



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 Karen Stegman
Council Member Jessica Anderson
Council Member Camille Berry
Council Member Tai Huynh

Council Member Paris Miller-Foushee
Council Member Michael Parker
Council Member Amy Ryan
Council Member Adam Searing

Wednesday, May 24, 2023 7:00 PM

RM 110 | Council Chamber

Language Access Statement

For interpretation or translation services, call 919-969-5105.

ဘာသာပြန်ဆိုခြင်းနှင့် စကားပြန်ခြင်းအတွက်၊ (၉၁၉) ၉၆၉-၅၁၀၅ ကိုဖုန်းခေါ်ပါ။

Para servicios de interpretación o traducción, llame al 919-969-5105.

如需口头或
书面翻译服
务，请拨打
919-969-5105.

လၢတၢ်ကတိၤကျိးထံ မ့တမၢ် လၢတၢ်ကွဲးကျိးထံအတၢ်မၤစၢၤအဂီၢ် ၼ် ကိးဘၣ် (၉၁၉)-၉၆၉-၅၁၀၅

In-Person Meeting Notification

View the Meeting

- View and participate in the Council Chamber.
- Live stream the meeting - <https://chapelhill.legistar.com/Calendar.aspx>
- View on cable television channel at Chapel Hill Gov-TV (townofchapelhill.org/GovTV)
- The Town of Chapel Hill wants to know more about who participates in its programs and processes, including Town Council meetings.
- Participate in a voluntary demographic survey before viewing online or in person - <https://www.townofchapelhill.org/demosurvey>

Parking

- Parking is available at Town Hall lots and the lot at Stephens Street and Martin Luther King Jr. Boulevard.
- See <http://www.parkonthehill.com> for other public lots on Rosemary Street
- Town Hall is served by NS route and T route, and GoTriangle Routes of Chapel Hill Transit.

Entry and COVID-19 Protocols

- *Entrance on the ground floor.*
- *Visitors and employees will self-screen. Do not enter if you have these symptoms: Fever, chills, cough, sore throat, shortness of breath, loss of taste or smell, headache, muscle pain*

Speakers

- *Sign up with the Town Clerk to speak at the meeting.*
- *If more than 14 people sign up for an item, Council will reduce time from 3 min. to 2 min./person. The maximum number of people who can speak on one topic is 45.*
- *Please do not bring signs.*

ROLL CALL

OPENING

ANNOUNCEMENTS BY COUNCIL MEMBERS

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

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

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.

1. Approve all Consent Agenda Items.

[\[23-0443\]](#)

By adopting the resolution, the Council can approve various resolutions and ordinances all at once without voting on each resolution or ordinance separately.

2. Approve Amending the HOME Investment Partnership American Rescue Plan Allocation Plan.

[\[23-0444\]](#)

By adopting the resolution, the Council authorizes the HOME-ARP Allocation Plan be added as an amendment to the 2021-2022 HOME Investment Partnership Program Plan to be incorporated into the Annual Update to the 2020-2024 Consolidated Plan, for submission to the U.S. Department of Housing and Urban Development.

- 3.** Award a Bid and Authorize the Town Manager to Execute a Contract for the Resurfacing and Construction of the Three Tennis Courts at Hargraves Park. [\[23-0445\]](#)

By adopting the resolution, the Council awards a bid and authorizes the Town Manager to execute a contract with Salisbury and Moore Construction, Inc. in an amount of \$509,923. The resolution also authorizes the Town Manager to approve change orders as necessary provided that the contract cost remains within the budgeted amount.

- 4.** Amend Chapter 21-13 of the Town Code of Ordinances to Include an All-Way Stop at the Intersection of Henderson Street and North Street. [\[23-0446\]](#)

By enacting the ordinance, the Council establishes an all-way stop at the intersection of Henderson Street and North Street.

- 5.** Approve the Amended Charter Resolution of Central Pines Regional Council (Formerly Triangle J Council of Governments). [\[23-0447\]](#)

By adopting the resolution, the Council approves the amended charter resolution of Central Pines Regional Council (formerly Triangle J Council of Governments).

- 6.** Authorize the Mayor to Execute a Comprehensive Participation Agreement, A Component of the Orange County Transit Governance Interlocal Agreement. [\[23-0448\]](#)

By adopting the resolution, the Council authorizes the Mayor to execute the Comprehensive Participation Agreement, a component of the Orange County Transit Governance Interlocal Agreement, between the town of Chapel Hill, Research Triangle Regional Public Transportation Authority (GoTriangle), Durham-Chapel Hill-Carrboro Metropolitan Planning organization (DCHC MPO), County of Orange, Town of Carrboro, Town of Hillsborough, and City of Mebane, and in coordination with Triangle J Council of Governments (TJCOG) and University Of North Carolina, Chapel Hill (UNC Chapel Hill).

- 7.** Authorize the Mayor to Execute a Revised Memorandum of Understanding for the Orange County Partnership to End Homelessness. [\[23-0449\]](#)

By adopting the resolution, the Council approves the updated Memorandum of Understanding with the Orange County Partnership to End Homelessness.

- 8.** Approve a Source of Income Protections Policy for Town-Supported Residential Developments. [\[23-0450\]](#)

By adopting the resolution the Council hereby adopts the attached Source of Income Protections Policy in Town-supported housing.

- 9.** Authorize the Town Manager to Seek an Affordable Housing Partner for the American Legion Property and Begin Negotiating an Agreement under which the Parties would Prepare a Proposed Development Project. [\[23-0451\]](#)

By adopting the resolution, the Council authorizes the Town Manager to seek an affordable housing development partner for the American Legion Property and begin negotiating an agreement under which the parties would prepare a proposed development project.

- 10.** Amend the 2022-23 Council Calendar. [\[23-0452\]](#)

By adopting the resolution, the Council amends the 2022-23 Council calendar to change the meeting type, time, and location for the June 7 meeting.

- 11.** Continue the Legislative Hearing and Defer Considering the South Creek Conditional Zoning Application to June 7, 2023. [\[23-0453\]](#)

By adopting the resolution, the Council continues the Legislative Hearing for South Creek and defers consideration of this item to June 7, 2023.

- 12.** Defer the Legislative Hearing to Amend the Chapel Hill Zoning Atlas for the Chapel Hill Crossings Conditional Zoning Application. [\[23-0454\]](#)

By adopting the resolution, the Council defers the Legislative Hearing for Chapel Hill Crossings application to a date to be scheduled.

- 13.** Adopt Minutes from February 15, and 22, 2023 and March 8, and 15, 2023 Meetings. [\[23-0455\]](#)

By adopting the resolution, the Council approves the summary minutes of past meetings which serve as official records of the meetings.

INFORMATION

- 14.** Receive Upcoming Public Hearing Items and Petition Status List. **[23-0456]**

By accepting the report, the Council acknowledges receipt of the Scheduled Public Hearings and Status of Petitions to Council lists.

DISCUSSION

- 15.** Open the Public Hearing: Recommended Budget for FY 2023-2024. **[23-0457]**

PRESENTER: Chris Blue, Interim Town Manager

- a. Introduction by the Manager
- b. Comments from the public
- c. Comments from the Mayor and Town Council
- d. Motion to close the Public Hearing
- e. Consider enacting the Ordinance on June 7, 2023.

RECOMMENDATION: That the Council receive public comment regarding the recommended budget. See

<https://www.townofchapelhill.org/government/departments-service/s/business-management/budget/2023-2024-budget-development>

LAND USE MANAGEMENT TEXT AMENDMENT(S)

- 16.** Open the Legislative Hearing: Land Use Management Ordinance Text Amendment- Articles 1, 3, 4, 5, 6, and 7 and Appendix A Regarding Housing Regulations and Housing Choices for a Complete Community. **[23-0458]**

PRESENTER: Anya Grahn-Federmack, Principal Planner
Tas Lagoo, Senior Planner

- a. Introduction and preliminary recommendation
- b. Recommendation of the Planning Commission
- c. Comments from the public
- d. Comments and questions from the Mayor and Town Council
- e. Motion to recess the Legislative Hearing to June 21, 2023.

RECOMMENDATION: That the Council open the legislative hearing, provide feedback on the draft text amendment, and continue the hearing to June 21, 2023.

ZONING ATLAS AMENDMENT(S)

Zoning Atlas Amendment: The Zoning Atlas Amendment, to change the zoning designation on this property, is Legislative. The Council receives and considers public comment on the merits of the proposed rezoning, including

opinions, when making Legislative decisions.

- 17.** Close the Legislative Hearing and Consider a Conditional Zoning Application for UNC Health Eastowne.

[\[23-0459\]](#)

PRESENTER: Tas Lagoo, Senior Planner

- a. Without objection, the revised report and any other materials submitted at the hearing for consideration by the Council will be entered into the record
- b. Introduction and revised recommendation
- c. Presentation by the applicant
- d. Comments from the public
- e. Comments and questions from the Mayor and Town Council
- f. Motion to close the Legislative Hearing
- g. Motion to adopt the Resolution of Consistency and Reasonableness
- h. Motion to enact an Ordinance to rezone the property

RECOMMENDATION: That the Council adopt Resolution A and enact Revised Ordinance A, approving the Conditional Zoning Application.

- 18.** Close the Legislative Hearing and Consider a Conditional Zoning Application for Barbee Chapel Apartments at 5101 Barbee Chapel Road.

[\[23-0460\]](#)

PRESENTER: Tas Lagoo, Senior Planner

- a. Without objection, the revised report and any other materials submitted at the hearing for consideration by the Council will be entered into the record
- b. Introduction and revised recommendation
- c. Presentation by the applicant
- d. Comments from the public
- e. Comments and questions from the Mayor and Town Council
- f. Motion to close the Legislative Hearing
- g. Motion to adopt the Resolutions of Consistency and Reasonableness with the Comprehensive Plan
- h. Motion to enact an Ordinance to rezone the property

RECOMMENDATION: That the Council adopt Resolution A and enact Revised Ordinance A, approving the Conditional Zoning Application.

- 19.** Open and Close a Public Hearing to Consider Closing a Portion of Public Right-of-Way of Hamilton Road within the Glen Lennox Development.

[\[23-0461\]](#)

PRESENTER: Chris Roberts, Engineering and Infrastructure Manager

- a. Introduction and recommendation
- b. Comments from the public
- c. Comments and questions from the Mayor and Town Council
- d. Motion to close the public hearing
- e. Motion to adopt the resolution approving the right-of-way closure.

RECOMMENDATION: That the Council close a portion of public right-of-way for a realignment of Hamilton Road within the Glen Lennox Development.

APPOINTMENTS

- 20.** Appointments to the Chapel Hill Public Library Advisory Board. [\[23-0462\]](#)
- 21.** Appointments to the Cultural Arts Commission. [\[23-0463\]](#)
- 22.** Appointments to the Historic District Commission. [\[23-0464\]](#)
- 23.** Appointments to the Orange Water and Sewer Authority Board of Directors. [\[23-0465\]](#)
- 24.** Appointments to the Transportation and Connectivity Advisory Board. [\[23-0466\]](#)

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 #: 1., **File #:** [23-0443], **Version:** 1

Meeting Date: 5/24/2023

Approve all Consent Agenda Items.

Staff:

Sabrina M. Oliver, Director/Town Clerk
Amy T. Harvey, Deputy Town Clerk
Brenton Hodge, Assistant Town Clerk

Department:

Communications and Public Affairs

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



Recommendation(s):

That the Council adopt the various resolutions and ordinances.

Fiscal Impact/Resources: Please refer to each agenda item for specific fiscal notes.



Attachments:

- Resolution

**A RESOLUTION ADOPTING VARIOUS RESOLUTIONS AND ENACTING VARIOUS ORDINANCES
(2023-05-24/R-1)**

BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council hereby adopts the following resolutions and ordinances as submitted by the Town Manager in regard to the following:

2. Approve Amending the HOME Investment Partnership American Rescue Plan Allocation Plan. (R-2)
3. Award a Bid and Authorize the Town Manager to Execute a Contract for the Resurfacing and Construction of the Three Tennis Courts at Hargraves Park.(R-3)
4. Amend Chapter 21-13 of the Town Code of Ordinances to Include an All-Way Stop at the Intersection of Henderson Street and North Street.(O-1)
5. Approve the Amended Charter Resolution of Central Pines Regional Council (Formerly Triangle J Council of Governments).(R-4)
6. Authorize the Mayor to Execute a Comprehensive Participation Agreement, A Component of the Orange County Transit Governance Interlocal Agreement.(R-5)
7. Authorize the Mayor to Execute a Revised Memorandum of Understanding for the Orange County Partnership to End Homelessness.(R-6)
8. Approve a Source of Income Protections Policy for Town-Supported Residential Developments.(R-7)
9. Authorize the Town Manager to Seek an Affordable Housing Partner for the American Legion Property and Begin Negotiating an Agreement under which the Parties would Prepare a Proposed Development Project.(R-8)
10. Amend the 2022-23 Council Calendar.(R-9)
11. Continue the Legislative Hearing and Defer Considering the South Creek Conditional Zoning Application to June 7, 2023.(R-10)
12. Defer the Legislative Hearing to Amend the Chapel Hill Zoning Atlas for the Chapel Hill Crossings Conditional Zoning Application.(R-11)
13. Adopt Minutes from February 15, and 22, 2023 and March 8, and 15, 2023 Meetings.(R-12)

This the 24th day of May, 2023.

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

By adopting the resolution, the Council can approve various resolutions and ordinances all at once without voting on each resolution or ordinance separately.



TOWN OF CHAPEL HILL

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

Item Overview

Item #: 2., File #: [23-0444], Version: 1

Meeting Date: 5/24/2023

Approve Amending the HOME Investment Partnership American Rescue Plan Allocation Plan.

Staff:

Sarah Osmer Viñas, Director

Nate Broman-Fulks, Assistant Director

Megan Culp, Community Development Program Manager

Department:

Affordable Housing and Community
Connections

Overview: The purpose of this item is to approve a proposed amendment to the HOME Investment Partnership American Rescue Plan (ARP) Allocation Plan approved by Council on [February 15, 2023](https://chapelhill.legistar.com/LegislationDetail.aspx?ID=6023607&GUID=621BA507-F5C1-4DCA-AAB5-ECC3AC4FE4CC) [<https://chapelhill.legistar.com/LegislationDetail.aspx?ID=6023607&GUID=621BA507-F5C1-4DCA-AAB5-ECC3AC4FE4CC>](https://chapelhill.legistar.com/LegislationDetail.aspx?ID=6023607&GUID=621BA507-F5C1-4DCA-AAB5-ECC3AC4FE4CC). HUD requires one modification to the HOME-ARP Allocation Plan for approval. This amendment is designed to bring the approved plan in alignment with HUD requirements.



Recommendation(s):

That the Council:

- Approve the Amended HOME Investment Partnerships American Rescue Plan Program Allocation Plan.
- Authorize this plan to be incorporated into the annual update to the 2020-2024 Consolidated Plan submitted to the U.S. Department of Housing and Urban Development.

Summary of Modifications to the HOME-ARP Allocation Plan:

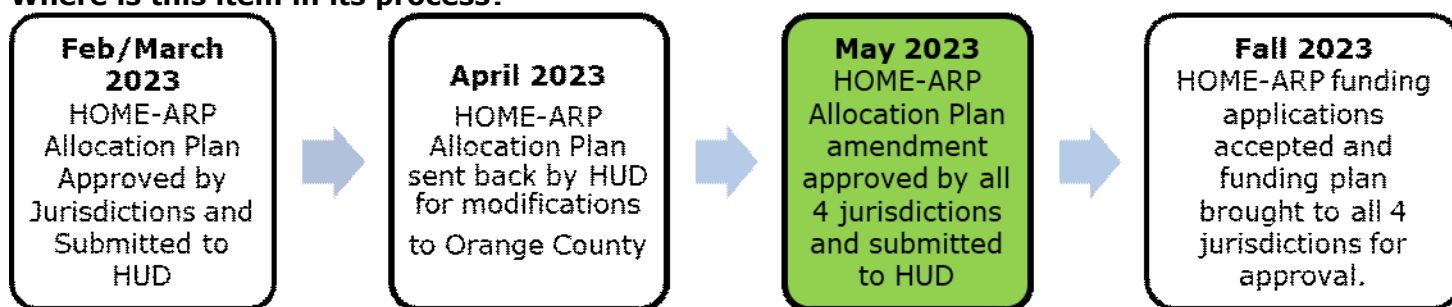
- HOME-ARP funding must be used for projects that serve four Qualifying Populations:
 - Homeless;
 - At-risk of homelessness;
 - Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking;
 - Other populations where providing supportive services or assistance would prevent homelessness or housing instability.
- The Plan approved by all jurisdictions in Orange County in February included a preference to serve homeless households. This would be accomplished by prioritizing projects that use Coordinated Entry (CE) to identify tenants for units developed using HOME-ARP funds. Coordinated Entry is the method the Orange County Partnership to End Homelessness Continuum of Care (CoC) uses for prioritizing referral services.
- Upon reviewing the HOME-ARP Allocation Plan, HUD staff notified Orange County, that HUD would not approve the Plan because Coordinated Entry is not an approved prioritization method for Affordable Rental Development projects funded by HOME-ARP because it does not allow equal access to all four qualifying populations who must be served.
- The Consortium, the body responsible for making recommendations for HOME and HOME-ARP

funding, voted at their May 4, 2023 meeting to recommend removing the preference to serve households experiencing homelessness and prioritization of projects that use Coordinated Entry to identify tenants for units developed using HOME-ARP funds.

- Individual projects may still accept referrals through Coordinated Entry if they still provide equal opportunity for all qualifying populations to apply for residency through other means.
- Since the units developed with HOME-ARP funding must serve households falling in at least one of the four qualifying populations, the Consortium's interest of reaching households experiencing homelessness or housing instability will still be met.

Fiscal Impact/Resources: There is no fiscal impact with approving the proposed amendment to the plan.

Where is this item in its process?



Attachments:

- Resolution Approving the Amended HOME Investment Partnership American Rescue Plan Allocation Plan

A RESOLUTION APPROVING AN AMENDMENT TO THE HOME INVESTMENT PARTNERSHIP AMERICAN RESCUE PLAN ALLOCATION PLAN (2023-05-24/R-2)

WHEREAS, on May 5, 2021, the Chapel Hill Town Council approved a 2021-2022 HOME Investment Partnership Program Annual Plan to be carried out by the members of the Orange County HOME Consortium; and

WHEREAS, in September 2021 the U.S. Department of Housing and Urban Development (HUD) notified the Consortium of an additional one-time award of HOME Investment Partnership American Rescue Plan Program (HOME-ARP) funding in the amount of \$1,371,401 to reduce homelessness and increase housing stability; and

WHEREAS, HUD requires a HOME-ARP Allocation Plan be submitted for the funding as an amendment to the 2021-2022 HOME Investment Partnership Program Annual Plan; and

WHEREAS, Orange submitted a HOME-ARP Allocation Plan that was rejected and must be changed; and

WHEREAS, the Orange County HOME Consortium recommends removing the preference for serving households experiencing homelessness and the Coordinated Entry prioritization for projects.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council approves the Consortium recommended amendment to the plan to remove Coordinated Entry.

BE IT FURTHER RESOLVED that the Council authorizes this amended plan to be incorporated into the Annual Update to the 2020-2024 Consolidated Plan, for submission to the U.S. Department of Housing and Urban Development.

This the 24th day of May, 2023.

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

By adopting the resolution, the Council authorizes the HOME-ARP Allocation Plan be added as an amendment to the 2021-2022 HOME Investment Partnership Program Plan to be incorporated into the Annual Update to the 2020-2024 Consolidated Plan, for submission to the U.S. Department of Housing and Urban Development.



TOWN OF CHAPEL HILL

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

Item Overview

Item #: 3., File #: [23-0445], Version: 1

Meeting Date: 5/24/2023

Award a Bid and Authorize the Town Manager to Execute a Contract for the Resurfacing and Construction of the Three Tennis Courts at Hargraves Park.

Staff:

Atuya Cornwell, Director

Marcia Purvis, Principal Planner

Department:

Parks and Recreation

Overview: The purpose of this item is to recommend that the Council authorize the Town Manager to award a bid to Salisbury and Moore Construction, Inc. for the resurfacing and construction of the Hargraves Park Tennis Courts.



Recommendation(s):

That the Council:

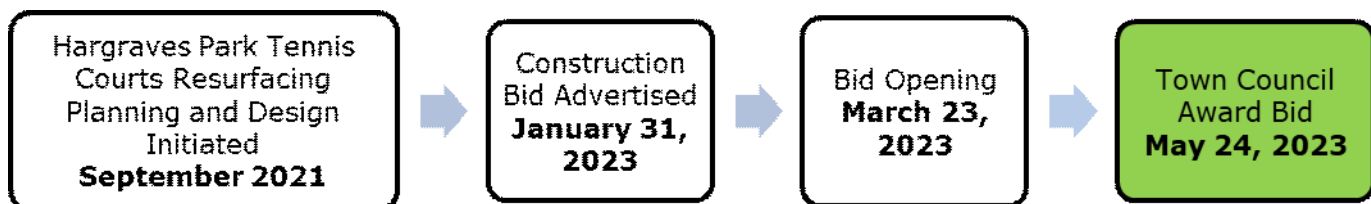
- Adopt the attached resolution awarding a bid and authorizing the Town Manager to execute a contract with the lowest responsive, responsible bidder, Salisbury and Moore Construction, Inc. in an amount of \$509,923.
- Authorize the Town Manager to approve change orders as necessary provided that the contract cost remains within the budgeted amount.

Key Issues:

- The Town initiated planning, public engagement and design for the project in September 2021, advertised the project for bid on January 31, 2023, and held two mandatory pre-bid conferences on February 8, 2023, and March 8, 2023. The Town received three bids on March 23, 2023, and staff qualified Salisbury and Moore Construction, Inc. as the lowest responsive bidder.
- Staff anticipates that the contract will begin work in June of this year and construction is anticipated to last 4-6 months.
- Town staff, the project landscape architecture and engineering firm, and the department's Marketing and Resource Development Administrator will provide information on the project progress on the project webpage and through the TOWNnews and Social Media sites.

Fiscal Impact/Resources: Project funding is available from 2/3 bonds issued in 2021 and from the Recreation Area Payment-in-Lieu (PIL) Development fees.

Where is this item in its process?



Item #: 3., File #: [23-0445], Version: 1

Meeting Date: 5/24/2023



Attachments:

- Resolution

Item #: 3., File #: [23-0445], Version: 1

Meeting Date: 5/24/2023

A RESOLUTION AUTHORIZING THE TOWN MANAGER TO EXECUTE A CONTRACT WITH SALISBURY AND MOORE CONSTRUCTION, INC. IN AN AMOUNT OF \$509,923 FOR CONSTRUCTION RESURFACING OF THE HARGRAVES PARK TENNIS COURTS (2023-05-24/R-3)

WHEREAS, the Town of Chapel Hill solicited formal bids for the Hargraves Park Tennis Courts Resurfacing Project on the Town website on January 21, 2023 in accordance with N.C. General Statute Sec. 143-129; and

WHEREAS, the Town of Chapel Hill held pre-bid conferences on February 8, 2023 and March 8, 2023; and

WHEREAS, three responsive bids were received and opened on March 23, 2023; and

WHEREAS, the responsive bids were evaluated and Salisbury and Moore Construction, Inc. was determined to be the lowest responsive, responsible bidder.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council authorizes the Town Manager to execute a contract with the lowest responsive, responsible bidder, Salisbury and Moore Construction, Inc. in an amount of \$509,923.

BE IT FURTHER RESOLVED that the Town Manager is authorized to approve change orders as necessary provided that the contract cost remains within the budgeted amount.

This the 24th day of May, 2023.

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

By adopting the resolution, the Council awards a bid and authorizes the Town Manager to execute a contract with Salisbury and Moore Construction, Inc. in an amount of \$509,923. The resolution also authorizes the Town Manager to approve change orders as necessary provided that the contract cost remains within the budgeted amount.



TOWN OF CHAPEL HILL

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

Item Overview

Item #: 4., **File #:** [23-0446], **Version:** 1

Meeting Date: 5/24/2023

Amend Chapter 21-13 of the Town Code of Ordinances to Include an All-Way Stop at the Intersection of Henderson Street and North Street.

Staff:

Celisa Lehew, Chief
Lance Norris, Director
Roger Henderson, Transportation Engineering Manager

Department:

Police Department
Public Works

Overview: Enacting the ordinance will allow staff to install stops signs creating an all-way stop at the intersection of Henderson Street and North Street. This recommendation is in response to a petition on behalf of Cobb Terrace residents.



Recommendation(s):

That the Council enact the attached ordinance, which would amend and allow an all-way stop at the intersection of Henderson Street and North Street.

Key Issues:

- The Town maintains Henderson Street and North Street.
- Previously it was a two-way stop on Henderson Street and North Street.
- The travel lanes are narrow along both streets and there are limited pedestrian sidewalks along North Street.
- Town staff reviewed the concern and are amenable to the ordinance changes.

Fiscal Impact/Resources:

The staff estimate a \$500 cost for installing an additional two signs, including staff time. The Traffic Engineering Division operating budget could absorb this cost. Enforcement of the ordinance will have a minimal impact on the Police Department.



Attachments:

- Ordinance
- Petition
- Area Map

AN ORDINANCE AMENDING CHAPTER 21 OF THE TOWN CODE OF ORDINANCES REGARDING RIGHT-OF-WAY AND STOP REGULATIONS (2023-05-24/O-1)

BE IT ORDAINED by the Council of the Town of Chapel Hill that Chapter 21, Article III, Section 21-13-Right-of-way and stop Regulations. of the Code of Ordinances, Town of Chapel Hill, North Carolina, is hereby amended to as follows:

Section 1. Section 21-13(a) of the Town Code of Ordinances, "Right-of-way and stop Regulations" be amended to eliminate the following as Stop Streets:

"Through Street - ~~Henderson Street~~" and "Stop Street - ~~North Street~~"

Section 2. Section 21-13(c) of the Town Code of Ordinances, "Right-of-way and stop Regulations" be amended by inserting the following, in appropriate alphabetical order to add the following as All-Way Stop Streets:

"Intersection(s)

Henderson Street and North Street"

Section 3. This ordinance shall become effective upon enactment.

This the 24th day of May, 2023.

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

By enacting the ordinance, the Council establishes an all-way stop at the intersection of Henderson Street and North Street.

Amy Harvey

From: Jeanette Coffin
Sent: Wednesday, April 19, 2023 12:22 PM
To: Joseph Patterson III
Cc: Mr. Chris Belcher; Carmen Cooley; Wade Dansby; Rob Dickens; Jane Little; Melissa McCollough; Daniel Munger; John Norwood; Katherine Polk; Iris Schwintzer; John Wilson; Britany Waddell; Judy Johnson; Corey Liles; Sarah Vinas; Adam Searing; Amy Ryan; Camille Berry; Jeanne Brown; Jess Anderson; Karen Stegman; Michael Parker; Pam Hemminger; Paris Miller-Foushee; Tai Huynh; Amy Harvey; Ann Anderson; Atuya Cornwell; Carolyn Worsley; CHRIS BLUE; James Baker; Loryn Clark; Mary Jane Nirdlinger; Ran Northam; Ross Tompkins; Sabrina Oliver; Shay Stevens
Subject: RE: Petition to Add Stop Signs at Intersection of North St and Henderson St for Vehicles Traveling in Any Direction
Follow Up Flag: Follow up
Flag Status: Flagged

Thank you for your correspondence with the Town of Chapel Hill. The Mayor and Town Council are interested in what you have to say. By way of this email, I am forwarding your message to the Mayor and each of the Council Members, as well as to the appropriate staff person who may be able to assist in providing additional information or otherwise addressing your concerns.

Again, thank you for your message.

Sincerely,

Jeanette Coffin



Jeanette Coffin
 Office Assistant
[Town of Chapel Hill Manager's Office](#)
[405 Martin Luther King Jr. Blvd.](#)
[Chapel Hill, NC 27514](#)
 (o) 919-968-2743 | (f) 919-969-2063

From: Joseph Patterson III <joepatterson@me.com>
Sent: Wednesday, April 19, 2023 11:29 AM
To: Town Council <mayorandcouncil@townofchapelhill.org>
Cc: Mr. Chris Belcher <jchrisbelcher@live.com>; Carmen Cooley <carbell@aol.com>; Wade Dansby <wfdansby@gmail.com>; Rob Dickens <robdickens3@gmail.com>; Jane Little <little002@juno.com>; Melissa McCollough <melissamccnc@gmail.com>; Daniel Munger <zmunger@nc.rr.com>; John Norwood <johnhnorwood@gmail.com>; Katherine Polk <katherine.polk@unc.edu>; Iris Schwintzer <earissch@gmail.com>; John Wilson <jfwmanteo@mac.com>
Subject: Petition to Add Stop Signs at Intersection of North St and Henderson St for Vehicles Traveling in Any Direction

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

To: The Mayor and Town Council

Petition to Add Stop Signs at Intersection of North St and Henderson St for Vehicles Traveling in Any Direction

In order to enter or exit Cobb Terrace ("CT"), its residents must pass through the intersection of North Street and Henderson Street. In the past year, changes in traffic patterns to the west and construction disruptions in the 100 block of Rosemary Street have substantially increased the cut through traffic using this intersection. Many of those drivers travel at high speed, ignore the exiting stop sign, and cut the corner at the intersection. This situation will undoubtedly get much worse as the approved and anticipated projects on Rosemary are completed and occupied. Visibility at the intersection is also blocked by high vegetation and parked cars. All of the above makes the regular and necessary use of the intersection by CT residents a risky proposition.

In order to reduce the speed of cut through traffic and to force drivers to remain in their proper lanes at the intersection (thereby increasing the safety of drivers using the intersection) the permanent residents of Cobb Terrace hereby petition the Town Council to add stop signs at the intersection for all Henderson St traffic. Similar four way stop intersections already exist (established in Code Section 21.13(c)) at approximately one hundred intersections in neighborhoods around town. Please add the North Street/Henderson Street intersection to Section 21.13(c) as soon as possible.

Thank you.

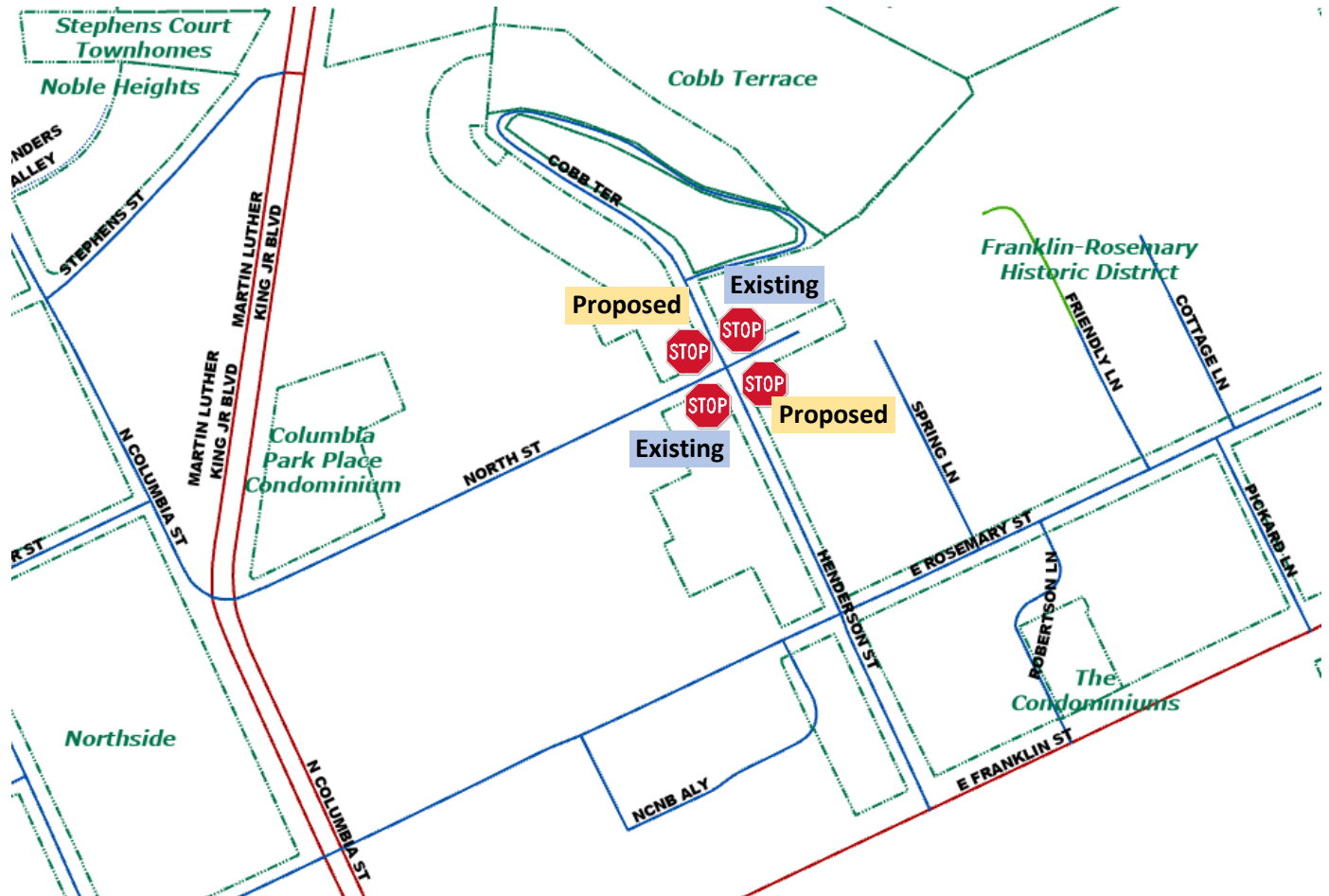
For the Permanent Residents of Cobb Terrace,

#

Joe Patterson
7 Cobb Terrace
Chapel Hill, NC 27514

Tel: 919-818-4741

HENDERSON STREET AT NORTH STREET AREA MAP





TOWN OF CHAPEL HILL

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

Item Overview

Item #: 5., **File #:** [23-0447], **Version:** 1

Meeting Date: 5/24/2023

Approve the Amended Charter Resolution of Central Pines Regional Council (Formerly Triangle J Council of Governments).

Staff:

Chris Blue, Interim Town Manager

Department:

Town Manager

Overview: The Central Pines Regional Council (formerly Triangle J Council of Governments) requires the approval of two thirds of its member municipalities to approve the name and logo change.



Recommendation(s):

That the Council approve the amended charter resolution of Central Pines Regional Council (formerly Triangle J Council of Governments).

Key Issues:

- The Councils of Governments system was created by the State of North Carolina in 1970 and the Triangle J Council of Governments (TJCOG) was designated as the regional entity serving Chatham, Durham, Johnston, Lee, Moore, Orange, and Wake counties.
- The TJCOG Board of Delegates approved an organization rebrand process in their Fiscal Year 2023 budget.
- The rebrand process, assisted by rebranding consultant, Carrboro Creative, was presented and approved by the TJCOG Executive Committee and Board of Delegates in March 2023.
- The TJCOG governing document requires two thirds of member governments to endorse the rebranding.

Fiscal Impact/Resources: None.



Attachments:

- Resolution

A RESOLUTION APPROVING THE AMENDED CHARTER RESOLUTION OF CENTRAL PINES REGIONAL COUNCIL (FORMERLY TRIANGLE J COUNCIL OF GOVERNMENTS) (2023-05-24/R-4)

WHEREAS, the Councils of Governments system was created by the State of North Carolina in 1970 by Governor Bob Scott designating seventeen Regional Councils to serve across the state and Triangle J Council of Governments (TJCOG), formerly the Research Triangle Regional Planning Commission, as the regional entity serving Chatham, Durham, Johnston, Lee, Moore, Orange, and Wake counties, and the municipalities within those counties; and

WHEREAS, the TJCOG Board of Delegates approved an organization rebrand process in its Fiscal Year 2022-2023 budget to identify and implement a new name, logo, and brand for the organization, and rebranding consultant Carrboro Creative was selected to conduct the process in the Fall of 2022; and

WHEREAS, the proposed rebrand, including a name change from Triangle J Council of Governments to Central Pines Regional Council was presented to the TJCOG Officers, TJCOG Executive Committee, and TJCOG Board of Delegates in December, February, and March of 2023 for consideration; and

WHEREAS, the TJCOG Executive Committee and TJCOG Board of Delegates unanimously approved the name Central Pines Regional Council and approved a proposed amended charter to reflect this change; and

WHEREAS, the charter is TJCOG's governing document and must be endorsed by all member governments when they join the organization and by a minimum of 2/3 when amendments to the document are made.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council does hereby ratify, accept, and approve the amended Charter Resolution reflecting the organization's new name of Central Pines Regional Council.

BE IT FURTHER RESOLVED that the governing body authorizes that the new name will be effective July 1, 2023, or once 2/3 of the member governments approve the Charter amendment, if it is after July 1, 2023.

This the 24th day of May, 2023.

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

By adopting the resolution, the Council approves the amended charter resolution of Central Pines Regional Council (formerly Triangle J Council of Governments).



TOWN OF CHAPEL HILL

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

Item Overview

Item #: 6., File #: [23-0448], Version: 1

Meeting Date: 5/24/2023

Authorize the Mayor to Execute a Comprehensive Participation Agreement, A Component of the Orange County Transit Governance Interlocal Agreement.

Staff:

Brian Litchfield, Director
Caroline Dwyer, Planning Manager

Department:

Transit

Overview: The Comprehensive Participation Agreement is a component of the recently updated Orange County Transit Governance Interlocal Agreement (ILA). The Transit Governance Interlocal Agreement (ILA) was originally executed in 2012, following the adoption of Orange County's half-cent sales tax for transit. The ILA establishes a governance structure for implementing Orange County's Transit Multi-Year Vision Plan (Transit Plan) and Transit Annual Work Program (Work Program) and is executed by Research Triangle Regional Public Transportation Authority ("GoTriangle"), Durham-Chapel Hill-Carrboro Metropolitan Planning Organization ("DCHC MPO"), and Orange County. The Transit Plan and Work Program describe transit-related projects that will be funded using Orange County Tax District Revenues.

Tax district revenues are collected and disbursed by GoTriangle, as the tax district administrator. A percentage of Orange County's tax district revenues are allocated to Chapel Hill Transit (CHT), a transit service provider in Orange County. Tax district revenues fund important projects including multiyear systemwide service expansions, the purchase of new transit vehicles, the electrification of CHT's fleet, and nearly \$30 million dollars of local funding for the North-South Bus Rapid Transit (NSBRT)'s capital improvement grant.

The governing boards of the three ILA Parties (GoTriangle, DCHC MPO, and Orange County) recently adopted a revised version of the ILA. The updated ILA formalizes requirements for allocating, receiving, and distributing transit tax district revenues to eligible project sponsors, including CHT, in a Comprehensive Participation Agreement (CPA). Many of the CPA's requirements have been followed since the original ILA was adopted in 2012 but were never documented in a formally executed agreement. To remain eligible to implement projects using transit tax district revenues, the Town of Chapel Hill is required to execute the CPA.

The CPA also provides more specific guidance for roles and responsibilities related to the Staff Working Group (SWG), the body that oversees and approves allocation of Orange County's transit tax revenues through the Work Program each year. Since 2012, Chapel Hill staff have participated in the SWG in an advisory role. The updated ILA allows the Town two voting members on the SWG (one staff member representing the Town, generally; one staff member representing Chapel Hill Transit; and one alternate). Staff members are designated by their respective Department Heads. Staff currently participating in an SWG advisory role include Nick Pittman, Transit Assistant Director; Caroline Dwyer, Transit Planning Manager; and Bergen Watterson, Transportation Planning Manager. This is a meaningful change giving the Town's SWG representatives an opportunity to play a more significant role in how transit tax dollars are spent in Orange County. Other jurisdictions gaining voting power include the Town of Carrboro, the Town of Hillsborough, and the City of Mebane (with one voting member each). Triangle J Council of Governments (TJCOG) and University Of North Carolina, Chapel Hill (UNC Chapel Hill) will continue to participate on the SWG in an advisory role, with no voting members.

Specific provisions of the CPA include:

- Defining eligibility for participating in the development of Orange County's Transit Annual Work Program
- Defining eligibility for receiving funding generated by Orange County's Transit Tax or other Dedicated Local Transit Funding Sources (administered by GoTriangle or Orange County)
- Documenting all Parties' commitment to implementing the most up-to-date Orange County Transit Annual Work Program and participating in the annual update process
- Defining expectations for:
 - Participating in the Staff Working Group (SWG)
 - Executing implementation agreement(s) for projects in the annual Work Program
 - Implementing projects included in the Annual Work Program
 - Reviewing the Work Program each year to assess project status and reallocate funding, if necessary.



Recommendation(s):

That the Council authorize the Mayor to execute the Comprehensive Participation Agreement.

Key Issues:

- The CPA documents and formalizes processes and procedures that have been followed since the original ILA was adopted in 2012
- The CPA defines the Town's new and more meaningful role as a voting member of the Staff Working Group
- Orange County Transit Tax District Revenues fund important transit projects in Chapel Hill

Fiscal Impact/Resources: Approximately 13% of Chapel Hill Transit's budget is generated by Orange County Tax District Revenues, including all the NSBRT's local funding match (20% of total capital project cost).



Attachments:

- Resolution
- Comprehensive Participation Agreement
- Transit Governance Interlocal Agreement (ILA) between Orange County, Durham-Chapel Hill-Carrboro Metropolitan Planning Organization, and Research Triangle Regional Public Transportation Authority

A RESOLUTION TO AUTHORIZE THE MAYOR TO EXECUTE A COMPREHENSIVE PARTICIPATION AGREEMENT, A COMPONENT OF THE ORANGE COUNTY TRANSIT GOVERNANCE INTERLOCAL AGREEMENT (2023-05-24/R-5)

WHEREAS, the Research Triangle Regional Public Transportation Authority ("GoTriangle"), Durham-Chapel Hill-Carrboro Metropolitan Planning Organization ("DCHC MPO"), and the County of Orange ("Orange County") adopted the Orange County Transit Governance Interlocal Agreement ("Governance ILA") that creates a governance structure for the implementation of the Orange County Transit Multi-Year Vision Plan by and through the Orange County Transit Annual Work Program; and

WHEREAS, the Governance ILA establishes the Staff Working Group ("SWG"), comprised of staff representatives from the Governance ILA Parties and the Implementation Partners, and charged the SWG with coordinating and recommending the planning and implementation aspects of the Orange County Transit Annual Work Program; and

WHEREAS, Section 2.040 of the Governance ILA formally defines a Comprehensive Participation Agreement ("CPA") establishing standards governing eligibility for inclusion of sponsored Implementation Elements in the Orange County Transit Annual Work Program and receipt of any funding allocation from Orange County Transit Tax Revenue and other Dedicated Local Transit Funding Sources; evidencing acceptance of the most up-to-date Orange County Transit Annual Work Program (now and in the future) and the associated annual update process; and confirming roles in carrying out Staff Working Group (SWG) responsibilities; and

WHEREAS, the Parties to the CPA and the Implementation Partners, have or may have specific roles in public transit implementation and public transit infrastructure support in Orange County, they have determined it is in their best interest and that of their constituents to coordinate future public transit planning, funding, expansion and construction; and

WHEREAS, the Town of Chapel Hill and Chapel Hill Transit require Orange County Transit Tax District revenues to continue providing high-quality transit service now and in the future; and

WHEREAS, to remain eligible to include projects in the Orange County Transit Annual Work Program and receipt of any funding allocation from Orange County Transit Tax Revenue and other Dedicated Local Transit Funding Sources, the Town of Chapel Hill is required to execute the CPA; and

WHEREAS, local Governmental Parties are authorized to enter into this Comprehensive Participation Agreement pursuant to, inter alia, N.C.G.S. 160A-20.1; 160A-312; 160A-313; 160A-610; 153A-275; 153A-276; and 153A-449.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council authorize the Mayor to execute the Comprehensive Participation Agreement, a component of the Orange County Transit Governance Interlocal Agreement, between the Town of Chapel Hill, Research Triangle Regional Public Transportation Authority (GoTriangle), Durham-Chapel Hill-Carrboro Metropolitan Planning organization (DCHC MPO), County of Orange, Town of Carrboro, Town of Hillsborough, and City of Mebane, and in coordination with Triangle J Council of Governments (TJCOG) and University Of North Carolina, Chapel Hill (UNC Chapel Hill), as described in the May 24, 2023 meeting materials.

This the 24th day of May, 2023.

Item #: 6., File #: [23-0448], Version: 1**Meeting Date: 5/24/2023**

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

By adopting the resolution, the Council authorizes the Mayor to execute the Comprehensive Participation Agreement, a component of the Orange County Transit Governance Interlocal Agreement, between the town of Chapel Hill, Research Triangle Regional Public Transportation Authority (GoTriangle), Durham-Chapel Hill-Carrboro Metropolitan Planning organization (DCHC MPO), County of Orange, Town of Carrboro, Town of Hillsborough, and City of Mebane, and in coordination with Triangle J Council of Governments (TJCOG) and University Of North Carolina, Chapel Hill (UNC Chapel Hill).

**ORANGE COUNTY TRANSIT COMPREHENSIVE PARTICIPATION AGREEMENT
("PARTICIPATION AGREEMENT")**

Between

TRANSIT GOVERNANCE INTERLOCAL AGREEMENT (ILA) PARTIES:

**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
("GoTriangle"), DURHAM-CHAPEL HILL-CARRBORO METROPOLITAN
PLANNING ORGANIZATION ("DCHC MPO"), and COUNTY OF ORANGE ("Orange
County")**

And

**The TOWN OF CHAPEL HILL, TOWN OF CARBORRO, TOWN OF
HILLSBOROUGH, and CITY OF MEBANE**

(All parties collectively referred to herein as "Parties")

And Parties will further coordinate with

IMPLEMENTATION PARTNERS:

**TRIANGLE J COUNCIL OF GOVERNMENTS ("TJCOG"), and UNIVERSITY OF
NORTH CAROLINA, CHAPEL HILL ("UNC Chapel Hill")**

**As current and/or future partners through specific project agreements that shall
incorporate the terms of this document**

WITNESSETH:

WHEREAS, the Parties to this Agreement and the Implementation Partners, have or may have specific roles in public transit implementation and public transit infrastructure support in Orange County, they have determined it is in their best interest and that of their constituents to coordinate future public transit planning, funding, expansion and construction; and

WHEREAS, in conjunction with the Orange County Transit Multi-Year Vision Plan, the Governance ILA Parties adopted the Orange County Transit Governance Interlocal Agreement ("Governance ILA") that creates a governance structure for the implementation of the Orange County Transit Multi-Year Vision Plan by and through the Orange County Transit Annual Work Program; and

WHEREAS, the Governance ILA establishes the Staff Working Group ("SWG"), comprised of staff representatives from the Governance ILA Parties and the Implementation Partners, and charged the SWG with coordinating and recommending the planning and implementation aspects of the Orange County Transit Annual Work Program; and

WHEREAS, the Parties, and the Implementation Partners intend to implement an inclusive and cooperative process to continuously develop and improve the Orange County Transit Multi-Year Vision Plan. They will further develop a public involvement plan to guide the Parties' and SWG's coordinated efforts for engagement aligned with federal, state and local policies and guidelines; and

WHEREAS the Parties and Partners collectively make recommendations, develop and review the Orange County Transit Annual Work Program; and

WHEREAS the Parties have a formal role in approving the Orange County Transit Annual Work Program through structured representation on the Orange County Board of Commissioners, DCHC MPO Board, and GoTriangle Board of Trustees as the ILA defines their oversight and jurisdiction regarding the Orange County Transit Annual Work Program development and implementation; and

WHEREAS, this Participation Agreement serves as the Comprehensive Participation Agreement as formally defined in Section 2.040 in the Governance ILA to establish standards that will govern the Parties' and Partners' eligibility for inclusion of sponsored Implementation Elements in the Orange County Transit Annual Work Program and receipt of any funding allocation from Orange County Transit Tax Revenue and other Dedicated Local Transit Funding Sources; evidence of the Parties' acceptance of the most up-to-date Orange County Transit Annual Work Program (now and in the future) and the associated annual update process; and confirm the Parties' roles in carrying out Staff Working Group (SWG) responsibilities; and

WHEREAS, local Governmental Parties are authorized to enter into this Participation Agreement pursuant to, inter alia, N.C.G.S. 160A-20.1; 160A-312; 160A-313; 160A-610; 153A-275; 153A-276; and 153A-449; and

NOW THEREFORE, in consideration of the above recitals and the mutual covenants herein contained, the Parties hereto agree as follows:

ARTICLE 1

PURPOSE, SCOPE & LIMITATION OF AUTHORITY, RESPONSIBILITIES, TERM & EFFECTIVE DATE

1.01 Purpose. The Parties hereby recognize that the Orange County Transit Multi-Year Vision Plan, as implemented by the Orange County Transit Annual Work Program, will be the guidance document for Orange County public transit investment with Local Government Public Transportation Sales Tax Act revenue and other Locally Dedicated Transit Funding Sources, as identified in the Orange County Transit Multi-Year Vision Plan. This Agreement

establishes standards for all Parties and Partners who desire to receive project funding from Dedicated Local Transit Funding Sources identified in the Orange County Transit Multi-Year Vision Plan. This Participation Agreement also confirms the Parties' respective roles for future planning, design, funding, and implementation of the Orange County Transit Multi-Year Vision Plan via their roles and responsibilities within the Staff Working Group (SWG).

1.02 Scope & Limitation of Authority. This Participation Agreement is limited to the purposes enumerated herein. No Party has the right to expand, abridge, limit or constrain the authority or actions of Orange County, GoTriangle, or the DCHC MPO or the SWG created by the Governance ILA with respect to the administration of the Orange County Transit Multi-Year Vision Plan, except as specifically agreed to herein. Nothing herein grants funding for any Implementation Element (defined herein in Article II) to any Party. Further, any Party receiving Dedicated Local Transit Funding Source revenue for an Implementation Element is wholly responsible for the completion of that element as set forth by future project or other specific agreements between such individual Parties. The Parties hereby recognize that the official governance and oversight for the Orange County Transit Multi-Year Vision Plan according to the terms of the Governance ILA and this Participation Agreement remains entirely with Orange County's Board of Commissioners, DCHC MPO's Policy Board, and the GoTriangle Board of Trustees.

1.03 Responsibilities of the Governance ILA Parties. The Governance ILA Parties have the responsibilities and duties set out in the Governance ILA.

1.04 Responsibilities of the Participant Parties and Implementation Partners. The Participant Parties shall:

- (a) Provide staff to serve on the SWG if designated as an SWG member in the Governance ILA; and
- (b) Negotiate and enter into Global/Capital Funding Agreement(s) and/or Global/Operating Agreement(s) for any project (using the Work Program Project Code as a unique identifier).
- (c) Receive dedicated Local Transit Funding Sources identified in the Orange County Multi-Year Transit Vision Plan for Implementation Elements identified within the Orange County Transit Annual Work Program in accordance with the agreements negotiated in (b).

1.05 Term & Effective Date. This Participation Agreement becomes effective upon approval and execution by the Parties ("Effective Date"). The Term of this Participation Agreement shall be from the Effective Date through a period of seventeen (17) years unless otherwise amended by the prior express written agreement of the Parties.

ARTICLE 2

DEFINITIONS

2.01 "CAPITAL FUNDING AGREEMENT:" An agreement between agencies to provide a specified amount of funding for an Implementation Element. Any such agreement will include details of the capital improvements to be provided and detail expectations on Orange County Transit Annual Work Program resource funding, responsibilities, schedule, reporting and performance and shall adhere to any and all standards outlined in specific project worksheets through the Orange County Transit Annual Work Program.

2.02 "CAPITAL PROJECTS ORDINANCE:" The annual financial ordinance for the Orange Transit major capital fund pursuant to N.C.G.S. Chapter 159, tied to the multi-year Capital Improvement Plan, the Annual Capital Budget, and planned capital project funding agreements that implement needed capital projects.

2.03 "COMPONENT UNIT or SEPARATE COMPONENT UNIT:" A unit of local government within the Tax District that has administrative responsibility for the budget adoption, operation or, management of specified transit services and associated supporting implementation elements. The component unit is required to report Orange County Transit Plan Revenues, including Dedicated Local Transit Funding Sources, expenditures and fund balance in columns separate from the component's financial data in its annual audited statements.

2.04 "GOVERNANCE INTERLOCAL AGREEMENT" or "GOVERNANCE ILA:" The Transit Governance Interlocal Agreement dated March 8, 2023 between Research Triangle Regional Public Transportation Authority ("GoTriangle"), Durham-Chapel Hill-Carrboro Metropolitan Planning Organization ("DCHC MPO"), and Orange County for implementing public transit services and projects in the fiscally constrained Orange County Transit Multi-Year Vision Plan. This Governance ILA is included as Exhibit A to this Agreement.

2.05 "IMPLEMENTATION ELEMENT:" A discrete project, operation, or study or a discrete logical grouping of projects, operations, or studies tracked separately by the Orange County Transit Annual Work Program.

2.06 "IMPLEMENTATION PARTNERS:" The listed signatories to this agreement who are non-voting members of the Orange County SWG. These implementation partners have roles supporting implementing elements of the Orange County Transit Annual Work Program. These partners fulfill their roles and responsibilities as outlined in specific project agreements to deliver approved implementation elements in the Orange County Transit Annual Work Program along with the Dedicated Local Transit Funding Sources approved in these project specific agreements.

2.07 "MAJOR FUND:" A fund as defined by the Governmental Accounting Standards Board ("GASB"), is reported in a separate column in the basic fund financial statements and is subject to a separate audit opinion in the independent auditor's report. The Tax District shall

report at a minimum Major Fund for the Orange County Transit Annual Work Program Operating Funds and a Major Fund for the Orange County Transit Annual Transit Work Program Capital Funds.

2.08 "MULTI-YEAR CAPITAL IMPROVEMENT PLAN" ("CIP"): A multi-year document that identifies projected capital projects by year, project sponsors responsible for undertaking these projects, the financial costs, and anticipated funding sources, and projected operating costs associated with those projects. The CIP shall be coordinated with the Metropolitan Transportation Plan, the Transportation Improvement Program, and the annual program of projects developed and maintained by the DCHC MPO which is the designated recipient of federal formula transit grants. The plan shall be consistent with submittal deadlines for the Transportation Improvement Program and the horizon years of the Metropolitan Transportation Plan.

2.09 "MULTI-YEAR SERVICE IMPLEMENTATION PLAN:" A document or documents that detail how transit services, including expansion and reduction, are to be operated and maintained over a specific number of years. The plan(s) shall detail timing and schedule, justifications for implementation decisions, and public involvement steps. Different transit operators may have different plans for implementation, but the different plans must be coordinated with respect to anticipated funding, public outreach, and the extent to which the different operator's plans connect services between them.

2.10 "OPERATING AGREEMENT:" An agreement or operating plan between one or more Parties or Implementation Partners, the Tax District and others as needed to provide an Implementation Element. The agreement shall state the details of the service to be provided and detail expectations on funding, responsibilities, schedule, and performance and shall adhere to any and all standards outlined in specific project worksheets through the Orange County Transit Annual Work Program.

2.13 "OPERATING BUDGET ORDINANCE" The annual financial budget ordinance for the Orange Transit major operating fund pursuant to N.C.G.S. Chapter 159. The ordinance includes the funds for the operations of implementation elements identified in the Orange County Transit Annual Work Program, allocations for reserves, and transfers to other major funds identified by the Component Unit (ex. Orange Transit). The Operating Budget Ordinance must include the Component Unit's general administrative expenses designated separately from a Project's Operating Funds.

2.14 "SPECIAL DISTRICT" or "TAX DISTRICT:" Any tax district administered by GoTriangle pursuant to authorizing resolutions and N.C.G.S. 105-508 *et seq.* or N.C.G.S. 105-561 *et seq.* to which Orange County is a member, now or in the future.

2.15 "STAFF WORKING GROUP" or "SWG:" The committee as created by the Governance ILA. The SWG is jointly charged by all parties to this Agreement, including the Implementation Partners, to coordinate and develop the Orange County Transit Annual Work

Program, the Orange County Transit Multi-Year Vision Plan, and serve in an advisory role to the Orange County Board of Commissioners, DCHC MPO Board, and GoTriangle Board of Trustees in their review consideration, and approval of these two documents.

2.16 **SUBCOMPONENT UNIT:** The subcomponent unit is required to report its financial information as aggregated at the COMPONENT UNIT level and not separately stated. Durham County Transit Plan Revenues, including Dedicated Local Transit Funding Sources, expenditures and fund balance in columns separate from the component's financial data in its annual audited statements.

2.17 **"DEDICATED LOCAL TRANSIT FUNDING SOURCES:"** All revenues derived from transit funding sources designated for use in the Orange County Transit Multi-Year Vision Plan. These shall include but are not limited to items defined through the Governance ILA in Section 2.012.

2.18 **"TRANSIT PLAN" or "MULTI-YEAR VISION PLAN:"** The comprehensive multi-year vision plan for transit operating and capital needs over a period of time of at least the next 4 years through coordination with the DCHC MPO Metropolitan Transportation Plan adoption process and shall also be prepared by the SWG for approval by appropriate governing boards, which shall include all the separate components, as further defined in the Governance ILA in Section 2.038.

2.19 **"ORANGE COUNTY TRANSIT ANNUAL WORK PROGRAM" or "WORK PROGRAM:"** shall mean the comprehensive annual program for transit capital and operations annually presented by the SWG which shall include the separate components further defined in the Governance ILA in Section 2.011.

2.20 **"GLOBAL AGREEMENT:"** An Operating or Capital Funding agreement that encompasses a discrete logical grouping of capital projects, transit operations, or studies.

ARTICLE 3 STAFF WORKING GROUP

3.01 **Scope & Authorization.** The Governance ILA establishes and enables the Staff Working Group. The Parties confirm their commitment to serve on the SWG and to carry out their SWG membership responsibilities by executing this participation agreement.

3.02 **Membership.** SWG Membership includes voting & non-voting categories

- a) Voting members: two (2) staff persons appointed by each of the Governance ILA Parties; two (2) staff persons appointed by the Town of Chapel Hill; one (1) staff person appointed by the Town of Carrboro, Town of Hillsborough, and City of Mebane
- b) Non-Voting members: Each of the Implementation Parties must appoint one (1) staff person

- c) Each member may designate one (1) alternate empowered to fully participate in the SWG in the absence of the appointed staff person.

3.03 Bylaws. The SWG must enact bylaws. The SWG bylaws will govern quorum and voting standards, SWG operations and responsibilities, and, scheduling of efforts to develop the Orange County Transit Annual Work Program and the Orange County Transit Multi-Year Vision Plan.

3.04 SWG Responsibility for the annual Orange County Transit Annual Work Program. Subject to the Governance ILA, the SWG shall develop annual recommendations for the review and approval of the governing bodies. This work program approval process is documented in Article VII of the Governance ILA. Recommendations shall be developed for each of the following Orange County Transit Annual Work Program components:

- (a) Annual Work Program, including all the separate elements defined in Section 2.011 of the Governance ILA
- (b) Multi-Year Service Implementation & Capital Improvement Plans
- (c) Templates containing minimum standards for project and financial reports
- (d) Designation of project sponsors (agencies responsible for each respective capital and operating project), including agencies responsible for each Implementation Element;
- (e) A strategy for each Implementation Element which includes a scope, schedule, project boundaries, an estimated budget, specifies the sponsoring agency/jurisdiction, purpose and goals and (*defines the standard for individual project/Implementation Element worksheets*)
- (f) An articulated strategy for incorporating or accounting for public outreach, involvement, and communication with all components in the annual work program.
- (g) Facilitation to transcribe project worksheets (composition outlined in 3.04(e) above) into Global/Project Agreements.

The SWG shall reference the fiscal year 2024 Work Program Development process, which is to be recognized as the baseline for future work program development cycles and corresponding global/project agreement needs, as long as this Agreement and Governance ILA serve as the governing documents for county transit plan implementation efforts.

3.05 SWG Responsibility for Engagement with Elected Officials. The SWG shall schedule touchpoints on an annual basis with appropriate bodies of elected officials who either serve as a governing board through the Governance ILA or are responsible for a project(s) through the Orange County Transit Annual Work Program. These touchpoints shall be scheduled to allow for elected officials to:

- (a) Provide feedback on the draft Annual Work Program
- (b) Receive as information, and provide feedback as necessary, regarding progress reports developed on a quarterly basis.

3.06 Non-Delegation. The SWG cannot delegate its responsibility to review and present the documents and products defined in Section 3.04.

3.07 Right to Inspect. All Parties to this Participation Agreement, or their authorized representative(s), shall have the right to inspect, examine, and make copies of project work products as they deem necessary for the operation and day-to day business of the SWG or as specifically requested by formal action of any one of the parties' governing bodies. The SWG shall maintain all its records in a manner which facilitates review by the Parties and Implementation Partners.

ARTICLE IV ELIGIBILITY FOR ORANGE COUNTY TRANSIT TAX REVENUE FUNDING

4.01 Requirements for Inclusion in the Orange County Transit Annual Work Program. Only Parties in good standing to this Participation Agreement, Implementation Partners recognized through the Staff Working Group, or other partners as deemed critical, may request inclusion of an Implementation Element in the Orange County Transit Annual Work Program. The Parties agree that the terms and conditions of this agreement are pre-requisites to requesting and receiving Orange County Transit Tax Revenues funding allocations.

4.02 Implementation. An Operating or Capital Project Funding Agreement shall be required to support each implementation element submitted by each project sponsor identified in the Orange County Transit Annual Work Program except as specified in Section 4.03. Parties to this Comprehensive Participation Agreement shall endeavor to develop global-level agreements with appropriate timeframes for each project sponsor seeking to implement operating or capital projects. These agreements must be prepared prior to distributing funds and starting the Project(s). All Operating or Capital Project Funding Agreements shall have at least two signatories from appropriate parties and shall also adhere to the requirements further defined in Section 7.07 of the Governance ILA. Signatory authorizations to any Global/Project Agreements shall be determined by the minimum financial threshold by any party to such agreement.

4.03 Grace Period for Legacy Projects. Active project supported by Orange County Transit Plan Revenues or other Dedicated Local Transit Funding Sources at the time of execution of this Agreement and projects in the adopted Fiscal Year 2024 Work Program shall be eligible for continued funding through the end of Fiscal Year 2024 (Grace Period). If a global/operating or global/capital project funding agreement that conforms to the conditions in this Agreement is not in place prior to the start of Fiscal Year 2025, the project shall no longer be eligible for ongoing/additional funding until such Agreement is in place.

4.04 Capital/Operating Agreement Development. Each Capital Funding Agreement and Operating Agreement entered into by any of the Parties or the Partners must contain all components defined in this Participation Agreement. If any Implementation Agreement involves federal or state funding must in addition contain those elements required to maintain eligibility for such funds.

4.05 Capital Improvement Program (CIP) Review. Each year's work program development process shall include a review of the CIP to determine which, if any, projects no longer meet the needs of the overall transit plan. Goal for this would be to remove such project(s) and reallocate funding as necessary to other areas of need.

4.06 Good Faith Effort. For any Party to this Agreement, or any involved Implementation Partner, that is unable to deliver a project as included in the Annual Work Program due to issues outside their control, Parties to a specific Project Agreement will work with the Staff Working Group through good faith to determine appropriate action to help resolve issues and facilitate delivery of said project. Parties shall reference supporting Orange County Transit Financial Policies and Procedures to guide the resolution process.

ARTICLE V

SUPPLANTATION/SUPPLEMENTATION

5.01 As of the Effective Date of this Participation Agreement, N.C.G.S. § 105-508.2 and N.C.G.S. § 105-564 require that Special District net tax proceeds must supplement and not supplant existing public transportation systems' funds or other resources as defined in Section 2.012 of the Governance ILA. The Parties acknowledge that the only funds subject to these requirements as of the execution of this Participation Agreement are:

- (a) Local Government Sales and Use Taxes for Public Transportation (N.C.G.S. 105-506:514) which is levied at its maximum allowable rate of one-half (1/2%) percent (*non-supplantation cited in N.C.G.S. 105-507.3.b*);
- (b) Regional Transit Authority Registration Tax (N.C.G.S. 105-560:569) which is levied at its maximum amount of \$8.00 per year with \$3.00 of each \$8.00 collected allocated locally to Orange County (*non-supplantation cited in N.C.G.S. 105-564*).

