

TOWN OF CHAPEL HILL

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

Town Council Meeting Agenda

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

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

Wednesday, May 20, 2020 7:00 PM

Virtual Meeting

Virtual Meeting Notification

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

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

https://us02web.zoom.us/webinar/register/WN_K63yDViKRIyMZJIjoEoN0g After registering, you will receive a confirmation email containing information about joining the webinar in listen-only mode. Phone: 301-715-8592, Meeting ID: 879 1941 0253

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

OPENING

Roll Call

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

PRESENTER: Chris Blue, Police Chief/Community Safety Executive Director Vencelin Harris, Fire Chief Kelly Drayton, Emergency Management Coordinator

The purpose of this item is for the Town Emergency Management/Public Safety staff to provide an overview of Town efforts to respond to the COVID 19 crisis. [20-0334]

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.

2.	Parks, Greenways, and Recreation Commission Request to Designate all 36.2 Acres of the American Legion Property for Use as a Community Park.	<u>[20-0335]</u>
3.	Planning Commission Request Regarding Payments in Lieu for Pedestrian/Biking Improvements.	<u>[20-0336]</u>
4.	Elaine McVey Request to Amend the Land Use Management Ordinance Related to Deer Fencing.	<u>[20-0337]</u>

ANNOUNCEMENTS BY COUNCIL MEMBERS

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.

5.	Approve all Consent Agenda Items.	<u>[20-0338]</u>
	By adopting the resolution, the Council can approve various resolutions and ordinances all at once without voting on each resolution or ordinance separately.	
6.	Authorize the Town Manager to Negotiate and Execute a Lease Agreement with Melody Eggen, Inc. for Continuation of Dance Studio at Town Facility, 1714 Legion Road.	<u>[20-0339]</u>
	By adopting the resolution, the Council authorizes the Town Manager to negotiate and execute a lease agreement on behalf of the Town with Melody Eggen, Inc. related to the aforementioned Facility at 1714 Legion Road.	

Town Council	Meeting Agenda	May 20, 2020
7.	Call a Public Hearing for Land Use Management Ordinance Text Amendments-Proposed Changes to Section 3.7 and Appendix a Permitting Flex Office in Town Center Zoning Districts and Expanding Definitions Related to Types of Retail on June 10, 2020.	<u>[20-0340]</u>
	By adopting the resolution, the Council calls a public hearing to consider matters related to permitting Flex Office in Town Center zoning districts and expanding definitions related to types of retail on June 10, 2020.	
8.	Modify Advisory Board Remote Participation Policy to Allow the Board of Adjustment and Historic District Commission to Conduct Remote Quasi-Judicial Evidentiary Hearings and to Allow Boards to Act to Approve or Deny Matters Before Them During State-declared States of Emergency and in Accordance with the Provisions of G.S. 166A-19.24.	<u>[20-0341]</u>
	By adopting the resolution, the Council will modify Resolution (2020-04-01/R-1) to allow the Board of Adjustment and Historic District Commission to conduct remote quasi-judicial evidentiary hearings and to allow boards to act to approve or deny matters before them during State-declared States of Emergency and in accordance with the provisions of G.S. 166A-19.24.	
9.	Extend Advisory Board Member Terms Ending in June 2020 and Defer Spring Appointments to the Fall.	<u>[20-0342]</u>
	By adopting the resolution, the Council extends the term limits for advisory board member's terms ending in June 2020 and defers spring appointments to the fall.	
INFORMA	TION	
10.	Receive Upcoming Public Hearing Items and Petition Status List.	<u>[20-0343]</u>
	By accepting the report, the Council acknowledges receipt of the Scheduled Public Hearings and Status of Petitions to Council lists.	
11.	Receive the FY20 Third Quarter Affordable Housing Quarterly Report (January-March).	<u>[20-0344]</u>
	By accepting this report, the Council receives the third quarter Fiscal Year 2020 Affordable housing report (January-March).	

DISCUSSION

Town Council	Meeting Agenda	May 20, 2020
12.	Presentation: Recommended Budget for FY 2020-21. (no attachment).	[20-0345]
	PRESENTER: Maurice Jones, Town Manager	
13.	Public Housing Master Plan Update - Trinity Court.	<u>[20-0346]</u>
	PRESENTER: Faith M. Brodie, Director of Public Housing	
	RECOMMENDATION: That the Council review the materials outlining the challenges and opportunities associated with the Trinity Court Apartments and provide feedback to the staff.	
14.	2200 Homestead Road Site Plan Update.	<u>[20-0347]</u>
	PRESENTER: Nate Broman-Fulks, Affordable Housing Manager; Emily Holt, Affordable Housing Development Officer	
	RECOMMENDATION: That the Council receive the update and provide input on the site plan prior to submission of rezoning and development applications for the site.	
15.	Update on Historic District Design Guidelines.	<u>[20-0348]</u>
	PRESENTER: Anya Grahn, Senior Planner	
	RECOMMENDATION: That the Council receive the staff's report.	

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.

16. Concept Plan Review: Carraway Village, 3000 Eubanks Road (Project #20-023). [20-0349]

PRESENTER: Jake Lowman, Senior Planner

- a. Review of process
 - b. Presentation by the applicant
 - c. Comments from the Community Design Commission
 - d. Comments from the public
 - e. Comments and questions from the Mayor and Town Council
 - f. Motion to adopt a resolution transmitting Council comments to the applicant.

RECOMMENDATION: That the Council adopt the resolution transmitting comments to the applicant.

Department:

Communications and Public Affairs



TOWN OF CHAPEL HILL

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

Item Overview

Item #: 2., File #: [20-0335], Version: 1

Meeting Date: 5/20/2020

Parks, Greenways, and Recreation Commission Request to Designate all 36.2 Acres of the American Legion Property for Use as a Community Park.

Staff:

Sabrina M. Oliver, Director and Town Clerk Amy T. Harvey, Deputy Town Clerk

Overview: 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 <u>Status of Petitions to Council</u> <<u>https://www.townofchapelhill.org/government/mayor-and-council/how-to-submit-a-petition/petition-status></u> webpage to track the petition. Receiving or referring of a petition does not constitute approval, agreement, or consent.

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Recommendation(s):

That the Council consider the petition.

Attachments:

• Parks, Greenways, and Recreation Commission Request

MEMORANDUM

TO:	Town Council
FROM:	Wesley McMahon, Vice Chair Parks, Greenways, and Recreation Commission
SUBJECT:	Petition to designate all 36.2 acres of the American Legion Property for use as a community park
DATE:	March 1, 2020

On February 18, 2020, the Parks, Greenways, and Recreation Commission reviewed the presentation from the February 12, 2020, Council Work Session on the American Legion Property and discussed other information related to the property. The Commission voted unanimously (6-0) to petition the Council to designate all 36.2 acres of the American Legion Property for use as a community park.

It is the role and responsibility of the Parks, Greenways, and Recreation Commission to inform the Council on Parks and Recreation needs and advocate for strong public amenities, now and into the future. The town is making progress on other key priorities such as commercial development and affordable housing. There is commercial growth in Eastowne, Blue Hill, Glen Lennox and Downtown. Since 2011, the Town has increased the number of approved and completed affordable housing units and last year passed an affordable housing bond. During this same time, however, while supporting parks and greenways through the passage of bonds in 2015, the Town has reduced its financial support of Parks and Recreation maintenance and applied \$4.3 million of Parks and Recreation bonds to the purchase of the American Legion property. The Commission has recently petitioned the Council to restore Parks and Recreation's annual funding allocation for small projects to \$370,000 per year and to fully fund necessary tennis repairs at Cedar Falls and Ephesus and now, too, must act to demonstrate its support for developing a community park at the American Legion property.

We believe the allocation of the entire American Legion Property for the sole use of Parks and Recreation is the Town's best chance to ensure sufficient, high-quality leisure amenities in eastern Chapel Hill. We are not aware of any other plans, opportunities, or enough land to achieve this goal of creating a sufficient community park that will be a public resource for everyone in Chapel Hill. The Commission would like to make Council members aware of the following points:

Comprehensive Park Plan (2013)

Since the 1970s the Town has had a goal of providing four community parks to serve different geographical areas of town. We have built Southern Community Park, Homestead Park, and Cedar Falls Park to serve the southern, western, and northern portions of Chapel Hill, respectively. The missing piece of the overall strategy is a larger park to serve the eastern portion of Town. The American Legion property is ideal for serving as the community park location in east Chapel Hill.

The need for a community park on the American Legion property appears in the Council approved 2013 Comprehensive Parks Plan. Pages 4-7 indicate that our current community park system does not meet demand, and explicitly recommends "purchasing or leasing acreage from the property owned by American Legion Post 6" as a way to meet this need.

Supporting the Parks and Recreation Master Plan is a stated goal of the Chapel Hill 2020 plan: *"Support the Parks and Recreation Master Plan and the Greenways Master Plan to provide recreation opportunities and ensure safe pedestrian and bicycle connections (NOC.4)".* We believe that the entire acreage is needed for park purposes. We welcome Council discussion on how needs and stated goals for Parks and Recreation would be met without allocation of the entire parcel for park purposes.

Rapidly Increasing Density and the Need for Open Space

The adjacent 168 acres of the Blue Hill District is zoned for a very high density, but with very minimal public open and green space. The allocation of the entire Legion property for use as a community park may be the best option to meet the need for residents in this growing high density area. The population and density of the Blue Hill District and adjacent areas has grown since adoption of the 2013 Comprehensive Parks Plan. The draft Future Land Use Map projects an even greater number of residents near the American Legion property.

Sustainability

A full size community park could be an anchor for a true live, work, and play model that is advantageous to achieving the Town's sustainability goals. If there is insufficient access to recreation in this district, residents will be forced to drive to other Town facilities or places in the region, which would result in increased traffic and carbon emissions.

Access to Park Space and Social Equity

A community park meets many of the recommended evaluation criteria for the property, as defined by the American Legion Task Force. Specifically, we want to make sure that this space recognizes and serves the diversity of citizens in Chapel Hill. Designating this land as a community park can be an excellent way to achieve this goal. There is a need for affordable recreation spaces and programs in Chapel Hill, especially summer camps for youth. It is the role of this Commission to champion accessible and low-cost open space and recreation programs that everyone can enjoy. The American Legion property presents what could be a once in a generation opportunity to make good on this responsibility to provide services for all.

Land Banking and Development Costs

The Town could land bank the property for future park development if funding is not available for park development in the near term. If a portion of the property is sold, it is gone forever.

A master plan for this site has not been completed, and the cost of any future amenities has not been determined. It is safe to envision, however, a total investment in the tens of millions for even a modest sized community park. The amount of money gained from the sale of a portion of the property would likely not be significant enough to allow us to build a community center or other major facility in the near future.

We don't believe it is worth losing land forever in exchange for a small portion of future funding needs. At the very least the community should exhaust all avenues of funding from grants to partnerships and donors before transferring the land back to private interests at the expense of public benefit.

Parks and Recreation Staff and Advisory Board Participation

The Commission requests that the Council include Parks and Recreation staff and advisory board members as key partners in design efforts going forward. We believe it was a missed opportunity to

not include Parks and Recreation staff and the Commission in the development of the design presented at the February 12, 2020 Council work session. We believe the Council and community could have benefited from this perspective. A few examples include:

- The way the drawing was presented to Council members and the community made it appear that the decision for allocation among a variety of uses has already been made.
- The description of the type of uses for the designated park land is premature. Showing designated uses and specific amenities at this early stage, without having completed a site master plan involving public and Commission input, does not accurately portray the current stage of the project and causes confusion and angst.
- The design had limited indication of multi-modal access and through connectivity. We believe that this is of the utmost importance. Any design plan, from the earliest stages, should include bicycle and pedestrian connectivity.

Thank you for considering this petition from the Chapel Hill Parks, Greenways, and Recreation Commission to allocate 100% of the American Legion property toward the goal of providing a community park that will serve all residents of Chapel Hill.

TOWN OF CHAPEL HILL

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

Item Overview

Item #: 3., File #: [20-0336], Version: 1

Meeting Date: 5/20/2020

Planning Commission Request Regarding Payments in Lieu for Pedestrian/Biking Improvements.

Staff:

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Department:

Communications and Public Affairs

Sabrina M. Oliver, Director and Town Clerk Amy T. Harvey, Deputy Town Clerk

Overview: 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 <u>Status of Petitions to Council</u> <<u>https://www.townofchapelhill.org/government/mayor-and-council/how-to-submit-a-petition/petition-status></u> webpage to track the petition. Receiving or referring of a petition does not constitute approval, agreement, or consent.

Recommendation(s):

That the Council consider the petition.

Attachments:

• Planning Commission Request



Petition to Chapel Hill Town Council regarding payments in lieu for pedestrian/biking improvements

In the past year, the Planning Commission has received requests from different applicants to not be required to install sidewalks or bikes lanes or to make a payment in lieu for these improvements. Reasons given by applicants when requesting the waivers have included:

- Improvements at a project site are unnecessary because there are no sidewalks/bike lanes nearby to connect to and the town has no imminent plans to install infrastructure nearby that would enable connectivity;
- Improvements would be too costly, especially for small-scale, affordable housing projects;
- Site terrain or characteristics of the public right-of-way would make installation of improvements difficult or impossible;
- Neighbors do not want or would not use the improvements;
- Adding improvements to a project located in a neighborhood without the improvements elsewhere would result in a project out of character with the neighborhood.

While noting that applicants often have valid reasons for requesting a waiver, several Commission members have expressed concerns about:

- Inconsistently requiring improvements or a payment in lieu to be made by applicants;
- Approving projects that may not support Council's connectivity goals;
- Lacking sufficient information about how payments in lieu have been used in the past or could be used in the future to promote connectivity.

To help the Planning Commission more consistently determine if and when an applicant's request to be waived from requirements related to sidewalk or bike lane improvements, we request that Council make town staff available to collect and share information regarding the payment in lieu process and how payments received by the Town have been used (or not). More specifically, we request that town staff research:

- 1. How payments in lieu in the recent past (10 years) have been used or not used, including:
 - a. Number, location, and date of approval of projects that made payments in lieu;
 - b. Value of payments in lieu made by project;
 - c. Value of payments in lieu applied to other improvements by project;
 - d. Value of payments returned to applicant by project, and why the funds were returned;
 - e. Location of improvements made with payment in lieu funds in relation to (distance from) the project that generated the payment in lieu.
- 2. Statutory limitations on how payments in lieu can be used, such as use within a set amount of time or within a certain proximity of a project supplying a payment.

3. The possibility of having a regularly-updated GIS tool or database of potential sidewalk or bike lane projects to which payment in lieu funds might be applied.

We appreciate your consideration of this request and look forward to working with Council and town staff to better understand how to consistently and effectively support connectivity in Chapel Hill.

The Town of Chapel Hill Planning Commission



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

Item Overview

Item #: 4., File #: [20-0337], Version: 1

Meeting Date: 5/20/2020

Elaine McVey Request to Amend the Land Use Management Ordinance Related to Deer Fencing.

Staff:

Department:

Sabrina M. Oliver, Director and Town Clerk Amy T. Harvey, Deputy Town Clerk Communications and Public Affairs

Overview: 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 <u>Status of Petitions to Council</u> <<u>https://www.townofchapelhill.org/government/mayor-and-council/how-to-submit-a-petition/petition-status></u> webpage to track the petition. Receiving or referring of a petition does not constitute approval, agreement, or consent.

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Recommendation(s):

That the Council consider the petition.

Attachments:

• Elaine McVey Request



Members of the Chapel Hill Town Council:

I would like to bring to the attention of the Town Council the issue of deer fencing.

I believe a review of this issue is justified due to two factors that have increased substantially over time:

- Deer population density in Chapel Hill
- Understanding of the importance of native plants to our local environment, especially to birds and pollinators that are in decline

The vast majority of Piedmont area native plants need protection from deer to survive under the high deer pressure in many Chapel Hill neighborhoods. The current rules regarding deer fencing in Chapel Hill limit its ability to be used effectively and in a visually appealing way.

I petition for a change to the Land Use Management Ordinance regarding deer fencing.

After discussion with the Chapel Hill Planning Department, I understand that under the current ordinance, a deer fence can be subject to one of two sets of rules:

- 1) An administrative guideline that exempts it from dimensional requirements that apply to structures **if** it:
 - a) Primarily uses netting
 - b) Is attached to natural objects (trees, landscaping)
 - c) Is not located in a right-of-way
 - d) Has an exemption certification from the Planning Department
 - e) Is not in a Historic District or Neighborhood Conservation District
- 2) If these requirements are not met, the dimensional requirements that apply to structures are in effect, meaning that it must be under 6 feet tall within setbacks (for example, in my yard a deer fence 6' feet or over would have to be more than 48' from the street)

Building deer fences under 6 feet tall presents two problems:

- 1) Deer are known to jump well over 6 feet when motivated experts recommend 8' heights
- 2) In the common Chapel Hill case of sloped yards, keeping all portions of a deer fence under 6' means either having some portions well under 6' or sloping the fencing, which is difficult to do successfully or in a visually appealing way with common deer fencing materials

To expand the ability of Chapel Hill residents to maintain native plants and gardens despite the high deer population, I suggest a change to the Land Use Management Ordinance such that:

For a structure that qualifies as a "deer fence" per the following, setbacks applicable to other structures under the dimensional requirements do not apply. To qualify as a deer fence, a structure must be:

- Primarily designed to protect vegetation from deer or other wildlife
- Constructed to provide a clear view through the fence so that at least ninety percent (90%) of the surface is visually unobstructed
- Not in excess of eight (8) feet in height
- Constructed of woven wire fencing, field fence, "hog panels", wire strand or polypropylene mesh net (chain link does <u>not</u> qualify as deer fence under this ordinance)
- Constructed to prevent sagging

I hope you will consider this change and refer this petition to support the increased use of native plants in our Chapel Hill residential landscaping.

