



TOWN OF CHAPEL HILL

Town Council

Meeting Minutes - Draft

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

Mayor Pam Hemminger
Mayor pro tem Jessica Anderson
Council Member Donna Bell
Council Member Allen Buansi
Council Member Hongbin Gu

Council Member Nancy Oates
Council Member Michael Parker
Council Member Rachel Schaeitz
Council Member Karen Stegman

Wednesday, January 31, 2018

7:00 PM

RM 110 | Council Chamber

** Items reissued from the canceled January 17, 2018 meeting.*

Rollcall

Present: 9 - Mayor Pam Hemminger, Mayor pro tem Jessica Anderson, Council Member Donna Bell, Council Member Allen Buansi, Council Member Hongbin Gu, Council Member Nancy Oates, Council Member Michael Parker, Council Member Karen Stegman, and Council Member Rachel Schaeitz

Other Attendees

Town Manager Roger L. Stancil, Deputy Town Manager Florentine Miller, Town Attorney Ralph Karpinos, Community Specialist Mark Losey, Fire Chief Matt Sullivan, Emergency Management Coordinator Vencelin Harris, Senior Planner Kay Pearlstein, Housing and Community Assistant Director Sarah Vinas, Manager of Engineering and Infrastructure Chris Roberts, Assistant Town Manager Mary Jane Nirdlinger, Business Management Director Kenneth C. Pennoyer, Director of Planning and Development Services Ben Hitchings, Business Management Assistant Director Amy Oland, Senior Planner Aaron Frank, Assistant Police Chief Jabe Hunter, Community Safety Communications Specialist Ran Northam, Community Manager Catherine Lazorko, Housing and Community Executive Director Loryn Clark, Operations Manager Richard Terrell, HRD Consultant Anita Badrock, Public Works Director Lance Norris, Deputy Town Clerk Amy Harvey

OPENING

0.1 Proclamation: Our Three Winners Day.

[\[18-0082\]](#)

Mayor Hemminger opened the meeting at 7:00 p.m. with a proclamation honoring Deah Barakat, Yusor Abu-Salha, and Razan Abu-Salha, all of whom had been fatally shot at their Chapel Hill home in February 2015. Barakat had been a UNC dental student, and his wife Yusor was about to begin dental school. Razan, Yusor's sister, had been an undergraduate at NC State University, Mayor Hemminger said.

Mayor pro tem Anderson read the proclamation, which declared February 10th to be Our Three Winners Day in Chapel Hill, and was dedicated to the three students' commitment to service and selfless community work. The proclamation called upon Chapel Hill residents to observe the week through acts of community service, and by participating in community events. She explained that an Our Three Winners foundation had awarded more than \$100,000 to organizations and students who were carrying on the legacy of service and community building.

Mayor pro tem Anderson presented the proclamation to Nida Allam, an Our Three Winners activist, who said that it would challenge citizens to ask themselves what they were doing to emulate Barakat, Razan, and Yusor. The three should not be remembered with sadness, but for the positive impact that they had, said Ms. Allam.

Mayor Hemminger thanked the family and community, and said that it was inspiring to see grief had been turned into productivity and service.

0.2. Proclamation: Chapel Hill High School Men's Varsity Soccer Team Championship.

[\[18-0083\]](#)

Mayor Hemminger read a proclamation congratulating the Chapel Hill High Men's Varsity Soccer Team for winning the North Carolina High School Athletic Association (NCHAA) Men's Soccer Championship on November 18, 2017. Under the guidance of Head Coach Justin Curtis, and Assistant Coaches Kevin Davis Boyle and Ron Benson, the team had won the East Regional Championship and the Conference Championship for the second and fifth straight seasons, respectively, she said. Mayor Hemminger told team members that they had brought honor to their school, the Town, and the entire school district. They served as an inspiration to youth throughout the community, she said, and expressed gratitude on behalf of the Town for the team's dedication and hard work.

ANNOUNCEMENTS BY COUNCIL MEMBERS

a. Mayor Hemminger Regarding Passing of Former Council Member David Godschalk.

[\[18-0084\]](#)

Mayor Hemminger commented on the recent death of former Council Member David Godschalk, stating that he had been an important community member who had striven hard to bring people together to plan for the future. Mr. Godschalk had been a distinguished UNC professor, and an integral part of many Town planning processes, and he would be missed, she said. Mayor Hemminger sent thoughts and wishes to Mr. Godschalk's family, and said that a service was being planned for later in February.

b. Mayor Hemminger Historic District Commission Vacancies.

