I60D eliminates this development review option
- Combines Legislative Rezoning with Quasi-judicial Special Use Permit
- Developed to place conditions on rezonings
- Problematic since combines legislative & quasi-judicial actions
- Still retain Special Use Permits



CONDITIONAL ZONING

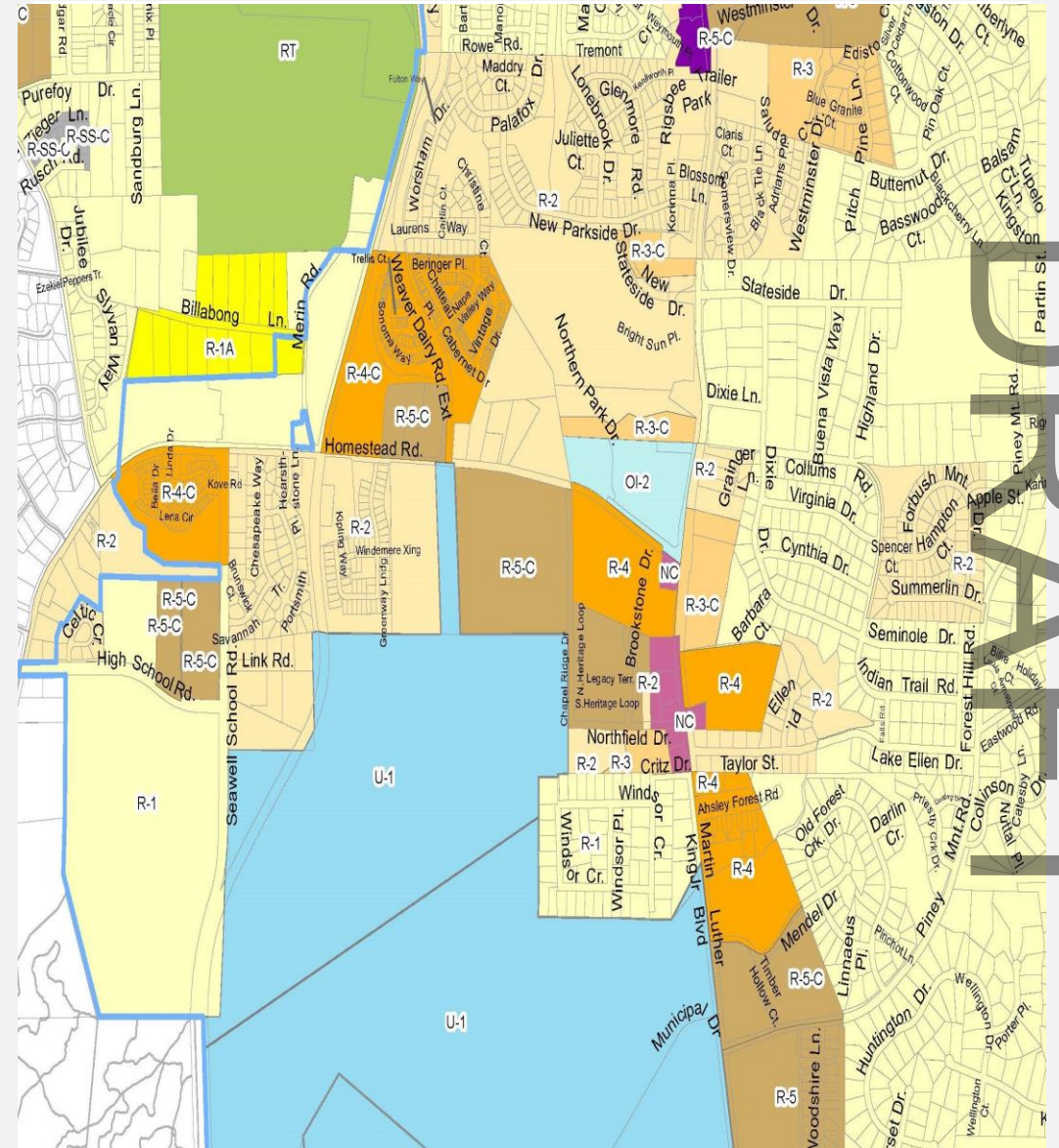
- Replaces Conditional Use District Zoning under 160D
- Written Consent to Conditions for Conditional Zoning Applications
- Latitude on Placing Conditions on Conditional Zoning Applications



ELIMINATION OF CONDITIONAL USE DISTRICT ZONING

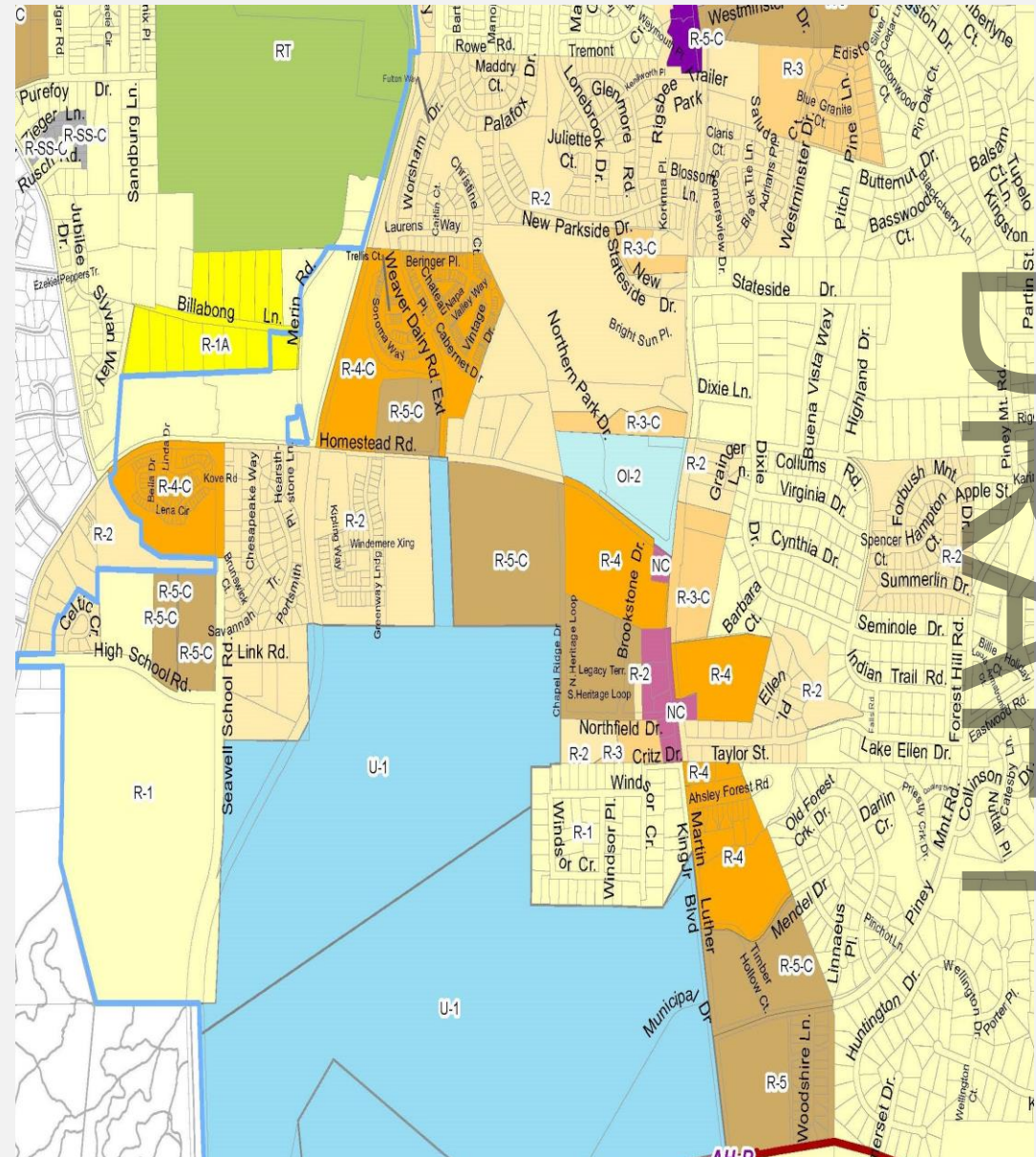
Practical Considerations:

1. Must Replace –C Districts on Zoning Atlas with –CZD
2. Lack CZD Districts for existing –C Districts
3. Conditional Use Only Districts, like R-SS-C & MU-V



CONDITIONAL USE DISTRICT VS. CONDITIONAL ZONING

- Lack R-3-CZD & R-4-CZD but have R-3 & R-4 Conditional Use Districts



CONDITIONAL USE
DISTRICT
VS.
CONDITIONAL
ZONING

Other Conditional Use Districts

R-1-C	R-1A-C
R-2-C	R-2A-C
HR-L-C	HR-M-C
R-LDI-C	R-LD5-C

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CONDITIONAL USE
DISTRICT
VS.
CONDITIONAL
ZONING

- **Questions:**
 - Should we only create CZ Districts for R-3 & R-4?
 - Should we create CZ Districts for all existing conditional use districts?
 - Should we create CZ Districts for R-SS-C & MU-V?

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SPECIAL USE PERMITS

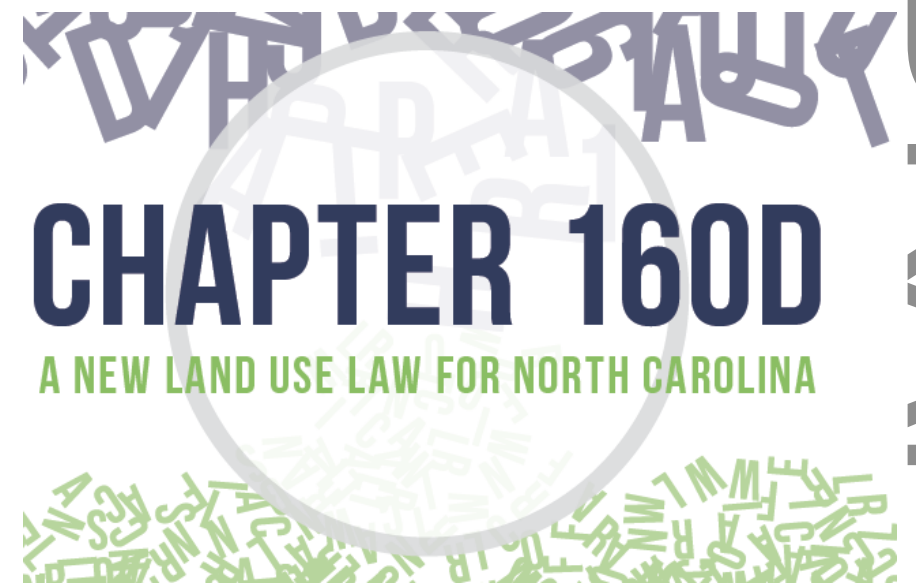
- When can Special Use Permits be utilized after 160D Implementation?
 - Use Matrix
 - 20/40 Rule



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ADVISORY BOARD REVIEW OF SPECIAL USE PERMITS

- Advisory board recommendations may **NOT** be used by Council as the basis for deciding Special Use Permits



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ADVISORY BOARD REVIEW OF SPECIAL USE PERMITS

Question:

What should be the future role of Boards/Commissions?

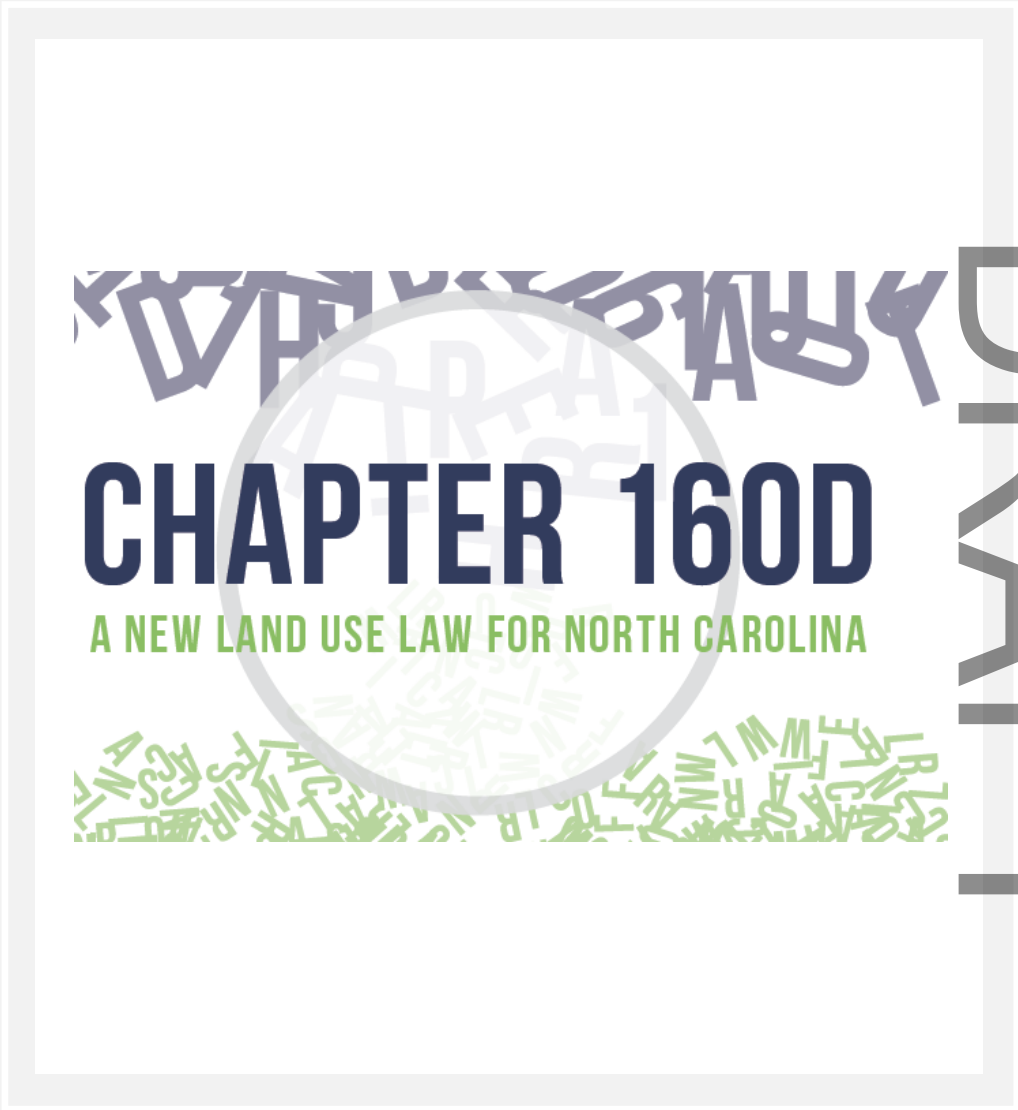
ALTERNATIVES

- Preliminary Forum
- Discontinue Board/Commission Review
- Other ideas

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APPEALS OF HISTORIC DISTRICT DECISIONS

Option to send appeals directly to NC Superior Court



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APPEALS OF HDC DECISIONS

- Appeals currently proceed to the Board of Adjustment

ALTERNATIVES

- NO change to existing process
- Amend LUMO to send appeals to Superior Court

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Advantages of Each Alternative

Appeals to BOA

Appeals to Superior Court

Avoids Court Costs for Town

Less workload for BOA members

Shorter timeframe for applicant

Avoids tension between HDC and BOA, if a decision is overturned

Opportunity to critically review decision prior to Court

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APPEALS OF HDC DECISIONS

- Question? Should appeals from the HDC proceed to BOA or Superior Court?