5.02 All Parties may pursue additional state and federal funding sources, which are not controlled locally, when appropriate for implementation of eligible projects. The use of existing funds or other resources, including state and federal funds, must be documented and made publicly available as a condition of receiving Orange County Transit Tax Revenue or other Locally Dedicated Transit Funding Sources. To the extent permitted by law, any audits required as a condition of receiving the identified funding sources shall be available for public inspection as well.

5.03 The most recently audited and reported local fiscal year prior to the January 15, 2012 of the one half (½%) percent Public Transportation Sales Tax Act local option sales and use tax as defined by N.C.G.S. 105-508 is the baseline for comparing all Parties' annual budgets for the Agreement.

5.04 Nothing herein shall be construed to modify, abridge, or deny the authority or discretion of any Party to independently develop, administer, or control transportation projects pursuant to enumerated authority or funding sources separate from the authority and funding sources outlined in this Participation Agreement.

5.05 All Parties shall work together in good faith to determine if the Participation Agreement's intent and purpose can be accomplished by executing necessary Amendments if statutory language in or judicial interpretation of N.C.G.S 105-508.2 or N.C.G.S 105-564 changes after Participation Agreement, execution.

ARTICLE VI

AMENDMENT, TERMINATION AND NOTICE

6.01 **Amendment.** This Participation Agreement may be amended to add or remove Parties or to change content. After the Effective Date of this Participation Agreement, any Eligible Participant Party or Governance ILA Party may become a Party to this Participation Agreement upon execution of the Participation Agreement by an authorized designee of that Party's governing board (or equivalent). If any Party proposes to amend Participation Agreement content, then the proposed amendment and the reasons for the proposed amendment must be communicated in writing to the SWG. All the Parties that have executed the Participation Agreement must adopt the amendment. The Parties will conduct a review of the Agreement at least every four (4) years to consider any desired updates through the Agreement through the Amendment process. If any Party desires to amend the Agreement outside the four (4) year review cycle, then the proposed amendment and the reasons for the proposed amendment shall be communicated in writing to the other Parties. If the Parties agree to the proposed amendment, then the amendment shall be affected by entering a written amendment to the Agreement. An amendment that does not change the substantive or financial commitments of the Agreement may be executed by the Durham County Manager, the DCHC-MPO Executive Director, and the GoTriangle Chief Executive Officer. Any other amendment to the terms of this Agreement to be effective must be in the form of a written instrument properly authorized and executed by the governing boards of each Party to this Agreement.

6.02 **Termination upon a year's notice.** Any Party may terminate its obligations to this Participation Agreement by giving written notice of intent to terminate to the other Parties at least one (1) year prior to the effective termination date. A withdrawing Party must fulfill all obligations and duties of their Implementation Agreements unless such Agreements are terminated in accordance with their provisions. Any Party terminating participation is ineligible for future Orange County Transit Tax Revenue Funding or other Locally Dedicated Transit Funding Sources for any Implementation Element until and unless the Party re-enters into the Participation Agreement.

6.03 **Cooperation Provisions.** In the event of a termination, the terminating Party must fulfill existing and unperformed obligations until the effective termination date. The Participation Agreement remains in effect for the remaining Parties. The non-withdrawing Parties, beginning at the time notice of termination is received, shall work together in good faith to determine if the Participation Agreement's intent and purpose can be accomplished by executing necessary amendments and/or adding necessary Parties to perform the executory obligations of the withdrawing Party.

6.04 **Notice.** Any written or electronic notice required by this Participation Agreement shall be delivered to the Parties at the following addresses, with a copy where designated for each party, which copy shall not in and of itself constitute notice:

For DCHC MPO:

Durham Chapel Hill Carrboro Metropolitan Planning Organization
Executive Director
101 City Hall Plaza
Durham, NC 27701

For GoTriangle:

GoTriangle General
President/CEO
PO BOX 13787
Research Triangle Park, NC 27709

with a copy to:

GoTriangle General Counsel
PO Box 13787
Research Triangle Park, NC 27709

For the Town of Hillsborough:

Town of Hillsborough
Attn: Town Manager
PO Box 429
Hillsborough, NC 27278

with a copy to:

Town of Hillsborough
Attn: Town Attorney
PO Box 429
Hillsborough, NC 27278

For the Town of Carrboro:

Town of Carrboro
Attn: Town Manager
301 W Main Street
Carrboro, NC 27510

with a copy to:

Town of Carrboro
Attn: Town Attorney
301 W Main Street
Carrboro, NC 27510

For the Town of Chapel Hill:

Town of Chapel Hill
Attn: Town Manager
405 Martin Luther King Jr Blvd
Chapel Hill, NC 27514

with a copy to:

Town of Chapel Hill
Attn: Town Attorney
405 Martin Luther King Jr Blvd
Chapel Hill, NC 27514

For the City of Mebane:

City of Mebane
Attn: City Manager
106 East Washington Street
Mebane, NC 27302

with a copy to:

City of Mebane
Attn: City Attorney
106 East Washington Street
Mebane, NC 27302

For Orange County:

Orange County
Attn: County Manager
300 West Tryon Street
PO Box 8181
Hillsborough, NC 27278

with a copy to:

Orange County Attorney
300 West Tryon Street
PO Box 8181
Hillsborough, NC 27278

ARTICLE VII MISCELLANEOUS PROVISIONS

7.01 Representations and Warranties. The Parties each represent, covenant, and warrant for the other's benefit as follows:

- (a) Each Party has all necessary authority to enter into this Participation Agreement and to conduct the processes created by this Participation Agreement. This Participation Agreement has been executed by each Party's governing body. This Participation Agreement is a valid and binding obligation of each Party.
- (b) To the knowledge of each Party, the execution and delivery of this Participation Agreement, the fulfillment of or compliance with its terms and conditions, and/or completing transactions conducted within this Participation Agreement results in a breach of the terms, conditions and provisions of any agreement or instrument to which a Party is now a party or by that it is bound or constitutes a default.
- (c) To the knowledge of each Party, there is no litigation or other court, or administrative proceeding pending or threatened affecting the Party's rights to execute or deliver this Participation Agreement or to comply with its obligations under this Participation Agreement.
- (d) Neither such Party's execution and delivery of this Participation Agreement, nor its compliance with its obligations under this Participation Agreement, requires the approval of any regulatory body or any other entity the approval of which has not been obtained.
- (e) The Parties agree to work together in good faith and with all due diligence to provide for and carry out the purpose of this Participation Agreement.

7.02 Agreement Related Dispute Resolution. It is the desire and intent of the Parties to resolve any disputes in a collaborative manner and to avoid, if possible, the expense and delay of litigation. In the event that any Party cannot resolve an issue with another Party under this Agreement, the affected party shall engage in the following process:

- (a) Any Party may give written notice to another Party or Parties of any dispute not resolved in the ordinary course of business. Within ten (10) business days after delivery of the written notice by regular or electronic mail, the receiving Party(ies) shall submit a written response to the disputing Party and designate in the notice a representative who will represent that Party in the negotiation to resolve the dispute. If a third-party mediator is necessary, the Party providing initial written notice will indicate as such in the notice and seek confirmation/approval by the receiving parties in written response. It shall be the responsibility of the Party giving notice to cover any costs related to any third-party mediator once confirmed/approved by the receiving parties.
- (b) Within ten (10) business days of receiving the response, the appointees of the disputing and receiving Parties shall meet at a mutually acceptable time and place, and thereafter, as often as necessary to resolve the dispute.

- (c) All reasonable requests for information made by one Party to the other shall be honored in a timely fashion to permit constructive discussion.
- (d) The duty to engage in dispute resolution is a material part of this Agreement enforceable by equitable relief.
- (e) Upon failure to resolve a dispute through the steps outlined in this Agreement, any Party may engage in other dispute resolutions processes agreed upon by the Parties or pursue any legal or equitable remedies available.

7.03 Waivers of Non-Compliance with Participation Agreement.

- (a) No provision of this Participation Agreement may be waived once the grace period as defined in Section 4.03, as applied to Legacy Projects, has concluded.
- (b) Any waiver of a provision or provisions of this document must be formally executed in accordance with section 7.07 of this Participation Agreement.
- (c) The failure of any Party to require timely compliance with this agreement or another agreement executed based upon this agreement shall not affect the right of the other Party to enforce the provisions of the agreement.
- (d) No waiver or acquiescence by a Party to any breach of any provision of an agreement is to be taken as authorization or a waiver to commit any subsequent breach of that provision or any other provision.

7.04 Governing Law. The parties intend that this Participation Agreement be governed by the law of the State of North Carolina. Proper venue for any action shall solely be Orange County.

7.05 Assignment. No Party may sell or assign any interest in or obligation under this Participation Agreement without the prior express written consent of the other Parties.

7.06 Independence of the Parties. Nothing herein shall be construed to modify, abridge, or deny the authority or discretion of any Party to independently develop, administer, or control Implementation Elements pursuant to enumerated authority or funding sources separate from those outlined in this Participation Agreement.

7.07 Execution in Counterparts/Electronic Version of Participation Agreement. This Participation Agreement may be executed via the use of counterparts. Any Party may convert the fully executed Participation Agreement to an electronic record pursuant to a North Carolina Department of Natural and Cultural Resources approved procedure and process for record retention purposes. Such electronic record of the Participation Agreement shall be deemed for all purposes to be an executed Participation Agreement.

7.08 No Waiver of Sovereign Immunity. Nothing in this Participation Agreement shall be construed to mandate purchase of insurance by Orange County pursuant to N.C.G.S. 153A-435 or purchase of insurance by any municipality pursuant to N.C.G.S. 160A-485; or to in any other

way waive any Party's defense of sovereign or governmental immunity from any cause of action alleged or brought against any Party for any reason if otherwise available as a matter of law.

7.09 No Waiver of Qualified Immunity. No officer, agent or employee of any Party shall be subject to any personal liability by reason of the execution of this Participation Agreement or any other documents related to associated transactions. Such officers, agents, or employees execute this Participation Agreement in their official capacities only and not in their individual capacities. This section shall not relieve any such officer, agent, or employee from the performance of any official duty provided by law.

7.10 Verification of Work Authorization; Iran Divestment Act. All Parties, and any permitted subcontractors, must comply with Article 2, Chapter 64, of the North Carolina General Statutes. The Parties hereby certify that they, and all permitted subcontractors, if any, are not on the Iran Final Divestment List created by the North Carolina State Treasurer pursuant to N.C.G.S. 147-86.58.

7.11 Third-Party Beneficiaries. There are no third-party beneficiaries to this Participation Agreement.

The Comprehensive Participation Agreement between Orange County, Durham-Chapel Hill-Carrboro Metropolitan Planning Organization, Research Triangle Regional Public Transportation Authority, Town of Chapel Hill, Town of Carrboro, Town of Hillsborough, and City of Mebane was _____ by the Orange County Board of Commissioners by a vote of _____ on _____, 2023.

ATTEST:**ORANGE COUNTY, NORTH CAROLINA**

BY: _____

BY: _____

TITLE: _____
Commissioners

TITLE: Chairperson, Board of County

The Comprehensive Participation Agreement between Orange County, Durham-Chapel Hill-Carrboro Metropolitan Planning Organization, Research Triangle Regional Public Transportation Authority, Town of Chapel Hill, Town of Carrboro, Town of Hillsborough, and City of Mebane was _____ by the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization Board by a vote of _____ on _____, 2023.

ATTEST:**DURHAM-CHAPEL HILL-CARRBORO
METROPOLITAN PLANNING ORGANIZATION**

BY: _____

BY: _____

TITLE: _____

TITLE: Chairperson, Durham-Chapel Hill-Carrboro
Metropolitan Planning Organization Board

The Comprehensive Participation Agreement between Orange County, Durham-Chapel Hill-Carrboro Metropolitan Planning Organization, Research Triangle Regional Public Transportation Authority, Town of Chapel Hill, Town of Carrboro, Town of Hillsborough, and City of Mebane was _____ by the GoTriangle Board of Trustees by a vote of _____ on _____, 2023.

ATTEST:**RESEARCH TRIANGLE REGIONAL PUBLIC
TRANSPORTATION AUTHORITY D/B/A
GOTRIANGLE**

BY: _____

BY: _____

TITLE: _____

TITLE: Chairperson, Board of Trustees

The Comprehensive Participation Agreement between Orange County, Durham-Chapel Hill-Carrboro Metropolitan Planning Organization, Research Triangle Regional Public Transportation Authority, Town of Chapel Hill, Town of Carrboro, Town of Hillsborough, and City of Mebane was _____ by the Town of Chapel Hill Town Council by a vote of _____ on _____, 2023.

ATTEST:

BY: _____

TITLE: _____

TOWN OF CHAPEL HILL, NORTH CAROLINA

BY: _____

TITLE: Chairperson, Town Council

The Comprehensive Participation Agreement between Orange County, Durham-Chapel Hill-Carrboro Metropolitan Planning Organization, Research Triangle Regional Public Transportation Authority, Town of Chapel Hill, Town of Carrboro, Town of Hillsborough, and City of Mebane was _____ by the Town of Carrboro Town Council by a vote of _____ on _____, 2023.

ATTEST:

BY: _____

TITLE: _____

TOWN OF CARRBORO, NORTH CAROLINA

BY: _____

TITLE: Chairperson, Town Council

The Comprehensive Participation Agreement between Orange County, Durham-Chapel Hill-Carrboro Metropolitan Planning Organization, Research Triangle Regional Public Transportation Authority, Town of Chapel Hill, Town of Carrboro, Town of Hillsborough, and City of Mebane was _____ by the Town of Hillsborough Board of Commissioners by a vote of _____ on _____, 2023.

ATTEST:

CAROLINA

BY: _____

TITLE: _____

TOWN OF HILLSBOROUGH, NORTH

BY: _____

TITLE: Chairperson, Board of Commissioners

The Comprehensive Participation Agreement between Orange County, Durham-Chapel Hill-Carrboro Metropolitan Planning Organization, Research Triangle Regional Public Transportation Authority, Town of Chapel Hill, Town of Carrboro, Town of Hillsborough, and City of Mebane was _____ by the City of Mebane Town Council by a vote of _____ on _____, 2023.

ATTEST:

BY: _____

TITLE: _____

CITY OF MEBANE, NORTH CAROLINA

BY: _____

TITLE: Chairperson, City Council

Transit Governance
Interlocal Agreement
Between
Orange County
Durham-Chapel Hill-Carrboro Metropolitan Planning Organization
And
Research Triangle Regional Public Transportation Authority

This Interlocal Agreement (the “Agreement”), is entered into this ____ day of _____ 2023, by and between Orange County, North Carolina, a public body politic and corporate of the state of North Carolina (hereinafter “Orange County”), Durham-Chapel Hill-Carrboro Metropolitan Planning Organization, a metropolitan planning organization (hereinafter “DCHC MPO” or “MPO”) and Research Triangle Regional Public Transportation Authority d/b/a GoTriangle, a public body politic and corporate of the State of North Carolina; each individually referred to as a “Party” and collectively referred to herein as “the Parties”;

Witneseth:

Whereas, Orange County, DCHC MPO and GoTriangle, all of which have specific roles in the implementation of public transit in the Orange County area, have determined that it is in their best interest to coordinate public transit planning, funding, expansion, and construction; and

Whereas, GoTriangle is a regional public transportation authority created in accordance with the provisions of N.C.G.S 160-603 *et seq.* by concurrent resolution of Durham, Orange and Wake counties and duly incorporated as a body corporate and politic and vested with the general powers set forth in N.C.G.S. Chapter 160A Article 26; and

Whereas, DCHC MPO is the Metropolitan Planning Organization for the Durham-Chapel Hill-Carrboro Urbanized Area, established pursuant to 23 U.S.C. 134 *et seq.* and recognized under the laws of North Carolina pursuant to N.C.G.S. 136-200.1; and

Whereas, Orange County is a body politic and corporate vested with the corporate powers set forth in N.C.G.S 153A-11; and

Whereas, GoTriangle, DCHC MPO and Orange County, among others, are parties to an agreement signed in 2016 titled “Agreement setting Forth the Mutual Understanding of the Parties as to the Scope and Content of the Financial Plan”, which defined the creation of the Triangle Tax District; and

Whereas, GoTriangle serves as the regional public transportation authority that administers the Triangle Tax District pursuant to N.C.G.S 105-508; and

Whereas, the Parties to this Agreement, in collaboration with local partners and stakeholders, shall carry out the implementation of the Orange County Transit Multi-Year Vision Plan, which shall include an approved financial plan pursuant to N.C.G.S 105-508.1; and

Whereas, the Parties pursuant to the authority of N.C.G.S. 160A-461 *et seq.* are authorized to enter into this Agreement and joint planning and implementation efforts in order to pursue the above stated goals.

Now Therefore, for and in consideration of the promises and covenants contained in this Agreement and the mutual benefits derived therefrom, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

Article I

Purpose and Scope

- 1.01 **Purpose.** The purpose of this Agreement is to provide a plan of governance that will efficiently, effectively, and equitably implement public transit services and projects as set forth in the Orange County Transit Multi-Year Vision Plan (see 2.038 for definition) and associated Orange County Transit Annual Work Programs (see 2.011 for definition). This Agreement will also guide updates and amendments to the Orange County Transit Multi-Year Vision Plan which include the planning, design, funding, implementation, and operation of transit services; reporting expectations; and resolution of issues.
- 1.02 **Scope.** The scope of this Agreement shall be the governance of the planning, financing, and implementation of the Orange County Transit Multi-Year Vision Plan, as it may be amended from time to time as provided for herein.
- 1.03 **Objective.** The objective of this Agreement is to create a governance structure to successfully meet the purposes of this agreement.

Article II

Definitions

- 2.01 “Annual Capital Budget” shall mean the upcoming year of the multi-year Capital Improvement Plan (CIP) which is enacted by adoption of the capital projects ordinance pursuant to N.C.G.S. Chapter 159. This budget shall include the allocation of financial resources to specific project sponsors for specific projects. Appropriations that are made pursuant to the Annual Capital Budget shall be budgeted to project elements such as, but not limited to, infrastructure projects or vehicle rolling stock (depreciable items) in a multi-year major fund such that funding does not revert to available capital fund balance at the end of the fiscal year.
- 2.02 “Annual Operating Budget” shall mean the upcoming year of the annual operating program, which is enacted by the adoption of the operating projects ordinance pursuant to N.C.G.S. Chapter 159. This budget shall include the allocation of financial resources to specific project sponsors for specific projects. Appropriations that are made pursuant to the Annual Operating Budget shall be budgeted to elements such as, but not limited to, elements to support the operations, maintenance, and administrative oversight of public transportation services and the

overhead costs related to Tax District functions. The annual operating budget shall be budgeted by major fund. The annual operating budget shall also contain the annual administrative functions, the details of which shall be provided independently of operating costs associated with transit operating projects.

- 2.03 “Annual Orange Transit Report” shall mean a report that provides information regarding meeting strategic public transit objectives and includes the performance achieved, the strategies being followed, and performance targets and key milestones for capital projects and operating services.
- 2.04 “Annual Work Program Development Calendar” shall refer to the agreed upon schedule that is developed at the start of each fiscal year. This schedule outlines critical milestone-dates for which elements supporting the Annual Work Program are to be developed, drafted, and coordinated for review and approval by the SWG, and presented as information to all governing boards that are parties to this agreement.
- 2.05 “Audited Financial Statements” shall refer to financial statements which have been audited by a Certified Public Accountant and for which an opinion has been expressed to meet US generally accepted accounting principles or principles adopted by Governmental Accounting Standards Board (GASB) and prepared in accordance with N.C.G.S. 159-34.
- 2.06 “Capital Funding Agreement” shall mean an agreement between agencies to provide funding supporting an Implementation Element for specified capital improvements. Any such agreement will include details of the capital improvements to be provided and detail expectations on Orange County Transit Annual Work Program resource funding, responsibilities, schedule, and performance and shall adhere to any and all standards outlined in the supporting Comprehensive Participation Agreement.
- 2.07 “Capital Projects” shall mean purchase of land or interests in land; purchase, construction or demolition of buildings or other physical facilities; purchase of services of architects, engineers, as well as other studies; site improvements or development necessary for the implementation of transit projects; purchase or installation of fixed or moveable equipment necessary for the installation and operation of transit services; rolling stock or vehicles as defined by the Federal Transit Administration; corridor and project planning studies; infrastructure projects; and information technology costs that result in a long-term asset.
- 2.08 “Capital Projects Ordinance” shall mean the annual financial ordinance budgeted for the Orange Transit major capital fund pursuant to N.C.G.S Chapter 159., tied to the multi-year Capital Improvement Plan, the Annual Capital Budget and planned capital project funding agreements that implement needed capital projects.
- 2.09 “Component Unit” or “Separate Component Unit” shall refer to a unit of local government within the Tax District if the primary entity has administrative responsibility for the budget adoption and operation and management of transit services provided by the unit. The primary entity shall report in its financial statements information about the relationship between any component unit(s) and the primary entity. The primary entity also is required to report Orange Transit Plan Revenues, including Dedicated Local Transit Funding Sources, expenditures and fund balance in columns separate from the primary entity’s financial data in its annual audited statements.

- 2.010 “Annual Comprehensive Financial Report” (“ACFR”) shall mean the report prepared by governmental entities that complies with the accounting regulations promulgated by the Governmental Accounting Standards Board (GASB).
- 2.011 “Orange County Transit Annual Work Program” or “Work Program” shall mean the comprehensive annual program for transit capital and operations presented by the SWG (see 2.034) which shall include all of the separate components of:
- a. Annual Operating Budget Ordinance. This shall be supplied for the Orange Transit major operating fund which will appropriate funds for the operation, administration, and implementation of projects identified in the Work Program as operating projects;
 - b. Annual Tax District administration budget for the Orange Transit major operating and capital fund;
 - c. Multi-Year Capital Improvement Plan (CIP) supplied for the Orange Transit major capital fund that clearly identifies specific projects, project sponsors responsible for undertaking those projects, project funding sources, and project expenditures. (NOTE: The Multi-year CIP shall be updated annually to coincide with the annual capital budget always being the first year of appropriation of funding for capital projects identified in the CIP. The Multi-year CIP shall be coordinated with the Metropolitan Transportation Plan, Transportation Improvement Program, and annual program of projects developed and maintained by the DCHC MPO designated recipient of federal formula transit grants so as to be consistent with submittal deadlines for the Transportation Improvement Program and the horizon years of the Metropolitan Transportation Plan.);
 - d. Annual Capital Budget Ordinance supplied for the Orange Transit major capital fund that allocates financial resources to specific project sponsors for specific projects and represents the current year of appropriation of funding for capital projects identified in the Multi-Year CIP;
 - e. Annual Operating Program (as defined *supra.*);
 - f. Adjustment of the Current Orange Transit Financial Plan and financial model assumptions and corresponding update of the planning horizon of Orange County Transit Multi-Year Vision Plan future projects not included in the current Multi-year CIP. The Parties shall use good faith efforts to align planning horizon year with the horizon year of the current DCHC MPO MTP. The Financial Model shall contain agreed upon financial assumptions of the SWG (and supporting subcommittees as designated) for the Orange County Transit Annual Work Program revenues involving federal, state, and local sources and multi-year capital and operating costs including liquidity targets and debt ratios relevant to rating agency metrics;
 - g. Multi-year Capital Funding Agreements or Global Agreements; and
 - h. Multi-year Operating Agreements or Global Agreements.
- 2.012 “Dedicated Local Transit Funding Sources” shall be defined as all revenues derived from transit funding sources in support of the Orange County Transit Multi-Year Vision Plan, which shall include, but not limited to (for potential future need):
- a. Article 43 Half-Cent (0.5 percent) Sales and Use Tax. This is the ½ percent local option sales and use tax as defined by N.C.G.S 105-508;

- b. Article 51 Three-Dollar (\$3) increase to GoTriangle Regional Vehicle Registration Fee. This is the increased portion of the regional vehicle registration fee assessed by GoTriangle in accordance with N.C.G.S 105-561 *et seq.* allocated to Orange County;
 - c. Article 52 Seven-Dollar (\$7) County Vehicle Registration Fee. This is the County vehicle registration fee assessed by the Orange County Board of Commissioners in accordance with N.C.G.S 105-570 *et seq.*; and
 - d. Vehicle Rental Tax. Any portion of vehicle rental tax collected by GoTriangle pursuant to N.C.G.S. 105-550 *et seq.* that is allocated to Orange County by the GoTriangle Board of Trustees. Future allocations of the Vehicle Rental Tax after FY23 shall be subject to the sole discretion of the GoTriangle Board of Trustees approval. If the GoTriangle Board of Trustees chooses to suspend any allocations of the Vehicle Rental Tax to Orange County, the Board of Trustees shall provide said county with three (3) months' notice of such suspension.
- 2.013 "Orange County Transit Plan Revenue" shall mean Dedicated Local Transit Funding Sources, any federal or state funds allocated by a designated recipient, debt proceeds, fares, local contributions, and any other sources of revenue used to fund the Orange County Transit Multi-Year Vision Plan
- 2.014 "Equitable Use of Net Proceeds Within or To Benefit the Special District" as that term is used in N.C.G.S. 105-508.1 shall mean:
 - a. The revenues collected in Orange County must be spent for the benefit of that County. That does not mean they have to be spent in the County.
 - b. For Cross-County projects, rates that are negotiated on some agreed upon periodic basis by the counties are by definition equitable
- 2.015 "Financial Model" shall mean a long-term financial planning model, that projects revenues and expenditures and includes all Dedicated Local Transit Funding Sources, as well as additional projected sources for projects and planned uses of funds as necessary for both capital projects and operating expenses, and is used to evaluate the impact of operating and funding decisions on the Orange Transit major operating and capital funds' financial condition to ensure the Orange County Transit Multi-Year Vision Plan's policies and objectives are maintained in the long-term, including liquidity targets and debt ratios relevant to rating agency metrics. Only Orange County Transit Plan Revenue, including Dedicated Local Transit Revenues, and expenditures of projects in support of the Orange County Transit Multi-Year Vision Plan shall be included in the Financial Model.
- 2.016 "Financial Plan" as that term is used in N.C.G.S. 105-508.1(2) shall mean:
 - a. the Financial Plan requiring approval shall mean the Plan Implementation and Finance components of the most current Orange County Transit Multi-Year Vision Plan as supported by the details of the Orange County Transit Multi-Year Vision Plan and modeled in the associated Financial Model. Approval authority over the Financial Plan by the parties to this agreement only applies to the Dedicated Local Transit Funding Sources. Any other funding sources comprising the Financial Plan should be provided by appropriate project sponsors (as approved by their governing body) during the Annual Work Program and/or Multi-Year Vision Plan development processes.
 - b. **If now or in the future the Special District consists of Orange County and one or more other counties**, the Financial Plan shall only include funds that would be budgeted and

reported in the Orange Transit major operating and capital funds, provided that financial plans for other counties in the District, if any, have previously been approved by those counties.

- 2.017 “Financial Statements” shall mean the statement of financial condition prepared in accordance with N.C.G.S 159-25.
- 2.018 “GASB” shall mean the Governmental Accounting Standards Board (GASB) which establishes standards and principles for state and local governmental accounting and financial reporting.
- 2.019 “Implementation Element” shall mean a discrete project, operation or study or a discrete logical grouping of projects, operations or studies tracked separately by the Orange County Transit Annual Work Program.
- 2.020 Local Government Commission (“LGC”) is established by N.C.G.S. 159-3 and provides assistance to local governments and public authorities in North Carolina. It is staffed by the Department of State Treasurer and approves the issuance of debt for all units of local government and assists those units with fiscal management.
- 2.021 “Major Fund” shall be, as defined by the GASB, a fund that is reported in a separated column in the basic fund financial statements and is subject to a separate audit opinion in the independent auditor’s report. As defined, the Tax District shall report at a minimum major fund for the Orange Transit Work Plan Operating Funds and a major fund for the Orange Transit Work Plan Capital Funds.
- 2.022 “Global Agreement” shall mean an Operating or Capital Funding agreement that encompasses a discrete logical grouping of capital projects, transit operations or studies.
- 2.023 “Enhanced Quarter-2 Report” shall mean a report delivered approximately 6 months into the year of current work program implementation that provides information regarding progress toward strategic objectives outlined in the Orange County Transit Annual Work Program and includes the performance achieved, the strategies being followed, and performance targets and key milestones for Capital Projects and operating services identified in the Orange County Transit Annual Work Program.
- 2.024 “Multi-Year Capital Improvement Plan” (“CIP”) shall mean a multi-year document that identifies by year projected capital projects, project sponsors responsible for undertaking these projects, the financial costs, and anticipated sources of funding for those projects, and identifies any projected operating costs associated with those projects. The CIP shall be coordinated with the Metropolitan Transportation Plan, Transportation Improvement Program, and annual program of projects developed and maintained by the DCHC MPO as designated recipient of federal formula transit grants so as to be consistent with submittal deadlines for the Transportation Improvement Program and the horizon years of the Metropolitan Transportation Plan.
- 2.025 “Annual Operating Program” shall mean the annual document describing transit operating programs, which could include the development of local bus, express bus, Bus Rapid Transit, Commuter Rail Transit, or other public transportation-type services not specifically highlighted here to be funded by the Tax District. It will describe service changes planned for the year and preliminary service proposals and financial projection for the subsequent years. A detailed report on the status of each bus and rail route shall also be included, along with performance objectives for the coming year. The document shall also describe administrative, planning, marketing, or other functions that are not directly accounted for in specific infrastructure

project delivery or allocated to service delivery, but which are essential to the implementation of the Transit Plan.

- 2.026 “Multi-Year Service Implementation Plan” shall mean a document or documents that detail how transit services will be modified, to include expansion and reduction, operated and maintained over a specific number of years. The plan(s) shall detail timing and schedule, justifications for implementation decisions, and public involvement steps. Different transit operators may have different plans for implementation, but the different plans must be coordinated with each other particularly with respect to anticipated funding and public outreach.
- 2.027 “Non-Orange County Revenues” shall mean all revenues collected on behalf of member counties other than Orange County within the Tax District or Special District that are derived from transit funding sources associated with counties other than Orange County.
- 2.028 “Operating Agreement” shall mean an agreement between an agency tasked to provide an Implementation Element, the Tax District and other agencies as needed, or an operating plan if the Implementation Element is to be provided by the Agency. The agreement shall state the details of the service to be provided and detail expectations on funding, responsibilities, schedule, and performance. The agreement shall adhere to any/all standards outlined in the supporting Comprehensive Participation Agreement.
- 2.029 “Operating Budget Ordinance” shall mean the annual financial ordinance budgeted for the Orange Transit major operating fund pursuant N.C.G.S. Chapter 159, tied to Operating Agreements, that includes funds for the operations identified in the Orange Transit Work Plan, allocations for reserves, and transfers to other such funds such as other Orange Transit major funds identified by the Component Unit. The Operating Budget Ordinance shall include the general administrative and maintenance expenses of the unit separate from the Project Operating Funds.
- 2.030 “Operating Funds” shall mean funds appropriated in the annual operating budget for the administration, operation and maintenance of the transit system.
- 2.031 “Operating Fund Balance” shall mean the reported amounts restricted by enabling legislation for the Orange Transit major operating fund, presented in the basic financial statements, and disclosed in the notes to the Financial Statements as required under generally accepted accounting standards.
- 2.032 “Project Operating Funds” shall mean funds appropriated in the annual Operating Budget Ordinance to support the operation of projects identified in the Orange County Transit Annual Work Program.
- 2.033 “Quarterly Financial Reports” shall mean the quarterly statement of financial condition prepared in accordance with N.C.G.S. 159-25.
- 2.034 “Special District” shall mean any tax district administered by GoTriangle pursuant to authorizing resolutions and N.C.G.S. 105-508 *et seq.* or N.C.G.S 105-561 *et seq.* to which Orange County is a member, now or in the future.
- 2.035 “Staff Working Group” or “SWG” shall mean a committee created by this Agreement for the purposes enumerated and as defined in Article III herein. The SWG is jointly charged by all parties to this Agreement with coordinating planning and implementation aspects of the Orange County Transit Annual Work Program (as defined in 2.011), as well as facilitating elements of the Orange County Transit Multi-Year Vision Plan (as defined in 2.038) and serving in an advisory

role to the Orange County Board of Commissioners, DCHC MPO Executive Board, and GoTriangle Board of Trustees.

- 2.036 “Supplantation” shall mean the opportunity for parties to this agreement to use certain funding sources to replace existing funds or other resources for public transportation systems.
- a. Local Funding Source that allows supplantation: the County Vehicle Registration Tax (N.C.G.S 105-570) which is levied at its maximum amount of \$7.00 per year;
 - b. Local Funding Sources that do not allow supplantation:
 - i. Local Government Sales and Use Taxes for Public Transportation (N.C.G.S. 105-506:514) which is levied at its maximum allowable rate of one-half percent (*non-supplantation cited in N.C.G.S 105-507.3.b*);
 - ii. Regional Transit Authority Registration Tax (N.C.G.S. 105-560:569) which is levied at its maximum amount of \$8.00 per year with \$3.00 of each \$8.00 collected allocated locally to Orange County (*non-supplantation cited in N.C.G.S. 105-564*).
- 2.037 “Tax District” shall mean any tax district administered by GoTriangle pursuant to authorizing resolutions and N.C.G.S. 105-508 *et seq.* or N.C.G.S 105-561 *et seq.* to which Orange County is a member, now or in the future.
- 2.038 “Transit Plan,” or “Multi-Year Vision Plan,” shall mean the comprehensive multi-year vision plan for transit operating and capital needs over a period of time of at least 4 years, through coordination with the DCHC-MPO Metropolitan Transportation Plan adoption process and shall also be prepared by the SWG for approval by appropriate governing boards, which shall include all the separate components of:
- a. Multi-year Capital Improvement Plan
 - b. Annual Operating Program, or Multi-Year Service Implementation Plan, which shall include assumptions for administrative staff needs to support plan implementation efforts across the period of time defined by the Transit Plan
 - c. Financial Plan (as defined in section 2.016)
 - d. Update of the Financial Model Assumptions (if applicable)
- 2.039 “Triangle Tax District” shall mean the tax district, also referred to as the Special District created by GoTriangle on or about May 25, 2016, pursuant to authorizing resolutions and N.C.G.S. 105-508 *et seq.*
- 2.040 “Comprehensive Participation Agreement” shall mean an agreement that formally invites parties to participate in plan implementation elements that are not explicitly parties to this Transit Governance Interlocal Agreement.

Nothing herein shall prevent Orange County from entering a mutually negotiated Cost Sharing Agreement with other jurisdictions for any regional transit projects or systems so long as they are detailed in the Multi-Year Vision Plan.

Article III

Staff Working Group (“SWG”)

- 3.01 SWG Established. The Parties hereby establish the Orange County Staff Working Group (“SWG”). Pursuant to the authority set forth in this Agreement, the SWG shall coordinate planning and oversee the implementation of the Annual Work Program, as well as facilitate development of elements for the Multi-Year Vision Plan. It shall also serve in an advisory role to the Orange County Board of Commissioners, DCHC MPO Board and GoTriangle Board of Trustees.
- 3.02 Membership, Organization and Objectives.
- a. Initial Membership. The initial membership of the SWG shall be comprised in two categories – voting & non-voting.
 - i. Voting members: two (2) staff members shall be appointed by each of the ILA Parties (“ILA Party Members;” each party should consider a planning/administrative representative as well as a finance representative); two (2) staff members shall be appointed by the Town of Chapel Hill (one general representing the Town; the other representing Chapel Hill Transit); and one (1) staff member appointed by each of the following, the Town of Carrboro, Town of Hillsborough and the City of Mebane.
 - ii. Non-Voting members: each party shall appoint one (1) staff member appointed from the following organizations to advise County Transit Plan Implementation efforts. These organizations are: Triangle-J Council of Governments, and University of North Carolina, Chapel Hill
 - b. Voting Structure for Initial Membership. When a vote is called by the chair on any issue, each ILA Party Member, as well as the Town of Chapel Hill, shall have two (2) votes; the Town of Carrboro, Town of Hillsborough, and City of Mebane shall have one (1) vote.
 - c. Regular Membership. The meeting of the SWG shall be called by the SWG Administrator by way of the DCHC MPO within fifteen (15) days of the execution of this Agreement. The meeting shall abide by rules set forth in this agreement. A Chair and Vice-Chair shall be elected by the voting members at this initial meeting. Prior to June 30, 2023, the SWG should finalize and approve rules, agencies and expectations for regular membership and organizational function. The initial members of the SWG should take into consideration various required skill sets, specifically in local planning, budgeting, finance, project construction and operations.
 - d. Operational Rules of SWG. By June 30, 2023, the members of the SWG shall, consistent with the responsibilities outlined in Section 3.03 and the flexibilities outlined in 3.04, submit to the Orange County Board of Commissioners, DCHC MPO Board and GoTriangle Board of Trustees for
 - i. Approval: 1) bylaws including the provisions of Section 3.05; 2) rules dictating the composition, organization, and function of the SWG; 3) rules dictating amendment procedure for both the Annual Work Program and Multi-Year Vision Plan; and
 - ii. Review as information through appropriate timeframe cycles 1) a meeting schedule; 2) a list of deadlines for the submittals defined herein; and 3)

identification of the Party to serve as the lead agency for each of the responsibilities enumerated in Section 3.03.

- e. The SWG, which serves as an administrative and advisory arm to the parties of this agreement, shall adhere to public meeting laws as outlined in N.C.G.S. 143-318.9:18 (Article 33 of Chapter 143, "Meetings of Public Bodies").
- f. Timeliness. The SWG shall develop processes and procedures to allow decision to be made in a timely manner. Duties not specifically denoted under Section 3.03 may be delegated to other groups. The designation and delegation of these duties shall be approved by the appropriate governing boards based on plan elements' (i.e., Annual Work Program or the Multi-Year Vision Plan) impacts and shall include the governing boards that represent the parties to this agreement.

- 3.03 Responsibilities. The SWG shall be charged with the development or delegation to a Party as a lead agency of the following:
- a. Annual Work Program, including all the separate elements defined in Section 2.011
 - b. a Multi-Year Vision Plan;
 - c. Templates containing minimum standards for project and financial reports (first version by June 30, 2023)
 - d. Designation of project sponsors (agencies responsible for each respective capital and operating project), including agencies responsible for each Implementation Element;
 - e. A strategy for each Implementation Element or agreement, which shall include scope, geography, estimated budget, sponsoring agency/jurisdiction, purpose, and goals; and
 - f. An articulated strategy for incorporating or account for public outreach, involvement, and communication with the deliverables set forth in a, b, d, and e.
- 3.04 Assignment. The SWG may, by vote or by other mechanism allowed in its bylaws, assign the creation and maintenance of certain documents for which it is responsible to Parties or SWG members. However, the SWG shall not delegate its responsibility to review and present documents and products which are defined in Section 3.03 as SWG responsibilities. All documents related to the duties of Section 3.03 produced on behalf of the SWG must be reviewed and formally approved, by SWG prior to release.
- 3.05 Minimum Quorum and Voting. The Parties to this Agreement agree that the SWG deliberation process must allow decisions to be made in an efficient and timely manner. A quorum shall be when 7 of 11 SWG members appointed by the Parties to this Agreement are present for a SWG meeting.
- 3.06 Right to Inspect. All Parties to this Agreement, or their authorized representative(s), shall have the right to inspect, examine, and make copies of any and all books, records, electronic files, agreements, minutes, and other writings and work products related to the operation and day to day business of the SWG.
- 3.07 Staff Working Group Lead Agency Determination. Any party to this Agreement shall be responsible for hosting, convening and administering (serving as the 'Lead Agency') the Staff Working Group (SWG) and hosting the role of the Staff Working Group Administrator, which is a critical role to facilitate program development and plan implementation. The parties to this Agreement shall determine SWG Administration Lead Agency by June 30, 2023 and shall be reevaluated with each multi-year vision plan update process. DCHC MPO shall continue to serve as the SWG Administrator upon execution of this agreement through the aforementioned

deadline. Lead Agency assignment for SWG Administration shall be recommended by the SWG to all three governing boards represented through this Agreement for approval.

Article IV

Term, Termination, Amendment

4.01 Term.

- a. Effective Date. This Agreement shall become effective upon the properly authorized execution of the Agreement by all Parties.
- b. This Agreement shall continue for a period of seventeen (17) years from the Effective Date, unless otherwise amended by the prior express written agreement of the Parties. This term aligns with horizon year of the current County Transit Multi-year Vision Plan at the time of execution of this Agreement.
- c. Any amendment, termination, or renewal of the Term must be in the form of a written instrument properly authorized and executed by the governing boards of each Party.
- d. The Parties agree that the Term shall be extended by mandatory amendment though the final maturity dates of any debt issued and payable from Orange County Transit Tax Revenues seventeen (17) year initial term.

4.02 Termination.

- a. Material Breach. If any Party violates a responsibility, duty, or assumption stated in Article V, the other Party(ies) shall give written notice of the breach and request to cure. If such breach is not cured within thirty (30) days of written notice thereof, any non-breaching Party may, without further notice or demand, in addition to all other rights and remedies provided in this Agreement, at law or in equity, terminate this Agreement and recover any damages to which it is entitled because of said breach. In the event of a non-material breach of the Agreement, the termination procedure set forth in 4.02(b) shall apply.
- b. Termination upon one (1) year's notice. Any Party may terminate its participation in this Agreement with or without breach by giving written notice to each other Party of intent to terminate, as well as reasons for terminating (which shall be in the sole discretion of the terminating party), at least one (1) year prior to the effective termination date.
- c. Bankruptcy/Insolvency Special Provisions. If any Party applies for or consents to the appointment of a receiver, trustee or similar officer for it or any substantial part of its property or assets, or any such appointment is made without such application or consent by such Party and remains discharged for sixty (60) days, or files a petition in bankruptcy or makes a general assignment for the benefit of creditors, then such action shall constitute a material breach of this Agreement not requiring notice and opportunity to cure and the other Party(ies) may terminate effective immediately.
- d. Cooperation Provisions. In the event of termination pursuant to any subsection hereunder, the terminating Party shall not be relieved of any existing and underperformed obligations up until the effective date of termination, and the Agreement shall remain in effect as to the non-withdrawing Parties. The non-withdrawing Parties, beginning at the time of notice of termination is received, shall work together in good faith to determine if the intent and purpose of the Agreement

can be accomplished by executing any Amendments deemed necessary and/or adding any parties deemed necessary to perform the executory obligations of the withdrawing Party.

- e. Non-Exclusive Remedies. No remedy provided in this Agreement shall be considered exclusive of any other remedy in law or in equity.
- f. Repeal and Dissolution. Nothing herein shall be construed to restrict Orange County's ability to repeal any transit tax previously enacted and consideration will be given by the County to any transit taxes levied in support of debt service in support of the Orange County Transit Annual Work Program. Nothing herein shall be construed to restrict Orange County's ability to request dissolution of the special tax district in accordance with N.C.G.S. 105-509.1 and N.C.G.S. 105-473(a).
- g. Notice. Any written or electronic notice required by this section shall be delivered to the Parties at the following addresses:

For Orange County:

Orange County
Attn: County Manager
300 West Tryon Street
PO Box 8181
Hillsborough, NC 27278

With a copy to:

Orange County Attorney
300 West Tryon Street
PO Box 8181
Hillsborough, NC 27278

For DCHC-MPO:

Durham Chapel Hill Carrboro Metropolitan Planning Organization
Attn: Executive Director
101 City Hall Plaza
Durham, NC 27701

For GoTriangle:

GoTriangle
Attn: General Manager
PO Box 13787
Research Triangle Park, NC 27709

With a copy to

Attn: GoTriangle General Counsel
PO Box 13787
Research Triangle Park, NC 27709

- 4.03 Amendment. The Parties will conduct a coordinated review of the Agreement at least every four (4) years to consider any desired updates through the Agreement amendment process. If any Party desires to amend the Agreement outside the (4) four-year review cycle, then the proposed amendment and the reasons for the proposed amendment shall be communicated in writing to the other Parties. If the Parties agree to the proposed amendment, then the amendment shall be affected by entering a written amendment to the Agreement. An amendment that does not change the substantive or financial commitments of the Agreement may be executed by the Orange County Manager, the DCHC-MPO Executive Director, and the GoTriangle Chief Executive Officer. Any other amendment to the terms of this Agreement to be effective must be in the form of a written instrument properly authorized and executed by the governing boards of each Party to this Agreement.

Article V

Responsibilities, Financial Duties and Assumptions of the Parties

The responsibilities of the Parties are as follows:

- 5.01 Orange County shall carry out its legal, contractual, fiscal, and fiduciary duties as government as follows:
- a. Shall provide staff to serve on the SWG;
 - b. Shall enter into Capital Funding Agreements and Operating Funding Agreements to study, plan, and construct public transit infrastructure capital Implementation Elements for which Orange County is a designated project sponsor and/or providing funding in-part or wholly and to deliver such Implementation Elements as identified within the Orange Transit Annual Work Program and or the Orange Transit Multi-Year Vision Plan;
 - c. Shall provide required financial and status reports on Implementation Elements for which Orange County is providing funding in-part or wholly (i.e., serving as a project sponsor);
 - d. Shall coordinate approval of the components of the Annual Work Program identified in Section 2.011 by the Orange County Board of Commissioners;
 - e. Shall coordinate, as needed, to review documents, as defined in Article II or in subsequently developed policies & procedures that support transit plan implementation, and recommend for approval by the Orange County Board of Commissioners when necessary;
 - f. Shall coordinate approval of the Multi-Year Vision Plan identified in Section 2.038 by the Orange County Board of Commissioners;
 - g. Comply with N.C.G.S. 143-6A-4, the "Iran Divestment Act Certification";
 - h. Perform other any other actions consistent with the powers and duties set forth in N.C.G.S. Chapter 153A and N.C.G.S 105-561 *et seq.*; and
 - i. To the extent applicable, shall comply with 23 U.S.C. 134, 49, U.S.C. Chapter 53, and N.C.G.S. Chapter 136;
- 5.02 DCHC-MPO shall carry out its legal, contractual, fiscal, and fiduciary duties as the Metropolitan Planning Organization as follows:

- a. Shall coordinate/align Dedicated Local Transit Funding sources with other transportation investments and state and federal funding;
 - b. Shall provide staff to serve on the SWG
 - c. Shall enter into Operating and Capital Funding Agreements, for which the DCHC MPO is a party to, to study and plan public transit Capital Projects and deliver Implementation Elements as identified within the Orange County Transit Annual Work Program;
 - d. Shall provide required financial and status reports on Implementation Elements for which DCHC MPO is responsible (i.e., serving as a project sponsor) that are funded in-part or wholly by the Tax District;
 - e. Shall serve as the coordinating agency between the Parties, N.C. Department of Transportation, and federal agencies including but not limited to the Federal Highway Administration, the Federal Transit Administration, and the Federal Railroad Administration when coordination of regional need is deemed necessary by the SWG;
 - f. Shall coordinate, as needed, to review and approve documents, as defined in Article II or in subsequently developed policies & procedures that support transit plan implementation, by the DCHC-MPO Executive Board;
 - g. Shall coordinate approval of the Multi-Year Vision Plan by the DCHC-MPO Executive Board;
 - h. Shall identify projects using federal transit funding and ensure that the multi-year operating program, the Annual Operating and Capital Budgets including such projects are coordinated with the MPO's annual planning for projects process and Transportation Improvement Program;
 - i. Shall comply with N.C.G.S. 143-6A-4, the "Iran Divestment Act Certification";
 - j. When applicable and appropriate, shall apply for, secure, and direct reasonably available funding toward components of the Orange County Transit Annual Work Program consistent with its other responsibilities within the MPO;
 - k. Shall program and administer funding, including but not limited to grant funding, and perform all required duties to apply for, coordinate, and align transit funding if applicable and appropriate, with other transportation investment and state and federal funding; and
 - l. Shall perform any other actions consistent with the powers and duties set forth in 23 U.S.C. 134 *et seq.*, 49 U.S.C. Chapter 53 and as recognized under the laws of North Carolina pursuant to N.C.G.S. Chapter 136.
- 5.03 GoTriangle shall carry out its legal, contractual, fiscal, and fiduciary duties as a unit of local government as follows:
- a. Shall administer and manage the Tax District, including carrying out its legal, contractual, fiscal, and fiduciary duties;
 - b. Shall comply with the responsibilities of a local government prescribed by the North Carolina Budget and Fiscal Control Act;
 - c. Shall adhere to the Financial Plan as defined by this Agreement, and any amendments authorized thereto;
 - d. Shall adhere to the Equitable Use of Net Proceeds within or to benefit the Special District as defined in this Agreement;

- e. Shall distribute the Financial Plan to each unit of local government within its jurisdiction in accordance with N.C.G.S. 105-508.1;
- f. Shall use or expend all Dedicated Local Funding Sources only as specifically budgeted in the approved Orange County Transit Annual Work Program;
- g. Shall not pledge, represent, appropriate, or covenant to appropriate any portion of the Dedicated Local Funding Sources to cover any debt service, encumbrances, or operating or other expenses that do not arise from the Orange County Transit Annual Work Program;
- h. Shall maintain adequate Operating Fund Balances and Capital Fund Balances in the Orange Transit major operating and capital funds per Financial Policies & Procedures and related guidelines mutually agreed to by SWG;
- i. Shall obtain approval from the Local Government Commission for all issuances of debt, certain capital leases, and other financial agreements as required by law;
- j. Shall not under the provisions of N.C.G.S. 160A-20, create any security interest in real or personal property funded by Orange Transit major operating and capital funds unless 100% of the proceeds of the related financing are for projects in the Orange County Transit Annual Work Program, unless such security interest and financing are approved by the Orange County Board of Commissioners;
- k. Shall ensure that any proceeds from the sale, transfer, and disposition of property, or from insurance proceeds for projects funded by Orange Transit major operating and capital funds be used for Orange Transit projects in accordance with the Orange County Transit Annual Work Program;
- l. Shall include provisions in all applicable financing documentation to the effect that GoTriangle has entered into an Agreement prohibiting the use of Dedicated Local Funding Sources to fund debt service or other expenses that do not arise from the Orange County Transit Annual Work Program unless otherwise agreed to or approved by the Orange County Board of Commissioners or included in the Orange County Transit Annual Work Program or the Orange County Transit Multi-Year Vision Plan;
- m. Shall, in connection with the financing of capital facilities outside of Orange County, unless such financing is agreed to or approved by the Orange County Board of Commissioners through project/umbrella agreements (for projects that are debt eligible) between the County, GoTriangle and/or project sponsor (if not GoTriangle), include provisions in all applicable financing and agreement-related documentation to the effect that these funds shall not be used to pay debt service or fund operating expenses or other costs associated with such capital facilities or the operation thereof from Dedicated Local Transit Funding Sources and that GoTriangle has entered into an agreement prohibiting the use of Dedicated Local Transit Funding Sources for such purpose;
- n. Shall maintain such books, records, and systems of accounts so that the expenditures of Dedicated Local Transit Funding Sources and Orange Transit Plan Revenue are accounted for as expended on the Orange County Transit Annual Work Program as budgeted and reported in the Orange Transit major operating and capital funds;
- o. Shall provide any and all Financial Statements, accountings, reports, and information to SWG within thirty (30) days of request, and produce drafts of documents created on

- behalf of the SWG for review and feedback from SWG prior to GoTriangle's issuance, approval, and release of Comprehensive Annual Financial Reports, adopted budget documents, and applications for Grant Funding approval;
- p. Shall not issue or authorize the issuance of any Preliminary Official Statement, Official Statement, or similar securities offering documents in connection with the financing of improvements by GoTriangle unless such document has previously been submitted to Orange County for review and comments regarding the nature of the security and sources of payment of the amounts due in connection with the financing;
 - q. Shall provide staff to serve on the SWG;
 - r. Shall enter into Operating or Capital Funding Agreements to study and plan public transit infrastructure Capital Projects and deliver Implementation Elements as identified within the Orange County Transit Annual Work Program;
 - s. Shall provide required financial and status reports on Implementation Elements for which GoTriangle is responsible (i.e., serving as project sponsor) that are funded in-part or wholly by the Tax District, and reported for the Orange Transit major operating and capital funds;
 - t. Shall annually review and approve required documents and perform any other actions consistent with the terms of this Agreement or powers authorized by a process to be established by SWG;
 - u. Shall coordinate approval of the components of the Orange County Transit Annual Work Program identified in Section 2.011 by the GoTriangle Board of Trustees;
 - v. Shall coordinate, as needed, to review and approve documents, as defined in Article II or in subsequently developed policies & procedures that support transit plan implementation, by the GoTriangle Board of Trustees;
 - w. Shall coordinate approval of the Multi-Year Vision Plan by the GoTriangle Board of Trustees;
 - x. Shall comply with N.C.G.S. 143-6A-4 regarding submissions or award of any bid or proposals to vendors, and contractors or subcontractors for any and all operating and project agreements;
 - y. Perform other any other actions consistent with the powers and duties set forth in N.C.G.S. 160A, Article 26;
 - z. Comply with N.C.G.S. 143-6A-4, the "Iran Divestment Act Certification"; and
 - aa. To the extent applicable, shall comply with 23 U.S.C. 134, 49 U.S.C. Chapter 53, and N.C.G.S. Chapter 136.

Article VI

Roles of Transit Service Providing Entities and Non-Transit Service Providing Entities

- 6.01 Transit Service Providing Entities. The Parties contemplate that the Transit Service Providing Entities, meaning any municipality or agency that directly or through contract provides public transportation services in Orange County, including but not limited to Orange County, Town of Chapel Hill and GoTriangle (when functioning as a transit provider), may participate at a minimum as follows:

- a. Provide staff to serve on the SWG;
 - b. Enter into Global/Capital Funding Agreements and Global/Operating Agreements to deliver Implementation Elements as identified within the Orange County Transit Annual Work Program (which includes the approved annual budget);
 - c. Provide required financial and status reports on Implementation Elements funded in-part or wholly by the Tax District; and
 - d. Perform any other responsibility it agrees to undertake consistent with statutory authority and the terms of this Agreement.
- 6.02 Non-Transit Service Providing Entities. The Parties that the Non-Transit Service Providing Entities, meaning any entity located in Orange County that does not provide public transportation services, may participate, if and when invited through SWG membership, at a minimum as follows:
- a. Provide staff to serve on the SWG in a non-voting role;
 - b. Enter into Global/Capital Funding Agreements and Global/Operating Agreements to deliver Implementation Elements as identified within the Orange County Transit Annual Work Program if identified as a project sponsor'
 - c. Provide required financial and status reports on Implementation Elements funded in-part or wholly by the Tax District; and
 - d. Perform any other responsibility consistent with statutory authority and the terms of this Agreement.

Article VII

Process for Recommendation, Approval, and Development of Orange County Transit Annual Work Program and Operating and Capital Project Ordinances and Agreements

- 7.01 The Annual Work Program shall consist of the component documents outlined in Section 2.011. It shall be assembled and reviewed in accordance with the Annual Work Program Development Calendar
- 7.02 The SWG shall recommend the Annual Work Program to the Orange County Board of Commissioners and the GoTriangle Board of Trustees for approval in accordance with the Annual Work Program Development Calendar. The schedule shall allow each agency adequate time to review documentation. Each of the parties will receive the plan in the order identified in 7.03 & 7.05 and identify any concerns or issues prior to the commencement of the fiscal year covered by the plan. Included in the schedule shall be a procedure for the SWG to plan for and schedule elements of public outreach and involvement. At the time when the Orange County Board of Commissioners receives the recommended Annual Work Program, GoTriangle may also provide comments during the County's official business meeting processes. The SWG may present the Annual Work Program to the DCHC MPO for review and comment at an official MPO Board meeting if time/schedule allows.
- 7.03 Upon receipt of the draft Orange County Transit Annual Work Program, the Orange County Board of Commissioners, shall review it, and can take the following actions:
- a. Approve the Orange County Transit Annual Work Program as submitted;

- b. Deny, while providing a list of minor issues, technical corrections, or a specific listing of Significant Concerns with the Orange County Transit Annual Work Program.
- 7.04 If the Orange County Board of Commissioners denies the work program and creates a detailed listing of minor issues, technical corrections, or Significant Concerns for the recommended Orange County Transit Annual Work Program, Orange County staff shall coordinate with other SWG members to make corrections and then submit for a second review and recommendation of approval by the SWG. Upon recommendation of the SWG, the Orange County Board of Commissioners will then vote on the revised work program.
- 7.05 Upon approval action taken by the Orange County Board of Commissioners, GoTriangle will then receive for review and take one of the following actions:
 - a. Approve the Orange County Transit Annual Work Program as recommended by the SWG and approved by the Orange County Board of Commissioners;
 - b. Deny, while providing a list of minor issues, technical corrections, or a specific listing of Significant Concerns with the Orange County Transit Annual Work Program.
- 7.06 All parties in this Agreement, or their authorized representative, shall have the right to inspect, examine, and make copies of any and all books, accounts, invoices, records, electronic files, agreements, minutes, and other writings and work products related to the funding of Tax District operations or projects. The cost of any audit or review conducted under the authority of this Section is the responsibility of the Party requesting the audit or review unless a material breach is detected, in which case the breaching party shall be responsible for the reasonable costs of audit or review.
- 7.07 Implementation. An Operating or Capital Project Funding Agreement shall be consistent with the requirements outlined in the supporting Comprehensive Participation Agreement. Parties to this Interlocal Agreement shall endeavor to develop global-level agreements with appropriate timeframes for each project sponsor seeking to implement operating or capital projects. These agreements must be prepared prior to distributing funds and starting the Project(s). All Operating or Capital Project Funding Agreements shall have at least two signatories from appropriate parties and shall also adhere to the following:
 - a. MPO Role with Managed Funding: If a project is covered by a global operating or capital funding agreement that involves federal or state funding that is otherwise under the distribution and program management responsibility of DCHC MPO, or regardless of funding source, constitutes a regionally significant project as defined in 23 CFR § 450.104, DCHC MPO shall be a party to the agreement.
 - b. Tax District Administrator Role: The tax district administrator shall always be a party to each agreement.
 - c. County Role: In addition to being a party to any agreement where the County serves as the project sponsor, the County shall be a party to each agreement where the tax district administrator is also the project sponsor.
 - d. Agreement where a special case exists. Parties to an operating or capital project agreement shall be brought to the tax district administrator as a recommendation for review and approval by the SWG when a special case arises outside the three categories described in 7.08.a-c
 - e. Standalone Agreement Need: When an operating or capital project of significant cost is programmed and approved, members of the SWG shall review and determine a

significant-cost threshold that requires a standalone agreement to be developed and signed by all appropriate parties.

- 7.08 Interim Work Program. In the event a resolution cannot be met to address the list of issues or technical corrections upon a vote of denial from either party highlighted in 7.03 & 7.05, an interim work program will be utilized for the upcoming fiscal year, pursuant to N.C.G.S. 159-13, until such time as a new work program is adopted by the parties identified in 7.04 and 7.05. In the case that an interim budget goes into effect, the current year operating budget will be assumed for the upcoming fiscal year. No additional capital expenses will be approved, nor any additional reimbursements paid for capital projects, until such time that a new work program is adopted by the parties identified in 7.04 and 7.05. This interim budget does not require approval of either body in 7.04 or 7.05. In the event an Interim Work Program is enacted, and specialized fiscal analysis is required to further inform achieving a new Annual Work Program, the tax district administrator shall bring such request to the SWG for review & approval.

Article VIII

Process for Recommendation, Approval, and Development of Orange County Transit Multi-year Vision Plan

- 8.01 The Multi-year Vision Plan shall include the component documents outlined in Section 2.038. The plan shall be assembled and reviewed in accordance with the Annual Work Program Development Calendar or other agreed upon schedule based on timing and need for multi-year plan adoption.
- 8.02 The SWG shall recommend the Multi-Year Vision Plan to the Orange County Board of Commissioners, DCHC MPO Board and the GoTriangle Board of Trustees for approval in accordance with the Annual Work Program Development Calendar or agreed upon schedule to meet the needs for the Multi-year plan adoption. The schedule shall allow each agency adequate time to review documentation, identify concerns and coordinate issues. Included in the schedule shall be a procedure for the SWG to plan for and schedule elements of public outreach and involvement.
- 8.03 Upon recommendation from the SWG, the Orange Transit Multi-year Vision Plan shall go before each governing board (Orange County Board of Commissioners, DCHC MPO Board and GoTriangle Board of Trustees) for review and the opportunity to take the following actions:
- a. Approve the Orange Transit Multi-year Vision Plan as recommended;
 - b. Deny, while providing a list of minor issues, technical corrections, or a specific listing of Significant Concerns with the Orange Transit Multi-year Vision Plan.
- 8.04 If any of the three governing boards denies the Multi-Year Vision Plan and creates a detailed listing of minor issues, technical corrections, or Significant Concerns for the recommended Orange Transit Multi-Year Vision Plan, SWG staff members who represent the dissenting board shall communicate the issues to other staff representatives of the other governing board(s) and coordinate with other SWG members to revise the plan and then submit for an additional review and approval by all three governing boards.

Article IX

Process for Capital, Non-Capital, Infrastructure, and Service Delivery Projects Reporting

- 9.01 The Tax District shall be reported as a Component Unit and shall include the Orange Transit major operating and capital funds separate from any and all major funds and/or other special tax districts within the Tax District, in the body of annually audited financial statements as required by GASB standards for major funds reported by blended component units. As administrator of the Tax District, GoTriangle shall present an annually audited financial statement for the separate component unit by December 15th of the subsequent fiscal year to the Orange County Board of Commissioners, DCHC MPO Board, and GoTriangle Board of Trustees.
- 9.02 At the time of the presentation of the annually audited financial statements, GoTriangle shall present an update of the Orange County Transit Annual Work Program projects including project milestones and timelines and operations of the system. This presentation shall be considered an Annual Orange Transit Report.
- 9.03 GoTriangle, as administrator of the Tax District, shall issue the following to the parties of this agreement, as well as any associated project sponsors:
 - a. Enhanced Quarter-2 Report for half-year period ending December 31st. to the SWG for the Orange Transit major operating and capital funds. This Report will be due to the SWG Administrator by March 15th. The format of this report shall be agreed upon by the Parties to this Agreement by June 30, 2023.
 - b. Quarterly Financial Condition Report. This report will be due 45 days after the end of each quarter which provides statement of financial condition of all program/plan implementation elements prepared in accordance with N.C.G.S. 159-25. Quarterly Financial Condition Report shall apply for all quarters but shall also be incorporated elements into the Enhanced Quarter-2 and Annual Reports.
- 9.04 At the time of the submittal of the Enhanced Quarter-2 reports, each agency that has a project funded in that fiscal year through the annual work program shall also submit an update of projects including project milestones and timelines and transit operations. The format of the Enhanced Quarter-2 Report and Quarterly Financial Condition Report shall be agreed upon by the Parties of this agreement by September 1, 2023.

Article X

Agreement Related Dispute Resolution

It is the desire and intent of the Parties to resolve any disputes in a collaborative manner and to avoid, if possible, the expense and delay of litigation. In the event that any Party cannot resolve an issue with another Part under this Agreement, the affected party shall engage in the following process:

- 10.01 Any Party may give written notice to another Party or Parties of any dispute not resolved in the ordinary course of business. Within ten (10) business days after delivery of the written notice by regular or electronic mail, the receiving Party(ies) shall submit a written response to the disputing Party and designate in the notice a representative who will represent that Party in the negotiation to resolve the dispute. If a third-party mediator is necessary, the Party providing initial written notice will indicate as such in the notice and seek confirmation/approval by the receiving parties in written response. It shall be the responsibility of the Party giving notice to cover any costs related to any third-party mediator once confirmed/approved by the receiving parties.
- 10.02 Within ten (10) business days of receiving the response, the appointees of the disputing and receiving Parties shall meet at a mutually acceptable time and place, and thereafter, as often as necessary to resolve the dispute.
- 10.03 All reasonable requests for information made by one Party to the other shall be honored in a timely fashion to permit constructive discussion.
- 10.04 The duty to engage in dispute resolution is a material part of this Agreement enforceable by equitable relief.
- 10.05 Upon failure to resolve a dispute through the steps outlined in this Agreement, any Party may engage in other dispute resolutions processes agreed upon by the Parties or pursue any legal or equitable remedies available.