Sincerely,

Claime Nelly

Elaine Allen McVey 316 Burris Place Chapel Hill, NC 27516

Department:

Communications and Public Affairs

TOWN OF CHAPEL HILL

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

Item Overview

Item #: 5., File #: [20-0338], Version: 1

Meeting Date: 5/20/2020

Approve all Consent Agenda Items.

Staff:

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

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 (2020-05-20/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:

6. Authorize the Town Manager to Negotiate and Execute a Lease Agreement with Melody Eggen, Inc. for Continuation of Dance Studio at Town Facility, at 1714 Legion Road. (R-2)

7. Call a Public Hearing for Land Use Management Ordinance Text Amendments-Proposed Changes to Section 3.7 and Appendix A Permitting Flex Office in Town Center Zoning Districts and Expanding Definitions Related to Types of Retail on June 10, 2020. (R-3)

8. Modify Advisory Board Remote Participation Policy to Allow the Board of Adjustment and Historic District Commission to Conduct Remote Quasi-Judicial Evidentiary Hearings and to Allow Boards to Act to Approve or Deny Matters Before Them During State-declared States of Emergency and in Accordance with the Provisions of G.S. 166A-19.24. (R-4)

9. Extend Advisory Board Member Terms Ending in June 2020 and Defer Spring Appointments to the Fall. (R-5)

This the 20th day of May, 2020.

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. Boulevard Chapel Hill, NC 27514

Item Overview

Item #: 6., File #: [20-0339], Version: 1

Meeting Date: 5/20/2020

Authorize the Town Manager to Negotiate and Execute a Lease Agreement with Melody Eggen, Inc. for Continuation of Dance Studio at Town Facility, 1714 Legion Road.

Staff:

Phil Fleischmann, Director Linda Smith, Assistant Director

Department:

Parks and Recreation

Overview: Adopting the resolution would authorize the Manager to negotiate and execute a lease of the approximately 2,240 sq. ft. auxiliary building on Town-owned property at 1714 Legion Road. The proposed lessee, Melody Eggen, Inc., has operated a dance studio at this facility for many years and wishes to continue to offer dance programming to the Chapel Hill community at this location.

In 2017, the Town purchased the property from the American Legion Post No. 6. Since that time, the Legion Post has leased the property back from the Town and the Legion Post has continued to sublease the dance studio building to Melody Eggen, Inc.

Pursuant to § 160A-272, Lease or rental of property, Council needs to authorize the Manager to execute a lease on the Town's behalf. With the authorization of this resolution, the final terms and conditions of the lease would be subject to the approval of the Manager and Attorney.

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Recommendation(s):

That the Council adopt the attached resolution authorizing the Manager to negotiate and execute a lease of the approximately 2,240 sq. ft. building at 1714 Legion Road to Melody Eggen, Inc.

Decision Points:

- This action is consistent with staff recommendations outlined in a memorandum related to facilities on the property at 1714 Legion Road (attached).
- Given the short-term nature of this lease, it does not preclude the Town from pursuing other opportunities and uses for the American Legion property.

Key Issues:

• How quickly does the Council envision proceeding with use and/or park/project development on the property?

Fiscal Impact/Resources: Staff do not expect to incur any significant costs related to the execution and management of this lease agreement. Under the terms of the proposed lease, the lessee accepts the building in "as-is" condition and the lessee will be responsible for all upkeep and maintenance to the building and its systems. The lessee will be responsible for paying the Town a rental fee of \$600/month and will pay for all utilities with the exception of water/sewer.

Attachments:

Resolution

• Draft Lease Agreement

• Memorandum with Staff Recommendations for Facilities at 1714 Legion Road

A RESOLUTION AUTHORIZING THE TOWN MANAGER TO NEGOTIATE AND EXECUTE A LEASE AGREEMENT WITH MELODY EGGEN, INC. FOR TOWN FACILITY AT AMERICAN LEGION PROPERTY (2020-05-20/R-2)

WHEREAS, in 2017, the Town of Chapel Hill purchased approx. 36 acres of land at 1714 Legion Road ("American Legion Property") from American Legion Post No. 6 ("Legion Post"); and

WHEREAS, so that it could continue to operate until its new facility is completed, the Legion Post has leased the American Legion Property back from the Town since selling it to the Town; and

WHEREAS, the Legion Post's lease of the property is set to expire on June 30, 2020; and

WHEREAS, on the American Legion Property sits a building consisting of approximately 2,240 sq. ft. in size ("Facility") which has been utilized as a dance studio through an agreement between a private studio operator and the Legion Post; and

WHEREAS, the private operator Melody Eggen, Inc. wishes to continue to operate said dance studio out of this Facility; and

WHEREAS, pursuant to § 160A-272, Lease or rental of property, any property owned by a city may be leased or rented for such terms and upon such conditions as the council may determine; and

WHEREAS, Town staff have met with the proprietor, Melody Eggen and have determined that the programming offered in the Facility appears to reflect the vision and values of the Town and its Parks and Recreation Department and provide a benefit to the community; and

WHEREAS, staff of the Parks and Recreation Department recommend that the Town enter into a lease with Melody Eggen, Inc. so that it may continue to operate a dance studio and related programming in the building that it currently occupies.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council authorizes the Town Manager to negotiate and execute a lease agreement on behalf of the Town with Melody Eggen, Inc. or its successors in interest related to the aforementioned Facility at 1714 Legion Road.

This the 20th day of May, 2020.

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 negotiate and execute a lease agreement on behalf of the Town with Melody Eggen, Inc. related to the aforementioned Facility at 1714 Legion Road.

STATE OF NORTH CAROLINA

COUNTY OF ORANGE

AGREEMENT FOR LEASE OF PORTION OF AMERICAN LEGION PROPERTY

This AGREEMENT FOR LEASE of a portion of the American Legion Property (as shown in Exhibit A) (hereafter "Lease"), is made and entered into this the _____ day of ______, 2020, by and between the Town of Chapel Hill, a North Carolina municipal corporation, 405 Martin Luther King Jr. Blvd., Chapel Hill, N.C., herein "Lessor" or "Town", and Melody Eggen, Inc., 10 Center Grove Rd., Moncure, NC 27559-9438 herein "Lessee" or "Eggen".

WITNESSETH

WHEREAS, in March, 2017 the Town purchased a parcel of land known as the American Legion Property (the "Property") located on Legion Road in Chapel Hill and consisting of approximately __acres as shown on Exhibit A, attached hereto, from the American Legion Post Chapel Hill Post 6 (the "Legion"); and

WHEREAS, Eggen had been a tenant of the Legion, the previous owner of the Property and has occupied a structure on the Property where it has operated a Dance Studio; and

WHEREAS, when the Legion sold the Property to the Town in 2017 it retained the right to lease back a portion of the Property and to sublease a portion of the Property (the "Dance Studio Building") to Eggen; and

WHEREAS, the American Legion Post lease of the Property with the Town expires on June 30, 2020 and Eggen desires to continue to occupy the Dance Studio Building as a direct tenant of the Town of Chapel Hill.

NOW, THEREFORE, Lessor and Lessee hereby agree as follows.

1. <u>LEASE OF PREMISES</u>: The Town agrees as Lessor to lease to Eggen, and Eggen agrees as Lessee to lease from the Town, on the terms and conditions set forth herein, the building shown on Exhibit A and identified as the Dance Studio, together with the right to use the current driveway (as marked on Exhibit A (the "Leased Premises").

2. <u>USE OF PREMISES</u>: The Leased Premises shall be used solely for Lessee to continue to operate the Dance Studio by providing dance lessons and related activities.

3. <u>TERM</u>: This Lease Agreement, unless amended as provided herein, shall be in effect until June 30, 2021. The lease may be renewed for four additional one-year periods by Lessee by giving notice not less than 30 days before the end of any annual term. Either party may terminate the Lease for no cause with 90 days' notice to the other party.

4. <u>LEASE PAYMENTS:</u>

a) Eggen shall pay the Town the following rent:

\$600/month, due and payable each month.

- b) Eggen shall make each monthly payment by the 1st day of each month, beginning July 1, 2020. In the event that the agreement is executed mid-month, the first payment shall be for a prorated amount for the first month covered under this agreement.
- c) Lease payments received after the 5th day of the month will be assessed a late fee of 5% of the then current monthly rental fee. Late fees are due immediately.

5. <u>UTILITIES</u>. All utilities for the Dance Studio Building, excluding water/sewer, will be in accounts under Lessee's name. Lessee will be responsible for ensuring all utilities remain on and that payments are kept current on all utility accounts. Failure to maintain utility service to the Leased Premises shall constitute a basis for Lessor to terminate this Lease.

6. <u>BUILDING CONDITION</u>: The Dance Studio Building is leased in an as-is condition. Lessee is responsible for all upkeep and maintenance to the building and its systems. Lessee shall provide basic routine maintenance to the driveway access as shown on Exhibit A.

7. <u>MODIFICATIONS TO BUILDING:</u>

- a) Eggen shall be responsible for making, and paying the costs associated with, any and all modifications, changes or upgrades that are required under any applicable governmental regulations for operation of a Dance Studio and related activities.
- b) The Town has no obligation under this Agreement to modify, improve, change, or upgrade any of its facilities or equipment for the purpose of meeting operation regulations or Lessee's needs. Provided it receives prior approval from the Town of Chapel Hill, Eggen may make such modifications, improvements, changes, or upgrades to the Dance Studio Building at its sole expense.
- c) Any improvements made to the structure shall remain following the conclusion of this Lease and any extensions thereto. Any additions or subtractions to the Leased Premises will require prior written approval from the Town before conducting such alterations.
- d) Lessee shall maintain and provide to the Town on an annual basis a written inventory of any equipment located on site which is not the property of the Town.

8. <u>MAINTENANCE</u>:

- a) Eggen shall schedule and provide all regular maintenance to the Leased Premises, including to its systems (HVAC, electrical, plumbing, etc.) and equipment. Maintenance is to be performed by contractors trained / certified in the field(s) for which they are providing service. Records of maintenance and service are to be kept by Lessee and provided to Lessor on an annual basis.
- b) Lessee shall report to the Town any need for repairs or improvements which are in excess of \$5,000.
- c) The Town is not responsible for provision or maintenance of any appliances within the Leased Premises. Appliance replacement must have Town prior written approval.

- d) In the event major repairs or replacements (for example, roof or heating and air conditioning system) are needed, Lessor and Lessee shall confer and discuss the repairs needed and which party shall be responsible. In the event the Parties are not able to agree on how the costs of such major repairs is to be allocated, the Lease shall terminate and the property shall be returned as is to the Lessor.
- e) Lessee shall report to Lessor any concerns or issues regarding the property or building in a timely manner.
- f) Lessee agrees to join with Lessor on a semi-annual basis for a complete walk-through of the leased premises to review then-existing conditions and determine if any repair or maintenance is necessary.

9. <u>INSURANCE PROVISIONS</u>:

- a) Comprehensive General Liability: Eggen shall maintain coverage having minimum limits of \$1,000,000 per occurrence and \$2,000,000 annual aggregate for bodily injury liability and property damage liability. Such insurance shall also cover premises and/or operations, broad form property damage, contractual liability endorsement, and a minimum of \$1,000,000 per occurrence and \$2,000,000 annual aggregate for insurance to protect against sexual misconduct charges.
- b) The Town is to be included as an additional insured on both the comprehensive general liability and business auto liability insurance policies.
- c) Current, valid insurance policies meeting the above requirements shall be maintained for the duration of the lease. Certificates of insurance on an Acord form, meeting the required insurance provisions, shall be forwarded to the Town. Renewal certificates on an Acord form shall be forwarded to the Town of Chapel Hill's Purchasing Agent at least 30 days in advance of any expiration date. There shall also be a 30-day notification to the Town in the event of cancellation or modification in any stipulated insurance coverage. Wording on any Certificate which states that no liability shall be imposed on the company for failure to provide such notice is not acceptable. The Town may require original policies or certified copies of policies at any time.
- d) It is the responsibility of Eggen to insure that all subcontracts comply with the same insurance requirements, with the exception of insurance to protect against charges of child abuse, that Eggen is required to meet.

10. <u>SECURITY</u>: Eggen will provide a designated alarm code to the Town to allow Town staff to enter the Leased Premises for quarterly inspections and to perform any Town required maintenance or emergency services. In any event, the Town will notify Eggen of such entry before or after, along with the nature of the entry.

12. <u>PUBLIC OUTREACH AND PROGRAMMING</u>:

a) Lessee shall consider requests of the Lessor to allow utilization of the space for Parks and Recreation programming at times when Lessee is not using it. (*ideally, this would be at no cost to the Town; or if there was a cost, at a minimal level to cover direct expenses incurred by organization*)

- b) Lessee shall provide occasional free dance programming component in Town programs as requested and as organization's resource allow.
- c) Town will promote classes and programs within Town's website and Recreation Guide as requested, provided programs meet Town values and align with the Parks and Recreation Department's vision, mission, and goals.
- d) Programming provided by Lessee shall be consistent with all Town policies, guidelines, ordinances, etc.; Lessee is responsible for providing programs in accordance with generally recognized best practices regarding safety, supervision, etc.
- e) Lessee shall require appropriate background checks on all paid staff and regular volunteers involved in providing its programs to its participants.
- f) Lessee shall provide to Lessor, on a quarterly basis, the anticipated schedule of use of the Leased Premises and a report on attendance at its programs.

13. <u>INDEMNIFICATION AND HOLD HARMLESS</u>: Eggen agrees to indemnify and hold harmless the Town of Chapel Hill and its officers, agents and employees from all loss, liability, claims or expense (including reasonable attorneys' fees) arising from bodily injury, including death or property damage to any person or persons caused in whole or in part by the negligence or willful misconduct of Eggen except to the extent same are caused by the negligence or misconduct of the Town.

14. <u>NON-DISCRIMINATION</u>: Eggen contractually agrees to administer all functions pursuant to this Lease without discrimination because of race, creed, sex, national origin, handicap, sexual orientation, gender identity or gender expression.

15. <u>FEDERAL AND STATE LEGAL COMPLIANCE</u>: Eggen must be in full compliance with all applicable federal and state laws, including those on immigration.

16. <u>AMENDMENT</u>: This Agreement may be amended in writing by mutual agreement of the Town and Eggen.

17. <u>TERMINATION</u>: Either party may terminate this Contract at any time by giving the other party thirty (30) days written notice of termination prior to the end of the term as described herein.

18. <u>INTERPRETATION/VENUE</u>: This Agreement shall be construed and enforced under the laws of North Carolina. The courts and the authorities of the State of North Carolina shall have exclusive jurisdiction over all controversies between the parties which may arise under or in relation to this Agreement. In the event of any dispute between the parties, venue is properly laid in Orange County, North Carolina for any state court action and in the Middle District of North Carolina for any federal court action. The Town shall not consent to 1) resolving any dispute by means of arbitration and/or 2) waiver of a trial by jury.

19. <u>SEVERABILITY</u>: The parties intend and agree that if any provision of this contract or any portion thereof shall be held to be void or otherwise unenforceable, all other portions of this Contract shall remain in full force and effect.

20. <u>ASSIGNMENT</u>: This Agreement shall not be assigned without the prior written consent of the parties.

21. <u>ENTIRE AGREEMENT</u>: This Agreement shall constitute the entire agreement of the parties and no other warranties, inducements, considerations, promises, or interpretations shall be implied or impressed upon this Agreement that are not expressly addressed herein. All prior agreements, understandings and discussions are hereby superseded by this Agreement.

22. <u>PRIMARY CONTACTS</u>: The following persons shall be the primary contact person for all issues related to this Agreement including programs, scheduling, or any other issue that may arise:

- a) For Eggen: Melody Eggen 10 Center Grove Church Rd. Moncure, NC 27559-9438 Phone number:
- b) For the Town: Assistant Director of Parks and Recreation Chapel Hill Parks and Recreation 200 Plant Road Chapel Hill, NC 27514 919-968-2784

23. <u>NOTICE OF CANCELLATION</u>: For cancellation of the lease, any notice, or written communication, shall be deemed effective if sent certified mail or delivered to:

- a) For the Town: Assistant Director of Parks and Recreation Chapel Hill Parks and Recreation 200 Plant Road Chapel Hill, NC 27514
- b) For Eggen: Melody Eggen
 10 Center Grove Church Rd. Moncure, NC 27559-9438

24. <u>SUBLEASE OR ASSIGNMENT</u>: This Lease Agreement may not be assigned or transferred, nor may any of the Leased Premises be sublet, without the prior written approval of the Town.

25. <u>RIGHT OF INSPECTION</u>: The Town reserves the right to enter the Leased Premises and inspect them, or to repair or maintain them, at reasonable times and upon reasonable notice. Neither this paragraph, nor the Town's exercise of any right hereunder, shall be deemed any form or manner of control over the Leased Premises by the Town for any purposes whatsoever.

[SIGNATURES BEGIN ON THE FOLLOWING PAGE.]

IN WITNESS WHEREOF, the parties hereunto cause this agreement to be executed in their respective names.

LESSEE:

MELODY EGGEN, INC.