ALTERNATIVES

- NO change to existing process
- Amend LUMO to send appeals to Superior Court

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PROPOSED PROCESS

Staff assesses necessary changes to Town Code	March-July 2020
Council introduction	June 2020
Public Engagement – Building Familiarity	July-September 2020
Council discussion of necessary changes and policy options	September-October 2020

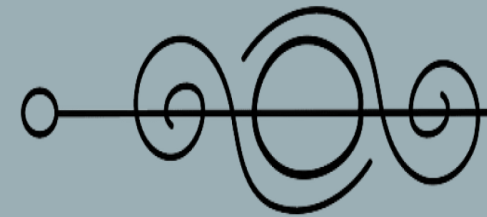
Public Engagement – Policy Choices	October 2020 - January 2021
Draft Text Amendments	February 2021
Planning Commission Review	February-March 2021
Council Review and Adoption	April-May 2021

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NEXT STEPS

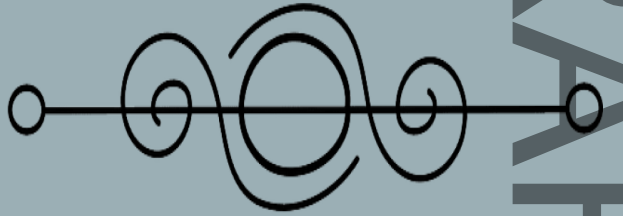
Work Session in October – Spoiler Alert!

- Changes to LUMO Definitions
- Development Agreements – New Options
- Vesting Rights Plans
- Other Interesting, Technical Zoning Topics!?



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**FINAL
QUESTIONS?**



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STAFF MEMORANDUM

Council Work Session – 09/16/2020



CHAPTER 160D: DETERMINING UPDATES TO THE LAND USE MANAGEMENT ORDINANCE, TOWN CODE, AND OTHER POLICIES

In 2020 and 2021, the Town of Chapel Hill Planning Department will be recommending updates to the Land Use Management Ordinance (LUMO) and other sections of the Town Code to align our regulations with new State legislation commonly referred to as '160D'. These updates are necessary for the Town's development regulation functions to continue operating in compliance with State law.

PROJECT PURPOSE

To bring LUMO and other Town regulations into compliance with State law, as revised with the adoption of [Session Law 2019-111](#)¹ and [Session Law 2020-25](#)², and establishment of [Chapter 160D](#)³.

BACKGROUND

'160D' refers to the new section of the NC General Statutes that contains the rules for how local jurisdictions can exercise land use authority in areas such as zoning and subdivisions. Chapter 160D was established under Session Law 2019-111 (with later technical corrections under Session Law 2020-25) and was signed into law in the summer of 2019. Part I of the Session Law went into effect at that time. Part II, which clarifies, consolidates, and reorganizes land-use regulatory laws, will go into effect on or before July 1, 2021 (the effective date varies based on when jurisdictions adopt amendments to implement 160D).

More information on the State's enactment of Session Laws and Chapter 160D is available at the [Town's project webpage](#)⁴.

PART I PROVISIONS

Staff introduced the 160D updates to Council at the [June 17, 2020 Special Meeting](#)⁵. The focus of that item was on Part I topics. Council members met in small groups following the June 17th meeting to further discuss the implications of Part I. This fall, staff plans to move into discussion of Part II topics.

¹ <https://www.ncleg.gov/BillLookup/2019/S355>

² <https://www.ncleg.gov/BillLookUp/2019/S720>

³ https://www.ncleg.gov/EnactedLegislation/Statutes/HTML/ByChapter/Chapter_160D.html

⁴ <https://www.townofchapelhill.org/government/departments-services/planning/plans-and-ordinances/160d-updates-4113>

⁵ <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=4569906&GUID=0CE76AA5-06B3-4421-8884-D0D1FBD81E30>

STAFF MEMORANDUM

Council Work Session – 09/16/2020

PART II PROVISIONS FOR DISCUSSION

The Land Use Management Ordinance and Town Code need updates to maintain compliance with State law, as revised by the adoption of Part II of Session Law 2019-111 and establishment of Chapter 160D.

For this Work Session, staff seeks Council feedback on four topics. Additional topics will be covered at the October Council Work Session.

Topics for September Work Session:

- 1. Conditional Use District Zoning**
- 2. Expanding the Usefulness of Conditional Zoning**
- 3. Advisory Board Review of Special Use Permits**
- 4. Appeal of Historic District Commission Decisions**

1. Conditional Use District Zoning

Chapter 160D eliminates the use of *Conditional Use District Zoning*, which is the practice of combining a quasi-judicial Special Use Permit with a legislative rezoning. This is the option typically used in Chapel Hill for placing conditions on a rezoning approval.

After the effective date of Part II, Council may continue to review and issue Special Use Permits (SUPs) as authorized by LUMO. However, there will no longer be an option to link the conditions of a Special Use Permit to the rezoning of a site.

If a project needs a rezoning, the options available under Chapter 160D are General Use Zoning and Conditional Zoning. When site specific conditions are needed or desirable, staff recommends Council consider the project under *Conditional Zoning* review (discussed further in the next section).

If a project can be developed under current zoning, SUP review will continue to be an appropriate tool for circumstances such as special uses (e.g., a Drive-in window) or when a project trips certain thresholds established in the LUMO.

The discontinuation of *Conditional Use District Zoning* also affects past actions. One provision of S.L. 2019-111 specifies that on January 1, 2021, all existing *Conditional Use* districts will automatically convert to *Conditional Zoning* districts. Note that this date is before the effective date of the rest of Chapter 160D, which means that the Town must comply prior to adopting 160D LUMO amendments. The effect of the zoning district conversion will be more a matter of terminology than substance. Zoning district suffixes on the Zoning Atlas will need to be updated. For example, OI-1-C will become OI-1-CZD. The conditions of the previously adopted Special Use Permits will continue to remain valid and in effect.

STAFF MEMORANDUM

Council Work Session – 09/16/2020

EFFECTS OF NEW STATE LAW
<ul style="list-style-type: none"> A. <i>On or before July 1, 2021</i>, linking an SUP approval to a rezoning approval will no longer be possible (Conditional Use District Zoning) B. Standalone review of SUPs may continue for projects where no rezoning is needed C. Conditional Zoning is available as a tool to link conditions to a rezoning through a legislative decision D. <i>On January 1, 2021</i>, existing –C districts must be denoted as –CZD districts
IMPLEMENTATION ACTIONS
<ul style="list-style-type: none"> A. Eliminate Conditional Use District zoning as an option for development review B. Remove references to Conditional Use District zoning throughout LUMO C. Create R-3-CZD and R-4-CZD districts in LUMO to support the conversion of all existing –C districts
POLICY CHOICES
<p>Council may choose to pursue A. or B. below as well as C to allow Conditional Zoning as a substitute for Conditional Use District Zoning:</p> <ul style="list-style-type: none"> A. Create R-3-CZD and R-4-CZD only, supporting current practice plus the conversion of –C zoning B. Create additional –CZD parallel districts to match all of the –C parallel districts that are currently in LUMO (e.g. R-1-CZD and R-2-CZD) C. Adapt the districts that currently require an SUP (R-SS-C and MU-V) to be available to implement through Conditional Zoning

2. Expanding the Usefulness of Conditional Zoning

Conditional Zoning is a process that can accomplish many of the same objectives as *Conditional Use District Zoning*, specifically the ability to place conditions on a rezoning. It could become more common in Chapel Hill. A key difference is that *Conditional Zoning* is solely a legislative process and not combined with a Special Use Permit or other quasi-judicial review.

The table below provides more information on the hearings required for each type of zoning review. Notably, *Conditional Zoning* public hearings offer the opportunity for broad public participation and more leeway for Council decision-making.

STAFF MEMORANDUM

Council Work Session – 09/16/2020

Review Type:	Conditional Zoning	Conditional Use District Zoning
Hearings Required:	Legislative only	<u>Rezoning</u> : Legislative
		<u>SUP</u> : Quasi-judicial
Ex Parte Communication:	Allowed outside of the hearing, with anyone	<u>Rezoning</u> : Allowed outside of the hearing, with anyone
		<u>SUP</u> : Not allowed outside the hearing, must be only witnesses and parties with standing
Findings for Decision:	Discretion of Council	<u>Rezoning</u> : Discretion of Council
		<u>SUP</u> : Findings of Fact (LUMO 4.5.2)
Evidence for Decision:	Information based on facts or opinions	<u>Rezoning</u> : Information based on facts or opinions
		<u>SUP</u> : Fact-based evidence only

Prior to the Town’s adoption of *Conditional Zoning*, many development options required a *Special Use Permit*. Specifically, Planned Developments, which permit additional uses when a project is appropriately designed, are currently allowed with an SUP, and Master Land Use Plans, which permit greater flexibility for design and use can be granted to larger sites, with an SUP.

EFFECTS OF NEW STATE LAW
Because Chapter 160D eliminates Conditional Use District Zoning, we expect to see Conditional Zoning review become a more common practice. Conditional Zoning applicants may benefit from having some options that LUMO currently only offers for Special Use Permits.
IMPLEMENTATION ACTIONS
No policy change is required, but choices are available.
POLICY CHOICES
Council may choose to pursue either of the following options to expand the functionality of Conditional Zoning, or may choose to do neither. <ul style="list-style-type: none"> A. Adapting the <i>Planned Development</i> overlay provisions to be implemented through Conditional Zoning. This would give Council more flexibility to consider appropriate uses for a proposed rezoning. B. Adapting the <i>Master Land Use Plan</i> process to be implemented through Conditional Zoning. This would allow Council to consider rezonings tied to a master plan. A procedure for subsequent review of more detailed site plans would then need to be defined. Site plans for individual phases could be reviewed administratively, by Planning Commission, or by Council.

STAFF MEMORANDUM

Council Work Session – 09/16/2020

3. Advisory Board Review of Special Use Permits

Chapter 160D clarifies the options for including Development Review Advisory Boards and Commissions in a quasi-judicial process. Advisory Boards, including the Planning Commission, do have the ability to review Special Use Permits. However, their recommendations **may NOT** be used as the basis for a Council decision on the Special Use Permit. The Council decision must be made based on evidence presented at the public hearing.

The procedures in LUMO for Special Use Permit review currently include a review by the Planning Commission and a recommendation from the Commission to Council. Policy outside of LUMO allows additional Advisory Boards to review and make recommendations on SUP applications. By conducting public hearings in accordance with the provisions of Chapter 160D, it is unclear what value the Advisory Board review of Special Use permits would serve.

EFFECTS OF NEW STATE LAW
<ul style="list-style-type: none"> A. <i>On or before July 1, 2021</i>, the Council may no longer make decisions on SUP applications that are based, in any part, on recommendations of the Planning Commission or other Advisory Boards. B. Council may continue to consider such recommendations when making decisions on Conditional Zonings, Concept Plans, and other non-quasi-judicial applications
IMPLEMENTATION ACTIONS
<ul style="list-style-type: none"> A. Council members must ensure that they are applying proper decision-making criteria. B. Update SUP procedures in LUMO so that the Planning Commission is not making a recommendation on SUP applications.
POLICY CHOICES
<p>Council may choose to pursue one of the following options:</p> <ul style="list-style-type: none"> A. Discontinue review by Planning Commission and other Advisory Boards during the Special Use Permit review process B. Advisory Boards and the Planning Commission continue to review SUP applications, with the understanding that this review is an informal, preliminary discussion of the application that will NOT be used by the Council when making a decision. Stipulate that Advisory Boards will not provide recommendations to Council during SUP review

STAFF MEMORANDUM

Council Work Session – 09/16/2020

4. Appeal of Historic District Commission Decisions

Chapter 160D provides the Town with two different options for how decisions of the Historic District Commission (HDC) are appealed.