Article XI

Non-Assignment

Delegation of Duty

- 11.01 No Party shall assign any portion of this Agreement or the rights and responsibilities hereunder to another person or entity who is not a party to this Agreement without the prior written consent of the other Parties. Notwithstanding the above, nothing herein shall restrict the rights of any party to contract with any third parties for the implementation of the Orange County Transit Annual Work Program as contemplated herein.
- 11.02 Except as expressly stated herein, this Agreement shall not change the delegation of any duty previously delegated to Party by federal law, state statute, local ordinance, or resolution, and shall not create any new duty which does not exist under federal law, state statute, local ordinance, or resolution.
- 11.03 Nothing herein shall modify, abridge, or deny any authority or discretion of Orange County with regard to calling for a special election as set forth in N.C.G.S. 163-287 or considering authorization to conduct a referendum by vote as set forth in N.C.G.S. Chapter 105, Article 43, Part 3.
- 11.04 Nothing herein shall modify, abridge, or deny any authority or discretion of any Party or municipality to independently develop, administer, or control transportation projects pursuant to enumerated authority or funding sources separate from the authority and funding sources outlined in this Agreement.

Article XII

Other Provisions

- 12.01 No Third-Party Beneficiaries. This Agreement is not intended for the benefit of any third party. The rights and obligations contained herein belong exclusively to the Parties hereto and shall not confer any rights or remedies upon any person or entity other than the Parties hereto.
- 12.02 No Waiver of Qualified Immunity. No officer, agent or employee of any party shall be subject to any personal liability by reason of the execution of this Agreement or any other documents related to the transactions contemplated hereby. Such officers, agents, or employees shall be deemed to execute this Agreement in their official capacities only, and not in their individual capacities. This section shall not relieve any such officer, agent, or employee from the performance of any official duty provided by law.
- 12.03 Ethics Provision. The Parties acknowledge and shall adhere to the requirements of N.C.G.S. 133-32, which prohibits the offer to, or acceptance by any state or local employees of any gift from anyone with a contract with the governmental entity or from a person seeking to do business with the governmental entity.
- 12.04 Governing Law, Venue. The Parties acknowledge that this Agreement shall be governed by the laws of the State of North Carolina. Venue for any disputes arising under this Agreement shall be in the courts of Orange County, North Carolina.
- 12.05 Entire Agreement. The terms and provisions herein contained constitute the entire agreement by and between the parties hereto and shall supersede all previous communications, representations, or agreements, either oral or written between the Parties hereto with respect to the subject matter hereof.
- 12.05 Severability. If any provision of this Agreement shall be determined to be unenforceable by a court of competent jurisdiction, such determination will not affect any other provision of this Agreement.
- 12.06 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original.
- 12.07 Verification of Work Authorization. The extent applicable, all parties and any subcontractors hired for purposes of fulfilling any obligations under this Agreement or any Operating Agreement or Funding Agreement contemplated by this Agreement, will comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes, "Verification of Work Authorization," and will provide documentation or sign affidavits or any other documents requested by either party demonstrating such compliance.

The Transit Governance Interlocal Agreement between Orange County, Durham-Chapel Hill-Carrboro Metropolitan Planning Organization, and Research Triangle Regional Public Transportation Authority was _____ by the Orange County Board of Commissioners by a vote of _____ on _____, 2023.

ATTEST:**ORANGE COUNTY, NORTH CAROLINA**

BY: _____

BY: _____

TITLE: _____

TITLE: Chairperson, Board of County Commissioners

The Transit Governance Interlocal Agreement between Orange County, Durham-Chapel Hill-Carrboro Metropolitan Planning Organization, and Research Triangle Regional Public Transportation Authority was _____ by the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization Board by a vote of _____ on _____, _____.

ATTEST:**DURHAM-CHAPEL HILL-CARRBORO
METROPOLITAN PLANNING ORGANIZATION**

BY: _____

BY: _____

TITLE: _____

TITLE: Chairperson, Durham-Chapel Hill-Carrboro
Metropolitan Planning Organization Board

The Transit Governance Interlocal Agreement between Orange County, Durham-Chapel Hill-Carrboro Metropolitan Planning Organization, and Research Triangle Regional Public Transportation Authority was _____ by the Research Triangle Regional Public Transportation Authority d/b/a GoTriangle by a vote of _____ on _____, _____.

ATTEST:**RESEARCH TRIANGLE REGIONAL PUBLIC
TRANSPORTATION AUTHORITY D/B/A
GOTRIANGLE**

BY: _____

BY: _____

TITLE: _____

TITLE: Chairperson, Board of Trustees



TOWN OF CHAPEL HILL

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

Item Overview

Item #: 7., File #: [23-0449], Version: 1

Meeting Date: 5/24/2023

Authorize the Mayor to Execute a Revised Memorandum of Understanding for the Orange County Partnership to End Homelessness.

Staff:

Sarah Viñas, Director

Nate Broman-Fulks, Assistant Director

Department:

Affordable Housing and Community Connections

Overview: The [Orange County Partnership to End Homelessness <https://www.ocpehnc.com/>](https://www.ocpehnc.com/) was established in 2008 to coordinate funding and activities to end homelessness in Orange County. A Memorandum of Understanding (MOU) was created to outline the roles and responsibilities of the partner jurisdictions of Orange County and the Towns of Chapel Hill, Carrboro, and Hillsborough. This item proposes two changes to the existing MOU, last updated in June of 2022. The proposed changes have been determined by staff to be minor and are shown in the attached 2023 Draft Memorandum of Understanding. It is anticipated that the Mayors, Managers, and Chair (MMC) committee will continue their discussions on addressing affordable housing and homelessness needs, and there may be further revisions to the MOU in the coming year.



Recommendation(s):

That the Council approve the updated Memorandum of Understanding.

Background:

- In April 2008, the Orange County Board of Commissioners, Chapel Hill Town Council, Carrboro Town Council, and Hillsborough Board of Commissioners endorsed the Orange County 10-Year Plan to End Chronic Homelessness and entered into a memorandum of understanding to fund a Partnership Coordinator position and support the Plan's implementation by the Orange County Partnership to End Homelessness.
- In November of 2014, the Town Council authorized an update to the MOU to reflect how the Orange County 10-Year Plan to End Chronic Homelessness had evolved to become an on-going program, which the Partnership to End Homelessness was playing a key role in implementing.
- In 2022, the Town Council authorized an update to the MOU to bring the MOU in line with the existing structure and positions of the Partnership, including a Homeless Programs Manager, a Housing Access Coordinator, and a Homeless Programs Coordinator.
- The Partnership to End Homelessness' Executive Team is recommending two minor modifications to the existing MOU as shown in the attached 2023 Draft Memorandum of Understanding.

Fiscal Impact: The MOU commits the County and municipalities to ensure funding for the Homeless Programs Manager, Housing Access Coordinator, and Homeless Programs Coordinator positions and operating expenses, if such funding is available. Approval of the proposed amendments to the MOU will have no anticipated fiscal impact.

**Attachments:**

- Resolution
- 2023 Draft Memorandum of Understanding
- Existing Memorandum of Understanding approved in 2022

A RESOLUTION TO AUTHORIZE THE MAYOR TO EXECUTE A REVISED MEMORANDUM OF UNDERSTANDING WITH THE ORANGE COUNTY PARTNERSHIP TO END HOMELESSNESS (2023-05-24/R-6)

WHEREAS, in April 2008, the Orange County Board of Commissioners, Chapel Hill Town Council, Carrboro Board of Aldermen, and Hillsborough Board of Commissioners endorsed the Orange County 10-Year Plan to End Chronic Homelessness and entered into a memorandum of understanding to fund a Partnership Coordinator position and support the Plan's implementation by the Orange County Partnership to End Homelessness; and

WHEREAS, in November 2014, the 2008 memorandum of understanding was revised to better reflect how the Orange County 10-Year Plan to End Chronic Homelessness had evolved and to more accurately describe the structure of the Partnership to End Homelessness and its role in coordinating homeless program services in the County; and

WHEREAS, in 2022, the Town Council authorized an update to the MOU to bring the MOU in line with the existing structure and positions of the Partnership, including a Homeless Programs Manager, a Housing Access Coordinator, and a Homeless Programs Coordinator.

WHEREAS, the Partnership to End Homelessness Executive Team is recommending an update to the existing Memorandum of Understanding.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council authorizes the Mayor to execute a revised Memorandum of Understanding with the Orange County Partnership to End Homelessness, as described in the May 24, 2023 meeting materials.

BE IT FURTHER RESOLVED the Town Council intends to further explore the ongoing structure for the Partnership to End Homelessness and the future approach to ending homelessness in Orange County.

This the 24th day of May, 2023.

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

By adopting the resolution, the Council approves the updated Memorandum of Understanding with the Orange County Partnership to End Homelessness.

Attachment 1

**Memorandum of Understanding between Orange County and the
Towns of Chapel Hill, Carrboro, and Hillsborough:
Orange County Partnership to End Homelessness (OCPEH)**

Whereas, in April 2008, the Orange County Board of Commissioners, Chapel Hill Town Council, Carrboro Town Council, and Hillsborough Board of Commissioners endorsed the Orange County 10-Year Plan to End Chronic Homelessness and entered into a memorandum of understanding to fund and support the Plan's implementation by the Orange County Partnership to End Homelessness (OCPEH), and

Whereas, the Partnership has made significant progress in ending and preventing homelessness in Orange County over the past fourteen years, and

Whereas, the parties to this Memorandum came together and revised this Memorandum of Understanding in 2015, and

Whereas, reflecting a combination of national best practices, national funding models, and local experience, the Orange County 10-Year Plan to End Chronic Homelessness has evolved to become an ongoing program, the Orange County Plan to End Homelessness, and

Whereas, the role of the Partnership is to implement Orange County's Plan to End Homelessness and serve as the Continuum of Care for Orange County, and

Whereas, the parties to this Memorandum understand the value of this work to each jurisdiction and accordingly intend to continue to fund and support it, and

Whereas, the initial 10-Year Plan created a body called the Executive Team, now called the Leadership Team, consisting of representatives appointed from each of the above governmental partners and a cross-section of community representation, charged with providing oversight and direction to the plan, and the parties to this Memorandum intend for the Leadership Team to continue to perform this role, and

Whereas, the parties to this Memorandum intend to continue funding the Partnership's Homeless Programs Manager and Housing Access Coordinator, and provide partial funding for the Homeless Programs Coordinator, all of whom have job responsibilities outlined in a Job Description (Attachment A), and

Whereas, in order to implement the Plan, the Partnership is providing direct service programs via pass-through funding from other sources, and

Whereas, the four elected appointees continue to recommend and serve on the OCPEH Executive Team, which shall consist of the four elected appointees, to ensure that the interests of all four funding jurisdictions are consistently represented;

The parties to this Memorandum hereby clarify the roles and responsibilities of each body as it relates to funding and oversight.

A. The Executive Team will:

1. Provide ongoing supervision of the Homeless Programs Manager (HPM) through the County Manager by:
 - i. Conducting joint annual performance reviews of the HPM with the County Manager, after gathering input from the Chair of the Leadership Team and others, as appropriate;
 - ii. Approving an annual work plan for the HPM based on the goals of the Plan, subject to final approval by the County Manager;
 - iii. Meeting with and reviewing the work plan with the HPM and the County Manager quarterly;
 - iv. Participating in interviews for the hiring of the HPM;
 - v. Making recommendations to the County Manager regarding performance concerns related to the HPM.
2. Operate its program on the same fiscal year as that operated by the Towns and County.
3. Not have supervisory authority over any Town or County staff who may be assigned to provide assistance to the Leadership Team or Executive Team.
4. Meet quarterly, with staff support, to review progress under the annual work plan.

B. Towns and the County will:

1. Provide office space and supplies for the use of the Partnership staff as needed and available.
2. Provide staff assistance as needed to support the Executive Team and Leadership Team subject to Town Manager and County Manager direction.
3. Provide an annual appointment from the elected governing bodies to the Leadership/Executive Team.
4. Assist with the annual implementation efforts of the Plan.
5. Continue to support the Partnership.
6. Determine the amount of funding to be provided by each partner by utilizing a population-based formula based on the latest Census data.

Based upon the 2020 Census data, the percentage contributions, subject to each jurisdiction's approval, are as follows:

- Orange County 39.5%
- Town of Chapel Hill 39.7%
- Town of Carrboro 14.3%
- Town of Hillsborough 6.5%

7. Receive an annual report from the HPM reflective of system-level data and OCPEH programming data.
 8. Not be required or expected to continue funding Partnership staff should the funding not be available through any one or more of the other partners.
 9. Not require or suggest the HPM perform work on goals that are not in her/his work plan for the Partnership.
 10. Work with the HPM to incorporate Homeless System Gaps Analysis into County-wide housing planning and supporting data sources
- C. The Plan is understood to be a living document that the Partnership will update over time to reflect its accomplishments and the evolution of policies, evidence-based practices, and funding.
- D. This Memorandum supersedes the 2015 Memorandum of Understanding that supported the Orange County 10-Year Plan to End Chronic Homelessness. It will remain in effect for one year from the date of its adoption by all Parties. Memorandum will be renewed for up to five additional two-year terms if agreed upon by all parties. Revisions will be presented to the Executive Team for consideration no later than the final quarterly meeting of the Executive Team prior to expiration of the one year term. Any Party hereto may withdraw from the Memorandum by providing written notice to every other Party at least 6 months prior to the start of the fiscal year in which the Party wishes to withdraw.

[SIGNATURES TO FOLLOW]

Wherefore the Parties hereto have set their hands and seals on the day and dates recorded below.

ORANGE COUNTY

Renee Price, Chair

ATTEST

STATE OF NORTH CAROLINA
ORANGE COUNTY

I, the undersigned Notary Public of the County and State aforesaid, do hereby certify that _____, personally came before me this day and acknowledged that she is the Clerk to the Board of Commissioners for Orange County, North Carolina and that by authority duly given and as the act of said County, the foregoing instrument was signed in its name by the Chair of said Board of Commissioners and attested by her as Clerk to said Board of Commissioners.

Witness my hand and official stamp or seal this _____ day of _____, 20____.

Notary Public_____

(Notary Seal)

My commission expires:_____

TOWN OF CHAPEL HILL

Pam Hemminger, Mayor

ATTEST

STATE OF NORTH CAROLINA
ORANGE COUNTY

I, the undersigned Notary Public of the County and State aforesaid, do hereby certify that _____, personally came before me this day and acknowledged that he/she is the Town Clerk for the Town of Chapel Hill, North Carolina and that by authority duly given and as the act of said Town, the foregoing instrument was signed in its name by the Mayor of the Town of Chapel Hill, NC and attested by her as Town Clerk for the Town of Chapel Hill, NC.

Witness my hand and official stamp or seal this _____ day of _____, 20____.

Notary Public_____

(Notary Seal)

My commission expires:_____

TOWN OF CARRBORO

Damon Seils , Mayor

ATTEST

STATE OF NORTH CAROLINA
ORANGE COUNTY

I, the undersigned Notary Public of the County and State aforesaid, do hereby certify that _____, personally came before me this day and acknowledged that she is the Town Clerk for the Town of Carrboro, North Carolina and that by authority duly given and as the act of said Town, the foregoing instrument was signed in its name by the Mayor of the Town of Carrboro, NC and attested by her as Town Clerk for the Town of Carrboro, NC.

Witness my hand and official stamp or seal this _____ day of _____, 20____.

Notary Public_____

(Notary Seal)

My commission expires:_____

TOWN OF HILLSBOROUGH

Jenn Weaver, Mayor

ATTEST

STATE OF NORTH CAROLINA
ORANGE COUNTY

I, the undersigned Notary Public of the County and State aforesaid, do hereby certify that _____, personally came before me this day and acknowledged that he/she is the Town Clerk for the Town of Hillsborough, North Carolina and that by authority duly given and as the act of said Town, the foregoing instrument was signed in its name by the Mayor of the Town of Hillsborough, NC and attested by her as Town Clerk for the Town of Hillsborough, NC.

Witness my hand and official stamp or seal this _____ day of _____, 20____.

Notary Public_____

(Notary Seal)

My commission expires:_____

Attachment 1

**Memorandum of Understanding between Orange County and the
Towns of Chapel Hill, Carrboro, and Hillsborough:
Orange County Partnership to End Homelessness (OCPEH)**

Whereas, in April 2008, the Orange County Board of Commissioners, Chapel Hill Town Council, Carrboro Town Council, and Hillsborough Board of Commissioners endorsed the Orange County 10-Year Plan to End Chronic Homelessness and entered into a memorandum of understanding to fund and support the Plan's implementation by the Orange County Partnership to End Homelessness (OCPEH), and

Whereas, the Partnership has made significant progress in ending and preventing homelessness in Orange County over the past fourteen years, and

Whereas, the parties to this Memorandum came together and revised this Memorandum of Understanding in 2015, and

Whereas, reflecting a combination of national best practices, national funding models, and local experience, the Orange County 10-Year Plan to End Chronic Homelessness has evolved to become an ongoing program, the Orange County Plan to End Homelessness, and

Whereas, the role of the Partnership is to implement Orange County's Plan to End Homelessness and serve as the Continuum of Care for Orange County, and

Whereas, the parties to this Memorandum understand the value of this work to each jurisdiction and accordingly intend to continue to fund and support it, and

Whereas, the initial 10-Year Plan created a body called the Executive Team, now called the Leadership Team, consisting of representatives appointed from each of the above governmental partners and a cross-section of community representation, charged with providing oversight and direction to the plan, and the parties to this Memorandum intend for the Leadership Team to continue to perform this role, and

Whereas, the parties to this Memorandum intend to continue funding the Partnership's Homeless Programs Manager and Housing Access Coordinator, and provide partial funding for the Homeless Programs Coordinator, all of whom have job responsibilities outlined in a Job Description (Attachment A), and

Whereas, in order to implement the Plan, the Partnership is providing direct service programs via pass-through funding from other sources, and

Whereas, the four elected appointees continue to recommend and serve on the OCPEH Executive Team, which shall consist of the four elected appointees, to ensure that the interests of all four funding jurisdictions are consistently represented;

The parties to this Memorandum hereby clarify the roles and responsibilities of each body as it relates to funding and oversight.

A. The Executive Team will:

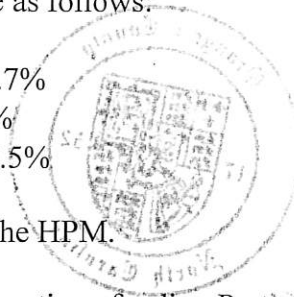
1. Provide ongoing supervision of the Homeless Programs Manager (HPM) through the County Manager by:
 - i. Conducting joint annual performance reviews of the HPM with the County Manager, after gathering input from the Chair of the Leadership Team and others, as appropriate;
 - ii. Approving an annual work plan for the HPM based on the goals of the Plan, subject to final approval by the County Manager;
 - iii. Meeting with and reviewing the work plan with the HPM and the County Manager quarterly;
 - iv. Participating in interviews for the hiring of the HPM;
 - v. Making recommendations to the County Manager regarding performance concerns related to the HPM.
2. Operate its program on the same fiscal year as that operated by the Towns and County.
3. Not have supervisory authority over any Town or County staff who may be assigned to provide assistance to the Leadership Team or Executive Team.
4. Meet quarterly, with staff support, to review progress under the annual work plan.

B. Towns and the County will:

1. Provide office space and supplies for the use of the Partnership staff as needed and available.
2. Provide staff assistance as needed to support the Executive Team and Leadership Team subject to Town Manager and County Manager direction.
3. Provide an annual appointment from the elected governing bodies to the Leadership/Executive Team.
4. Assist with the annual implementation efforts of the Plan.
5. Continue to support the Partnership.
6. Determine the amount of funding to be provided by each partner by utilizing a population-based formula based on the latest Census data.

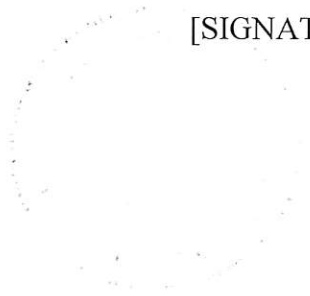
Based upon the 2020 Census data, the percentage contributions, subject to each jurisdiction's approval, are as follows:

- Orange County 39.5%
- Town of Chapel Hill 39.7%
- Town of Carrboro 14.3%
- Town of Hillsborough 6.5%



7. Receive an annual report from the HPM.
 8. Not be required or expected to continue funding Partnership staff should the funding not be available through any one or more of the other partners.
 9. Not require or suggest the HPM perform work on goals that are not in her/his work plan for the Partnership.
- C. The Plan is understood to be a living document that the Partnership will update over time to reflect its accomplishments and the evolution of policies, evidence-based practices, and funding.
- D. This Memorandum supersedes the 2015 Memorandum of Understanding that supported the Orange County 10-Year Plan to End Chronic Homelessness. It will remain in effect for one year from the date of its adoption by all Parties. Memorandum will be renewed for up to five additional two-year terms if agreed upon by all parties. Revisions will be presented to the Executive Team for consideration no later than the final quarterly meeting of the Executive Team prior to expiration of the one year term. Any Party hereto may withdraw from the Memorandum by providing written notice to every other Party at least 6 months prior to the start of the fiscal year in which the Party wishes to withdraw.

[SIGNATURES TO FOLLOW]



Wherefore the Parties hereto have set their hands and seals on the day and dates recorded below.

Laura Jensen
ATTEST



ORANGE COUNTY

Renee A. Price
Renee Price, Chair

STATE OF NORTH CAROLINA
ORANGE COUNTY

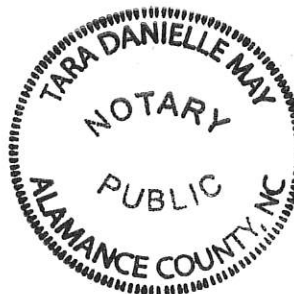
I, the undersigned Notary Public of the County and State aforesaid, do hereby certify that Laura Jensen, personally came before me this day and acknowledged that she is the Clerk to the Board of Commissioners for Orange County, North Carolina and that by authority duly given and as the act of said County, the foregoing instrument was signed in its name by the Chair of said Board of Commissioners and attested by her as Clerk to said Board of Commissioners.

Witness my hand and official stamp or seal this 21st day of June, 2022.

Tara Danielle May
Notary Public

(Notary Seal)

My commission expires: 11/19/22





TOWN OF CHAPEL HILL

Pam Hemminger, Mayor

ATTEST

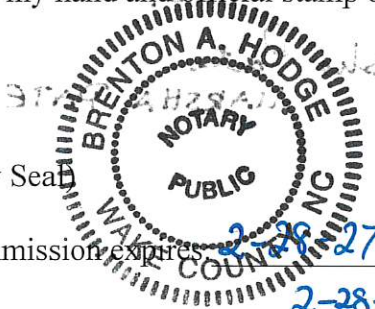
STATE OF NORTH CAROLINA
ORANGE COUNTY

I, the undersigned Notary Public of the County and State aforesaid, do hereby certify that Amy T. Harvey, personally came before me this day and acknowledged that ~~he~~ she is the ^{Deputy} Town Clerk for the Town of Chapel Hill, North Carolina and that by authority duly given and as the act of said Town, the foregoing instrument was signed in its name by the Mayor of the Town of Chapel Hill, NC and attested by her as Town Clerk for the Town of Chapel Hill, NC.

Witness my hand and official stamp or seal this 29th day of July, 2022.

(Notary Seal)

My commission expires 2-28-27



Notary Public Brenton Hodge



TOWN OF CARRBORO

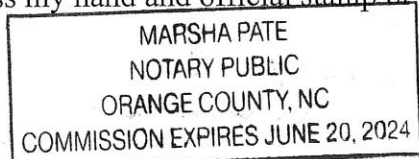
Damon Seils, Mayor

ATTEST

STATE OF NORTH CAROLINA
ORANGE COUNTY

I, the undersigned Notary Public of the County and State aforesaid, do hereby certify that Wesley M. Barker, personally came before me this day and acknowledged that ~~she~~ ^{he} is the Town Clerk for the Town of Carrboro, North Carolina and that by authority duly given and as the act of said Town, the foregoing instrument was signed in its name by the Mayor of the Town of Carrboro, NC and attested by ~~her~~ ^{him} as Town Clerk for the Town of Carrboro, NC.

Witness my hand and official stamp or seal this 25th day of JULY, 2022.



(Notary Seal)

Notary Public MARSHA PATE

My commission expires: 6/20/24



Sarah Kimrey
ATTEST

TOWN OF HILLSBOROUGH

Jenn Weaver
Jenn Weaver, Mayor

STATE OF NORTH CAROLINA
ORANGE COUNTY

I, the undersigned Notary Public of the County and State aforesaid, do hereby certify that Sarah Kimrey, personally came before me this day and acknowledged that he/she is the Town Clerk for the Town of Hillsborough, North Carolina and that by authority duly given and as the act of said Town, the foregoing instrument was signed in its name by the Mayor of the Town of Hillsborough, NC and attested by her as Town Clerk for the Town of Hillsborough, NC.

Witness my hand and official stamp or seal this 12 day of July, 2022.

Lindsay A Rhew
Notary Public Lindsay A Rhew

(Notary Seal)

My commission expires: 4-29-2025





TOWN OF CHAPEL HILL

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

Item Overview

Item #: 8., **File #:** [23-0450], **Version:** 1

Meeting Date: 5/24/2023

Approve a Source of Income Protections Policy for Town-Supported Residential Developments.

Staff:

Sarah Osmer Viñas, Director
Nate Broman-Fulks, Assistant Director
Emily Holt, Affordable Housing Development Officer

Department:

Affordable Housing and Community Connections

Overview: The proposed Source of Income Protections Policy would require residential developments that have received Town resources for affordable housing, including funding or land, to accept all lawful sources of income, including Housing Choice Vouchers, for payment.



Recommendation(s):

That the Council approve the Source of Income Protections Policy for Town-Supported Residential Developments.

Context: The Town Council's newly adopted [FY 2023-25 Strategic Focus Areas and Goals](https://chapelhill.legistar.com/View.ashx?M=F&ID=11932317&GUID=2794F7B0-650D-47B4-8E28-025FCB28FDD9) <<https://chapelhill.legistar.com/View.ashx?M=F&ID=11932317&GUID=2794F7B0-650D-47B4-8E28-025FCB28FDD9>> include a focus on Affordable Housing & Housing Production in order to increase housing across a range of income and housing types to achieve equitable housing outcomes for historically marginalized populations. This includes increasing the availability of affordable housing. Housing Choice Vouchers and similar housing subsidy programs provide valuable financial assistance for income-eligible families seeking affordable housing. Having a sufficient supply of units that accept these subsidies is an important way to expand the local supply of affordable housing.

Many households using vouchers, and other lawful alternative sources of income, face discrimination from landlords. County staff have reported that despite incentive packages and outreach efforts to landlords, about 15 percent of vouchers go unused (approximately 100 vouchers) and the average lease up time is consistently more than 100 days.

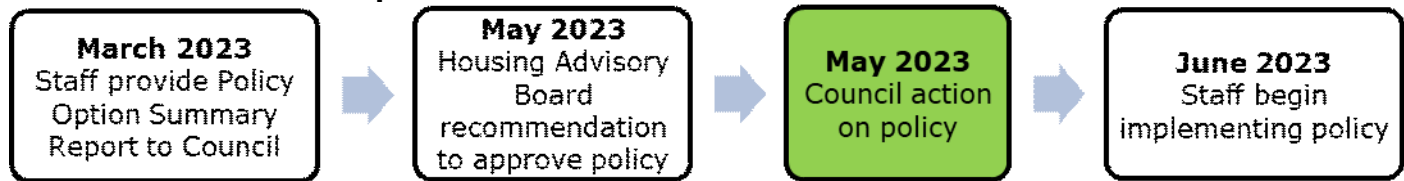
Many state and local governments across the country have adopted policies that prohibit landlords from denying rental applications based on the type of income they are using to pay rent.

Because NC state law does not include source of income as a protected category, NC municipalities are limited in what they are allowed to mandate locally. Since 2023, several NC municipalities have adopted policies that offer limited versions of source of income protections. Specifically, policies in cities like Raleigh, Charlotte, and Winston-Salem focus on requirements for housing that use public resources, such as funding or land, to support affordable housing.

At the April Housing Advisory Board Meeting (HAB), the HAB voted to request that staff develop a Source of Income Protections policy for Council to consider. At the May 9th HAB meeting, the HAB voted unanimously to recommend that the Council approve the policy.

Fiscal Impact/Resources: There is no fiscal impact for this item.

Where is this item in its process?



Attachments:

- Resolution
- Draft Source of Income Protections Policy for Town-Supported Residential Development
- HAB Recommendation

A RESOLUTION ADOPTING A SOURCE OF INCOME PROTECTIONS POLICY IN TOWN-SUPPORTED HOUSING. (2023-05-24/R-7)

WHEREAS, One of the Town Council's Strategic Focus Areas and Goals for FY2023-25 is to increase access to housing for individuals across a range of incomes; and

WHEREAS, Housing Choice Vouchers and similar programs administered by the U.S. Department of Housing and Urban Development, the State of North Carolina, and the Orange County Housing Authority provide valuable financial assistance to families seeking housing opportunities within the Town of Chapel Hill; and

WHEREAS, the Town Council determines it to be critical that housing development subsidized with Town financial support, including the conveyance of real property, be available to residents on a non-discriminatory basis regardless of their lawful source of income; and

WHEREAS, the policy establishes that prospective residential tenants in Town- supported housing developments will not be disqualified from renting a housing unit based on a refusal by the housing operator/owner or developer to consider a lawful source of income; and

WHEREAS, the policy is not intended to require terms that prevent a property owner/operator or developer from determining, in a commercially reasonable and non-discriminatory manner, the ability of a housing applicant to afford to rent a property and other rental eligibility criteria; and

WHEREAS, on May 9, 2023, the Housing Advisory Board voted unanimously to approve recommending the Town Council adopt the proposed Source of Income Protections policy.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council hereby adopts the attached Source of Income Protections Policy in Town-supported housing, as described in the May 24, 2023 meeting materials.

This the 24th day of May, 2023.

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

By adopting the resolution the Council hereby adopts the attached Source of Income Protections Policy in Town-supported housing.

Source of Income Protection Policy in Town-Supported Housing

Draft Date: May 24, 2023

Department: Affordable Housing & Community Connections

**Policy**

A key strategic focus area for the Town is to increase housing across a range of income and housing types to achieve equitable housing outcomes for historically marginalized population. This includes increasing the availability of affordable housing.

Housing Choice Vouchers and similar housing subsidy programs administered by the U.S. Department of Housing and Urban Development, the State of North Carolina, or at the local level provide valuable financial assistance for income-eligible families seeking affordable housing. Having a sufficient supply of units that accept these subsidies is an important way to expand the local supply of affordable housing.

As set forth in this policy, residential developments that have received Town funds or have involved the conveyance of Town property for the provision of affordable housing must accept all lawful sources of income, including housing choice vouchers, in the payment of housing costs.

Applicability

Residential development projects constructed, developed, rehabilitated or renovated, in whole or part, with Town funding or other financial incentives including conveyance of real estate.

All applicable developments shall be required to consider housing vouchers and other provable and lawful sources of income as defined herein, and eligible residential tenants for Town-supported units will not be disqualified based on refusal of housing owner, operator or developer to consider lawful sources of income.

Non-Applicability

This policy shall not apply to housing that has not received Town resources. Providers of housing with no Town support will be encouraged to voluntarily accept tenants with all forms of rental subsidies and lawful sources of income.

Enforcement

- The policy will be applicable to the housing owner/provider(s) responsible for making rental eligibility decisions.
- Housing owners/providers will be in violation of this policy if a reason for denying the applicant is an applicant's provable and lawful source of income, including housing vouchers. The Policy is not intended to require terms that prevent a property owner/provider from determining, in a commercially reasonable and non-discriminatory manner, the ability of a housing applicant to afford to rent a property.
- The terms of adherence and enforcement will be spelled out in the Town's funding and/or land conveyance agreement.
- The policy will apply to applicable developments for a term equal to the affordability period of the project, as laid out in the funding agreement or land conveyance agreement.

Source of Income Protection Policy in Town-Supported Housing

Draft Date: May 24, 2023

Department: Affordable Housing & Community Connections

**Definitions**

Affordable Housing means housing that is designed and constructed or renovated to serve eligible households with an income that is no more than 80 percent of the Area Median Income (AMI), as published annually by the U.S. Department of Housing and Urban Development (HUD).

Town Funds include funding from the Town's General Fund, bond funding, as well as funding from state and federal sources that do not have use restrictions contrary hereto.

Lawful Source of Income shall include wages from a lawful profession, occupation, or job; any government or private assistance, grant, loan, or rental assistance program, including vouchers directly or indirectly funded by the federal government or other rental subsidy programs; or any legal, documented gift, inheritance, pension, annuity, alimony, child support, or other consideration or benefit.

Town Supported Developments are those with Town-provided financial assistance or real estate conveyance for the production or preservation of affordable housing or other public benefit.

DRAFT

HOUSING ADVISORY BOARD

The charge of the Housing Advisory Board is to assist the Chapel Hill Town Council in promoting and developing a full spectrum of housing opportunities that meet the needs of the Chapel Hill community.

RECOMMENDATION SOURCE OF INCOME PROTECTION POLICY

Recommendation: Approval ☒ Approval with Conditions ☐ Denial ☐

Motion: A motion was made by Dowling, seconded by Mercer, that the Housing Advisory Board recommend the Town Council approve the proposed Source of Income Protections policy.

Vote: 8-0

Ayes: Sue Hunter (Chair), Jamauria Burris, Robert Dowling, Anne Hoole, Rex Mercer, Brandon Morande, Valencia Thompson, Anthony Williams

Nays:

Additional Comments:

Prepared by: Emily Holt, Staff



TOWN OF CHAPEL HILL

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

Item Overview

Item #: 9., File #: [23-0451], Version: 1

Meeting Date: 5/24/2023

Authorize the Town Manager to Seek an Affordable Housing Partner for the American Legion Property and Begin Negotiating an Agreement under which the Parties would Prepare a Proposed Development Project.

Staff:

Sarah Osmer Viñas, Director
Nate Broman-Fulks, Assistant Director
Emily Holt, Affordable Housing Development Officer

Department:

Affordable Housing and Community Connections

Overview: In [December 2022 <https://chapelhill.legistar.com/View.ashx?M=F&ID=11507568&GUID=184FEE9D-19C4-4CF0-B3F2-3CC2C1D3D173>](https://chapelhill.legistar.com/View.ashx?M=F&ID=11507568&GUID=184FEE9D-19C4-4CF0-B3F2-3CC2C1D3D173), the Town Council approved the Legion Property Committee Recommendations on the Future Use of the American Legion Property, which included designating 8-9 acres fronting Legion Road for affordable housing. Prior to and since that action, staff have explored the feasibility of development on that portion of the site, as well as competitiveness of that area for the Low Income Housing Tax Credit (LIHTC) program. As a next step, Town staff are ready to solicit interest from potential development partners to lead the Town through the planning process to develop the site.

Staff have established the following proposed goals for the development of affordable housing on American Legion Property, which are grounded in the Town's affordable housing goals and the approved Legion Property Committee Recommendations.

1. Provide housing affordable to a range of income levels with priority for units serving households earning 60% or less of Area Median Income
2. Maintain long term affordability
3. Leverage outside funding to minimize need for Town funding
4. Use environmentally friendly and sustainable principles for development
5. Facilitate connections within the community, the future park, and surrounding neighborhood
6. Retain Town ownership of the property
7. Complement the design of the future park on Legion Property
8. Align with the Town's [Complete Community Framework <https://www.townofchapelhill.org/businesses/complete-community>](https://www.townofchapelhill.org/businesses/complete-community) and [Comprehensive Plan](#)

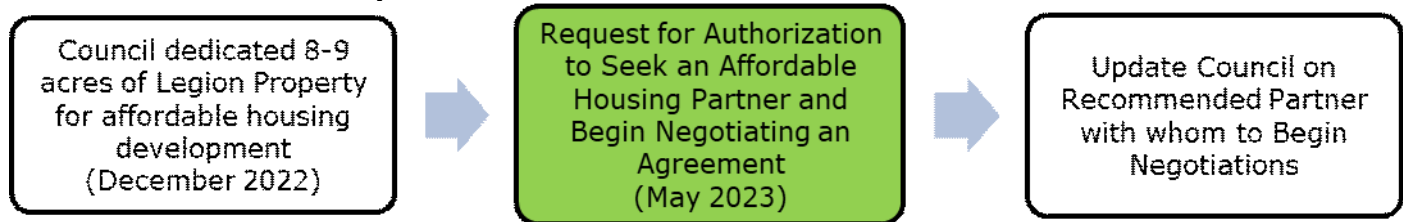
Proposed Next Steps:

- With Town Council authorization, staff will issue a request for proposals and qualifications.
- Staff will then work with an evaluation team and the Manager to select a potential partner with whom the Town will negotiate an agreement to prepare a proposed development project.
- Once a partner is selected, staff will update Council on their partner selection and proposed planning and community engagement process.
- Staff will engage Council during the planning process to seek their feedback on the development plan prior to submitting a development application.
- The development team will submit a development application through the Town's development review process, which will include review by Town staff, opportunities for community input, and consideration by Council.

**Recommendation(s):**

That the Council authorize the Town Manager to seek an affordable housing partner for the American Legion Property and negotiate an agreement under which the parties would prepare a proposed development project.

Fiscal Impact/Resources: There is no fiscal impact anticipated with authorizing the Manager to seek an affordable housing partner or to begin negotiations.

Where is this item in its process?**Attachments:**

- Resolution

A RESOLUTION AUTHORIZING THE TOWN MANAGER TO SEEK AN AFFORDABLE HOUSING PARTNER FOR TOWN-OWNED LAND ON THE LEGION ROAD PROPERTY AND BEGIN NEGOTIATING AN AGREEMENT UNDER WHICH THE PARTIES WOULD PREPARE A PROPOSED DEVELOPMENT PROJECT. (2023-05-24/R-8)

WHEREAS, one of the Town Council's Strategic Focus Areas and Goals for FY2023-25 is to increase access to housing for individuals across a range of incomes; and

WHEREAS, on [June 20, 2016 <https://chapelhill.granicus.com/MediaPlayer.php?view_id=7&clip_id=2801&meta_id=132829>](https://chapelhill.granicus.com/MediaPlayer.php?view_id=7&clip_id=2801&meta_id=132829), Council adopted guiding principles for any future development on the Legion Property that included describing how a proposed multi-family project would contribute to the mix of housing options in the Town and providing a mix of uses in the proposed development, as well as identifying a possible additional principle to outline how proposed development would support the Town's affordable housing goals; and

WHEREAS, in March 2017, the Town purchased the 36.2-acre parcel located along Legion Road from American Legion Post 6; and

WHEREAS, on May 18, 2022, the Council received a petition from several Council members requesting the Town move forward with developing and implementing a plan for the future use of the Legion Property, including to explore using a portion of the site for affordable housing; and

WHEREAS, in October 2022, the Mayor formed the Legion Property Committee (LPC) to form recommendations on the future use of the Legion Property; and

WHEREAS, on [December 8, 2022 <https://chapelhill.legistar.com/View.ashx?M=F&ID=11507568&GUID=184FEE9D-19C4-4CF0-B3F2-3CC2C1D3D173>](https://chapelhill.legistar.com/View.ashx?M=F&ID=11507568&GUID=184FEE9D-19C4-4CF0-B3F2-3CC2C1D3D173), the Town Council approved the Legion Property Committee Recommendations on the Future Use of the American Legion Property, which included designating 8-9 acres fronting Legion Road for affordable housing development.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council authorizes the Town Manager to seek an affordable housing development partner for a portion of the American Legion Property.

BE IT FURTHER RESOLVED that the Town Manager is authorized to begin negotiating an agreement with a selected affordable housing developer to prepare a proposed development project.

BE IT FURTHER RESOLVED that staff will return to the Council with a recommendation to approve the proposed development contract with the selected affordable housing partner.

BE IT FURTHER RESOLVED that the selected partner will submit a development application for the Council to consider in its role as regulator under the Land Use Management Ordinance.

This the 24th day of May, 2023.

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

By adopting the resolution, the Council authorizes the Town Manager to seek an affordable housing development partner for the American Legion Property and begin negotiating an agreement under which the parties would prepare a proposed development project.



TOWN OF CHAPEL HILL

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

Item Overview

Item #: 10., **File #:** [23-0452], **Version:** 1

Meeting Date: 5/24/2023

Amend the 2022-23 Council Calendar.

Staff:

Sabrina Oliver, Director
Amy Harvey, Deputy Town Clerk

Department:

Communications and Public Affairs

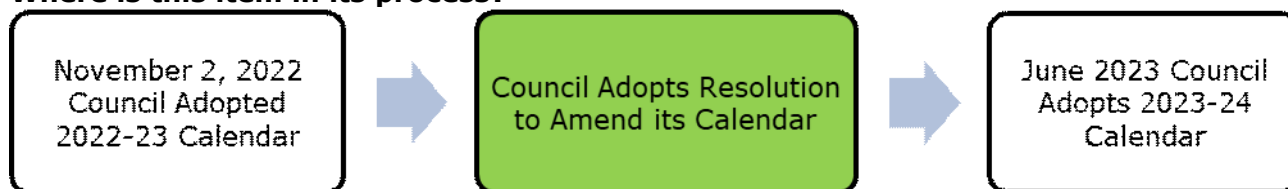
Overview: The Council adopted its 2022-23 meeting calendar on November 2, 2022. This action amends the Council calendar to change the meeting type, time, and location for the June 7 meeting.



Recommendation(s):

That the Council adopt a resolution amending the 2022-23 Council calendar to incorporate scheduling changes.

Where is this item in its process?



Attachments:

- Resolution
- Proposed Chapel Hill Town Council 2022-23 Meeting Calendar

A RESOLUTION AMENDING THE COUNCIL'S 2022-23 MEETING CALENDAR (2023-05-24/R-9)

WHEREAS, on November 2, 2022, the Council adopted its 2022-23 meeting calendar; and

WHEREAS, the tentative budget work session on June 7 is not needed for this purpose; and

WHEREAS, the Council and staff wishes to change the meeting type, time, and location for the June 7 meeting to consider items in a regular meeting.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council amends its 2022-23 meeting calendar as follows:

- Change the tentative budget work session on June 7, 2023 to a Regular Meeting to start at 7:00 p.m. in the Council Chamber in Town Hall, 405 Martin Luther King, Jr. Blvd., NC.

This the 24th day of May, 2023.

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

By adopting the resolution, the Council amends the 2022-23 Council calendar to change the meeting type, time, and location for the June 7 meeting.

Adopted Chapel Hill Town Council

Fall 2022 Meeting Calendar

JULY							AUGUST							SEPTEMBER						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
					1	2		1	2	3	4	5	6					1	2	3
3	4	5	6	7	8	9		7	8	9	10	11	12	13	4	5	6	7	8	9
10	11	12	13	14	15	16		14	15	16	17	18	19	20	11	12	13	14	15	16
17	18	19	20	21	22	23		21	22	23	24	25	26	27	18	19	20	21	22	23
24	25	26	27	28	29	30		28	29	30	31				25	26	27	28	29	30
31																				
OCTOBER							NOVEMBER							DECEMBER						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
						1			1	2	3	4	5					1	2	3
2	3	4	5	6	7	8		6	7	8	9	10	11	12	4	5	6	7	8	9
9	10	11	12	13	14	15		13	14	15	16	17	18	19	11	12	13	14	15	16
16	17	18	19	20	21	22		20	21	22	23	24	25	26	18	19	20	21	22	23
23	24	25	26	27	28	29		27	28	29	30				25	26	27	28	29	30
30	31																			

Spring 2023 Meeting Calendar

JANUARY						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

FEBRUARY						
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26	27	28				

MARCH						
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26	27	28	29	30	31	

APRIL						
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23	24	25	26	27	28	29
30						

MAY						
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

JUNE						
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11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

20	Regular Meetings 7 PM @ Town Hall	10	Council Work Sessions 6:30 PM @ Library	15	Other Meetings *Check web calendar for time/location
45	Total Number of Meetings	12	Town Holidays	9	CCES Meetings**

List of Meetings by Date

August 2022¹

- 31-W-Special Meeting², 7 PM

September 2022

- 14-W-Regular Meeting
- 19-M-Work Session
- 28-W-Regular Meeting

October 2022

- 3-M-Work Session
- 12-W-Regular Meeting
- 19-W-Regular Meeting
- 20-R-Special Meeting², 7:30 PM

November 2022

- 2-W-Regular Meeting with Closed Session
- 14-M-Special Meeting ², 5 PM
- 14-M-Work Session
- 16-W-Regular Meeting
- 28-M-Special Meeting ², 7 PM
- 30-W-Work Session with Closed Session

December 2022

- 7-W-Regular Meeting
- 9-F-Special Meeting ², 1 PM
- 14-W-Special Meeting, 5 PM

January 2023¹

- 11-W-Regular Meeting
- 12-R-Special Meeting², 7 PM, Room 344, Town Hall
- 18-W-Work Session
- 24-T-Legislative Breakfast, 8:30 AM, Library Room B
- 24-T-Special Meeting², 7 PM, Room 344, Town Hall
- 25-W-Regular Meeting

February 2023

- 3-F-Council Retreat, Sheraton Hotel, 1 Europa Dr., 3:30 PM
- 4-S-Council Retreat, Sheraton Hotel, 1 Europa Dr., 8:30 AM
- 8-W-Work Session
- 15-W-Regular Meeting
- 22-W-Regular Meeting

March 2023

- 1-W-Work Session, 5 PM, Library Rm B
- 8-W-Regular Meeting
- 15-W-Special meeting, 5:45 PM Library Rm C for closed session
- 15-W-Work Session
- 22-W-Regular Meeting

April 2023

- 10-M-Work Session
- 19-W-Special Meeting², 6:15 PM
- 19-W-Regular Meeting
- 20-R-Joint Public Hearing, 7 PM, Whitted Building, Hillsborough
- 26-W-Regular Meeting

May 2023

- 10-W-Regular Meeting
- 17-W-Special Meeting², 5:00 PM
- 17-W-Work Session, 7PM, Council Chamber
- 24-W-Regular Meeting
- 31-W-Budget Work Session (tentative), 6:30 PM, Council Chamber

June 2023

- ~~7-W-Budget Work Session (tentative)~~
- ~~7-W-Regular Meeting~~
- 14-W-Regular Meeting
- 21-W-Regular Meeting

Proposed May 24, 2023

****Council Committee on Economic Sustainability**

Meets monthly on the first Friday at 8 AM, unless otherwise indicated. These are held either virtually or in-person, see [web calendar](https://www.townofchapelhill.org/government/departments-services/economic-development/council-economic-sustainability-committee) for details. For more Committee information, see <https://www.townofchapelhill.org/government/departments-services/economic-development/council-economic-sustainability-committee>

¹ Unless otherwise noted, Council Regular meetings are held at 7 PM in the Chapel Hill Town Hall, Council Chamber (405 MLK Jr Blvd, Chapel Hill, NC 27514); Council Work Sessions are held at 6:30 PM in the Chapel Hill Public Library, Meeting Room B, (100 Library Drive, Chapel Hill, NC 27514)

² It is anticipated that the Council will go into closed session, as authorized by North Carolina General Statute Section 143-318.11(a)(6) to discuss a personnel matter.



TOWN OF CHAPEL HILL

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

Item Overview

Item #: 11., **File #:** [23-0453], **Version:** 1

Meeting Date: 5/24/2023

Continue the Legislative Hearing and Defer Considering the South Creek Conditional Zoning Application to June 7, 2023.

Staff:

Brittany Waddell, Director
Judy Johnson, Assistant Director
Corey Liles, Planning Manager
Charnika Harrell, Planner II
Jacob Hunt, Planner II

Department:

Planning

Overview: Staff requested to continue the Legislative Hearing for South Creek's Conditional Zoning Application to allow additional time for staff review of plan revisions. The applicant has agreed.



Recommendation(s):

That the Council adopt the resolution continuing the Legislative Hearing to June 7, 2023.



Attachments:

- Resolution

A RESOLUTION TO CONTINUE THE LEGISLATIVE HEARING AND DEFER CONSIDERING THE CHAPEL HILL ZONING ATLAS AMENDMENT FOR CONDITIONAL REZONING OF SOUTH CREEK LOCATED AT 4511 S. COLUMBIA STREET TO JUNE 7, 2023 (PROJECT #CZD-22-1) (2023-05-24/R-10)

WHEREAS, on April 19, 2023, the Town Council opened the Legislative Hearing to consider a Conditional Zoning Application to rezone 4511 S. Columbia Street from Development Agreement-1 (DA-1) and Residential Low-Density-1 (R-LD1) to Mixed Use-Village-Conditional Zoning District (MU-V-CZD); and

WHEREAS, the Town Council continued the Legislative Hearing to May 24, 2023; and

WHEREAS, the applicant needed additional time to finalize their revised application in response to comments received at the April 19th hearing; and

WHEREAS, staff has requested the Town Council continue the Legislative Hearing and consider South Creek's revised Conditional Zoning application on June 7, 2023, allowing staff additional time to evaluate the revisions and finalize the ordinance.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council continues the Legislative Hearing for South Creek at 4511 S. Columbia Street and defers consideration of this item to June 7, 2023, at 7 PM, in the Town Hall Council Chamber, 405 Martin Luther King, Jr. Blvd.

This the 24th day of May, 2023.

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

By adopting the resolution, the Council continues the Legislative Hearing for South Creek and defers consideration of this item to June 7, 2023.



TOWN OF CHAPEL HILL

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

Item Overview

Item #: 12., **File #:** [23-0454], **Version:** 1

Meeting Date: 5/24/2023

Defer the Legislative Hearing to Amend the Chapel Hill Zoning Atlas for the Chapel Hill Crossings Conditional Zoning Application.

Staff:

Britany Waddell, Director
Judy Johnson, Assistant Director
Jacob Hunt, Planner II

Department:

Planning

Overview: Due to need for continued staff review and the number of items on the Council agenda, staff recommends the Legislative Hearing for the Chapel Hill Crossings Conditional Zoning Application be rescheduled. Staff will notice a future legislative hearing date by mail and publication.



Recommendation(s):

That the Council adopt the Resolution to defer the Legislative Hearing to a date to be scheduled.



Attachments:

- Resolution

A RESOLUTION DEFERRING THE LEGISLATIVE HEARING TO AMEND THE CHAPEL HILL ZONING ATLAS FOR CONDITIONAL REZONING OF CHAPEL HILL CROSSINGS TO A DATE TO BE SCHEDULED (PROJECT #CZD-23-2) (2023-05-24/R-11)

WHEREAS, the Town of Chapel Hill provided notice of a Legislative Hearing on May 24, 2023 for consideration of a Conditional Zoning Application for Chapel Hill Crossings, for rezoning of property from Residential-1 (R-1) to Residential-6 (R-6-CZD) and Mixed-Use Village (MU-V-CZD); and

WHEREAS, due to need for continued staff review, staff has requested consideration of the application be deferred to a date to be scheduled.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council defers the Legislative Hearing for Chapel Hill Crossings Conditional Zoning application to a date to be scheduled.

This the 24th day of May, 2023.

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

By adopting the resolution, the Council defers the Legislative Hearing for Chapel Hill Crossings application to a date to be scheduled.



TOWN OF CHAPEL HILL

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

Item Overview

Item #: 13., **File #:** [23-0455], **Version:** 1

Meeting Date: 5/24/2023

Adopt Minutes from February 15, and 22, 2023 and March 8, and 15, 2023 Meetings.

Staff:

Sabrina M. Oliver, Director
Amy Harvey, Deputy Town Clerk
Nikki Catalano, Transcriptionist

Department:

Communications and Public Affairs

Overview: These minutes are prepared for the meetings listed below.



Recommendation(s):

That the Council approve the attached summary minutes of past meetings.



Attachments:

- Resolution
- February 15, 2023, Regular Meeting
- February 22, 2023, Regular Meeting
- March 8, 2023, Regular Meeting
- March 15, 2023, Work Session

A RESOLUTION TO ADOPT SUMMARY MINUTES OF COUNCIL MEETINGS (2023-05-24/R-12)

BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council hereby adopts summary minutes for meetings held on February 15, and 22, 2023 and March 8, and 15, 2023.

This the 24th day of May, 2023.

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

By adopting the resolution, the Council approves the summary minutes of past meetings which serve as official records of the meetings.



TOWN OF CHAPEL HILL

Town Council

Meeting Minutes - Draft

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

Mayor Pam Hemminger
Mayor pro tem Karen Stegman
Council Member Jessica Anderson
Council Member Camille Berry
Council Member Tai Huynh

Council Member Paris Miller-Foushee
Council Member Michael Parker
Council Member Amy Ryan
Council Member Adam Searing

Wednesday, February 15, 2023 7:00 PM RM 110 | Council Chamber

Language Access Statement

For interpretation or translation services, call 919-969-5105.

ဘာသာပြန်ဆိုခြင်းနှင့် စကားပြန်ခြင်းအတွက်၊ (၉၁၉) ၉၆၉-၅၁၀၅ ကို ဖုန်းခေါ်ပါ။

Para servicios de interpretación o traducción, llame al 919-969-5105.

လၢတၢ်ကတိကျ်းထံ မ့တမၢ် လၢတၢ်ကွဲးကျ်းထံအတၢ်မၤစၢ်အဂီၢ် ၁ ကိးဘၣ် (၉၁၉)-၉၆၉-၅၁၀၅

如需口头或
书面翻译服
务，请拨打
919-969-5105.

In-Person Meeting Notification

View the Meeting

- View and participate in the Council Chamber.
- Live stream the meeting - <https://chapelhill.legistar.com/Calendar.aspx>
- View on cable television channel at Chapel Hill Gov-TV (townofchapelhill.org/GovTV)
- The Town of Chapel Hill wants to know more about who participates in its programs and processes, including Town Council meetings.
- Participate in a voluntary demographic survey before viewing online or in person - <https://www.townofchapelhill.org/demosurvey>

Parking

- Parking is available at Town Hall lots and the lot at Stephens Street and Martin Luther King Jr. Boulevard.
- See <http://www.parkonthehill.com> for other public lots on Rosemary Street
- Town Hall is served by NS route and T route, and GoTriangle Routes of Chapel Hill Transit.

Entry and COVID-19 Protocols

Town Council

Meeting Minutes - Draft

February 15, 2023

- Entrance on the ground floor.
- Visitors and employees will self-screen. Do not enter if you have these symptoms: Fever, chills, cough, sore throat, shortness of breath, loss of taste or smell, headache, muscle pain

ROLL CALL

Present: 7 - Council Member Jessica Anderson, Council Member Camille Berry, Council Member Paris Miller-Foushee, Council Member Tai Huynh, Council Member Michael Parker, Council Member Amy Ryan, and Council Member Adam Searing

Absent: 2 - Mayor Pam Hemminger, and Mayor pro tem Karen Stegman

OTHER ATTENDEES

Interim Town Manager Chris Blue, Deputy Town Manager Mary Jane Nirdlinger, Deputy Town Manager Loryn Clark, Town Attorney Ann Anderson, Assistant Business Management Director Matthew Brinkley, Business Management Director Amy Oland, Principal Planner Diedra Whittenburg-McEntyre, Senior Project Manager Sarah Poulton, Assistant Planning Director Judy Johnson, Planning Director Britany Waddell, Manager of Engineering and Infrastructure Chris Roberts, Fire Marshall Roland Falana, Police Office Josh Mecimore, Communications Manager Ran Northam, and Assistant Town Clerk Brenton Hodge.

OPENING

Council Member Anderson called the meeting to order at 7:00 p.m. and explained that Mayor Hemminger and Mayor pro tem Stegman were both ill and had asked to be excused. Mayor Hemminger had asked her and Council Member Parker to open the meeting and the Council would then vote on who should chair the business portion, she said. She reviewed the agenda and explained the rules for participation.

ANNOUNCEMENTS BY COUNCIL MEMBERS

0.01 Council Member Parker Leads Council in Honoring Congressman David Price. [\[23-0130\]](#)

Council Member Parker lead the Council in honoring US Congressman David Price, who had recently retired from serving NC's 4th Congressional District with honor and distinction for 34 years. Several former elected officials and community partners were present. Each Council Member read a portion of a proclamation, which outlined a long list of Congressman Price's contributions to the community and the many awards that he had received. The Council commended him for his leadership, his advocacy, and his steadfast support for the Town, and they proclaimed February 16, 2023, as David Price Day in Chapel Hill.

Congressman Price thanked the Council and said that he was pleased to be succeeded by Valerie Foushee who would do a fine job in representing

the 4th District. He respected the way Chapel Hill had been governed over the years -- with openness, transparency, widespread citizen participation, and good faith -- and he had never doubted that he had solid hometown support, he said. He discussed some of the achievements that he felt most proud of and commended Town leaders for their strong sense of community and inclusion.

Congresswoman Valerie Foushee thanked Congressman Price for working tirelessly for 34 years to make NC's 4th District a better place for all. He had been a steadfast champion for affordable housing, transportation, infrastructure, healthcare, education, gun violence prevention, international diplomacy, and countless other issues, she pointed out. She said that everything Congressman Price had done had been for the common good and that he was an inspiration to all who know him.

0.02 Celebrating Successes Video: Black History Month.

[\[23-0131\]](#)

Council Member Parker proclaimed February 2023 to be Black History Month in the Town of Chapel Hill, and the Council watched a kick-off video released by Orange County's elected leaders. The video featured two poems ("Still I Rise" by Maya Angelou, and "Making the Struggle Everyday" by Ella Baker) and was narrated by Congresswoman Valerie Foushee. The video can be seen in its entirety on Carrboro's YouTube channel, via links listed on Town's website.

0.03 Council Statement Regarding Shooting at Michigan State University.

[\[23-0132\]](#)

Council Members read a statement regarding a recent shooting at Michigan State University. The statement said that the Town and UNC were working hard to provide support and to keep everyone safe and that information on how to access community and crisis services was available on the Town's webpage and social media. Communities across the country were calling on state and federal leaders to set aside partisanship and put real action behind common sense gun legislation and the country's mental health crisis, stated the Council.

0.04 Council Member Parker Regarding This Week's Public Meetings.

[\[23-0133\]](#)

Council Member Parker announced that two virtual meetings would be held on February 16th: an open house regarding the Housing Choice Initiative at noon, and a public meeting regarding a Martin Luther King Jr. Boulevard/Critz Street crosswalk at 7:00 p.m. Additional information and links could be found on the Town's website, he said.

0.05 Council Member Parker Regarding Next Wednesday's Council Meeting.

[\[23-0134\]](#)

Council Member Parker said that the Council's next regular business meeting would be held in Council Chambers on February 22nd at 7:00 p.m.

0.06 Council Vote on Chairing Meeting.

[\[23-0135\]](#)

The Council voted unanimously to have Council Members Anderson and Parker continue chairing the meeting.

A motion was made by Council Member Ryan, seconded by Council Member Miller-Foushee, that the Council be jointly chaired by Council Members Anderson and Parker. The motion carried by a unanimous vote.

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

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

1. Cultural Arts Commission Request for Name, Membership and Charge Changes.

[\[23-0117\]](#)

Council Member Parker said that the Council had received a petition from the Cultural Arts Commission to request name, membership and other changes. The Council voted unanimously to receive and refer.

This item was received as presented.

1.01 1.01 Chapel Hill Downtown Partnership Request to Change Town Appointments to Board.

[\[23-0136\]](#)

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

CONSENT

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

Approval of the Consent Agenda

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

2. Approve all Consent Agenda Items. [\[23-0118\]](#)

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

- 2.5 Grant a Paved Walkway Easement and Access License and a [\[23-0129\]](#)

Natural Gas Utility Easement on Town-owned Property at 130 E Rosemary St (Portion of Parking Lot 2) and Authorize the Town Manager to Execute the Documents.

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

3. Grant a Paved Walkway Easement and a Natural Gas Utility [\[23-0119\]](#)

Easement on Town-owned Property at 130 E Rosemary St (Portion of Parking Lot 2) and Authorize the Town Manager to Execute the Easements.

This resolution(s) and/or ordinance(s) was removed.

4. Approve Amending the 2021-2022 HOME Investment [\[23-0120\]](#)

Partnership Program Annual Plan.

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

5. Approve the Interim Town Manager's Employment Contract. [\[23-0121\]](#)

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

6. Authorize the Mayor to Execute a Contract for the Town [\[23-0122\]](#)

Manager Recruitment and Selection Process.

Council Member Anderson noted a change in Consent Agenda, and the Council voted unanimously to adopt Resolution 1, as amended, and replace Item 3 with Item 2.5.

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

INFORMATION

7. Receive Upcoming Public Hearing Items and Petition Status [\[23-0123\]](#)

List.

This item was received as presented.

DISCUSSION

8. Initial Budget Public Forum on the Annual Budget, Capital [\[23-0124\]](#)

Program, Use of Grants and Related Items, and Potential Legislative Requests.

Assistant Director of Business Management Matt Brinkley opened a public forum on the Town's FY-2023-2024 budget. He said that upcoming budget discussions would address the Town's Capital Program, funding for the Community Development Block Grant (CDBG) and HOME Programs, the Housing Capital Funds Program, the Downtown Service District, public transportation grants, and potential legislative proposals. He then reviewed elements of a 15-year investment plan for capital projects.

Mr. Brinkley explained the CDBG and HOME funding process, which would begin with a public forum on April 19, 2023, that would address review committee recommendations for CDBG funding (expected to be \$421,755 in FY 2023). HOME Program recommendations were expected in April 2023, and staff would present final recommendations on both programs to the Council on May 10th, he said.

Mr. Brinkley said that staff expected capital grant funding for Public Housing to be similar to that of 2022 (\$1,167, 218), and he gave examples of eligible activities. He said that Public Transportation grants would be an estimated \$2.8 million and \$3 million, from the federal and the state governments, respectively. Additional planning funds would be available through the Metropolitan Planning Organization, he pointed out.

Mr. Brinkley said that estimated funding for the Downtown Service District was \$408,000 through a designated 6.4 cent tax. That would represent an \$11,000 increase over the current year, he pointed out.

Mr. Brinkley said that items the Council had recently discussed with its legislative delegation would be considered at an upcoming Council meeting. He noted that the budget calendar included Council work sessions in the spring, which would be followed by the Manager's recommended budget presentation and public hearings. The FY 2023-24 budget was scheduled for adoption by June 30, 2023, he said.

Visitors Bureau Director Laurie Paolicelli reported that the Town's tourism industry was returning to pre-pandemic levels with visitors having spent \$194.81 million in 2022. Thirty-eight percent of that had gone toward food and beverages, she pointed out. She reported on transportation, lodging, retail and recreation income as well and provided demographic information on Town visitors and described their interests.

Ms. Paolicelli explained that calls to North Carolina's tourism office were being answered by inmates of the women's prison in Raleigh. Her staff visited those prisoners a couple of times a year to update them on what was happening in Chapel Hill, she said.

Ms. Paolicelli said that racial equity and inclusion was a top priority for the Visitors Bureau. She recommended that the Town advertise its commitment to those values and said that the Bureau had created a website (chapelhilldiveristy.com) to get that story out.

Council Member Berry confirmed with Ms. Paolicelli that those who inquire about the Town ask about outdoor amenities but primarily want to know about the Town's restaurants and live music.

The Council thanked Town staff for beginning the five-year budget strategy discussions. Some very hard decisions would need to be made, Council Member Ryan said. Council Member Anderson pointed out that the Council had been waiting for six or seven years for such a strategy.

This item was received as presented.

9. Shaping Our Future - Stormwater Regulations Review

[\[23-0125\]](#)

Engineering and Infrastructure Manager Chris Roberts explained that a June 9, 2021, petition from five Council Members had asked staff to review the Town's stormwater regulations and find areas that could be enhanced to combat climate change. The following presentation would be an update on that process, he said.

Kevin Bigalke, of SRF Consulting Group, discussed an analysis of the Town's Stormwater Management Ordinance regulations for post-construction. The goal had been to determine if Chapel Hill was ready for increases in precipitation related to climate change, he explained. He reviewed the process, which had begun in 2022 and included input from several Town departments as well as community engagement, meetings with Town advisory boards, and conversations with stakeholders. His investigation had looked at rate control, water quality, the Resource Conservation District (RCD) and floodplain management, and stormwater volume, he said.