BY: _____ SIGNATURE

PRINTED NAME & TITLE

ATTEST

PRINTED NAME & TITLE

STATE OF NORTH CAROLINA COUNTY OF _____

I, ______, a Notary Public of _____ County, North Carolina, certify that ______ personally appeared before me this day and acknowledged that he/she is the ______ of Melody Eggen, Inc., and that by authority duly given and as an act of the corporation, the foregoing instrument was signed in its name by its ______, sealed with its corporate seal and attested by ______ as its ______

Witness my hand and notarial seal, this the _____ day of _____, 20___.

Notary Public

My Commission Expires: _____

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE.

LESSOR:

TOWN OF CHAPEL HILL

DEPUTY/TOWN MANAGER

ATTEST BY TOWN CLERK:

TOWN CLERK

TOWN SEAL

Town Clerk attests date this the day of , 20 .

Approved as to Form and Authorization

TOWN ATTORNEY

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

FINANCE OFFICER

DATE

PARKS AND RECREATION DIRECTOR

STATE OF NORTH CAROLINA COUNTY OF

I, ______, a Notary Public of ______, personally came before me this day and acknowledged that she is the (acting) Town Clerk of the Town of Chapel Hill, a North Carolina municipal corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by ______, sealed with its corporate seal and attested by her as its (acting) Town Clerk.

Witness my hand and seal, this _____ day of _____, 20___.

Notary Public

My commission expires: _____

EXHIBIT A

(To be attached)

Exhibit A –

American Legion Property, Chapel Hill NC





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

www.townofchapelhill.org

MEMORANDUM

Date:May 8, 2020To:Maurice Jones, Town ManagerFrom:Phil Fleischmann, Parks and Recreation DirectorLance Norris, Public Works DirectorRegarding:American Legion Facilities Update

PURPOSE

This memorandum provides staff recommendations related to the continued use of the two buildings on the American Legion property, the large assembly building and the smaller dance studio facility. In addition, it includes background information justifying the recommendations including basic cost projections for work that would be required should the Town pursue use of the large assembly building.

RECOMMENDATION

Taking into account the Town's values which include Safety, the desire and expectation for our facilities to be inclusive and accessible to all, and the cost of repairs that would have to be undertaken, under the guidance of the Town Attorney and Risk Manager we do not recommend that the Town pursue use of the assembly building. Rather, the building should be deemed unusable and secured upon the Town taking possession.

Given the newer age and better condition of the smaller dance studio facility, with the support of the Town Attorney we recommend that the Town develop an annual lease agreement with the dance studio through which the lessee would make a monthly rental payment to the Town. Under this scenario, the lessee would assume the building in as-is condition and agree to be responsible for upkeep and making repairs.

BACKGROUND

Based upon interest received from the community and also a request of the Parks, Greenways, and Recreation Commission, Parks and Recreation staff expressed a desire to explore the suitability of using the existing, large assembly building at the American Legion property for rentals and programming. In order to explore this, Public Works initiated testing the building for



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

environmental contaminants, specifically mold, asbestos, and lead; and completed a preliminary assessment of the building's systems. A summary of the findings is as follows:

- The building contains asbestos and lead-based paint in several different areas which requires extensive remediation.
- The roof for the building and aspects of the HVAC system are in poor condition and in need of replacement.
- Electrical and lighting upgrades will be required to meet safety concerns and meet current code.
- Accessibility is limited. Modifications will be necessary in order to make the building ADA-compliant.
- There is currently no centralized fire alarm or suppression system in place. Based on anticipated renovations, the building would need to add a full sprinkler system.
- There are currently no "as-built" drawings for the facility, which would require a contract with a design professional to provide a complete set of measured drawings in order to proceed with any reconstruction projects, including but not limited to reconstruction after the asbestos and lead-based paint remediation.
- The restrooms in the facility are out of date, are not ADA-compliant, and do not meet current codes.

Since receiving these findings, staff from Parks and Recreation, Public Works, Building Services, Risk Management, Fire, the Attorney's Office, and the Manager's Office have met to review and discuss possible options for moving forward. A key interest was in determining how much making minimally required repairs to the building might cost (i.e., repairs required in order to make it suitable for use).

Based on what is known to need to be addressed in order to make the building safe for public use, code compliant, and accessible, an initial, informal cost estimate for work exceeds \$1.9 million. This cost estimate is derived from the International Code Council's allowance of \$160.96/sq. ft. for a type IV structure renovation. Included in the \$1.9 million is an allowance of \$301,980 for testing and remediation of all asbestos and lead-based paint throughout the facility as well as the roof and HVAC replacements. Recognizing this high cost and knowing that the existing building is not a part of a park concept for this property, the staff team described above supports the recommendation that the building be deemed unusable and secured upon the Town taking possession.

In addition to the large assembly building, there is also a smaller, auxiliary building on the property which houses a dance studio. The building is newer and the dance studio has leased it from the American Legion post for many years. The Attorney advises that the Town could develop an annual lease agreement with the dance studio through which the lessee would make a monthly rental payment to the Town, assume the building in as-is condition, and agree to be



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

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responsible for upkeep and making repairs. Parks and Recreation staff have met with the operator of the dance studio, Melody Eggen, and she wishes to continue operating at the facility. Ms. Eggen has preliminarily indicated that she would accept such lease terms.

Other points to determine through future exploration are a) whether or not the land should be used in its current state and for what types of activities, as there have been requests for use of the outdoor space; and b) the type and level of routine maintenance to be performed on the property.

Cc: Ralph Karpinos, Town Attorney Flo Miller, Deputy Town Manager Mary Jane Nirdlinger, Assistant Town Manager Ron Allen, Risk Manager Ross Tompkins, Assistant to the Manager Chelsea Laws, Building and Development Services Director Linda Smith, Assistant Parks and Recreation Director TOWN OF CHAPEL HILL

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

Item Overview

Item #: 7., File #: [20-0340], Version: 1

Meeting Date: 5/20/2020

Call a Public Hearing for Land Use Management Ordinance Text Amendments-Proposed Changes to Section 3.7 and Appendix a Permitting Flex Office in Town Center Zoning Districts and Expanding Definitions Related to Types of Retail on June 10, 2020.

Department:

Planning

Staff:

Judy Johnson, Interim Director Anya Grahn, Senior Planner

Overview: On February 19, 2020 < https://chapelhill.legistar.com/View.ashx?

<u>M=F&ID=8082562&GUID=7526FFA6-0BF4-45A4-88DC-BE8E0966DCA7></u> Mayor Hemminger petitioned the Council to have the Town Manager and staff evaluate options for including experiential retail in our land use definitions.

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Recommendation:

That the Council adopt the resolution calling a public hearing on May 20, 2020 to amend the Land Use Management Ordinance to allow for experiential retail in the Town Center Zoning Districts.

Key Issues:

- The text amendments would update the Use Table in Section 3.7 of the Land Use Management Ordinance to allow Flex Office in the Town Center (TC-) zoning districts. The TC-zoning districts should be more flexible in their allowed uses in order to address the changing needs of the retail industry.
- The nature of retail is changing, and the current Land Use Management Ordinance did not anticipate new forms of retail, such as experiential retail. This use will be included in the revised Business, General definition.
- The text amendments would also update the Appendix A Definitions of the Land Use Management Ordinance to revise the definitions for General Business, Indoor Commercial Recreation Facility, and Personal Services. New definitions for retail sales, retail services, personal services, personal instruction, and health clubs will also be introduced.

Attachments:

Resolution

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

By adopting the resolution, the Council calls a public hearing to consider matters related to permitting Flex Office in Town Center zoning districts and expanding definitions related to types of retail on June 10, 2020.

RESOLUTION A

A RESOLUTION CALLING A PUBLIC HEARING TO CONSIDER LAND USE MANAGEMENT ORDINANCE TEXT AMENDMENTS REGARDING PERMITTING FLEX OFFICE IN TOWN CENTER ZONING DISTRICTS AND EXPANDING DEFINITIONS RELATED TO TYPES OF RETAIL FOR JUNE 10, 2020 (2020-05-20/R-3)

WHEREAS, on February 19, 2020, Mayor Pam Hemminger petitioned the Town Council to have the Town Manager and staff evaluate options for expanding existing land uses to include experiential retail; and

WHEREAS, on February 19, 2020, the Town Council unanimously signed on to the petition; and

WHEREAS, the nature of retail is changing, and the current Land Use Management Ordinance does not reflect new forms of retail, such as experiential retail, as part of its definition for Business, General; and

WHEREAS, Appendix A's definition for General Business lists specific types of businesses that do not reflect new forms of retail; and

WHEREAS, expanding the definition for business, general to include experiential retail meets the goals of the Town Council petition while making the code easier to administer as the retail industry changes; and

WHEREAS, flex office is currently defined in Appendix A and is a permitted use only in the Historic Rogers Road-X (HR-X) zoning districts; and

WHEREAS, permitting flex office in the Town Center zoning districts provides greater flexibility for new businesses to be in these districts; and

WHEREAS, the Town Center districts are intended to provide for the development of the commercial, service, and social center of Chapel Hill while maintaining its pedestrianoriented scale and its nature as a concentration of business, administrative, financial, governmental, and support functions serving the community; and

WHEREAS, expanding Appendix A's definitions allow for greater flexibility in types of retail permitted.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council calls a public hearing for Wednesday, June 10, 2020 at 7:00 p.m. in the Council Chamber of Chapel Hill Town Hall, 405 Martin Luther King Jr. Blvd. or virtually as provided by the Council, to consider text amendments to the Land Use Management Ordinance (LUMO) designed to permit flex office in town center zoning districts and expanding definitions related to types of retail to address the changing commercial environment.

This the 20th day of May, 2020.



TOWN OF CHAPEL HILL

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

Item Overview

Item #: 8., File #: [20-0341], Version: 1

Meeting Date: 5/20/2020

Modify Advisory Board Remote Participation Policy to Allow the Board of Adjustment and Historic District Commission to Conduct Remote Quasi-Judicial Evidentiary Hearings and to Allow Boards to Act to Approve or Deny Matters Before Them During State-declared States of Emergency and in Accordance with the Provisions of G.S. 166A-19.24.

Staff:	Department:
Ralph D. Karpinos	Town Attorney

Overview: On April 1, 2020 <https://chapelhill.legistar.com/LegislationDetail.aspx? ID=4409291&GUID=E54C09E4-27D1-437C-B13E-94A90A21C84A&Options=&Search=>, the Council adopted a Resolution (2020-04-01/R-1) to modify and reinstate a policy addressing remote participation in Advisory Board meetings by members of Town advisory boards. The resolution excluded boards that are guasi-judicial in nature, specifically the Board of Adjustment and Historic District Commission, except where those Boards are engaged in making recommendations and not hearing quasi-judicial applications. On May 4, 2020, the Governor signed General Assembly Session Law 2020-3 into law to enact G.S. 166A-19.24, which provides authority and procedures for remote meetings by simultaneous communication during declarations of emergency by the Governor or General Assembly, including authorization and procedures for holding quasi-judicial evidentiary hearings, subject to limitations (Session Law 2020-3 <https://www.ncleg.gov/EnactedLegislation/SessionLaws/PDF/2019-2020/SL2020-3.pdf>, Section 4.31 (a)). The Town Attorney briefed the Council on the provisions of G.S. 166A-19.24 at the May 8, 2020 meeting of the Council Committee on Economic Sustainability <https://www.townofchapelhill.org/government/departments-services/economic-development/councileconomic-sustainability-committee>. Modifying Resolution (2020-04-01/R-1) would allow the Board of Adjustment and Historic District Commission to conduct remote quasi-judicial evidentiary hearings and other boards to act to approve or deny matters before them during a State-declared State of Emergency and in accordance with the provisions of this new law.

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Recommendation(s):

That the Council adopt the attached resolution allowing the Board of Adjustment and Historic District Commission to conduct remote quasi-judicial evidentiary hearings and other boards to act to approve or deny matters before them during a State-declared State of Emergency and in accordance with the provisions of G.S. 166A-19.24.

Key Issues:

- The provisions of G.S. 166A-19.24 regarding remote meeting participation, including conducting remote quasi-judicial evidentiary hearings, are only in effect during states of emergency declared by the Governor or the General Assembly.
- G.S. 166A-19.24 and considerations for conducting remote hearings are discussed in the UNC School of Government blog post <u>"Remote Zoning Hearings During Declared Emergencies</u> <<u>https://canons.sog.unc.edu/remote-zoning-hearings-during-declared-emergencies</u>/>"
- Council agreed to reconsider the Advisory Board remote participation policy when stay at home restrictions contained in local and state Proclamations and State of Emergency Orders expire.

Where is this item in its process?

Item #: 8., File #: [20-0341], Version: 1

May 4, 2020: May 20, 2020: Stay at Home April 1, 2020: G.S. 166A-19.24 Amend policy to allow Restrictions Expire: Council reinstated Advisory Board authorized remote BOA and HDC quasi-Reconsider remote meeting judicial hearings & meetings during Advisory Board other Board actions State-declared remote meeting participation States of Emergency during remote meetings program participation policy

Attachments:

Resolution

Meeting Date: 5/20/2020

Item #: 8., File #: [20-0341], Version: 1

A RESOLUTION MODIFYING THE ADVISORY BOARD REMOTE PARTICIPATION POLICY TO ALLOW THE BOARD OF ADJUSTMENT AND HISTORIC DISTRICT COMMISSION TO CONDUCT REMOTE QUASI-JUDICIAL EVIDENTIARY HEARINGS AND TO ALLOW BOARDS TO ACT TO APPROVE OR DENY MATTERS BEFORE THEM DURING STATE-DECLARED STATES OF EMERGENCY AND IN ACCORDANCE WITH THE PROVISIONS OF G.S. 166A-19.24 (2020-05-20/R-4)

WHEREAS, on April 1, 2020, the Town Council adopted Resolution (2020-04-01/R-1) reinstating a program for remote participation by members of Town Advisory Boards in Advisory Board meetings; and

WHEREAS, the Resolution excluded authorization for the Board of Adjustment and Historic District Commission to conduct hearings on quasi-judicial matters due to the lack of statutory authority to hold quasi-judicial evidentiary hearings remotely; and

WHEREAS, on May 4, 2020, the Governor signed Session Law 2020-3 into law to enact G.S. 166A-19.24, which provides authority and procedures for remote meetings by simultaneous communication during declarations of emergency by the Governor or General Assembly, including authorization and procedures for holding quasi-judicial evidentiary hearings, subject to certain limitations; and

WHEREAS, on March 10, 2020 the Governor issued Executive Order No. 116 declaring a State of Emergency to coordinate the State's response and protective actions to address the COVID-19 public health emergency. The Governor has issued subsequent Executive Orders related to the COVID-19 public health emergency and the State-declared State of Emergency remains in effect; and

WHEREAS, on March 13, 2020, Orange County declared a State of Emergency in response to the COVID-19 public health emergency. Orange County has issued subsequent Declarations extending the local State of Emergency through June 30, 2020; and

WHEREAS, on March 13, 2020, the Town of Chapel Hill declared a State of Emergency in response to the COVID-19 public health emergency. The Mayor has issued subsequent Declarations extending the local State of Emergency through June 30, 2020; and

WHEREAS, in an effort to significantly reduce the spread of the novel coronavirus, the Town of Chapel Hill, along with the Towns of Carrboro and Hillsborough, joined Orange County's Stay at Home Declaration that first went into effect on March 27, 2020 and which remains in effect; and

WHEREAS, the Council desires to allow the Board of Adjustment and Historic District Commission to conduct quasi-judicial evidentiary hearings where required for matters before these boards and to allow other Boards to approve or deny matters before them during the State-declared State of Emergency and pursuant to G.S. 166A-19.24.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council modifies the parameters of the Town's advisory boards and commissions remote participation program defined in the April 1, 2020 Resolution (2020-04-01/R-1) as follows:

- "Only Boards and Commissions shall be included, not the Council.
- Boards that are quasi-judicial in nature, specifically the Board of Adjustment and Historic District Commission, shall not be included, except where those Boards are engaging in making

Item #: 8., File #: [20-0341], Version: 1

recommendations and not hearing quasi-judicial applications.

- Remote participation in voting on <u>non-quasi-judicial applications by</u> Boards and Commissions shall include those situations in which the Boards and Commissions are reviewing plans and making recommendations to the Town Council <u>and, during State-declared States of Emergency, but not</u> cases where the body has authority to approve or deny. Where the action being considered is approval or denial of, for example, a minor subdivision by the Planning Commission or a certificate of appropriateness by the Community Design Commission for Blue Hill district, a board member attending remotely could participate in the conversation but would not vote on any decision <u>except</u> <u>during such a State of Emergency and pursuant to the provisions of G.S. 166A-19.24</u>.
- <u>The Board of Adjustment and Historic District Commission may not conduct hearings or make</u> <u>decisions on quasi-judicial applications except during a State-declared State of Emergency and</u> <u>pursuant to the provisions of G.S. 166A-19.24.</u>
- Some or all of the Members of said Boards and Commissions may fully participate in and vote at meetings in which they participate remotely, and would be counted toward a quorum.
- BE IT FURTHER RESOLVED that t<u>T</u>hese meetings shall provide an opportunity for <u>the</u> public to participate and comment during the meetings by remote methods, including email, telephone and other methods, to the extent practical."

BE IT FURTHER RESOLVED that the Council reaffirms that these policies shall, during the period of the COVID-19 State of Emergency, supersede any provisions of the Council Procedures Manual inconsistent herewith.