The LUMO currently allows anyone with standing who disagrees with an HDC decision to appeal to the Board of Adjustment (BOA). A decision of the BOA can then be appealed to NC Superior Court. For example, if the HDC issues a Certificate of Appropriateness and a neighboring property owner with standing wishes to contest this decision, they would file a BOA Appeal application.

Since 2007, the BOA has heard 14 appeals of HDC decisions. In five of these cases, the HDC decision was overturned. In two of the 14 cases, the proceedings continued to Superior Court. Appealed decisions represent just a small percentage of all BOA decisions made in the same period.

EFFECTS OF NEW STATE LAW
Appeals of HDC decisions may continue going to the BOA (current practice), or bypass the BOA and go directly to Superior Court (new option offered by State law). A change to the process can be made now or in the future.
IMPLEMENTATION ACTIONS
No policy change is required, but choices are available.
POLICY CHOICES
Staff has considered the advantages of each option for HDC appeals, and provides the following assessment: <ul style="list-style-type: none"> <u>Appeals to BOA</u> <ul style="list-style-type: none"> - Avoids Court costs for Town - Shorter process for applicant – no long wait for a court date - Less workload for Town Attorney's Office - Opportunity for Town to look critically at decisions that result in Appeals <u>Appeals to Superior Court</u> <ul style="list-style-type: none"> - Less workload for BOA members - Avoids tension between HDC and BOA if a decision is overturned

STAFF MEMORANDUM

Council Work Session – 09/16/2020

PROPOSED PROCESS

The steps below outline the process currently underway for executing 160D Updates.

1.	Staff assesses necessary changes to Town Code	March-July 2020
2.	Council introduction	June 2020
3.	Public Engagement – Building Familiarity	July-September 2020
4.	Council discussion of necessary changes and policy options	September-October 2020
5.	Public Engagement – Policy Choices	October 2020 - January 2021
6.	Draft Text Amendments	February 2021
7.	Planning Commission Review	February-March 2021
8.	Council Review and Adoption	April-May 2021
9.	Chapter 160D Effective Date	July 1, 2021 <i>Or upon Council adoption, whichever occurs first</i>

Opportunities for Council consideration are highlighted **in blue**.

STAFF MEMORANDUM

Council Work Session – 09/16/2020

PROPOSED PUBLIC ENGAGEMENT STRATEGY

The public engagement strategy for this project includes four phases. The current phase is '**Building Familiarity**', which involves sharing information about Chapter 160D with stakeholders and the public. Following the September and October Council Work Sessions, public engagement will shift into the **Policy Choices** phase, which will involve stakeholder input on the guidance provided by Council for 160D updates.

I. Building Familiarity	
Introduce the public to the key elements of Chapter 160D and how it compares with current Chapel Hill approaches to land use regulation. Educate the public on planning and zoning concepts that relate to the provisions of Chapter 160D.	
July - September 2020	Web page and Stakeholder outreach
II. Policy Choices	
Seek stakeholder feedback on implementing the provisions of Chapter 160D, once Council identifies alternatives to discuss with the community. Gather concerns about proposed changes.	
October 2020 - January 2021	Public meetings, Online survey
III. Draft Text Amendments	
Share draft Code language with the public. Determine support and ongoing concerns.	
February - May 2021	Public meetings, Online comment form
IV. Implementation Resources	
Educate the development community and others who interact with our development regulations about the adopted changes.	
Following Council adoption	Materials and methods to be determined



TOWN OF CHAPEL HILL

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

Item Overview

Item #: 3., File #: [20-0608], Version: 1

Meeting Date: 9/16/2020

Discuss the Concept Plan Review Process.

Staff:

Judy Johnson, Interim Director
Corey Liles, Principal Planner
Adam Nicholson, Senior Planner

Department:

Planning

Overview: On June 26, 2019, the Community Design Commission (CDC) submitted a [petition](https://chapelhill.legistar.com/View.ashx?M=F&ID=7334249&GUID=AA1C60E9-4112-426D-BF21-F9EEDC5081D5) [to the Council to revise the Concept Plan Review process in an effort to provide effective, timely, and meaningful feedback to applicants and the Council. The Town Council discussed the Concept Plan Review process at the \[June 6, 2020\]\(https://www.townofchapelhill.org/home/showdocument?id=46035\) Council Committee on Economic Sustainability meeting. Following that discussion, staff met with stakeholders, collected input, and will share that information this evening.](https://chapelhill.legistar.com/View.ashx?M=F&ID=7334249&GUID=AA1C60E9-4112-426D-BF21-F9EEDC5081D5)

☆ Recommendation(s):

That the Council hear stakeholder input received over the summer, provide input on the current Concept Plan process, and provide feedback on potential changes to the process.

Priorities

- Creating quality projects with a focus on the general form of the land and spatial relationships of the proposed development and surrounding area
- Promoting quality public participation and engagement
- Efficiently using staff and applicant resources

Discussion

Per [LUMO 4.3](https://library.municode.com/nc/chapel_hill/codes/code_of_ordinances?nodeId=CO_APXALOUSMA_ART4PR_4.3COPLRE) [the purpose of Concept Plans is to provide an opportunity for the Town Council, CDC, staff, and the community to consider the impact of a major development program on the character of the area in which it is proposed to be located. The process is intended:](https://library.municode.com/nc/chapel_hill/codes/code_of_ordinances?nodeId=CO_APXALOUSMA_ART4PR_4.3COPLRE)

- to take into consideration the general form of the land before and after development as well as the **spatial relationships** of the **proposed structures, open spaces, landscaped areas, and general access and circulation patterns** as they relate to the proposed development and the surrounding area; and*
- to consider the various aspects of design, with special emphasis on whether the proposed development is consistent with the **town's design guidelines** and the **goals and objectives of the town's comprehensive plan.***

1. What is the Problem?

Concept Plans pose different issues for each group involved in the process:

- CDC has expressed concerns over materials provided, specifically requesting additional

context and narrative.

- Planning Commission has expressed an interest in reviewing Concept Plans.
- Historic District Commission seeks guidance on how to separate Concept Plans from their review of Certificates of Appropriateness.
- The Council remains supportive of an early review of project concepts and believes a revised process could more effectively improve final project design.
- Developers are frustrated with meeting lengths, the quality of advisory board discussions, and limited Council feedback for the concept plan process.

2. Current Process Overview

Application types:

Concept Plans are required prior to the submittal of Special Use Permit (SUP), Master Land Use Plan, Conditional Zoning, and Major Subdivisions.

Steps:

1. Applicant submits a Concept Plan Review application containing a rough sketch of their proposal
2. The proposal is reviewed by the CDC, or the Historic District Commission (HDC) acting as the CDC in the historic districts
3. Housing Advisory Board (HAB) reviews residential projects (as a courtesy review)
4. Advisory Boards share their comments with Council
5. Council reviews the Concept Plan and provides feedback to the applicant

3. Concept Plan Review Options

Considering the Priorities listed above, staff have formulated several options for possible improvements to the Concept Plan Review process. Changes could include any of the following:

A. Community Concept Meeting (CCM)

This informal meeting will allow the applicant an opportunity to present a 'sketch' proposal and address questions, concerns, or comments. Neighbors, community members, and stakeholders would learn more about the project from the applicant team. Staff, Council members, and advisory board members could also attend and participate.

B. Staff Review

For a staff-based Concept Plan review, key staff members from departments such as Fire, Stormwater, and Planning would submit comments and meet with the applicant. Staff could then provide Advisory Boards a regular report on projects that were reviewed.

C. Design Reviews

1. The Planning Commission in place of the CDC/HDC
2. Town Council only
3. Urban Design Assessment (UDA) or an Urban Design Report (UDR) where the Urban Designer provides an analysis including how the development will function in its proposed neighborhood context and a summary of feedback on the project.

D. Staff Output

1. Providing a quarterly concept plan summary report to Council
2. Presenting supplemental information to the Council Committee on Economic Sustainability (CCES)

Background

Concept Plan Statistics

In a survey of **55** Concept Plan submittals reviewed by Council since 2006, staff found:

- The average time between Town Council review and submission of a formal application was 320 days.
- 1 out of 10 applicants do not submit a formal application after 2 years.

Item #: 3., File #: [20-0608], Version: 1**Meeting Date: 9/16/2020**

- The typical start time for Concept Plan discussions at Council Meetings is 9:33 PM, with the latest starting at 11:50 PM.

Concept Plan History

Concept Plans originated in 1998 when the Development Ordinance charged the newly created CDC with providing feedback on proposed developments. This was an opportunity for designers to receive a peer review of their sketches. The Land Use Management Ordinance (LUMO) has since formalized this process, requiring significant application materials to present to the Advisory Boards and Council for recommendations.

**Attachments:**

- Draft Staff Presentation

The Agenda will reflect the text below and/or the motion text will be used during the meeting.

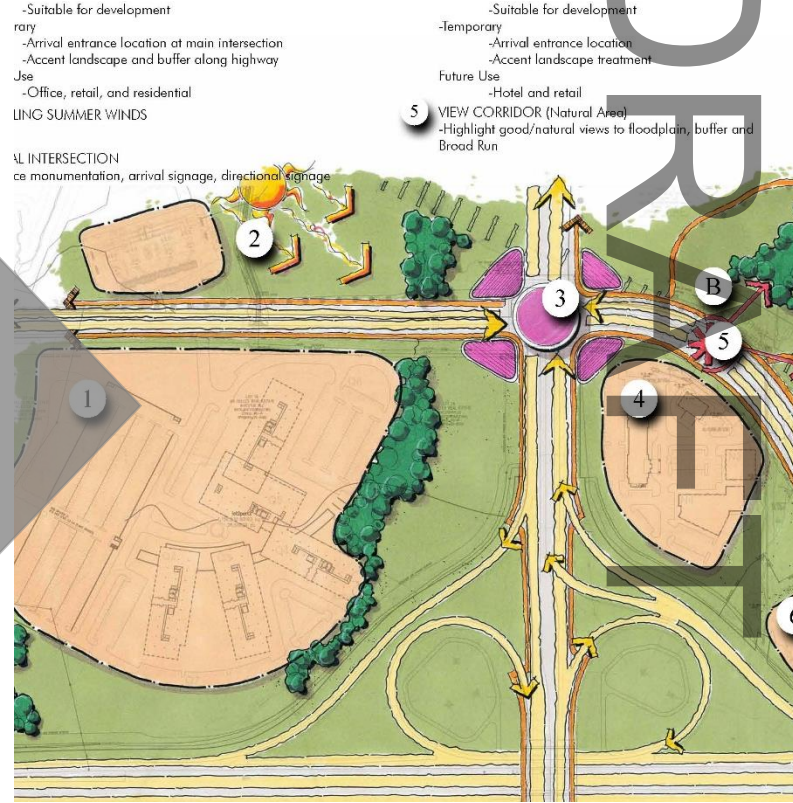
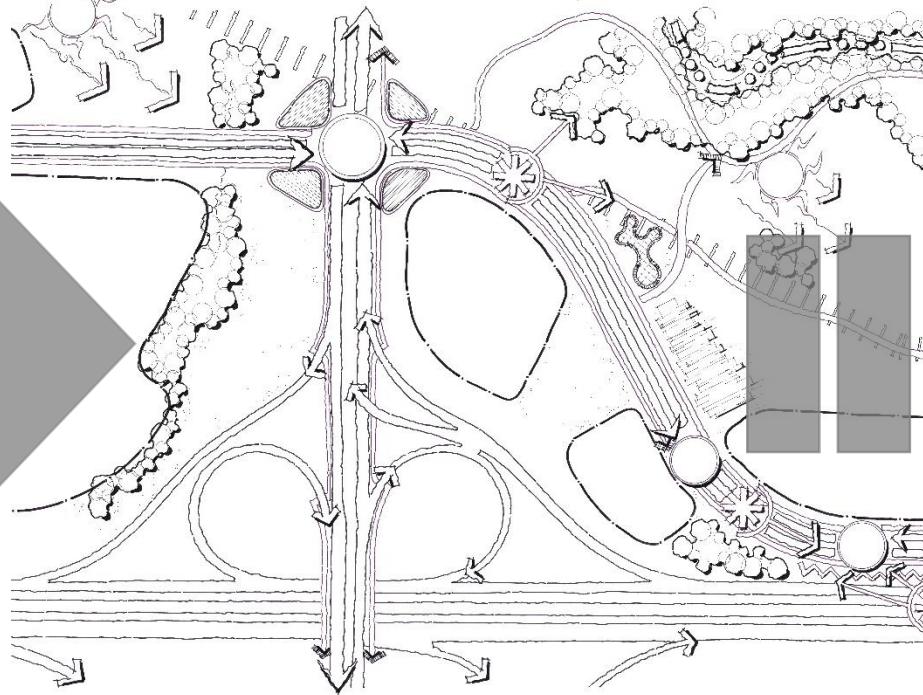
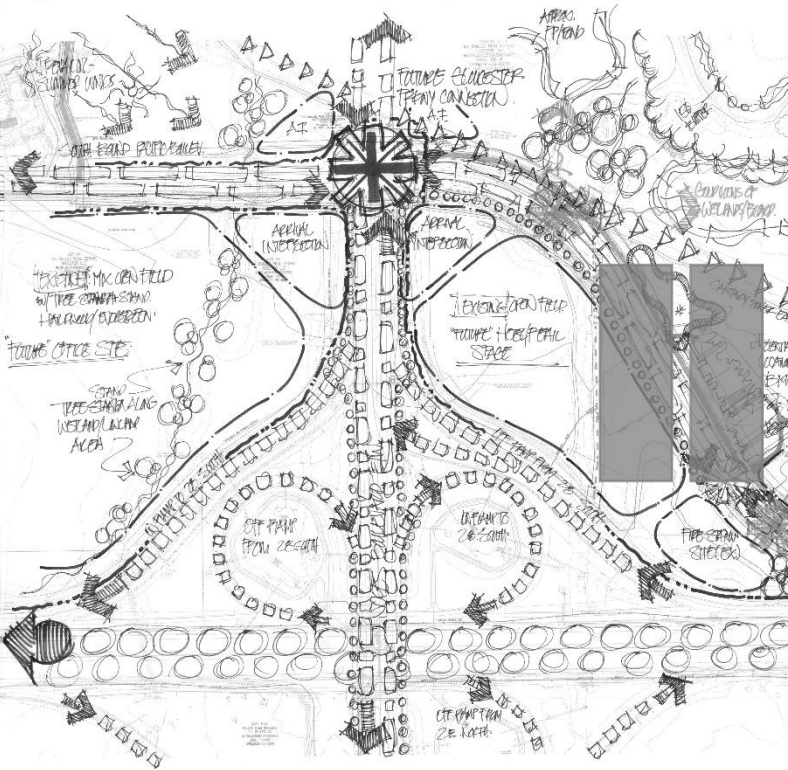
PRESENTER: Adam Nicholson, Senior Planner

The purpose of this item is for the Council to provide input on the Concept Plan Review process.