Mr. Bigalke recommended that the Town move toward increasing its current rate control standard for 24-hour storm events and adopt "Atlas 14", which was a more accurate technical report for estimating precipitation from various size storms. With regard to water quality, he said that the Town's current standard was sufficient but needed to be edited for clarification. He discussed adding language to the Town's ordinance in some areas and strengthening it in others and gave examples of alternative approaches and practices.

Mr. Bigalke said that regulating stormwater on new development would not, by itself, address changes in precipitation patterns. He recommended that the Town rewrite LUMO stormwater requirements for clarity and understandability. He proposed that the Town do the following: incorporate regional stormwater control measures into capital

improvement projects; pursue grants and other sources of funding to promote voluntary stormwater management; and incentivize individual property owners to include residential stormwater management practices, such as infiltration systems and rain gardens.

Mr. Bigalke said that next steps in the process would include additional staff review and an opportunity for public comment. Staff would present a final report and recommendations to the Council in April 2023, he said.

In response to a question from the Council, Mr. Bigalke explained that a wetland protection buffer ordinance would provide some protection in the RCD and eliminate the potential for erosion. However, the recommendation for those pertained to any place where wetlands exist and was not tied to the RCD, he said.

When asked for examples of how wetland protection would work, Mr. Bigalke explained that a developer who wanted to build on an undeveloped parcel that included a wetland would be required to establish a vegetative wetland buffer. On community-owned land, the Town could implement such buffers, he said.

The Council asked how the recommendations related to the petition's original interest in mitigating upstream rather than remediating downstream, and Mr. Bigalke explained that retention regulations were intended to hold water where it falls. However, that regulation alone would not completely alleviate the problem and additional approaches could include having a regional treatment system and/or adding retention and detention as development and redevelopment occurred, he said.

In response to the Council's questions about water quality, Mr. Bigalke pointed out that the City of Durham required phosphorous removal in specific areas of the city. Such a process added a level of complexity, and removing nitrogen as well was challenging, he said.

The Council and Mr. Bigalke discussed how the Town had created an incentive system for the Blue Hill District after the state prohibited towns from addressing any but new impervious surface. Mr. Bigalke said that he and staff had discussed how such an incentive would fit within the proposed approach and would be part of the LUMO rewriting process.

Council Member Ryan commented on the project's focused scope and pointed out the importance of having regional retention and detention as well. She asked staff to think about approaches, such as a zoning overlay, that other towns had been taking. She pointed out that a second Council petition in June 2021 had pertained to whether the Town should take a strictly engineering approach to watershed studies or have a more natural systems approach, and she stressed the importance of having that nuanced conversation. She recommended that staff tighten up some of the RCD loopholes while tightening regulations and making them more

responsive to climate change.

The Council confirmed with Mr. Bigalke that the Town's current ordinance had a fairly robust requirement for stormwater maintenance and inspections. Council Member Berry requested that staff attend to the aesthetics of rain gardens as well. She and Mr. Bigalke discussed the problem of stormwater running into residential backyards, and he pointed out that resolving issues with steep slopes required ingenuity and creativity.

The Council emphasized the importance of applying an equity lens to stormwater management with regard to communities that have been most impacted by flooding. Mr. Bigalke agreed and pointed out that regulations would be equity neutral because they would apply to every proposed new development.

The Council and Mr. Bigalke discussed the importance of the Town automatically receiving updated Atlas 14 standards. They discussed the status of nutrient reduction rules for new developers at the NC state legislature. Mr. Bigalke pointed out that the City of Durham (and perhaps Raleigh) had an incentive-based, nutrient-reduction strategy that included a training program.

Mr. Roberts said that local governments were not allowed to enforce such rules on private developers. The Council confirmed with him that developers were required to send maintenance reports each year and that staff was required to inspect a certain number of those.

This item was received as presented.

10. Shaping Our Future - Transit Oriented Development and Land Use Management Ordinance Update.

[\[23-0126\]](#)

Principal Planner Diedra McEntyre presented a progress report on the Land Use Management Ordinance (LUMO) update/rewriting process. She said that staff would need the Council to make some decisions and affirmations during that process, but that policy directives were already embedded in the Chapel Hill 2020 Comprehensive Plan and the Town's Complete Communities Framework (CCF). Ms. McEntyre then discussed how those directives were being used to initiate the LUMO rewrite.

Allison Mouch, representing Orion Planning and Design, pointed out that the year long LUMO auditing process had already involved staff, stakeholders, applicants, and advisory board members. It had also included a survey, which had been presented to Council, she said. She explained that a team had been analyzing the LUMO, section by section, with an emphasis on equity, affordability, resilience, mobility, good design standards, and process.

Ms. Mouch discussed how the updating process would unfold and what a

comprehensive overhaul of the LUMO's organization, format and provisions would entail. The plan was to condense and consolidate repeated information and make the LUMO more user-friendly with pictures and tables rather than extensive content, she said.

Ms. Mouch discussed how proposed improvements regarding housing, transportation, and design could advance the Town's social equity goals. With regard to the environment, she said that the LUMO and stormwater regulations needed to be looked at comprehensively. Analyzing low-impact development and landscape buffer requirements would be part of the process, she said.

Ms. Mouch discussed improving the code to expand the opportunity for meaningful mixed-use development at appropriate scales in more of the Town's districts, and she gave examples of potential changes. She said that code improvements would do the following: incorporate neighborhood-scale, mixed-use in most or all residential districts; expand uses and use groups that might allow for incubator and co-working spaces in appropriate districts; and allow parks, open spaces, greenways and recreation amenities by right in every district.

Ms. McEntyre then proposed a timeline that would allow the Council to formally adopt the rewritten LUMO in November 2024. Training and creation of a user guide would follow that, she said. She proposed returning to the Council in June 2023 with an annotated outline and a re-composition of the LUMO that would address the values of the CCF and the Comprehensive Plan. Staff would return to the Council again for more in-depth content discussions in September or October 2023, she said.

Council Member Parker and Ms. Mouch discussed how the word "district" was currently being used to mean actual zoning district (i.e., R-1) but that nothing would preclude characterizing areas by their geographic characteristics. Ms. Mouch recommended at least re-titling districts to describe what they are rather than giving them a letter and number, and Council Member Ryan said that doing so would be especially useful for unique areas such as Downtown.

The Council confirmed with Ms. Mouch that incentivizing community benefits (perhaps with density bonuses) would be part of the focus. In response to a question from Council, Ms. Mouch said that public outreach would include having a draft document available for comment. Community members and stakeholders would be asked whether the proposed changes would accomplish Town policies and priorities, she said.

The Council and Ms. Mouch discussed how the amount of time scheduled for advisory board discussions was probably more than was needed. A Council Member asked why nine more months of public engagement was required, and Ms. McEntyre explained that processes would overlap.

Those nine months would not be for public engagement alone, she said. In response to a question from Council, Ms. Mouch said that a Council directive regarding park land would be sufficiently incorporated into the development review and requirements.

Council Member Searing said that the presentation was making it appear as though the community had agreed to increase density, especially in current single-family neighborhoods, and Ms. Mouch replied that she had not intended to imply community agreement. Where and how density could be incorporated without overburdening certain areas or neighborhoods would need to be discussed and applying an equity lens to that would be a critical component, she said.

Council Member Anderson said that the policy conversation regarding density ended when the Council approved an increase as part of the CCF. How to increase density with excellence and fidelity was the current question, she said.

Council Member Ryan emphasized the importance of revising the Design Manual and said that streetscape standards were very important. With regard to staff's comments about policy decisions having already been made, the CCF was not yet complete and the Parks Master Plan needed updating, she pointed out.

Council Member Anderson said that much of the current policy felt outdated and/or incomplete to her. She would like to give policy guidance or affirmation where necessary and check on assumptions that were being made about policy directives, she said. She pointed out that the Town's Comprehensive Plan was not a recent document.

Council Member Parker pointed out that the current budget season was the right time for staff to make sure that it had the resources to accomplish its goals. If there were places where more resources could help speed that process up, staff should make that known fairly soon, he said.

Council Member Parker recommended changing the wording regarding "allowing" parks, since the Town should be mandating them. Moreover, much of the documentation on housing choices was not understandable to the average person and needed to be simplified prior to public engagement, he said.

Planning Director Britany Waddell replied that making the information digestible to residents was one of staff's primary goals. She said that staff was currently working on the Design Manual and was aware that the CCF needed to be filled out. She pointed out that having alternate community opinions indicated a potential need for nine months of

community discussion. Staff was trying to ensure a realistic timeframe for public feedback, she said.

This item was received as presented.

11. Update on Administering Concept Plan and Conditional Zoning Applications [\[23-0127\]](#)

Assistant Town Manager Mary Jane Nirdlinger presented a proposal to revise how concept plans and conditional zoning applications move through the Town's planning process. The proposal was based on the Council's interest in looking at advisory boards' roles and in providing more predictability, simplicity and clarity, she said.

Ms. Nirdlinger pointed out that concept plans currently went before the Community Design Commission (CDC), Stormwater Utility Advisory Board, and sometimes the Housing Advisory Board (HAB) before coming to the Council. However, the LUMO required that only the CDC and Council reviewed those plans and staff was proposing to follow that guidance, she said.

With regard to conditional zoning applications, the current process included a staff technical review, public information meeting, and then review by the CDC, HAB, Economic Sustainability Advisory Board (ESAB), Transportation and Connectivity Advisory Board (TCAB), and Planning Commission (PC), she said. She pointed out that such extensive advisory board review added months to the process.

Ms. Nirdlinger recommended that only the PC review conditional zoning applications. That review would be followed by a public hearing, a recommendation from the Town Manager, and Council action, and would be in keeping with the LUMO, she said.

Ms. Nirdlinger did not recommend changing the final plan review process, which included a staff technical review and a CDC review of building elevations and lighting. She pointed out that it was currently a good time to test the proposed changes, since a number of projects were finishing up and new ones were coming in.

Council Member Miller-Foushee expressed interest in having the PC fill the CDC's role regarding building elevations and lighting, and Ms. Nirdlinger offered to look at the legal implications of such a text amendment.

Council Member Parker proposed exploring whether anyone, but staff needed to review those elements.

The Council and Ms. Nirdlinger discussed how staff and applicant time would be saved by the proposed changes, and Ms. Nirdlinger pointed out that applicants often get confusing information from the various boards.

Council Member Berry confirmed with her that "champions" from other Town boards do attend PC meetings.

Council Member Searing said that he had been told that the staff's presentation did not reflect some of the CDC's current role in the process, and Ms. Nirdlinger agreed to look into that. Attorney Ann Anderson commented that the staff presentation did not address the CDC's special authority related to the Town's Blue Hill District. However, that review process was different than what was currently being addressed, she said.

The majority of Council Members expressed support for the proposal, and Council Member Huynh asked staff to eliminate more. Several Council Members recommended exploring a text amendment that would allow the PC to take on the CDC's role of approving elevations and lighting. If the Town did not need advisory board feedback, and the LUMO did not require it, then why should it continue, said Council Member Berry.

Council Members Ryan, Searing and Anderson said that they supported revising the process but were opposed to the abrupt way that it was being proposed. Council Member Ryan said that the sudden change would be a disservice to hard-working board members and that she questioned taking such a step in the midst of reorganizing the Planning Department.

Council Member Anderson said that kicking advisory board members out without having another role for them did not feel like the correct approach. She would like to have a conversation about a more holistic approach to culture change and plan to get there before removing one component of the development review process, she said.

Council Member Searing recommended erring on the side of keeping the boards, which he said some viewed as the only way their voices could be heard. He argued that the Town was not being too badly affected by the current process, since there would be a near 25 percent increase in housing units in the next couple of years.

Ms. Nirdlinger commented that the Council had given staff much to think about. However, projects were coming in and staff needed to know how to direct them, she pointed out. She said that staff members had been talking with board chairs and vice chairs and had been surprised to learn that more than half of them supported the proposal.

This item was received as presented.

APPOINTMENTS

12. Appointments to the Planning Commission. [\[23-0128\]](#)

The Council appointed Theodore Nollert and Erik Valera to the Planning Commission.

13. Request To Add Stormwater Management Utility Advisory Board to February 22, 2023 Meeting. [\[23-0137\]](#)

Council Member Ryan, liaison to the SMAUB, said that only three members had attended the last meeting and that there were currently four empty board seats. The SMAUB had put two candidates forward last fall and would like the Council to appoint those two in the current month and fill the other two seats in March, she said.

This matter was agreed by consensus.

ADJOURNMENT

The meeting was adjourned at 10:13 p.m.



TOWN OF CHAPEL HILL

Town Council

Meeting Minutes - Draft

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

Mayor Pam Hemminger
Mayor pro tem Karen Stegman
Council Member Jessica Anderson
Council Member Camille Berry
Council Member Tai Huynh

Council Member Paris Miller-Foushee
Council Member Michael Parker
Council Member Amy Ryan
Council Member Adam Searing

Wednesday, February 22, 2023 7:00 PM RM 110 | Council Chamber

Language Access Statement

For interpretation or translation services, call 919-969-5105.

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务，请拨打
919-969-5105.

In-Person Meeting Notification

View the Meeting

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Entry and COVID-19 Protocols

Town Council

Meeting Minutes - Draft

February 22, 2023

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- Visitors and employees will self-screen. Do not enter if you have these symptoms: Fever, chills, cough, sore throat, shortness of breath, loss of taste or smell, headache, muscle pain.

ROLL CALL

Mayor Hemminger called the meeting to order and reviewed the agenda. All Council Members were present.

Present: 9 - Mayor Pam Hemminger, Mayor pro tem Karen Stegman, Council Member Jessica Anderson, Council Member Camille Berry, Council Member Paris Miller-Foushee, Council Member Tai Huynh, Council Member Michael Parker, Council Member Amy Ryan, and Council Member Adam Searing

OTHER ATTENDEES

Interim Town Manager Chris Blue, Deputy Town Manager Mary Jane Nirdlinger, Deputy Town Manager Loryn Clark, Town Attorney Ann Anderson, Planning Director Britany Waddell, Planning Manager Corey Liles, Affordable Housing and Community Connections Director Sarah Viñas, Police Officer Steven Bradley, Transit Director Brian Litchfield, Affordable Housing and Community Connections Assistant Director Nate Broman-Fulks, Principal Planner Diedra McEntyre, Police Chief Celisa Lehew, Transit Development Manager Matt Cecil, Senior Planner Tas Lagoo, Public Housing Director Faith Brodie, Public Housing Maintenance Supervisor Julian Gerner, Management Analyst Stacey Todd, Transit Planning Manager Caroline Dwyer, Communications Manager Ran Northam, and Deputy Town Clerk Amy Harvey.

OPENING

0.01 Town Council Recognizes Former Police Officer Rick Fahrer. [\[23-0173\]](#)

The Mayor and Council recognized recently retired Chapel Hill Police Officer Rick Fahrer, who had provided security at more than 417 Council meetings and 51 advisory board meetings over many years. They thanked him for his service and wished him well on his next adventure.

Officer Fahrer said that it had been an honor to serve. He pointed out that he had taken the position in 2008 after an incident during which several Council members and staff had been shot in Kirkland, MO.

Council Member Anderson said that Officer Fahrer was one of the first people she met when she joined the Council and that he had gone far beyond what the job entailed. Mayor Hemminger agreed that Officer Fahrer had put his heart into his work and thanked him for caring so much.

0.02 Council Statement of Solidarity with Turkish and Syrian [\[23-0174\]](#)

Communities in the Wake of Recent Earthquakes.

Council Member Berry read a statement expressing the Council's profound sadness for those affected by recent devastating earthquakes in Turkey and Syria. The Council was standing in solidarity with those in Chapel Hill who had loved ones in those areas, she said, adding that anyone who wished to help could learn more on the Sancar Community Center's webpage.

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

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0.03 Downtown Partnership Requests Reduction of Board Appointments. [\[23-0175\]](#)

Mayor Hemminger explained that the Downtown Partnership was asking the Council to reduce its number of board appointments from four to two members.

This matter was received and referred. This petition is a part of the February 15, 2023 Council Meeting agenda.

0.04 Orange County Affordable Housing Coalition Request for Bond Referendum and Increased Property Tax Towards Affordable Housing. [\[23-0176\]](#)

Donna Carrington, Community Empowerment Fund executive director, petitioned the Council to hold a new bond referendum for affordable housing (AH). She provided information supporting the view that more than \$30 million was needed. The petition requested that the Town dedicate two cents on the property tax and issue a 2023 bond referendum for \$50 million for creating and preserving AH, she said.

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

ANNOUNCEMENTS BY COUNCIL MEMBERS

0.05 Mayor Hemminger Regarding Everywhere to Everywhere Greenways. [\[23-0177\]](#)

Mayor Hemminger said that the Town had been moving forward with its Everywhere to Everywhere Greenways Plan. She thanked members of an interdepartmental team for their hard work and said that the Transportation Department had been working on a federal grant application to fund a feasibility study.

0.06 Mayor Hemminger Regarding Black History Month. [\[23-0178\]](#)

Mayor Hemminger noted that February was Black History Month in Chapel Hill. She said that staff has been sharing related information on social media and at the Public Library and she encouraged everyone to join the celebration.

0.07 Mayor Hemminger Regarding Let's Talk Town. [\[23-0179\]](#)

Mayor Hemminger said that the Let's Talk Town team would be at the Public Library on February 24th at 9:45 am and would also host virtual office hours at noon on February 27th. She said that more information was available on the Town's website.

0.08 Mayor Hemminger on Future Council Meetings. [\[23-0180\]](#)

Mayor Hemminger pointed out that the Council had added a March 1, 2023, work session and cancelled a March 3rd Council Committee on Economic Sustainability meeting. The next regular Town Council meeting would be on March 8, 2023, she said.

0.09 Mayor Hemminger Regarding Early Birthday Wishes for Council Member Berry. [\[23-0181\]](#)

The Mayor and Council wished Council Member Berry an early Happy Birthday.

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

1. Approve all Consent Agenda Items. [\[23-0142\]](#)

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

2. Authorize a Town of Chapel Hill Community Arts & Culture Award Program. [\[23-0143\]](#)

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

3. Approve the 2022-23 Independent Audit Contract. [\[23-0144\]](#)

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

4. Award a Bid for Street Patching, Milling, Resurfacing, and Re-Striping on Town-Maintained Streets. [\[23-0145\]](#)

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

5. Support a RAISE Grant Application for a Feasibility Study for Everywhere to Everywhere Greenways. [\[23-0146\]](#)

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

6. Authorize the Mayor to Execute a Memorandum of Understanding Creating the Intergovernmental Climate Council of Orange County. [\[23-0147\]](#)

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

7. Close the Legislative Hearing for Land Use Management Ordinance Text Amendments - Proposed Changes to Articles 1, 3, 4, 5, 6, and 7 and Appendix A Regarding Housing Choices for a Complete Community. [\[23-0148\]](#)

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

8. Amend the 2022-23 Council Calendar. [\[23-0149\]](#)

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

INFORMATION

9. Receive Upcoming Public Hearing Items and Petition Status List. [\[23-0150\]](#)

This item was received as presented.

10. Receive Quarterly Update on Climate Action Implementation. [\[23-0151\]](#)

This item was received as presented.

11. Re-Imagining Community Safety Task Force Update. [\[23-0152\]](#)

This item was received as presented.

DISCUSSION

12. Receive the Public Housing Quarterly Report. [\[23-0153\]](#)

Public Housing Director Faith Brodie began a PowerPoint presentation on the department's activities, properties, outreach efforts and continuing efforts to remove the "troubled" status designation that the US Department of Housing and Urban Development (HUD) had given it. Her staff would discuss steps they had taken to address building deficiencies, she said, adding that she hoped that the Council would be able to complete the HUD training that was required to address governance deficiencies.

Maintenance Program Supervisor Julian Gerner presented a list of steps that the Public Housing Department (PH) had taken to remediate deficiencies in landscaping, access, appliances and safety that a HUD inspection had identified.

Management Analyst Stacey Todd pointed out that the cost of materials, services and salaries had increased. However, the Department had absorbed those costs in the operating funds that it received from HUD, she said. She then shared demographic information on residents and said that there were 306 applicants on the waiting list.

Ms. Todd said that a 2022 bi-annual survey regarding how residents feel about the quality of their home, Town staff and available resources, had yielded a 9 percent, mostly favorable, response. Staff was currently brainstorming how to increase that response rate, she said. She reported that a joint program with the Orange County Health Department had been providing cleaning supplies and related information to new tenants. She said that elements of third-quarter goals would directly improve the physical condition of properties.

Mayor pro tem Stegman asked Ms. Brodie for her thoughts on how the Town could proactively address its troubled status, and Ms. Brodie replied that Chapel Hill would not be able to meet the 96 percent occupancy rate that HUD required until the Trinity Court development contract was approved.

Mayor pro tem Stegman asked about maintenance issues that HUD had identified, and Ms. Brodie said that the Department had addressed all of those but that new ones kept being reported. She said that funding was not a problem but that attracting contractors to do the work was.

In response to a question from the Council, Ms. Brodie said that her staff

did not always have a place to relocate residents while rehabilitating units, since HUD did not consider a hotel a relocation. Council Member Miller-Foushee requested that staff put more thought into addressing those barriers and having a plan in place.

Council Member Ryan asked if there was a limit on the number of HUD-supported units that the Town could have, and Ms. Brodie offered to find out. Council Member Ryan commented on the importance of knowing if the Town was allowed to have more density as it rehabilitated aging units.

Council Member Parker pointed out that some municipalities had public authorities that oversee public housing. He asked Ms. Brodie if she thought that having the Council serve in that role was an appropriate governance model, or if a dedicated board focused on public housing might be better.

Ms. Brodie replied that she felt good with the existing model but did not know enough about others to say if it was the best one. She pointed out that Chapel Hill's public housing governance came from the Town Manager and Deputy Town Manager, even though HUD recognized the Council as the governing board.

Council Member Anderson said that it would be wise to get the Council out of the mix, if possible, and Council Member Parker said that he did not feel as though he was providing the required oversight. The Council talked about looking at other models, and Mayor Hemminger said that such a consideration was already underway.

Mayor Hemminger thanked Ms. Brodie and her "incredible team" for all that they do and for how much they care.

This item was received as presented.

13. Receive the Second Quarter Fiscal Year (FY) 2023 Affordable Housing Report. [\[23-0154\]](#)

Director of Affordable Housing and Community Connections Sarah Vinas gave a PowerPoint presentation on staff's implementation of AH goals from July 1, 2022, to December 31, 2022. She discussed how staff had advanced several key initiatives reached many Town milestones. However, the Town was at a critical point where the need for AH had substantially increased but major resources had been exhausted, she said.

Ms. Vinas summarized the main pillars of the Town's current AH Plan. She pointed out that the Council had allocated more than \$10 million in the first half of FY 2023 to develop more than 300 AH units and had leveraging more than \$70 million from a variety of sources. She said that

staff had been looking at new approaches -- such as mixed-income projects and public/private partnerships -- and was creating an investment strategy to resource AH work going forward.

Ms. Vinas discussed the Town's continuing support for the Northside Neighborhood Initiative and other projects that AH partners, such as Casa and Habitat for Humanity, had undertaken. She said that a Trinity Court public housing development had been awarded a 9 percent low-income housing tax credit (LIHTC) and that another project on Jay Street had submitted a new 9 percent LIHTC application. Homestead Gardens on Town-owned land would soon be moving forward, and the Council had approved land for AH on Legion Road, she said. She presented a graph to illustrate that more than 500 AH units were already expected to come online over the next five years.

Assistant Director of Affordable Housing and Community Connections Nate Broman-Fulks discussed the ways in which staff had been initiating policies to support AH, such as collaborating with the Planning Department to receive project approvals faster. He pointed out that a new expedited review process for projects with at least 25 percent AH units would cut review time in half and likely attract AH developers to Chapel Hill.

Mr. Broman-Fulks said that Town efforts had continued to yield AH units in market-rate projects, with 18 new affordable townhomes having been approved in the first half of the current fiscal year. Six other projects were under review, which would yield more than 165 new affordable homes, if approved, he said.

Mr. Broman-Fulks said that there had been increasing interest in the Town's Employee Housing Incentive Program. He pointed out that an improved AH Dashboard was available at chapelhillaffordablehousing.org. He said that staff had begun working with a consultant on an AH Plan that would guide its efforts over the next five years. Staff would return to the Council regarding that in the spring and they hoped to present the plan itself by end of FY 2023, he said.

Council Member Miller-Foushee confirmed that the income cap for the Employee Housing Program was 115 percent of the area median income (AMI) for homeownership and 80 percent of AMI for rental assistance. She and staff agreed that it was time to update that cap to allow more employees to take advantage of the program. She confirmed with Ms. Vinas that some communities did not have a cap and that staff could look at that as well, if the Council wished.

Council Member Huynh said he concurred with the idea of eliminating the Employee Housing Program's income cap, and Mayor Hemminger noted

that several Council Members had been shaking their heads in agreement.

Mayor pro tem Stegman ascertained from Mr. Broman-Fulks that the Jay Street project had received a high LIHTC score in the current year. However, Trinity Court's score had been slightly higher, and the Town was limited to having only one project approved in a given year, he explained. Staff felt optimistic about Jay Street being even more competitive in 2023, said Mr. Broman-Fulks.

Council Member Parker confirmed with staff that Carraway Village had been looking at financing models other than LIHTC for a portion of its land and that the Town would be able to purchase that land for \$1 in a few years if it had not been developed for AH.

In response to Council comments, Ms. Vinas agreed that AH and homelessness were linked. The Town supported The Partnership to End Homelessness and had many development projects that served those who were transitioning out of homelessness, she said. She pointed out that the greatest need was for those living at 30 percent of AMI, and below.

The Mayor and Council expressed appreciation to staff for their extremely hard but successful work and Mayor Hemminger thanked them for presenting information in such a clear manner. She praised the new dashboard and said that staff was not only doing incredible work but was showing it in ways that people could understand.

This item was received as presented.

14. Consider a Resolution Endorsing Shaping Our Future: A Transportation and Land Use Initiative and Call a Legislative Hearing to Consider Updating the Town's Comprehensive Plan to Include Shaping Our Future: A Transportation and Land Use Initiative on April 19, 2023.

[\[23-0155\]](#)

Transit Planning Manager Caroline Dwyer asked the Council to adopt two resolutions: Resolution 9, which would accept Shaping Our Future: An Integrated Transportation and Land Use Initiative; and Resolution 10, which would call a legislative hearing for April 19, 2023, to consider updating the Chapel Hill 2020 Comprehensive Plan to include some or all of that initiative.

Ms. Dwyer discussed how the Town's North-South Transit Oriented Development (NSTOD) Plan strongly supported its Complete Community (CC) goals and strategy. Staff was enthusiastic about bringing the two together, she said. She pointed out that the Council had already reviewed the Shaping Our Future Plan, which addressed topics such as community engagement, market analysis, access analysis, station area concepts, and implementation recommendations.

Council Member Searing commented on a page in the Council's packet regarding how adopting the initiative would identify the recommendations as Town objectives, and Ms. Dwyer replied that the initiative would be viewed as guidance. Council Member Searing said that including the word "objectives" implied otherwise and that adopting Resolution 9 would mean adopting the recommendations as a policy direction.

Council Member Searing asked about another section regarding implementation strategy that referred to "by right general density in neighborhoods". He said that Council approval would mean adopting the policy objective of eliminating single-family zoning requirements and allowing duplexes, triplexes or small multi-family buildings in single-family neighborhoods in the NSTOD area.

Ms. Dwyer said that adopting Resolutions 9 and 10 would not mean accepting a regulation. Council Member Searing replied that it would mean adopting a policy objective, and Ms. Dwyer pointed out that the policy objective only pertained to areas within a 1/4-mile radius of TOD stations.

Council Member Ryan verified with Town Attorney Ann Anderson that the document would become guidance for Town policy related to land use once it had been adopted into the Comprehensive Plan. Ms. Anderson pointed out that the Town did not implement regulations without passing ordinance amendments.

In response to a question from Council about the initiative being part of the Land Use Management Ordinance (LUMO) rewrite, Senior Planner Diedra McEntyre said that the rewriting process would include looking at recommendations in the NSTOD implementation strategy and determining which should be codified. Staff would return to discuss that with the Council in the fall of 2023, she said.

Council Member Ryan asked about pulling out a section in the LUMO on stormwater regulations in order to progress with that more quickly, and Planning Director Britany Waddell replied that the Council would, of course, have the option to request that. However, staff hoped to minimize the number of projects that were separated out in that way, she said.

Council Member Ryan recommended that staff confer the school system regarding its Schools Adequate Public Facilities Ordinance's density requirements. After confirming with Ms. McEntyre that boundaries would be explicitly defined during the LUMO rewrite, she said that such decisions should be made sooner than that. She asked staff to consider that before returning for Comprehensive Plan discussions.

Council Member Parker wondered if R-9 and R-10 were redundant, but Ms.

Dwyer explained that approving R-9 would mean accepting the initiative and that approving R-10 would mean moving forward with the legislative component. Council Member Parker confirmed with Assistant Town Manager Mary Jane Nirdlinger that staff planned to propose updates to the Comprehensive Plan in April 2023. Staff would do a major revamp when the Council was ready, but that would require resources and that staff was assuming that the Council would want to finish the LUMO rewrite before revamping the Comprehensive Plan, Ms. Nirdlinger said.

Mayor Hemminger confirmed with Ms. Dwyer that she thought of the Town's Complete Community framework as the big umbrella that was overall. The NSTOD corridor had a lot of components that contribute to that Framework, Ms. Dwyer said.

Sally Shoebring Russell, a Chapel Hill resident, expressed concern about adopting a resolution that includes gentle density. She proposed removing the paragraph that seemed to imply that it had been approved. In addition, she pointed out that the half-mile around the NSTOD did include historic districts, such as McCauley Cameron and Franklin-Rosemary.

At the Mayor's request, Ms. Dwyer repeated her earlier comments about how the resolution was not regulatory and would not have any impact on any zoning district along that corridor. Those issues would be addressed during later Council discussions about station area boundaries, and staff would make sure that there was no conflict with existing historic districts, she said.

Council Member Ryan emphasized the importance of planning to mitigate the displacement of people in several vulnerable communities along the NS corridor. She also emphasized the need for a very clear vision moving forward in order to avoid the kinds of "Texas donut" apartment complexes that the market wanted to bring.

Council Member Searing said that he supported TOD development but remained concerned about the clause about a by right increase in density. He would vote for the resolution in a second if that paragraph were excluded, he said. Council Member Berry spoke in favor of retaining the paragraph and said that she wanted to hear from residents who were for and against it.

A motion was made by Council Member Anderson, seconded by Council Member Parker, that the Council adopted R-9 with attachment. The motion carried by the following vote:

Aye: 8 - Mayor Hemminger, Mayor pro tem Stegman, Council Member Anderson, Council Member Berry, Council Member Miller-Foushee, Council Member Huynh, Council Member Parker, and Council Member Ryan

Nay: 1 - Council Member Searing

A motion was made by Council Member Huynh, seconded by Mayor pro tem Stegman, that the Council adopted R-10 to call a legislative hearing for April 19, 2023. The motion carried by the following vote:

Aye: 8 - Mayor Hemminger, Mayor pro tem Stegman, Council Member Anderson, Council Member Berry, Council Member Miller-Foushee, Council Member Huynh, Council Member Parker, and Council Member Ryan

Nay: 1 - Council Member Searing

ZONING ATLAS AMENDMENT(S)

Zoning Atlas Amendment: The Zoning Atlas Amendment, to change the zoning designation on this property, is Legislative. The Council receives and considers public comment on the merits of the proposed rezoning, including opinions, when making Legislative decisions.

- 15.** Close the Legislative Hearing and Consider a Conditional Zoning Application for Tri Pointe Townhomes at 2217 Homestead Road. [\[23-0156\]](#)

Senior Planner Tas Lagoo gave an overview of the Tri Pointe Townhomes project. Since the Council first saw the concept plan in January 2023, the number of units had increased from 108 to 118 and staff had recommended that a connection to the adjacent Courtyards at Homestead be for emergency access only, he said. He said that the site was currently zoned Residential-5-Conditional Zoning District (R-5-CZD) and that the applicant had requested a new R-5-CZD designation.

Mr. Lagoo said that the applicant had also requested a modification to the Town's Inclusionary Zoning Ordinance, since the increased number of total units had caused the 16 affordable units to be 13.7 percent of the total, rather the 15 percent that it had been before. He recommended that the Council open and then close the legislative hearing and consider adopting Resolution 1 and enacting Ordinance 1, for approval.

Applicant Richard Gurlitz explained that there had been an 18 percent increase in the number of total units since he first brought the application before Council in October 2022. He indicated where a block of houses had

recently been added and pointed out that they would replace a small, wooded area that had been shown on previous plans.

Mr. Gurlitz said that the project's density had increased to 9.61 units per acre. That level of density would maintain the townhome neighborhood character, would not exceed impervious surface requirements, would allow sufficient space for stormwater management, and would allow a major wooded area to remain, he said. He said that he did not want to densify the site any further and lose any more of its natural characteristics.

Amanda Hoyle, representing Tri Pointe Homes, said that two different townhome types being proposed would be 22 feet and 26 feet wide, respectively, and would have one- or two-car garages. Six different plans would provide options, but those plans were similar enough to allow consistency and construction efficiency, she said.

Council Member Parker confirmed with Mr. Lagoo that the Town's AH requirement for 15 percent of total units would yield 17.7 affordable, with the 0.7 being a payment in lieu. He asked why the applicant was proposing 16, and Mr. Gurlitz replied that increasing the overall density had resulted in a reduced number of two-car garages, which had diminished the project's overall value.

Council Member Parker verified with Mr. Gurlitz that the affordable units were all 22 feet, with a mix of two- and three-bedroom units. Their exteriors would be indistinguishable from the market rate units and would be for those at 80 and 60 percent AMI, Mr. Gurlitz said.

Council Member Ryan pointed out that the Council had not asked the applicant to return with more density. It had asked for a mix of units that would lead to smaller, less expensive housing, and she was surprised to see that the unit mix had shifted in the other direction, she said. She expressed disappointment over the proposal for 13 more large units and 3 fewer small units when the Council's requested had been in the other direction. She commented on how adding 10 units on what had been non-productive greenspace would be more profitable.

Council Member Huynh asked the applicant how the profit margin would remain the same if the applicant were able to build fewer small units and 13 more larger ones.

Mr. Gurlitz replied that it depended on what the comparison was. He said that the initial proposal had been for 100 units that were all 26-feet wide with two-car garages. In the months since then, the project had changed while development costs had increased. They were trying to include as many affordable units as possible while still having a successful project, he said.

Council Member Miller-Foushee emphasized that meeting the Town's

Inclusionary Zoning Ordinance was a Council priority. Council Member Berry asked why the applicant had opted for more density when the Council's priorities for AH had been clear.

Mr. Gurlitz replied that they had opted for making a buildable project while providing 16 AH units, which was a heavy lift for them in the current climate. Ms. Hoyle said that AH was a goal but that the project's overall target had been median income. Tri Point Properties was a publicly-traded homebuilder that had to show its investors that projects would be financially viable, she said.

Council Member Anderson said that she would not be as concerned about the AH ratio if the applicant proposed a lot of great middle-income units. Council Member Parker said that a \$17,000 AH payment in lieu of the 0.7 percent seemed low and recommended that staff recheck that number.

Courtyards at Homestead residents Dianne Martin, Bill Crittenden, Derek Ross and Jeff Charles explained that their neighborhood was an "aging in place" community design for those who were older than 55. They described how various disabilities made Courtyards residents highly vulnerable to street traffic. They expressed support for staff's recommendation to restrict the connection with Tri Pointe Townhomes to bicyclists, pedestrians and emergency use only.

Mr. Ross asked that the conditions of approval include; implementing boundary plantings and a stormwater berm, protecting mature trees within or on the boundary with The Courtyards, and adding a stormwater monitoring plan. Mr. Charles emphasized the need for a sign at the connection and asked for a requirement that would protect tree-root systems.

Council Member Ryan confirmed with Mr. Lagoo that the items Mr. Ross had noted were already included as either ordinance requirements or conditions of approval.

Several Council Members expressed a desire to see more smaller units. Council Member Ryan said that she remained troubled by the proposed remix of units that had wiped out the greenspace and trees. Council Member Searing said that he preferred that previous iteration but did support the current project. Mayor pro tem Stegman said she hoped the applicant would return with something more aligned with what the Council had requested. Council Member Berry wondered if the project might be more feasible with fewer than six housing options, and Council Members Parker and Huynh questioned the proposed price points. The only way to lower prices would be to make the units smaller, Council Member Parker said.

Mayor Hemminger confirmed with the applicants that they did want to continue the hearing. Mr. Gurlitz said that he hoped the Council

understood that there was "only so much blood you could squeeze from a turnip". They had listened to the Council, and had returned with 10 additional units, which meant that other aspects of the plan had to be adjusted, he said.

A motion was made by Council Member Anderson, seconded by Council Member Berry, that the Council continued the Legislative Hearing to March 22, 2023. The motion carried by a unanimous vote.

SPECIAL USE PERMIT(S)

Special Use Permit: The Application for a Special Use Permit is Quasi-Judicial. Persons wishing to speak are required to take an oath before providing factual evidence relevant to the proposed application.

Witnesses wishing to provide an opinion about technical or other specialized subjects should first establish that at the beginning of their testimony.

16. Open an Evidentiary Hearing for an Application for a Special Use Permit Modification for 1507 & 1509 E. Franklin Street. [\[23-0157\]](#)

Mayor Hemminger read a statement that outlined the rules for a quasi-judicial hearing. She explained that proceedings would be similar to a court hearing in which the Council would act as impartial judges. She confirmed that no Council member had a fixed opinion, financial interest in the matter, or close relationship with a materially affected person, and that there had been no *ex parte* communication.

Mr. Lagoo introduced the SUP modification request for Dunkin Donuts, located at 1507 and 1509 East Franklin Street, which was zoned Community Commercial. The applicant was asking to add a drive-through window, reorient traffic on the site, and reduce the minimum on-site parking spaces from 43 to 37, he said. He reviewed the four findings of fact that the applicant had to achieve for approval and recommended that the Council open the hearing, receive evidence, and recess the hearing until March 22, 2023.

LeAnn Brown, a local attorney who was representing 1507 East Franklin Street LLC, introduced herself and said that she would present four witnesses. She said that one of her witnesses would testify to how traffic stacking would comply with the Town's ordinance. The amount of stacking proposed had been approved by the NC Department of Transportation (NCDOT), she pointed out.

In response to a question from Council, Attorney Brown and Town Attorney Anderson concurred that the applicant was requesting to modify an existing SUP to allow a drive-through window and to modify a parking

requirement to allow adequate stacking space for that drive-through feature.

Applicant Peter Turner gave a brief overview of the project. He said that the drive-through and a slight reduction in parking spaces were in accordance with DOT requirements. Customers -- especially those with toddlers and people with disabilities -- had been asking for faster and easier service, he said. He pointed out that the recent pandemic had revealed the need for germ-free methods of hand-off.

In response to a question from the Council, Mr. Turner said that a study of other Dunkin Donuts stores in the Triangle had found that cars did not spill out onto the street 99.5 percent of the time. He agreed to provide signage to prohibit that.

The Council asked about vehicle emissions, and Mr. Turner replied that the trend was shifting toward electric and hybrid vehicles and/or technology that could temporarily shut the engine off. There would be signage asking people not to idle, but the typical wait time was close to that of the average stop light, he said.

Phil Koch, president of EarthCentric Engineering, pointed out that the Town had originally required angled parking in that Dunkin Donuts lot in order to enhance traffic flow around the building. Having ten stacking spaces would more than offset the loss of one parking space, he said.

Sean Brennan, with Ramey Kemp and Associates, reported that typical queue lengths of three Dunkin Donuts drive-throughs that he had observed in the Triangle Area had been seven, which was one less than the NCDOT required.

Nick Kirkland, an NC-certified general appraiser and expert witness regarding property value impacts, said that the requested modifications would have no impact on adjoining property values.

David Tuttle, an area resident, said that his concerns had been addressed. However, he had noticed that large Sherwin Williams tractor trailers sometimes blocked the parking, he said.

Mr. Koch stated that his firm's study had verified that a large WB50 trailer truck would be able to get in and out of the site without any problems. Mayor Hemminger confirmed with him that blocking the drive-through would only occur when a truck was unloading but that additional space on the lane would allow a truck to avoid that. Council Member Ryan confirmed with him that the drive-through itself would never be blocked by an unloading truck.

Aaron Nelson, a nearby property-owner and former Chamber of Commerce CEO, said that the drive-through would improve and strengthen Dunkin' Donuts' business. He pointed out that 162 Orange County restaurants had closed in 2020-21 during the pandemic. Those that had survivors had been the ones who figured out how to efficiently utilize methods such as drive-throughs, he said.

Attorney Brown said that the applicant had presented evidence that had made the case that the project, as proposed, met the four LUMO standards.

A motion was made by Council Member Ryan, seconded by Council Member Berry, that the Council continued the Evidentiary Hearing to March 22, 2023. The motion carried by a unanimous vote.

APPOINTMENTS

18. Appointments to the Stormwater Management Utility Advisory Board. [\[23-0159\]](#)

The Council Appointed Rachel Willis, Neal Bench, and Evan Kirk to the Stormwater Management Utility Advisory Board.

17. Appointments to the Board of Adjustment. [\[23-0158\]](#)

Mayor Hemminger pointed out that Town needed more applicants to its boards, especially the Board of Adjustment.

The Council appointed Judith Miller to the Board of Adjustment.

ADJOURNMENT

The meeting was adjourned at 10:20 p.m.



TOWN OF CHAPEL HILL

Town Council

Meeting Minutes - Draft

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

Mayor Pam Hemminger
Mayor pro tem Karen Stegman
Council Member Jessica Anderson
Council Member Camille Berry
Council Member Tai Huynh

Council Member Paris Miller-Foushee
Council Member Michael Parker
Council Member Amy Ryan
Council Member Adam Searing

Wednesday, March 8, 2023 **7:00 PM** **RM 110 | Council Chamber**

Language Access Statement

For interpretation or translation services, call 919-969-5105.

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Para servicios de interpretación o traducción, llame al 919-969-5105.

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如需口头或
书面翻译服
务，请拨打
919-969-5105.

In-Person Meeting Notification

View the Meeting

- View and participate in the Council Chamber.
- Live stream the meeting - <https://chapelhill.legistar.com/Calendar.aspx>
- View on cable television channel at Chapel Hill Gov-TV (townofchapelhill.org/GovTV)
- The Town of Chapel Hill wants to know more about who participates in its programs and processes, including Town Council meetings.
- Participate in a voluntary demographic survey before viewing online or in person - <https://www.townofchapelhill.org/demosurvey>

Parking

- Parking is available at Town Hall lots and the lot at Stephens Street and Martin Luther King Jr. Boulevard.
- See <http://www.parkonthehill.com> for other public lots on Rosemary Street
- Town Hall is served by NS route and T route, and GoTriangle Routes of Chapel Hill Transit.

Entry and COVID-19 Protocols

Town Council

Meeting Minutes - Draft

March 8, 2023

- Entrance on the ground floor.
- Visitors and employees will self-screen. Do not enter if you have these symptoms: Fever, chills, cough, sore throat, shortness of breath, loss of taste or smell, headache, muscle pain

ROLL CALL

Mayor Hemming called the meeting to order at 7:00 p.m. All Council Members were present, with the exception of Council Member Huynh, who was out of Town.

- Present:** 8 - Mayor Pam Hemminger, Mayor pro tem Karen Stegman, Council Member Jessica Anderson, Council Member Camille Berry, Council Member Paris Miller-Foushee, Council Member Michael Parker, Council Member Amy Ryan, and Council Member Adam Searing
- Excused:** 1 - Council Member Tai Huynh

OTHER ATTENDEES

Interim Town Manager Chris Blue, Deputy Town Manager Mary Jane Nirdlinger, Deputy Town Manager Loryn Clark, Town Attorney Ann Anderson, Assistant Planning Director Judy Johnson, Planning Manager Corey Liles, Affordable Housing and Community Connections Director Sarah Viñas, Planning Director Britany Waddell, Police Chief Celisa Lehw, Community Safety Planner Meg McGurk, Senior Project Manager Sarah Poulton, Community Outreach Manager Shay Stevens, Interim Parks and Recreation Director Atuya Cornwell, Emergency Management Coordinator Kelly Drayton, Communications Manager Ran Northam, Fire Marshall Chris Kearns, Police Officer Dave Shick, and Assistant Town Clerk Brenton Hodge.

OPENING

0.01 Council Vote on A Resolution In Solidarity With Chapel Hill's LGBTQ+ Community. [\[23-0206\]](#)

Mayor Hemminger said that she and the Council were releasing a joint statement with Orange County, Carrboro and other districts opposing NC Senate Bill 49 (the "Parents Bill of Rights"), which would prohibit gender-affirming care for people under the age of 18. She emphasized the importance of speaking out and supporting the LGBTQIA+ community.

Each Council Member read a portion of Resolution 0.1, which listed the reasons for the Council's support. The resolution opposed House Bill 43 as well and stated that the Council was against all legislation that eroded the safety, health, civil rights and/or bodily autonomy of LGBTQIA+ people, including minors.

A motion was made that the Council adopted R-0.1. The motion carried by a unanimous vote.

0.02 International Women's Day Video. [\[23-0207\]](#)

The Council viewed a video that showed women who lead and/or work for the Town in various capacities carrying out their tasks. Mayor Hemminger pointed out that it was International Women's Day and Women's History Month. The video's intent was to highlight some of the Town's amazing women and to recognize the contributions that women make to the community, she said.

0.03 Proclamation: National Developmental Disabilities Awareness Month. [\[23-0208\]](#)

Council Member Anderson read a proclamation declaring March 2023 to be Developmental Disability Awareness Month in Chapel Hill and expressing the Council's support for developmentally disabled community members and their families. The proclamation said that the Council was committed to addressing the barriers that people with disabilities confront.

Jacklyn Boheler, executive director of Be3 Coffee, said that B3 had no organizational hierarchy and that people with and without disabilities held leadership roles at all levels. Be3 honored diverse ways of being and believed that all people longed to be seen, heard and valued, she said. Alex Martel, an ambassador with B3 Coffee, explained how to contact the company and said it was creating a space where everyone belonged.

Lisa Kaylie, executive director at Extraordinary Ventures, said that her firm's mission was to create and nurture self-sustaining businesses with a focus on creating job opportunities for people with intellectual and developmental disabilities.

ANNOUNCEMENTS BY COUNCIL MEMBERS

0.04 Mayor Hemminger Regarding MPO Transportation Planning Meeting. [\[23-0209\]](#)

Mayor Hemminger said that Town had been asked during a recent Metropolitan Planning Organization meeting to join other cities in sending a letter of support for commuter rail funding for North Carolina. Metro Mayors and the League of Mayors had signed on as well, and the goal was to have all letters submitted by March 10, 2023, she said.

0.05 Mayor Hemminger Regarding Ground Breaking at U Place. [\[23-0210\]](#)

Mayor Hemminger pointed out that demolition had begun at U Place. The redeveloped project would have more gathering places, less impervious surface, more green areas and trees, and more retail opportunities, she said.

0.06 Council Member Ryan Regarding Lights Out Chapel Hill. [\[23-0211\]](#)

Council Member Ryan said that the Town had agreed to help the Audubon

Society protect migrating birds by reminding people to turn their lights off and close their drapes at night during spring migration. Information was available on the New Hope Audubon Society's Facebook page and/or website, she said.

Mayor Hemminger pointed that a wide range of activities and resources related to local waterways would be available during Orange County Creek Week, from March 17 to March 26, 2023.

0.07 Mayor Hemminger Regarding North Carolina Cities Initiative. [\[23-0212\]](#)

Mayor Hemminger said that Community Sustainability Manager John Richardson and his team had helped coordinate the North Carolina Cities Initiative and that representatives from cities throughout North Carolina had come to Chapel Hill to address environmental change. She said that passage of the Inflation Reduction Act (aka Renewable Energy Act) had opened new opportunities for towns to get tax credits.

0.08 Mayor Hemminger Regarding Advisory Boards. [\[23-0213\]](#)

Mayor Hemminger said that the Council would be making advisory board appointments later in the spring. She encouraged people to check the Town's website for vacancies and apply.

0.09 Mayor Hemminger Regarding Future Council Meeting. [\[23-0214\]](#)

Mayor Hemminger said that a Council Work Session on the Town Budget and the Eastowne Medical Campus proposal would be held at the Chapel Hill Public Library on March 15th at 6:30 p.m.

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

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

0.10 Eugene Farrar Requests Speed Tables Near Hargraves Center. [\[23-0215\]](#)

Eugene Farrar, a Chapel Hill resident, said that streets around the

Hargraves Center needed speed tables due their proximity to an elementary school and school bus stop. He described speeding incidents and said that writing tickets was only a temporary fix. He understands that there was a waiting list for speed tables but thought that speeding near a school was a matter that the Town should prioritize, he said.

Mayor Hemminger told Mr. Farrar that the Council would take his request as a petition and refer it to her and the Town Manager.

A motion was made by Council Member Anderson, seconded by Council Member Parker, that the Council received and referred the petition to the Mayor and Manager. The motion carried by a unanimous vote.

CONSENT

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

Approval of the Consent Agenda

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

1. Approve all Consent Agenda Items. [\[23-0184\]](#)
This resolution(s) and/or ordinance(s) was adopted and/or enacted.
2. Approve the \$8.25 Million Installment Purchase Contract for the Replacement of Transit Buses. [\[23-0185\]](#)
This resolution(s) and/or ordinance(s) was adopted and/or enacted.
3. Support a Funding Request of the North Carolina Department of Transportation (NCDOT) to Install a Protected High-Visibility Crosswalk on Martin Luther King Jr. Blvd. at Critz Dr. [\[23-0186\]](#)
This resolution(s) and/or ordinance(s) was adopted and/or enacted.
4. Amend the Town Code of Ordinance Section 3-5 to Change the Town Public Locations Permitted to Allow Alcoholic Beverages at Special Events. [\[23-0187\]](#)
This resolution(s) and/or ordinance(s) was adopted and/or enacted.

INFORMATION

5. Receive Upcoming Public Hearing Items and Petition Status List. [\[23-0188\]](#)

This item was received as presented.

6. Greene Tract Update [\[23-0189\]](#)

This item was received as presented.

DISCUSSION

7. Orange County Partnership to End Homelessness Update. [\[23-0190\]](#)

Director of Affordable Housing and Community Connections Sarah Vinas pointed out that Chapel Hill had been a founding member of the Orange County Partnership to End Homelessness, which had been established in 2008 to implement a 10-year plan to end chronic homelessness. In 2022, a memo of understanding with the Partnership had been amended to add representatives from the Council and Town staff to the leadership team and to jointly fund three positions, she said.

Ms. Vinas reviewed the Town's long-standing commitment to address homelessness and put resources towards it. In the current year's budget, the Town had committed \$7.75 million to support homelessness services and development, she said. She explained that \$7.2 million of that had gone towards development and \$544,000 went towards homelessness services, including those offered by the Partnership. She outlined key challenges that still needed to be addressed, such as obtaining funding to develop units for people transitioning out of homelessness and more fully meeting the need for emergency shelter.

Rachel Waltz, Orange County Partnership to End Homelessness manager, presented the Partnership's 2022 annual report, discussed the status of homelessness, and provided an update on efforts to close system gaps. She thanked the Town for its ongoing support and its significant investment in affordable housing and homelessness. However, part of her goal would be to explain what happens when systems and safety nets are not enough, she said.

Ms. Waltz described various kinds of housing crisis and discussed the various tools that were available to help people find and/or keep stable housing. These included referral to the Street Outreach Harm Reduction and Deflection (SOHRAD) team, she said. She emphasized that the goal was to move as quickly as possible from a housing crisis back into permanent housing.

Ms. Waltz told the Council that 312 people had been served through shelters and transitional housing between October 2021 and September 2022 and that 69 had been served through the Rapid Rehousing Program. She pointed out that Black and African American community members, which were 12 percent of the population, made up 55 percent of those experiencing homelessness in Orange County.

Ms. Waltz said that more than 8,000 people who were either homeless or teetering on the edge had contacted Orange County's Housing Helpline during calendar year 2022. She said that 524 of those households had come into the coordinated entry system. There was no same-day shelter access, but 141 people had been connected with either temporary or permanent housing and 378 had been added to the shelter referral list, she said.

Ms. Waltz outlined changes that the Partnership had been making to increase access and resources. She said that the number of households that had found housing in the current calendar year had increased. However, gaps in the current system around actual housing, services and support persisted, she said, and she discussed a list of short-term services that were lacking as well.

Mayor pro tem Stegman and Ms. Waltz talked about hurdles in the application process, such as deadlines and differences regarding criminal and/or illegal involvement. Ms. Waltz said that there had been conversations about taking referrals directly from Coordinated Entry but that progress on that had been mixed. When asked by the Council, Ms. Vinas pointed out that tax credits were very prescriptive. However, developers who receive local funding could potentially serve some the people facing the hurdles being discussed, Ms. Vinas said.

Council Member Stegman pointed out that the Council often talked about the Interfaith Council's (IFC) shelter not being a best practice or evidence-based model. With people "literally dying in the cold on our Town streets", it was past time to address that, she said. She and Ms. Waltz discussed potential revisions that might lead to the IFC serving more people. Ms. Waltz said that making such a change would likely reduce the length of time that people experience homelessness. She pointed out that it could enable the IFC to apply for Emergency Solutions Grant funding.

Council Member Anderson confirmed with Ms. Waltz that a request for crisis diversion facility design proposals had gone out but that a site had not yet been chosen. She also confirmed that the Partnership had been talking with UNC Health, which was exploring options for a community-based setting. Council Member Anderson noted a connection between having stable housing and spending less time in the emergency room, and Ms. Waltz agreed that the healthcare system was the biggest winner when access to affordable housing was increased.

Council Member Parker and Ms. Vinas talked about the possibility of the Town using money and/or land that it gives to AH development partners as leverage by establishing explicit conditions for approval.

Mayor Hemminger confirmed that the Council supported asking Town staff to work with the IFC and the Partnership and then return with a list of recommendations that would help make the shelter more available for more people.

This item was received as presented.

8. Update on the Municipal Service Center Project and Affirm Next Steps.

[\[23-0191\]](#)

Interim Town Manager Chris Blue gave an update on the Municipal Services Center (MSC) project and asked the Council to adopt Resolution-4, which would affirm next steps and reimburse early project costs with bond funds. He pointed out that the new MSC would house the Police and other Town departments. The Town had looked at various sites since 2008 and had concluded that 828 Martin Luther King Jr. Boulevard (MLK) made the most sense, due to its prominent and accessible location, he said.

Mr. Blue pointed out that the Town had removed a housing component from the site plan. Due to the presence of coal ash and construction debris at the site, the Town had enrolled in the NC Department of Environmental Quality (DEQ) Brownfields Remediation Program, he said. He reviewed remediation options and recommended letting the DEQ guide the Town's next steps.

Deputy Town Manager Mary Jane Nirdlinger provided background on efforts to manage the coal ash since it was first discovered at 828 MLK in 2013. She pointed out that substantial mitigation had been done and that the Town had conducted extensive studies and responded to many questions and requests over the years. The project had been accepted into the Brownfields program in 2019, she said.

In order to be ready to move ahead after the DEQ review, staff had selected Evoke Architects to design the MSC and would be considering how Belmont Sayre could provide construction management support and Brownfield application services, she said. She said that staff would return to the Council with a concept plan application for the MSC. Resolution-4 was to pay for project costs from the General Fund and then reimburse those funds from future bond borrowing for the MSC, she said.

Council Member Searing asked if housing would be considered for the site in the future, and Ms. Nirdlinger replied that DEQ would draft a Brownfields agreement based on the Town's concept plan, which would not include housing. If a future Council wanted to pursue putting housing there, it would have to go back through the Brownfields Program and ask for an amendment to the agreement, she said.

Council Member Searing confirmed with Ms. Nirdlinger that an estimated

\$45 million for the MSC was \$11 million more than a previous estimate. He asked if that amount of debt would affect the Town's borrowing capacity, and Ms. Nirdlinger pointed out that Director of Business Management Amy Oland had told the Council that the MSC was a planned project that had been included in her projections.

Council Member Searing referred to several other Town projects that needed funding, and Ms. Nirdlinger offered to clarify which of those would not be related to bond borrowing. Council Member Anderson confirmed with Ms. Nirdlinger that staff was not suggesting sacrificing the projects that Council Member Searing had mentioned.

Council Member Anderson verified with Mr. Blue that staff would never recommend not doing the MSC. That project had been on hold for more than a decade and was a critical need, Mr. Blue said. She confirmed with him that staff had spent much time with the Council prioritizing the other needs that Council Member Searing had listed. Those would have different financial levers, said Mr. Blue, and she emphasized that the Council was not choosing one project over another.

In response to a question from the Council about urgency, Mr. Blue said that the Police Department building at 828 MLK was in disrepair and that the need for new facilities for several Town departments was long overdue. Mayor Hemminger pointed out that a new MSC had been part of a 2015 bond referendum. She explained that the Town normally had seven years to spend bond money but had received a three-year extension. The MSC would have to be underway by 2025 or it would forfeit those bonds, she said. She confirmed with staff that Ms. Oland had raised the amount to \$45 million in projections that she had already presented to Council.

Council Member Miller-Foushee asked if remediation would make the site safer, and Ms. Nirdlinger replied that the DEQ would guide the Town on how to reduce the current risk. The remediation and the development go hand in hand, she said.

Several Chapel Hill residents said that the Town should remove all the coal ash before pursuing any development at the site. Isabel Geffner said that there was not sufficient information to move forward, and Felicia Wang said that developing the site without first removing the coal ash would be "reprehensible". Brownfields remediation programs were less environmentally rigorous than traditional clean-up programs and the Town should push for stronger clean-up measures from the DEQ, said Ms. Wang.

Ember Penny, an undergraduate at UNC, and Lib Abernathy, a Chapel Hill resident, raised similar concerns. Ms. Penny said that toxins would eventually leach into ground water if not completely removed. Ms. Abernathy said she felt concerned and frustrated that the Council would consider constructing a building at the site without getting rid of the coal ash.

Nora Westan, Caley Tucker, Sunrise Movement members, expressed concern about the plan as well. Ms. Tucker said that the Town should share more information about the Brownfields plan with the public before agreeing to it. Ms. Westan asked several questions, and Mayor Hemminger pointed out that all information was available on the Town's website.

Harmonie Ramsden, a Sunrise Movement member, read a statement from Dr. Edward Marshall, of Safe Housing for Chapel Hill, which said that the Council had refused to listen to "real" scientists, such as Dr. Abner Vengosh a professor of Environmental Quality at Duke University's Nicholas School of the Environment, who had analyzed soil samples from the site.

John Wagner, Steve Fleck and Brent Lorce also said that the Council had not been willing to listen to Dr. Vengosh, who had found 19 different toxic materials in the soil samples he had taken from the site. Mr. Fleck raised concerns about the health of people who would be working at the MSC and asked the Council to pressure the DEQ to do more than just a Brownfield agreement. Mr. Lorce said that merely capping and containing the site rather than removing all the coal ash would pose an unnecessary risk to the health and safety of Chapel Hill residents and workers.

Nick Torrey, an attorney with the Southern Environmental Law Center who was representing Friends of Bolin Creek, said that the Town should not move forward with any building on the site without having a better remediation plan than the DEQ's bare minimum Brownfields approach. It was not true that cleaning up the coal ash would be unsafe, he said, noting that Duke Energy had been safely doing that throughout the state. He emphasized that the Town must remove the coal ash that was currently eroding on land above Bolin Creek and any other areas on the site that were above a one-in-a-million cancer risk threshold. Any coal ash left on the site needed to be monitored in perpetuity, as did Bolin Creek, he said.

Several Council Members emphasized that they were merely being asked to vote on submitting a plan to the DEQ, which would let the Town know what the proposed Brownfields plan would be. Several commented on dangers and ethical issues involved with removing coal ash and shipping it to another Town. They emphasized that the process had been transparent and pointed out that the community had been involved every step of the way. The Town had invested well over \$1 million in studying the land, had followed the science, and every shred of data that it had received was on the Town website, Council Member Parker said.

Council Member Anderson said that Council Members agreed with Dr. Marshall and with other environmental experts who had told them that

some places on the steep slope would have to be removed. Coal ash would need to be removed in any area where it could not be capped, she said.

Mayor pro tem Stegman said that some of the public speakers' comments had reflected misunderstandings and misinformation. The Brownfields Program required submission of a development plan in order to get a remediation plan, and then Council would be able to discuss what, for her, was still an open question, she said.

Several Council Members emphasized that safety was everyone's top priority. Council Member Ryan said that the Town had not ignored Dr. Vangosh's opinion and had sent information from him to environmental experts as well as the DEQ. Council Member Parker said that every Council Member understood the hazards presented by coal ash and that the Town had already sent tons of it to a lined landfill in Mt. Gilead, NC. The goal was to have no exposure to coal ash to anyone anywhere near that site, he said.

Council Member Searing said that 828 MLK was not a safe place to store coal ash, regardless of what the Town built on top of it. Without total removal, there would be a risk of leaching into Bolin Creek and downstream into Jordan Lake, he said.

A motion was made by Council Member Anderson, seconded by Council Member Miller-Foushee, that the Council adopted R-4. The motion carried by the following vote:

Aye: 7 - Mayor Hemminger, Mayor pro tem Stegman, Council Member Anderson, Council Member Berry, Council Member Miller-Foushee, Council Member Parker, and Council Member Ryan

Nay: 1 - Council Member Searing

Absent: 1 - Council Member Huynh

ZONING ATLAS AMENDMENT(S)

Zoning Atlas Amendment: The Zoning Atlas Amendment, to change the zoning designation on this property, is Legislative. The Council receives and considers public comment on the merits of the proposed rezoning, including opinions, when making Legislative decisions.

9. Consider a Conditional Zoning Application for Aspen Chapel Hill at 701 Martin Luther King Jr Blvd. from Neighborhood Commercial (NC) and Residential-3 (R-3) to [\[23-0192\]](#)

Residential-6-Conditional Zoning District (R-6-CZD).

Planning Manager Corey Liles presented an application to rezone property at the corner of MLK and Longview Street from Residential-3 to Residential-6-Conditional Zoning District. The purpose was to construct approximately 112 multi-family units on the site, which currently contained an auto shop and residences, he said. He said that the application process had begun in October 2019 and that recent changes included a 21+ age restriction and a \$100,000 payment for nearby greenways.

Mr. Liles explained that the applicant had increased the number of bicycle parking spaces and had included recreation space that met Town regulations. The project was not subject to the Town's Inclusionary Zoning Ordinance (IZO), but the applicant had volunteered to provide 14 affordable units on site, he said. He showed a list of proposed modifications to regulations and recommended that the Council close the legislative hearing and consider adopting Resolution-5 and enacting Ordinance-2, for approval.

Jessica Hardesty, a planner with McAdams Company, reviewed recent revisions regarding the Resource Conservation District (RCD), affordable housing (AH), age restrictions, and overall community benefits that McAdams had made based on Council feedback. She said that 10 of the 14 on-site, affordable units would be for people making 10 percent of the area median income (AMI) and 4 would be for those making 80 percent of AMI. She said that the project would vastly improve the RCD area and that Town advisory boards had given positive feedback.

Ms. Hardesty reviewed additional changes that the applicant had made in response to the Council's comments and questions. She said that the apartments would be open to anyone, including students, but would not be restricted to students. She said that renters would need to be at least 20-year-old (turning 21 during their lease period) and that the applicant was committing to accept housing vouchers for all units, not just the affordable ones. Since the RCD limited the opportunity for outdoor space, the applicant was offering \$100,000 for offsite bike and pedestrian improvements, she said.

David Helfrich, president at Aspen Heights Partners, read a statement about the long application process, which had included new Council Members being elected after the concept plan had received positive feedback. He outlined what he viewed as confusion regarding a housing report that the Council had referenced during a prior hearing. He said that Aspen Heights Partners had run a feasibility analysis and concluded that market-rate, non-student rents would not support the cost of construction, especially given the RCD constraints.