BE IT FURTHER RESOLVED that the Council reaffirms that, upon the expiration of the Stay at Home restrictions as contained in the local and state Proclamations and State of Emergency Orders, the policy for remote participation by advisory board members as adopted by the Council in March 2017 shall be reconsidered by the Council at that time.

This the 20th day of May, 2020.

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

By adopting the resolution, the Council will modify Resolution (2020-04-01/R-1) to allow the Board of Adjustment and Historic District Commission to conduct remote quasijudicial evidentiary hearings and to allow boards to act to approve or deny matters before them during State-declared States of Emergency and in accordance with the provisions of G.S. 166A-19.24. TOWN OF CHAPEL HILL

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

Item Overview

Item #: 9., File #: [20-0342], Version: 1

Meeting Date: 5/20/2020

Extend Advisory Board Member Terms Ending in June 2020 and Defer Spring Appointments to the Fall.

Department:

Communications and Public Affairs

Staff:

Sabrina Oliver, Town Clerk/Director Amy Harvey, Deputy Town Clerk

Overview: On March 13, 2020, the Town of Chapel Hill proclaimed a State of Emergency in response to COVID-19 and later joined Orange County's Stay at Home Declaration through June 30. This interrupts the multi-month process for appointing members to advisory boards which normally occurs between

Recommendation(s):

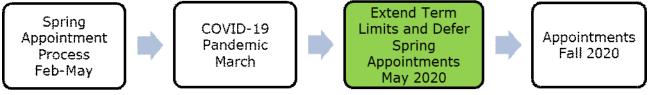
That the Council extend the advisory board member terms ending in June 2020 and defer spring appointments to the fall.

Key Issues:

February and June.

- Extend the terms for existing advisory board members from June 30, 2020 to November 30, 2020 to prevent a one-third board reduction in July
- Move the appointment process to the fall.
- Clarify that when a member is reappointed in the fall, the period between June 30 and November 30 is included as a part of their next full term
- Clarify that mid-term vacancies can continue to be filled as the Council and advisory boards adapt to electronic meetings

Where is this item in its process?



Attachments:

- Resolution
- April 22 Council Questions with Staff Response

A RESOLUTION TO EXTEND ADVISORY BOARD MEMBER TERMS ENDING IN JUNE 2020 AND DEFER SPRING APPOINTMENTS TO THE FALL (2020-05-20/R-5)

WHEREAS, the Advisory Board Membership Policy describes a multi-month process for making yearly appointments in the spring for terms ending on June 30 of the given year; and

WHEREAS, on March 13, 2020, the Town of Chapel Hill proclaimed a State of Emergency in response to COVID-19; and

WHEREAS, on March 26, 2020, the NC Department of Justice provided an advisory opinion stating that "electronic meetings are allowed under N.C.G.S. §143.318.13, and the requirements of notice, access and minutes can be met through electronic means. Due to the unprecedented circumstances we are all faced with, and the fact that local governing bodies conducting meetings remotely is not expressly prohibited by statute, I conclude that local governments can carry out necessary meetings electronically and remain in compliance with Open Meetings Laws."; and

WHEREAS, the School of Government transmitted the above advisory opinion and added that "the letter doesn't specifically address the impact of electronic participation on statutory quorum/voting requirements, public hearings, public comment periods, or quasi-judicial hearings." Some blog posts on those topics include the following:

- <u>Meetings and Public Hearings Under the Coronavirus State of Emergency</u> <<u>https://canons.sog.unc.edu/meetings-and-public-hearings-under-the-coronavirus-state-of-</u>
- Can We Really Ban In-Person Attendance at Board Meetings During the Coronavirus Emergency? https://canons.sog.unc.edu/can-we-really-ban-in-person-attendance-at-board-meetings-during-the-
- Failures to Vote by Board Members Participating Remotely https://canons.sog.unc.edu/failures-to-vote-by-board-members-participating-remotely/
- Remote Participation in Quasi-Judicial Evidentiary Hearings https://canons.sog.unc.edu/author/lovelady/
- (April 9) <u>Electronic Meetings During the COVID-19 Emergency: Recommended Practices</u> <<u>https://canons.sog.unc.edu/electronic-meetings-during-the-covid-19-emergency-recommended-</u>

; and

WHEREAS, in an effort to significantly reduce the spread of the coronavirus, the Town of Chapel Hill, along with the towns of Carrboro and Hillsborough, have joined Orange County's Stay at Home Declaration. Orange County Order adopted by reference to be effective within the Town Limits. The Declaration will be in effect beginning at 6 p.m. Friday, March 27, until 5 p.m. Thursday, April 30; and

WHEREAS, effective March 30, Governor Roy Cooper ordered people in the state of North Carolina to stay at home for thirty days, until April 29, 2020. In April, the Governor issued further orders to tighten the social distancing requirements to address the spread of COVID-19; and

WHEREAS, on April 1, 2020, the Council modified and reinstated a policy to address the remote participation for the Town's advisory boards and commissions. These meetings shall provide an opportunity for public to participate and comment during the meetings by remote methods, including email, telephone, and other methods, to the extent practical; and

WHEREAS, the Governor extended the stay at home orders through May 8, then began a phased recovery process; and

Item #: 9., File #: [20-0342], Version: 1

Meeting Date: 5/20/2020

WHEREAS, Orange County extended the stay at home orders through June 30; and

WHEREAS, without action by the Council, the boards face a one-third reduction on June 30; and

WHEREAS, the Council finds that it is unlikely that the Council will consider and make appointments to terms which are expiring this spring.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council extends the term expirations for existing advisory board members from June 30, 2020 to November 30, 2020.

BE IT FURTHER RESOLVED that the Council ask the Town Manager to provide the advisory boards a revised timeline and process in the fall.

BE IT FURTHER RESOLVED that when a member is reappointed in the fall, the period between June 30 and November 30 is included as a part of their next full term.

BE IT FURTHER RESOLVED that mid-term vacancies can continue to be filled as the Council and advisory boards adapt to the logistics to meet electronically.

BE IT FUTHER RESOLVED that applications currently on file will be held through June 30, 2021. Then the Clerk will revert to holding applications for one fiscal year.

This the 20th day of May, 2020.

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

By adopting the resolution, the Council extends the term limits for advisory board member's terms ending in June 2020 and defers spring appointments to the fall.

04-22-2020 Town Council Meeting Responses to Council Questions

ITEM #5: Extend Advisory Board Member Terms Ending in June 2020 and Defer Spring Appointments to the Fall

Council Question:

Does the resolution need to specify when the Council would, in fact, make the new appointments, or is that assumed?

Staff Response:

Given the uncertainty of the length and the effects of the COVID pandemic, staff decided including a specific timeline and process may be too limiting. This process normally takes three months to implement.

Council Question:

Have all advisory board members who would fall under this category been notified that their terms may be extended through November 30th? If so, have any of these advisory board members expressed any disagreement?

Staff Response:

All advisory board members were included in the notice for Friday's publication of the April 22 materials. Additionally, we are inquiring with those whose terms may be extended to see if they anticipate continued participation on the board, or resignation, and if they agree with this approach to mitigating the interruption within the normal spring appointment process.

TOWN OF CHAPEL HILL



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

Item Overview

Item #: 10., File #: [20-0343], Version: 1

Meeting Date: 5/20/2020

Receive Upcoming Public Hearing Items and Petition Status List.

Staff:

Department:

Sabrina Oliver, Director and Town Clerk Amy Harvey, Deputy Town Clerk 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 <u>Council Meeting</u> <u>Agendas, Minutes and Videos</u>.

Interested in a development project not yet scheduled for Council review? See the <u>Development Activity Report</u> for the project's current status.

May 20

- Presentation: Recommended Budget for FY 2020-21
- Concept Plan: Carraway Village, 3000 Eubanks Road (Project #20 023)

Continued to the next regular meeting, which is currently June 10

- Open the Public Hearing for the Code of Ordinances Text Amendment to Chapter 11A and Land Use Management Ordinance Text Amendment to Section 5.9 Pertaining to Off-Street Parking and Payment-in-Lieu Policy
- Open the Public Hearing and Consider a Request to Close a Portion of an Unmaintained and Unimproved Public Rightof-Way on Monroe Street
- Consider a Land Use Management Ordinance Text Amendment for <u>Blue Hill Massing and Permeability</u>
- Public Hearing: Recommended Budget for FY 2020-21

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 at <u>Council Meetings, Agendas, Minutes and Videos</u>.

Meeting Date	Petitioner	Petition Request	Departments Responsible	Petition Status
02/26/2020	Bayberry Drive Residents	Request to Amend the Water and Sewer Management, Planning, and Boundary Agreement to Allow Water and Sewage Services to Their Lots.	Planning & Development Services Judy Johnson, Interim Planning Director Phone: 919-969- 5078	Staff is working with the other agencies on a WASMPBA amendment, which would need to be approved by the agencies' boards, including the Town Council.
02/26/2020	Lillian Pierce	Request to Abandon Bicycle/Pedestrian Easement at 205 Huntington Way.	Parks & Recreation Phillip Fleischmann, Director Parks and Recreation Phone: 919-968- 2785 Planning & Development Services Judy Johnson, Interim Planning Director Phone: 919-969- 5078	Staff has reviewed this request and will follow up with options for taking action.
02/26/2020	Carlisle Willard	Request Regarding Proposed Anti- Corruption Resolution.	Town Manager Ross Tompkins, Assistant to the Town Manager Phone: 919-968- 2707	Staff is preparing information to respond to this request.

Meeting Date	Petitioner	Petition Request	Departments Responsible	Petition Status
02/19/2020	Steve Moore	<u>Request Regarding</u> <u>Cemetery Needs.</u>	Parks & Recreation Phillip Fleischmann, Director Parks and Recreation 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.
02/19/2020	Mayor Hemminger	Request Regarding Expanding Land Use to Include Experiential Retail.	Planning & Development Services Judy Johnson, Interim Planning Director Phone: 919-969- 5078	Council will consider calling a public hearing for a LUMO Text Amendment permitting this use in the Town Center Zoning Districts.
01/08/2020	Parks, Greenways, and Recreation Commission	<u>Request for Park</u> <u>Maintenance Funding.</u>	Parks & Recreation Phillip Fleischmann, Director Parks and Recreation Phone: 919-968- 2785	This request will be considered as part of the Fiscal Year 2020-2021 budget development process.
01/08/2020	Beth Waldron	Request Regarding <u>Revising the Deer</u> <u>Management Program</u> .	Parks & Recreation Phillip Fleischmann, Director Parks and Recreation Phone: 919-968- 2785 Police Chris Blue, Police Chief Phone: 919-968- 2766	Staff is preparing information to respond to this request.
01/08/2020	Renuka Soll	Request for an Improved Petition Process.	Town Manager Ross Tompkins, Assistant to the Town Manager Phone: 919-968- 2707	Staff continues to look for ways to improve this process, including dedicating additional staff resources.

Meeting Date	Petitioner	Petition Request	Departments Responsible	Petition Status
01/08/2020	Northwood Ravin	Request for Limited SUP Review for Carraway Village SUP Modification.	Planning & Development Services Judy Johnson, Interim Planning Director Phone: 919-969- 5078	At their 03/04/2020 meeting, Council adopted a resolution limiting the scope of the review for a Special Use Permit modification application.
11/20/2019	John Morris	<u>Request Regarding</u> <u>Local & Regional</u> <u>Transit Planning.</u>	Transit Brian Litchfield, Transit Director Phone: 919-969- 4908	Staff is preparing information to respond to this request.
10/02/2019	Daniel Dunn	Request Regarding Government Transparency.	Technology Solutions Scott Clark, CIO Phone: 919-968- 2735 Communications & Public Affairs Sabrina Oliver, Communications & Public Affairs Director Phone: 919-968- 2757	Town staff continue to work on improving and expanding the open data portal. This is one of many data sets that are candidates for inclusion on the portal. This information remains available to the public via a public records request.
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 Judy Johnson, Interim Planning Director Phone: 919-969- 5078	Staff is preparing information to respond to this request.
06/26/2019	Community Design Commission	<u>Request for</u> <u>Modifications to the</u> <u>Concept Plan Review</u> <u>Process.</u>	Planning & Development Services Judy Johnson, Interim Planning Director Phone: 919-969- 5078	At their 10/04/19 meeting, the Council Comittee on Economic Sustainability received a staff update on the response to this request.

Meeting Date	Petitioner	Petition Request	Departments Responsible	Petition Status
06/26/2019	Julie McClintock	Request Regarding the Blue Hill Form Based Code.	Planning & Development Services Judy Johnson, Interim Planning Director Phone: 919-969- 5078	Staff is preparing information to respond to this request.
04/24/2019	Board of Adjustment	Request Regarding Neighborhood Conservation District Ordinances.	Planning & Development Services Judy Johnson, Interim Planning Director Phone: 919-969- 5078	Staff is preparing information to respond to this request.
04/24/2019	Cobb Terrace Residents	Petition Regarding Rooming Houses in the R-3 Zoning Districts.	Planning & Development Services Judy Johnson, Interim Planning Director Phone: 919-969- 5078	The Town cannot place a moratoria on a residential use, such as a rooming house. There have only been two inquiries since 2002 for rooming houses. The request will be considered as part of the Land Use Management Ordinance update.
04/17/2019	Amy Ryan for Planning Commission	<u>Commission Regarding</u> <u>Site Plan Review</u> <u>Process.</u>	Planning & Development Services Judy Johnson, Interim Planning Director Phone: 919-969- 5078	Staff is preparing information to respond to this request.
03/20/2019	Cheri Hardman	<u>Request to Explore</u> <u>Local Control over</u> <u>Transit Planning and</u> <u>Funding.</u>	Transit Brian Litchfield, Transit Director Phone: 919-969- 4908	The public comment period for the FY20 Work Plan closed 05/30/19. The Town also submitted a funding request for North South BRT project from the Orange County Transit Plan; all of the governing bodies (Orange County, GoTriangle, and DCHC MPO) approved it.

Meeting Date	Petitioner	Petition Request	Departments Responsible	Petition Status
03/06/2019	Environtmental Stewardship Advisory Board	Request to Modify the Blue Hill Form Based Code to Include a Requirement for Installing Roof-Mounted Solar Energy Systems	Planning & Development Services Judy Johnson, Interim Planning Director Phone: 919-969- 5078 Town Manager Ross Tompkins, Assistant to the Town Manager Phone: 919-968- 2707	As discussed at the 04/24/19 Council meeting, staff will develop options aimed at achieving the Council's energy efficiency goals for new development.
02/13/2019	David Adams and Julie McClintock	Regarding Evaluation of Town Transportation Needs.	Transit Brian Litchfield, Transit Director Phone: 919-969- 4908 Planning & Development Services Judy Johnson, Interim Planning Director Phone: 919-969- 5078	The Town's request for an additional \$8 million from the Orange County Transit Plan for the North South Bus Rapid Transit Project was approved by the OC Board of Commissioners, the GoTriangle Board, and the DCHC MPO.
02/13/2019	Citizens	Request Regarding Coal Use and Coal Ash.	Town Manager Ross Tompkins, Assistant to the Town Manager Phone: 919-968- 2707	The Town plans to fund interim remedial measures based on recommendations from the human health and ecological risk assessment performed at the coal ash site. The Town continues to monitor NC Division of Air Quality's review of the power plant permit.

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13/2020				
Meeting Date	Petitioner	Petition Request	Departments Responsible	Petition Status
01/16/2019	John Morris	Regarding GoTriangle <u>Meetings and</u> <u>Materials.</u>	Planning & Development Services Judy Johnson, Interim Planning Director Phone: 919-969- 5078 Transit Brian Litchfield, Transit Director Phone: 919-969- 4908	Staff is preparing information to share with GoTriangle.
12/05/2018	Paul Pritchard	Request to Defer <u>Reforestation at</u> <u>Cleland, Rogerson, and</u> <u>Oakwood Intersection.</u>	Parks & Recreation Phillip Fleischmann, Director Parks and Recreation Phone: 919-968- 2785	This topic was added to the 01/15/19 agenda of the Parks, Greenways and Recreation Commission, with time allocated for the neigbors to speak. Another public meeting will be scheduled later in the year.
10/24/2018	Justice in Action Committee	Request Regarding a New Location for the Teen Center of Chapel Hill.	Housing & Community Loryn Clark, Executive Director Phone: 919-969- 5076 Community Arts and Culture	A staff workgroup, in coordination with the Mayor's Office, has been gathering data and seeking input from teens, service providers, and other stakeholders. The Council received an update on this initiative at their 01/30/19 business meeting.
10/24/2018	Jeff Charles	Regarding Extended Speaking Time for Individuals with Disabilities.	Mayor Pam Hemminger, Mayor Phone: 919-968- 2714 Town Manager Ross Tompkins, Assistant to the Town Manager Phone: 919-968- 2707	Staff met with the petitioner and will update the "Comment at Council Meetings" web page to clarify the Town's willingness to extend speaking time and how to request this extension.
10/10/2018	Jeff Charles	Regarding Creating Citizen Advisory Board for Seniors.	Town Manager Ross Tompkins, Assistant to the Town Manager Phone: 919-968- 2707	The petitioner is representing the Town on Orange County board and will provide updates to the Town as needed.