CONCEPT PLAN-S.R. (*Draft*)

Council Work Session-2020.9.16



- Suitable for development
- rary
- Arrival entrance location of main intersection
- Accent landscape and buffer along highway
- Use
- Office, retail, and residential
- LING SUMMER WINDS

1 INTERSECTION
ce monumentation, arrival signage, directional signage

- Suitable for development
- Temporary
- Arrival entrance location
- Accent landscape treatment
- Future Use
- Hotel and retail
- 5 VIEW CORRIDOR (Natural Area)
- Highlight good/natural views to floodplain, buffer and Broad Run



CONCEPT PLAN-Why Are we Here? (*Draft*)

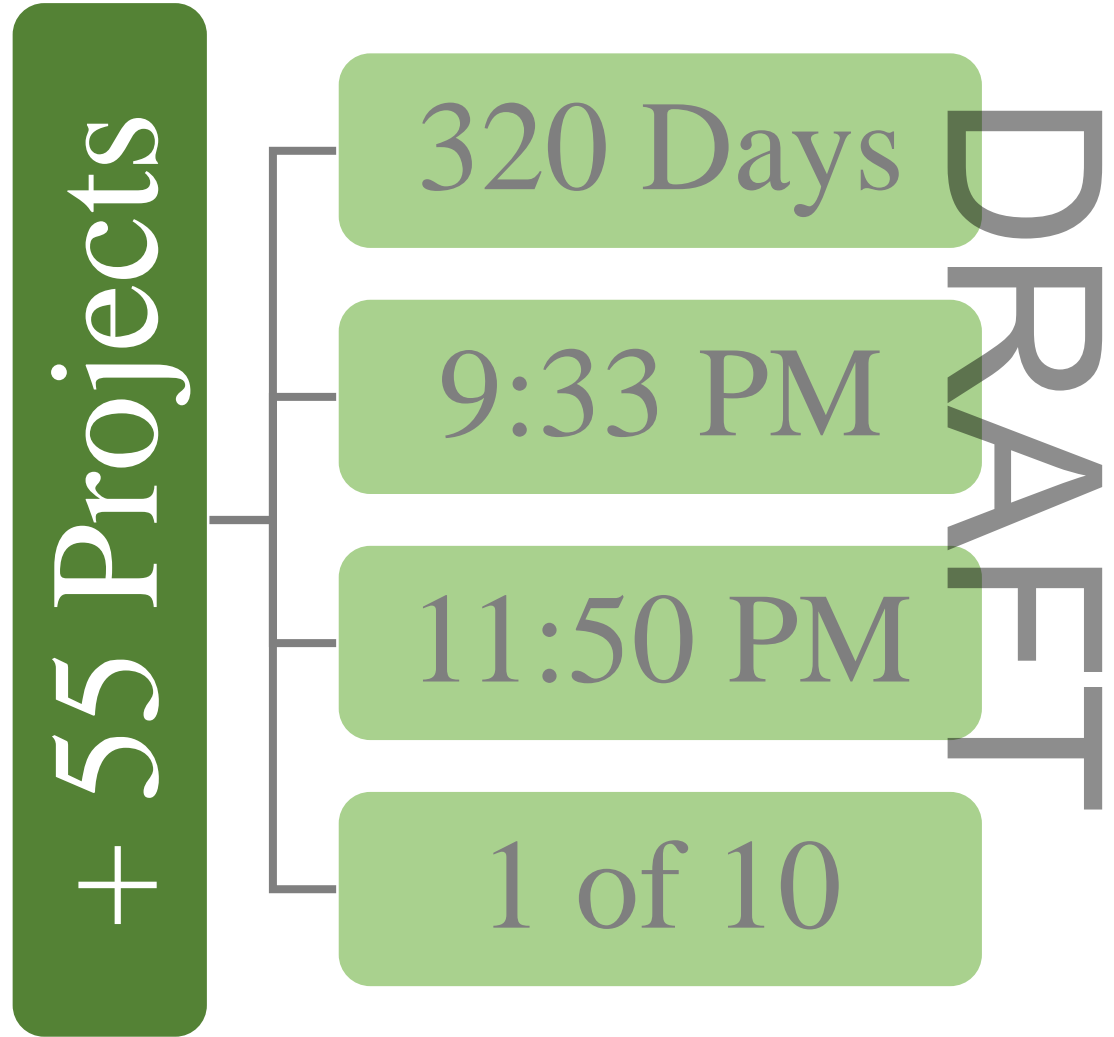
- Problems
 - Context related Discussion
- Priorities
 - Framing a New Direction
- Path Update
 - Pilot Program





CONCEPT PLAN-By the Numbers (*Draft*)

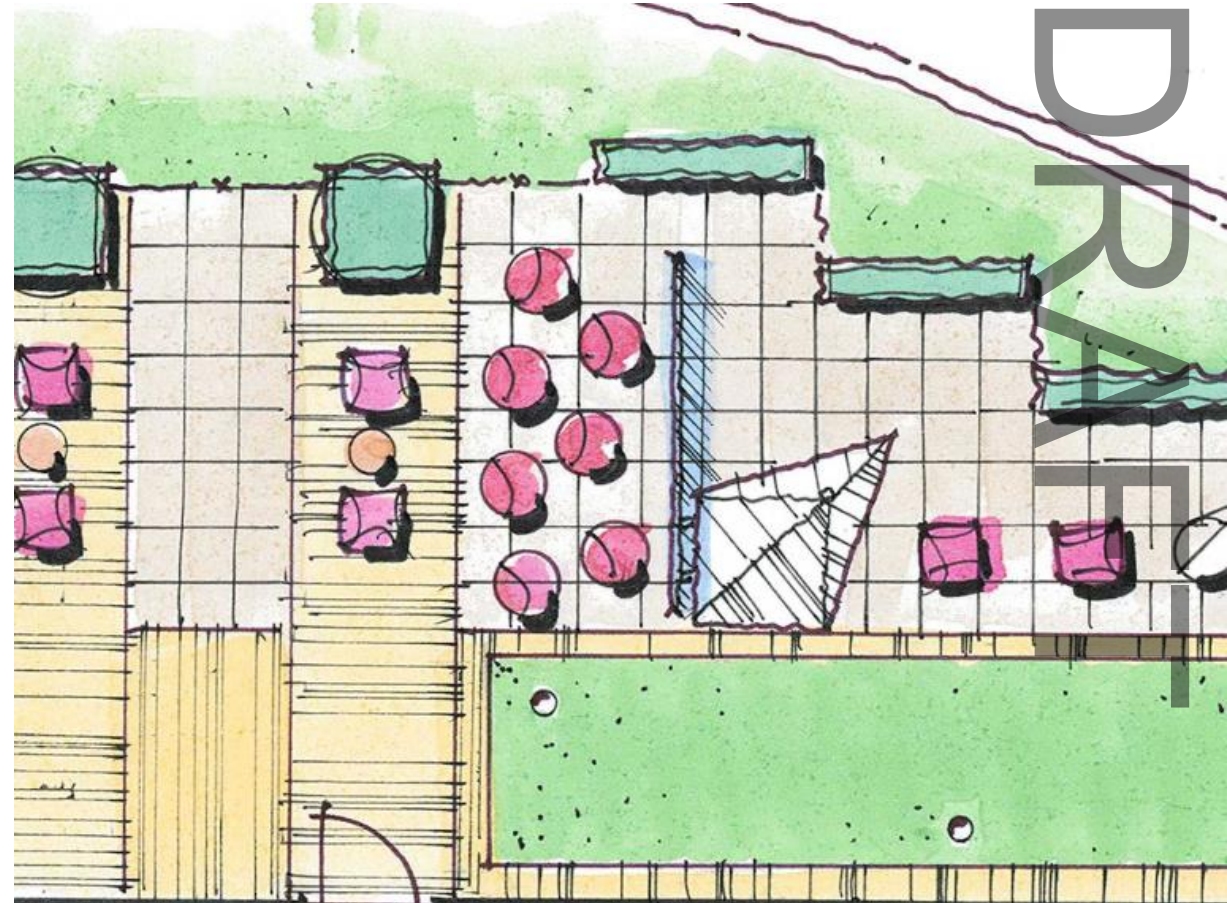
- ❑ Concept Plan Submissions
 - 320 Days-Average Number of Days Between Council Concept review and a Formal submittal (Expected Project Path)
 - 6-9 Months before Formal Council review
 - 9:33PM-Average Discussion Start Time at Town Council Meeting
 - 11:50PM-Latest Noted Start Time at Town Council Meeting
 - 1 of 10-No Formal Applications after 2yrs.





CONCEPT PLAN-Agenda (*Draft*)

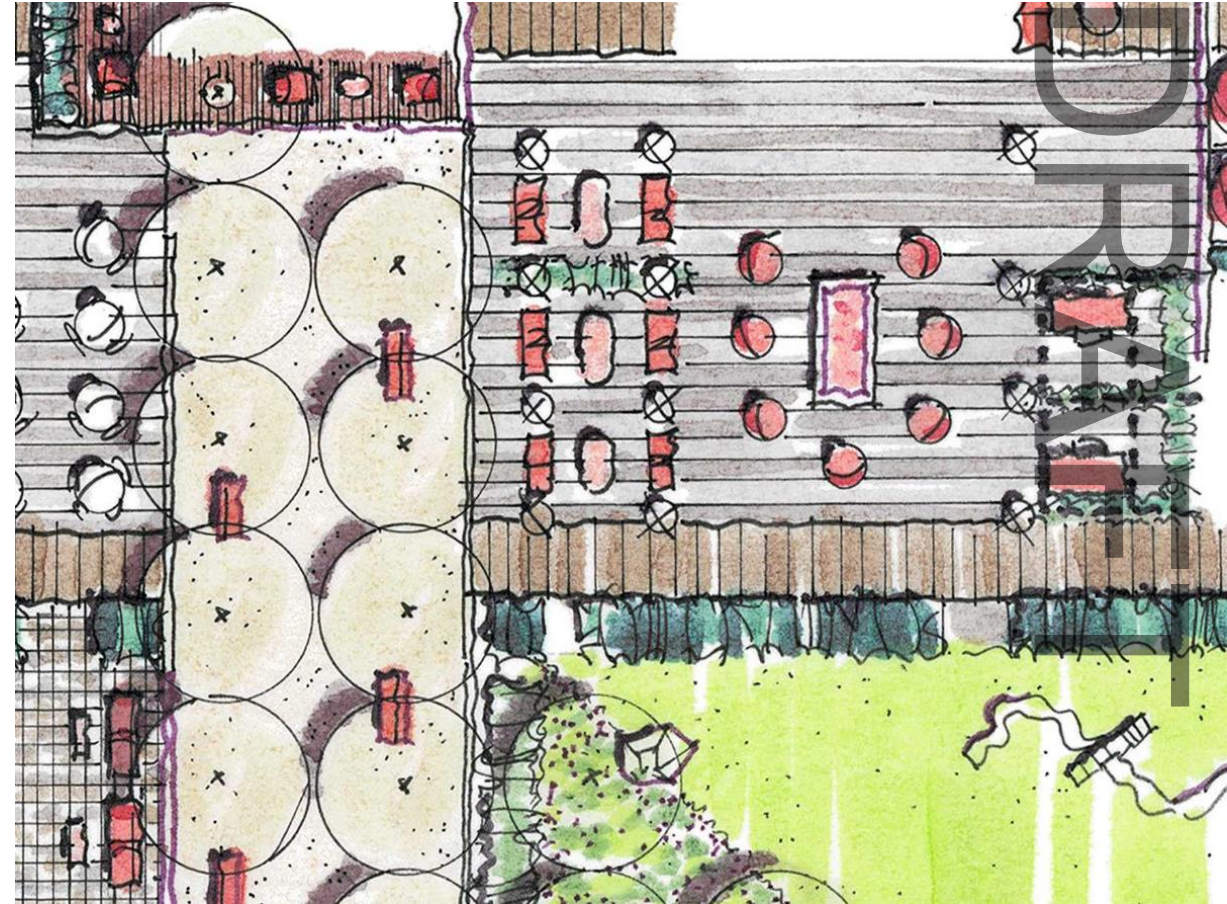
- What's the Problem?
- Solution Priorities
- Pilot Program Review
- Applicant Working Group
- Advisory Board Working Group
- Let's Talk





CONCEPT PLAN-What's the Problem?