In response to a question from Council, Attorney Anderson said that she

would need to do more research but thought it was possible to include a restriction that would ensure that the 14 affordable units would not be filled with students. She pointed out that the performance agreement between the applicant and Town could incorporate as much of that as was legally permissible. She agreed to determine if there was a way to not base need on an individual's income alone, since some students were housing insecure, but others had no income but were supported by their parents.

Council Member Anderson confirmed with Mayor Hemminger that conversations between the Town and UNC were ongoing, but that UNC was awaiting the results of a survey it had done before working with the Town on joint solutions. In response to a question from Council about setting a precedent by building in the RCD, Mr. Liles pointed out that the Council had discretion with each application. A statement about why encroachment was particularly appropriate in the Aspen Heights case would be part of the record, he said.

Council Member Parker confirmed that the applicant was willing to accept a stipulation prohibiting them from starting shuttle services.

Melisa Johnson Langford, whose family had owned the land for generations, pointed out that her grandparents had rented rooms to students there. She hoped the site would continue to support students as well as other community members and that Aspen Chapel Hill would be the kind of transit-oriented development that everyone wanted to see in that area, she said.

Steve Tyler, a Chapel Hill resident who lives behind the site, expressed full support for the project, which he said would upgrade the area and enhance the value of his property.

Aaron Nelson, Chamber for Greater Chapel Hill and Carrboro president, said that the Chamber was very interested in increasing the supply of affordable and workforce housing and believed that the project could bring both. He pointed out that the Town had wanted student housing on the MLK corridor for years and said he thought the proposed location was the right place for it.

Mayor Hemminger noted that only eight Council Members were present and pointed out that a tie vote would defeat any motion. She gave the applicant the option of postponing the vote to a later Council meeting, but Mr. Helfrich chose to proceed.

Council Member Ryan said that a standalone, suburban building did not fit within the Town's vision for a Complete Community. As configured, it was not an outward-facing community asset and it only addressed one housing demographic, she said. She said that workforce housing would make more sense at that location and that she doubted that many non-students

would want to live in what would primarily be a student residence.

Council Member Anderson said that she did not recall the concept plan getting a warm reception from the previous Council, of which she was a member. And it still did not address the issues that had been brought up at that time, she said. She stated that the requested RCD and other modifications were not acceptable. She emphasized the importance of holding UNC accountable to its agreement to figure student housing out with the Town.

Council Members Parker, Berry Miller-Foushee and Stegman said that the project was not all that they wanted but that providing 14 affordable units was significant. Mayor pro tem Stegman commented that the Council could not say no to students in neighborhoods while also saying no to student housing in a college town.

Mayor Hemminger said that she was struggling with the decision. The applicant had offered a lot of benefits, but the project was not the workforce housing that the Town wanted, and she was concerned about setting a precedent regarding the RCD and steep slopes, she said.

A motion was made by Council Member Parker, seconded by Council Member Berry, that the Council closed the legislative hearing. The motion carried by the following vote:

Aye: 7 - Mayor Hemminger, Mayor pro tem Stegman, Council Member Anderson, Council Member Berry, Council Member Miller-Foushee, Council Member Parker, and Council Member Ryan

Nay: 1 - Council Member Searing

Absent: 1 - Council Member Huynh

A motion was made by Council Member Parker, seconded by Council Member Berry, that the Council adopted R-5. The motion carried by the following vote:

Aye: 5 - Mayor Hemminger, Mayor pro tem Stegman, Council Member Berry, Council Member Miller-Foushee, and Council Member Parker

Nay: 3 - Council Member Anderson, Council Member Ryan, and Council Member Searing

Absent: 1 - Council Member Huynh

A motion was made by Council Member Parker, seconded by Council Member Berry, that the Council enacted as amended O-2. The motion failed by the

following vote:

Aye: 4 - Mayor pro tem Stegman, Council Member Berry, Council Member Miller-Foushee, and Council Member Parker

Nay: 4 - Mayor Hemminger, Council Member Anderson, Council Member Ryan, and Council Member Searing

Absent: 1 - Council Member Huynh

10. Reopen the Legislative Hearing for a Conditional Zoning Application - 101 E. Rosemary Street from Town Center-2 (TC-2) to Town Center-3-Conditional Zoning District (TC-3-CZD). [\[23-0193\]](#)

Planning Director Judy Johnson gave a brief overview of a conditional zoning application for a 0.64-acre site at the corner of Columbia and East Rosemary Streets that was currently zoned Town Center-2. The applicant was requesting a rezoning to Town Center-3-Conditional Zoning District in order to construct a 7-story building with 150 apartments units, she said. She noted that the applicant was not proposing any on-site parking.

Ms. Johnson reviewed changes that had been made since the last hearing. She said that the applicant was requesting a modification to the 44-foot setback height regulations and was proposing 90-foot setbacks on all four sides. She recommended that the Council reopen the legislative hearing, receive comments, and continue the hearing to April 19, 2023.

Whitney St. Charles, of Grubb Properties, pointed out that her firm was engaged in other Downtown development projects that would result in the need for more workforce housing. She described the proposal for 101 E. Rosemary and pointed out that the site had a number of challenges, including small size and a significant grade change.

With regard to prior requests from the Council for affordable retail, Ms. St. Charles showed approximately 2,400 square feet of retail space on Rosemary Street and 1,000 square feet on Columbia Street. However, Grubb Properties had serious concerns about the viability of that space and wanted the ability to revert to housing if the retail leasing did not succeed, she said.

Ms. St. Charles presented a visual that showed unobstructed sidewalks along Columbia and Rosemary Streets. She presented renderings of the streetscape and scale and indicated where the affordable retail areas would be. Some of that retail would need to be located in the basement along Columbia Street due to grade changes, she pointed out.

Ms. St. Charles said that the affordable retail would be offered at half the market rate, which would be equivalent to 10.5 affordable housing units.

Grubb Properties was also proposing to provide a \$425,000 payment in lieu, which would be equivalent to five \$85,000 affordable units, she said.

Council Member Parker ascertained from Ms. St. Charles that Town staff had proposed the AH numbers. Deputy Town Manager Loryn Clark explained that \$85,000 was based on the Town's 2010 Inclusionary Zoning Ordinance. Attorney Anderson commented that the total payment would be better characterized as a voluntary payment of \$425,000 that the applicant was basing on what a payment in lieu would be.

Council Member Parker asked Ms. St. Charles to send the Council all her calculations for the proposed affordability standard. He confirmed with her that Grubb Properties was proposing a 10-year affordability term on the commercial component.

Several Council Members said that the project had come a long way and was almost where they wanted it to be. They praised the activation at the corner and the addition of affordable retail. Mayor pro tem Stegman asked for more information from staff on who the retail would help and if it would really make a difference.

Mayor Hemminger said that she wanted to see some affordable units, not just a payment in lieu, because the Town needed such spaces for people who work downtown. Mayor pro tem Stegman said that she, too, wanted to see affordable units but did not want to drive the prices of the other units up. She pointed out that a payment in lieu would help the Town replenish its AH reserve fund.

Council Member Parker asked the applicant to return with a more attractive AH package that included a more generous payment in lieu or a longer term. The Mayor and others also said that a 10-year term was too short.

Council Member Ryan said that she felt troubled by the lack of a building set-back, which the Town normally required. Going straight up was not ideal, but other pieces of the project, such as the retail activation, could make up for that, she said. She and Council Member Anderson asked the applicant to not put grass and plants in the sidewalks, but Mayor Hemminger said that more green space was needed downtown, and that the area had some stormwater issues.

Mayor Hemminger confirmed with staff that requirements regarding the Manager approving parking and residents being 21 and older had been included as stipulations. She thought that the project was the right fit for the location, she said.

A motion was made by Council Member Parker, seconded by Council Member Anderson, that the Council continued the Legislative Hearing to April 19, 2023. The motion carried by a unanimous vote.

CONCEPT PLAN REVIEW(S)

Concept Plans: Presentations for Concept Plans will be limited to 15 minutes.

Concept Plan review affords Council members the opportunity to provide individual reactions to the overall concept of the development which is being contemplated for future application. Nothing stated by individual Council members this evening can be construed as an official position or commitment on the part of a Council member with respect to the position they may take when and if a formal application for development is subsequently submitted and comes before the Council for formal consideration.

As a courtesy to others, people speaking on an agenda item are normally limited to three minutes. Persons who are organizing a group presentation and who wish to speak beyond the three minute limit are requested to make prior arrangements through the Mayor's Office by calling 968-2714.

11. Concept Plan Review: Aura South Elliott, 200 S. Elliott Road.

[\[23-0194\]](#)

The Council agreed to continue this item to March 22, 2023.

ADJOURNMENT

This meeting was adjourned at 11:03 p.m.



TOWN OF CHAPEL HILL

Town Council

Meeting Minutes - Draft

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

Mayor Pam Hemminger
Mayor pro tem Karen Stegman
Council Member Jessica Anderson
Council Member Camille Berry
Council Member Tai Huynh

Council Member Paris Miller-Foushee
Council Member Michael Parker
Council Member Amy Ryan
Council Member Adam Searing

Wednesday, March 15, 2023 6:30 PM Library Meeting Room B

Language Access Statement

For interpretation or translation services, call 919-969-5105.

ဘာသာပြန်ဆိုခြင်းနှင့် စကားပြန်ခြင်းအတွက်၊ (၉၁၉) ၉၆၉-၅၁၀၅ ကို ဖုန်းခေါ်ပါ။

Para servicios de interpretación o traducción, llame al 919-969-5105.

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如需口头或
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务，请拨打
919-969-5105.

In-Person Meeting Notification

View the Meeting

- Public attendance is welcome.
- We will not live stream the event, but will provide the Post-Meeting Video <https://www.townofchapelhill.org/councilvideo/>
- The Town of Chapel Hill wants to know more about who participates in its programs and processes, including Town Council meetings.
- Participate in a voluntary demographic survey <https://www.townofchapelhill.org/demosurvey>.

Parking

- Parking is available at the Library lots. The Library is served by CL Route, D Route, and GoTriangle Routes of Chapel Hill Transit

Entry and COVID-19 Protocols

- Meeting Room B is to the right from the main entrance.
- Visitors and employees will self-screen. Do not enter if you have these symptoms: Fever, chills, cough, sore throat, shortness of breath, loss of taste or smell, headache, muscle pain

Town Council

Meeting Minutes - Draft

March 15, 2023

ROLL CALL

- Present:** 7 - Mayor pro tem Karen Stegman, Council Member Jessica Anderson, Council Member Camille Berry, Council Member Paris Miller-Foushee, Council Member Tai Huynh, Council Member Michael Parker, and Council Member Amy Ryan
- Excused:** 2 - Mayor Pam Hemminger, and Council Member Adam Searing

OTHER ATTENDEES

Interim Town Manager Chris Blue, Deputy Town Manager Loryn Clark, Town Attorney Ann Anderson, Assistant to the Town Manager Ross Tompkins, Affordable Housing and Community Connections Director Sarah Viñas, Business Management Director Amy Oland, Assistant Business Management Director Matt Brinkley, Assistant Planning Director Judy Johnson, Economic Development and Parking Services Director Dwight Bassett, Public Works Director Lance Norris, Planning Director Britany Waddell, Transit Director Brian Litchfield, Public Housing Director Faith Brodie, Interim Parks and Recreation Director Atuya Cornwell, Technology Solutions Director Chris Butts, Senior Planner Tas Lago, Housing Operations Manager Lisa Edwards, Urban Designer Brian Peterson, Transit Assistant Director Nick Pittman, Emergency Management Coordinator Kelly Drayton, Fire Management Analyst Ryan Campbell, Mayoral Assistant Jeanne Brown, Police Officer Steven Bradley, and Communications and Public Affairs Director/Town Clerk Sabrina Oliver.

OPENING

Mayor pro tem Stegman opened the work session at 6:31 p.m. and reviewed the agenda. She said that Mayor Hemminger was attending a family funeral and that Council Member Searing would be absent as well.

ANNOUNCEMENTS BY COUNCIL MEMBERS

0.01 Mayor Pro-tem Stegman Regarding Creek Week. [\[23-0225\]](#)

Mayor pro tem Stegman said that several events had been scheduled for Creek Week (March 17-26), including a clean-up along the Roberson Bike Path in Carrboro on March 18th from 1:00-4:00 p.m. More information on Bike Week activities was on the Town's website, she said.

0.02 Mayor Pro-tem Stegman Regarding Next Week's Council Meeting. [\[23-0226\]](#)

Mayor pro tem Stegman said that the Council's next regular business meeting would be held at Town Hall on March 22 at 7:00 p.m.

0.03 Mayor Pro-tem Stegman Regarding Upcoming Joint Hearing with Orange County. [\[23-0227\]](#)

Mayor pro tem Stegman pointed out that the Council would participate in a joint hearing with Orange County on April 20th at 7:00 p.m.

AGENDA ITEMS

1. Discuss FY 2024 Budget and Five-Year Budget Planning. [\[23-0221\]](#)

Interim Town Manager Chris Blue said that Enterprise Fund managers would present their budget challenges and staff would present possible funding scenarios to meet short- and long-term Town needs. He would then ask the Council for feedback on the level of a proposed tax increase, he said.

Transit Director Brian Litchfield presented an update on his department's financial challenges. He pointed out that inflation was affecting costs for everything and that revenues were not keeping up with expenses. Demands for service continued to grow and Transit Partners (Chapel Hill, Carrboro and the University of North Carolina at Chapel Hill) would need to discuss ways to fund those in the future, he said.

Mr. Litchfield discussed staffing recruitment and retention challenges. He noted increased costs associated with building a North-South Bus Rapid Transit system (N-S BRT) and purchasing zero emission buses and infrastructure. He said that Transit's \$31.4 million budget included \$18.9 million from the Transit Partners, \$2.5 million from the federal government, \$3.2 million from the state, \$4 million from the Orange County Transit Plan, and \$2.7 million from other sources such as grants. Seventy percent of revenue went to personnel, and only about 6 percent remained for utilities, liability insurance, technology, and so forth, he said.

Mr. Litchfield told the Council that Transit's five-year expenses would include people, services, facilities, vehicles, the NS-BRT project, and sustainability initiatives. He planned to utilize existing funding sources as well as federal grants for the upcoming year, but the Transit Partners would need to address future challenges, he said.

Director of Economic Development and Parking Services Dwight Bassett said that Parking was a self-generating fund based on fees. His goal had been to increase the Downtown parking demand, occupancy and revenue, he said. He pointed out that occupancy had reached or surpassed pre-pandemic levels and that revenue had been increasing.

Mr. Bassett said that the Parking budget was \$6.1 million and that \$1 million of that went to staffing, \$3.8 million went to debt service, and \$1.4 million was for operations, maintenance, and technology. Future needs would include addressing deferred maintenance, repairing and replacing parking meters, and improving technology at Town lots and decks, he said.

Public Housing (PH) Director Faith Brodie pointed out that she had recently presented information to Council about increased costs associated with salaries, additional positions, and building preservation. She said that 60 percent of PH's budget went to salaries, 20 percent went to operating and

programming expenses, and 15 percent went to internal services costs. Having to adjust expenses in order to absorb the cost of salary increases had resulted in a flat budget this year, she said.

Ms. Brodie said that some PH tenants had not returned to their pre-pandemic rate of rent payments. She explained that the Town's U.S. Housing and Urban Development Department (HUD) score would be improved once Trinity Court was developed, and those empty units were removed from the Town's portfolio. Grant funding, operating funds, and collected rent would allow the PH Department to operate well until 2025, she said.

Public Works (PW) Director Lance Norris said that PW staff was currently working to receive a good report from the National Pollution Discharge Elimination System (NPDES), which evaluates the Town's Stormwater program every five years. That was the greatest current challenge and staff had been keeping on schedule with that, he said. He discussed general PW responsibilities and pointed out that residents' stormwater fees had been last increased in FY 2020. He said that \$2.7 million of a \$5.9 million bond for the Booker Creek Watershed project had been issued and that \$3.2 million remained.

Business Management Director Amy Oland asked the Council to decide between two tax increase scenarios: 4 cents, and 7.5 cents. Increasing taxes would provide some level of funding for each of the priority areas that the Council had identified, she said. She explained that a 4-cent increase would allow the Town to begin catching up. She discussed current backlogs in priority areas and explained how those could be reduced with each of the two tax scenarios. A 7.5 cent increase would eliminate the Town's entire \$35.4 million backlog and let it begin to get ahead, she said.

Ms. Oland pointed out that the five-year funding goal for affordable housing (AH) was to increase the AH Development Reserve to a full penny, which would enable 10 to 20 AH units per year. That would address about 15 percent of the AH need and additional funding could be obtained through another bond, a revolving loan fund, or some other type of funding, she said.

In response to a request for clarification from Council Member Anderson, Ms. Oland said that any claim that taxpayers were having to pay for the East Rosemary Deck's overruns was incorrect. That would be funded by the Town's Debt Fund and there would be no direct tax increase due to that project, she said.

Council Member Parker confirmed with Ms. Brodie that PH's annual revenue would be about \$1.8 million, if all rents could be collected. She noted that PH also received an annual capital grant (about \$1.3 million last

year) and federal operating funds (\$937,000 last year). PH did not currently receive state funding but had begun to apply for grants, she said.

Mayor pro tem Stegman confirmed with Ms. Brodie that PH had a list of contractors that it used on a regular basis but had been having difficulty finding any to refurbish units when they were empty. Council Member Parker suggested that staff explore joint contracting with other towns, such as Durham, to get more leverage in the marketplace, and Ms. Brodie agreed to look into that.

In response to a question from Mayor pro tem Stegman about what had led to the Town's current financial situation, Manager Blue replied that Town department heads had been encouraged to "toe the line" and had tried to do so without pushing back. As prices went up, those managers had squeezed their budgets, but the backlogs had eventually caught up, he said. He emphasized that there were no bad actors, only a series of years where the Town did not talk about the hard truths.

The Council spoke in favor of the 4 cent "catching up" scenario. They recommended publicizing the real dollar impact of each scenario on different tax levels and "over communicating" why there was a need to raise taxes at the current time. They agreed that choosing the 7.5 cent scenario would be a mistake, but some said that the Town should signal that there would be gradual increases in coming years.

This item was received as presented.

2. UNC Health Care Development Update.

[\[23-0222\]](#)

Senior Planner Tas Lagoo pointed out that the Council had seen a concept plan for UNC Health Care's Eastowne project in Jan 2023 and said that the current presentation would be a less formal update. Staff planned to begin the public hearing process in April and was hoping for Council action on the Conditional Zoning request in May 2023, he said.

Simon George, UNC Health vice president for Real Estate, pointed out that UNC Health had told the Council in November 2022 that it would submit a Conditional Zoning (CZ) application for a 1.6 to 1.8 million square-foot healthcare campus that would include retail. He said that the original plan had been to construct one building every three to five years and reach build-out in approximately 25 years. However, UNC Health had concluded that it needed to build its second medical office building (MOB2) immediately, he said.

Bill Derks, a vice president with McAdams Company, showed the concept plan and described the site's constraints, such as existing roadways and Resource Conservation District (RCD) areas. He described recent changes and pointed out that a green area in the center of the plan would remain.

All the stream crossings, but one, had been eliminated in the northern 20 acres, he said.

Andy King, a partner with Gestalt Architecture and Design, said that Phase 2 of the development would be on the right side of the RCD with only one stream crossing to connect the two campuses. He said that UNC Health hoped that parking needs would lessen over the next 25 years and that building on the northern 20 acres would not be necessary; however, a parking structure would have to be part of the plan in case that did not happen, he said.

Mr. King presented visuals showing that MOB2 would be approximately the same height as MOB1. He indicated a tree-lined buffer along Highway 15-501 and said that the skyline would not be impacted by the proposed development. He showed greenway connections through and around the site. UNC Health had been working with Town staff to determine how the project could fit in with the Town's Complete Community Framework, he said.

David Parker, vice president with DCI, discussed a "traffic sensitivity study" that had led to mitigating the originally 1.7 million down to 1.1 million square feet, and Mr. George pointed out that UNC Health had been talking about 2.8 million square feet not too long ago.

Mr. George said that remaining outstanding points of negotiation included the following: AH, which UNC Health was committed to and had been exploring with Town staff; a pedestrian crossing at Highway 15-501; and a payment ("tax in lieu") for public services. UNC had been evaluating what it would mean for them to pay a proportional property tax, but all additions -- such as AH, property taxes, and a pedestrian crossing -- came at a cost, he pointed out. He said that his team had heard different things from different Council Members and wanted to know what the Council's general priorities were.

Mr. George said that UNC Health would hold a public information session on March 20th and would then go before the Planning Commission. Their goal was to open the public hearing on April 26th and look for a Council vote on May 24, 2023, he said.

Council Members commented on how the project had come a long way from the original proposal for 2.8 million square feet. They said that it was going in the right direction, but they still hoped to avoid building a parking deck in the northern 20 acres. Council Members Parker and Huynh recommended that any agreement stipulate that building on the northern 20 acres would be the last one that UNC Health would ever construct there. Council Member Huynh requested that a conservation easement be put in place if UNC Health did not need to build in that area.

The Council asked about the possibility of increasing the size of other parking decks rather than building an additional one on the northern 20 acres, but the applicant team replied that doing so would mean that all Eastowne's decks would be 10-stories tall. They showed a rendering of what a 10-story deck would look like and said that 8 stories were the tallest they had found in the Triangle area. They did not want patients to have to drive around and around up to a tenth level, they said.

The Council and applicant discussed their mutual hope that the Town would become less car-dependent over the next 25 years and that the additional parking deck would not be needed. However, UNC Health needed approval of the complete plan in order to entitle the additional 1.1 million square feet, Mr. George said.

The Council ascertained that all the parking decks would be clad with materials that match the buildings.

Council Members Berry, Miller-Foushee and Huynh said that AH was their top priority. Others agreed that AH was a town priority but said that they wanted to know the relative value of each benefit in order to understand the tradeoffs.

The Council emphasized the need to make sure that there was adequate capacity for a nearby Gateway development, and Mr. Parker pointed out that UNC Health would be required to submit a full-blown TIA before developing MOB3 and MOB4. UNC Health might need to mitigate based on actual conditions at that time, he said.

Council Member Anderson mentioned the need to maintain adequate buffers after NC-DOT widened Highway 15-501. She and Mr. George discussed the cost of building a pedestrian bridge or tunnel across Highway 15-501, and Mr. George said that the Council should weigh that among its priorities. Council Member Anderson recommended that a plan for that crossing be in place before such a large project is entitled.

The Council confirmed with Ms. Johnson that staff intended that the project would be entitled in May 2023 with some flexible conditions regarding things like parking numbers that would change over time based on demand. Ms. Johnson pointed out that the applicant had done a TIA for MOB2. She said that staff had included specific mitigation measures to address that. Council Member Parker confirmed that the applicant and staff had been working on a stipulation to lessen the need for parking by investing in more housing or buses.

Town Attorney Ann Anderson reminded the Council that a CZ was not an iterative process and that the project would not typically return to the Council unless it needed to be modified. Because of the 25-year

build-out, the Eastowne project would be less specific than those that the Council was accustomed to seeing, she said. Despite the difficulty of working with the build-out time, staff's hope was that the CZ would be done well enough that it would not need to be modified, she said.

This item was received as presented.

ADJOURNMENT

The meeting was adjourned at 8:45 p.m.



TOWN OF CHAPEL HILL

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

Item Overview

Item #: 14., **File #:** [23-0456], **Version:** 1

Meeting Date: 5/24/2023

Receive Upcoming Public Hearing Items and Petition Status List.

Staff:

Sabrina Oliver, Director and Town Clerk
Amy Harvey, Deputy Town Clerk

Department:

Communications and Public Affairs



Recommendation(s):

That the Council accept the reports as presented.

Background:

Two pages on our website have been created to track:

- public hearings scheduled for upcoming Council meetings; and
- petitions received, including their status and who you can call for information.

The goal is to provide, in easily available spaces, information that allows people to know when Council will be seeking their comments on a particular topic of development and to know the status of a petition submitted at Council meetings.

In addition to being on the website, these pages will be included in each agenda for Council information,

Fiscal Impact/Resources: Staff time was allocated to create the semi-automated web pages, and additional staff time will be needed for maintenance.



Attachments:

- Scheduled Public Hearings <<https://www.townofchapelhill.org/government/mayor-and-council/council-minutes-and-videos/scheduled-public-hearings>>
- Status of Petitions to Council <<https://www.townofchapelhill.org/government/mayor-and-council/how-to-submit-a-petition/petition-status>>

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

By accepting the report, the Council acknowledges receipt of the Scheduled Public Hearings and Status of Petitions to Council lists.

SCHEDULED PUBLIC HEARINGS

This webpage lists public hearings that are scheduled for a *specific Council meeting date*, although periodically, some may be continued to a future date. Public hearings may relate to the Land Use Management Ordinance (LUMO), Residential or Commercial Development, Budget, Transportation, or Housing issues. Meeting materials are posted at [Council Meeting Agendas](#), [Minutes](#) and [Videos](#).

Interested in a development project not yet scheduled for Council review? See the [Development Activity Report](#) for the project's current status.

May 24

- Open the Public Hearing: Recommended Budget for FY 2023-2024
- Open a Legislative Hearing for consideration of a Land Use Management Ordinance Text Amendment regarding Housing Regulations
- Open a Public Hearing to Consider Closing a Portion of Public Right-of-Way of Hamilton Road within the Glen Lennox Development
- Close the Legislative Hearing: Conditional Zoning Application for [UNC Health Eastowne](#), 100-988 Eastowne Drive
- Close the Legislative Hearing and Consider a Conditional Zoning Application for [Barbee Chapel Apartments](#) at 5101 Barbee Chapel Road
- *(anticipate consent action to continue to June 7)* Close the Legislative Hearing and Consider a Conditional Zoning Application for [South Creek at 4511 S. Columbia Street](#)
- *(anticipate consent action to defer to a future undefined date, notice provided when new date set)* Open the Legislative Hearing: Future Land Use Map Amendment and Conditional Zoning Application for Chapel Hill Crossing (Project #CZD-23-2)

June 14

- Close a legislative hearing to consider incorporating the Connected Roads Plan as a component of the Town's Comprehensive Plan
- Close a Public Hearing for a Modification to the [Columbia St Annex](#)
- Close a Legislative Hearing for a Conditional Zoning Application for [Starpoint Refuel](#)

STATUS OF PETITIONS TO COUNCIL

Petitions submitted during the Town Council meetings are added to the list below, typically within five business days of the meeting date.

To contact the department responsible, click on the department name. Meeting materials are posted on the [Council Meetings calendar](#).

<div>Public Initiated</div> <div>Council Initiated</div> <div>LUMO</div> <div>Closed</div>					
Meeting Date	Petitioner	Petition Request	Departments Responsible	Petition Status	Modified
05/10/2023	Olivia Ludington	Request Regarding Eno-New hope Landscape Conservation Group.	Town Manager Ross Tompkins , Assistant to the Town Manager Phone: 919-968-2707		05/11/2023
04/19/2023	Transportation and Connectivity Advisory Board	Request for Support Regarding GoTrianagle CRX Bus Route Changes.	Planning & Development Services		04/20/2023
04/19/2023	Thomas Henkel	Request to Exclude 200 S. Elliott Rd. Development in the Blue Hill District.	Planning & Development Services		04/20/2023
04/19/2023	Joseph Patterson III	Request to Add Stop Signs at Intersection of North St and Henderson St	Public Works Lance Norris , Public Works Director Phone: 919-969-5100		04/20/2023
03/22/2023	Yaniv Cohen	Request for Home Occupation Permit Modification.	Planning & Development Services	Staff is preparing information to respond to this request.	04/10/2023
03/08/2023	Eugene Farrar	Requests Speed Tables Near Hargrave Center.	Public Works Lance Norris , Public Works Director Phone: 919-969-5100	Staff is preparing information to respond to this request.	03/13/2023
02/22/2023	Orange County Affordable Housing Coalition	Request for Bond Referendum and Increased Property Tax Towards Affordable Housing.	Business Management Amy Oland , Business Management Director Phone: 919-969-5017 Housing & Community	Staff will consider this request as public comment received for the budget development process.	04/13/2023
02/15/2023	Cultural Arts Commission	Request for Name, Membership and Charge Changes.	Town Manager Ross Tompkins , Assistant to the Town	Staff will coordinate with the Council Committee on Boards and Commissions to respond to this request.	03/06/2023

Meeting Date	Petitioner	Petition Request	Departments Responsible	Petition Status	Modified
			Manager Phone: 919-968-2707 Communications & Public Affairs Sabrina Oliver , Communications & Public Affairs Director Phone: 919-968-2757		
02/15/2023	Matt Gladdeck	Request to Change Town Appointments to Board.	Town Manager Ross Tompkins , Assistant to the Town Manager Phone: 919-968-2707 Communications & Public Affairs Sabrina Oliver , Communications & Public Affairs Director Phone: 919-968-2757	At their 03/22/2023 meeting, the Council adopted a resolution authorizing changes to the Chapel Hill Downtown Partnership Board.	04/13/2023
01/25/2023	Wendi Ramsden	Request for 2200 Homestead Limited Scope Review	Planning & Development Services	Staff is preparing information to respond to this request.	02/13/2023
01/25/2023	Wendi Ramsden	Request for Limited Scope Review for 1100 S. Columbia St.	Planning & Development Services	Staff is preparing information to respond to this request.	02/13/2023
01/25/2023	Will Raymond	Request for Ethics Guidelines	Town Manager Ross Tompkins , Assistant to the Town Manager Phone: 919-968-2707	The Council received and referred this request to the Mayor and Town Manager for consideration.	02/13/2023
01/25/2023	Environmental Stewardship Advisory Board (Tom Henkel)	Requests Follow-Up Regarding 828 Martin Luther King Jr. Blvd. Site	Town Manager Ross Tompkins , Assistant to the Town Manager Phone: 919-968-2707	The Council received and referred this request to the Mayor and Town Manager for consideration. The Mayor's Office and Manager's Office have each provided project updates to the board.	04/13/2023
01/11/2023	Habitat For Humanity of Orange County (George Retschle)	Request that the Town Council of Chapel Hill Modify the Weavers Grove Conditional Zoning Permit	Planning & Development Services	This request can be evaluated as part of the established permit application/modification process. No further response is needed.	04/13/2023
01/11/2023	Joe Patterson	Request to Make Existing No Parking Sections of Cobb Terrace Tow Away Zones.	Public Works	Staff is preparing information to respond to this request.	01/20/2023

Meeting Date	Petitioner	Petition Request	Departments Responsible	Petition Status	Modified
			Lance Norris , Public Works Director Phone: 919-969-5100		
12/07/2022	Carol Conway	Request Regarding Affordable Housing Needs for IDD Members.	Housing & Community	The Council received and referred this request to the Mayor and Town Manager for follow-up. Town staff are able to share how these needs are considered in affordable housing development.	04/13/2023
12/07/2022	Environmental Stewardship Advisory Board (Anthony Henage)	Request to Acquire Eastowne Natural Heritage Site and Designate Natural Conservation Area.	Planning & Development Services	This request is preserved as public input and will be considered during the legislative hearing process for the conditional zoning application, scheduled to open at the 04/26/2023 Council meeting.	04/13/2023
10/19/2022	Deon Temne	Request for Sidewalks at Northside Elementary School.	Planning & Development Services	School zone markings are in place and Town staff are evaluating the Longfellow/Columbia intersection for a four-way stop.	04/13/2023
10/19/2022	Kelvin Hargraves	Request for Name Change to Hargraves Center Gym.	Mayor Pam Hemminger , Mayor Phone: 919-968-2714	The Council received and referred this request to the Mayor and Town Manager for consideration. Town staff are working with community members on how the signs showing the names will appear at the facility.	04/13/2023
10/12/2022	Elizabeth Onan (CHOCE)	Request for Council Review the Sign Ordinance and the Chapel Hill Transit Authority Policy and Standards to Ascertain They Fully Comply with Federal First Amendment Rights.	Transit Brian Litchfield , Transit Director Phone: 919-969-4908	Town staff have and will continue to draft and implement Town policies and ordinances in consideration of existing laws and continue to consult with the Town Attorney on these actions as needed.	04/13/2023
10/12/2022	Lisa Ostrom	Request to Add an Informational Sign to the Dixie Ln and Rd Signs.	Public Works Lance Norris , Public Works Director Phone: 919-969-5100	Staff is preparing information to respond to this request.	10/24/2022
09/28/2022	Rachel Eberhard/CASA	Request for SUP Modification Limited Scope Review.	Planning & Development Services	The Council opened a public hearing in October 2022 and took action at their 11/02/2022 meeting.	03/27/2023
09/14/2022	Barbara Driscoll and Lynda Haake	Request Regarding Lights Out Chapel Hill	Town Manager Ross Tompkins , Assistant to the Town Manager Phone: 919-968-2707	The Council received and referred this request to the Mayor and Town Manager for follow-up.	10/17/2022

Meeting Date	Petitioner	Petition Request	Departments Responsible	Petition Status	Modified
05/18/2022	Sandy Douglass	Request To Use ARPA Money Towards Pickleball.	Parks & Recreation Phillip Fleischmann , Parks and Recreation Director Phone: 919-968-2785	Final Decisions about ARPA funds will be made in January 2023.	11/21/2022
05/18/2022	Josh Romero	Recommendation for CPAC Charge Name Change	Police Chris Blue , Police Chief Phone: 919-968-2766	Staff will coordinate with the Council Committee on Boards and Commissions to respond to this request.	08/22/2022
05/04/2022	Cherec Morrison	Request to Add a Crosswalk at Holy Trinity Anglican Church.	Public Works Lance Norris , Public Works Director Phone: 919-969-5100 Planning & Development Services	Staff is supportive of the request and has submitted it for NCDOT SPOT funding.	04/13/2023
04/27/2022	Moriah Ridge, LLC	Request to Amend Consent Judgement to Permit the City of Durham to Annex a Property off of Mt. Moriah Road.	Business Management Amy Oland , Business Management Director Phone: 919-969-5017	The Council is scheduled to have a discussion related to this request at their 04/26/2023 meeting.	04/13/2023
01/12/2022	Environmental Stewardship Advisory Board	Request to Adopt New Electrification Policies for Chapel Hill.	Town Manager Ross Tompkins , Assistant to the Town Manager Phone: 919-968-2707	Staff will share information related to this request at an upcoming Council meeting..	08/22/2022
11/17/2021	Will Raymond	Request Regarding Ethical Rules Guiding Council, Staff and Advisory Board Conduct.	Town Manager Ross Tompkins , Assistant to the Town Manager Phone: 919-968-2707 Mayor Pam Hemminger , Mayor Phone: 919-968-2714	The Council Committee on Boards & Commissions discussed this at their 06/27/22 meeting and will share their recommendations for Council consideration at an upcoming meeting.	08/22/2022
10/13/2021	Tara Kachgal	Request Regarding 110 Jay Street.	Housing & Community	Staff continues to work with legal experts to adhere to all relevant statutes. The Council opened a legislative hearing for a conditional zoning application on 03/23/22 and approved the application on 04/27/22.	01/20/2023
10/13/2021	Savannah Bowers	Request Regarding Operational Transparency for Town	Town Manager	The Council Committee on Boards & Commissions discussed this at their 06/27/22	08/29/2022

Meeting Date	Petitioner	Petition Request	Departments Responsible	Petition Status	Modified
		Government	Ross Tompkins , Assistant to the Town Manager Phone: 919-968-2707 Council Committee on Boards and Commissions	meeting and will share their recommendations for Council consideration at an upcoming meeting.	
09/22/2021	Barry Nakell	Request to Rename Dixie Lane	Public Works Lance Norris , Public Works Director Phone: 919-969-5100	The Council Naming Committee will review this request and make a recommendation to the Council for consideration.	08/22/2022
09/22/2021	Joan Rehm and Karin Nelson	Request Regarding Downtown Exhaust Noise.	Police Chris Blue , Police Chief Phone: 919-968-2766	Staff has been actively engaged with residents on this issue and will continue to do so.	01/20/2023
09/22/2021	Kate Sayre	Request To Build A Splash Pad in Chapel Hill	Parks & Recreation Phillip Fleischmann , Parks and Recreation Director Phone: 919-968-2785	The Council discussed this at their 10/20/2021 work session. Staff will continue to evaluate locations, specifications, and costs for further Council consideration. UPDATE 1/20/23 discussions continue on this idea. Petitioner is engaged in the process.	01/20/2023
09/01/2021	Joe Patterson	Request for Modifications to the Town of Chapel Hill Noise Control Code.	Police Chris Blue , Police Chief Phone: 919-968-2766	Staff is preparing information to respond to this request.	08/22/2022
06/16/2021	Robert Beasley	Request Regarding Proposed Jay Street Apartments and Affordable Housing Development on Public Land Planning Process.	Housing & Community	Staff continues to work with legal experts to adhere to all relevant statutes. The Council opened a legislative hearing for a conditional zoning application on 03/23/22 and approved the application on 04/27/22.	11/18/2022
06/09/2021	Robert Beasley	Request Regarding Jay Street Land Tract Development Project Funding.	Housing & Community	110 Jay Street was one of five parcels purchased in 2005 with open space bond funding. Town Attorneys and outside counsel have advised there is no legal conflict with repurposing the site for affordable housing after this purchase.	08/22/2022
06/09/2021	Deborah Fulghieri	Request that Town Staff Bring Forward Historical and Environmental Information for the Town-Owned Property at Mt. Carmel Church Road and Bennett Road.	Housing & Community	The Town used open space bond funds to pay closing costs for the land donation. There is no legal conflict with considering alternate uses of a site the Town acquired in this way. Council prioritized the parcel for affordable housing in September 2019.	08/22/2022

Meeting Date	Petitioner	Petition Request	Departments Responsible	Petition Status	Modified
05/19/2021	Phil Post	Request to Refer the April 21 Petition Related to 160D to the Planning Commission.	Planning & Development Services Planning Commission	Staff has reviewed this request and recommends no change to the ordinance language at this time. There will be an opportunity to revisit this as part of the Town's LUMO rewrite.	04/13/2023
05/19/2021	Chapel Hill Public Library Advisory Board	Request for a Working Group on Equitable Library Funding.	Mayor Pam Hemminger , Mayor Phone: 919-968-2714 Library Susan Brown , Library Director Phone: 919-969-2034 Town Manager Ross Tompkins , Assistant to the Town Manager Phone: 919-968-2707	Orange County established a Library Services Task Force with staff and elected officials from both agencies participating. The task force first met in January 2022 and is continuing to meet regularly.	01/20/2023
11/04/2020	Residents in the area of Mason Farm Rd., Whitehead Circle, and Purefoy Rd	Request Improvements to Neighborhood Infrastructure to Promote Safe Walking and Biking and Improved Connectivity to Adjacent Neighborhoods and Campus.	Planning & Development Services Public Works Lance Norris , Public Works Director Phone: 919-969-5100	Staff is preparing information to respond to this request.	08/22/2022
06/10/2020	Community Design Commission	Request to Create a Downtown Design District.	Planning & Development Services	The Town's partnership with UNC on the Downtown Together initiative will help inform the future of downtown development and the role that design standards may have in achieving Downtown Together objectives.	08/22/2022
02/19/2020	Steve Moore	Request Regarding Cemetery Needs.	Parks & Recreation Phillip Fleischmann , Parks and Recreation Director Phone: 919-968-2785 Communications & Public Affairs Sabrina Oliver , Communications & Public Affairs Director Phone: 919-968-2757	Staff is in contact with the petitioner and is working to respond to the items raised in the petition. The driveways in Old Chapel Hill Cemetery were resurfaced in July 2021.	08/22/2022

Meeting Date	Petitioner	Petition Request	Departments Responsible	Petition Status	Modified
01/08/2020	Renuka Soll	Request for an Improved Petition Process.	Town Manager Ross Tompkins , Assistant to the Town Manager Phone: 919-968-2707	The petition page has been redesigned to provide additional information and context for petitions. Petitioners can contact the Manager's office or the supporting department if they have additional questions.	01/20/2023
06/26/2019	Julie McClintock	Request Regarding the Blue Hill Form Based Code.	Planning & Development Services	The Council and staff continue to evaluate and update the Blue Hill Form Based Code.	08/22/2022
06/26/2019	Community Design Commission	Request for Modifications to the Concept Plan Review Process.	Planning & Development Services	The Council most recently discussed this at their 09/16/2020 work session. Staff is piloting new ways to present Concept Plans to boards, using Town projects as subjects.	08/22/2022
04/24/2019	Board of Adjustment	Request Regarding Neighborhood Conservation District Ordinances.	Planning & Development Services	The Town is currently in the process of updating its Land Use Management Ordinance. This idea is under consideration as a part of this process.	08/22/2022
04/17/2019	Amy Ryan for Planning Commission	Commission Regarding Site Plan Review Process.	Planning & Development Services	Staff will coordinate with the Council Committee on Boards and Commissions to consider this request.	08/22/2022
02/13/2019	Citizens	Request Regarding Coal Use and Coal Ash.	Town Manager Ross Tompkins , Assistant to the Town Manager Phone: 919-968-2707	Remediation work is almost complete along the Bolin Creek Trail near the Police Department. UNC is expected to release their Climate Action Plan in 2021, which is expected to address UNC coal use in the future.	08/22/2022
06/13/2018	Mayor Pam Hemminger	Regarding Reviewing Policies, Procedures, and Practices for Development.	Planning & Development Services	A Town web page with TIA exemption requests is available. Staff continues to look for ways to apply the LUMO clearly and consistently for all stakeholders in the development process.	08/22/2022

Last modified on 5/19/2023 3:15:03 AM

STATUS OF PETITIONS TO COUNCIL

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<div>Public Initiated</div> <div>Council Initiated</div> <div>LUMO</div> <div>Closed</div>					
Meeting Date	Petitioner	Petition Request	Departments Responsible	Petition Status	Modified
09/28/2022	Council Member Anderson	Request for Project Review by Complete Communities Team	Town Manager Ross Tompkins , Assistant to the Town Manager Phone: 919-968-2707 Planning & Development Services	The Council received and referred this request to the Mayor and Town Manager for follow-up. This was a short-term request pending the Council's formal adoption of the Complete Community Framework.	04/13/2023
05/18/2022	Council Members Stegman, Huynh, Berry, Miller-Foushee, and Parker	Request American Legion Property Update	Town Manager Ross Tompkins , Assistant to the Town Manager Phone: 919-968-2707	The Mayor formed a Legion Property Committee which includes two of the petitioners to recommend next steps to the Council.	11/14/2022
10/27/2021	Mayor Hemminger and the Chapel Hill Downtown Partnership	Request that the Town Explore Taking Over the Downtown Portion of Franklin Street.	Town Manager Ross Tompkins , Assistant to the Town Manager Phone: 919-968-2707 Public Works Lance Norris , Public Works Director Phone: 919-969-5100	The Council discussed this at their 01/05/22 work session.	08/22/2022
09/22/2021	Council Members	Regarding Long Range Planning for Future Growth	Planning & Development Services	The Town hired Jennifer Keesmaat & Alex Mather with The Keesmaat Group, Jennifer Hurley with Hurley~Franks & Associates, and Rod Stevens with Business Street to conduct a future visioning based on "meeting the need" for housing in Chapel Hill.	08/29/2022
09/22/2021	Council Members Stegman, Huynh, Buansi, and Parker	Regarding Affordable and Missing Housing	Housing & Community Planning & Development Services	Staff prepared a draft Work Plan to address the the petition's interests and is piloting an expedited application review for projects proposing 100% affordable units. Council will receive	08/22/2022

Meeting Date	Petitioner	Petition Request	Departments Responsible	Petition Status	Modified
				an update on expedited review at an upcoming meeting.	
06/28/2021	Council Member Ryan on Behalf of Mayor Hemminger, Council Member Stegman, and Council Member Gu	Request Regarding Stormwater Storage Basin Projects.	Public Works Lance Norris , Public Works Director Phone: 919-969-5100	The Town has paused proposed stormwater projects pending a broader community discussion. The Town hosted a community information meeting about the flood storage projects identified in the Lower Booker Creek Subwatershed Study on 09/13/2021.	08/22/2022
06/09/2021	Council Members Parker, Ryan, Huynh, Stegman, and Gu	Request Regarding Comprehensive Review of Stormwater Regulations.	Town Manager Ross Tompkins , Assistant to the Town Manager Phone: 919-968-2707 Public Works Lance Norris , Public Works Director Phone: 919-969-5100	The Council discussed this at their 10/20/21 work session. Staff will explore options for partnering with the LUMO rewrite consultant to perform this review.	08/22/2022
05/19/2021	Council Members Stegman and Parker	Request Regarding Tax Equity Fund.	Town Manager Ross Tompkins , Assistant to the Town Manager Phone: 919-968-2707	In Fall 2021, Orange County launched a new Longtime Homebuyer Assistance program to provide property tax assistance to help people stay in their home. Staff recommends that funding for this program remains at the County level.	08/22/2022
05/05/2021	Mayor pro tem Parker, Council Member Buansi, and Council Member Stegman	Request Regarding Chapel Hill Increasing its Minority and Women Business Enterprise/Disadvantaged Business Enterprise (MWBE/DBE) Contracting Targets.	Business Management Amy Oland , Business Management Director Phone: 919-969-5017 Town Manager Ross Tompkins , Assistant to the Town Manager Phone: 919-968-2707	Based on Council direction, staff will build increased targets into the upcoming work on the East Rosemary Parking Deck project. Staff will continue working to respond to the broader request.	08/22/2022
03/24/2021	Council Member Anderson	Request Regarding Manufactured Home Parks	Town Manager Ross Tompkins , Assistant to the Town Manager Phone: 919-968-2707 Housing & Community	At their 04/27/22 meeting, the Council endorsed the County-Wide Manufactured Homes Action Plan.	08/22/2022
03/14/2018	Council Members Anderson, Gu, and	Request Regarding Addressing Blue Hill District Community Interests.	Planning & Development Services	Council enacted ordinance amendments pertaining to stormwater	11/28/2022

Meeting Date	Petitioner	Petition Request	Departments Responsible	Petition Status	Modified
	Schaevitz			management, affordable housing, and non-residential development, as well as building size, massing, and permeability. Council considered amendments for townhomes and deferred action.	
11/07/2016	Mayor Hemminger	Regarding Parking and Transit Needs in Downtown Area.	Planning & Development Services Police Chris Blue , Police Chief Phone: 919-968-2766 Public Works Lance Norris , Public Works Director Phone: 919-969-5100	Recent actions include replacing parking pay stations, implementing Downtown Ambassadors program, and including additional parking with required Wallace Parking Deck repairs. Next steps include parking payments-in-lieu and public/private partnerships.	11/28/2022

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<div>Public Initiated</div> <div>Council Initiated</div> <div>LUMO</div> <div>Closed</div>					
Meeting Date	Petitioner	Petition Request	Departments Responsible	Petition Status	Modified
06/23/2021	Molly McConnell	Request Regarding Amending the LUMO to Allow 30 Feet Buffer from Roadway.	Planning & Development Services	Request was forwarded to the LUMO project team for considering as LUMO is updated	08/22/2022
05/20/2020	Elaine McVey	Request to Amend the Land Use Management Ordinance Related to Deer Fencing.	Planning & Development Services	Staff will work to bring forward a LUMO Text Amendment for Council consideration at a future date.	10/07/2022
09/11/2019	East Franklin Neighborhood Steering Committee & Neighbors	Request Regarding Neighborhood Preservation.	Police Chris Blue , Police Chief Phone: 919-968-2766 Planning & Development Services	Staff will continue to work with residents, the University, and other community members on concerns related to student rental housing. This topic will be considered as part of the LUMO rewrite.	08/22/2022
09/19/2018	Julie McClintock of CHALT	Regarding Land Use Intensification.	Planning & Development Services Public Works Lance Norris , Public Works Director Phone: 919-969-5100	On 6/12/2019, Council received a presentation on the Town's Stormwater program. On 12/9/2020 Council adopted the use of FEMA Flood Resiliency Maps. In 2/2021, Council received more info on Stormwater programs LUMO update will consider other ideas.	08/22/2022
06/27/2018	Susanne Kjemtrup / Brian Hageman	Transportation and Connectivity Advisory Board Request for an Electric Vehicle Provision in the Land Use Management Ordinance.	Planning & Development Services	The Town is currently in the process of updating its Land Use Management Ordinance. These ideas are under consideration as a part of this process.	08/22/2022
06/13/2018	Ondrea Austin	CHALT's Request to Revise the Tree Ordinance.	Planning & Development Services	The Town is currently in the process of updating its Land Use Management Ordinance. This idea is under consideration as a part of this process.	08/22/2022

Last modified on 5/19/2023 3:15:03 AM



TOWN OF CHAPEL HILL

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

Item Overview

Item #: 15., **File #:** [23-0457], **Version:** 1

Meeting Date: 5/24/2023

Open the Public Hearing: Recommended Budget for FY 2023-2024.

Staff:

Chris Blue, Interim Town Manager
Amy Oland, Director

Department:

Manager's Office
Business Management

The FY 2023-24 Manager's Recommended Budget includes an increase of 5 cents for a combined property tax rate of 57.2 cents per \$100 of assessed value.

The Recommended budget for 2023-24 recognizes Council's most important goals and invests in strategic initiatives to achieve those objectives, even during these challenging and unprecedented times. We look forward to working with Council to continue offering the core services our residents expect.

We will return to Council at the May 24th public hearing to receive additional feedback from Council the community.

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

PRESENTER: Chris Blue, Interim Town Manager

- a. Introduction by the Manager
- b. Comments from the public
- c. Comments from the Mayor and Town Council
- d. Motion to close the Public Hearing
- e. Consider enacting the Ordinance on June 7, 2023.

RECOMMENDATION: That the Council receive public comment regarding the recommended budget. See

<https://www.townofchapelhill.org/government/departments-services/business-management/budget/2023-2024-budget-development>



TOWN OF CHAPEL HILL

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

Item Overview

Item #: 16., **File #:** [23-0458], **Version:** 1

Meeting Date: 5/24/2023

Open the Legislative Hearing: Land Use Management Ordinance Text Amendment- Articles 1, 3, 4, 5, 6, and 7 and Appendix A Regarding Housing Regulations and Housing Choices for a Complete Community.

Staff:

Britany Waddell, Director
Judy Johnson, Assistant Director
Corey Liles, Planning Manager
Anya Grahn-Federmack, Principal Planner
Tas Lagoo, Senior Planner
Katherine Shor, Senior Planner

Department:

Planning

See the Staff Memorandum on the next page.

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

PRESENTER: Anya Grahn-Federmack, Principal Planner
Tas Lagoo, Senior Planner

- a. Introduction and preliminary recommendation
- b. Recommendation of the Planning Commission
- c. Comments from the public
- d. Comments and questions from the Mayor and Town Council
- e. Motion to recess the Legislative Hearing to June 21, 2023.

RECOMMENDATION: That the Council open the legislative hearing, provide feedback on the draft text amendment, and continue the hearing to June 21, 2023.



OPEN THE LEGISLATIVE HEARING: LAND USE MANAGEMENT ORDINANCE TEXT AMENDMENT – ARTICLES 1, 3, 4, 5, 6, AND 7 AND APPENDIX A REGARDING HOUSING REGULATIONS AND HOUSING CHOICES FOR A COMPLETE COMMUNITY

Staff Memorandum

TOWN OF CHAPEL HILL PLANNING DEPARTMENT

Britany Waddell, Planning Director

Judy Johnson, Assistant Director

Corey Liles, Planning Manager

Anya Grahn-Federmack, Principal Planner

Tas Lagoo, Senior Planner

Katherine Shor, Senior Planner

<p>Amendment Request</p> <p>Amend sections of the Land Use Management Ordinance (LUMO) to address setback and height exceptions, encourage a range of housing choices, and allow staff approval of smaller multi-unit housing developments up to four (4) units.</p>	<p>Meeting Date</p> <p>May 24, 2023</p>
<p>Staff Recommendation</p> <p>That the Council open the legislative hearing on the LUMO text amendment, receive public comment, provide feedback on the draft text amendment, and continue the hearing to June 21, 2023.</p>	
<p>Process</p> <p>The item before the Council is for approval of a LUMO text amendment. The Council may approve the amendment if it is necessary:</p> <ol style="list-style-type: none"> 1. To correct a manifest error in the chapter; or 2. Because of changed or changing conditions in a particular area or in the jurisdiction generally; or 3. To achieve the purposes of the Comprehensive Plan 	
<p>Text Amendment Overview</p> <p>Based on the direction provided in the Town's adopted plans and commissioned studies, staff proposes a text amendment that seeks to:</p> <ul style="list-style-type: none"> • Regulate the amount of housing on a lot through dimensional standards such as minimum lot sizes, maximum floor area ratios, setbacks, building height, and impervious surface, rather than through density caps. • Allow two-family developments (including single-family plus cottage) in most residential zones. • Allow staff approval of three- and four-family developments in districts that currently allow multifamily development. • Revise the current height and setback exceptions to clarify requirements. <p>The proposed amendments do not supersede any regulations set forth by the Neighborhood Conservation Districts (NCDs), nor are they intended to incentivize the immediate redevelopment of single-family neighborhoods. The proposed changes are intended to encourage a context-sensitive increase in density over time and to provide additional dwelling units incrementally within existing neighborhoods.</p>	
<p>ATTACHMENTS</p> <ol style="list-style-type: none"> 1. Draft Staff Presentation 2. Exhibits 3. Resolution A (Resolution of Consistency) 4. Ordinance A (Enactment of Land Use Management Text Amendment Proposal) 5. Resolution B (Deny Land Use Management Text Amendment Proposal) 6. Noell Consulting Group Market Impact Analysis of Duplexes 7. Planning Commission Recommendation (to be added) 	



Land Use Management Ordinance Text Amendment Housing Regulations & Housing Choices for a Complete Community

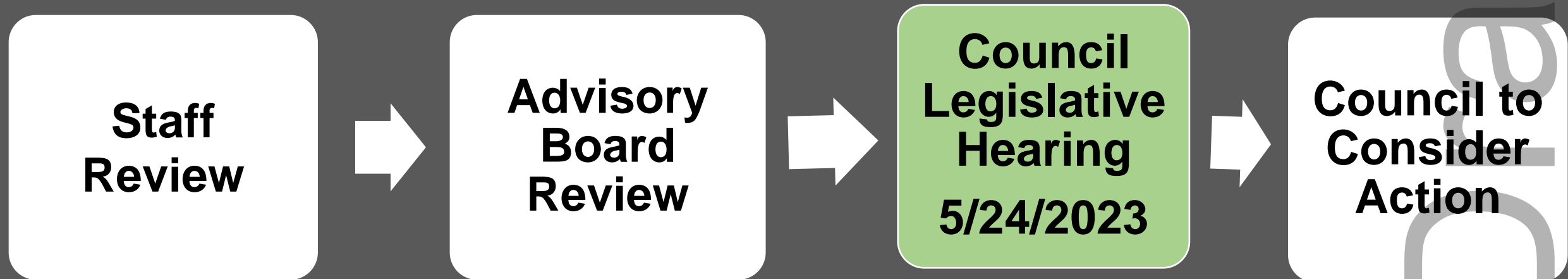
May 24, 2023

Recommendation¹⁵⁰

- Open the Legislative Hearing
- Receive public comment
- Continue the hearing to June 21, 2023



Text Amendment Process



Why are we doing this?

- September 2021 – Council members petition staff to create pathway for missing middle housing
- Projected Housing Needs, 2020-2040
 - Little variety in existing housing stock – single family homes and luxury apartments
 - Many needs are going unmet
 - Need to increase housing production by 35% (an average of 500 units annually)
- Complete Community Strategy

draft

Timeline¹⁵³



Fall 2022

- Staff presents to Planning Commission, Housing Advisory Board, and Council Committee for Economic Sustainability (CCES)



Winter 2022-2023

- Staff presents to Housing Advisory Board and Planning Commission
- Council opens the legislative hearing (1.25) and closes the legislative hearing (2.22)
- Staff hosts Community Open Houses and neighborhood meetings



Early Spring 2023

- Staff hosts Community Open Houses and neighborhood meetings
- Council work session (4.10)



Late Spring/Summer 2023

- Staff presents to Historic District Commission and Planning Commission
- Town Council Public Hearing
- Possible Town Council Action

draft

Purpose of the Text Amendments¹⁵⁴



Clean up the Land Use Management Ordinance (LUMO)

Diversify Housing Types

Increase Housing Production

Encourage Compatible Infill

Promote Gentle Density

Purpose of the Text Amendments

Initial Proposal

LUMO “Clean Up” Text Amendments

- Setback & Height Exceptions
- Townhouse Development Standards
- Updated Standards for Duplexes & Accessory Apartments

Opportunities to increase Missing Middle Housing

- Remove density limitations
- Cottages on Compact Lots
- Admin. Approvals of Tri- and Fourplexes
- Cottage Courts

Research & Stakeholder Engagement

Met with Town and County Departments

Looked at existing infrastructure (transit, walkability)

Engaged with affordable housing groups

Met with UNC about housing demands

Consulted with other cities

Community outreach

Council Guidance & Further Refinements

Council work session on 4/10

LUMO “Clean Up” Text Amendments

Considerations for refining “Missing Middle” housing types

Summary of Community Feedback

- Student Housing
- Parking/Traffic
- Nuisances
- Infrastructure capacity
- Equity and diversity
- Locations for density
- Housing affordability
- Neighborhood character
- Tree canopy
- Out-of-town investors
- Demolitions and loss of neighborhood character
- Historic designations
- Occupancy
- Stormwater
- Unintended consequences
- Zoning as a promise of expectations

draft

Proposed Phasing of LUMO Clean Up & Refining Missing Middle

Original Proposal

Setbacks & height exceptions

Townhouse development standards

Duplex & Accessory Apt. standards

Prioritize dimensional standards over density restrictions

Introduce cottages on compact lots

Administrative approval of triplexes and fourplexes

Add new missing middle housing types in most R- zoning districts:

- Triplexes
- Fourplexes
- Cottage Courts

Current Proposal

Setbacks & height exceptions

Accessory Apartment Standards

Prioritize dimensional standards over density restrictions

Introduce single-family + cottage

Expand two-family uses into all R- zoning districts

Opportunities for Attached/Detached Three- and Four-Family Developments

Future Work

Strategically add new missing middle housing types in more zoning districts:

- Triplexes
- Fourplexes
- Cottage Courts

Accessory apartments for cultural and institutional facilities as well as places of worship

Staff Recommendation¹⁵⁸

Purpose of Text Amendments is the guide for staff recommendation



Clean up the Land Use Management Ordinance (LUMO)

Diversify Housing Types

Increase Housing Production

Encourage Compatible Infill

Promote Gentle Density

Setbacks & height exceptions

Accessory Apartment Standards

Prioritize dimensional standards over density restrictions

Introduce single-family + cottage

Expand two-family uses into all R-zoning districts

Opportunities for Attached/Detached Three- and Four-Family Developments

Summary of Proposed Changes¹⁵⁹

What this does not do:

- Make single-family houses non-conforming or prohibit single-family developments
- Eliminate single family residential zoning
- Supersede restrictive covenants or entitlements
- Guarantee affordable housing
- Prevent student rentals

What this is intended to do:

- Allows **administrative approval** for small, multi-family developments up to 4 units in zones that already allow 3-7 units
- Imposes standards to ensure that new development is **compatible with existing neighborhoods**

Part 1: Proposed Text Amendments

- Setback & Height Exceptions:
 - Fences
 - Mechanical Equipment
 - Window Wells
 - Site Access
 - Transportation-related Improvements
 - Solar Collectors
- Tree Protection & Canopy Requirements



Part 2: Allowed Housing Types & Revised Use Table

	R-LD5	RT	R-LD1	R-1A	R-1	R-2	R-2A	R-3	R-4	R-5	R-6	HR-L	HR-M	HR-X
Single Family	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Two-Family Dwelling														
Single-Family with Accessory Apartment	P	P	P	P	P	P	P	P	P	P	P	A	A	A
<u>Single-Family with Cottage</u>	-	-	-	-	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>
<u>Two-Family, Attached (i.e duplex)</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	P	<u>P</u>	P	P	P	P	P	P	P
<u>Two- Family, Detached</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>
Multi-Family Dwellings														
<u>Three-Family, Attached/Detached</u>	-	-	-	-	-	-	-	-	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>
<u>Four-Family, Attached/Detached</u>	-	-	-	-	-	-	-	-	<u>P</u>	<u>P</u>	<u>P</u>	-	-	-
<u>Multi-family, 5-10 units, Attached/detached</u>	-	-	-	-	-	-	-	-	P	P	P	-	-	-
<u>Multi-family, over 10 units Attached/detached</u>	-	-	-	-	-	-	-	-	-	-	P	-	-	-

P : Proposed as a new permitted use

A: Proposed as a new accessory use

Part 2: Refining Missing Middle¹⁶²

Proposed Types & Placement:

Highest Density

Lowest Density

*Allowed in all
residential districts*



Single Family + Accessory Apartment



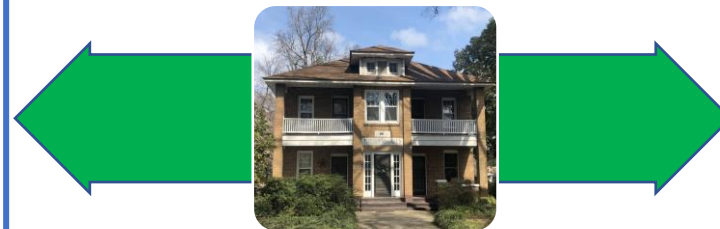
Two-Family

*Allowed in all residential
districts except rural
(R-LD and RT)*



Single Family + Cottage

*Allowed wherever
multifamily is allowed
(R-4 and higher)*



Multi-family

Part 2: Housing Types

Single Family + Accessory Apartment

Accessory Apartment Dimensions

Unit Size:	<ul style="list-style-type: none"> No more than 75% of the primary dwelling No more than 1,000 SF Planning Director may grant an exception allowing up to 1/3 of the floor area of the primary dwelling
Maximum Height	29 ft. or height of the primary structure (whichever is less)
Density	1 accessory apartment per house
Parking	1 space/bedroom
Occupancy	No more than 4 unrelated per lot
Key changes:	<ul style="list-style-type: none"> Increased size Height restriction



▲ Accessory dwelling units (or ADUs) come in many shapes and styles.