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Meeting Date	Petitioner	Petition Request	Departments Responsible	Petition Status	
09/19/2018	Julie McClintock of CHALT	Regarding Land Use Intensification.	Planning & Development Services Judy Johnson, Interim Planning Director Phone: 919-969- 5078 Public Works Lance Norris, Public Works Director Phone: 919-969- 5100	The Town's Resiliency Map is part of the map series for the Future Land Use Map. On 06/12/19, the Council received a presentation on the Town's Stormwater program. Staff is preparing information to respond to the additional requests in this petition.	
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 Judy Johnson, Interim Planning Director Phone: 919-969- 5078	Referred to the Future Land Use Map and Land Use Management Ordinance rewrite process, which began in Fall 2017 and is expected to be completed in 2020.	
06/13/2018	Mayor pro tem Jessica Anderson	Request to Amend Bus Advertising Policy.	Transit Brian Litchfield, Transit Director Phone: 919-969- 4908	At their 01/22/19 meeting, the Chapel Hill Transit Public Transit Committee considered the draft nonpublic forum transit advertising policy in order to provide feedback to the Chapel Hill Town Council on the option of amending the policy.	
06/13/2018	Ondrea Austin	<u>CHALT's Request to</u> <u>Revise the Tree</u> <u>Ordinance.</u>	Planning & Development Services Judy Johnson, Interim Planning Director Phone: 919-969- 5078	Staff is preparing information to respond to this request.	
06/13/2018	Mayor Pam Hemminger	Regarding Reviewing Policies, Procedures, and Practices for Development.	Planning & Development Services Judy Johnson, Interim Planning Director Phone: 919-969- 5078	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.	

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Meeting Date	Petitioner	Petition Request	Departments Responsible	Petition Status
03/14/2018	Council Members Anderson, Gu, and Schaevitz	Request Regarding Addressing Blue Hill District Community Interests.	Planning & Development Services Judy Johnson, Interim Planning Director Phone: 919-969- 5078	Council enacted ordinance amendments to improve outcomes for stormwater management and affordable housing, to encourage non- residential development, and to address building size. Council will consider amendments to address building massing on 02/19/2020.
09/06/2017	Tom Henkel from the Environmental Stewardship Advisory Board	Request for Modification to the Ephesus-Fordham Form-Based Code for the Purposes of Energy Efficiency.	Planning & Development Services Judy Johnson, Interim Planning Director Phone: 919-969- 5078	Where feasible, modifications will be considered as part of the development process for the Blue Hill Design Guidelines.
01/23/2017	Transportation and Connectivity Advisory Board	Request to Support Low/No Vision Guidelines to be Included in the Town's Engineering Manual as Stated in the April 11, 2016 Petition to Council	Public Works Lance Norris, Public Works Director Phone: 919-969- 5100 Planning & Development Services Judy Johnson, Interim Planning Director Phone: 919-969- 5078	Request incorporated into process to update Public Works Engineering Design Manual.

Meeting Date	Petitioner	Petition Request	Departments Responsible	Petition Status
11/07/2016	Mayor Hemminger	Regarding Parking and Transit Needs in Downtown Area.	Planning & Development Services Judy Johnson, Interim Planning Director Phone: 919-969- 5078 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.
05/09/2016	Stormwater Management Utility Advisory Board	Request for Orange County Commissioners to Increase Staffing in Soil and Erosion Control Division and Improve Efficiency of Temporary Soil Erosion and Sediment Controls During Construction.	Public Works Lance Norris, Public Works Director Phone: 919-969- 5100	Petition forwarded to Orange County. Consider changes to soil erosion and sediment control as part of Public Works Engineering Design Manual updates.
04/11/2016	Transportation and Connectivity Advisory Board	Request to Incorporate Proposed No-Vision and Low-Vision Pedestrian Facilities Guidelines into Design Manual and Development Code as Required	Public Works Lance Norris, Public Works Director Phone: 919-969- 5100	Request incorporated into process to update Public Works Engineering Design Manual.
04/11/2016	Transportation and Connectivity Advisory Board	Request for Senior Citizen Pedestrian Mobility and Complete Street Implementation	Public Works Lance Norris, Public Works Director Phone: 919-969- 5100	Request incorporated into process to update Public Works Engineering Design Manual.

Last modified on 5/15/2020 3:15:05 AM

TOWN OF CHAPEL HILL

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



Item Overview

Item #: 11., File #: [20-0344], Version: 1

Meeting Date: 5/20/2020

Receive the FY20 Third Quarter Affordable Housing Quarterly Report (January-March).

Staff:

Department:

Housing and Community

Loryn Clark, Executive Director Sarah Osmer Viñas, Assistant Director Nate Broman-Fulks, Affordable Housing Manager

Overview: This quarterly report on affordable housing activities for Fiscal Year 2020 tracks:

- Our progress toward affordable housing targets,
- The status of projects funded with Town resources, and
- General housing conditions in Chapel Hill.

Quarter 3 Highlights:

- Five new permanently affordable homes came online.
 - The Town's inclusionary housing policies and affordable housing funding led to the creation of four new permanently affordable homeownership opportunities in the Chandler Woods neighborhood.
 - Community Home Trust added a permanently affordable owner-occupied home through an acquisition with Self-Help and the Northside Land Bank.
- The Town surpassed its annual target of 50 homes preserved with 45 homes preserved in Q3
 - Completed renovations and repairs for 33 apartments in the Colony Woods West, Craig-Gomains, and Eastwood public housing communities.
- Two Town employees became Chapel Hill Residents through the Employee Housing Program after receiving rental assistance.
- Affordable housing developers showed significant interest in the Jay Street development project through the Request for Qualifications process. Staff are reviewing responses and plan to update Council in early summer.



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Recommendation(s):

That the Council receive this Fiscal Year 2020 (FY20) third quarter report.

Attachments:

• Affordable Housing Quarterly Report - FY20 Q3

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

By accepting this report, the Council receives the third quarter Fiscal Year 2020 Affordable housing report (January-March).

AFFORDABLE HOUSING QUARTERLY REPORT



FISCAL YEAR 2020 QUARTER 3 (JANUARY 1 – MARCH 31, 2020)



OUR GOAL

To increase access to housing for individuals across a range of incomes, and to constantly strive for more equitable outcomes and opportunities for historically underserved populations.

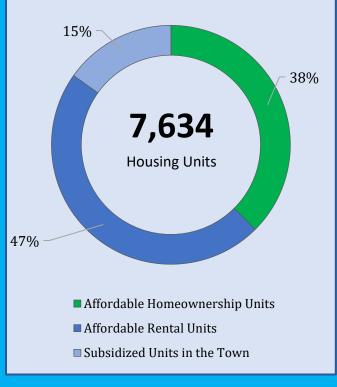
COMMUNITY INDICATORS

\$5,609,000	\$84,800 Median Household Income	55% of Renters spend more than 30% of income on Housing	35% of Housing Units are affordable to households with income below 80% AMI
Town Budget for Affordable Housing Strategies	\$386,600 Median Home Value	19% of Homeowners spend more than 30% of income on Housing	21,685 Total housing units in town

Number and Percent of Households that are Costburdened by Income Level

Number of Housing Units that are Affordable to Households with Income Under 80% AMI





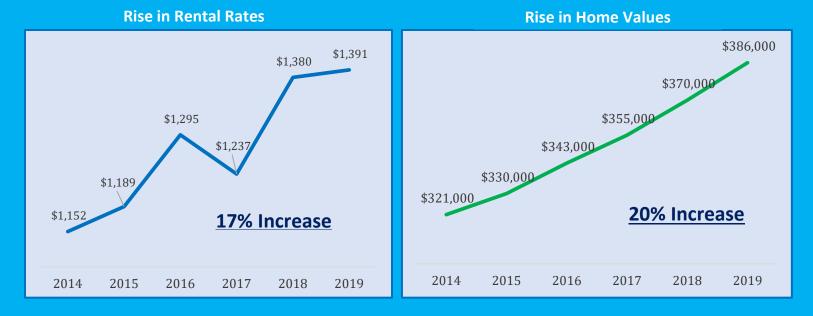
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Increase in Number of Subsidized Units Increase in Units Developed and Preserved 1,155 147 1,068 23 973 99 78 28 25 13 12 12 **FY15** FY16 FY17 FY18 FY19 Affordable Homes Developed Affordable Homes Preserved 2018 2019 2017

The cost of housing has been increasing at the same time, decreasing affordability:

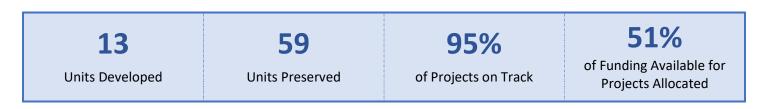


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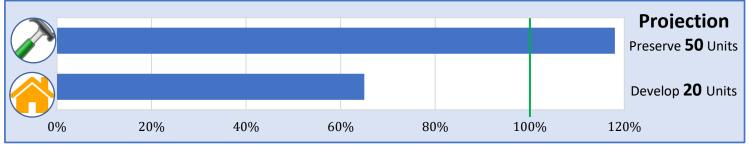
FY20 Q3 Highlights

- The Town's inclusionary housing policies and affordable housing funding led to the creation of four new permanently affordable homeownership opportunities in the Chandler Woods neighborhood.
- Public Housing completed renovations and repairs for 33 homes in the Colony Woods West, Craig Gomains, and Eastwood communities.
- Two Town employees became Chapel Hill Residents through the Employee Housing Program.
- Affordable housing developers showed significant interest in the Jay St. development project through the Request for Qualifications process. Staff are reviewing responses and plan to update Council in late spring.

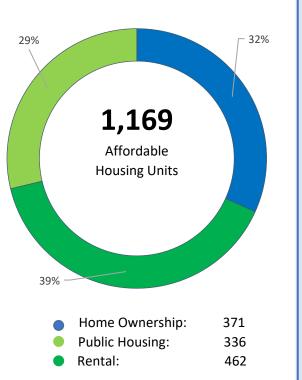
FY20 Town Performance-to-Date



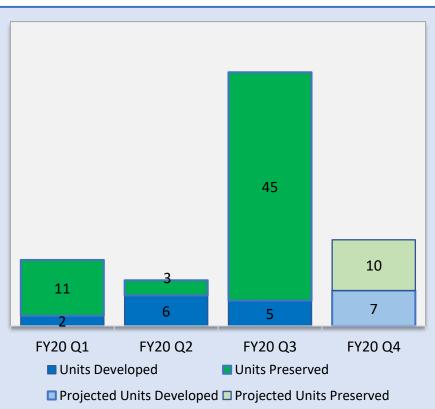
Year-End Progress Towards FY20 Projection



Number of Subsidized Units in Town



Actual and Projections by Quarter – Number of Units



Prepared by Town of Chapel Hill Office for Housing and Community – April 2020 / 3

Project	Provider	Project Name	Number	Projected	Status
Туре			of Units	Completion	
\bigotimes	Community Empowerment Fund	Housing Displacement Assistance	4	FY20 Q1	✓
\bigotimes	Town of Chapel Hill Public Housing	N Columbia Renovation	1	FY20 Q1	×
	Town of Chapel Hill Public Housing	Lindsay Street Restoration	1	FY20 Q2	✓
\bigcirc	Community Empowerment Fund	Housing Displacement Assistance	1	FY20 Q2	✓
\bigotimes	Town of Chapel Hill Public Housing	Craig Street Plumbing Repair	2	FY20 Q3	~
\bigcirc	Town of Chapel Hill Public Housing	Colony Woods Plumbing Repair	30	FY20 Q3	~
	Town of Chapel Hill Public Housing	Louis Armstrong Renovation	1	FY20 Q3	\checkmark
\bigcirc	Community Home Trust	Lindsay Street Acquisition	1	FY20 Q3	✓
\bigcirc	Community Home Trust	Chandler Woods	9	FY20 Q3	~
\bigcirc	Town of Chapel Hill Public Housing	Church Street Renovation	1	FY20 Q4	\bigcirc
\bigcirc	Self-Help	Land Bank Properties for Affordable Housing	8	FY20 Q4	
\bigcirc	Self-Help	Northside Emergency Repairs	5	FY20 Q4	
\bigcirc	Community Home Trust	South Grove	4	FY20 Q4	
\bigcirc	Community Home Trust	Culbreth Park Acquisition	1	FY20 Q4	
	Community Home Trust	Homebuyer Subsidy	3	FY20 Q4	
	Town of Chapel Hill	Rental and Utility Assistance	12	FY20 Q4	
\bigcirc	Town of Chapel Hill	Employee Housing Program	5	FY20 Q4	
\bigcirc	Town of Chapel Hill Public Housing	Church Street Flood Repair	1	FY20 Q4	
\bigcirc	Community Home Trust	Graham Street Acquisition	1	FY21 Q1	
\bigcirc	Habitat for Humanity	Homeowner Rehabilitation	3	FY21 Q2	\bigcirc
\bigcirc	Self-Help	Grisham Cottages	2	FY21 Q2	
\bigcirc	Self-Help	Mitchell Lane	1	FY21 Q4	
\bigcirc	Town of Chapel Hill	Transitional Housing at Umstead Road	1	FY21 Q4	
\bigotimes	Town of Chapel Hill Public Housing	Oak Avenue Furnace Replacement and Fire Repair	3	FY21 Q4	
\bigotimes	Town of Chapel Hill Transitional Housing	Ashley Forest Renovation	1	FY21 Q4	
	Habitat for Humanity	Sunset Drive Home Construction	1	FY21 Q4	

FY20 Q3 Update | Affordable Housing Projects Underway Supported by Town Funds

\sim	CASA	Merritt Mill Road Multi-Family Development	24	FY22 Q4	
\bigcirc	Town of Chapel Hill	2200 Homestead Road	140	FY23 Q2	
\bigcirc	EmPOWERment, Inc.	Johnson Street Development	10	FY24 Q2	
\bigcirc	Habitat for Humanity	Weavers Grove	95	FY28 Q2	

Legend:

 \checkmark : The project has been completed

The project is on track to meet its project scope and schedule

- : The project has been delayed in meeting its previous quarter project scope and schedule
- : The project has stalled and may not be completed

🔗: Development Project

: Preservation Project

FY20 Q3 Update | Town of Chapel Hill Affordable Housing Work Plan Highlights

Project	Progress Update
DEVELOPMENT	
2200 Homestead	 Staff executed a a Memorandum of Understanding with the Homestead Housing Collaborative to enter into negotiations on a Development Agreement Staff and the Homestead Collaborative are designing a development plan to come for Council review on May 20th
Prioritized Parcels of Town-Owned Land	 Staff received six responses to the Request for Qualifications process to identify a potential development partner for the Jay St. site and are reviewing the responses Staff is developing a community engagement process proposal for the Bennett Rd site for Council review in the fall
Identify Properties for Affordable Housing Development	 Staff is currently conducting an analysis of small, publicly-owned parcels to identify opportunities for small site development, including tiny homes
PRESERVATION	
Implement Manufactured Home Communities Strategy	 Staff continue to implement Manufactured Home Strategy and explore additional preservation strategies Staff are assisting EmPOWERment with outreach to Tar Heel (1200 MLK) residents, as there is a development application under consideration for the site
Affordable Housing Preservation Strategy	 Staff presented the draft framework to the Council in October Staff is incorporating the Council's feedback, conducting additional research, and plan to provide an update to Council on implementation options in the fall Staff has collaborated with the County and Towns of Carrboro and Hillsborough to update the Rental Assistance Program to provide additional flexibility and streamline the process to provide emergency assistance to low-income residents
Develop Strategies to Address Resident Displacement	 In collaboration with our partners, the Town synched our Rental and Utility Assistance Program criteria and streamlined the application process with the other jurisdictions in Orange County. The Program is now called the Emergency Housing Assistance Program and intake is centralized at the Orange County Housing Helpline. Town Council approved additional CDBG funding to support the EHA program.
POLICY	
Implement Employee Housing Program	 Two employees became Chapel Hill residents through the program in quarter 3 Staff begin evaluating the Pilot Program in summer 2020
Blue Hill Incentive Options	 Council approved expanding district purpose statement to including affordable housing in June 2019 Staff continue to explore additional strategy options based on Council direction
Create Goals for Affordable Housing in New Rental Development	 Housing Advisory Board reviewed and made recommendation to Council on draft Goals and Guiding Principles in spring 2019 Staff updated the Town Council in June 2019 and are continuing to research based on the Council's feedback

FUNDING	
Implement Investment Plan for Affordable Housing – Affordable Housing Bond	 Staff issued the first Affordable Housing Bond request for funding proposals (RFP) in the spring of 2020 to be made available in FY21 HAB to review the applications on May 21st Council to review applications in June
Manage Funding Programs Affordable Housing Fund (AHF) Development Reserve (AHDR) CDBG 	 RFP for the remaining Affordable Housing Development Reserve funds was included in the Bond RFP Council approved annual funding recommendations for use of CDBG funds as well as use of additional funding received from the CARES Act to support homeless efforts and households impacted by COVID-19.
MANAGING TOWN-OWNED HOUSING	
Public Housing Master Plan	• Staff considering multiple strategies for the rehabilitation and renovation of Trinity Court and plan to discuss those alternative strategies with Council in the spring

Notes & Citations

- The percentage of renters and homeowners that pay more than 30% of their income on Housing, the number and percentage of cost-burdened housing, and total occupied housing units in town data source is U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates
- HUD defines cost-burdened families as those who pay more than 30 percent of their income for all housing related expenses and may have difficulty affording necessities such as food, clothing, transportation, and medical care.
- The median household income data source is the HUD FY2019 Median Family Income Estimates based on American Community Survey data for the Durham-Chapel Hill Metropolitan Statistical Area.
- The median home value data source is Zillow.com and average rent rate is RentJungle.com
- The total budget this fiscal year for affordable housing strategies captures all Town expenditures for affordable housing. This
 includes the Affordable Housing Fund, CDBG Funds, the affordable housing bond, and operating funds, among others.
- The percentage of housing units that are affordable to households with income under 80% AMI includes naturally occurring
 affordable housing and units subsidized by the Town. The data source for this metric and corresponding chart is the commercial
 real-estate research firm Co-Star and the County-wide data inventory created through the Orange County Affordable Housing
 Coalition.
- The percent of budget allocated metric displays the percentage of the Town budget for affordable housing projects allocated as
 of the date of the quarterly report.
- The data source for the number of units subsidized by the Town is the County-wide Data Inventory created through the Orange County Affordable Housing Coalition.
- The data source for subsidized housing unit development projections is the County-wide data inventory created through the Orange County Affordable Housing Coalition.
- The Town Budget for Affordable Housing Strategies was changed in the Q2 report to only reflect that amount of funding that
 was available to be used in fiscal year 20. The Q1 report had originally included the \$10 million affordable housing bond
 funding.