[\[18-0085\]](#)

Mayor Hemminger announced that the Historic District Commission was seeking applicants to fill two vacancies. Those interested should submit applications by noon on February 13th, and the Council would choose new members on February 28, 2018, she said.

c. Mayor Hemminger Regarding Upcoming Meetings.

[\[18-0086\]](#)

Mayor Hemminger said that the Committee for Economic Sustainability would meet at 8:00 a.m. on Friday at the Public Library. There would also be a Council Work Session at the Library the following Wednesday, she said. She encouraged residents to look at the meetings and interest groups that were listed on the Town Calendar.

1. Winter Storm Inga Update. (no attachment)

[\[18-0073\]](#)

Fire Chief Matt Sullivan gave a PowerPoint update on the Town's response to the recent winter storm Inga. He showed photos of 6-12 inches of accumulation, and explained how Town staff had prepared for the storm, and communicated internally and externally. Chief Sullivan emphasized the Town's focus on teamwork, responsibility, professionalism, and safety. He asked employees from the Parks and Recreation, Public Works, Fire Department and Police Department to stand.

Chief Sullivan reported that storm Inga had had significant impact, and had been followed by extremely cold temperatures, which had complicated snow removal and clean-up efforts. The storm cost the Town more than \$100,000, he said. He described efforts to communicate with the public through news releases, social media, door-to-door visits, and a Storm Call Center that the Human Resource Development office had helped to manage.

Chief Sullivan also noted that the Town's Emergency Management Coordinator had retired. He said that Vencelin Harris, a 24-year veteran of the Chapel Hill Fire Department, would take that position.

Human Resources Development Consultant Anita Badrock explained that she, and nine other Town employees had worked at the Storm Call Center, and had received about 175 calls over a two-day period. She provided a breakdown of callers' concerns, which included transit questions (43 percent), snow removal/road conditions (33 percent), and questions about trash removal, UNC services, downed trees, and more. The call center had provided a centralized resource for callers, and freed other staff members to communicate with the field, rather than taking calls and questions from the public, she said. Ms. Badrock gave anecdotal testimony about citizens whom the call center had helped, and said that the 10 Town employees who had answered those calls hoped that others would sign on as the call center expands and improves.

Chief Sullivan said that Town staff would continue to debrief and learn from Storm Inga. Staff would further develop the call center, continue to

refine and enhance Town messaging, and refine the Town's adverse weather policy, he said.

Mayor Hemminger thanked staff members for what they did, and how thoroughly they did it. "You keep us safe, and the call center was a wonderful addition," she said, adding that she had received positive feedback.

Mayor pro tem Anderson and Council Member Schaevitz thanked staff members for their work.

Council Member Schaevitz praised the call center idea in particular. It was important for those who were not on social media, and it freed others to work in the field, she said.

This item was received as presented.

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.

- a. Environmental Stewardship Advisory Board Request for Council Support of a Resolution Endorsing a Federal Revenue-Neutral Carbon Fee and Dividend Program.

[\[18-0087\]](#)

Tom Henkel, a Chapel Hill resident, read a petition from a citizens' climate lobby that asked the Council to adopt a resolution endorsing a Federal Revenue Neutral Carbon Fee and Dividend Program. He also read a memorandum that referred to a petition that the Environmental Stewardship Advisory Board had submitted to the Council in February 2017, regarding the AIA 2030 petition. Mr. Henkel said that staff had studied the issue, and had submitted a report, and he read four parts of that report that the board endorsed.

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

PUBLIC COMMENT - ITEMS NOT ON PRINTED AGENDA

a. Eugene Farrar Regarding Affordable Housing.

[\[18-0088\]](#)

Eugene Farrar, a Chapel Hill resident, spoke about a prior Council meeting regarding Lakeview Mobile Home Park. During that meeting, Lakeview residents, including children, had asked the Council to let them remain in Chapel Hill, rather than being displaced by development, he said. Mr. Farrar said that the Town had a great opportunity to buy that land and preserve it for those who are poor and disenfranchised. He pointed out that the Town had spent approximately \$8 million to buy property on Legion Road. Mr. Farrar quoted Dr. Martin Luther King, Jr: "Our lives begin to end the day we become silent about things that matter." He said that the Lakeview issue mattered to him, and should matter to the Council as well.

Mayor Hemminger replied that the Council did care about Lakeview's residents, and a group was working very hard on the issue. The Town had met with its partners, and was putting a plan together, she said.