- Applicants
 - Focus on Sketches and Precedent Images to relay design intent (Reserve Resources)
- Boards & Commissions
 - Additional Visuals & Information
 - Additional Review Boards
- Council
 - Meeting Functionality and Meaningful Applicant Feedback
- Staff
 - Staff time allocation vs. time spent
 - Other municipal processes





CONCEPT PLAN-Updated Priorities (*Draft*)

- Quality Final Projects
- Quality Public Participation and Engagement
- Efficient Use of Staff and Applicant Resources





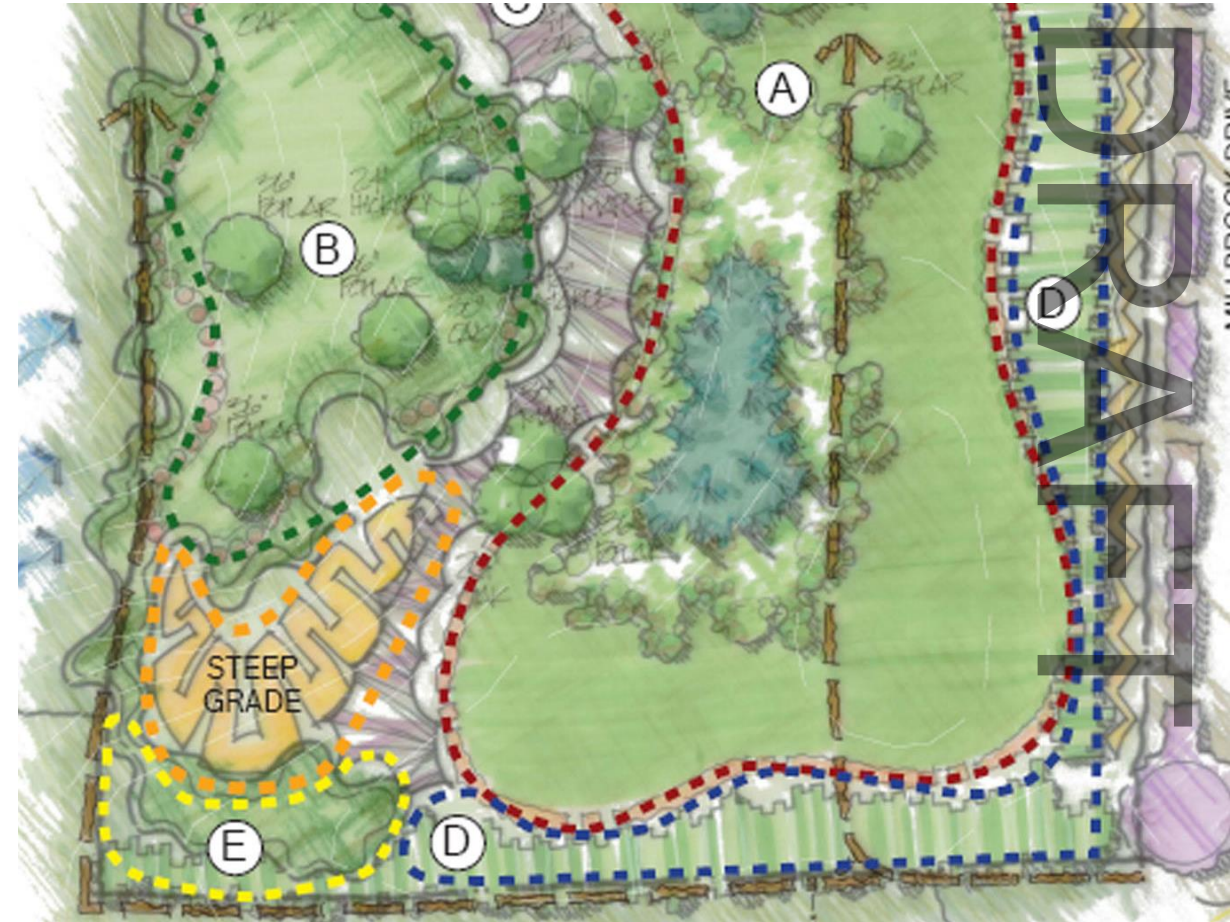
CONCEPT PLAN-Pilot Project Review

☐ Community Concept Meeting (CCM)

- Occurs Early in the Process
- Workshop Style/Informal Review Meeting
- Attendees include Neighbors and General Public, Applicant Team, Staff, Boards/Commissions and Town Council
- Sketch Plans to be Presented by Applicant
- Opportunity for Public to Ask Questions of Applicant and Staff

CCM Follow Up

- Staff and Urban Design Reports will be prepared to identify key points the applicant should address





CONCEPT PLAN-CCM Reaction (*Draft*)

Time Frame

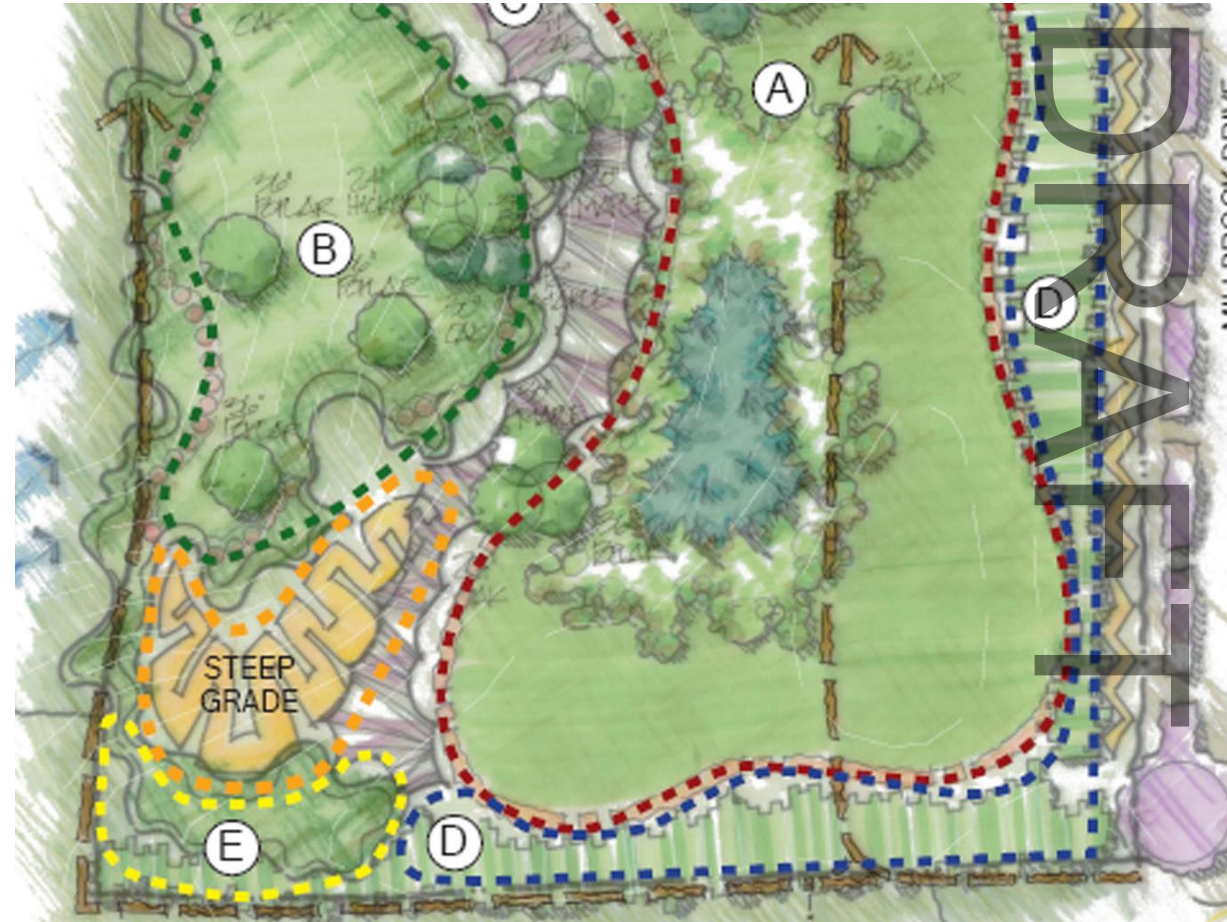
- Fall Test Run
- Schedule Impacts via Current Events
- Applicant Volunteer for Test Run

Potential ‘Optional’ Reviews

- Modified Advisory Board Review
- Council (Add. Fee)
- Urban Design summary provided pending project thresholds.

Staff Output

- Quarterly Concept Plan Reports to Council
- Supplemental Information provided at CCES





CONCEPT PLAN-New Priorities (*Draft*)

- Advisory Boards
- Applicants
- A...
- B...





CONCEPT PLAN-Council Priorities *(Draft)*

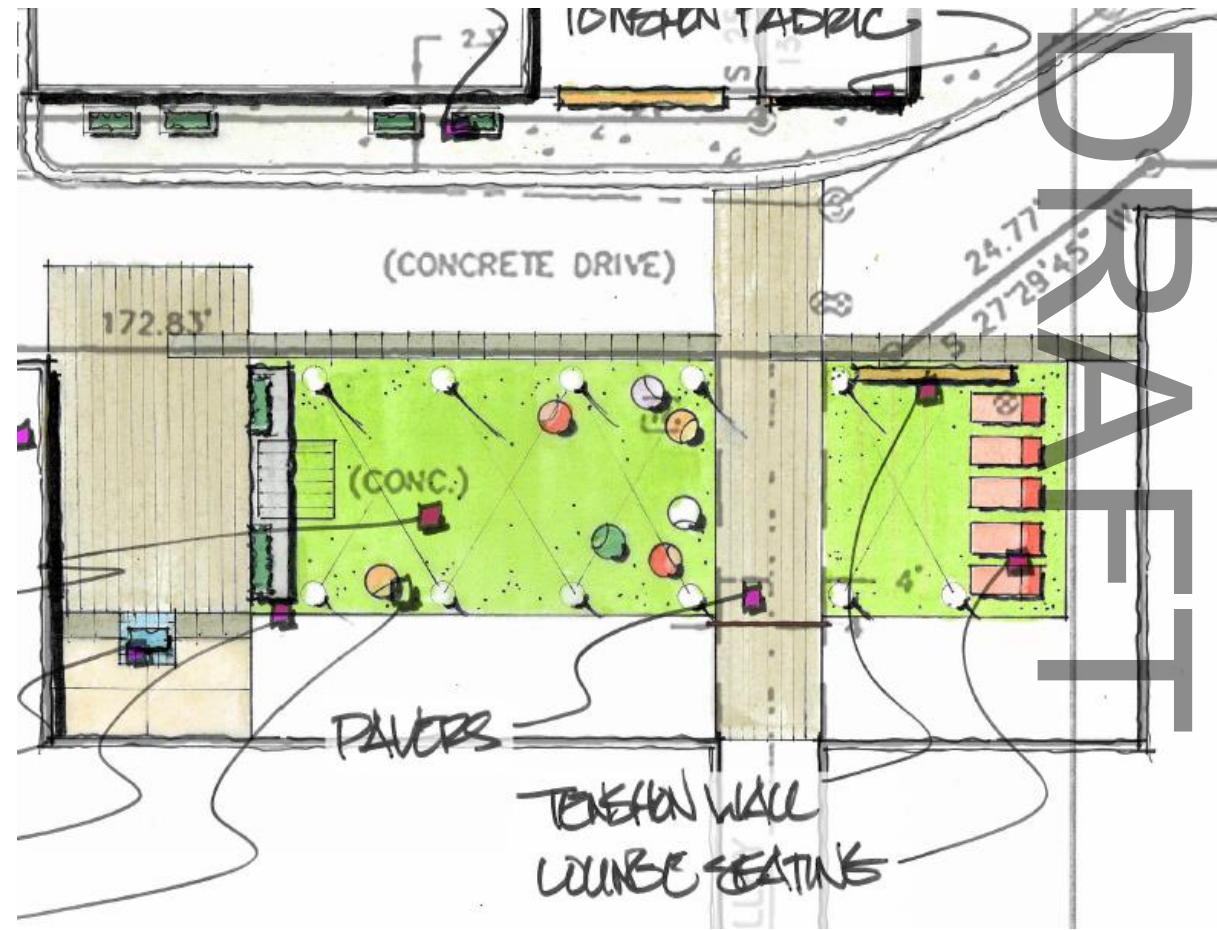
- A...
- B...
- C...
- D...