TOWN OF CHAPEL HILL

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

Item Overview

Item #: 13., File #: [20-0346], Version: 1

Meeting Date: 5/20/2020

Public Housing Master Plan Update - Trinity Court.

Staff:

Loryn B. Clark, Executive Director Faith M. Brodie, Director **Department:** Housing & Community Public Housing

Overview: This report provides an update to the Council on the status of the Trinity Court public housing neighborhood as part of the <u>Public Housing Master Plan</u> <<u>https://chapelhill.legistar.com/LegislationDetail.aspx?ID=3911978&GUID=A6526DB3-AD89-41FA-BF15-A5C5D67C3931></u> presented to Council in April 2019.

\sum

Recommendation(s):

That the Council review the materials outlining the challenges and opportunities associated with the Trinity Court Apartments and provide feedback to the staff.

Key Issues:

- The Housing and Urban Development (HUD) Department does not provide operating subsidies for units that have been vacant for longer than 24 months.
- Trinity Court Apartments have been vacant since March 2018 (26 months).
- The Town of Chapel Hill must consider several options to make the best decision for the Trinity Court Apartments.

Fiscal Impact/Resources: There is no immediate fiscal impact associated with this item. The attached staff report estimates the cost associated with our preliminary options for consideration by the Council.

Attachments:

- Public Housing Master Plan Update
- Case Studies

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

PRESENTER: Faith M. Brodie, Director of Public Housing

RECOMMENDATION: That the Council review the materials outlining the challenges and opportunities associated with the Trinity Court Apartments and provide feedback to the staff.



Staff Report: Update on Chapel Hill Public Housing Master Plan: TRINITY COURT

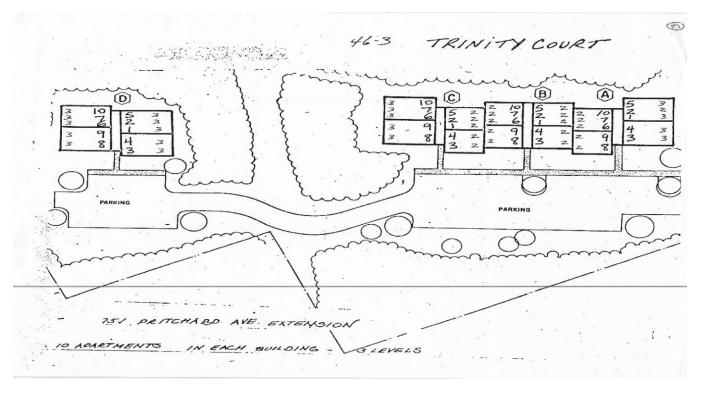
Introduction

The Town of Chapel Hill currently owns and operates 336 public housing units in 13 separate public housing neighborhoods. The number of units in each of the Town's public housing neighborhoods range from 9 to 44 units. Many of the sites are duplexes, which were built between 1967 and 1994.

In June 2018, a team of contracted inspectors from the Department of Housing and Urban Development (HUD) discovered several structural deficiencies and deterioration of the Trinity Court units. These families were relocated from Trinity Court to other public housing neighborhoods. The cost to repair the issues amounted to \$1.4M. At that point the Town began exploring other options for redevelopment of the site.

In December 2018, the Town applied for HUD's Rental Assistance Demonstration (RAD) program. This program gives public housing authorities a tool to preserve and improve public housing properties by converting them to Housing Choice Voucher (Section 8) housing. Under RAD, the Town could partner with a private or non-profit entity to own and manage the property and identify and secure funding to repair or redevelop the property.

During the April 2019 presentation to Council, the Council requested information on all development options as it pertains to Trinity Court. The purpose of this report is to provide an update on the Public Housing Master Plan and outline various options for Trinity Court.



Prepared by the Chapel Hill Housing Staff May 2020

Summary of Options for Trinity Court

<u>Sell</u> – What is the market value of the property?

According to an assessment completed by State-Certified Real Estate Appraiser David A. Smith on March 24, 2020, **the property located at 751 Trinity Court in Chapel Hill is valued at \$178,000.** This value is simply for the land and does not include any property or materials. The purpose of the appraisal was to develop an opinion of the market value, as defined, of the fee simple estate of the property if placed for sale on the open market. As stated previously, the cost to repair Trinity Court as it now stands would be \$6,316,214. The increase in cost is attributed to the continuing decline and deterioration of the property as well as the cost to mitigate all hazardous materials. If the units were habitable, the value of the property (land plus structures) would be \$4,100,000

- **Pros:** Selling the property may present an opportunity to obtain a developer interested in building affordable housing.
- **Cons:** Selling the site would remove the property from the Town's portfolio at a price much lower than anticipated due to the extensive renovations needed to make the property marketable.

Deconstruction – What would be the cost to tear down the existing units?

In their report, Summit Design and Engineering provided an estimate of the cost **to deconstruct Trinity Court to be \$1,019,000 with an additional \$800,000 for incidental cost** (engineers, architects, safety, permits, etc.). It is crucial to remove all asbestos prior to a demolition of any size. The inability to determine how much asbestos needs to be removed affects the actual estimate for demolition.

- **Pros:** Removal of the property from Housing's portfolio may allow development of new affordable housing structures that better meet the need of the community
- **Cons**: Removal from Housing's portfolio will mean a permanent decrease in HUD funding (40 units). An estimated subsidy of \$78,896 annually.

Would deconstruction remove the Trinity units from our HUD portfolio?

The contract between the Town and HUD requires us to promptly restore any damaged public housing property unless we obtain written approval from HUD. If the Town does not plan to restore the damaged public housing property, we would have to submit an application to HUD to complete the removal process and take it out of our portfolio.

<u>Renovate</u> – What would it cost to make Trinity habitable?

According to the Summit Design and Engineering report in April 2020, **the total estimated cost to correct deficiencies on the property, and inside the units is nearly \$7.5M** (which includes designer fees, hazardous material abatement and contractor overhead and profit) and far exceeds the property value based on the 2020 appraisal.

- **Pros** This option would place Trinity Court back on our Portfolio and authorize continuing contributions from the Operating subsidy from HUD.
- **Cons** This is the cost to rebuild Trinity exactly the way it was and not increase density, improve appearance, or re-design structures.

<u>Rebuild -</u> What are some of the redevelopment possibilities for Trinity Court?

The Town could continue to pursue RAD options to convert Trinity to a voucher property and partner with a development team to rebuild the site. Current zoning permits 40 units. Any additional units or changes to the existing configuration would require rezoning and/or Special Use Permit applications.

Summit Design and Engineering Services estimates that it would cost **\$6.1M at today's construction prices to rebuild Trinity Court**. To account for general conditions and cost escalation, an additional \$1M should be assumed. The more the design deviates from the current footprint (same topography, with existing 40 units) the more the cost would increase.

- **Pros:** Rebuilding would allow the Town to work with a partner to develop housing consistent with the Council's goals and the affordable housing needs of the community. This option would also create the possibility to increase the number of units on the site.
- **Cons:** The development review process is lengthy and very involved. To increase the density on the site, the Town could apply for a rezoning to Residential Special Standards-Conditional (RSS-C), a zoning district designed to facilitate the development of affordable housing. We could increase the density from 40-50 units by applying for the necessary rezoning.

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Summary of Options	Estimated Income/Cost
Sell	+\$178,000
Deconstruct	\$1,819,000
Renovate	\$7,500,000

Financing Options

If the Town pursues renovation or rebuilding, it will need to utilize a variety of funding sources to finance the work.

- Financing: Use HUD and local resources to cover rehabilitation costs and establish replacement reserves. The Town could also borrow funds to pay for the project and the Housing Fund (tenant rental income) could support the debt service.
- **<u>FHA Financing</u>**: A mortgage issued by an FHA-approved lender and insured by the FHA, with or without tax credits
- Low Income Housing Tax Credits (LIHTC): A financial incentive program used to attract private developers and investors to construct and rehabilitate low-income affordable rental housing. LIHTC offers investors a reduction in their federal tax liability in exchange for providing financing to develop affordable rental housing.
 - <u>4% LIHTC</u>: offers a 30% subsidy; must be combined with a tax-exempt bond that covers 50% of project funding; non-competitive for projects that score above established threshold score; works with rehab needs between \$20k and \$50k/unit.
 - <u>9% LIHTC</u>: Considered the best tool for new construction and substantial rehabilitation, offering a 70% subsidy; is highly competitive; requires an experienced development partner and the site must meet specific criteria as defined by the NC Housing Finance Agency; 100 units per phase or less.

Recommendations

Trinity Court has been vacant since 2018 and the cost to rehabilitate the structures continues to increase due to deteriorating structures and the passing of time.

Staff recommends the continued pursuit of the development resources presented in the RAD scenario which would include:

- Issuing a Request for Qualifications for development team to assist our efforts
- Completing the financial plan (outlining how we plan to develop the property) for HUD prior to September 30, 2020
- Selecting a development partner
- Explore increased density options
- Identifying funding sources
- Converting to a Section 8 voucher system

Prepared by the Chapel Hill Housing Staff May 2020

Lexington, NC – Terrace Lane (Rehabilitation)

Year Built: 2013 Housing Type: Multifamily Unit Mix: 138 units Financing: LIHTC equity, RAD



The Lexington Housing Authority (LHA) was created as a non-profit corporation in January 1962 to provide decent, safe and sanitary housing to the low-income citizens of Davidson County. In 2013, LHA received \$27 million from HUD to convert all 268 of its public housing units through the its RAD program. The Housing Authority decided to use the RAD program to rehabilitate each of its properties due to the high per unit costs and lack of funding through Public Housing Capital Improvement Program. According to LHA's Executive Director at the time, "The \$340,000 in capital improvement money we usually receive each year would take 58 years to bring these units up to decent shape. This initiative will do that in one year."

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Terrace Lane Overview

The present Eastview Terrace (100 units) and Helen Caple Village (38 units) developments were combined into one project, Terrace Lane Apartments for the purpose of the RAD conversion. The communities were initially constructed in between 1981 and 1984 as public housing.

Financing

Under HUD's Rental Assistance Demonstration (RAD) program, the LHA converted its existing public housing subsidies into a long-term Section 8 contract. LHA obtained a HUD insured mortgage of \$5,100,000 at a fixed interest rate by utilizing HUD's Section 221d4 program for insurance advances. LHA itself issued \$5,100,000 in tax exempt bonds and equity of approximately \$3,212,000 was provided through the sale of 4% low income housing tax credits. Additional sources include \$350,000 in Capital Funds loaned to the partnership from LHA. There was \$2,300,000 upfront ground lease payment from the partnership created to own and manage the property secured by a note from LHA.

Rehabilitation

Both properties are in stable neighborhoods. Helen Caple Village recently received new metal roofs, HVAC systems and some appliances. The Eastview Terrace units will be converted to all-electric HVAC, with new roofs and kitchen cabinets. Both properties will have new windows, doors, insulation, flooring, painting and substantial landscaping to better meet the needs of residents.

Relocation

The rehabilitation for all three properties will be performed in phases, estimated to be 12-15 weeks each. Prior to closing, the authority ceased leasing up units and has established about 20 units of vacancies. Residents in the early stages of the rehabilitation will be moved out of their units into vacant units on site, to accommodate the rehabilitation, and then back into a completed unit. After the first phase, it is expected that many residents will be moved only once from their current location into a completed unit.

Franklin, VA (Rehabilitation)

Year Built: 2013 Housing Type: Multifamily Unit Mix: 150 Units Financing: LIHTC equity, RAD Key Partnerships: City of Franklin



The Franklin Redevelopment and Housing Authority is a small public housing agency located in Franklin, Virginia, about an hour west of Virginia Beach, VA. The FRHA's public housing portfolio is composed of 150 total units across three properties, all in need of significant repairs and upgrades. According to the FRHA's Executive Director Philip Page, Jr., the housing authority's public housing stock was at a "tipping point." The FRHA had two options, either continue using capital funds for a few more years to maintain the properties at their current state, or completely renovate the portfolio, giving the units another lease on life.

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In 2013, the FRHA was receiving \$196,000 per year in capital funding for all of their public housing units, an amount that was insufficient to address its \$7 million-dollar backlog. In June 2013, the FRHA was awarded 9% low-income housing tax credits (LIHTC) by the Virginia Housing Development Authority (VHDA) to rehabilitate their public housing units. FRHA used the RAD program to leverage the tax credit equity to make the much-needed repairs to their public housing equity to address its backlog of capital needs.

FRHA Portfolio Overview

FRHA's portfolio consisted of three public housing properties: Pretlow Gardens, Berkley Court and Old Town Terrace. The oldest and largest development, Berkley Court was constructed in 1972 and consists of 75 townhome and garden units. Old Town has 35 units: one-, two- and three-bedroom units, built in 1983. Pretlow Gardens has 40 units: one-, two- and three-bedroom units, built in 1983, also. FRHA found it needed to conduct repairs upwards of \$47,000 per unit, an amount that far exceeded its \$196,000 per year in capital funds.

Rehabilitation

The rehabilitation included necessary and outstanding capital repairs such as new roofs, windows, HVAC units and flooring.

Financing

The rehabilitation will provide for \$51,060 per unit in construction costs with a total project cost of over \$13 million. 9% LIHTC equity, conventional loans, HOME funds, seller financing and public housing capital funds along with \$526,000 in public housing capital funds combined to provide \$68,580 per unit in sources, covering the hard and soft costs of the transaction.

The Oaks at Cherry, (Charlotte, NC)

Year Built: 2017 Housing Type: Multifamily Unit Mix: 81 1- to 4-bedroom units Financing: LIHTC, Wells Fargo Construction Loan, Horizon Development Properties Loan, Housing Trust Fund Loan, Deferred Developer Fees Key Partnerships: City of Charlotte, Charlotte Housing Authority subsidiary non-profits

Overview

The Oaks at Cherry is in the heart of the Cherry community in Charlotte, NC. Cherry is one of Charlotte's most historic African American neighborhoods, originally platted in 1891 to provide home ownership opportunities to African American laborers and working-class families. In recent years, the neighborhood lost most of its moderately priced housing in favor of larger style houses that range in price from \$400,000 to \$800,000 because of the neighborhood's desirable proximity to downtown Charlotte. Due to the rapid gentrification of the neighborhood, the residents, Charlotte Housing Authority, and its non-profit affiliates worked together to create a plan to maintain the affordability of the neighborhood through replacing the Tall Oaks Apartments operated by the Housing Authority with new scattered site apartment buildings.



Redevelopment

The Oaks at Cherry is taking place in two phases. Phase I includes eighty-one public housing units for individuals and families whose income is at or below 60% of the area median income (AMI). When complete, this phase will offer 1-

to 4-bedroom units on scattered sites that are within walking distance of one another. The development will feature an outdoor seating area, exercise room, multipurpose room, computer lab, and an on-site leasing center. Phase II is still under discussion with community members and City officials but is slated to include eighty to one hundred additional units with a portion serving those with very-low incomes and the remainder serving those between 60% to 80% of AMI. The construction of Phase II is set to begin in 2022, depending on the availability of funds. Moving to Work funding will be used for the pre-development expenses of the second phase of the Oaks at Cherry.

The Oaks at Cherry, (Charlotte, NC)

Development Technique

The Charlotte Housing Authority operates four legally separate non-profit entities that help to further its mission of providing safe and decent affordable housing to the City of Charlotte:

Horizon Development Properties, Inc. (HDP) is a non-profit, tax exempt 501(c)(3) whose mission is "to provide mixed-income housing to all qualified families which are consistent with market-rate apartments in the region." The primary focus of HDP is on the development of high-quality affordable housing units in Charlotte, including the Oaks at Cherry.

Horizon Acquisition Corporation is a for-profit program owned by HDP with 100% stock ownership. The mission of this organization is "to acquire, construct, develop, operate and/or hold title to housing properties that are affordable."

C.O.R.E. Programs, Inc is a non-profit tax exempt 501(c)(3) subsidiary of the Charlotte Housing Authority created in 2001 to assist low-income residents in achieving economic independence through educational and supportive services.

Blue Horizon Property Management is a non-profit subsidiary of HDP organized in 2016 "to manage sustainable and economically diverse communities, promoting high quality standards for residents and owners." Blue Horizon's property management portfolio consists of 2,595 units.