CONSENT

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

Approval of the Consent Agenda

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

2. Approve all Consent Agenda Items.

[\[18-0074\]](#)

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

3. Consider Proposed Revisions to the Ethics Guidelines for Town Advisory Boards and Commissions.

[\[18-0075\]](#)

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

INFORMATION

4. Receive Upcoming Public Hearing Items and Petition Status List.

[\[18-0076\]](#)

Mayor Hemminger explained that the Town was going through the Petitions list. Staff had not yet responded to some who were on it, but would do so shortly, she said.

The item was recieved as presented.

DISCUSSION

5. * Open the Public Hearing and Consider the Sale of Real Property at 127 West Rosemary Street Pursuant to an Economic Development Agreement.

[\[18-0045\]](#)

Town Manager Roger Stancil gave a PowerPoint presentation on a development agreement (DA) with Investors Title to purchase Town-owned land on Rosemary Street that had been appraised at \$285,000. He said that Investors Title had offered \$300,000 for the land, which it would combine with its current property to create a larger parking lot. The offer included allowing the Town to use 75 parking spaces after 6:00 p.m. for a minimum of six years. It also included giving the Town first right-of-refusal if Investors Title decided to sell its property, Mr. Stancil said. He recommended that the Council receive public comment and consider approving the DA. Revenue from the sale could be used to improve downtown parking by repairing the Wallace parking deck, he said

Council Member Oates said that she had thought the right of first refusal had been taken off the table.

Town Attorney Ralph Karpinos replied that the Town would have notice if Investors Title decided to sell the land. The Town could then make an offer, but the land would likely be combined in a larger tract, he pointed out.

Mr. Stancil said that the process would be similar to the one followed for the American Legion property.

Mayor pro tem Anderson asked how the Town would ensure that parking rates were reasonable and commercially competitive.

Mr. Stancil replied that the Town would monitor the going rates, and that would be enforced as a condition of the legal agreement. He and Mr. Karpinos pointed out that this would be written into the deed and enforceable through communication, and through the courts if there was no compliance.

Mayor pro tem Anderson said that she could imagine Investors Title raising parking rates because of its location and other factors.

Mr. Stancil replied that there had been discussions with Investors Title about using the same management firm that managed other lots in Town. During his conversations with them, they had been very reasonable, and had not done anything that would lead him to believe they had a different

motive, he said.

Council Member Bell confirmed with Mr. Karpinos that there was no specific amount of time specified regarding the right of first refusal. She noted that turnaround for the American Legion property was short. Council Member Bell expressed concern about including a clause that would make a purchase seem plausible when it might not really be probable.

Mr. Stancil said that he thought the advantage of including the clause was that the Town would receive notice, and have an opportunity to participate if the Council chose to do so at that point. While the Town purchasing the combined land seemed unlikely, at least there would be an opportunity to consider that in the future, he pointed out.

Council Member Schaevitz asked about the cost of a pending design contract for the Wallace deck, and if any of the \$300,000 from the Investors Title sale would be left over for repairs.

Mr. Stancil replied that a staff report regarding the design contract would come to the Council in March. He believed that most of the \$300,000 would be used for that, he said. Mr. Stancil noted that the issue had been discussed with Council at the time.

Council Member Oates cautioned against voting for the sale with the expectation that the Town would actually get six years of parking. She pointed out that a clause in the contract stated that the Town could only expect parking until Investors Title redeveloped, or sold the property. Moreover, the applicant was not willing to prorate if they sold before six years, she said, adding that she saw that as a clear indicator that they were keeping their options open.

Mayor Hemminger expressed excitement about the option. The Town needed more parking at peak times, especially in that location after 6:00 p.m., she said. She said that the sale would give the Town breathing room while it looked at the Wallace deck, and had a bigger parking discussion. Mayor Hemminger pointed out that the nature of parking would change - with more use of shared resources, zip cars, Ubers, and public transit. Towns were studying whether they should build more parking, she said. The sale to Investors Title was an opportunity to get more parking during peak times, and to get paid for it, Mayor Hemminger pointed out.

Mr. Stancil said that Investors Title had about 120 employees, and might need to move if it could not secure sufficient parking. Having those spaces available to the Town at night would mean taking an unused resource and getting revenue from it, he pointed out. He believed that Investors Title was serious about doing that, Mr. Stancil said.