CONCEPT PLAN-Let's Chat (Draft)

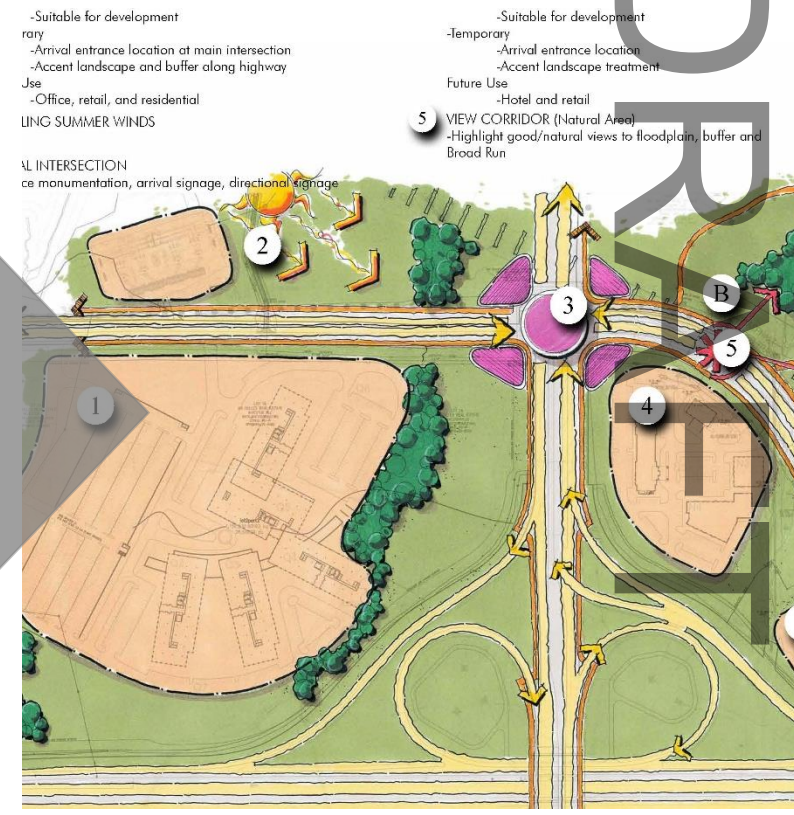
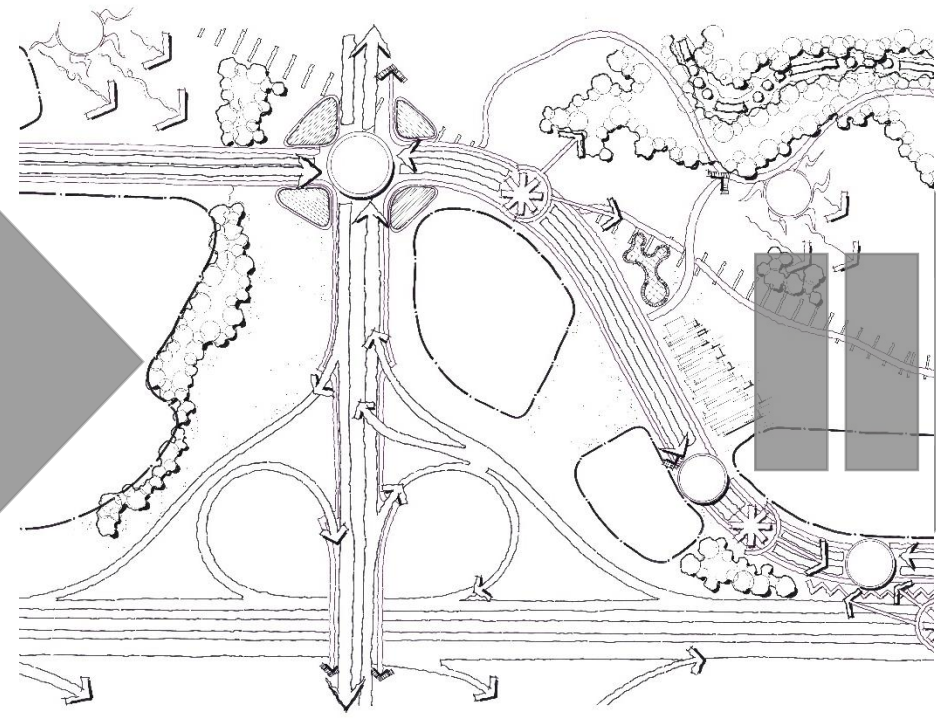
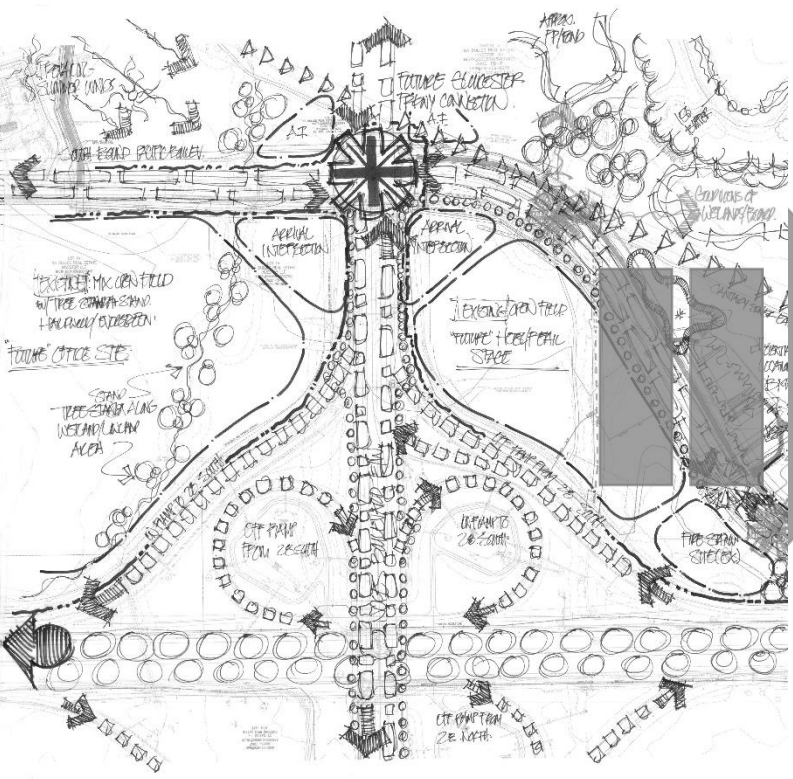
- A...
- B...
- C...
- D...





CONCEPT PLAN-*(Draft)*

Council Work Session-2020.9.16



- Suitable for development
- rary
- Arrival entrance location of main intersection
- Accent landscape and buffer along highway
- Use
- Office, retail, and residential
- LING SUMMER WINDS

- Suitable for development
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- Future Use
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- Highlight good/natural views to floodplain, buffer and Broad Run

1 INTERSECTION
ce monumentation, arrival signage, directional signage



TOWN OF CHAPEL HILL

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

Item Overview

Item #: 4., **File #:** [20-0609], **Version:** 1

Meeting Date: 9/16/2020

Receive an Update on Public Housing Activities.

Staff:

Loryn B. Clark, Executive Director
Faith M. Brodie, Director

Department:

Housing and Community
Public Housing

Overview: As previously discussed, this report provides an overview of Chapel Hill Public Housing. To keep the Council informed, after tonight we will provide quarterly reports on our programs and progress.



Recommendation(s):

That the Council receive this report.



Attachments:

- "How To" access Training
- Draft Staff Presentation
- Recovery Agreement

The Agenda will reflect the text below and/or the motion text will be used during the meeting.

PRESENTER: Faith M. Brodie, Public Housing Director

The purpose of this item is for Council to receive an overview of Chapel Hill Public Housing.

Lead The Way: PHA Governance and Financial Management

A HUD Training for Council

Go to HUD Exchange Website

Click on "Go to Training"

Create Account or Log In

Launch Training

Thank You!

Go to HUD Exchange Website

1

<https://www.hudexchange.info/trainings/courses/lead-the-way-pha-governance-and-financial-management/>



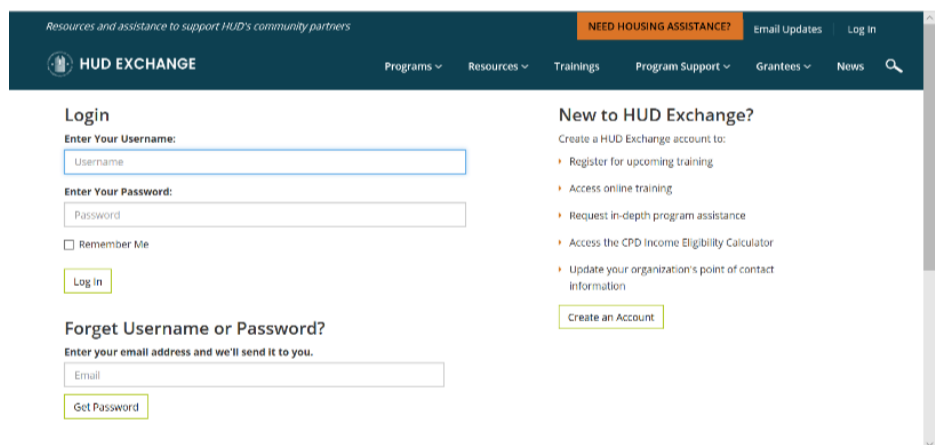
Click on "Go to Training"

2

If you create an account, you will receive a confirmation email.

Create Account or Log In

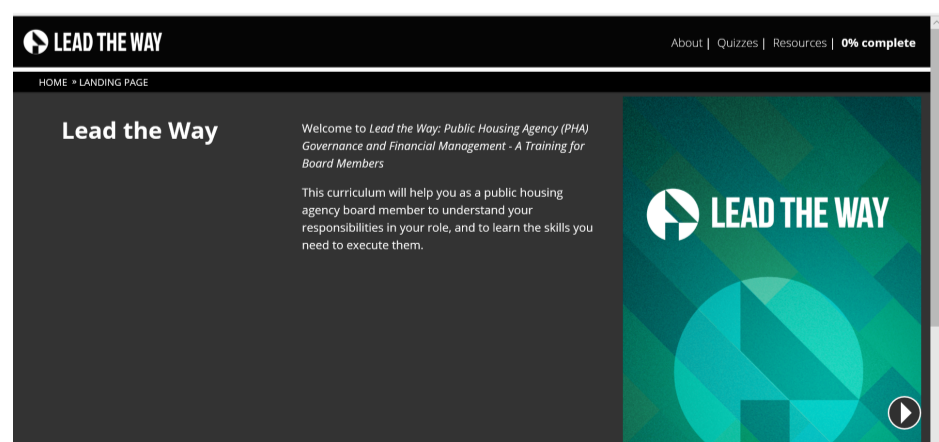
3



Launch Training

4

After creating an account or logging in, the training will launch in a new window. Make sure your pop-up blockers are turned off.



CHAPEL HILL PUBLIC HOUSING UPDATE

Wednesday, September 16, 2020

Faith M. Brodie, Public Housing Director

DRAFT

History of Public Housing

- Federal Housing Act of 1937
- Chapel Hill Housing Authority May 1962
- Town Department July 13, 1987 (N.C.G.S. 157- 4.1)

DRAFT

Funding Sources



- HUD Operating Subsidies
- Capital Grant Funds
- Rental Income
- Annual Contributions Contract (ACC)

DRAFT

2020 Staff & Functions



- **RENT COLLECTION**
 - *Accountant & Housing Officer II*
- **MAINTENANCE**
 - *1 Supervisor, 1 Lead Mechanic, 1 Admin Assistant, 6 Mechanics*
 - *(2 vacancies: 2nd Lead Mechanic; 1 Maintenance Mechanic)*
- **MANAGEMENT & REPORTING**
 - *Director, Operations Manager, Management Analyst, Office Assistant*
- **SECTION 3, COMMUNITY SERVICE, AND ADMISSIONS**
 - *Housing Officer I*

DRAFT

Benefits of Being a Town Department

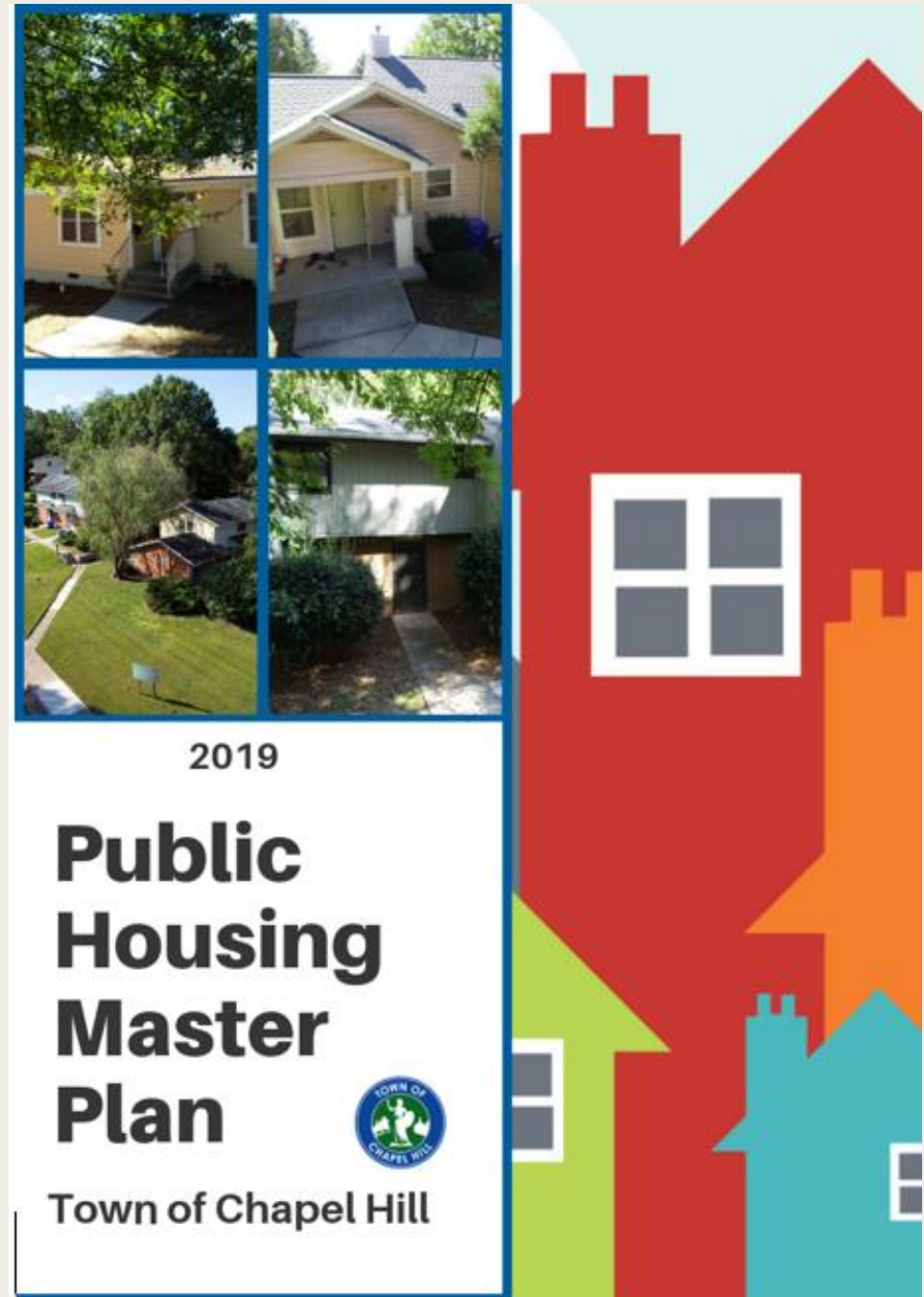
- Availability of Town equipment and access to department staff
- Allows residents a forum to share concerns, needs, and suggestions for improvement
- Condition of units exceeds minimum housing code standards
- Centralization of human resources, financial, and legal services
- Better stewardship of funding

DRAFT

HOW WE DO BUSINESS:

- Housing Preservation & Creation
- Community Programming and Engagement
- Operational Excellence – the organizational structure

55



DRAFT

HOW HUD EVALUATES HOW WE DO BUSINESS



⁵⁶ PUBLIC HOUSING ASSESSMENT SYSTEM (PHAS)


The system that HUD uses to assess a PHA's performance in managing its low-rent public housing programs or its **AMPs** (Assessment Management Projects aka "Project")

Uses a **100-point scoring system** based on four categories of indicators:


- Physical Assessment Subsystem (PASS) – **40 points**
- Financial Assessment Subsystem (FASS) – **25 points**
- Management Assessment Subsystem (MASS) – **25 points**
- Capital Fund Program (CFP) – **10 points**

DRAFT

**MASS
(Management
Assessment
Subsystem) – 25
points**



**CFP (Capital
Fund Program)
– 10 points**



What is its Purpose? To assess the Project's management operations capabilities.