	R-LD5	RT	R-LD1	R-1A	R-1	R-2	R-2A	R-3	R-4	R-5	R-6	HR-L	HR-M	HR-X
Single-Family with Accessory Apartment	P	P	P	P	P	P	P	P	P	P	P	A	A	A

Part 2: Housing Types

Single Family + Cottage

Lot Dimensions

Minimum Lot Size Minimum Zoning Lot Size + 2,700 SF

Building Dimensions

Maximum Footprint • 1,000 SF

Maximum Floor Area • 1,200 SF

Maximum Height 29 ft. or height of the primary structure (whichever is less)

Density 1 cottage per lot

Parking Maximum 1 space/bedroom

Occupancy No more than 4 unrelated

Key changes:

- New Use
- Allowed in R-1 and higher density zoning districts



	R-LD5	RT	R-LD1	R-1A	R-1	R-2	R-2A	R-3	R-4	R-5	R-6	HR-L	HR-M	HR-X
Single-Family with Cottage	-	-	-	-	P	P	P	P	P	P	P	A	A	A

Part 2: Housing Types

Two-Family, Attached or Detached

Lot Dimensions

Minimum Lot Size Minimum Zoning Lot Size

Building Dimensions

Maximum Floor Area Ratio 0.40

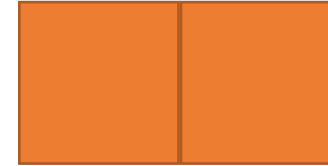
Maximum Floor Area 3,000 SF

Parking No more than 4 vehicles

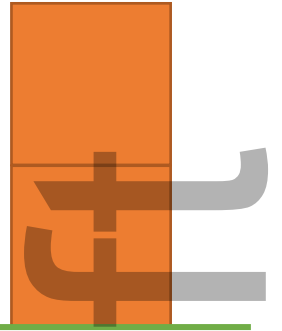
Occupancy No more than 4 unrelated/unit

Key changes:

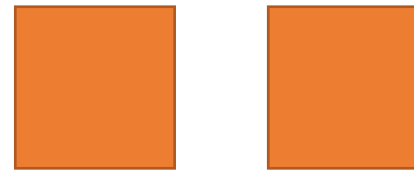
- Existing use (Duplex)
- Allowed in R-1 and higher density zoning districts
- Create opportunities for attached and detached units



2-units attached by shared walls



2-units attached by floor/ceiling



2-units detached

	R-LD5	RT	R-LD1	R-1A	R-1	R-2	R-2A	R-3	R-4	R-5	R-6	HR-L	HR-M	HR-X
Two-Family, Attached or Detached	P	P	P	P	P	P	P	P	P	P	P	P	P	P

Part 2: Housing Types

166

Three-Family, Attached or Detached

Lot Dimensions

Minimum Lot Size Minimum Zoning Lot Size x 2

Building Dimensions

Maximum Floor Area Ratio Follows underlying zoning

Parking No more than 4 vehicles

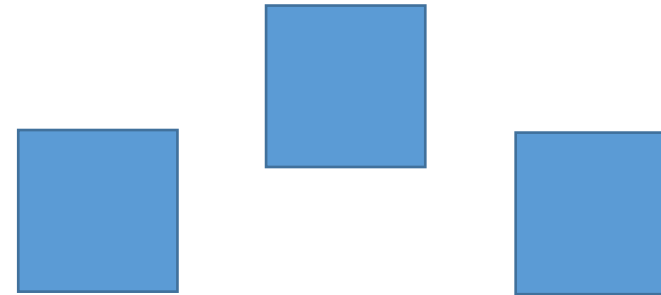
Occupancy No more than 4 unrelated/unit

Key changes:

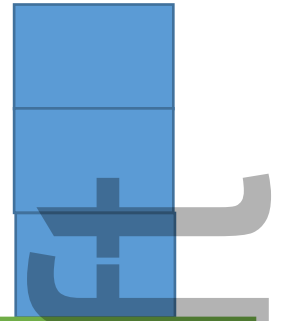
- Currently fall under Multifamily, 3-7 units
- Calling out Three-family as its own use
- Creating opportunities for attached or detached units
- No change to the zoning districts that allow this type of development
- Administrative approval



3-units attached by shared walls



3-units detached



3-units attached by floor/ceiling

	R-LD5	RT	R-LD1	R-1A	R-1	R-2	R-2A	R-3	R-4	R-5	R-6	HR-L	HR-M	HR-X
Three-Family, Attached or Detached	-	-	-	-	-	-	-	-	P	P	P	P	P	P

Part 2: Housing Types

Four-Family, Attached or Detached

Lot Dimensions

Minimum Lot Size Minimum Zoning Lot Size x 2

Building Dimensions

Maximum Floor Area Ratio Follows underlying zoning

Parking No more than 4 vehicles

Occupancy No more than 4 unrelated/unit

Key changes:

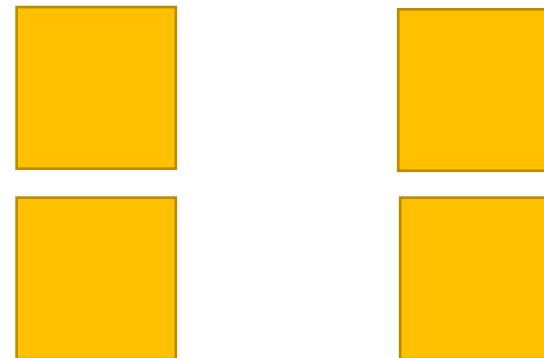
- Currently fall under Multifamily, 3-7 units
- Calling out Three-family as its own use
- Creating opportunities for attached or detached units
- No change to the zoning districts that allow this type of development
- Administrative Approval



4-units attached by shared walls



4-units attached by walls and floor/ceiling



4-units detached

	R-LD5	RT	R-LD1	R-1A	R-1	R-2	R-2A	R-3	R-4	R-5	R-6	HR-L	HR-M	HR-X
Four-Family, Attached or Detached	-	-	-	-	-	-	-	-	P	P	P	-	-	-

Neighborhood Conservation Districts (NCDs)



- No amendments to NCDs proposed
- Additional community engagement with residents is critical to determine needs and interests
- Language in that prevents construction in NCDs that currently do not allow duplexes

Potential Outcomes

169

Minneapolis 2020 Comprehensive Plan (January 2020 -2022)	<ul style="list-style-type: none">• Approximately 9,000 housing units permitted including:<ul style="list-style-type: none">• 62 new duplexes (0.68% of total permits)• 17 new triplexes (0.18% of total permits)
Durham Expanded Housing Choices (EHC) (October 2019 – November 2022)	<ul style="list-style-type: none">• 407 EHC-related permits:<ul style="list-style-type: none">• 132 small lot options (32.4% of total permits)
Raleigh Missing Middle Housing Reforms (August 2021-October 2022)	<ul style="list-style-type: none">• Total applications related to Missing Middle Housing ordinance changes:<ul style="list-style-type: none">• 11 subdivisions• 0 Townhouses
Predicted Chapel Hill Outcomes	<ul style="list-style-type: none">• Based on the same percentages above:<ul style="list-style-type: none">• 5 accessory apartments per year (current average)• 1.78 – 9.6 duplexes per year (0.68% - 3.69%)• 0.47 triplexes per year (0.18%)• 84.8 new cottages on compact lots (32.4%)

Other Considerations¹⁷⁰



- LUMO limits occupancy to 4 unrelated, but Building Code allows up to 8 unrelated
- No proposed changes to stormwater requirements for multi-family (3+ units)
- Subdivisions standards remain
- Fire code may be more restrictive than LUMO, such as access requirements

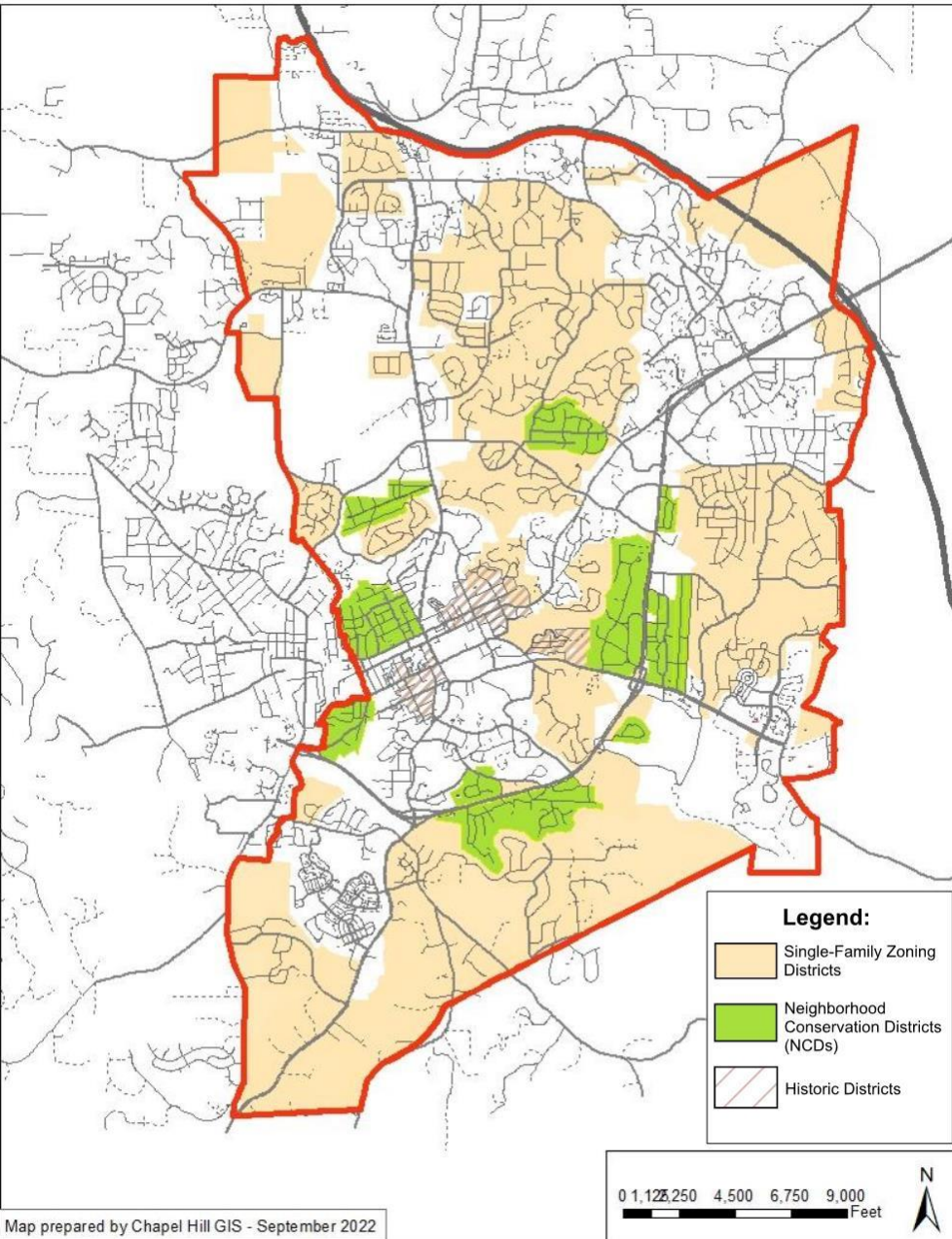
Other Considerations¹⁷¹

Zoning alone will not fix the housing shortage

Considerations:

- Zoning map amendments to allow more density
- Development bonuses for affordable housing
- Transit-oriented development (underway)
- Expedited review for pre-approved housing designs
- Additional support programs could provide opportunities for affordable housing

draft



Recommendation¹⁷²

- Open the Legislative Hearing
- Receive public comment
- Continue the hearing to June 21, 2023



MAY 24, 2023

HOUSING CHOICES FOR A COMPLETE COMMUNITY

EXHIBITS

TOWN OF CHAPEL HILL
PLANNING DEPARTMENT

Contents

Project History and Background	3
Proposal.....	3
Past Advisory Board and Town Council Meetings.....	4
Long Range Analysis.....	4
Proposed Text Amendment.....	7
Existing & Proposed Uses	7
Proposed Use Table	7
Two-Family Development	8
Multi-family Development.....	11
Other Considerations	14
Neighborhood Conservation Districts.....	14
Occupancy Limits	14
Stormwater	14
Subdivision Standards.....	14
Restrictive Covenants & Other Entitlements	15
Short-Term Rentals (STRs).....	15
Zoning is One Tool in a Larger Toolbox.....	15
Potential Outcomes	15
Key Takeaways	16
Housing Units and Land in Chapel Hill	16
Current Housing Stock	16
Distribution of Zoning Districts.....	17
Analysis of Zoning Districts.....	18
Analysis of Housing Types by Zoning District	19
Economic Development Analysis	22
Estimated Development Costs for Duplex Construction.....	22
Racial Equity Analysis	23
Advancing Racial Equity in Zoning Policy	23
Advancing Racial Equity in Housing Policy.....	24
Community Engagement.....	26
Survey Results.....	26
Emails to Mayor and Council	27
Appendix.....	27
Past Meetings	27

Research Completed	1
Comparison to other communities	1
Tree Canopy Analysis.....	1

Project History and Background

Chapel Hill's available housing supply does not meet the needs of current and future residents. As written, the Land Use Management Ordinance (LUMO) has encouraged suburban development trends, fostering the construction of owner-occupied, detached single-family houses and renter-occupied multi-family housing complexes. This has led to a segregation of housing types with about 70 percent of Chapel Hill's land devoted to single-family neighborhoods. Staff propose a text amendment to the Land Use Management Ordinance (LUMO), the Housing Choices for a Complete Community text amendment, to encourage Missing Middle Housing forms, such as two-, three-, and four-family developments, to add diversity between single-family and large multi-family developments.

The historic development trends in Chapel Hill are not only inefficient but have also contributed to higher home values and higher rents for tenants, pricing many out of the community. By limiting development in low-density neighborhoods, housing demand has moved to the fringes of the community and has led to loss of tree canopy and farmland. These areas on the edges of the community contribute to longer commutes, greater automobile dependency, and increased emissions. Low-density zoning districts do not align with Council's goals for promoting social justice and creating an inclusive and integrated community.

Recognizing this, the Town Council has indicated in its adopted plans and commissioned studies the need for a mix of housing types to provide opportunities for missing middle housing. For nearly a decade, the Town Council has stressed the need for a mix of housing types to meet the price points, life stages, and preferences of current and future residents.

The *Projected Housing Needs, 2020-2040* study found that over the last 20 years, Chapel Hill has largely developed two types of housing – single-family in 2000s and large-scale apartment complexes in the 2010s. This lack of diversity has led to the community's housing stock no longer meeting the needs of many households, including first-time buyers, families with young children, divorcees, empty nesters, and seniors.

At the same time, Chapel Hill has one of the highest ratios of jobs to housing in the region. The value of owner-occupied housing is 53 percent higher than Durham. While luxury apartments may meet the needs of young professionals today, these same professionals are likely to choose lower-cost housing near their jobs when it comes time to buy.

To keep the jobs-housing ratio from rising, the study found that housing production needs to increase by 35 percent over that of the 2010s, or on average 500 units per year. Of this, 440 units are required for working-aged people and seniors while 45 units are needed for students living off-campus.

There are consequences to keeping the status quo:

- By choosing not to grow, Chapel Hill will experience higher housing prices, less social diversity, fewer middle-income jobs, and difficulty attracting faculty and staff to the university.
- By continuing to regulate growth as we currently do under a project-by-project basis, housing costs will continue to grow as we lose our sense of place.

By improving the planning process and creating new neighborhoods, we have the opportunity to keep down housing costs and achieve our goals for climate change.

Proposal

In response to Town Council's direction, the Planning Department proposes addressing Chapel Hill's housing crisis by encouraging "gentle density." Gentle density allows small-scale residential projects such as accessory apartments as well as two-, three-, and four-family developments to be constructed within existing neighborhood fabric. The purpose of allowing these uses in existing residential zoning districts is to:

- Expand opportunities for diverse housing types that meet different price points, life stages, and preferences.
- Increase housing unit production that will in turn improve the availability and potentially the affordability of housing.

- Encourage compatible infill development specifically designed to respond to the context of existing single-family neighborhoods.
- Sensitively and slowly increase the density of existing neighborhoods. In turn, this will support community commercial centers, transit routes, and greenways.
- Increase density and promote walkability on existing and proposed greenways and trails and increase transit ridership. These alternative forms of transportation meet the Town's goals for fostering environmental suitability.

In October 2022, January 2023, and May 2023, Planning staff introduced a series of text amendments to encourage "gentle density" into existing residential neighborhoods. The table below details some of the key benefits of "gentle density" and potential applications in Chapel Hill.

General Benefits of Gentle Density	Benefits of Gentle Density for Chapel Hill
Greater variety of household sizes and demographics require variety of housing choices	Provides a range of housing options for current and future residents not currently met Future Land Use Map (FLUM) encourages duplexes, triplexes, fourplexes, and accessory apartments to have a review process like single family and recognizes they could fit into the existing fabric of single-family neighborhoods if carefully integrated
Walkable and accessible amenities	Compact, higher density and multi-family development creates demand for greenways, walking and biking paths, as well as transit.
Variety of Transportation Options	Density around existing transportation networks supported by the Mobility & Connectivity Plan as well as the Climate Action Plan
Need for affordable and attainable housing	Range of unit types and sizes creates opportunities for – but does not guarantee – improved affordability
Sense of community	Land use, form, and density that strengthens the community, social equity, economic prosperity, and the natural environment

Past Advisory Board and Town Council Meetings

Staff presented and received feedback on iterations of the text amendment at multiple public meetings, Open House events, Lunch and Learn gatherings, and Council Work Sessions. A full list of these meetings is in the Appendix of this report.

Long Range Analysis

The proposed amendment is supported by the following adopted plans, commissioned reports, and the 2021 housing petition signed by several Council members:

Plan	Goals or themes supporting diversity of housing:
<u>Chapel Hill 2020 Comprehensive Plan</u> ¹ Adopted: June 25, 2012	A range of housing options for current and future residents (<i>Place For Everyone</i> .3) Low density, green Rural Buffers that exclude urban development and minimize sprawl (<i>Good Places, New Spaces</i> .1)

¹ <https://www.townofchapelhill.org/home/showpublisheddocument?id=15001>

	<p>A vibrant, diverse, pedestrian-friendly, and accessible downtown with opportunities for growing office, retail, residential, and cultural development and activity (<i>Good Places, New Spaces</i>.2)</p> <p>A range of neighborhood types that addresses residential, commercial, social, and cultural needs and uses while building and evolving Chapel Hill's character for residents, visitors, and students (<i>Good Places, New Spaces</i>.5)</p> <p>Future land use, form, and density that strengthen the community, social equity, economic prosperity, and natural environment (<i>Good Places, New Spaces</i>.8)</p> <p>Reduce the carbon footprint of all Town-owned or managed services and properties; require that all new development meets standards; and support residents in minimizing their personal footprints (<i>Nurturing Our Community</i>.7)</p> <p>Housing for students that is safe, sound, affordable, and accessible and meets a demonstrated need conducive to educational and maturational needs of students, and housing for Town, University, and the Health Care System employees that encourages them to reside in the community (<i>Town Gown Collaboration</i>.4)</p> <p>Promote access for all residents to health-care centers, public services, and active lifestyle opportunities (<i>Town Gown Collaboration</i>.6)</p>
<p><u>Future Land Use Map</u>²</p> <p>Adopted: December 9, 2020</p>	<p>Guiding Statement 1: Respond to the threats associated with climate change and environmental stewardship and resiliency by:</p> <ul style="list-style-type: none"> • Creating compact, walkable, mixed-use communities where activities are in close proximity and require less time and energy to access and travel between destinations. • Densify at strategic locations and mixing land uses shortens trips and reduces car dependency. • Promote patterns and styles of development that are climate responsive and utilize existing infrastructure. • Support transit systems through additional housing units and more intense land uses. <p>Guiding Statement 2: Ensure equitable planning and development.</p> <ul style="list-style-type: none"> • Mitigate residential displacement as development and redevelopment occurs • Provide affordable housing options for all family sizes and incomes in all neighborhoods • Preserve and strengthen intact neighborhoods, building upon local assets and resources • Develop healthy and safe communities through, among other improvements, walkable neighborhoods. <p>Guiding Statement 3: Encourage of Diversity of Housing Types</p> <ul style="list-style-type: none"> • Development of duplexes, triplexes, fourplexes, and accessory dwelling units with an approval process and requirements similar to single-family detached dwellings. FLUM recognizes that small-scale multi-family uses could fit into the existing fabric of single-family neighborhoods if carefully integrated into the existing neighborhood. • Development of townhouses at the edge of existing neighborhoods that act as a transitional use. • Small lot single-family subdivisions that utilize traditional neighborhood design to create compact, livable, and accessible neighborhoods.

² <https://online.flippingbook.com/view/26191/>

	<p>Guiding Statement 4: Promote distinctive, safe, and attractive neighborhoods.</p> <ul style="list-style-type: none"> • Direct dense growth to multimodal and key transportation corridors to promote a multi-modal network and increase mobility options. • Protect and preserve historic neighborhoods and neighborhood conservation districts (NCDs). <p>Guiding Principal 8: Provide appropriate transitions between land uses and buildings of different scales.</p> <ul style="list-style-type: none"> • Create harmonious transitions between different types and intensities of land uses and built forms physically through form, use, architectural, and landscaped transitions. <p>Guiding Principal 9: Preserve and maintain the appearance of Chapel Hill and create quality design and development</p> <ul style="list-style-type: none"> • Focus high quality appearance and design of private development to public views • Develop design guidelines, regulations, streetscape plans, and improvements that provide guidance on building massing, scale, shape, and orientation
<p><u>Mobility & Connectivity Plan</u>³</p> <p>Adopted October 28, 2020</p>	<p>Compact, higher density and multi-family development creates demand for greenways, walking and biking paths, as well as transit.</p>
<p><u>Climate Action & Response Plan</u>⁴</p> <p>Adopted: April 7, 2021</p>	<p>Compact, walkable, bikeable, transit-served neighborhoods require higher density development. The plan calls for incentivizing more compact, affordable, and mixed income housing, including “missing middle” and accessory dwelling units.</p>
<p><u>Petition from Council Members Regarding Affordable and Missing Middle Housing</u>⁵</p> <p>Submitted: September 22, 2021</p>	<p>Several members of Council asked staff to create a new application pathway to foster the creation of missing middle housing, such as duplexes, triplexes, townhouses, and other forms of compact development.</p>
<p><u>Projected Housing Needs, 2020-2040</u>⁶</p> <p>October 12, 2021</p>	<p>The Town of Chapel Hill and University of North Carolina jointly funded a report to determine housing needs. The report found that most new housing was single-family and apartments, with only 5% of new units completed serving as owner-occupied condominiums or townhouses. The Chapel Hill housing market found that more diverse housing types were needed in walkable neighborhoods to meet the needs of those left out of the current market, including first time homeowners, young families, divorcees, empty nesters, and seniors. About 485 units/year are needed to meet housing demands.</p>

³ <https://www.townofchapelhill.org/residents/transportation/bicycle-and-pedestrian/chapel-hill-mobility-and-connectivity-plan>

⁴ <https://www.townofchapelhill.org/Home/ShowDocument?id=48581>

⁵ <https://chapelhill.legistar.com/View.ashx?M=F&ID=9834553&GUID=1DB8AFA8-3BDF-42E2-9E41-D6747BD4ECF4>

⁶ <https://www.townofchapelhill.org/home/showpublisheddocument/50141/637715343396500000>

Complete Community Strategy⁷**December 7, 2022**

The Town of Chapel Hill worked with consultants to develop a new approach to housing that clarifies where and how its built to create inclusive, sustainable, and complete communities. The strategy supports:

Diversity of housing types, including missing middle density for both renters and homeowners.

Diversity of tenures for a diversity of households and recognizes that both units and secondary suites add gentle density.

Higher density, higher use, and lessened need for driving/parking will lower infrastructure and building costs.

Proposed Text Amendment

Existing & Proposed Uses

Proposed Use Table

	R-LD5	RT	R-LD1	R-1A	R-1	R-2	R-2A	R-3	R-4	R-5	R-6	HR-L	HR-M	HR-X
Single Family	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Two-Family Dwelling														
Single-Family with Accessory Apartment	P	P	P	P	P	P	P	P	P	P	P	A	A	A
<u>Single-Family with Cottage</u>	-	-	-	-	P	P	P	P	P	P	P	P	P	P
Two-Family, Attached	P	P	P	P	P	P	P	P	P	P	P	P	P	P
<u>Two-Family, Detached</u>	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Multi-Family Dwellings														
<u>Three-Family, Attached/Detached</u>	-	-	-	-	-	-	-	-	P	P	P	P	P	P
<u>Four-Family, Attached/Detached</u>	-	-	-	-	-	-	-	-	P	P	P	-	-	-
<u>Multi-family, 5-10 units, Attached/Detached</u>	-	-	-	-	-	-	-	-	P	P	P	-	-	-
<u>Multi-family, over 10 units, Attached/Detached</u>	-	-	-	-	-	-	-	-	-	-	P	-	-	-

Uses: New uses proposed to be added to the table
A: Permitted Accessory Use

P: Permitted Use P: New Permitted Use
A: Proposed Accessory Use

⁷ <https://www.townofchapelhill.org/businesses/complete-community#:~:text=The%20Complete%20Communities%20Strategy%20is,current%20and%20future%20housing%20needs.>

Two-Family Development

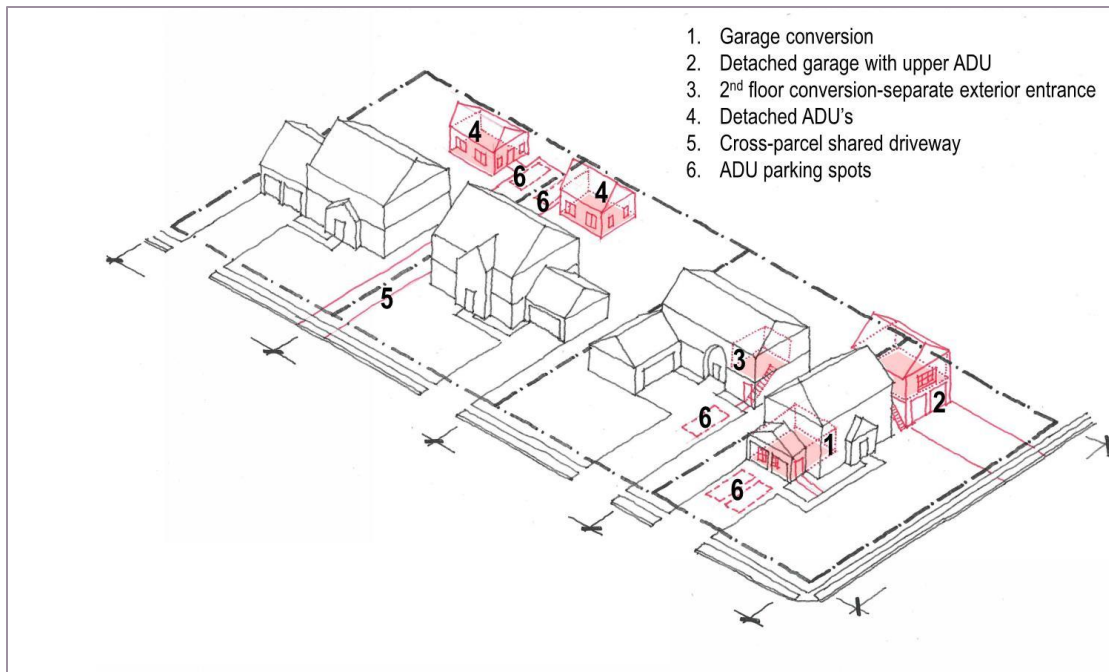
Single-Family + Accessory Apartment

What is it?

A self-contained unit with cooking, sleeping, and sanitary facilities that may be attached to, within, or detached from the single-family dwelling unit.



Example Scenarios:



Proposed Dimensional Standards:

Unit Size	<ul style="list-style-type: none"> No more than 75% of the floor area of the primary dwelling unit No more than 1,000 square feet total Planning Director may grant an exception for larger units if: <ul style="list-style-type: none"> Built within an existing structure and does not increase the footprint of the structure Contained within one floor, except any necessary points of access Does not exceed 1/3 of the floor area of the primary dwelling unit
Height	29 feet
Impervious Surface Ratio	0.50
Parking	1 space/bedroom
Density	1 accessory apartment per 1 single-family dwelling unit
Occupancy	Together with the single-family dwelling unit, no more than 4 unrelated people

Revision to the Rules:

- Move accessory apartment development standards from Appendix A definitions to the LUMO
- Increase the allowed size of accessory apartments

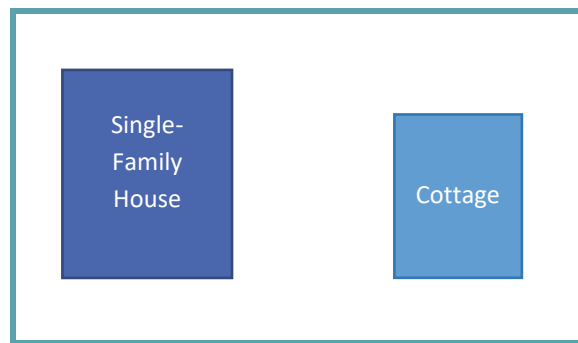
Potential Future Work:

- Consider accessory apartments as an accessory use to institutional and cultural facilities as well as places of worship
- Explore ways to increase the size of accessory apartments in some zoning districts
- Pre-approved plans

Single-Family + Cottage

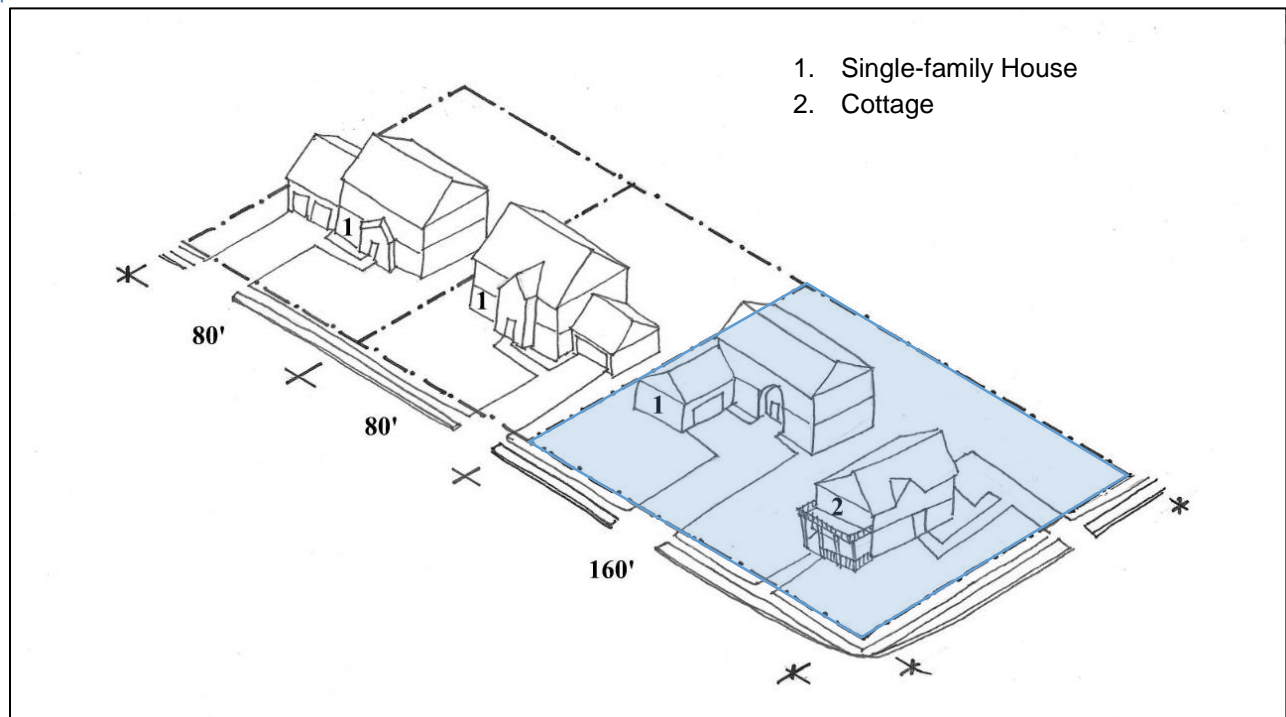
What is it?

A smaller, single-family dwelling unit of no more than 1,200 square feet that shares a lot with a detached single-family house.



Single-family House + Cottage

Example Scenarios:



Proposed Dimensional Standards:

Minimum Lot Size	Minimum lot size required by the zoning district + 2,700 square feet
Building Dimensions	
Maximum Footprint	1,000 square feet
Maximum Height	29 feet
Building Separation	Separation between dwelling units shall comply with fire code
Impervious Surface Ratio	0.50
Parking	Max. 1 space per bedroom
Density	1 cottage per 1 single-family dwelling unit
Occupancy	No more than 4 unrelated people

Revision to the Rules:

- This is a new use based on Durham's "Small House, Small Lot" concept that allows the construction of a second single-family dwelling unit on existing lot.
- Currently, the LUMO would require a property owner to complete a townhouse subdivision to allow separate ownership of the first single-family house and the cottage.

Potential Future Work:

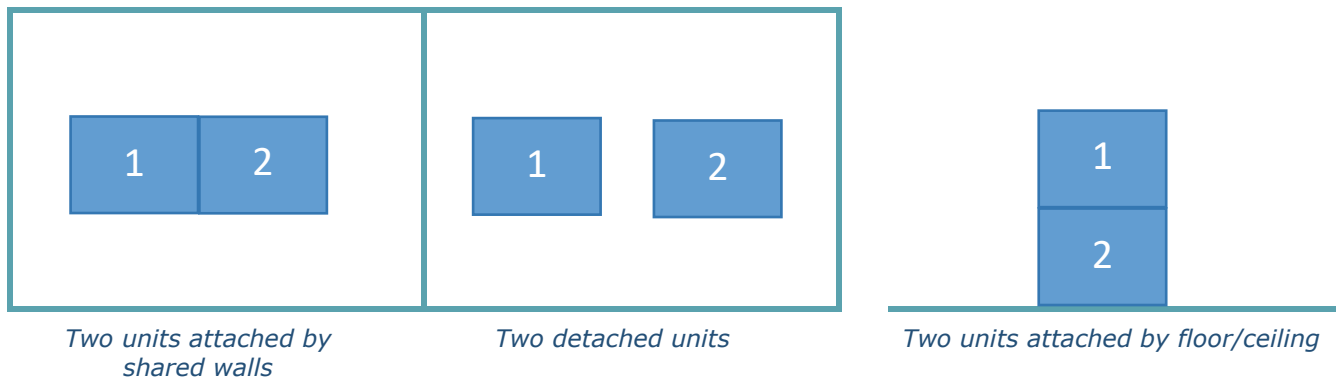
- Consider ways in which the cottage can be on a subdivided lot measuring less than the minimum lot size required by the zoning district

Two-Family, Attached or Detached

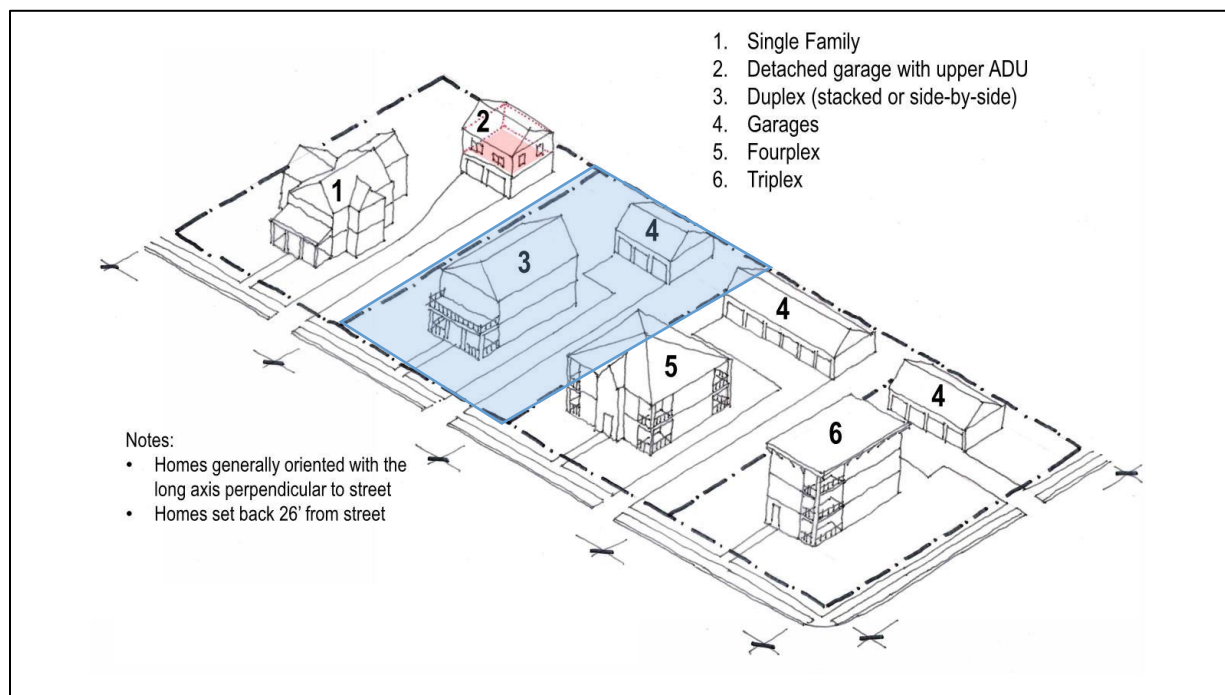
What is it?

This type of housing can take two forms:

- A traditional duplex in which two dwelling units share either a vertical wall or a floor-ceiling
- Two detached units on the same lot



Example Scenario:



Proposed Dimensional Standards:

Minimum Lot Size	Minimum lot size required by the zoning district
Building Dimensions	
Floor Area	0.40
Maximum Floor Area	3,000 square feet
Impervious Surface Ratio	0.50
Building Separation	Shall comply with fire code
Parking	No more than 4 vehicles on-site
Occupancy	No more than 4 unrelated people per unit

Revision to the Rules:

- No longer require two times the minimum lot size for two-family developments
- Allow two-family developments in more residential zoning districts
- Provides an opportunity for the units to either be attached, like a traditional duplex, or detached as separate structures

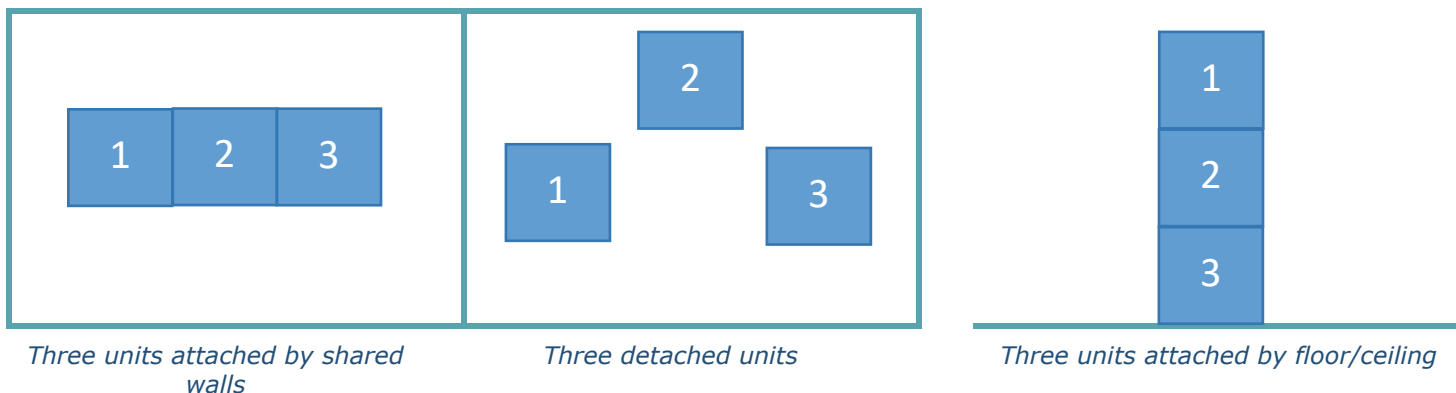
Multi-family Development

Three-Family, Attached or Detached

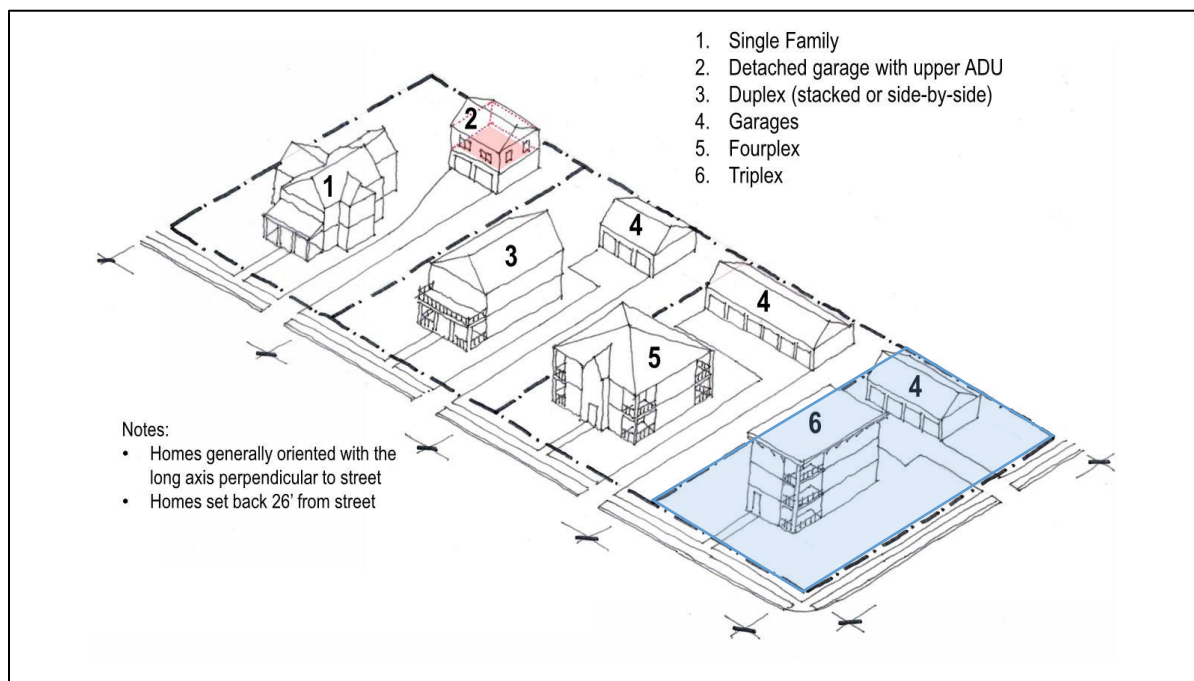
What is it?

This type of housing can take two forms:

- A traditional triplex in which the dwelling units share either a vertical wall or a floor-ceiling
- Three (3) detached units on the same lot



Example Scenarios:



Proposed Dimensional Standards:

Minimum Lot Size	Two times the minimum lot size required by the zoning district
Building Dimensions	
Floor Area	Follows underlying zoning
Impervious Surface Ratio	0.50
Tree Canopy Coverage	40%
Stormwater Management	Required
Parking	Follows Multi-family parking requirements specified in LUMO 5.9.7 ⁸ Parking shall be located to the side or rear of the structures (not front yard)
Occupancy	No more than 4 unrelated people per unit

Revision to the Rules:

- Three-family developments are currently classified as Multifamily, 3-7 units. This proposal would allow them to be their own uses.

⁸ https://library.municode.com/nc/chapel_hill/codes/code_of_ordinances?nodeId=CO_APXALOUSMA_ART5DEDEST_5.9PALO

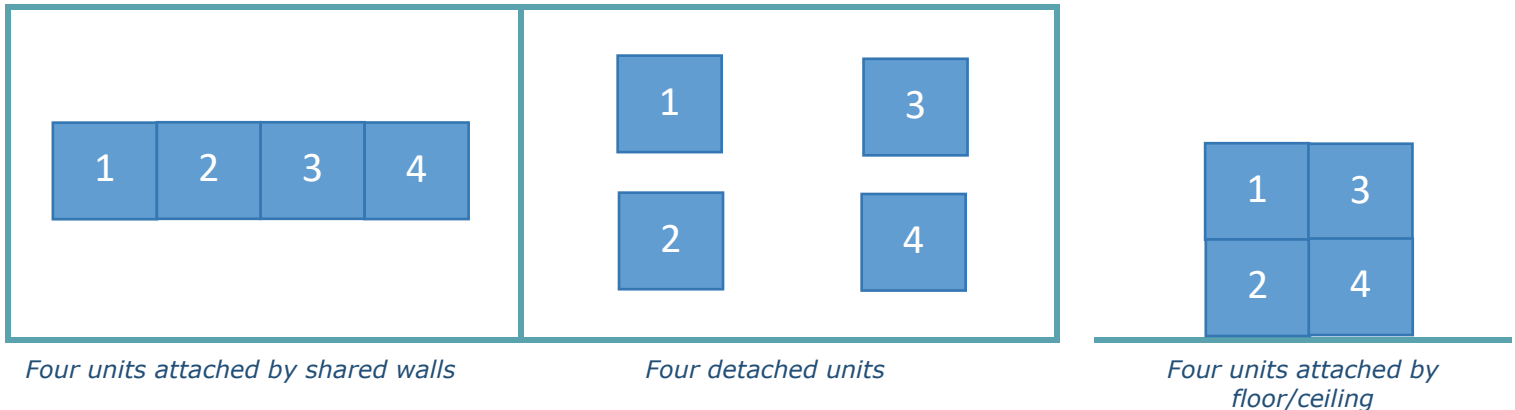
- These types of development currently require either site plan approvals, special use permits (SUPs), or conditional zoning district (CZD). Under this scenario, those projects that comply with the LUMO could be approved administratively by staff.
- This option allows for the units to be attached or detached.

Four-Family, Attached or Detached

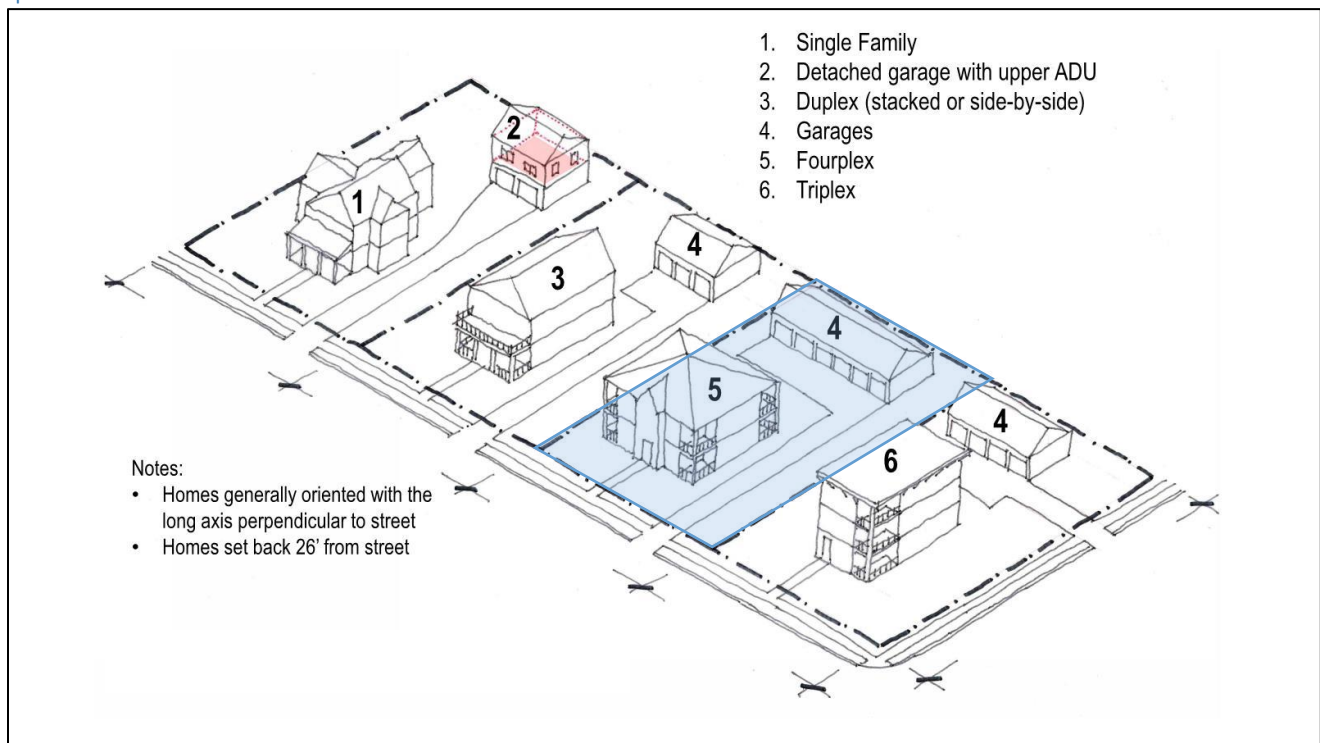
What is it?

This type of housing can take two forms:

- A traditional fourplex in which the dwelling units share either a vertical wall or a floor-ceiling
- Four (4) detached units on the same lot



Example Scenarios:



Proposed Dimensional Standards:

Minimum Lot Size	Two times the minimum lot size required by the zoning district
Building Dimensions	
Floor Area	Follows underlying zoning
Impervious Surface Ratio	0.50
Tree Canopy Coverage	40%
Stormwater Management	Required
Parking	Follows Multi-family parking requirements specified in LUMO 5.9.7 ⁹ Parking shall be located to the side or rear of the structures (not front yard)
Occupancy	No more than 4 unrelated people per unit

Revision to the Rules:

- Four-family developments are currently classified as Multifamily, 3-7 units. This proposal would allow them to be their own uses.
- These types of development currently require either site plan approvals, special use permits (SUPs), or conditional zoning district (CZD). Under this scenario, those projects that comply with the LUMO could be approved administratively by staff.
- This option allows for the units to be attached or detached.

Other Considerations

Neighborhood Conservation Districts

No changes to the Neighborhood Conservation Districts (NCDs) are proposed at this time. Of the Town's thirteen NCDs, only Northside and Pine Knolls currently allow duplexes and triplexes for affordable housing. Glen Lennox allows duplexes on specific lots. The majority of the NCDs prohibit duplexes and are silent on triplexes and fourplexes as these are currently not allowed in the underlying low residential zoning districts. It is not the intent to allow small multi-family developments in the NCDs at this time.

Staff find that the NCDs were created after significant community engagement and input. While staff is not proposing to amend NCDs at this time, staff believes further analysis should be conducted to determine what updates to the NCDs may be needed in the future. It would be helpful to receive input from Council about revising the NCDs.

Occupancy Limits

Staff has proposed limiting occupancy to no more than four unrelated people per dwelling unit. Note, however, that the State's residential building code allows up to eight unrelated people per dwelling unit, so enforcement of the occupancy requirement would be separate from building code enforcement. Occupancy has been difficult to enforce in the past.

Stormwater

Stormwater staff are currently considering amendments to their regulations, and staff has not made text amendments to [LUMO 5.4](#)¹⁰. Multi-family developments of 3 or more units will still be required to make stormwater improvements.

Subdivision Standards

Staff has not proposed changes to [LUMO 5.2.4](#)¹¹ which requires that every subdivided lot front on a street meeting Town standards, which include sidewalks, curbs, and gutters.

⁹ https://library.municode.com/nc/chapel_hill/codes/code_of_ordinances?nodeId=CO_APXALAUSMA_ART5DEDEST_5.9PALO

¹⁰ https://library.municode.com/nc/chapel_hill/codes/code_of_ordinances?nodeId=CO_APXALAUSMA_ART5DEDEST_5.4STMA

¹¹ https://library.municode.com/nc/chapel_hill/codes/code_of_ordinances?nodeId=CO_APXALAUSMA_ART5DEDEST_5.2LOLAST

Subdivision standards of [LUMO 4.6.3\(b\)](#)¹² have not been amended. Any subdivision that seeks to create more than four (4) lots from any tract of land or lots of record that existed as of October 8, 1956, will require Council review as a major subdivision.

Staff has, however, included new definitions for:

- Townhouse development subdivision that would allow multiple individual lots within a larger lot
- Condominiums that allow private ownership of individual units

Restrictive Covenants & Other Entitlements

Restrictive covenants are private property rights that run with the land. Generally, covenants with single-family restrictions are common for neighborhoods platted in the last fifty years. The Town has no role in enforcing provisions of restrictive covenants between other landowners. The onus for enforcement is on the property owners or their Homeowners Association (HOA).

The Town's GIS maps have identified approximately 247 neighborhoods in Chapel Hill. While restrictive covenants are typically recorded with the county's Register of Deeds, staff does not have the ability to certify with confidence a full listing of neighborhoods with covenants, the exact boundaries of such covenants, or whether covenants are accurate and active. In addition, multiple factors, including new and developing case law, may dictate whether any given set of covenants is enforceable as written. This work requires certification and should be left to legal professionals representing the landowners subject to these covenants.

Other neighborhoods may be encumbered by an underlying entitlement, such as a master land use plan, conditional zoning, or special use permit. These entitlements run with the land and may limit the types of housing allowed on a site.

Short-Term Rentals (STRs)

No changes are proposed to the STR regulations at this time. Currently the Residential (R-) zoning districts only permit primary residence STRs. A primary residence is defined as, "a dwelling unit, a single-family dwelling unit with accessory apartment, or a dwelling unit with an attached duplex unit owned by the same property owner, in which a host resides a majority of the year (183 days per year or 50% of the time)." There is no provision for triplexes and fourplexes, and staff finds that these would be treated as dedicated STRs which are not permitted in the R- zoning districts.

Zoning is One Tool in a Larger Toolbox

Zoning regulations alone will not address the housing shortage. Other tools that could be applied include:

- Amending the zoning map to allow more density
- Development bonuses for affordable housing
- Transit-oriented development, which is currently underway
- Expedited review for pre-approved housing designs
- Programs that incentivize the construction of affordable or attainable housing units

Potential Outcomes

Based on the results of similar zoning initiatives in other communities, staff anticipates seeing the following results:

City:	Results:
Minneapolis 2020 Comprehensive Plan (January 2020 – 2022)	Approximately 9,000 housing units permitted including: <ul style="list-style-type: none"> • 62 new duplexes (0.68% of total permits) • 17 new triplexes (0.18% of total permits)
Durham Expanded Housing Choices (EHC)	407 EHC-related permits: <ul style="list-style-type: none"> • 15 duplexes (3.68%) • 132 small lot options (32.4%)

¹²https://library.municode.com/nc/chapel_hill/codes/code_of_ordinances?nodeId=CO_APXALAUSMA_ART4PR_4.6SU

Raleigh Missing Middle Housing Reforms (August 2021-February 2023)	Approximately 2,682 residential permits, and the following based on the code changes: <ul style="list-style-type: none"> • 166 Accessory Dwelling Units (6.2%) • 0 Townhouses (0%)
California Senate Bill- 9 (SB-9) Outcomes in Berkley, CA (January 2022-January 2023)	Approximately 550 residential permits per year and the following based on the legislative update: <ul style="list-style-type: none"> • 5 applications (1%)
Chapel Hill Projected Results	Approximately 262 new housing units/year <ul style="list-style-type: none"> • 5 Accessory Apartments (Based on existing trends) • 1.8-9.6 duplexes • 84 cottages on a compact lot

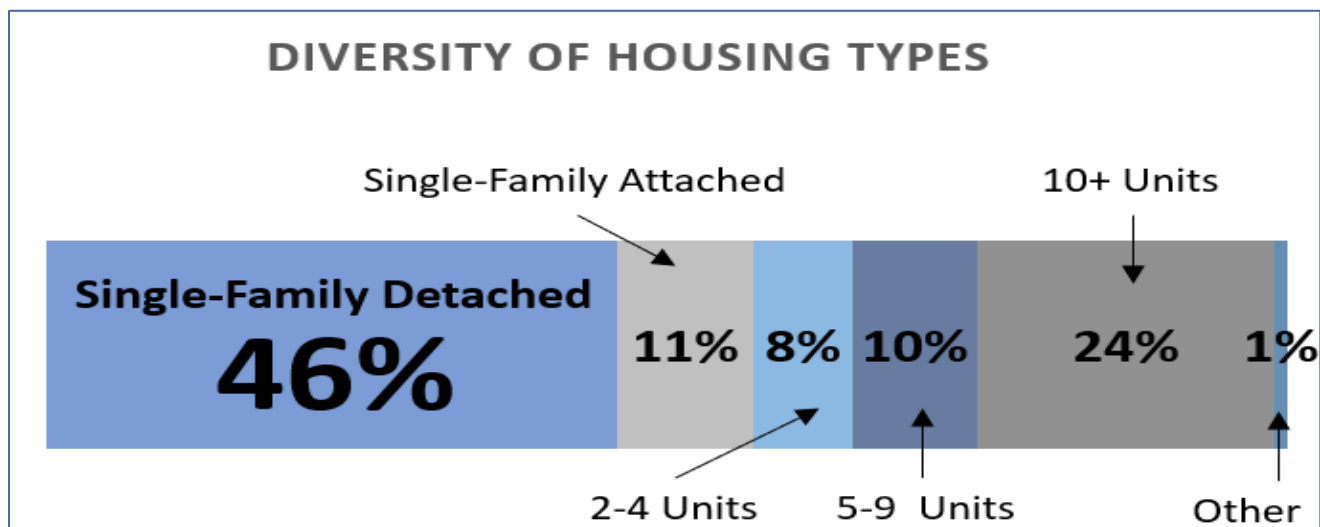
Key Takeaways

- Research has shown that changes to the zoning ordinance alone will not significantly increase housing production.
- Durham has seen the most demand for its smaller, single-family detached units.
- Chapel Hill began permitting accessory apartments, sometimes called accessory dwelling units, in 2015 and there are only about 39 in existence today.

Housing Units and Land in Chapel Hill

Current Housing Stock

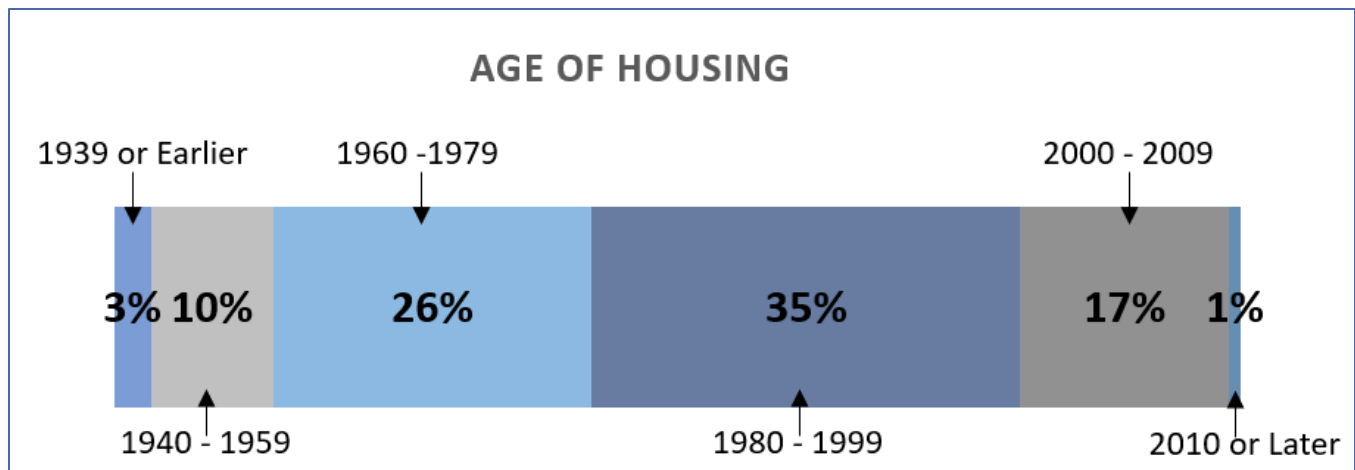
Chapel Hill's housing stock is dominated by single-family detached homes.



Source: [SB Friedman Market Assessment](#)¹³

The majority of Chapel Hill's housing stock was constructed in just four decades between 1960 and 2000.

¹³ <https://www.townofchapelhill.org/home/showpublisheddocument/53443/638151783539000000>



Source: [SB Friedman Market Assessment](#)¹⁴

Our existing housing supply is siloed into two categories: single-family homes built between 1960 and the early 2000s and multi-family units built in the past 20 years. There are limited housing options for residents with preferences, needs, and life stages that do not align with the current market. The next section further demonstrates the lack of housing options in Town.

Distribution of Zoning Districts

The following summarizes the approximate acreage of each of Chapel Hill's zoning districts:

Zoning District:	Approximate Acreage:	Approximate Percentage of Town:
R-1	5,625	33%
R-2	2,670	16%
R-3	678	4%
R-4	731	4%
R-5	817	5%
R-6	60	Less than 1%
R-LD1	1,195	7%
R-LD5	853	5%
R-SS-CZD	53	Less than 1%
HR-L	139	Less than 1%
HR-M	34	Less than 1%
RT	739	4%
NC	72	Less than 1%
CC	217	1%
OI-1	85	Less than 1%
OI-2	912	5%
OI-3	84	Less than 1%
OI-4	566	3%
U-1	663	4%
DA-1	47	Less than 1%
IND	34	Less than 1%
LI-CZD	34	Less than 1%
MU-OI-1	228	1%
MU-R-1	141	Less than 1%
MU-V	90	Less than 1%
TC-1	8	Less than 1%

¹⁴ <https://www.townofchapelhill.org/home/showpublisheddocument/53443/638151783539000000>

TC-2	64	Less than 1%
TC-3	15	Less than 1%
WR-3	6	Less than 1%
WR-7	8	Less than 1%
WX-5	39	Less than 1%
WX-7	108	Less than 1%

Analysis of Zoning Districts

Lower-density zoning districts represent nearly half of all land in Chapel Hill.

- *32 percent of land area is in R-1 zones and 15 percent is in R-2 zones.*

By design, single-family homes represent the vast majority of the housing stock within R-1 and R-2 zoning districts.

- *98 percent of housing units in R-1 zones and 86 percent of units in R-2 zones are single-family detached houses.*
- *11 percent of housing units in R-2 are categorized as "multi-family", which includes condominiums and townhomes.*

There are approximately 31 zoning districts with housing or dwelling units in Chapel Hill. An analysis of the approximate share of land area of those zoning districts is in the table below. The districts that represent 4 percent or more of land area are emphasized in **bold text**.

Distribution of Zoning Districts with Housing, by Share of Total Land Area	
Zoning Districts	Share of Land Area (<i>approx. % of total</i>)
R-1	32%
R-1A	3%
R-2	15%
R-2A	Less than 1%
R-3	4%
R-4	4%
R-5	5%
R-6	Less than 1%
R-LD1	7%
R-LD5	5%
R-SS-CZD	Less than 1%
HR-L	Less than 1%
HR-M	Less than 1%
RT	4%
NC	Less than 1%
CC	1%
OI-1	Less than 1%
OI-2	5%
OI-3	Less than 1%
OI-4	3%
U-1	4%
DA-1	Less than 1%
MU-OI-1	1%
MU-R-1	Less than 1%
MU-V	Less than 1%

TC-2	Less than 1%
TC-3-CZD	Less than 1%
WR-3	Less than 1%
WR-7	Less than 1%
WX-5	Less than 1%
WX-7	Less than 1%
TOTAL	85%

Analysis of Housing Types by Zoning District

The table below represents the 31 zoning districts with housing or dwelling units. Each row provides a breakdown of the distribution of housing types in a particular zoning district and the total housing units in that district.