A motion was made by Mayor pro tem Anderson, seconded by Council

Member Parker, that R-3 be adopted. The motion carried by the following vote:

Aye: 8 - Mayor Hemminger, Mayor pro tem Anderson, Council Member Bell, Council Member Buansi, Council Member Gu, Council Member Parker, Council Member Stegman, and Council Member Schaevitz

Nay: 1 - Council Member Oates

6. * Approve the Housing Advisory Board's Recommended Funding Plan for the Affordable Housing Development Reserve.

[\[18-0043\]](#)

Executive Director for Housing and Community Loryn Clark opened a PowerPoint presentation on the use of funds from the Town's Affordable Housing Development Reserve "A Penny for Housing". She said that staff had received many questions from the Council in recent days, and would provide answers to those questions at the current meeting or soon after.

Assistant Director for Housing and Community, Sarah Vinas continued the PowerPoint presentation. She provided background on the Reserve since the Town established it, and the Council approved an allocation strategy in 2015. She said that there had been eight funding cycles since that time, and the primary goal had been to create and preserve affordable housing (AH). Ms. Vinas described the process and scoring methods. She said that \$2.75 million (\$688,395 annually) had been allocated since 2015. She showed pictures of the range of Town projects, and said that 95 housing units and five preservation projects had been completed, and 95 more AH units were in the pipeline.

Ms. Vinas mentioned the following requests for funding in the upcoming cycle: A \$100,000 request from Community Home Trust to acquire two single-family homes at the Courtyards at Homestead, and age-restricted (55+) community where the developer was making a \$803,250 payment in lieu to the Town; a request from DHIC for \$700,000 for the second phase of Greenfield Commons, an affordable rentals project for residents 55 and older. Ms. Vinas said that the Housing Advisory Board (HAB) had unanimously approved both applications in the full amounts requested. Staff was recommending that the Council adopt Resolution 4, approving the HAB's recommendation, she said.

Community Home Trust Executive Director, Robert Dowling explained a unique opportunity to obtain AH at the Courtyards at Homestead. He said that an anonymous donor had offered \$400,000 toward the purchase of AH. However, each home would cost more than \$380,000, so \$180,00 more would be needed for each with the goal of selling them for no more than \$80,000, he said. Mr. Dowling pointed out that this opportunity had risen because of the vision and generosity of one person who was seeking diversity. He had never experienced such an event before, Mr. Dowling

said.

DHIC Vice President for R.E. Development Natalie Britt provided background information on DHIC's involvement with the Town as a non-profit partner in the Greenfields AH tax credit project. She said that the first phase, Greenfield Place, had been developed on Town-owned land in 2013, and that HDIC had applied to build the second phase, Greenfield Commons, in 2016. Ms. Britt outlined DHIC's financing plan, and asked for \$700,000 from the Town. She explained that DHIC could leverage \$8.42 of additional funds for every \$1.00 that the Town contributed. Ms. Britt described the proposed AH units, which would be targeted to those making 60 to 30 percent of the area median income (AMI), and said that there already was a waiting list for the units. Ms. Britt explained that contingency had been built in, and said there would be no cost overruns.

Council Member Gu asked how many people at Greenfield Place had moved there from within Chapel Hill, and how many were from neighboring communities.

Ms. Britt agreed to provide that information.

Council Member Buansi confirmed with Ms. Britt that there were 15 people on the waiting list for Greenfield Commons. Others had decided to come back later after being told that the project was about a year away, she said, adding that demand was huge.

Council Member Schaevitz asked questions on behalf of residents who could not be present. What was the source of the cost over-runs, she asked, and wasn't the estimated value of the Town's land donation out of date, and potentially worth more now?

Ms. Britt replied that construction costs had increased by 10 to 14 percent over a two-year period, and interest rates had risen as well. In addition, pricing on tax credits had dropped due to tax rate changes. It had been a perfect storm of many things that were out of HDIC's control, she said. With respect to the land, Ms. Britt said that its current value might be higher, but the per unit subsidy was still in the normal range when compared to what other Triangle local governments do. She said the Greenfield Commons tract had been appraised at \$1.3 million.

Betsy Crittenden, a Courtyards at Homestead resident, expressed support for the Community Home Trust request. The Courtyards community were strongly in favor of AH, and would very much like to see the two homes constructed, she said.

Housing Advisory Board (HAB) Chair Mary Jean Seyda said that the HAB had enthusiastically recommended both projects. The HAB was excited about receiving the applications because of the need for a range of AH in the community, and felt that both projects were highly leveraged and

great investments for the Town, she said.