Emphasizes and measures the Project's performance in keeping available units occupied. **The higher the occupancy rate, the higher the score.**



What is its Purpose? To examine the period of time it takes a PHA to obligate the funds provided to it from the Capital Fund program.

The CFP also measures occupancy at the beginning of the fiscal year and **deducts points for any vacancies not HUD approved.**

We are assessed twice for occupancy rates.

DRAFT

Chapel Hill Public Housing PHAS

PHAS Indicators	Score	Maximum Score
Physical	25	40
Financial	25	25
Management 	3	25
Capital Fund 	5	10
Late Penalty Points	0	
PHAS Total Score	58	100
Designation Status:	Troubled	
Published 03/31/2020	Initial published	10/30/2019

Troubled Status = Recovery Agreement

WHEREAS, on the basis of an annual PHAS score, the PHA has been designated Troubled or Substandard for financial, physical and/or management indicators, or other such deficiencies as HUD has identified; and

WHEREAS, the Act requires HUD to enter into agreements that establish performance targets, set out strategies for meeting targets, provide for incentives and sanctions for effective implementation of the strategies leading to recovery of performance and attain an improved status of at least a Standard Performer; and

WHEREAS, the recovery of performance is intended to lead to a sustainable sound fiscal management and good governance; and

WHEREAS, the parties desire to correct all HUD-identified deficiencies through the implementation of this Recovery Agreement, (“Agreement”);

DRAFT

Elements of the Recovery Agreement

- Council increase its' knowledge & understanding of HUD's PHA programs
- Council, Director, and Staff participate in HUD trainings
- Prioritize Capital Funding
- Correct deficiencies identified in HUD inspections
- Track vacancies – monthly report to HUD
- Present repositioning plan for Trinity Court
- Improve Unit Turn around time
- Improve revenues by collecting rents in a more timely manner
- Improve the time it takes to expend Capital Grant Funds
- Reduce Tenant Account Receivables

DRAFT

Compliance with the Recovery Agreement

- Council has received “Lead the Way” training information
- Council will receive information on all upcoming training by HUD
- Public Housing will make quarterly reports to Council
- Capital Funding has been obligated and expended within time limits
- All deficiencies identified by HUD during inspections have been corrected
- Vacancies are being tracked and a monthly report submitted.
- Plans for Trinity repositioning continue
- Hired 2nd contractor to reduce time to prepare a unit for new tenant
- Impacts of COVID and reduced employment has negatively affected the collection of rents.
- Reduce Tenant Account Receivables – extended repayment agreements.

DRAFT

NEXT STEPS

- Submitted Disposition/Demolish application for Trinity to HUD (this will remove them from our vacancy report)
- Q2 report to share our efforts in the areas of:
 - **Physical** *maintenance/improvements*
 - **Financial** – *liquidity and current assets*
 - **Management Assessment** – *accounts receivables and expenditures*
 - **Capital Fund Management** – *amounts received, upcoming projects*
 - tenant statistics and waiting list information
 - Engagement efforts

DRAFT

Questions

1. What questions do you have?
2. What would you like to see added or deleted from Quarterly Reports moving forward?



Faith Brodie

From: Strong, Angela T <angela.t.strong@hud.gov>
Sent: Friday, November 01, 2019 2:05 PM
To: Faith Brodie
Cc: Wilson, La Ticia S; Kyles, Courtney N
Subject: NC046 Executed Recovery Agreement Package
Attachments: NC046 Final Recovery Agreement Package - FYE 06-30-18.pdf

External email: Don't click links or attachments from unknown senders. To check or report forward to reportspam@townofchapelhill.org

Good afternoon Ms. Brodie,

Please find attached a copy of the fully executed Recovery Agreement and Action Plan for Chapel Hill.

The hardcopies will be mailed.

If you have any questions, please let me know.

Thank you.
Angela

*Angela T. Strong, Portfolio Management Specialist
Public Housing Division
U.S. Dept. of Housing and Urban Development
1500 Pincroft Road, Suite 401
Greensboro, NC 27407
Phone: (336) 547-4000 x8089
Fax: (336) 547-4130
Visit HUD in North Carolina at www.hud.gov/northcarolina*



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Greensboro Field Office
 Office of Public Housing
 1500 Pincroft Road, Suite 401, Asheville Building
 Greensboro, North Carolina 27407-3838
 336-547-4000
 www.hud.gov • espanol.hud.gov

NOV 01 2019

Board of Commissioners
 c/o Honorable Pam Hemminger, Chair
 Town of Chapel Hill
 Department of Housing
 405 Martin Luther King Jr. Blvd.
 Chapel Hill, NC 27514

Re: Final Recovery Agreement and Action Plan

Dear Commissioners:

This purpose of this letter is to transmit the final Recovery Agreement and Action Plan executed between the Town of Chapel Hill Department of Housing (PHA), the Town of Chapel Hill (TCH), Chapel Hill, North Carolina, and the United States Department of Housing and Urban Development (HUD), because of a designation of Troubled by HUD's Real Estate Assessment Center ("REAC") for the fiscal year ending June 30, 2018. Thank you for your cooperation in negotiating the terms of the Agreement.

The Recovery Agreement and Action Plan is a binding contract required by federal statute that delineates performance outcomes, timelines, and reporting requirements that must be strictly adhered to. It also specifies remedies to achieve agreed-upon levels of performance. Your first periodic report must be received by HUD no later than January 6, 2020. However, please submit a response to Action Plan Item Numbers P002 and P002-A within 10 days of the date of this letter.

One of the terms of the Recovery Agreement may require the PHA and TCH to engage residents and other community stakeholders to develop a Sustainability Plan that identifies place-based solutions, steps, and resources to support the agency's recovery. You will be contacted by a HUD team member to assist you in initiating the process to develop a Sustainability Plan.

We look forward to working with the PHA and the TCH to recover and achieve sustainable performance. If you have any questions about the Recovery Agreement and Action Plan, please contact Angela Strong, Portfolio Management Specialist at Angela.T.Strong@hud.gov or (336) 851-8089. Thank you for your ongoing assistance in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Courtney N. Kyles".

Courtney N. Kyles
 Director, Office of Public Housing
 Office of Field Operations
 U.S. Department of Housing and Urban Development

Enclosures

ccs:

Ms. Jessica Anderson, Mayor pro tem, Commissioner
Town of Chapel Hill Department of Housing
101 Eastridge Place
Chapel Hill, NC 27516

Ms. Donna Bell, Commissioner
Town of Chapel Hill Department of Housing
611 Craig St.
Chapel Hill, NC 27516

Mr. Allen Buansi, Commissioner
Town of Chapel Hill Department of Housing
305 Copperline Drive, #V
Chapel Hill, NC 27516

Ms. Hongbin Gu, Commissioner
Town of Chapel Hill Department of Housing
113 Parkridge Ave.
Chapel Hill, NC 27517

Ms. Nancy Oates, Commissioner
Town of Chapel Hill Department of Housing
101 Windemere Crossing
Chapel Hill, NC 27516

Ms. Rachel Schaevitz, Commissioner
Town of Chapel Hill Department of Housing
101 Braswell Ct.
Chapel Hill, NC 27516

Mr. Michael Parker, Commissioner
Town of Chapel Hill Department of Housing
601 W. Rosemary St. Unit 311
Chapel Hill, NC 27516

Ms. Karen Stegman, Commissioner
Town of Chapel Hill Department of Housing
2525 Buxton Ct.
Chapel Hill, NC 27514

Ms. Faith Brodie, Executive Director
Town of Chapel Hill Department of Housing
317 Caldwell Street Extension
Chapel Hill, NC 27516

Recovery Agreement between
Town of Chapel Hill Department of Housing
And
the United States Department of Housing and Urban Development
And
the Town of Chapel Hill

This Recovery Agreement is entered into between the Town of Chapel Hill Department of Housing (PHA), the UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ("HUD") and the Town of Chapel Hill (TCH) as of this 1st day of November, 2019.

RECITALS

WHEREAS, under the United States Housing Act of 1937, as amended, ("Act"), 42 U.S.C. § 1437 *et seq.*, the United States Department of Housing and Urban Development ("HUD") is responsible for administering low income housing programs, and pursuant to the Act, HUD has entered into an Annual Contributions Contract ("ACC") with the PHA to develop and operate public housing projects of the PHA; and

WHEREAS, pursuant to the Act, HUD must evaluate public housing performance and has instituted the Public Housing Assessment System ("PHAS"); and

WHEREAS, on the basis of an annual PHAS score, the PHA has been designated Troubled or Substandard for financial, physical and/or management indicators, or other such deficiencies as HUD has identified; and

WHEREAS, the Act requires HUD to enter into agreements that establish performance targets, set out strategies for meeting targets, provide for incentives and sanctions for effective implementation of the strategies leading to recovery of performance and attain an improved status of at least a Standard Performer; and

WHEREAS, the recovery of performance is intended to lead to a sustainable sound fiscal management and good governance; and

WHEREAS, the parties desire to correct all HUD-identified deficiencies through the implementation of this Recovery Agreement, ("Agreement");

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, HUD, the PHA and the TCH agree as follows:

- I. The PHA agrees to achieve the outcomes outlined in the Action Plan and incorporated into this Agreement as Exhibit A.
- II. The PHA and the TCH agree to work together to develop and implement a Sustainability Plan if necessary to achieve recovery.

- III. The Action Plan describes the results following HUD's review and assessments of PHA performance, the measures that need to be implemented to improve the performance and the desired outcomes to be achieved and establishes a timetable to achieve those outcomes. The Action Plan also identifies the available remedies to resolve HUD's determination of non-performance.
- IV. Upon execution of the Agreement, the PHA will commence with the required actions listed in the Plan within the timeframes set forth therein.
- V. The PHA will cure identified deficiencies within the timeframes established in the Action Plan.
- VI. Subject to section XII, regardless of possible changes in the PHA's Board composition, or the decision-making individuals for HUD or the TCH, the term of this Agreement is effective as of the execution date of this document and will continue until completion of the Action Plan in accordance with 6(j) (2) and (3) of the Act, and any agreed upon extensions. This Agreement will remain in effect until the PHA has completed all items listed in the Plan, even if HUD removes the PHA's troubled/substandard designation.
- VII. HUD, in its discretion, may provide technical assistance, including training or contract support, to the PHA to facilitate accomplishment of the items in the Action Plan. The PHA's compliance with the Action Plan, however, shall not be contingent on HUD's provision of any technical assistance or other discretionary assistance.
- VIII. The PHA shall provide HUD with written progress reports as identified in the Action Plan. The report shall detail the PHA's progress towards the completion of the items required by the Action Plan. The reports shall identify those items that have been completed and provide any necessary documentation to support this determination.
- IX. HUD will review the Action Plan progress reports submitted by the PHA and supporting documentation. HUD will confirm in writing to the PHA the items that HUD determines to have been successfully completed, those that require additional documentation and those that are past due.
- X. If the PHA disagrees with HUD's determination concerning the completion of any item, the PHA may request a reconsideration of the determination and submit additional information to support its position. HUD will provide the PHA with a written notice of its decision.
- XI. The failure of the PHA, its employees, officers, agents, or contractors to comply with this Agreement, including the failure to achieve the agreed upon outcomes or to take the actions or comply with the time frame set forth in the Action Plan, may result in HUD seeking any available remedies, including any of the following actions sequentially or simultaneously:

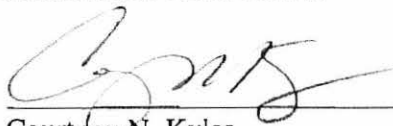
- a. Consolidation;
 - b. Consortia/Joint Venture;
 - c. Contraction of Operational Activities;
 - d. Cooperative Endeavor Agreement;
 - e. Debarment;
 - f. Deliver possession and control of project(s) to HUD;
 - g. Limited Denial of Participation;
 - h. Receivership; and/or
 - i. Suspension.
- XII. The parties by mutual written agreement may agree to extend the timeframes set forth in the Action Plan from time to time. In the event said timeframes are extended, HUD agrees that it will not take any of the actions against the PHA as set forth in this section of the Agreement for noncompliance with original timeframes.
- XIII. Communication related to the Recovery Agreement and Action Plan shall be provided to the Public Housing Director and the HUD Recovery Team leader, if applicable.
- XIV. HUD, the PHA and their employees, subcontractors, partners or assigns, and the TCH shall comply with all applicable federal, state, and local laws and regulations relating to the performance of this Agreement to which their activities are subject.
- XV. Notwithstanding any provisions of this Agreement to the contrary, the parties shall not be held liable for any failure or delay in the performance of this Agreement that arises from fires, floods, strikes, embargoes, acts of the public enemy, unusually severe weather, outbreak of war, riots, civil commotion, force majeure, acts of God, or for any other cause of same character which is unavoidable through the exercise of due care and beyond the control of the parties, provided that said failure or delay in the performance of this Agreement attributed to any of the events described herein is acknowledged in writing by HUD. Upon the issuance of HUD's written acknowledgement, the failure to perform shall be deemed excused during the continuance of such circumstances as determined by HUD, but this Agreement shall otherwise remain in effect.
- XVI. In the event of any conflict between terms in this Agreement, including all exhibits, attachments and all other documents specifically incorporated by reference, and HUD's applicable Public Housing requirements including, but not limited to, the Act, HUD regulations there under (and, to the extent applicable, any HUD-approved waivers of regulatory requirements), the ACC, HUD notices, the HUD-approved Declaration of Trust or Declaration of Restrictive Covenants in favor of HUD, and all applicable Federal statutory, executive order and regulatory requirements, as those requirements may be amended from time to time, the applicable Public Housing requirements shall prevail. HUD reserves the right to resolve any conflict.