The Housing Authority, through HDP, uses a self-development technique that allows for a greater breadth of activities. HDP is responsible for the initial concept, land acquisition, design, approval, construction, and lease up. The Authority also maintains involvement through the property management phase through HDP. Self-development, self-management, and mixed-used developments are goals in the Authority's long-term sustainability plan. To protect itself and its partners from liability, the Authority and its subsidiary non-profits use limited liability corporations (LLC) to develop and own the new housing being developed, a very common approach for developing multifamily housing. Tall Oaks Redevelopment, LLC was formed by the Horizon Development Corporation for developing and operating the Oaks at Cherry Phase 1 eighty-one-unit affordable apartment community. The managing member is HDP-TO, LLC and the investor member is Wells Fargo Affordable Housing Community Development Corporation.

Las Deltas – Contra Costa, CA

Year Built: 1952 Housing Type: Multifamily Unit Mix: 212 units of various configurations (fewer than ½ are occupied) Financing: To Be Determined Key Partnerships: Community Housing Development Corporation

The Housing Authority of the County of Contra Costa, California is currently working on a plan to redevelop a portion of its existing public housing located just outside the City of Richmond, CA in an unincorporated part of Contra Costa County. The public housing units in this area are in fair to poor condition with outdated units, both in terms of features and configurations/layouts. Furthermore, the existing public housing does not maximize the use of land on which the units are located, and they offer few, if any services, needed by residents on site.

Knowing that the existing public housing units will need to be demolished and rebuilt into higher quality units that would be more desirable in today's market, the Housing Authority is preparing to joint venture with a local non-profit, the Community Housing Development Corporation (CHDC), to manage the redevelopment process. CHDC, which focuses on increasing affordable housing opportunities in the East Bay portion of the greater San Francisco Bay area, is prepared to act as the developer of the new housing units, as well as a park/recreational space, a possible community facility, and a retail component.

BAE Urban Economics is preparing a market analysis and a feasibility assessment of development alternatives for the Housing Authority. This includes scenarios with mixed-income housing. Once BAE completes this analysis and the Housing Authority decides how many units and the mix of units (including size and income targets), CHDC and the Housing Authority will identify their financing and develop final terms for the joint venture. As part of the development agreement, the Housing Authority will share in the developer's fee. It is important to note while CHDC will be the master developer, it will be most focused on developing the housing units and facilities for the on-site services that are needed by the community residents. CHDC will likely bring on a third-party commercial developer for the retail development.

Walton Summit – Gainesville, GA

Year Built: 2017 Housing Type: Multifamily Unit Mix: 260 1- to 2-bedroom units over all phases Financing: LIHTC equity, project-based subsidies, CDBG Key Partnerships: Walton Communities



In partnership with Walton Communities, the Gainesville Housing Authority is redeveloping the 11.67-acre site to include LIHTC housing, public housing, senior housing, and market rate housing. Formerly the home of Green Hunter Homes, more commonly known as the Atlanta Street Apartments, the public housing on the site had been a staple in Gainesville, GA since the 1950's. In 2016 the Gainesville Housing Authority and HUD estimated that \$18.1 million would be needed to bring all the units to current standards. This amount was much more than the Housing Authority wanted to spend and more than the \$1,700 per unit in HUD annual capital improvement funds received by the Housing Authority could support. The Housing Authority determined that it would be costlier to renovate than to demolish and rebuild.

Financing

After contacting ten potential funding and development partners, the Housing Authority selected Walton Communities as their partner because of their experience in affordable housing communities. Walton Communities owns twenty-nine communities in greater Atlanta area and remains locally owned and managed. The Housing Authority continues to own the land and Walton Communities is constructing and managing the proposed community for fifteen years as a 49% stakeholder, after which the development will be turned over to the Housing Authority. The ground lease and the regulatory and operating agreement spells out the types of units constructed and the length of the affordability periods for the below market units.

Development Technique

The property is being developed in three distinct phases. The first phase of the project includes fifty-four affordable, nineteen market-rate units, and thirteen public housing units and has no age restrictions. The thirteen public housing units will be selected through a lottery system. The second phase will include ninety units dedicated to seniors, seventy of which will be tied to Low-Income Housing Tax Credits with the remaining twenty available at market rate. The third phase is currently securing financing but is planned to include fifty-two LIHTC units and twenty-six market rate units. Thirteen of the LIHTC units will also be financed through project based rental subsidies. The Housing Authority utilized the City's Community Development Block Grant money as leverage and for demolition, site work, and infrastructure.

The complex when completed will include five buildings that are three and four stories tall. The units range in size from 750 square feet for a 1-bedroom, 1-bath unit to 1,250 square feet for a 3-bedroom unit. The units will include a range, refrigerator with icemaker, dishwasher, garbage disposal, ceiling fans, washer/dryer connections, and a patio/balcony. The community will include a community room, arts and crafts/activity center, playground, outdoor sitting areas, and laundry facilities. These units and amenities are comparable to other existing market rate apartment communities in the area. The Housing Authority also plans to add a retail feature to the site in the near future.



CASE STUDIES

Warren Williams Homes - Columbus, GA

Year Built: 2016 Housing Type: Multifamily Unit Mix: 184 units Financing: LIHTC equity, RAD conversion Key Partnerships: City of Columbus, GA

Overview

The Housing Authority of Columbus, Georgia (HACG) was created in 1938 and was the fourth public housing authority to be organized in Georgia. Shortly after HACG's inception, Warren Williams Homes was constructed and opened its doors in 1945. Warren Williams Homes has 184 single family 1, 2, & 3-bedroom apartments contained in 26 one and two-story buildings conveniently located near the Columbus Museum and historic downtown area. In the future, HACG plans to convert all 1,500+ of its units from public housing through the RAD program due to mounting capital costs at each of its properties.

Rehabilitation

The rehabilitation will include replacing the siding, windows and exterior doors as part of the planned renovation. The older windows will be replaced with new Vinyl windows and the shingle roofs will be replaced with metal roofing.

The Kitchens currently include electric or gas four-top ranges, range hoods, frost-free refrigerators, composite wood cabinets, laminated countertops and stainless-steel sinks. The Housing Authority will replace the appliances, cabinets and countertops as part of the rehabilitation.

The property's bathrooms currently include composite wood vanities, cultured marble sinks & countertops, porcelain toilets, enamel coated steel tubs & ceramic tile surrounds. The bathrooms also include exhaust fans and other accessories. The Housing Authority will replace all of these items as part of the rehabilitation.

A business/computer center, community center, playground, and sports court are currently found at the subject property. A BBQ area, fitness center, picnic area, and walking trail are also included in the plan for rehabilitation.

Financing

The project is financed through the sale of 9% LIHTC equity and the conversion from Public Housing to Project Based Vouchers shown in the chart below.

Seller Note	\$517,000
Deferred Dev Fee	\$400,000
LIHTC Equity	\$4,103,000
Other Capital	\$1,040,000
Total:	\$6,060,000



CASE STUDIES

Al Landsman Gardens - Southern Nevada Regional Housing Authority's (SNRHA's)

Year Built: 2013 Housing Type: Multiplex Unit Mix: 100 Units Financing: Capital Funds, LIHTC equity, Mortgage Insurance, Federal Home Loan Bank, HOME Funds Key Partnerships: City of Henderson, Wells Fargo, Federal Home Loan Bank

Overview

Al Landsman Gardens was originally constructed in 1971. The property contains 100 multiplex-style units. In 2012, dangerous levels of mold and the presence of asbestos

and lead-based paint forced SNRHA to vacate the Al Landsman Gardens while the agency searched for a w ay to cover remediation costs. Every option proved financially infeasible, and the housing authority began to consider demolition of the property, meaning the loss of high demand affordable housing units in the City of Henderson, NV.

Rehabilitation

The Housing Authority successfully remediated asbestos lead-based paint, and mold. The rehabilitation also included remodeling the interior and exterior of the units, upgrading the electrical and plumbing systems and replacing heating and cooling units. The units have all new kitchens, bathrooms and flooring. They also meet energy requirements and are energy efficient.

Financing

The effort has a total development cost of nearly \$23.57 million. The housing authority contributed nearly \$5.3 million in capital funds, Replacement Housing Factor (RHF) Funds, and excess operating reserves to support the development of the project. LIHTC and FHA financing significantly reduced the funding gap, but the housing authority still had to secure additional funds to make the transaction work. The housing authority secured HOME funds, FHLB AHP funds, as well as a private grant and a bridge loan. Additionally, the SNRHA decided to incorporate green design elements that will dramatically reduce energy consumption and will yield utility rebates in the future. The table below showcases the complex financing structure necessary to complete the project.





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CASE STUDIES

Al Landsman Gardens - Southern Nevada Regional Housing Authority's (SNRHA's)

Year Built: 2013 Housing Type: Multiplex Unit Mix: 100 Units Financing: Capital Funds, LIHTC equity, Mortgage Insurance, Federal Home Loan Bank, HOME Funds Key Partnerships: City of Henderson, Wells Fargo, Federal Home Loan Bank

Seller Note + Public Housing Funds Note	\$2.98 million
Deferred Developer Fee	\$1.5 million
Capital Funds	\$3.2 million
Replacement Housing Factor (RHF) Funds	\$2.0 million
Housing Authority Operating Reserves	\$60,000
FHA 221(d)(4) Mortgage Insurance	\$4.0 million
4% LIHTC	\$8.3 million
FHLB AHP Funds	\$1.0 million
City HOME Funds	\$435,000
Wells Fargo Grant	\$90,000

TOWN OF CHAPEL HILL

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

Item Overview

Item #: 14., File #: [20-0347], Version: 1

Meeting Date: 5/20/2020

2200 Homestead Road Site Plan Update.

Staff:

Department: Housing and Community

Loryn B. Clark, Executive Director Sarah Osmer Viñas, Assistant Director Nate Broman-Fulks, Affordable Housing Manager Emily Holt, Affordable Housing Development Officer

Overview: Staff will provide a progress update on the <u>2200 Homestead Road</u>

<https://www.chapelhillaffordablehousing.org/2200-homestead> development project and seek Council's input on a draft development plan for the site. Staff anticipate incorporating feedback from the Council before submitting a formal development application in the fall in collaboration with its design and engineering team and anticipated development team.

Recommendation(s):

That the Council receive the update and provide input on the site plan prior to submission of rezoning and development applications for the site.

Background:

- September 2017 <<u>http://chapelhill.granicus.com/MinutesViewer.php?</u>
 <u>view_id=21&clip_id=3233&doc_id=2307f58a-9404-11e7-8661-00505691bffa></u>: Town
 Council dedicated Town-owned land at 2200 Homestead Road for mixed-income affordable housing and authorized the Town Manager to engage potential partners in the discussion.
- June 2018 <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=3531765&GUID=2AAB0753-D883-4117-BBFE-3FB157CEA5ED&Options=ID|Text|Attachments|Other|&Search=homestead>: Town Council reviewed a Concept Plan for the site. Based on Council's guidance, the vision for the site was created. This vision is to develop a mutually supportive, self-sustaining, mixed-income affordable housing community that provides a variety of housing types and maximizes the density of the site.
- November 2018 <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=3760315&GUID=212CC318-56AD-416C-A079-39C9F7E37174&Options=&Search=>: Town Council authorized staff to issue a Request for Qualifications to identify a development partner and begin negotiating an agreement to develop the site.
- **January 2020**: the Town Manager executed a Memorandum of Understanding (MOU) with the selected development team, the Homestead Housing Collaborative, comprised of Self Help, Habitat for Humanity of Orange County, CASA, and Community Home Trust. The Town anticipates executing an agreement to develop the site with the Homestead Collaborative once entitlements for the site have been approved.

Since January, Town staff and its design and engineering team have worked with the Homestead Collaborative to draft a site plan that reflects the vision for the site supported by Council and the community interests expressed during initial visioning activities. The development of this site would represent a substantial contribution to the Town's 5-year goal of adding 400 affordable housing units to the Town's inventory.



Item #: 14., File #: [20-0347], Version: 1

Next Steps: Staff will incorporate feedback received tonight into the site plan and submit the development application in fall 2020. The development team will then conduct additional community engagement and participate in the Town's development review process.

Fiscal Impact/Resources: There is no immediate fiscal impact for this item. Council will consider additional funding for this project in June when staff presents a recommended Affordable Housing Bond and Affordable Housing Development Reserve funding allocation plan for Town and outside agency projects.

Where is this item in its process?





Nov 2018 Council authorizes staff to issue RFQ to identify development partner

May 2020 Council provides feedback on Site Plan

Staff and partners submit development application

Fall 2020

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

PRESENTER: Nate Broman-Fulks, Affordable Housing Manager; Emily Holt, Affordable Housing Development Officer

RECOMMENDATION: That the Council receive the update and provide input on the site plan prior to submission of rezoning and development applications for the site.



TOWN OF CHAPEL HILL

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

Item Overview

Item #: 15., File #: [20-0348], Version: 1

Meeting Date: 5/20/2020

Update on Historic District Design Guidelines.

See Staff Report 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, Senior Planner

RECOMMENDATION: That the Council receive the staff's report.

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UPDATE ON HISTORIC DISTRICT DESIGN GUIDELINES



STAFF REPORT

TOWN OF CHAPEL HILL PLANNING DEPARTMENT Judy Johnson, Interim Director Anya Grahn, Senior Planner

MEETING DATE

May 20, 2020

PROJECT LOCATION

- Franklin-Rosemary Historic District
- Cameron-McCauley Historic District
- Gimghoul Historic District

STAFF'S RECOMMENDATION

Receive the staff's report.

OVERVIEW

In summer 2019, the State Historic Preservation Office (SHPO) awarded the Town a Certified Local Government (CLG) grant of \$10,000 to revise the Historic District Design Guidelines. The Town allocated another \$15,000 to the project for a total of \$25,000. The Design Guidelines will provide direction to:

- Property owners as they plan exterior changes
- The Historic District Commission (HDC) as it reviews the appropriateness of all proposed exterior changes to make sure that future changes are consistent with the character of the Town's local historic districts
- Staff as they provide administrative approvals for minor projects

The HDC adopted the current <u>Design Guidelines for Chapel Hill Historic Districts¹</u> in 2002. The HDC reviews exterior alterations, changes in exterior materials, new construction, additions, significant site changes, and the relocation or demolition of historic buildings applying the Design Guidelines. Interior alterations, routine maintenance, and minor repairs to the building's exterior that do not change its appearance and materials are not included in the design review process. The Design Guidelines need to provide a sound basis for consistent and predictable review of applications and maintain the district's historic character. The HDC will adopt new Design Guidelines that reflect the input of the HDC, Town staff, and community members.

PROJECT DETAILS

Project scope includes:

- Provide a clear description of the COA application and review process
- Outline the special character of each of the three local historic districts
- Provide guidance regarding the maintenance of historic building materials
- Provide information about appropriate alternative materials
- Expand guidelines for new construction and additions
- Include guidance for disaster preparedness and recovery
- Include updated photos and graphics
- Present the guidelines in an online/digital format

SUMMARY OF DESIGN GUIDELINE REVISIONS

Some notable changes include:

- Expanded Design Guidelines addressing new construction and new additions
- Increased guidance on design for new garages and accessory buildings
- New sections on foundations for historic buildings, disaster preparedness and planning, as well as separating windows and doors into separate sections
- Improved introductions to each section to provide more insight into common preservation practices
- Character essays describing the distinct character and uniqueness of each local historic district

Staff identified some key items that require further discussion before adopting the final draft of the new Design Guidelines:

- List of activities that require HDC review versus those that staff can administratively approve
- Greater clarity on landscape preservation as the Guidelines currently call for the HDC to review
- Guidance on incorporating sustainable features, such as solar panels and other contemporary devices

PUBLIC ENGAGEMENT DURING THE PANDEMIC

- In lieu of in-person meetings, staff asked for Committee members' individual reviews and comments on the consultant's proposed Design Guideline revisions.
- Draft revisions are available on the <u>project webpage</u>² and emailed to members of the public. This provides community members opportunity to review and comment on the draft revisions.

¹ <u>https://www.townofchapelhill.org/home/showdocument?id=2405</u>

² https://chplan.us/HDGuidelineRevisions

• Staff expects to have a final public Committee meeting to present all draft Design Guideline revisions and provide an opportunity to discuss any topics that needs further discussion.

TIMELINE FOR COMPLETING THE PROJECT

The Town's contract with the SHPO requires that the project be completed no later than August 21, 2020. Due to the pandemic, the SHPO has advised that the Town continue to move forward on each phase of the project that can be completed safely. SHPO anticipates working with the National Park Service to coordinate extension requests this summer when realistic project deadlines may be established.

Date	Action
November 12, 2019	HDC appoints three members to serve on HDC subcommittee
February 2020	Planning Department contracted with consultant Heather Slane of HMW Preservation
February 17, 2020	HDC Committee Meeting
February 17, 2020	Public Information Meeting
March 16, 2020	HDC Committee Meeting – Cancelled. Draft revisions shared with HDC Committee and community members online and via email for individual reviews and feedback
April 4, 2020	HDC Committee Meeting – Cancelled. Draft revisions shared with HDC Committee and community members online and via email for individual reviews and feedback
June 2020	HDC Committee Meeting
June 2020 (TENTATIVE)	Public Information Meeting
July 14, 2020 (TENTATIVE)	HDC review of the final draft of the Design Guidelines
August 21, 2020 (TENTATIVE)	Project completion deadline

Meeting materials and copies of the draft design guideline revisions are available on the project's webpage: <u>https://chplan.us/HDGuidelineRevisions</u>.



TOWN OF CHAPEL HILL

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

Item Overview

Item #: 16., File #: [20-0349], Version: 1

Meeting Date: 5/20/2020

Concept Plan Review: Carraway Village, 3000 Eubanks Road (Project #20-023).