Table - Housing Units by Type in Zoning Districts

Zoning Districts with Housing Units	Single-Family Units (approx. % of total units in district)	Two-Units (approx. % of total units in district)	Manufactured Homes (approx. % of total units in district)	Multi-family (approx. % of total units in district)	All other Dwelling Types (approx. % of total units in district)	Total Housing Units
R-1	98	0	0	2	0	4853
R-1A	99	1	0	0	1	396
R-2	86	2	1	11	0	4928
R-2A	100	0	0	0	0	63
R-3	48	7	0	45	1	2348
R-4	16	2	0	81	0	4698
R-5	57	0	0	43	0	4178
R-6	45	2	0	48	5	306
R-LD1	93	1	6	0	0	594
R-LD5	100	0	0	0	0	106
R-SS-CZD	2	0	0	97	0	506
HR-L	84	3	13	0	0	75
HR-M	97	0	3	0	0	61
RT	87	7	7	0	0	31
NC	4	1	5	89	1	156
CC	55	0	18	18	9	11
OI-1	21	0	0	54	25	48
OI-2	3	0	50	47	0	343
OI-3	40	0	0	0	60	5
OI-4	1	0	0	70	29	102
U-1	0	0	0	100	0	1
DA-1	100	0	0	0	0	8
MU-OI-1	6	0	14	80	0	513
MU-R-1	2	0	0	98	0	42
MU-V	3	0	1	95	1	339
TC-2	9	1	0	88	2	175
TC-3-CZD	0	0	0	100	0	457
WR-3	1	0	0	99	0	291

WR-7	0	0	93	7	0	833
WX-5	0	0	0	99	1	163
WX-7	0	0	0	100	0	949
TOTAL	53	1	4	40	0	27,579

Chart 1 – Total Housing Units by Zoning District

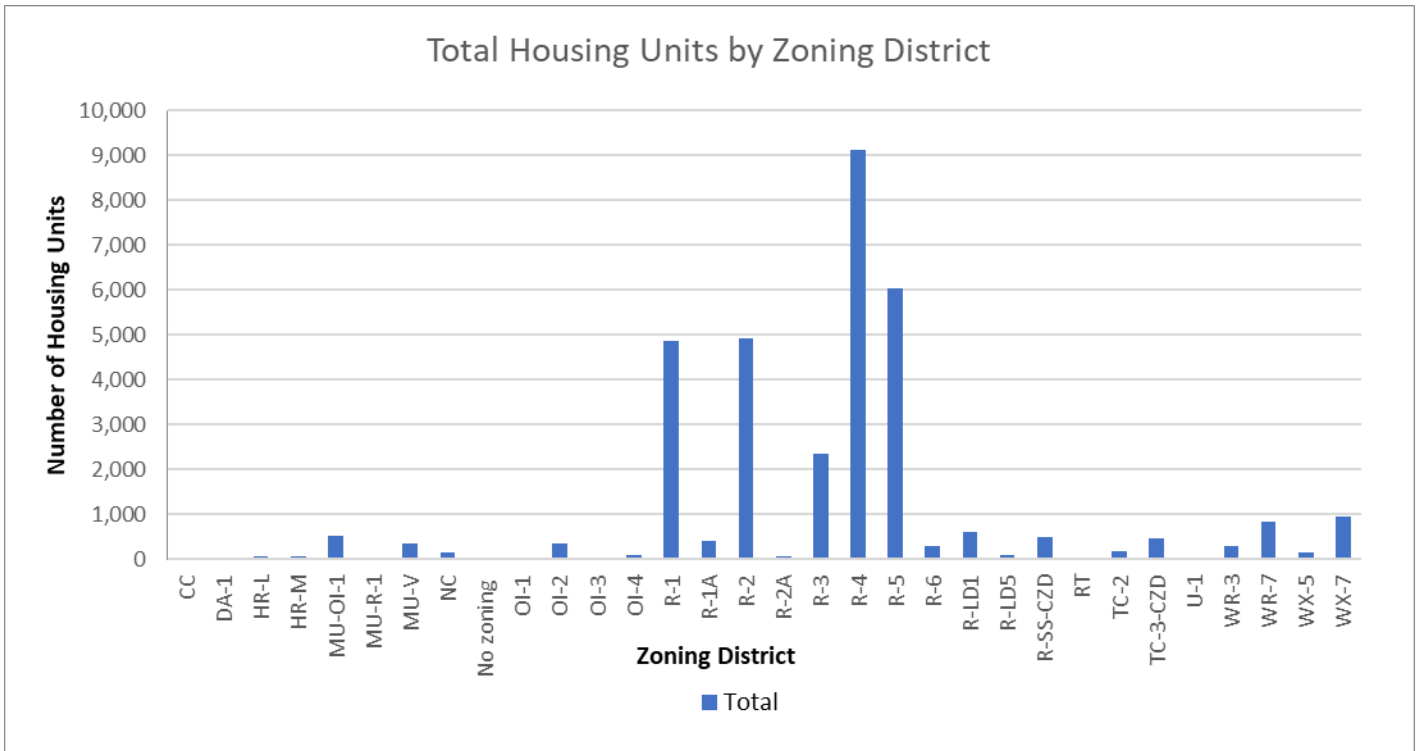


Chart 1 illustrates that the highest concentration of total housing units is in districts R-1, R-2, R-4, and R-5.

Chart 2 – Total Housing Units by Zoning District and Housing Type, Single Family Units

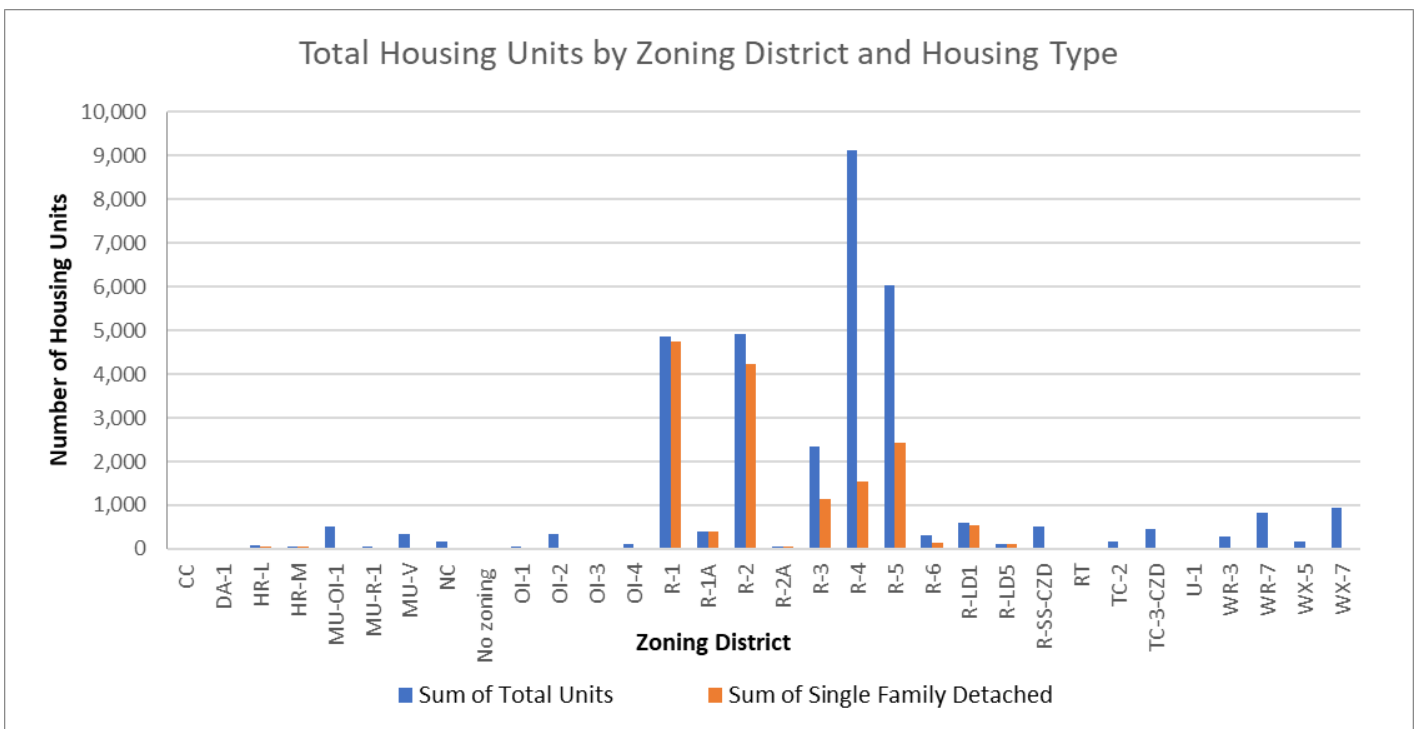


Chart 2 illustrates that single-family units are concentrated in R-1 and R-2 zoning districts and make up the largest proportion of total housing units in those districts. Single-family units are also located in other districts, such as R-3, R-4, and R-5, but they represent a smaller proportion of total units in those districts.

Chart 3 – Total Housing Units by Zoning District and Housing Type, Manufactured Homes

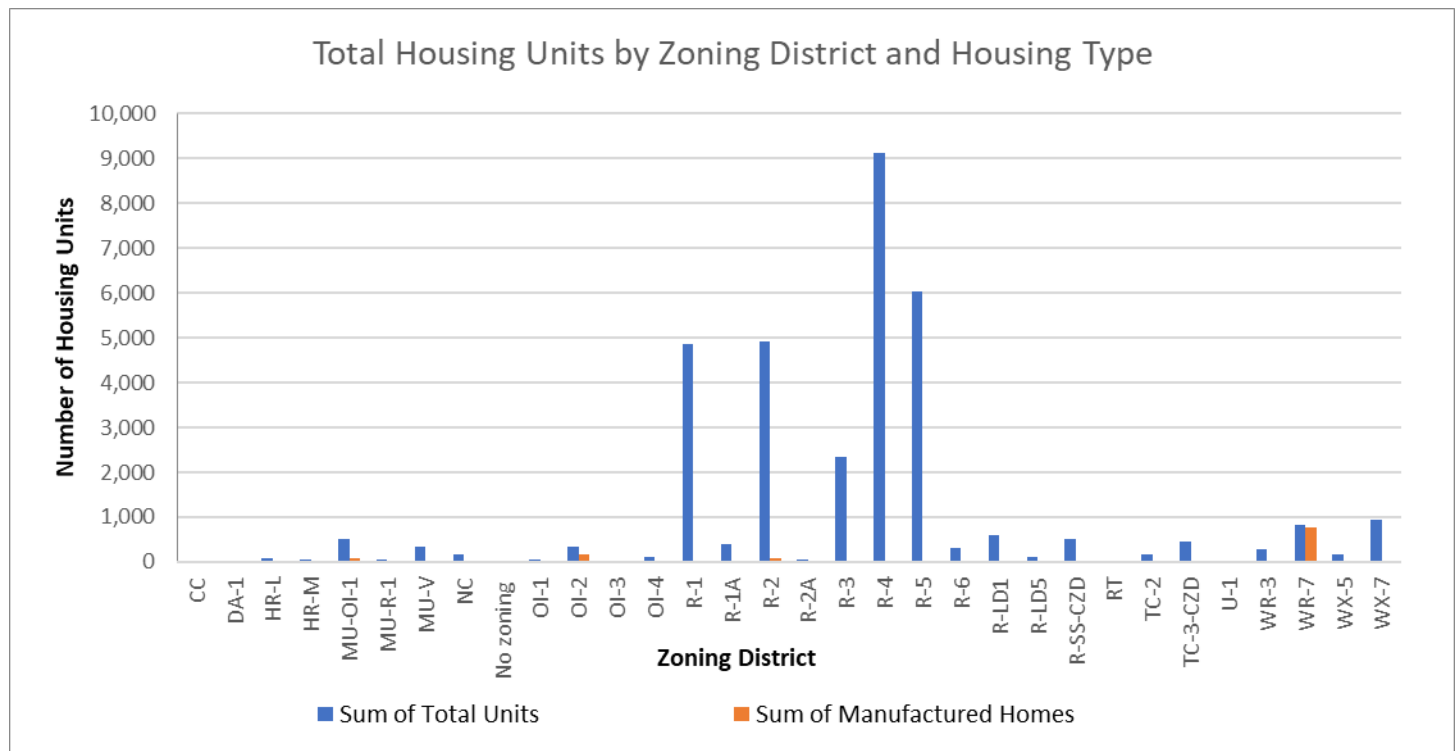


Chart 3 illustrates that the majority of manufactured homes are located in the WR-7 and OI-2 districts. The housing units in the WR-7 district are majority manufactured homes.

Chart 4 – Total Housing Units by Zoning District and Housing Type, Two- Unit

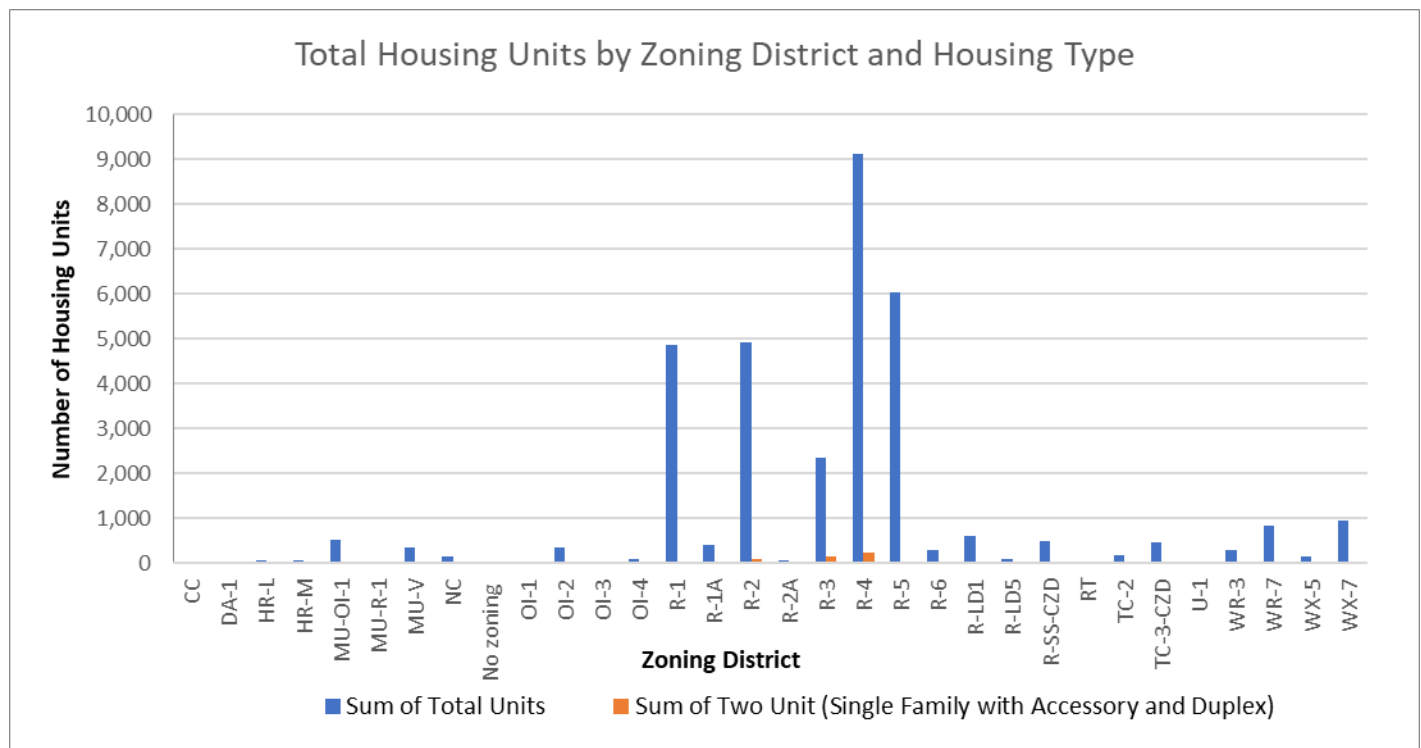


Chart 4 above illustrates that duplexes and single-family homes with accessory apartments comprise a very small percentage of total housing units. They are present in R-2, R-3, and R-4 zoning districts.

Chart 5 – Total Housing Units by Zoning District and Housing Type, Multi-Family

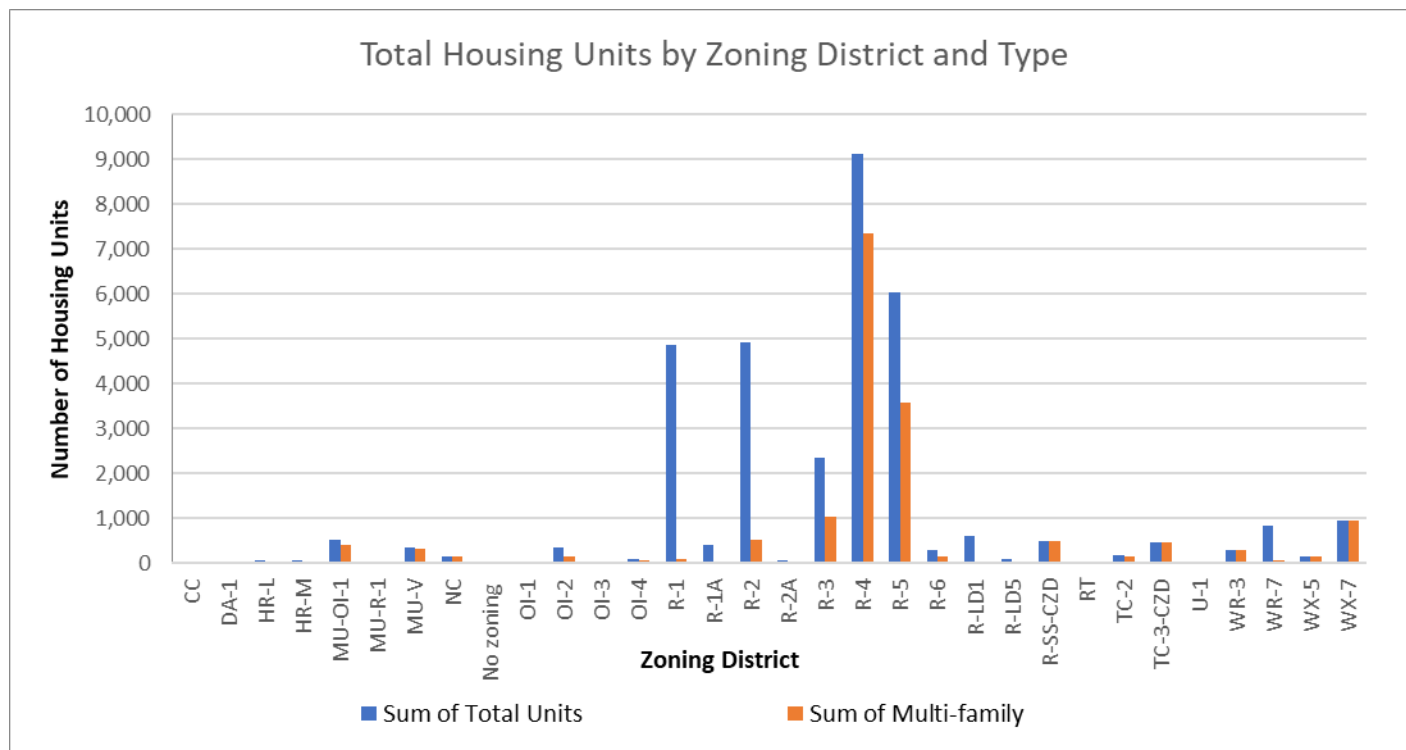


Chart 5 illustrates the distribution of multi-family units throughout each of the 31 zoning districts. The majority of multi-family units are located in R-4 and R-5. However, multi-family housing units, defined as townhomes, condominiums, and apartment buildings, are present in small numbers throughout town.

Economic Development Analysis

Estimated Development Costs for Duplex Construction

The following are estimated costs of constructing a duplex with two 3-bedroom units on a vacant lot:

Activity:	Estimated Costs:
Cost of a vacant lot in Chapel Hill	\$250,000- \$500,000
Plan design, engineering, and surveying	\$12,000
Site Development Preparation	
Clearing and grading	\$11,000
Erosion control	\$2,500
Driveways, walkways, and hardscape	\$14,000
OWASA water and sewer fees (\$7,536 per side)	\$15,072
Water and sewer line installation from OWASA Main	\$32,000
Permits and inspections	\$2,000
Landscaping	\$4,000
Miscellaneous site controls	\$2,000
Duplex Construction Cost	
1,200 SF x 2 units x \$150-\$250/SF	\$360,000 - \$600,000
Legal, Administrative, and Construction Interest Carry	\$8,000

Net Total	\$712,000 - \$1,200,000
Contingency	\$71,200-\$120,000
Profit (5%-10%)	\$39,160-\$132,000
Total Development Costs	\$822,360 - \$1,452,000

Estimates courtesy of Home Builders Association of Durham, Orange, and Chatham Counties, May 4, 2023.

Notes:

1. The total costs exceed new construction costs for a variety of reasons including scarcity of single lots and the costs of water and sewer connections.

Racial Equity Analysis

Advancing Racial Equity in Zoning Policy

Staff continues to analyze the racial equity impacts, benefits, and burdens of the Land Use Management Ordinance (LUMO) and the proposed Housing Choices for a Complete Community text amendments. Zoning regulations, in combination with private agreements and public systems, often create disparate outcomes among American households. There is clear evidence to suggest exclusionary zoning policies that restrict housing types limits racial and economic diversity.¹⁵

- Nearly 70% of Chapel Hill is exclusively zoned for single-family dwelling units.
- Neighborhoods with legally enforceable restrictive covenants that dictate larger lots and larger homes contribute to economic and racial segregation.

The LUMO and its predecessors have perpetuated suburban development trends in a rapidly urbanizing town.¹⁶ Suburban land use requirements such as large lot zoning, minimum house size requirements, parking minimums, and open space requirements all contribute to racial and economic stratification.¹⁷

Staff acknowledge that zoning alone cannot “fix” the systemic nature of economic and racial segregation; however, changing the land use rules is one important tool of many. The proposed LUMO text amendment (LUMOTA) is aligned with at least three of the recommended policies in the American Planning Association (APA) Equity in Zoning Policy Guide.¹⁸

Equity in Zoning Policy Guidance	Housing Choices LUMO Text Amendment
<u>Zoning District Policy 1:</u> Establish new residential zoning districts or amend existing residential districts to allow more types of housing by right.	Would amend existing residential districts to allow more housing types by right.
<u>Zoning District Policy 4:</u> Where supported by a historically disadvantaged or vulnerable communities, consider establishing specialized overlay zones to help protect residential areas that are affordable to low- and moderate-income households, but are not protected from speculative development pressures by any local, state, or federal program.	Would not change the existing 13 Overlay Neighborhood Conservation Districts (NCDs).

¹⁵ <https://housingmatters.urban.org/feature/zoning-matters-how-land-use-policies-shape-our-lives>

¹⁶ <https://www.townofchapelhill.org/home/showpublisheddocument/53443>

¹⁷ Equity in Zoning Policy Guide <https://www.planning.org/publications/document/9264386/>

¹⁸ Ratified in December 2022

<u>Permitted Use Policy 1</u> : Where supported by historically disadvantaged and vulnerable populations, expand the list of residential use types permitted in those neighborhoods to include one or more of the following forms of non-traditional and “missing middle” housing that is more available to America’s diverse, aging population.	Would expand the list of residential use types permitted in neighborhoods to include most missing middle housing types.
<u>Site Development Policy 2</u> : Require high levels of accessibility and connectivity for pedestrians, bicycles, and motor vehicles in all new development and significant redevelopment	Focuses incentivizing higher density development by allowing administrative review of triplexes and fourplexes in those zoning districts that already have greater access to transit and connectivity.
<u>Site Development Policy 5</u> : Draft zoning standards that require or incentivize new development and redevelopment to increase the amount of landscaping, open space, and tree canopy in those neighborhoods that currently have less of these site design features.	The changes increase the tree canopy requirements for triplexes and fourplexes to be better aligned with single family development tree canopy coverage.

Advancing Racial Equity in Housing Policy

Zoning is one tool in the toolbox to addressing racial disparities institutionalized by past housing policies. Planning, Diversity, Equity, and Inclusion (DEI) and Affordable Housing and Community Connections staff are considering policies and programs for mitigating inequity and incorporating reparative practices as a part of our departmental work plan.

The racial equity analysis for potential housing policy is focused on five key questions. These questions are a part of the One Orange Racial Equity Framework¹⁹ and identified as an appropriate tool to analyze the proposed text amendment at this stage. This assessment is based on the [Projected Housing Needs, 2020-2040](#)²⁰ and [SB Friedman Market Analysis](#)²¹. A version of this was presented to Council at the April 10, 2023, work session.

1. *What are the racial impacts?*

The U.S. Census Bureau American Community Survey estimates that 75% of Black households and 44% of mixed race, American Indian, and/or Alaskan native households earn 60% or less of the Area Median Income (AMI) in Chapel Hill. Overall, 38% of all Chapel Hill households earn 60% AMI or less.

Median household incomes are not often aligned with median home values. Low-income earners are more likely to struggle to afford median home values. The U.S. Census Bureau American Community Survey 2020 estimates for median home value was \$435,500 and the median rent was \$1,220. The median household income that same year was \$75,249. The U.S. Census Bureau American Community Survey estimates that single family home values in Chapel Hill increased by 14% between 2020 and 2021 alone. This is an acute and long-term trend; between 2010 and 2021, the U.S. Census Bureau estimates that an additional 1,000 renter households earning between \$35,000 and \$75,000 experienced cost-burden.

Low-income and Black households are the most likely to be cost burdened. Cost-burden is defined by the U.S. Census Bureau as housing costs equal to or exceeding 30 percent of household income. Between 2010 and 2021, the U.S. Census Bureau American Community Survey estimates that 78% of renter households earning less than \$75,000, approximately 58% of renter households, and 19% of owner households in Chapel Hill experienced cost-burden.

¹⁹ <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=5390141&GUID=E4E7D69C-ABDA-4398-8CC3-5DA89ED1E78F&Options=ID%7CText%7C&Search=%22one+orange%22>

²⁰ <https://www.townofchapelhill.org/home/showpublisheddocument/50141/637715343396500000>

²¹ <https://www.townofchapelhill.org/home/showpublisheddocument/53443>

Many low-income households have fewer resources and may live in housing that exceeds their income levels. In contrast, more affluent households occupy housing that would be affordable to lower income levels.²²

2. *Who is or will experience burden?*

The U.S. Census Bureau American Community Survey estimates that over a ten-year period (2010-2021), Chapel Hill added approximately 1% additional housing units²³, whereas Carrboro added 3%, and Durham added 21%. In the Triangle region, the majority of new housing was captured in Cary (+35%), Morrisville (+58%), Hillsborough (+71%), and Apex (+76%) over that same period.²⁴

Black and Hispanic Latino homeownership rates tend to lag behind those of white and Asian households.²⁵ As mentioned in the previous section, Black households are more likely to be cost-burdened than white households in Chapel Hill.²⁶

Only 30% of Chapel Hill residents work in Chapel Hill. Approximately 45,000 people commute to Chapel Hill for work every day.²⁷

3. *Who is or will experience benefit?*

The status quo scenario is a highly cost-burdened community, with low- to moderate-income and Black households often facing the greatest cost-burden.²⁸ Many have been displaced from Chapel Hill and commute into Chapel Hill for work.²⁹ Between 2010 and 2021, the U.S. Census Bureau estimates that the proportion of homeowners earning less than \$150,000 declined 29% in Chapel Hill. In that period, the U.S. Census Bureau estimates that the number of households earning \$150,000 or more increased by 2,600.

There is a need for approximately 6,000 additional housing units through 2040, an average of 500 units per year.³⁰ Improving the diversity of new housing could provide more housing options for households of various compositions and income levels³¹ and could relieve some cost-burden for all households.³²

Existing homeowners have an opportunity to benefit from adding additional units to existing properties by constructing new units in existing space, building additions, or constructing new detached units. This would be consistent with a national trend of home improvements, renovations, and repairs.³³

4. *What are the root causes of inequity?*

A number of factors have contributed to the inequality of housing access in the community over time. Chapel Hill is unique in many ways, yet our inequitable housing outcomes are replicated across the Southeast U.S.³⁴ These include, but are not limited to³⁵:

- Access to education and jobs

²² <https://www.planning.org/publications/document/9178529/>

²³ HR&A Affordable Housing Plan Update, <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=6179411&GUID=21FA17CB-C10E-45B8-B529-50D6CE8E1EC6&Options=&Search=>

²⁴ HR&A Affordable Housing Plan Update, <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=6179411&GUID=21FA17CB-C10E-45B8-B529-50D6CE8E1EC6&Options=&Search=>

²⁵ <https://www.townofchapelhill.org/home/showpublisheddocument/53443>

²⁶ <https://www.townofchapelhill.org/home/showpublisheddocument/53443>

²⁷ <https://www.townofchapelhill.org/home/showpublisheddocument/53443>

²⁸ HR&A Affordable Housing Plan Update, <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=6179411&GUID=21FA17CB-C10E-45B8-B529-50D6CE8E1EC6&Options=&Search=>

²⁹ HR&A Affordable Housing Plan Update, <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=6179411&GUID=21FA17CB-C10E-45B8-B529-50D6CE8E1EC6&Options=&Search=>

³⁰ <https://www.townofchapelhill.org/home/showpublisheddocument/50141/637715343396500000>

³¹ <https://www.townofchapelhill.org/home/showpublisheddocument/50141/637715343396500000>

³² <https://www.townofchapelhill.org/home/showpublisheddocument/53443>

³³ <https://www.jchs.harvard.edu/improving-americas-housing-2023>

³⁴ Rothstein, Richard. 2018. *The Color of Law*. New York, NY: Liveright Publishing Corporation.

³⁵ <https://www.planning.org/publications/document/9178529/>

- Access to public transportation and other community amenities
- Household income
- Access to housing
- Ability to purchase and maintain property ownership, build equity, and create generational wealth
- Real estate market trends that contribute to property values (both appreciation and depreciation)
- Property ownership contributes to political influence
- Zoning regulations that restricted housing types, required minimum lot sizes, and set maximum house sizes thereby segregating residents by income and class
- Restrictive covenants that have further perpetuated these trends and, before the Fair Housing Act of 1968, included racial restrictions
- Sunset laws and policies that restricted Blacks and other people of color from being in certain neighborhoods or towns after sunset. Often enforced by police and residents, these laws often restricted people of color from residing within certain neighborhoods or even town borders.

Specific to Chapel Hill, there are several root causes of the inequitable housing outcomes outlined above:

- Development patterns that encouraged larger homes for university professors and professionals around the UNC campus and limited workforce housing to Pine Knolls and Northside
- A Land Use Management Ordinance that limits the development of new housing to detached, single-family houses and large apartment complexes

5. *What might be the unintended consequences of this action or strategy?*

Staff are concerned about the overall displacement and cost-burden pressures in Chapel Hill, particularly for Black and low-income households, and continue to consider potential policies, programs, and plans to mitigate this.

Staff recognizes that new housing, especially rental housing, is typically occupied by students in those neighborhoods closest to campus.

Strategic placement and design of two-, three-, or four-family dwelling units is needed to ensure that the new regulations are not incentivizing the demolition of naturally occurring affordable housing units. Dimensional standards such as limiting building sizes through floor areas and square footage maximums contribute to the design of new developments. Three- or four-family dwelling units as a form of “missing middle” housing could benefit from access to multi-modal transportation to reduce the impacts of parking and traffic on existing neighborhoods.

Special consideration is needed to guarantee the continued preservation of local and National Register-designated historic districts. These areas are located closest to the university.

Community Engagement

Survey Results

- Staff shared the [results](#)³⁶ of the initial survey with the Town Council on [April 10, 2023](#)³⁷.
- A second survey is open and collecting comments on [PublicInput](#)³⁸. Responses are visible to the public.

³⁶ <https://chapelhill.legistar.com/View.ashx?M=F&ID=11820284&GUID=4038DF50-3A04-4B05-A489-A745F13268E9>

³⁷ <https://chapelhill.legistar.com/MeetingDetail.aspx?ID=1055828&GUID=FA598DED-049E-4193-A452-032251DCA772&Options=info|&Search=>

³⁸ <https://publicinput.com/v3540>

Emails to Mayor and Council

Many residents have shared their feedback directly with the mayor and council via [email](#)³⁹.

Appendix

Past Meetings

Date:	Meeting:
<i>October 4, 2022</i>	Planning Commission
<i>October 11, 2022</i>	Housing Advisory Board (HAB)
<i>October 19, 2022</i>	Town Council
<i>November 16, 2022</i>	Town Council
<i>December 2, 2022</i>	Council Committee on Economic Sustainability (CCES)
<i>January 10, 2023</i>	HAB
<i>January 11, 2023</i>	PIM
<i>January 17, 2023</i>	Planning Commission
<i>January 25, 2023</i>	Town Council
<i>February 1, 2023</i>	Greenwood Neighborhood Meeting
<i>February 2, 2023</i>	Community Open House (In-Person) Gimghoul Neighborhood Meeting
<i>February 7, 2023</i>	Franklin-Rosemary Neighborhood Meeting
<i>February 8, 2023</i>	Community Open House (Virtual) Coker Hills West Neighborhood Meeting
<i>February 9, 2023</i>	Franklin-Rosemary Neighborhood Meeting
<i>February 14, 2023</i>	Community Open House (In-Person)
<i>February 15, 2023</i>	Community Open House (In-Person)
<i>February 16, 2023</i>	Community Open House (Virtual)
<i>February 22, 2023</i>	Town Council
<i>February 27, 2023</i>	Glendale Neighborhood Meeting
<i>February 28, 2023</i>	Hidden Hills Neighborhood Meeting
<i>March 6, 2023</i>	Laurel Hills Neighborhood Meeting
<i>March 8, 2023</i>	Colony Woods
<i>March 21, 2023</i>	Pope Road
<i>March 27, 2023</i>	Community Open House (In-Person)
<i>March 29, 2023</i>	Neighborhood Conservation Districts (NCDs)
<i>March 30, 2023</i>	Westwood
<i>April 4, 2023</i>	Lake Ellen
<i>April 10, 2023</i>	Town Council

³⁹ <https://councilmail.townofchapelhill.org/searchform.do>

May 9, 2023	Historic District Commission
May 16, 2023	Planning Commission

Meeting agendas, materials, and recordings are available on the project webpage:
<https://chplan.us/housing-choices>.

Research Completed

Comparison to other communities

Staff has been researching and meeting with different resources to learn more about Missing Middle Housing and zoning reforms:

Cities Staff Met With:	Land Use Codes Reviewed:	Additional Resources:
<ul style="list-style-type: none"> • Charlotte, NC • Durham, NC • Iowa City, IA • Oxford, MS • Raleigh, NC • Tuscaloosa, AL 	<ul style="list-style-type: none"> • Aberdeen, TX • Bloomington, IN • Burlington, NC • Bryant, TX • Charlotte, NC • Charlottesville, VA • Davidson, NC • Des Moines, IA • Fayetteville, AR • Gainesville, FL • Greensboro, NC • Kill Devil Hills, NC • Lake Stevens, WA • Langley, WA • Madison, WI • Missoula, MT • Montgomery County, MD • Montgomery County, PA • Morrisville, NC • Nags Head, NC • Sea Tac, WA • Seattle, WA • Wenatchee, WA • West Yellowstone, MT • Winston-Salem, NC 	<ul style="list-style-type: none"> • AARP Livable Communities • American Planning Association • Chamber for Greater Chapel Hill-Carrboro • Congress for New Urbanism • Environmental and Natural Resources Law Center, University of Oregon • Home Builders Association of Durham, Orange, & Chatham Counties • National Trust for Historic Preservation • North Carolina Historic Preservation Office • Orange County Tax Assessor • Orion Planning + Development • OWASA • Preservation North Carolina • SOM • Student Development & Campus Partnerships, UNC • The Turner Center for Housing & Innovation, UC Berkley • Town of Chapel Hill Affordable Housing, Inspections, Fire, Stormwater, Parking Services, and Parks & Recreation

Key takeaways:

- Most cities saw the most significant increases in Missing Middle Housing through larger development projects, not as infill development on individual lots.
- Traditional residential design is necessary for Missing Middle Housing forms to fit into existing residential neighborhoods. Most of the cities we spoke to already had historic examples of smaller multi-family apartment buildings.
- Creating intentional student housing near commercial areas allows students to benefit from amenities. Both Oxford and Tuscaloosa identified student-oriented development as a specific use allowed in certain zones, and these uses measure density in terms of beds per lot. In Oxford, student-oriented development led to student housing return to single family houses in some cases.
- Durham saw that there was still a significant demand for single family homes and their “small house on a small lot” option has been the most popular.

- To discourage out-of-town developers, there is a significant need for connecting small scale home builders to lending and financing options that facilitate missing middle housing. Tuscaloosa worked with their local homebuilders' and realtors' associations to host a Missing Middle Housing Symposium that facilitated conversations on how the housing could be created.
- Communities are exploring other ways to incentivize Missing Middle Housing such as expedited review using pattern books, focusing on development of Missing Middle Housing on vacant or underdeveloped town-owned properties, or creating specific zones in which Missing Middle Housing is permitted.

Tree Canopy Analysis

Staff looked to the amount of existing tree canopy coverage per zone to determine the appropriate tree canopy coverage for triplexes and fourplexes. Please note, the LUMO currently exempts tree canopy coverage from single-family and two-family developments.

Zoning District	Approximate Acres	Approximate Canopy Acres	Approximate Percentage (%) of Canopy
CC	217	63	29%
DA-1	47	34	73%
HR-L	139	90	65%
HR-M	34	13	39%
IND	34	8	24%
LI-CZD	34	23	67%
MU-OI-1	228	132	58%
MU-R-1	141	50	35%
MU-V	90	57	64%
NC	72	22	30%
OI-1	85	42	49%
OI-2	912	470	51%
OI-3	84	42	50%
OI-4	566	209	37%
R-1	5,625	4,123	73%
R-1A	567	369	65%
R-2	2,670	1,654	62%
R-2A	31	19	61%
R-3	678	379	56%
R-4	731	387	53%
R-5	817	378	46%
R-6	60	43	71%
R-LD1	1,195	753	63%
R-LD5	853	691	81%
R-SS-CZD	53	26	49%
RT	739	468	63%
TC-1	8	2	26%
TC-2	64	16	24%
TC-3	15	3	19%
U-1	663	477	72%
WR-3	6	3	44%

WR-7	8	2	30%
WX-5	39	20	51%
WX-7	108	26	25%

Key takeaways:

- As a whole, Chapel Hill has about 63% of its acreage covered by tree canopy.
- Individual zoning districts have on average 35% tree canopy coverage. In those zones that currently allow triplexes and fourplexes, the average tree canopy coverage is about 48% percent.

RESOLUTION A
(Resolution of Consistency)

A RESOLUTION REGARDING AMENDING THE CHAPEL HILL LAND USE MANAGEMENT ORDINANCE ARTICLES 1, 3, 4, 5, 6, AND 7 AND APPENDIX A REGARDING HOUSING REGULATIONS AND HOUSING CHOICES FOR A COMPLETE COMMUNITY AND CONSISTENCY WITH THE COMPREHENSIVE PLAN (2023-__/R-#)

WHEREAS, the Chapel Hill Town Council wishes to amend the Land Use Management Ordinance (LUMO) in order to allow for more and varied housing opportunities that meet different price points, life stages, and preferences; and

WHEREAS, the Town of Chapel Hill acknowledges that zoning has historically contributed to perpetuating segregation and economic exclusion of multiple generations of residents; and

WHEREAS, the Town of Chapel Hill, like many communities, recognizes that zoning, land use regulations, and the development approval process have contributed to a disparity of outcomes for residents including housing shortages and housing development that does not meet the income levels and life stages of all residents; and

WHEREAS, as housing becomes less attainable due to limited supplies, high pricing, and limited housing options, there are fewer housing options for current and new residents at different income levels and life stages to live in the community; and

WHEREAS, as the shortage of housing units have led to increased housing costs, Chapel Hill's workforce must look at housing opportunities outside of the community, leading to increased traffic and parking demands; and

WHEREAS, the Town of Chapel Hill understands the need to encourage compatible infill development that balances the character and history of neighborhoods while increasing opportunities to develop attainable and affordable housing; and

WHEREAS, the neighborhood conservation districts (NCDs) have establish special regulations especially designed for and intended to help preserve the character of individual residential neighborhoods and the majority of these NCDs have prohibited duplexes or reserved duplexes for affordable housing only; and

WHEREAS, the Chapel Hill 2020 Comprehensive Plan promotes a range of housing choices for residents, including workforce, senior, and affordable housing; and

WHEREAS, the Chapel Hill 2020 Comprehensive Plan encourages future land use, form, and density that strengthen the community, social equity, economic prosperity, and the natural environment; and

WHEREAS, the Future Land Use Map (FLUM) encourages compact, well-designed, mixed-use communities where all community members have access to jobs, transit, and places to reside; and

WHEREAS, the FLUM recommends the development of duplexes, triplexes, fourplexes, and accessory dwelling units with an approval process and requirements similar to that of single-family detached dwellings and it finds that these small scale, multifamily uses can fit within the existing fabric of some existing single-family neighborhoods; and

WHEREAS, the *Chapel Hill Housing Needs Analysis: 2020-2040* found that the demand for new housing for individual households is expected to increase to 500 units per year. Few owner-occupied townhouses or condominiums are built to meet this need and provide missing middle housing for the community's workforce; and

WHEREAS, on September 22, 2021, several members of the Town Council petitioned staff to create a new application pathway to foster the creation of missing middle housing, including duplexes, triplexes, cottage courts, townhomes, and other forms of compact development, to increase the availability and affordability of housing; and

WHEREAS, in 2022, the Chapel Hill Town Council initiated a Complete Community Strategy to identify shared interests around a new approach that clarifies where and how to build housing in order to be an inclusive, sustainable, and an economically competitive community; and

WHEREAS, the Town of Chapel Hill supports a strategy of incremental, gentle density that will increase opportunities for smaller, more affordable single-family residences and small-scale housing developments in existing residential zoning districts; and

WHEREAS, increasing density in established residential neighborhoods will utilize existing infrastructure; promote walkability, transit, and alternative forms of transportation; and encourage sustainable land use practices that reduce environmental impacts; and

WHEREAS, the Town of Chapel Hill finds that additional housing units can be integrated into existing residential neighborhoods and zoning districts through gentle density, constructing small-scale single-family houses and multifamily missing middle housing forms; and

WHEREAS, the Town of Chapel Hill recognizes the inefficiencies of single-family zoning and seeks to expand opportunities to incrementally increase density in existing residential zoning districts by allowing more attainable, smaller, single family and missing middle housing forms such as duplexes, triplexes, fourplexes, and cottage courts; and

WHEREAS, smaller houses and unit sizes reduce land acquisition and construction costs, reducing overall home prices. Small-scale development provides an opportunity for homeownership and an alternative to accessory apartments; and

WHEREAS, Land Use Management Ordinance Article 3 – Zoning Districts, Uses, and Dimensional Standards limits the diversity of housing types and needs to be expanded to provide greater opportunity for a range of housing types; and

WHEREAS, Land Use Management Ordinance Article 4 – Procedures provides certain exemptions only for single family development, requiring longer and more intensive review schedules for small-scale residential developments; and

WHEREAS, Land Use Management Ordinance Article 5 – Design and Development Standards apply to all multi-family development of three or more units, creating obstacles that discourage missing middle housing development; and

WHEREAS, Land Use Management Ordinance Article 6 – Special Regulations for Particular Uses does not provide standards for accessory apartments, triplexes, fourplexes, or townhouse developments, and these types of housing units could strategically increase the density of neighborhoods if sensitively designed and integrated; and

WHEREAS, Appendix A—Definitions requires revisions to match the standards proposed above; and

WHEREAS, the Housing Advisory Board reviewed the text amendments to the Land Use Management Ordinance Article 1, 3, 4, 5, 6, and 7 and Appendix A on October 11, 2022, and January 10, 2023, and recommended that the Council enact the text amendments; and

WHEREAS, the Planning Commission reviewed the text amendments to the Land Use Management Ordinance Article 1, 3, 4, 5, 6, and 7 and Appendix A on October 4, 2022, January 17, 2023, and May 16, 2023 and recommended that the Council enact the text amendments; and

WHEREAS, the Historic District Commission reviewed the text amendments to the Land Use Management Ordinance Article 1, 3, 4, 5, 6, and 7 and Appendix A on May 9, 2023 and shared their comments with the Council; and

WHEREAS, the Council called a Legislative Hearing to amend Articles 1, 3, 4, 5, 6, and 7, and Appendix A of the Land Use Management Ordinance as it relates to Housing Regulations and Housing Choices for the Council's May 24, 2023, meeting; and

WHEREAS, the Council of the Town of Chapel Hill has considered the proposed text amendment to the Land Use Management Ordinance (LUMO) Articles 1, 3, 4, 5, 6, and 7, and Appendix A; and

WHEREAS, upon consideration the Council finds that the amendment, if enacted, is reasonable and in the public's interest and is warranted to achieve the purposes of the Comprehensive Plan as explained by, but not limited to, the following goals of the Chapel Hill 2020 Comprehensive Plan:

- A range of housing options for current and future residents (*Place For Everyone.3*)
- Low density, green Rural Buffers that exclude urban development and minimize sprawl (*Good Places, New Spaces.1*)
- A vibrant, diverse, pedestrian-friendly, and accessible downtown with opportunities for growing office, retail, residential, and cultural development and activity (*Good Places, New Spaces.2*)
- A range of neighborhood types that addresses residential, commercial, social, and cultural needs and uses while building and evolving Chapel Hill's character for residents, visitors, and students (*Good Places, New Spaces.5*)
- Future land use, form, and density that strengthen the community, social equity, economic prosperity, and natural environment (*Good Places, New Spaces.8*)
- Reduce the carbon footprint of all Town-owned or managed services and properties; require that all new development meets standards; and support residents in minimizing their personal footprints (*Nurturing Our Community.7*)
- Housing for students that is safe, sound, affordable, and accessible and meets a demonstrated need conducive to educational and maturational needs of students, and housing for Town, University, and the Health Care System employees that encourages them to reside in the community (*Town Gown Collaboration.4*)
- Promote access for all residents to health-care centers, public services, and active lifestyle opportunities (*Town Gown Collaboration.6*)

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council hereby finds the proposed text amendment to be reasonable and consistent with the Town Comprehensive Plan.

This the ____ day of _____, 2023.

ORDINANCE A

(Enacting the Land Use Management Ordinance Text Amendment Proposal)

AN ORDINANCE AMENDING ARTICLES 1, 3, 4, 5, 6, AND 7 AND APPENDIX A OF THE CHAPEL HILL LAND USE MANAGEMENT ORDINANCE REGARDING HOUSING REGULATIONS AND HOUSING CHOICES FOR A COMPLETE COMMUNITY (2023-##-##/O-)

WHEREAS, the Chapel Hill Town Council wishes to amend the Land Use Management Ordinance (LUMO) in order to allow for more and varied housing opportunities that meet different price points, life stages, and preferences; and

WHEREAS, the Town of Chapel Hill acknowledges that zoning has historically contributed to perpetuating segregation and economic exclusion of multiple generations of residents; and

WHEREAS, the Town of Chapel Hill, like many communities, recognizes that zoning, land use regulations, and the development approval process have contributed to a disparity of outcomes for residents including housing shortages and housing development that does not meet the income levels and life stages of all residents; and

WHEREAS, as housing becomes less attainable due to limited supplies, high pricing, and limited housing options, there are fewer housing options for current and new residents at different income levels and life stages to live in the community; and

WHEREAS, as the shortage of housing units has led to increased housing costs, Chapel Hill's workforce must look at housing opportunities outside of the community, leading to increased traffic and parking demands; and

WHEREAS, the Town of Chapel Hill understands the need to encourage compatible infill development that balances the character and history of neighborhoods while increasing opportunities to develop attainable and affordable housing; and

WHEREAS, the neighborhood conservation districts (NCDs) have establish special regulations especially designed for and intended to help preserve the character of individual residential neighborhoods, and the majority of these NCDs have prohibited duplexes or reserved duplexes for affordable housing only; and

WHEREAS, the Chapel Hill 2020 Comprehensive Plan promotes a range of housing choices for residents, including workforce, senior, and affordable housing; and

WHEREAS, the Chapel Hill 2020 Comprehensive Plan encourages future land use, form, and density that strengthen the community, social equity, economic prosperity, and the natural environment; and

WHEREAS, the Future Land Use Map (FLUM) encourages compact, well-designed, mixed-use communities where all community members have access to jobs, transit, and places to reside; and

WHEREAS, the FLUM recommends the development of duplexes, triplexes, fourplexes, and accessory dwelling units with an approval process and requirements similar to that of single-family detached dwellings and it finds that these small scale, multifamily uses can fit within the existing fabric of some existing single-family neighborhoods; and

WHEREAS, the *Chapel Hill Housing Needs Analysis: 2020-2040* found that new housing for individual households is expected to increase to 500 units per year. Few owner-occupied townhouses or condominiums are built to meet this need and provide missing middle housing for the community's workforce; and

WHEREAS, on September 22, 2021, several members of the Town Council petitioned staff to create a new application pathway to foster the creation of missing middle housing, including duplexes, triplexes, cottage courts, townhomes, and other forms of compact development, to increase the availability and affordability of housing; and

WHEREAS, in 2022, the Chapel Hill Town Council initiated a Complete Community Strategy to identify shared interests around a new approach that clarifies where and how to add housing in order to be an inclusive, sustainable, and an economically competitive community; and

WHEREAS, the Town of Chapel Hill supports a strategy of incremental, gentle density that will increase opportunities for smaller, more affordable single family residences and small-scale housing developments in existing residential zoning districts; and

WHEREAS, increasing density in established residential neighborhoods will utilize existing infrastructure; promote walkability, transit, and alternative forms of transportation; and encourage sustainable land use practices that reduce environmental impacts; and

WHEREAS, the Town of Chapel Hill finds that additional housing units can be integrated into existing residential neighborhoods and zoning districts through gentle density constructing small-scale houses and multifamily missing middle housing forms; and

WHEREAS, the Town of Chapel Hill recognizes the inefficiencies of single-family zoning and seeks to expand opportunities to incrementally increase density in existing residential zoning districts by allowing more attainable, smaller, single family and missing middle housing forms such as duplexes, triplexes, fourplexes, and cottage courts; and

WHEREAS, smaller houses and unit sizes reduce land acquisition and construction costs, reducing overall home prices. Small-scale development provides an opportunity for homeownership and an alternative to accessory apartments; and

WHEREAS, Land Use Management Ordinance Article 3 – Zoning Districts, Uses, and Dimensional Standards limits the diversity of housing types and needs to be expanded to provide greater opportunity for a range of housing types; and

WHEREAS, Land Use Management Ordinance Article 4 – Procedures provides certain exemptions only for single family development, requiring longer and more intensive review schedules for small-scale residential developments; and

WHEREAS, Land Use Management Ordinance Article 5 – Design and Development Standards applies to all multi-family development of three or more units, creating obstacles that discourage missing middle housing development; and

WHEREAS, Land Use Management Ordinance Article 6 – Special Regulations for Particular Uses does not provide standards for accessory apartments, triplexes, fourplexes, or townhouse developments, and these types of housing units could strategically increase the density of neighborhoods if sensitively designed and integrated; and

WHEREAS, Appendix A—Definitions requires revisions to match the standards proposed above; and

WHEREAS, the Housing Advisory Board reviewed the text amendments to the Land Use Management Ordinance Article 1, 3, 4, 5, 6, and 7 and Appendix A on October 11, 2022, and January 10, 2023, and recommended that the Council enact the text amendments; and

WHEREAS, the Planning Commission reviewed the text amendments to the Land Use Management Ordinance Article 1, 3, 4, 5, 6, and 7 and Appendix A on October 4, 2022, January 17, 2023, and May 16, 2023, and recommended that the Council enact the text amendments; and

WHEREAS, the Historic District Commission reviewed the text amendments to the Land Use Management Ordinance Article 1, 3, 4, 5, 6, and 7 and Appendix A on May 9, 2023 and shared their comments with the Council; and

WHEREAS, the Council called a Legislative Hearing to amend Articles 1, 3, 4, 5, 6, and 7, and Appendix A of the Land Use Management Ordinance as it relates to Housing Regulations and Housing Choices for the Council's May 24, 2023, meeting; and

WHEREAS, the Council of the Town of Chapel Hill has considered the proposed text amendment to the Land Use Management Ordinance (LUMO) Articles 1, 3, 4, 5, 6, and 7, and Appendix A; and

WHEREAS, upon consideration the Council finds that the amendment, if enacted, is reasonable and in the public's interest and is warranted to achieve the purposes of the Comprehensive Plan as explained by, but not limited to, the following goals of the Chapel Hill 2020 Comprehensive Plan:

- A range of housing options for current and future residents (*Place For Everyone.3*)
- Low density, green Rural Buffers that exclude urban development and minimize sprawl (*Good Places, New Spaces.1*)
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- Future land use, form, and density that strengthen the community, social equity, economic prosperity, and natural environment (*Good Places, New Spaces.8*)
- Reduce the carbon footprint of all Town-owned or managed services and properties; require that all new development meets standards; and support residents in minimizing their personal footprints (*Nurturing Our Community.7*)
- Housing for students that is safe, sound, affordable, and accessible and meets a demonstrated need conducive to educational and maturational needs of students, and housing for Town, University, and the Health Care System employees that encourages them to reside in the community (*Town Gown Collaboration.4*)
- Promote access for all residents to health-care centers, public services, and active lifestyle opportunities (*Town Gown Collaboration.6*)

NOW, THEREFORE, BE IT ORDAINED by the Council of the Town of Chapel Hill that the Town Code of Ordinances, Appendix A. Land Use Management Ordinance, Articles 1, 3, 4, 5, 6, and 7, and Appendix A shall be amended as follows:

Section 1. Article 1. General Provisions, Section 1.4 Applicability is revised to read as follows:

"1.4. Applicability.

This appendix shall be effective throughout the town's planning jurisdiction. The planning jurisdiction of the town comprises the area described by Chapter 473 of the Session Laws of 1975, as modified from time to time in accordance with Section 160D, Article 2 of the North Carolina General Statutes.

Except as otherwise specifically provided in this appendix, no land or structure shall hereafter be used or occupied, and no excavation, removal of soil, clearing of a site, or placing of fill shall take place on lands contemplated for development, and no structure, or part thereof, shall be constructed, erected, altered, renovated, or moved, except in compliance with all of the applicable provisions of this appendix.

Notwithstanding the foregoing, regulations established in this appendix as enacted on January 27, 2003, with the exception of occupancy restrictions ~~for single-family and two-family structures~~, shall not apply to valid special use permits, development plans, and preliminary plat applications approved by the Town Council, and valid site plan review applications approved by the Planning Commission, prior to the effective date of this enacted appendix. Such developments shall be subject to regulations that were applicable immediately prior to the effective date of this appendix as enacted on January 27, 2003, with the exception of occupancy restrictions for single-family and two-family structures.

The appendix shall apply to all public land(s) and private land(s), and use(s) thereon over which the Town has jurisdiction under the constitution(s) and law(s) of the State of North Carolina and of the United States, including any areas within the jurisdiction of the Town pursuant to North Carolina General Statutes Section 160D, Article 2. The Planning Department (hereinafter known as the "Department") of the Town can be contacted for further information about the use of this Chapter.

For a parcel in two jurisdictions, the owner and the jurisdictions may agree that development regulations from one jurisdiction will apply to the entire parcel as authorized in Chapter 160D-203 and in Section 4.1.5 in this appendix."

Section 2. Article 3. Zoning Districts, Uses, and Dimensional Standards, Section 3.4. Conditional Districts, Subsection 3.4.6 The Mixed-Use Village Conditional Zoning District (MU-V-CZD), Subsection (c)(2)A. is revised to read as follows:

"(2) For purposes of this section:

(a) Uses within the "Residential" land use category include the following:

Dwelling units, single family,

Dwelling units, two-family,

Dwelling units, three-family.

Dwelling units, four-family.

Dwelling units, multifamily, ~~three to seven~~ five (5) to ten (10) dwelling units,

Dwelling units, multifamily, over ~~seven~~ ten (10) dwelling units,"

Section 3. Article 3. Zoning Districts, Uses, and Dimensional Standards, Section 3.7. Use regulations, Subsection 3.7.2 Use Matrix, Table 3.7-1: Use Matrix is hereby amended to delete and insert rows, and revise footnotes as follows:

[Portions of Table 3.7-1 not appearing in the excerpt below to remain unchanged.]

Table 3.7-1: Use Matrix

	Table 3.7-1: Use Matrix																																			
		Zoning District																				Historic Rogers Road Neighborhood District					Planned Development (PD-)									
Uses	Use Group	R-LD5	RT	R-LD1	R-1A	R-1	R-2	R-2A	R-3	R-4	R-5	R-6	R-SS-CZD	R-CP-CZD	TC-1, TC-2, TC-3	CC	N.C.	OI-1	OI-2	OI-3	OI-4	I	LI-CZD	MH	HR-L	HR-M	HR-X	HR-C	H	SC(N)	SCI	OI	MU	I	DA-1	
"Dwelling Units, single-family with accessory apartment	A	P	P	P	P	P	P	P	P	P	P	P	N	N	N	P	P	P	P	P	P	P	P	-	-	-	A	A	A	-	P	-	-	-	P	-
"Dwelling units, duplex (See also Article 6)	A	P	P	P	P	P	P	P	P	P	P	P	N	N	N	P	P	P	P	P	P	P	P	-	-	-	A	A	A	-	P	-	-	-	P	-
"Dwelling units, two-family (See also Article 6)																																				
Single-family with accessory apartment	A	P	P	P	P	P	P	P	P	P	P	P	C	C	C	P	P	P	P	P	P	P	P	=	=	=	A	A	A	=	P	=	=	=	P	=
Single-family with cottage	A	=	=	=	=	P	P	P	P	P	P	P	C	C	C	P	P	P	P	P	P	P	P	=	=	P	P	P	=	=	P	=	=	=	P	=
Two-family, attached	A	P	P	P	P	P	P	P	P	P	P	P	C	C	C	P	P	P	P	P	P	P	P	=	=	P	P	P	=	=	P	=	=	=	P	=
Two-family, detached	A	P	P	P	P	P	P	P	P	P	P	P	C	C	C	P	P	P	P	P	P	P	P	=	=	P	P	P	=	=	P	=	=	=	P	=
"Dwelling units, multifamily, 3 to 7 dwelling units	A	-	-	-	-	-	-	-	-	P	P	P	N	N	N	P	P	P	P	P	P	P	P	-	-	-	-	P	-	-	P	-	-	-	P	-

"Dwelling units, multifamily, over 7 dwelling units	A	-	-	-	-	-	-	-	-	-	-	€ Z	€ Z	€ Z	€ Z	P	P	P	P	P	P	P	-	-	-	-	-	-	-	P	-	-	-	P	-	
"Dwelling Units, multi-family																																				
Three-family, attached or detached	A	=	=	=	=	=	=	=	=	=	P	P	P	C Z	C Z	C Z	P	P	P	P	P	P	P	=	=	P	P	P	=	=	P	=	=	=	P	=
Four-family, attached or detached	A	=	=	=	=	=	=	=	=	=	P	P	P	C Z	C Z	C Z	P	P	P	P	P	P	P	=	=	=	=	=	=	=	P	=	=	=	P	=
Multi-family, 5-10 units, attached or detached	A	=	=	=	=	=	=	=	=	=	P	P	P	C Z	C Z	C Z	P	P	P	P	P	P	P	=	=	=	=	=	=	=	P	=	=	=	P	=
Multi-family, over 10 units, attached or detached	A	=	=	=	=	=	=	=	=	=	=	C Z	C Z	C Z	C Z	P	P	P	P	P	P	P	P	=	=	=	=	=	=	=	P	=	=	=	P	=

- Definitions of uses are listed in Appendix A
- Definitions of Wireless Communication Facility uses are listed in Appendix A, and in Section 5.20.3.

^x Uses in Table 3.7-1, Use Matrix, are applicable only to private property outside improved public rights-of-way. See Section 5.20.9(d) for small wireless facilities inside improved rights-of-way.

* Uses in this table are pursuant to a development agreement. If there is no development agreement governing the site, see Section 3.5.6(f)(1) and (2).

**Two-family, three-family, and four-family developments shall not be permitted in any neighborhood conservation districts that do not otherwise allow for single-family with accessory apartment, duplexes, triplexes, or multi-family."

Section 4. Article 3. Zoning Districts, Uses, and Dimensional standards, Section 3.8. Dimensional Standards, Subsection 3.8.2 Dimensional Regulations, is revised to read as follows:

“About the Building Envelope. Sections (f)—(j) define the three-dimensional building envelope. All structures, or portions thereof, must be placed within the building envelope and may not encroach the building envelope unless specifically exempted by this Appendix.

- Divisions (f) and (g) regulate the setback height and core height, respectively, which together define the vertical extent of the building envelope.
- Divisions (h)—(j) regulate the street, interior, and north setback lines, respectively, which together define the perimeter setback line and horizontal extent of the building envelope.

Definitions. Refer to Appendix A for definitions of applicable terms.

(a) Zoning District. Column (A) refers to the applicable Zoning District. The requirements set forth in sections (b)—~~(j)~~(i) below, relate to the zoning district specified in the row under Column (A),

(b) Minimum Lot Size. Column (B) is expressed in square feet of gross land area.

Notes:

(1) Where a zoning lot is located in more than one zoning district, the minimum gross land area required of such zoning lot shall be the sum of the areas derived by multiplying the minimum gross land area required for each represented district by the proportion of the zoning lot located within that district.

(2) For all ~~dwelling~~ uses, ~~except single family and single family with accessory apartment, that consist of three (3) or more dwelling units,~~ the minimum lot size is two (2) times the figure shown in Column (B).

~~(c) Maximum Density. Column (C) applies to all residential uses except single family dwellings and single family dwellings with accessory apartments. Column (C) is a maximum residential density, expressed in dwelling units per acre of gross land area.~~

~~(d)~~ (c) Minimum Frontage. Column ~~(D)~~ (C) is the minimum width of the lot measured along the street.

Notes:

(1) Where a zoning lot fronts on two (2) or more streets, minimum street frontage width requirements shall be considered met if the frontage along any one of such streets meets the minimum street frontage width requirements.

(2) Where a zoning lot fronts on a turning circle of a cul-de-sac or at a point of a street where the radius of the curvature of the right-of-way is less than ninety (90) feet, the minimum street frontage width requirement shall be thirty-five (35) feet.

~~(e)~~ (d) Minimum Lot Width. Column ~~(E)~~ (D) is the minimum width of the lot, expressed in feet, measured at least twenty-five (25) feet interior from the minimum street setback. No portion of a lot, created as part of a subdivision, between a street setback and the opposite interior (rear) setback, shall be less than twenty (20) feet in width.

Exception:

(1) Authorized flag lots, created as part of a subdivision and subject to the lot layout standards in Section 5.2, may contain areas between a street setback and the opposite interior (rear) setback that are less than twenty (20) feet in width. Authorized flag lots shall reach the minimum lot width at a point not to exceed two hundred (200) feet from the street right-of-way.

Notes:

(2) Where a zoning lot fronts on two (2) or more streets, minimum lot width requirements shall be considered met if the lot width at the street setback from any one of such streets meets the minimum lot width requirement.

(3) Where a zoning lot fronts on a turning circle of a cul-de-sac or at a point of a street where the radius of the curvature of the right-of-way is less than ninety (90) feet, the minimum lot width shall be reached at a distance derived by the following formula: $D = 50 (W)(35) - 50$, where W = minimum required lot width, and D =

maximum distance from street right-of-way to where the lot width equals the minimum required width for that district.

~~(f)~~ (e) Maximum Setback Height: Column ~~(F)~~ (E) is the maximum allowable height at the perimeter setback line of a zoning lot, as defined by the minimum street, interior, and solar setbacks.

(1) Height shall be measured from mean finished grade, along the street façade of the building. Where a structure fronts more than one (1) street, height shall be measured from the lower, more restrictive mean finished grade.

(2) To determine mean finished grade, take the spot elevations from the highest and lowest points of the foundation. The average of these two (2) spots elevations is the mean finished grade and the elevation from which height measurements are made.

(3) The entire structure, and all portions thereof, is subject to the maximum setback height.

Exceptions:

A. The structure or part thereof is below the allowable core height, as described in division (g) below.

B. The structure or part thereof is explicitly exempted in section 3.8.3 Exceptions to Setback and Height Requirements, below.

C. The structure or part thereof is explicitly exempted as provided elsewhere in this Appendix.

(4) For purposes of applying setback and height regulations to development within an OI-3 or OI-4 zoning district or within a townhouse development or a planned development, all contiguous land within the district, townhouse development, or planned development shall be considered as a single zoning lot.

~~(g)~~ (f) Maximum Core Height: Column ~~(G)~~ (F) is the maximum allowable height in the interior or core area of a lot. The core height provides additional allowable height on the interior of a zoning lot based on the horizontal distance measured away from the perimeter setback line of the lot. The allowable core height increases with the distance interior to the lot, measured from the perimeter setback line at a rate described below.

(1) In all Zoning Districts, except those explicitly named in subdivision (2), the allowable core height increases at a rate of one (1) foot in height for every two (2) feet of distance interior to the lot, measured away from the perimeter setbacks. This is equivalent to a slope of $\frac{1}{2}$ (rise/run) or 1:2.

(2) In the Town Center - 1 to 3, Office/Institutional 3 to 4 zoning districts the allowable core height increases at the following rates:

A. Street and interior setbacks: one (1) feet in height for every one (1) feet of distance interior to the lot, measured away from the street and interior setbacks. This is equivalent to a slope of 1/1 (rise/run) or 1:1.

B. Solar setbacks: one (1) feet in height for every one (1) foot and seven-tenths of a foot (1.7 feet) of distance interior to the lot, measured away from the street and interior setbacks. This is equivalent to a slope of 1/1.7 (rise/run) or 1:1.7.

(3) No structure, or part thereof, shall project beyond the allowable core height of a structure or part thereof.

Exceptions:

A. The structure or part thereof is explicitly exempted in section 3.8.3 Exceptions to Setback and Height Requirements, below.

B. The structure or part thereof is explicitly exempted as provided elsewhere in this Appendix.

(4) If a structure is located in the vicinity of an airport, the height limitations set forth in Federal Aviation Regulations, Part 77, or successor regulations, shall apply where such limitations are stricter than those established in this appendix.