- XVII. Any modification or amendment of any condition or provision in this Agreement by either party will not imply or constitute a further modification or amendment of the same or any other condition or provision, nor shall it relieve the parties from performing any subsequent obligations strictly in accordance with the term of this Agreement. No modification or amendment shall be effective unless in writing and signed by the party against whom enforcement is sought. Such modification or amendment shall be limited to provisions of this Agreement specifically referred to therein and shall not be deemed a modification or amendment of any other provision. No modification or amendment of this Agreement shall constitute a HUD-approved waiver of regulatory requirements.
- XVIII. Should any term or provision of this Agreement be held, to any extent invalid or unenforceable, as against any person, entity or circumstance during the term hereof, by force of any statute, law, or ruling of any forum of competent jurisdiction, such invalidity shall not affect any other term or provision of this Agreement to the extent that the Agreement shall remain operable, enforceable and in full force and effect to the extent permitted by law.
- XIX. To the extent authorized by the Act and HUD regulations, HUD can unilaterally amend this Agreement. Otherwise, this agreement may be amended by mutual agreement of the parties.
- XX. This Agreement states the entire understanding and agreement between the parties and supersedes any and all written or oral representations, statements, negotiations, or agreements previously existing between the parties with respect to the subject matter of this Agreement. However, this Agreement does not supersede, modify or amend the ACC as further described in Paragraph XXII. The parties recognize that any representations, statements or negotiations made by the staff of either party does not suffice to legally bind either party in a contractual relationship unless they have been reduced to writing and signed by their authorized representative(s). This Agreement shall inure to the benefit of and shall be binding upon the parties, their respective assigns, and successors in interest.
- XXI. This Agreement may be executed and delivered in separate counterparts, which, when so executed and delivered, shall be deemed an original.
- XXII. This Agreement does not supersede, modify or amend the ACC between HUD and the PHA, or in any way excuse the PHA from complying fully with its obligations under the ACC. HUD does not waive its statutory, regulatory or contractual rights. Nothing contained in this Agreement shall serve to limit, modify or preclude HUD's right to take any remedial action allowed by the ACC or any provision of the Act or related regulations. Nothing contained in this Agreement shall serve to limit, modify or preclude HUD or the PHA's right to take any remedial action allowed by the Agreement.
- XXIII. The parties agree that any cost associated with the implementation of this Agreement, the Action Plan and the Sustainability Plan shall be their individual responsibility unless specifically agreed in writing between the parties.

XXIV. The TCH, through its Appointing Authority, acknowledges the importance of effective governance as part of the recovery and sustainability of the PHA. As a signatory of this Agreement, the TCH commits to oversee and monitor its duly appointed agents, the appointees to the PHA Governing Board, in the discharge of their duties. Upon the discovery of any failure of the PHA Board to discharge its duties under this Agreement, the TCH will take all necessary steps to correct the Board's actions or omissions and ensure compliance with the terms of this Agreement.

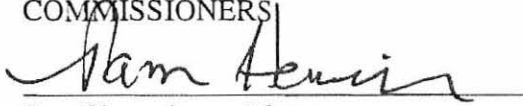
IN WITNESS WHEREOF, the parties or their duly authorized representatives hereby execute this Agreement on the date first written above.

UNITED STATES DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT

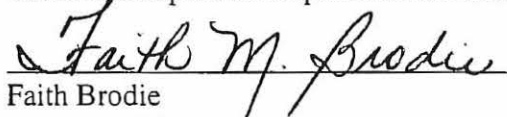
By: 

Courtney N. Kyles
Director, Office of Public Housing
Greensboro Field Office

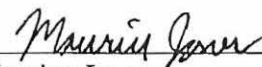
Town of Chapel Hill Department of Housing
ATTEST: BY ITS BOARD OF
COMMISSIONERS

By: 

Pam Hemminger, Mayor
Board Chair
Town of Chapel Hill Department of Housing

By: 

Faith Brodie
Executive Director
Town of Chapel Hill Department of Housing

By: 

Maurice Jones
Town Manager
Town of Chapel Hill

EXHIBIT A

**Action Plan to the Recovery Agreement between the
Town of Chapel Hill Department of Housing (TCDH) and U.S. Department of Housing and Urban Development (HUD)**

Item Number	Results and Determination from Assessment	Desired Outcome	Measures to Achieve Outcomes	Target Accomplishment Date	Actual Accomplishment Date	Remedies	Comments / Accomplishments
AREA: GOVERNANCE							
G001	The Town Council members serve as the Board of Commissioners (Board) for the TCDH. The Board should increase its knowledge and understanding of HUD's Public Housing (PH) program requirements in connection with TCDH programs, finances, and activities. The Town Council/Board is not in session from July 1 - August 31, which impacts its ability to meet, discuss, and vote as a body on TCDH PH program activities that may be time sensitive. For example the TCDH's fiscal year beginning 6/30 budget is generally reviewed by the Town Manager.	Board with sufficient knowledge of public housing authority (PHA) governance and financial management in order to effectively fulfill its responsibility with providing effective governance and oversight of the TCDH year round.	(1) Board "Group training" designed around HUD's on-line <i>Lead the Way: PHA Governance and Financial Management – A Training for Board Members</i> , via HUD Exchange: https://www.hudexchange.info/trainings/courses/lead-the-way-pha-governance-and-financial-management/ (2) Develop a simple Training Plan to conduct Group Training	(1) 3/31/2020 and (2) 12/31/2019		Board Group Training and Certification/Certificate of Completion by each Board member.	
	G001-A	Board demonstrates support of TCDH/HUD PH activities by scheduling "Special Meetings" for those TCDH activities that require time sensitive decisions/voting.	Number of "Special Meetings" scheduled in fiscal year 2020.	6/30/2020		Calendar of Special Meetings	
G002	TCDH Executive Director (ED), staff, and the Finance Dept. should participate in available HUD training.	Increased knowledge of HUD PH programs, finances, and activities.	Attend Greensboro PIH Office <i>New ED training</i> and complete <i>Lead the Way Training</i>	3/31/2020		Certificates of Completion	

Item Number	Results and Determination from Assessment	Desired Outcome	Measures to Achieve Outcomes	Target Accomplishment Date	Actual Accomplishment Date	Remedies	Comments / Accomplishments
AREA: FINANCE							
F001	A review of IPA Audit report for FYE 6/30/18 found the Tenant Security Deposits to be underfunded.	A fully funded Tenant Security Deposits Account that is maintained.	(1) Established controls that reveal when liabilities exceed assets. (2) Provide documentation that includes: Rent Roll, Bank Statement and General Ledger.	Quarterly until 6/30/2020		Applicable Budgetary Statement in Fiscal Year End (FYE) 2019 IPA Audit reflects fully funded Tenant Security Deposit	
AREA: PHYSICAL							
P001	The TCDH failed to prioritize capital funding.	Utilize capital funds annually as planned/proposed in 5 year Action Plan to repair and rehab PH units	Number of units that have undergone planned repairs or rehab. Amount of funds expended to repair or rehab units.	Quarterly until 6/30/2020		Physical Indicator score greater than 19	
P002	The TCDH failed to correct deficiencies identified in previous REAC Inspection Report: TCDH lost large number of points due to Site and Health and Safety (HS) deficiencies	(H&S) Missing/Damaged/Expired Extinguishers: All units have fire extinguishers that have been serviced and checked. Preventive Maintenance for safety.	(1) Work order history to show corrected. (2) Number of monthly safety inspections performed by maintenance personnel.	(1) 11/01/2019 and (2) 3/31/2020		Physical Indicator score greater than 19	
	P002-A	(H&S) Emergency/Fire Exits blocked/Unstable (Emergency/Fire Exits): All Building Emergency/Fire Exits made accessible	(1) Work order history to show corrected. (2) Number of monthly safety inspections performed by maintenance personnel.	(1) 11/01/2019 and (2) 3/31/2020		Physical Indicator Score greater than 19	
	P002-B	(Site) Overgrown/Penetrating Vegetation (Grounds): Reduce amount of overgrown/penetrating vegetation		12/31/2019		Physical Indicator Score greater than 19	
		P002-C	Revise, if applicable, current 5-Year Action Plan in EPIC to incorporate physical observed deficiencies.	12/31/2019		Physical Indicator Score greater than 19	

Item Number	Results and Determination from Assessment	Desired Outcome	Measures to Achieve Outcomes	Target Accomplishment Date	Actual Accomplishment Date	Remedies	Comments / Accomplishments
		P002-D	Revise, if applicable, Annual Plan for years 2016 through 2019	12/31/2019		Physical Indicator Score greater than 19	
AREA: MANAGEMENT							
M001	TCDH failed to maintain an acceptable occupancy level at its developments. TCDH has 40 units at its Trinity Court site that are inhabitable. These vacant units attribute significantly to the PHA's low occupancy rate.	Occupancy rate at 90% or better.	Track occupancy weekly and reflect in PIC. At least monthly reporting to HUD that addresses cause of vacant units and strategy for increasing occupancy.	Quarterly		Written report demonstrates progress	
M001-A	The TCDH is entertaining RAD/PH Repositioning. HUD issued a multi-phase RAD conversion award letter on December 6, 2018 to the TCDH.	(1) Trinity Court as priority development for repositioning. (2) Eliminate inhabitable units as major impact to low occupancy rate.	Repositioning plan for Trinity Court	6/20/2020		Planning stage implemented	
M001-B	Thirty-three (33) is the average number of days to turnaround "normal" units.	Reduce average number of days to turnaround "normal" vacant units to 20 days, or less, to bring units back on-line sooner to be occupied.	Number of days "normal" vacant units are turned, available, and occupied. Provide report to reflect this information.	Quarterly until 6/30/2020		Report demonstrates progress	
M002	The TCDH Tenant Accounts Receivable (TAR) is too high.	Reduced TAR ratio	(1) Increase Revenues by collecting rents in accordance to PHA policy/ACOP. (2) Tenant Accounts Receivable Schedule that reflects 0-30 days, 30-60 days, 60-90 days.	Quarterly until 6/30/2020		Tenant Account Receivables ratio < 2.5. Decrease TAR write off.	
M003	The TCDH Accounts Payable (A/P) ratio is too high.	Reduced A/P ratio	(1) Pay bills timely to avoid any late fees. (2) Provide Aging Report for Accounts Payable	Quarterly until 6/30/2020		Accounts Payable ratio greater than 0.74	

Item Number	Results and Determination from Assessment	Desired Outcome	Measures to Achieve Outcomes	Target Accomplishment Date	Actual Accomplishment Date	Remedies	Comments / Accomplishments
AREA: CAPITAL FUND							
C001	TCDH failed to obligate and expend 2014 Capital Fund Program Grant in a timely manner.	Obligate and expend 2016 - 2019 Capital Fund Program grants timely and in accordance with 24 CFR Part 905.	Obligate 90 percent or more of 2017 CFP Grant amount by the obligation end date.	8/15/2019		Earn at least 50% of the available points for the Capital Fund indicator.	
	C001-A	Expend 2016 CFP Grant by 4/12/2020 deadline.	(1) Entries made in HUD's Electronic Line of Credit Control System (eLOCCS).	12/31/2019 and 03/31/2020		eLOCCS reflects funds disbursed before 4/12/2020.	
	C001-B	Maintain obligations for CFP Grants 2017-2019	eLOCCS entries	Monthly		eLOCCS reflects obligation of funds by the obligation end date.	
C002	It does not appear the ED has been consistently informed of Capital Fund Program grant activity housed in eLOCCS.	ED has capability of accessing eLOCCS to review CFP activity and monitor due dates/deadlines.	(1) ED has access to eLOCCS via HUD's Secure Systems menu. (2) ED enters eLOCCS regularly to review CFP grants.	Monthly		ED knowledgeable of CFP activity	