See the Staff Report on the next page.

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

PRESENTER: Jake Lowman, Senior Planner

- a. Review of process
- b. Presentation by the applicant
- c. Comments from the Community Design Commission
- d. Comments from the public
- e. Comments and questions from the Mayor and Town Council
- f. Motion to adopt a resolution transmitting Council comments to the applicant.

RECOMMENDATION: That the Council adopt the resolution transmitting comments to the applicant.



CONCEPT PLAN REVIEW: Carraway Village (Project #20-023)

STAFF REPORT

TOWN OF CHAPEL HILL PLANNING DEPARTMENT Judy Johnson, Interim Director Jake Lowman, Senior Planner

Jake Lowman, Senior Planner			
PROPERTY ADDRESS 3000 Eubanks Road	DATE May 20, 2020	APPLICANT William H. Derks, PE on behalf of NR Edge Property Owner, LLC	
STAFF'S RECOMMENDATION	-		

That the Council adopt the attached resolution transmitting comments to the applicant regarding the proposed development.

PROCESS

The Council has the opportunity tonight to hear the applicant's presentation, receive input from the Community Design Commission, receive public comments, and offer suggestions to the applicant.

- Because this is a Concept Plan submittal, statements by individual Council members this evening do not represent a commitment to an official position should the applicant submit a formal application.
- The Community Design Commission reviewed a concept plan for this site on May 18, 2020.

PROJECT OVERVIEW

The Concept Plan is limited to the following modifications to the approved Special Use Permit:

- Adjust the approved permitted uses to allow climate control self-storage on Block G;
- Adjust the approved permitted uses to allow standalone service station/convenience store;
- Adjust the approved modifications to regulations to sign standards reducing the threshold to 20,000 square foot for commercial signage and number of tenant/use signs that can be displayed;
- Remove a stipulation regarding Public Street A;

Size Permitted: 600,000 sq. ft. to 935,290 sq. ft. **Land Area:** 53.75 acres

Current zoning: Mixed Use-Office/Intitutional-1 (MU-OI-1) and Mixed Use-Residential-1 (MU-R-1)

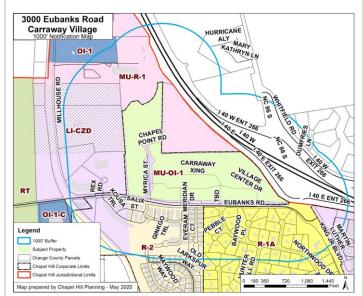
Permitted Uses: business (convenience, general, wholesale, office, clinic); ATM – drive up; bank; barber shop; club; daycare; drive-in window; funeral home; gasoline sales as an accessory use; hotel; place of assembly; publishing; printing; recreation facility; veterinary clinic; essential services; place of worship; public cultural facilities; public use and service facility; school; vocational school; as well as residential uses.

DECISION POINTS

The applicant requested a limited scope Special Use Permit Modification, which requires a Concept Plan review by Council due to the amount of land area involved in the modification request. The Council authorized a limited scope review of the project on March 4, 2020.

The original Special Use Permit approval was granted on February 25, 2015 and amended October 25, 2017.

PROJECT LOCATION



ATTACHMENTS

- 1. Draft Staff Presentation
- 2. Resolution A
- 3. Application Materials and Plan Set
- 4. Community Design Commission Comments from May 18, 2020 (to be provided)



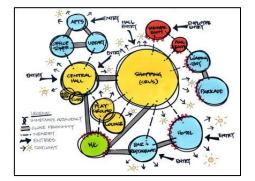
Carraway Village Concept Plan

Town Council May 20, 2020

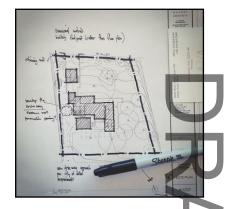
Town of Chapel Hill | 405 Martin Luther King Jr. Blvd. | www.townofchapelhill.org

DRAFT

Types of Council Decisions



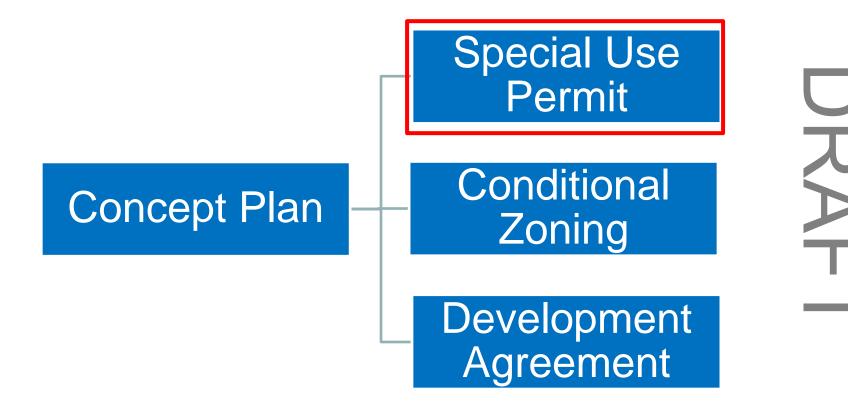
Concept Plans



No Decision; Feedback Only

- Applicant presents rough initial sketch
- Staff does <u>not</u> conduct formal review of concept
 Instead forwards sketch for preliminary feedback

Next Step in Process: Submit Formal Development Application



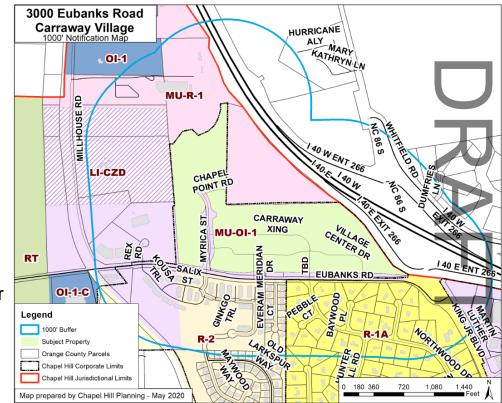
86

Adopt Resolution, transmitting comments to the Applicant regarding the proposed development.

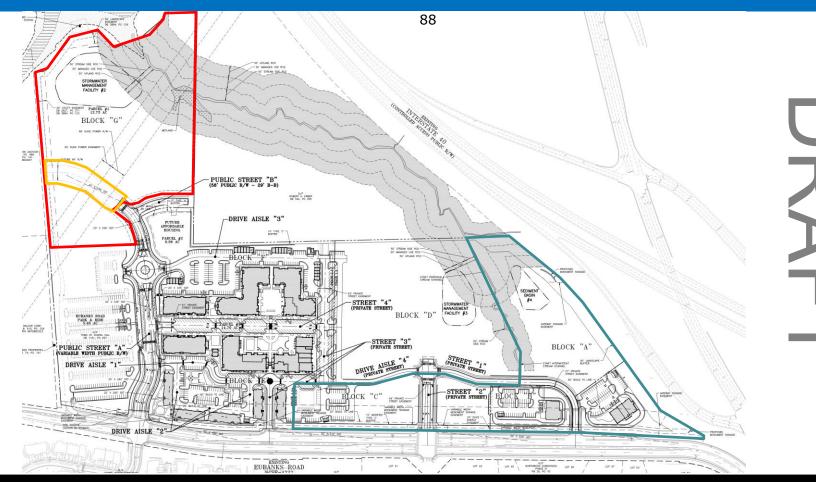
Carraway Village– Project Summary

- Currently entitled by a Special Use
 Permit granted in 2015
- Asking for the following modifications:
 - Adjust the approved permitted uses to allow climate control self-storage on Block G
 - Adjust the approved permitted uses to allow stand-alone service station/convenience store
 - Adjust the approved modifications to regulations to sign standards to reducing the threshold for to 20,000 square foot for commercial signage and number of tenant/use signs that can be displayed
 - Adjust the SUP plan to end Public Street
 A at its current termination point

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Carraway Village– Existing Conditions



Carraway Village– Advisory Board Reviews

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Community Design Commission – May 18, 2020

Carraway Village– Recommendation

 Adopt Resolution, transmitting comments to the Applicant regarding the proposed development.

A RESOLUTION TRANSMITTING COUNCIL COMMENTS ON A CONCEPT PLAN FOR CARRAWAY VILLAGE (2020-05-20/R-6)

WHEREAS, a Concept Plan has been submitted for review by the Council of the Town of Chapel Hill for Carraway Village, PINs 9870-99-0152, 9870-88-9229, 9870-98-5265, 9880-08-2292, 9880-07-7983, 9880-08-8353, 9880-17-1994; and

WHEREAS, the Council has the opportunity tonight to hear this applicant's presentation, receive a set of comments from the Community Design Commission, hear public comments, and offer suggestions to the applicant; and

WHEREAS, the Council has heard presentations from the applicant and members of the public; and

WHEREAS, statements by individual Council members this evening are not an official position or commitment on the part of a Council member with respect to the position he or she may take when and if a formal application for development is subsequently submitted to the Council for formal consideration; and

WHEREAS, the Council has discussed the proposal, with Council members offering reactions and suggestions.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council transmits comments to the applicant regarding this proposal, as expressed by Council members during discussions on May 20, 2020 and reflected in minutes of that meeting.

This the 20th day of May, 2020.

TOWN OR CHAPEL HI					
CONCEP	PT PLAN APP	PLICATI	ON		
Parcel Identif	fier Number (PIN):			89229, 9870985265, 988008 88353, 9880171994	82292, Date: February 25, 2020
Section A: P	Project Informati	on			
Project Nam	ie: Carrawa	ay Village - Lirr	nited Sco	ope Modification to the SUP	
Property Ado		ubanks Road			Zip Code: 27516
Use Groups	(A, B, and/or C):	A, B, C		Existing Zoning District:	MU-R-1 and MU-OI-1
Project Desc	Limited	scope modific	cation to	the approved SUP for mind	or change to uses, public street A, and signs.
110,000					
Section B: A	pplicant, Owner	and/or Cor	ntract P	Purchaser Information	
Applicant Inf Name: Address:	formation (to who William H. Derks 2905 Meridian Pa	ks, PE	idence i	will be mailed)	
City:	Durham		State:	NC	Zip Code: 27713
Phone:	(919) 361-5000		Email:	derks@mcadamsco.com	
this application	ion is true and accu	urate. L. H	1 1		ge and belief, all information supplied with Date: February 28, 2020 aser
Name:	NR Edge Property	Owner, LLC			
Address:	2015 Carrington M	lill Boulevard,	Suite 46	0	
City:	Morrisville		State:	NC	Zip Code: 27560
Phone:	(919) 354-3680		Email:	agolden@northwoodravi	in.com
The undersigr this applicatic Signature:	ned applicant here on is true and accu NR Eage Mone	by certifies t irate.	ihat, to t LL Jike P	the best of his knowledge C Vesident.	e and belief, all information supplied with Date: $3/27/2020$



Concept Plan Project Fact Sheet

Site Description				
Project Name	Carraway Village - Limited Scope Modification to the SUP			
Address	3000 Eubanks Road			
Property Description	50+ acres mixed use development - under construction			
Existing Land Use	Mixed-use of residential/commercial/office			
Proposed Land Use	Mixed-use of residential/commercial/office			
Orange County Parcel Identifier Numbers	(See list on application)			
Existing Zoning	MU-R-1 and MU-OI-1			
Proposed Zoning	MU-R-1 and MU-OI-1			
Application Process	Amended process per Town Council approval 3/4/2020			
Comprehensive Plan Elements	In accordance with SUP approved 2/25/2015 and amended 10/25/2017			
Overlay Districts	N/A			

Торіс	Requirement	Proposal	Status
Use/Density (Sec 3.7)	All fields (this	page and next	
Dimensional Standards (<u>Sec. 3.8</u>)	2 pages) are	in accordance	\checkmark
Floor area (<u>Sec. 3.8</u>)	with Appr	roved SUP	\checkmark
Modifications to Regulations (<u>Sec. 4.5.6</u>)			\checkmark
Adequate Public Schools (Sec. 5.16)			\checkmark
Inclusionary Zoning (<u>Sec. 3.10</u>)			\checkmark
Landscape			
Buffer – North (<u>Sec. 5.6.2</u>)			\checkmark
Buffer – East (Sec. 5.6.2)			\checkmark
Buffer – South Sec. 5.6.2)			\checkmark
Buffer - West (Sec. 5.6.2)			\checkmark

Tree Canopy	
(<u>Sec. 5.7</u>)	V
Landscape Standards	
(<u>Sec. 5.9.6</u>)	V
Environment	
Resource	
Conservation	
District (Sec. 3.6)	
Erosion Control (Sec. 5.3.1)	
Steep Slopes	
(<u>Sec. 5.3.2</u>)	\checkmark
Stormwater	1
Management (Sec. 5.4)	\checkmark
Land Disturbance	
Impervious	
Surface	\checkmark
(<u>Sec. 3.8</u>)	•
Solid Waste &	
Recycling Jordan Riparian	
Buffer (<u>Sec. 5.18</u>)	\checkmark
Access and Circulation	
Road	
Improvements	\checkmark
(<u>Sec. 5.8</u>) Vehicular Access	
(Sec. 5.8)	\checkmark
Bicycle	
Improvements	\checkmark
(<u>Sec. 5.8</u>) Pedestrian	
Improvements	
<u>Sec. 5.8</u>)	•
Traffic Impact	
Analysis (Sec. 5.9)	\checkmark
<u>Sec. 5.9)</u> /ehicular Parking	
Sec. 5.9)	\checkmark
Transit	1
Sec. 5.8) Bicycle Parking	\checkmark
Sec. 5.9)	\checkmark
Parking Lot	1
Standards	\checkmark
Sec. 5.9) Technical	

Fire			\checkmark	
Site Improvements			\checkmark	
Schools Adequate Public Facilities (Sec. 5.16)			\checkmark	
Recreation Area (Sec. 5.5)			\checkmark	
Lighting Plan (Sec. 5.11)			\checkmark	
Association (Sec. 4.6)			\checkmark	

	Meaning	Symbol	Meaning	
\odot	Meets Standard	м	Modification necessary	
NA	Not Applicable	UNK	Not known at this time	



Checklist

The following must accompany your application. Failure to do so will result in your application being considered incomplete. For assistance with this application, please contact the Chapel Hill Planning and Sustainability at (919)968-2728 or at planning@townofchapelhill.org.

\checkmark	Application fee (refer to fee schedule)	Amount Paid \$ 380				
$\overline{\mathbf{V}}$	Pre-application meeting - with appropriate staff					
V	Digital Files - provide digital files of all plans and documents					
$\overline{\mathbf{V}}$	Concept Project Fact Sheet					
N/A	Statement of Compliance with Design Guidelines (1 copies)					
N/A	Statement of Compliance with Comprehensive Plan (1 copie	is)				
N/A	Affordable Housing Proposal, if applicable (Rezoning Policy or Inclusionary Ordinance)					
\checkmark	Mailing list of owners of property within 1,000 feet perimete	er of subject property (see GIS notification tool)				
$\overline{\mathbf{V}}$	Mailing fee for above mailing list Amount Paid \$					
\checkmark	Developer's Program – brief written statement expiaining he Including but not limited to:	ow the existing conditions impact the site design.				
	Natural features of site					
	 Access, circulation, and mitigation of traffic impacts 					
	 Arrangement and orientation of buildings 					
	 Natural vegetation and landscaping 					

- Impact on neighboring properties
- Erosion, sedimentation, and stormwater

\checkmark	
\checkmark	

Resource Conservation District, Floodplain, & Jordan Buffers Determination - necessary for all submittals

Reduced Site Plan Set (reduced to 8.5"x11")

Plan Sets (1 copies to be submitted no larger than 24"x36")

Plans should be legible and clearly drawn. All plan sets sheets should include the following:

- **Project Name** .
- Legend
- Labels
- North Arrow (North oriented toward top of page)
- Property Boundaries with bearing and distances
- Scale (Engineering), denoted graphically and numerically
- Setbacks and buffers
- Streams, RCD Boundary, Jordan Riparian Buffer Boundary, Floodplain, and Wetlands Boundary, where applicable



Area Map

- a) Project name, applicant, contact information, location, PIN, & legend
- b) Dedicated open space, parks, greenways
- c) Overlay Districts, if applicable
- d) Property lines, zoning district boundaries, land uses, project names of site and surrounding properties, significant buildings, corporate limit lines
- e) Existing roads (public & private), rights-of-way, sidewalks, driveways, vehicular parking areas, bicycle parking, handicapped parking, street names.
- f) **1,000'** notification boundary

Existing Conditions Plan

- a) Slopes, soils, environmental constraints, existing vegetation, and any existing land features
- b) Location of all existing structures and uses
- c) Existing property line and right-of-way lines
- d) Existing utilities & easements including location & sizes of water, sewer, electrical, & drainage lines
- e) Nearest fire hydrants
- f) Nearest bus shelters and transit facilities
- g) Existing topography at minimum 2-foot intervals and finished grade
- h) Natural drainage features & water bodies, floodways, floodplain, RCD, Jordan Buffers & Watershed boundaries

Proposed Site Plan

- a) Existing building locations
- b) General location of proposed structures
- c) Parking areas
- d) Open spaces and landscaped areas
- e) Access points and circulation patterns for all modes of transportation
- f) Approximate locations of trails, pedestrian and bicycle connections, transit amenities, and parking areas
- g) Approximate location of major site elements including buildings, open areas, natural features including stream buffers, wetlands, tree stands, and steep slopes
- h) Proposed land uses and approximate location