~~(h)~~ (g) Minimum Street Setback. Column ~~(H)~~ (G) establishes a minimum setback from the street right-of-way line. Where a zoning lot fronts on a street with a right-of-way width not meeting the standards of this appendix, street setback shall be measured from a line running parallel to the centerline of the street at a distance from such centerline equal to one-half (1/2) the standard right-of-way width of the street.

Exception:

(1) The town manager or town council may exempt lots from this requirement upon making one of the following findings:

A. Where a building line has already been established by existing structures along the block which are situated on lots comprising at least twenty-five (25) percent of the street frontage, the building may be constructed at the established building line; or

B. The existing right-of-way is adequate to encompass any anticipated need for widening of the street or other improvements and widening of the right-of-way to town standards would create nonconforming street setbacks for other structures on the street.

~~(i)~~ (h) Minimum Interior Setback. Column ~~(I)~~ (H) establishes a minimum setback measured from the interior lot lines.

Exception:

(1) The interior setback requirements may be reduced to zero (0) under certain conditions (see section 5.2.8.).

Note:

(2) Side setbacks are set at zero (0) in many non-residential districts in order to encourage the formation of a street wall, as is found in traditional commercial centers such as the TC district along Franklin Street.

~~(j)~~(i) Minimum Solar Setback. Column ~~J~~ (I) establishes a minimum setback measured from north lot lines. Where a solar setback and either a street or interior setback both apply to the same portion of a lot line, the required minimum setback shall be the greater of the two.

Exceptions:

(1) The solar setback may be reduced to zero (0) under certain conditions (see section 5.2.8.).

(2) Minimum solar setback requirements shall not apply to any structure, or part thereof, when the proposed height of the structure is ninety (90) percent, or less, of the maximum allowed setback height. In such cases, the lesser interior setback may be used instead.

~~(k)~~(j) Maximum Impervious Surface Ratio. Column ~~K~~ (J) establishes the maximum ratio of impervious surface on a lot. The maximum amount of impervious surface area is divided by multiplying the gross land area of the lot by the ratio established in Column (K) and as described below:

- (1) Single-family and two-family Rresidential development: (.50)
- (2) Multifamily developments, fraternities and sororities, non-residential, or mixed-use development: (.70).

Exception:

- (3) Impervious surface restrictions shall not apply to town center zoning districts.

~~(+)~~(k) Maximum Floor Area Ratio. Maximum floor area allowed shall be the number of square feet derived by multiplying gross land area by the applicable floor area ratio (FAR) as shown in Table 3.8.1. Exceptions:

- (1) A maximum floor area ratio shall not apply to: ~~single family dwelling units (with or without an accessory apartment)~~

- A. Dwelling Units, Single Family
- B. Dwelling Units, Single Family with Accessory Apartment
- C. Dwelling Units, Single Family with Cottage
- D. Public Cultural Facilities

- (2) For two-family ~~duplex~~ dwellings on a single zoning lot, the floor area shall be .40 in all zones and overlay zones, except where the overlay zone establishes a more restrictive floor area ratio for duplexes.

- ~~(3) A maximum floor area ratio shall not apply to public cultural facilities.~~

- ~~(4)~~ (3) For public elementary and secondary schools, the maximum floor area ratio shall be 0.174 unless a higher floor area ratio is established in Column (L).

- ~~(5)~~ (4) Where a lot is partially within the resource conservation district, the maximum allowable floor area of the portion of the lot outside of the resource conservation district shall be calculated as the sum of:

- A. The product of, and

- (i) The floor area ratio of the portion of the zoning lot outside the resource conservation district, and
- (ii) The area, in square feet, of the portion of the zoning lot outside the resource conservation district

- B. The product of

- (i) The floor area ratio applicable to a permitted use in the resource conservation district, and
- (ii) The area, in square feet, of the portion of the zoning lot within the resource conservation district."

Section 5. Article 3, Section 3.8 Dimensional standards, Table 3.8-1: Dimensional Matrix is hereby amended to delete column (C) Density and revised to read as follows:

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
Zoning District	Lot Size (square feet min)	Density (units per acre max)	Frontage (min feet)	Lot Width (min feet)	Building Height , Set back (max feet)	Building Height , Core (max feet)	Street Set back (min feet)	Interior Set back (min feet)	Solar Set back (min feet)	Impervious Surface Ratio (max) *	Floor Area Ratio (max)	Street Set back (max feet)
R-LD5	217,800	"0.2"	200	250	29	35	30	16	20	.5/.7	.025	N/A
RT	100,000	"0.4"	160	200	29	35	30	16	20	.5/.7	.031	N/A
R-LD1	43,560	"1.0"	100	125	29	35	30	16	19	.5/.7	.047	N/A
R-1A	25,000	"2.0"	80	100	29	38	29	15	18	.5/.7	.062	N/A
R-1	17,000	"3.0"	64	80	29	40	28	14	17	.5/.7	.076	N/A
R-2A	14,500	"3.5"	56	70	29	50	27	10	12	.5/.7	.087	N/A
R-2	10,000	"4.0"	52	65	29	50	26	11	13	.5/.7	.093	N/A
R-3	5,500	"7.0"	40	50	29	60	24	8	11	.5/.7	.162	N/A
R-4	5,500	"10.0"	40	50	34	60	22	8	9	.5/.7	.230	N/A
R-5	5,500	"15.0"	40	50	39	60	20	6	8	.5/.7	.303	N/A
R-6	5,500	"15.0"	40	50	39	60	20	6	8	.5/.7	.303	N/A
R-SS-CZD	N/A	"N/A"	N/A	N/A	39	60	10	0	N/A	.5/.7	1.10"	N/A
TC-1	N/A	"N/A"	12	15	44	60	0	0	0	N/A	1.97	N/A
TC-2	N/A	"N/A"	12	15	44	90	0	0	0	N/A	1.97	N/A
TC-3	N/A	"N/A"	12	15	44	120	0	0	0	N/A	4.00	N/A
CC	5,500	"15.0"	40	50	34	60	22	8	9	.5/.7	.429	N/A
N.C.	5,500	"10.0"	40	40	34	60	24	8	11	.5/.7	.264	N/A

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
Zoning District	Lot Size (square feet min)	Density (units per acre max)	Frontage (min feet)	Lot Width (min feet)	Building Height , Set back (max feet)	Building Height , Core (max feet)	Street Set back (min feet)	Interior Set back (min feet)	Solar Set back (min feet)	Impervious Surface Ratio (max) *	Floor Area Ratio (max)	Street Set back (max feet)
OI-1	5,500	10.0	40	50	29	60	24	8	11	.5/.7	.264	N/A
OI-2	5,500	15.0	40	40	34	60	22	8	9	.5/.7	.264	N/A
OI-3	2,000	N/A	15	15	N/A	N/A	0	0	0	.5/.7	.566	N/A
OI-4	2,000	N/A	12	15	N/A	N/A	0	0	0	N/A	N/A	N/A
I	17,000	N/A	64	80	26	50	26	11	13	.5/.7	.071	N/A
LI-CZD	17,000	0.0	64	80	N/A	90	15	10	10	N/A/.7	N/A	N/A
MH	100,000	N/A	160	200	29	35	30	16	20	.5/.7	.019	N/A
MU-OI-1	N/A	N/A	N/A	N/A	44	90	0	0	0	.5/.7	.264	N/A
MU-R-1	N/A	N/A	N/A	N/A	29	90	0	0	0	.5/.7	.076	N/A
MU-V, MU-V-CZD arterial	5,500	20.0	80	62	70	114	0	0	20	.5/.7	1.2	N/A
MU-V, MU-V-CZD collector	5,500	15.0	40	50	44	90	0	0	20	.5/.7	.500	N/A

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
Zoning District	Lot Size (square feet min)	Density (units per acre max)	Frontage (min feet)	Lot Width (min feet)	Building Height, Set back (max feet)	Building Height, Core (max feet)	Street Set back (min feet)	Interior Set back (min feet)	Solar Set back (min feet)	Impervious Surface Ratio (max) *	Floor Area Ratio (max)	Street Set back (max feet)
MU-V, MU-V-CZD local	5,500	15.0	70	40	32	40	0	0	17	.5/.7	.500	N/A
HR-L	14,500	4 ³	64	80	29	40	10 ^{4,3}	14	17	.5/.7	.076	28 ^{5,4}
HR-M	9,000	6 ³	52	65	29	40	10	14	17	.5/.7	.093	20
HR-X	N/A	8	40	N/A	29	40	20	40	17	.5/.7	.264	N/A
HR-C	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Footnotes:

(1) The notation "N/A" indicates that the requirements does not apply within the particular zoning district.

(2) Existing lots of record as of December 7, 1992, which are subsequently rezoned to R-LD5 can be subdivided to create up to three (3) lots of not less than two (2) acres gross land area in size each; provided, however the remaining land shall be developed with a minimum lot size of at least five (5) acres gross land area for each lot, and provided that no lot created under this exemption shall have a new direct access onto an arterial street.

(3) Because the HR subdistricts allow accessory dwelling units, duplexes, and triplexes, the maximum density (dwelling units per acre) in this table is greater than the maximum number of lots per acre. The minimum and maximum setbacks, maximum height, maximum impervious surface ratio, and maximum floor area ratio determine the potential building size and work to keep the building and lot size compatible with the surrounding neighborhood regardless of the number of dwelling units contained within the building.

(4-3) Lots that front on (take their address and ingress/egress from) Rogers Road shall have a minimum street setback of 50 feet. The intent of this standard is to preserve the rural character of the historic Rogers Road corridor. Lots that existed on May 22,

2019 and are smaller than 17,424 square feet (.4 acres) are exempt from this standard.

(5 4) Lots that front on Rogers Road shall have no maximum street setback. The intent of this standard is to preserve the rural character of the historic Rogers Road corridor.”

Section 6. Article 3. Zoning Districts, Uses, and Dimensional Standards, Section 3.8.3 Exceptions to Setback and Height Regulations is revised to read as follows:

“(a) The following features shall not be subject to the required minimum setbacks provided the town manager determines that such features do not significantly impair the degree of solar access provided adjacent properties through application of the appropriate solar setback requirements:

- (1) Roof overhangs which do not exceed more than thirty-six (36) inches in length into the setback;
- (2) Free-standing signs and projecting signs, provided such signs comply with the sign standards established in section 5.14;
- (3) Fences and walls not exceeding six (6) feet in height may be located within interior setbacks and those not exceeding four (4) feet in height may be located within street setbacks. Arches or trellises up to eight (8) feet in height and five (5) feet in width may be constructed over a gate if integrated into the fence or gate design and not located within a sight triangle. No more than two (2) such arches or trellises shall be permitted per parcel:
- (4) Flagpoles, home satellite dishes and TV antennas, bridges, and transmission poles, towers, and cables; ~~and~~
- (5) ~~The decking of~~ Patios, decks and swimming pools not exceeding three (3) feet in height, provided they are not constructed closer than five (5) feet from the property line of the zoning lot. Protective railings, as required by building code, may be added to the decking height;
- (6) Mechanical equipment, such as HVAC condenser units, water heaters, generators, electrical panels, backflow preventers no more than two (2) feet in height, and similar structures that encroach up to five (5) feet into the setback, comply with the noise regulations set forth in Chapter 11, Article 3¹ and are associated with residential developments of less than five (5) units;
- (7) Window wells located in interior and solar setbacks not exceeding the minimum International Residential Code (IRC) or International Building Code (IBC) requirements for egress;
- (8) Sidewalks, pathways, and accessibility ramps and other structures promoting access for people with disabilities;
- (9) Driveways that comply with the regulations set forth in Chapter 17²;

¹ https://library.municode.com/nc/chapel_hill/codes/code_of_ordinances?nodeId=CO_CH11MIPROF_ARTIIINO

² https://library.municode.com/nc/chapel_hill/codes/code_of_ordinances?nodeId=CO_CH17STSI

(10) Electric vehicle charging stations and related mechanical equipment that maintain a minimum setback of five (5) feet from the property line;

(11) Bus shelters and rideshare shelters that are not located within sight triangles and as approved by Chapel Hill Transit; and

(12) Wells, so long as any required well house does not exceed four (4) feet in height;

(b) The following features may project above the building envelope defined by the maximum height limitations and additional setback requirements contained in Rules for Interpretation of Table 3.8-1, Columns (F) and (G), below, provided the town manager determines that such features do not significantly impair the degree of solar access provided adjacent properties through application of the appropriate solar setback requirements:

(1) ~~Chimneys,~~ Accessory radio or television antennas, flagpoles, monuments, cupolas, parapets, dormers, clock towers or decorative towers with a footprint not exceeding twenty (20) percent of the principal building, provided the projection of such structures above the building envelope does not exceed fifteen (15) percent of the maximum height limitation that defines the portion of the building envelope penetrated by such structures;

(2) ~~Steeple, or solar collectors, or spires~~ provided the projection of such structures above the building envelope does not exceed fifteen (15) percent of the maximum height limitation that defines the portion of the building envelope penetrated by such structures;

(3) ~~Spires,~~ Smokestacks, water tanks, or windmills, provided such structures do not exceed in height the horizontal distance therefrom to the nearest lot line; and

(4) Transmission poles, towers, and cables;

(5) Chimneys, flues, vents, or similar structures shall not extend more than one (1) foot above the minimum height required to comply with International Building Code (IBC) requirements; and

(6) Solar collectors that do not extend more than one (1) foot above the nearest roof peak if mounted on a pitched roof, or do not exceed ten (10) feet in height above their mounting surface if mounted on a flat roof and provided the solar collectors are not visible from the street level."

Section 7. Article 4 Procedures, Subsection 4.6 Subdivision, new Subsection 4.6.14 Townhouse Subdivision is hereby added to read as follows:

"4.6.14 Townhouse Development Subdivision.

It is the intent of this section that applicable subdivision review under the subdivision regulations be carried out as an integral part of the review of townhouse developments. It is the further intent of this section to permit the submittal of a subdivision application for the whole townhouse development, or for approved phases thereof. The form and content of applications and plans submitted for such integrated review shall be sufficient to satisfy the requirements of the subdivision regulations as well as those of this article.

The townhouse subdivision plat shall identify:

- (a) Land developed and designated for the common use and benefit of the occupants of individual lots;
- (b) Any entity designated to be legally responsible for the maintenance and control of the common land areas;
- (c) The gross land area of the commonly held land, which shall not be less than ten (10) percent of the zoning lot's total gross land area for those developments of three (3) or more dwelling units; and
- (d) The maximum impervious surface and floor area for each lot."

Section 8. Article 4.6 Subdivision, new Subsection 4.16.15 Condominiums is hereby added to read as follows:

"4.6.15 Condominiums.

Development of two or more dwelling units configured as condominiums shall comply with the following standards:

- (a) Condominiums shall conform to the use and development requirements of this Ordinance for the zoning district(s) where located.
- (b) Condominiums shall conform to the requirements of the North Carolina Condominium Act in Chapter 47C of the North Carolina General Statutes.
- (c) Condominium ownership may be created by the owner or co-owners of a structure(s) by an express declaration of their intention to submit such property to the provisions of the North Carolina Condominium Act, which declaration shall be subject to approval by the Town Manager and recorded in the office of the Register of Deeds in the county where the development is located."

Section 9. Article 4. Procedures, Section 4.7. Site plan review, Subsection 4.7.1 Applicability, Subsection (a) is revised to read as follows:

"Site plan review and approval by the planning commission shall be required prior to issuance of a zoning compliance permit for any development or change in use subject to a zoning compliance permit (as described in section 4.9), with the following exceptions:

- (a) Any development of a single-family, two-family, or multi-family development up to four (4) units on a zoning lot, or any uses accessory thereto;"

Section 10. Article 4. Procedures, Section 4.9 Zoning Compliance Permit, Subsection 4.9.1 Applicability is revised to read as follows:

"4.9.1. Applicability.

- (a) Except as otherwise specifically provided in this chapter, it shall be unlawful to begin any excavation, removal of soil, clearing of a site, or placing of any fill on lands contemplated for development, or to begin any construction, moving, alteration, or renovation, except for ordinary repairs or maintenance, of any building or other structure, including accessory structures and signs, until the town manager has issued for such action a zoning compliance permit, certifying that such development complies with the applicable provisions of this chapter. The town manager may establish a process to waive the requirement for a zoning compliance permit for smaller-scale ~~single or two family~~ residential activities ~~_~~ such as

landscaping and construction of decks, porches, sheds, garages, and stoops related to single-family, two-family, or multi-family development up to four (4) units.

- (b) It shall also be unlawful to change the type of use or type of occupancy of any land or structure, or to extend any use on any lot on which exists a nonconforming use, until the town manager has issued for such action a zoning compliance permit, certifying that such intended uses comply with the applicable provisions of this chapter.
- (c) Thresholds for exceptions to zoning compliance permit requirement: Single-family, two-family, or multi-family development up to four (4) units ~~Single-family development~~ meeting all conditions contained in this section 4.9.1(c) may be exempted from the requirement to obtain a zoning compliance permit after an initial review by the town manager or designee.
 - (1) The project adds less than five hundred (500) square feet of impervious surface area.
 - (2) The project includes less than one thousand five hundred (1,500) square feet of land disturbance.
 - (3) The project does not include grading or filling of soil.
 - (4) The project is at least five (5) feet away from the nearest setback line and building height limitation.
 - (5) The project work limits are at least five (5) feet from the boundary of any Resource Conservation District or Jordan Watershed Riparian Buffer.
 - (6) The project is not occurring within the regulatory floodplain.
 - (7) The project does not contain steep slopes as defined in section 5.3.2 of this ordinance.
 - (8) The project does not include removal of more than 2,500 square feet of tree canopy or 25% of the total tree canopy coverage for the site, whichever is less."

Section 11. Article 5. Design and Development Standards, Section 5.5 Recreation is revised to read as follows:

"5.5.1. Applicability.

(a) This section applies to:

- (1) Any major subdivision that creates lots reasonably expected to be used for dwelling units; or
 - (2) Any multifamily development of five (5) or more units; or
 - (3) Any common plan of development of five (5) or more units.
- (b) In all cases the Chapel Hill Parks and Recreation Commission shall review and make recommendations to the town council on the provision or dedication of parks and open space.
- (c) In all cases the Chapel Hill Greenways Commission shall review and make recommendations to the town council in the event that proposed development may be located on or have an impact on greenway areas identified in the town's comprehensive plan, greenway project conceptual plans adopted by the council, and/or greenway project master plans adopted by the council.

- (d) Provision or dedication of parks and open space is not required for a minor subdivision.
- (e) Phases of development within a subdivided tract that occur after the initial subdivision must provide the required parks and open space appropriate for the subsequent development of those tracts. For example, if multifamily dwellings are built within an already subdivided tract, those dwellings must comply with recreation and outdoor space ratios required for multifamily dwellings by this section.

5.5.2. ~~Minimum Recreation Area and Recreation Space.~~

(a) *Residential subdivisions.*

This section applies to any application for subdivision approval in the zoning districts enumerated below. The minimum size in square feet of a recreation ~~area~~ space shall be derived by multiplying the gross land area of the development by the applicable ratio shown below:

Zoning district	Recreation area <u>space</u> ratio
R-LD5	.040
R-LD1	.050
R-1A	.061
R-1	.071
R-2A	.095
R-2	.120
R-3	.170
R-4, 5, 6 and all other nonresidential zoning districts	.218

(b) Suitability of land.

- (1) Land provided or dedicated as recreation ~~area~~ space shall be outside of the resource conservation district and of a character, shape and location suitable for use as a playground, playfield, or for other active recreation purposes including greenway pedestrian and non-motorized vehicle easements. Recreation ~~areas~~ spaces shall be located on land that is relatively flat and dry and is otherwise capable of accommodating active recreation uses, except as exempted under the provisions of subsections (e)(2) and (e)(3), below.
- (2) For sites that abut or include areas designated as future greenways on the town's comprehensive plan, greenway project conceptual plans adopted by the council, and greenway project master plans adopted by the council, the town council may require that a dedicated public pedestrian and non-motorized vehicle easement along all such areas be the recreation space provided under this ordinance.
- (3) ~~Recreation areas and~~ Recreation spaces shall be conveniently accessible to all residents of the subdivision and, other than greenway pedestrian and non-motorized vehicle easements, shall have at least fifty (50) feet of frontage on at least one public street within the subdivision. Land provided or reserved for active recreation shall form a single parcel except where the town council determines that two (2) or more parcels are more suitable to the needs of a particular subdivision. The Town Council may require that such parcels be connected. In large developments it is desirable to have parks and recreation areas within walking distance of new residences.

(c) Method of provision or dedication.

Land provided or dedicated for recreation purposes shall be designated on the subdivision's final plat(s). The town council may require that such land be dedicated to the town or other appropriate public body. If the town does not require that the land be dedicated or deeded to an appropriate public body, then the town may require that a neighborhood or homeowners' association be established for the continuing maintenance and control of common recreation area and facilities.

(d) Payments in lieu of provision or dedication.

(1) In lieu of providing or dedicating recreation ~~area~~ space required pursuant to this section, a developer of a subdivision may, with the approval of the town council, make a payment to the town whereby the town may acquire or develop recreation land to serve the subdivision. A developer may make a partial payment in combination with the partial provision of recreation ~~area~~ space if the town council determines that the combination is in the best interests of the citizens of the area to be served.

(2) The town council may require a payment to the town in lieu of providing or dedicating recreation ~~area~~ space required pursuant to this section where the minimum recreation ~~area~~ space required by this section equals four (4) acres or less.

(3) The town shall use such payment only for the acquisition or development of recreation, park, greenways, or open space sites, as allowed by law.

(4) Payments in lieu of recreation ~~area~~ space shall be determined by the following formula:

A per square foot value of the property shall be determined, as established by Orange County and/or Durham County for real estate tax purposes. The value established by Orange County and/or Durham County shall include only the value of the land and shall not include the value of existing structures and improvements. The square foot value shall be multiplied by the number of square feet of recreation ~~area~~ space required for the development to arrive at a base value. The base value shall be multiplied by a recreation ~~area~~ space payment in lieu multiplier to determine the required amount of payment in lieu of recreation.

The payment in lieu multiplier for recreation ~~area~~ space shall be established by the town council annually as part of the budget process.

(5) The developer shall make the payment before approval of a final plat for the subdivision, provided, however, that the town manager may allow phasing of payments consistent with the approved phasing of the subdivision.

(6) In the event that a property owner successfully appeals the county valuation of the property after the payment in lieu for recreation ~~area~~ space is made to the town, and the resulting change in valuation would have reduced the amount of the payment in lieu for recreation ~~area~~ space, the town shall reimburse the developer the difference between what was paid and what would have been paid had the revised valuation been used.

(e) Exemptions.

(1) The town council may exempt an application from the recreation ~~area~~ space requirements in this section if the required recreation area is less than three thousand (3,000) square feet.

- (2) If the town council determines that assembling a piece of land to meet the requirements of subsection (b) either would create undue hardships or is not necessary because the active recreational needs of the subdivision are already being met by dedicated land or by existing recreation ~~areas-spaces~~, it may waive any requirements of that subsection. In such cases, the required recreational ~~area-space~~ may be used for preserving woods, steep slopes, ponds, streams, glens, rock outcrops, native plant life, and wildlife cover. These ~~areas-spaces~~ would provide for the community's need for passive recreational areas and/or greenways.
- (3) If the site abuts or includes areas designated as future greenways on the town's comprehensive plan, greenway project conceptual plans adopted by the council, and greenway project master plans adopted by the council, land area dedicated as a public pedestrian non-motorized vehicle easement or deeded to the town along the greenway may be applied to requirements for dedication of recreation ~~area-space~~ and exempted from the land suitability requirements of subsection (b).
- (f) Substitution of off-site land for dedicated recreation ~~area space~~.
- (1) Any subdivider required to provide or dedicate recreation ~~area-space~~ pursuant to this section may, with the approval of the town council, dedicate recreation ~~area-space~~ outside the boundaries of the land being subdivided but in a nearby area of town.
- (2) The substitute dedicated recreation ~~area-space~~ shall be in a location acceptable to the town council, shall be comparably valued, and shall meet all suitability requirements as set forth under the provisions of subsection (b), above.
- (g) Multifamily dwelling units and common plan of developments of five (5) or more units ~~Active Improved active recreation space, improved space areas~~ (either indoors or outside) shall be provided for the common active recreational use of residents of multifamily developments. For sites that abut or include areas designated as future greenways in the town's comprehensive plan, greenway project conceptual plans adopted by the council, and greenway project master plans adopted by the council; land dedicated for a public pedestrian and non-motorized vehicle easement or deeded to the town along the greenway may be substituted for required improved active recreation space. The minimum size of such active recreation space shall be the number of square feet derived by multiplying gross land area of the development by the applicable ratio shown below.

Zoning districts	<u>Active</u> Recreation space ratio
TC-1, TC-2, TC-3	.120
CC, MU-V, MU-V-CZD	.046
N.C.	.039
OI-2	.046
OI-1	.046
I	.032
R-SS-CZD, R-6, R-5	.050
R-4	.039
R-3	.032
R-2, R-2A, R-1	.025
R-1A	.022
R-LD1	.020
All Others	.015

- (h) Payments in lieu of improved recreation space.

In lieu of providing recreation space required pursuant to this section, a developer of a multifamily dwelling or planned development may, with the approval of the town council (or planning commission if final approval is by the planning commission), make a payment to the town whereby the town may acquire or develop recreation land or greenways to serve the development. A developer may make a partial payment in combination with the partial provision of recreation space if the town council determines that the combination is in the best interests of the citizens of the area to be served.

The town council (or planning commission if final approval is by the planning commission), may require a payment to the town in lieu of providing or dedicating recreation space required pursuant to this section.

The town shall use such payment only for the acquisition or development of recreation, park, or open space sites to serve residents of the development or residents of more than one (1) subdivision or development within the immediate area. The amount of the payment shall be the product of the amount of active recreational space required, multiplied by a dollar amount established by the town council annually as part of the budget process.

The developer shall make the payment before issuance of a zoning compliance permit for the development, provided, however, that the town manager may allow phasing of payments consistent with the approved phasing of the development.

(i) Connectivity.

Purpose statement: The town hereby finds and determines that an interconnected system of parks, trails, greenways, and bikeways provides a greater public benefit than isolated parks with access exclusively by automobiles. Such areas can provide form to neighborhoods, a common public gathering space, and an opportunity to protect natural areas.

~~Recreation area~~ Active recreation space provided pursuant to this section shall be aligned with and shall adjoin any area designated as a park or open space area on adjoining property, including any public greenway, linear park, or similar facility. Sidewalks, trails, or similar facilities shall align with such facilities in an adjoining tract or, where adjoining tracts are unimproved, with any area designated for parks or open space in the comprehensive plan or any parks master plan adopted by the town."

Section 12. Article 5. Design and Development Standards, Section 5.7 Tree Protection, Subsection 5.7.2 Tree Canopy Coverage Standards, Subsection (a) Minimum canopy coverage standards is revised to read as follows:

"(a) *Minimum canopy coverage standards.* The town desires to maintain the maximum practical tree canopy cover across all land uses within the town's jurisdiction.

Tree canopy coverage standards are required for applications proposing tree removal that require council approval, including special use permits, ~~and~~ major special use permit modifications, conditional zoning district rezonings, and major conditional zoning district modifications.

For residential Neighborhood Conservation Districts, the district may request from the town council that tree protection regulations apply as per section 5.7 using a canopy coverage standard consistent with the existing neighborhood character.

When tree canopy is subject to the provisions of this section, the following minimum tree canopy coverage percentages are required within the zoning lot boundaries exclusive of public right-of-way:

Land Use	Minimum Canopy Coverage
<u>Multi-family Residential, up to four (4) units</u>	<u>40%</u>
Multifamily Residential <u>of five (5) or more units</u>	30%
Commercial (Use Group C and: Business, Office; Clinic; Funeral Home, and Hotel/Motel)	30%
Institutional (Use Group B)	40%
Mixed Use, Other	40%
All Uses in Innovative, Light Industrial Conditional Zoning District (LI-CZD)	20%

Section 13. Article 5. Design and Development Standards, Section 5.9 Parking and Loading, Subsection 5.9.5 Parking Design Standards is revised to read as follows:

"All parking areas shall meet the following minimum design requirement:

(a) Ingress to and egress from parking areas shall conform to the design manual for such features as curbs, driveway cuts, etc.

(b) In the town center, TND or TOD districts, if a setback is provided between a principal structure and a street, such setback shall not be used for off-street parking.

(c) All parking spaces and maneuvering space shall be surfaced with an all-weather material or gravel, which shall be maintained in a safe and sanitary condition. This division (c) does not apply to parking areas that are not within the front yard area of a single-family zoning lot.

(d) No parking area or maneuvering space shall be located within a public street right-of-way. Parked vehicles in off-street parking spaces shall be prevented from intruding on travel lanes, walkways, public streets, or adjacent properties by means of walls, curbs, wheel stops, or other appropriate means.

(e) The size of parking spaces shall be adequate for the safe parking of vehicles and maneuvering space shall be provided so that parking movements can be accomplished in one continuous maneuver. Parking facilities designed to accommodate five (5) or more vehicles shall be designed in accord with the standards for stalls and aisles as set forth in the standard details and specifications.

(f) Curbed islands shall be required at the ends of or between parking aisles where necessary for traffic control or drainage control.

(g) Except for single-family dwellings, ~~single-family dwellings with accessory apartments~~ or two-family dwelling units, parking spaces shall be provided with adequate aisles or turnaround areas so that all vehicles may enter adjacent streets in a forward manner.

(h) Parking facilities shall be designed to connect with parking facilities on adjacent zoning lots where appropriate to eliminate the need to use the abutting street(s) for cross movements.

(i) All off-street parking facilities shall be provided with a drainage system meeting the design standards contained in section 5.4.

(j) All lighting of and within parking facilities shall conform to the lighting design standards contained in [section 5.11](#).

(k) Adequate provision shall be made for the ventilation, dispersion, and removal of smoke and gases from above-ground and below-ground parking structures.

~~(l) Parking facilities designed to accommodate five (5) or more vehicles shall provide areas as necessary for the parking of motorcycles, mopeds, and bicycles. Such areas shall be clearly defined and reserved for the exclusive use by motorcycles, mopeds, and bicycles.~~

(~~m~~ l) Parking facilities designed with the appropriate number, size and type of handicapped parking spaces, ramps, crosswalks and associated infrastructure to comply the Americans With Disabilities Act standards, North Carolina Accessibility Code, and town standard. Such spaces shall be clearly defined and reserved for the exclusive use by handicapped persons.

(~~n~~ m) Parking facilities shall be designed with walkways and lighting to facilitate safe walking movements to and from parked vehicles."

Section 14. Article 5. Design and Development Standards, Section 5.9 Parking and Loading, Subsection 5.9.7 Minimum and Maximum Off-Street Parking Space Requirements is amended to add revise the rows Dwelling, single family with and Dwelling, Duplex or multi-family, and revise the footnotes to read as follows:**

Use	Vehicular Parking				Bicycle Parking
	Town Center Zoning Districts	Non-Town Center Zoning Districts*			
	Minimum Number of Parking Spaces	Maximum Number of Parking Spaces	Minimum Number of Parking Spaces	Maximum Number of Parking Spaces	Minimum Bicycle Parking Requirements***
Dwelling, single-family with accessory apartment	1 per Accessory Apartment bedroom constructed after [effective date] <u>November 23, 2015</u>	N/A	1 per Accessory Apartment bedroom constructed after [effective date] <u>November 23, 2015</u>	N/A	N/A

Use		Vehicular Parking				Bicycle Parking
		Town Center Zoning Districts		Non-Town Center Zoning Districts*		
		Minimum Number of Parking Spaces	Maximum Number of Parking Spaces	Minimum Number of Parking Spaces	Maximum Number of Parking Spaces	Minimum Bicycle Parking Requirements***
"Dwelling units, Duplex Two-Family** or multi-family"	Efficiency	N/A	1 per dwelling unit	1 per dwelling unit	1.25 per dwelling unit	1 per 4 dwelling units
	1 bedroom	N/A	1 per dwelling unit	1 per dwelling unit	1.25 per dwelling unit	
	2 bedrooms	N/A	1.25 per dwelling unit	1.4 per dwelling unit	1.75 per dwelling unit	
	3 bedrooms	N/A	1.5 per dwelling unit	1.75 per dwelling unit	2.25 per dwelling unit	
	4 or more bedrooms	N/A	1.67 per dwelling unit	2 per dwelling unit	2.5 per dwelling unit	

** Minimum vehicular and bicycle parking requirements shall not apply for uses located within the Office/Institutional-3 or Office/Institutional-4 Districts.

~~** For a duplex two-family dwelling units, please see Article 6. no minimum vehicular parking requirement shall apply and for the purposes of calculating the maximum number of vehicular parking spaces, garage spaces and the driveway are not to be counted.~~

*** See section 4.11 Bicycle Parking in the Town of Chapel Hill 2005 Design Manual.

Note: The minimum number of parking spaces required for elderly or handicapped dwellings may be reduced to one (1) per two (2) dwelling units upon findings made by the town council that (1) reasonable assurances exist that the dwelling units

served by the parking spaces will be maintained for occupancy by the elderly or handicapped and/or (2) that sufficient space exists on the property to ensure that should the units be converted to another form of occupancy or use, that sufficient parking can be provided on the site to satisfy the parking requirements of the new use, without violating the land use intensities of Table 3.8-1.

In the case of a use not listed above, the minimum and maximum bicycle and vehicular parking space requirements shall be determined by the town manager. In making such determinations, the town manager shall be guided by the requirements for similar uses, the number and kind of bicycles and vehicles likely to be attracted to the use, and studies of minimum parking space requirements for such use in other jurisdictions.

Minimum vehicular parking requirements for an individual site may be reduced by the town council in the context of a special use permit approval, or the planning commission in the context of a site plan review approval, if evidence is submitted to demonstrate and the town council, or planning commission, finds that:

- (a) Sidewalks, bicycle facilities, transit service and transit amenities are in place such that, together with the number of vehicular parking spaces that are proposed, transportation needs are adequately served; or
- (b) The particular use that would be specified in the special use permit is of a nature that generates lower-than-average trips, and that the special use permit would limit use of the property to what is specified; or
- (c) Arrangements for shared parking with nearby facilities is ensured."

Section 15. Article 5. Design and Development Standards, Section 5.9 Parking and Loading, Subsection 5.9.9 Parking in Front Yards is revised to read as follows:

"5.9.9. Parking in Front Yards.

(a) *Applicability.* The restrictions of this section shall apply to single-family, and two-family ~~and triplex~~-dwelling units in all zoning districts.

(b) *Generally.* Parking and drive areas located in front yards (between the street and a line drawn parallel to the street from the point of the house that is closest to the street) shall be maintained in a safe and sanitary condition, shall not contribute to soil erosion or to tree damage, and shall be clearly designated and covered with an all weather surface or gravel.

(c) *Coverage.* Parking and drive areas shall be limited to forty (40) percent of the front yard area of any zoning lot. Access to front yard parking shall be limited to properly approved curb cuts or other approved access points.

Single- and two-family residential driveway areas can be further reduced by:

- (1) Constructing shared driveways with a recorded shared access agreement between any pair of lots
- (2) Designing driveways as a ribbon driveway:
 - A. Each strip shall be two feet (2') to three feet (3') wide with a separation between the strips measuring three feet (3').

- B. Strips can terminate at the sidewalk or driveway apron, to a parking pad at the side or rear of the structure to accommodate side-by-side parking, or garage entry.
- C. Separation strips may be planted with grass or another ground cover, filled with landscaping rocks, or gravel.

(d) *Exceptions.* The town manager may grant an exception to subsection (c) where he/she finds all of the following conditions to exist on the property and all other parking options, including parking in the back and side yard, have been eliminated;

- (1) The parking area is clearly defined and/or marked with appropriate materials such as rocks, timbers and hedges; and
- (2) The parking area is maintained in a safe and sanitary condition; and
- (3) The parking area does not contribute to soil erosion or tree damage; and
- (4) Access to front yard parking shall be limited to properly approved curb cuts or other approved access points; and
- (5) The location and dimension of such parking area is traditionally and customarily associated with the subject structure; and
- (6) The parking area shall be screened by means of an effective screening device between the parking area and the street which is at least four (4) feet in height above the grade of the edge of the parking area. Appropriate screening devices may include decorative brick walls, fences, evergreen hedges which shall reach the required height within two (2) years of planting, or any combination of the above.
- (7) If the parking lot is located in the historic district, the historic district commission grants a certificate of appropriateness for the parking area."

Section 16. Article 5-Design and Development Standards, Section 5.10 Disability Access is revised to read as follows:

"5.10. Disability Access.

Except for single-family and two-family ~~dwelling developments~~, all buildings and facilities shall be accessible to and usable by the physically handicapped in accordance with the building code provisions contained in chapter 5 of the Town Code of Ordinances."

Section 17. Article 5-Design and Development Standards, Section 5.11 Lighting Standards, Subsection 5.11.6 Submittals are revised to read as follows:

"5.11.6. Submittals.

Each application for a zoning compliance permit for development other than a single-family, single family with accessory apartment, ~~or duplex~~ or two-family dwelling units shall include a lighting plan that shows existing and proposed lighting fixture types and locations. The plan shall indicate, by isolux contour diagram and grid points, the measured and calculated pre-development and post-development foot-candles at grade both on the development site and on adjacent property where lighting impacts are expected. The lighting plan must be sealed by a professional engineer with demonstrable expertise in lighting design and mitigation strategies, or a lighting specialist who is lighting certified (LC) by NCQLP (National Town Council on Qualifications for the Lighting Professions)."

Section 18. Article 5-Design and Development Standards, Section 5.19 Jordan watershed stormwater management for new development, Subsection 5.19.7 Design and Performance Standards for Stormwater Management, Subsection (c) is revised to read as follows:

“(c) Partial offset of nutrient control requirements. Before using offsite offset options, a development subject to this section shall attain a maximum nitrogen loading rate onsite of six (6) pounds per acre per year for single-family, ~~single-family with accessory apartment,~~ and duplex ~~two-family~~ residential development and ten (10) pounds per acre per year for other development, including multi-family residential, commercial and industrial and shall meet all requirements for structural best management practices otherwise imposed by this section. A person subject to this section may achieve the additional reductions in nitrogen and phosphorus loadings by making offset payments to the North Carolina Ecosystem Enhancement Program (program) contingent upon acceptance of payments by that program. An applicant may propose other offset measures, including providing his or her own offsite offset or utilizing a private seller. All offset measures permitted by this section shall meet the requirements of 15A NCAC 02B.0273(2) through (4) and 15A NCAC 02B.0240.”

Section 19. Article 6-Special Regulations for Particular Uses, Section 6.19 Dwelling Units-Duplex is revised to read as follows:

“6.19. Dwelling units—~~Duplex Two-Family.~~

~~The following standards shall apply to development of duplexes:~~

~~(a) The maximum floor area of the structure may not exceed three thousand (3,000) square feet.~~

~~(b) The maximum floor area ratio applicable shall be .40.~~

~~(c) No more than four (4) vehicular parking spaces, as defined by landscaping and hardscape materials, shall be permitted.~~

~~(d) For special use permit, special use permit modification site plan review, and site plan review applications which authorize construction of dwelling units, two-family—duplex use, the community design commission shall approve duplex building elevations and site plans to determine if the elevations are in accordance with the adopted design guidelines and if all property owners included in such an application voluntarily consent to such regulation.~~

~~Every application for community design commission review of duplex structure(s) that are approved by a special use permit, site plan review, or said modifications, shall include a list of owners of properties located within one thousand (1,000) feet of the subject property boundaries with the full name and address of each property owner, with stamped, pre-addressed mailing envelopes for each owner on the mailing list. The stamped, pre-addressed envelopes shall be used to notify the property owners of the meeting date and time during which the community design commission will consider the application.~~

6.19.1 Single-Family Dwelling Unit with Accessory Apartment The following standards shall apply to the development of accessory apartments:

(a) An accessory apartment shall be located on the same lot as the single-family dwelling to which it is an accessory use.

(b) Size: An accessory apartment shall have a floor area limit of:

- (1) No more than 75% of the floor area of the primary structure when the primary structure is less than or equal to 1,300 square feet; and
- (2) No more than one thousand (1,000) square feet when the primary structure is greater than 1,300 square feet; or
- (3) The Planning Director may grant an exception to the maximum floor area when the accessory apartment is:
 - A. Within an existing structure and does not increase the existing footprint of the structure (principal dwelling unit, garage, or other existing, standalone structure on the property)
 - B. The accessory apartment is contained with one (1) floor, with the exception of any necessary access points.
 - C. The accessory apartment does not exceed one-third the floor area of the primary dwelling unit.
- (c) Height: The maximum height of a detached accessory structure in R- zoning districts shall be twenty-nine (29) feet or the height of the primary structure, whichever is less.
- (d) Only one accessory apartment per single family lot is permitted.
- (e) Together, the principal dwelling unit and the accessory apartment shall be classified as a rooming house (a different use type and group) if occupied by more than four (4) persons who are not related by blood, adoption, marriage, or domestic partnership.

6.19.2 Single-Family Dwelling Unit with Cottage

The following dimensional standards shall apply to the development of single-family dwelling unit with cottage:

<u>Lot Dimensions</u>	
<u>Minimum Lot Size</u>	<u>Minimum lot size required by the zoning district + 2,700 square feet</u>
<u>Cottage Dimensions</u>	
<u>Maximum Footprint</u>	<u>1,000 square feet</u>
<u>Maximum Floor Area</u>	<u>1,200 square feet</u>
<u>Maximum Height</u>	<u>29 feet</u>
<u>Building Separation from single-family dwelling</u>	<u>Separation between dwelling units shall comply with Fire Code</u>
<u>Parking</u>	<u>Max. 1 space per bedroom</u>

No more than one cottage per lot or per townhouse development is permitted.

Maximum dimensions of the single-family dwelling shall be per underlying zoning.

6.19.3 Two-Family Dwelling Units, Attached and Detached

The following dimensional standards shall apply to the development:

<u>Lot Dimensions</u>	
<u>Minimum Lot Size</u>	<u>Follows underlying zoning</u>
<u>Building Dimensions</u>	
<u>Maximum Floor Area Ratio</u>	<u>0.40, when lot size is 7,500 square feet or less</u>
<u>Maximum Floor Area</u>	<u>3,000 square feet when the lot size is greater than 7,500 square feet</u>
<u>Building Separation (Applies only to Detached Dwellings)</u>	<u>Separation between dwelling units shall comply with Fire Code</u>
<u>Parking</u>	<u>No more than four (4) vehicular parking spaces, as defined by landscaping and hardscape materials, shall be permitted on site.</u>

6.19.4 Additional Requirements

- (a) Driveway Design. Where feasible, driveways shall be shared with a recorded shared access agreement for any pair of townhouse lots.
- (b) Designation on Plat. Townhouse developments containing a single-family dwelling with cottage shall specify the housing type and associated limitations.
- (c) Existing Buildings. Property owners are encouraged to utilize existing structures over demolishing existing structures.
- (d) Utilities. Two-family developments shall meet the requirements of Section 5.12 Utilities.
- (e) Neighborhood Conservation Districts. Two-family developments shall not be permitted in any neighborhood conservation districts that do not otherwise allow for single-family with accessory apartment or duplexes."

Section 20. Article 6-Special Regulations for Particular Uses, Section 6.26 Triplex dwelling unit is revised to read as follows:

"6.26 Triplex dwelling unit. Three- and four-family multi-family Dwelling Units

6.26.1. Special Requirements in the HR-L and HR-M Subdistricts

1. ~~Triplex~~ Three-family projects in the HR-L and HR-M Subdistricts shall only be permitted from nonprofit tax exempt organizations involving permanent residential development in which annual documentation is provided that 100% of the dwelling units will be occupied by low-moderate income households (less than 80% of area median income by households size as defined by the Department of Housing and Urban Development) in perpetuity.

6.26.2 Other Development Standards:

(a) Parking & Driveway Standards

- (1) Driveways shall be located at least 2.5 feet from the side and rear lot lines, unless a shared driveway is provided between two adjoining properties.

- (2) Surface parking lots shall be located to the rear or side of the dwelling(s).
- (3) ~~(2)~~ The separation between detached dwelling units shall meet Fire Code requirements.
- (b) Existing Buildings. Property owners are encouraged to utilize existing structures over demolishing existing structures.
- (c) Connectivity. New three- and four-family dwelling units shall enhance existing transportation networks by:
 - (1) Constructing sidewalks that connect to the adjacent sidewalk system
 - (2) Continuing bike lanes, greenways, and other multi-modal paths along the frontage of the property.
 - (3) Utilities. Three- and four-family dwelling units shall meet the requirements of 5.12 Utilities."

Section 21. Article 7-Nonconformities, Section 7.3-Nonconforming uses, Subsection 7.3.2 Regulations is hereby amended to read as follows:

"7.3. Nonconforming uses.

7.3.1. Definition.

A nonconforming use is a use of land, buildings, or structures that was lawfully established (or for which a vested right had been established) on a property prior to the effective date of current use regulations, but does not conform to the use regulations of article 3 for the zoning district in which it is located.

7.3.2. Regulations.

A. Two-family dwelling, attached units (duplex)

Two-family dwelling, attached units existing or for which a vested right has been established as of October 21, 2002, may be expanded subject to two-family dwelling, regulations pursuant to section 6.19 or applicable neighborhood conservation district regulations and shall not be considered as a nonconforming use as defined herein.

B. Three- and four-family dwelling, attached units

Three- and four-family dwelling, attached units existing or for which a vested right has been established as of [Effective Date of Ordinance], may be expanded subject to regulations pursuant to section 6.26 or applicable neighborhood conservation district regulations and shall not be considered as a nonconforming use as defined herein.

C. All Other Nonconforming Uses~~Two-family duplex dwelling units existing or for which a vested right has been established as of October 21, 2002, may be expanded subject to duplex regulations pursuant to section 6.19 of the [Land Use Management] Ordinance or applicable neighborhood conservation district regulations and shall not be considered as a nonconforming use as defined herein. Nonconforming uses, other than those identified above~~two-family duplex dwelling units may be continued subject to the following limitations:

- (1) ~~(a)~~ No nonconforming use shall be extended, expanded, enlarged, or moved to occupy a different or greater area of land, buildings or structures than was occupied by such use at the time it became nonconforming, provided that a nonconforming use may be extended throughout any parts of a building which

were specifically designed and arranged for such use at the time it became nonconforming.

- (2) (b) No building structure devoted to a nonconforming use shall be enlarged, extended, or moved unless such building or structure is thereafter devoted to a conforming use.
- (3) (c) If a nonconforming uses ceases for more than ninety (90) consecutive days or a total of one hundred and eighty (180) days in any twelve-month period, subsequent use of the land, or structures previously devoted to such use shall thereafter be devoted to conforming uses."

Section 22. Appendix A Definitions is hereby revised amending, inserting, and deleting the following definitions in the appropriate alphabetical order:

"Condominium: A dwelling or group of dwellings containing two (2) or more individually-owned dwelling units and jointly owned and shared areas and facilities on a single lot that are subject to the North Carolina Unit Ownership Act (G.S. Ch. 47A) and/or the North Carolina Condominium Act (G.S. Ch. 47C)."

"Common Plan of Development: Any area where multiple separate and distinct construction or land-disturbing activities will occur under one (1) plan. This includes, but is not limited to, development occurring on contiguous parcels of land. A plan is any announcement or piece of documentation including, but not limited to, a sign, public notice or hearing, advertisement, loan application, drawing, permit application, zoning request, or computer design; or physical demarcation including, but not limited to, boundary signs, lot stakes, or surveyor markings indicating that construction activities may occur on a specific plot."

"Dwelling units, multifamily: A dwelling or combination of dwellings on a single lot ~~or on~~ individual lots within a townhouse development consisting of three (3) or more dwelling units."

~~"Dwelling units, single-family with accessory apartment: A dwelling or combination of dwellings on a single zoning lot consisting of two (2) dwelling units, for which: A type of two-family dwelling in which a secondary dwelling unit is established in conjunction with and clearly subordinate to the primary single-family dwelling unit, whether part of the same structure as the primary dwelling unit or a detached dwelling unit on the same lot.~~

~~(1) Accessory (attached or not attached) apartments have a floor area limit of no more than seven hundred fifty (750) square feet or seventy five (75) percent of the floor area of the principal dwelling unit (whichever is smaller), except as provided in the next sentence.~~

~~(2) The floor area of an attached accessory apartment may exceed the aforementioned floor area limit of seven hundred fifty (750) square feet and be up to one thousand (1,000) square feet of floor area only if both of the following conditions are met: a) an attached accessory apartment does not increase the existing footprint of the structure (principal dwelling unit, garage or other existing, standalone structure on the property) to which it would be attached; and b) the attached accessory apartment does not exceed seventy five (75) percent of the floor area of the principal dwelling unit.~~

~~(3) Together, the principal dwelling unit and the accessory apartment that are part of a two-family dwelling shall be classified as a rooming house (a different use type and group)~~

if occupied by more than four (4) persons who are not related by blood, adoption, marriage, or domestic partnership."

"*Dwelling units, single-family with cottage:* A type of two-family dwelling in which a secondary detached dwelling unit having a floor area of no more than 1,200 square feet is constructed in conjunction with the primary single-family dwelling unit on the same lot or within the same townhouse development. Any cottage dwelling shall be classified as a rooming house if occupied by more than four (4) persons who are not related by blood, adoption, marriage, or domestic partnership."

"*Dwelling units, three-family:* A dwelling or combination of dwellings comprised of three (3) dwelling units located on a single lot or within a single townhouse development. Dwelling units may be attached or detached. Attached dwelling units shall share common vertical walls or horizontal floors/ceilings. Any dwelling unit that is part of a three-family, multi-family dwelling(s) shall be classified as a rooming house if occupied by more than four (4) persons who are not related by blood, adoption, marriage, or domestic partnership."

"*Dwelling units, four-family:* A dwelling or combination of dwellings comprised of four (4) dwelling units located on a single lot or within a single townhouse development. Dwelling units may be attached or detached. Attached dwelling units shall share common vertical walls or horizontal floors/ceilings. Any dwelling unit that is part of a three-family, multi-family dwelling(s) shall be classified as a rooming house if occupied by more than four (4) persons who are not related by blood, adoption, marriage, or domestic partnership."

"*Dwelling units, two-family:* A dwelling or combination of dwellings on a single lot consisting of two (2) dwelling units. Any dwelling unit that is part of a two-family dwelling shall be classified as a rooming house if occupied by more than four (4) persons who are not related by blood, adoption, marriage, or domestic partnership."

"*Dwelling units, two-family—Attached (Duplex):* A single dwelling consisting of two (2) dwelling units (other than a ~~"two-family dwelling including single-family with accessory apartment or cottage"~~), provided the two (2) dwelling units are connected by or share a common floor-to-ceiling wall, or, if the two (2) units are arranged vertically, that they share a common floor/ceiling and not simply by an unenclosed passageway (e.g., covered walkway). Any dwelling unit that is part of a two-family dwelling shall be classified as a rooming house if occupied by more than four (4) persons who are not related by blood, adoption, marriage, or domestic partnership."

"*Dwelling units, two-family—Detached:* Two detached dwelling units (other than a ~~"single-family with accessory apartment or cottage"~~) on a single lot or within a single townhouse development. Any dwelling unit that is part of a two-family detached dwelling shall be classified as a rooming house if occupied by more than four (4) persons who are not related by blood, adoption, marriage, or domestic partnership."

"*Dwelling units, single-family:* A detached dwelling consisting of a single dwelling unit only. A single-family dwelling shall be classified as a rooming house if occupied by more than four (4) persons who are not related by blood, adoption, marriage, or domestic partnership."

"*Recreation area-space:* Any land required to be dedicated under the subdivision provisions of article 5.5. These areas may be improved with recreation amenities at the time of

development, however in most cases recreation areas are generally left unimproved during the initial development of the subdivision.

Land dedicated as recreation ~~area~~ space shall generally be suitable for future recreation improvements such as playgrounds, playfields, or other active recreation purposes. Recreation ~~areas~~ space, in most cases, shall be centrally located within the subdivision, consist of land that is relatively flat and dry, and is otherwise capable of accommodating active recreation.

The town council may waive suitability requirements in order to preserve greenway corridors or other important natural areas."

"*Recreation space (active)*: Any interior or exterior space or facility, improved for active recreation purposes, required to be dedicated under the ~~multifamily development~~ provisions of article 5.5. These areas are improved with recreation amenities at the time of development.

All recreation space amenities must adhere to requirements of the Americans with Disabilities Act.

Recreation space shall be improved with recreation facilities designed for active play. All recreation space improvements must be built or installed using standards generally accepted for each type of amenity. Examples of active play facilities include:

- Playgrounds utilizing commercial grade play equipment and adhering to national safety standards for play equipment and fall surfaces.
- Ballfields and athletic fields designed and built for active recreation. Such fields must be properly graded and have appropriate turf, goals, sub-drainage, benches, and other amenities commonly required for the intended sport. Unimproved open grass areas are not considered to be athletic fields.
- Basketball courts installed with regulation goals and in hard surface court areas large enough to sustain regulation play. Half courts are acceptable. Basketball goals installed in a street or parking lot are not acceptable.
- Swimming pools and bathhouses
- Tennis courts
- Community gardens appropriately designed and constructed with at least five (5) percent of the garden area consisting of raised beds for handicap users, a source of water throughout the garden area, storage area for tools, handicap accessibility, and access for maintenance.
- Clubhouses intended to be owned by a homeowners' association and operated for the recreation needs of the community.
- Exercise rooms within an apartment, condominium, or other such building intended to be used by the residents for recreation purposes.
- Ponds improved to support fish, stocked with fish, and improved to allow fishing access by persons with disabilities.
- Roof top running tracks
- Paved Greenway Trails
- Unpaved Greenway Trails of a length that provides a meaningful recreation experience. Generally, three thousand (3,000) linear feet or longer."

"Recreation space (passive): Any exterior space or facility, improved for passive recreation purposes. These areas may be improved with recreation amenities at the time of development or may be undeveloped areas.

Examples of facilities which are ~~not~~ considered active passive in nature include:

- Open lawn areas
- Large expanses of unimproved space between or around active recreation elements
- Picnic tables and picnic facilities
- Seating areas
- Areas dedicated to lawn games such as badminton, croquet, lawn darts, horseshoes, etc.
- Areas dedicated to table top board games
- Gardens not improved for active gardening by the community
- Orchards

The town council may allow up to thirty (30) percent of the recreation space to consist of passive recreation elements if they are located adjacent to and support the more active recreation elements. For example, some picnic facilities, seating, and lawn games could be counted if they are adjacent to a children's play area and support the mission of the play area.

The town council may waive suitability requirements in order to preserve greenway corridors or other important natural areas."

"Structure, accessory: A subordinate structure detached from, but located on the same lot as the principal structure, the use of which is incidental and accessory to that of the principal structure. Examples of accessory structures are fencing, decks, gazebos, arbors, retaining walls, barbecue pits, detached chimneys, playground equipment, yard art, docks, piers, etc."

"Townhouse development: A development of a zoning lot that consists of two (2) or more attached or detached dwelling units or buildings, each of which is located on its own individual lot within a single uninterrupted perimeter boundary enclosing all of the lots. ~~plus~~ When such development contains three (3) or more individual lots, there shall be land developed and designated for the common use and benefit of the occupants of the townhouse lots, provided an entity is designated to be legally responsible for maintenance and control of the common land areas. ~~The gross land area of the commonly held land shall be not less than ten (10) percent of the zoning lot's total gross land area.~~ The individual lots within a townhouse development shall not be required to meet the lot design standards of article 3 or the intensity regulations of section 3.5, provided the zoning lot containing the townhouse development meets such standards."

~~*"Triplex dwelling unit:* A single structure comprised of three (3) dwelling units that share common vertical walls or horizontal floors/ceilings located on a single lot."~~

Section 23. This ordinance is effective upon enactment.

This the ____th day of _____, 2023.

RESOLUTION B

(Denying the Land Use Management Ordinance Text Amendment Proposal)

A RESOLUTION DENYING AMENDING THE CHAPEL HILL LAND USE MANAGEMENT ORDINANCE ARTICLES 1, 3, 4, 5, 6, 7, AND APPENDIX A REGARDING HOUSING REGULATIONS AND HOUSING CHOICES FOR A COMPLETE COMMUNITY (2023-__-__ /R-#)

WHEREAS, the Council called a Hearing for the May 24, 2023, Council meeting to amend Articles 1, 3, 4, 5, 6, 7, and Appendix A of the Land Use Management Ordinance (LUMO) as they relate to housing regulations and expanded housing choices; and

WHEREAS, the Council of the Town of Chapel Hill has considered the proposed text amendments to LUMO Sections 1, 3, 4, 5, 6, 7, and Appendix A related to housing regulations and expanded housing choices, and finds that the amendments are not reasonable and in the public's interest and are not warranted to achieve the purposes of the Comprehensive Plan.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council hereby denies the proposed Land Use Management text amendments.

This the ____ day of _____, 2023.



Town of Chapel Hill

Market Impact of Proposed Duplex Ordinance in R1, R2, & R3

May 24th, 2023



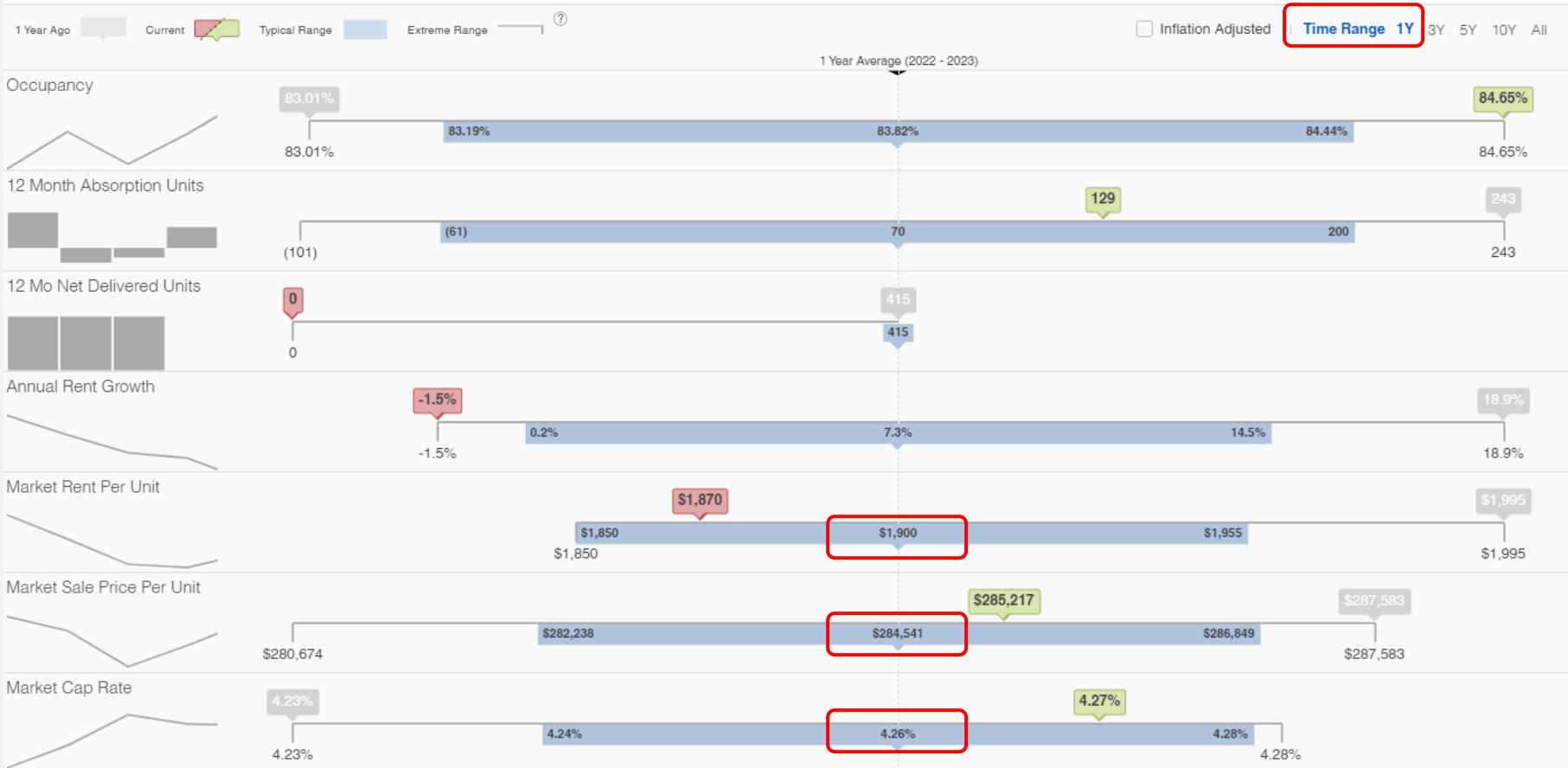
EXECUTIVE SUMMARY

- By examining current metrics in the Chapel Hill Class A multifamily market, along with an existing analog of Class A duplexes (The Townhomes at Chapel Watch Village), we were able to build a back of the envelope proforma for a new construction duplex. Metrics included: unit size, unit rent, operating expenses, and exit sales cap rate.
- Cost inputs for the proforma were provided from local builder/developers of this product type, and include soft costs, hard costs, and return on cost margins.
- We asked the local builder/developers for target land prices as a % of total development costs for this product, but also ran the proforma to solve for supportable land costs given the local market metrics.



CURRENT RENTAL MARKET

Key Performance Indicators



SOURCE: Costar for Class A market rate MF properties within Town of Chapel Hill



CURRENT TOWNHOME RENTAL IN MARKET EXAMPLE



- **120-unit townhome community built in 2011**
- **Fully amenitized with pool, clubhouse, fitness center, playground, etc.**
- **All two and three bedrooms**
- **Most with 1-2 car garages**
- **Average rent \$2,426 on 1,475 SF**



SOURCE: Costar & Northwood Ravin



NEW CONSTRUCTION RENTAL DUPLEX FINANCIAL MODEL

- \$60,000 average site, permit, impact, landscaping/hardscaping costs
- \$175-200 per SF average vertical construction costs
- \$90,000 average soft costs – design, engineering, legal, finance costs, contingency, etc.
- Land typically 10-15% of total development budget

Unit Size	1,475		
Rent per Unit	\$2,600		
\$/SF	\$1.76		
Units on Site	2		
Total Gross Monthly Rent	\$5,200		
% Operating Expenses	30%		
Annual Net Operating Income (NOI)	\$43,680		
CAP Rate	4.25%		
Value	\$1,027,765		
Margin	5.75%		
Supportable Dev. Budget	\$759,652		
Est. Hard Costs	\$175	\$516,250	78%
Est. Site Costs	\$20	\$59,000	9%
Est. Soft Costs	\$30	\$88,500	13%
		\$663,750	
Remaining for Land		\$95,902	13%

SOURCE: NCG and local Chapel Hill builder/developer interviews

NEW CONSTRUCTION DUPLEX IMPACT ON EXISTING SINGLE-FAMILY

- Can only support land costs of \$90-100,000
 - Will not result in tear-downs
 - Will not drive home prices up
- New construction duplexes at current market rents have a value of \$513,000
 - Median sales price in Chapel Hill last month = \$515,000
- Professional leasing & management will require 2.5-3.0 times rent in household income to qualify
 - $\$2,600 * 2.5 * 12 \text{ months} = \$78,000$ minimum annual household income
 - Median Chapel Hill household income in 2021: \$77,037
- On average the value and demographic of the duplex/renter is equal to the for-sale homes/homeowner therefore we anticipate no value drop to neighboring single-family homes in most locations
 - If duplexes were built adjacent to homes with an existing value of significantly above \$515,000, and the design/quality was noticeably inferior, some value loss may occur, but we believe it would be very minimal

SOURCE: NCG, US Census, Redfin

WILL NEW DUPLEXES INCREASE STUDENT RENTERS?

- Based on the current market metrics we believe new duplex units would rent for \$2,600+
- This rent would also need to substantially increase if the land costs were higher than the \$90-100,000 target previously mentioned.
 - A \$200,000 lot (more typical in Chapel Hill) would require duplexes to rent for \$3,000+
- Majority of these units would be three bedrooms and thus demand \$1,000/month per bedroom if student roommates.
- New student housing developments in the market, such as Union Chapel Hill, average \$1,300 - 1,700/bedroom which included utilities and furniture.