Council Member Gu asked about the HAB's criteria for recommending projects.

Ms. Seyda replied that projects get more points for serving lower income ranges. They also look at the experience, and its track record of the applying agency, and its ability to collaborate with other Town agencies and resources, she said. The HAB looked at whether agencies accept rental subsidies, have property management experience, and use any universal design approaches, Ms. Seyda explained. She said that the HAB also considered environmental features, the length of the affordability, and whether or not the project met a Town priority.

Ms. Gu asked if the HAB gave any priority to low-income Town residents who were being displaced by development, such as those in the Lakeview Mobile Home Park.

Ms. Seyda replied that the issue had not been before the HAB in the past, and they had not yet discussed it. She pointed out that there could be discussions about whether or not those who had been displaced could go into one of the the AH units that the Town had already approved. There were also some creative approaches that the HAB had approved in the past that could be brought to the table, Ms. Seyda said.

Mayor Hemminger pointed out that the Town would have to work with fair housing laws.

Council Member Bell pointed out that the DHIC project was not a market rate development, and would be advertised through local providers rather than through publications. She cautioned against overestimating the mobility of people who were poor. She said that basing an equation on the current value of an asset that the Town sold two years ago was not a good way to calculate cost to the Town. It was important to not go back in time, and rejigger numbers because the cost of development had changed, she said. Council Member Bell expressed strong support for Community Home Trust's request. The Town had wanted AH in the Courtyards at Homestead, but had not been able to figure out how to negotiate it with the developer, she pointed out.

Council Member Stegman said that the DHIC projects were exactly the kind of investments the Town should make, since simply negotiating a unit here and there would not reach the goal. She said that the market would not take care of people at low income levels, and the Town had to address those needs. The DHIC project was a great example of partnership and leveraging, and was very much in line with Town goals, she said. Council Member Stegman proposed exploring the DHIC opportunity for those who were being displaced, as well as, those who work in Town, but cannot afford to live there.

Council Member Parker expressed enthusiasm for doing things at scale. He commented that getting 149 units at one time was "huge," and a bargain, and said that he was thrilled and delighted about it. He also thanked the anonymous donor on behalf of the Council. That donation was "a super thing to do, and we are all tremendously grateful," he said.

Council Member Oates mentioned that the Courtyards at Homestead project was in her neighborhood. She said that she felt moved to see the neighbors come together in support of AH. The Courtyards and the DHIC projects were very different, but they were both for senior citizens, and she appreciated having decent, nice housing for low-income retirees, she said.

Council Member Schaevitz praised the collaborative efforts of both applicants, and the collective effort of many who had been working hard to make that level of AH possible. She expressed enthusiasm regarding the donation, and the neighborhood fund-raising at the Courtyards. That exemplified the spirit that the Town was trying to promote, she said. There were Town residents who did want AH in their neighborhoods, and she hoped this project would inspire others, she said. Council Member Schaevitz told about a young, single mother, who worked in Town, and had moved into Greenfields Place, and gotten a fresh start to her life. She said that she was happy and proud, that there would be more people like that woman.

Mayor pro tem Anderson agreed with what all the other Council members had said. She expressed appreciation to DHIC staff for responding to all of her questions. She lauded the project for having leveraged so many resources, and said that the Town should explain what a huge success that was. It was not every day that the Town built that many units for that cost, she pointed out. She knew many people who could not afford to live in Town, and the Council still had a lot of work to do, said Mayor pro tem Anderson.

Council Member Buansi thanked the HAB for laying out its criteria for considering requests. It was a team effort on everyone's part, and that was what it would take to continue addressing the AH crisis, he said. It would require continued cooperation, and he hoped to see more of the generosity that the donor had modeled, said Council Member Buansi.

Council Member Bell noted the work of those in an AH rental that had determined the need for a fund to support AH. She thanked Mr. Stancil and all others who had worked on the Affordable Housing Development Reserve, and advocated for a strategy that made funds available.

Mayor Hemminger said that the anonymous donor was hearing the Council's heartfelt gratitude. She thanked the Town partners who had worked on the projects, and expressed appreciation to DHIC for its difficult

work all over North Carolina. She pointed out that it was a difficult and changing time for DHIC, and said that the Council was grateful for the huge impact they were having in Chapel Hill. Mayor Hemminger thanked Mr. Dowling, as well as Town housing providers and staff. The Town had a lot more hard work to do on AH, but should remember to stop and celebrate that it was making progress, she said.

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

7. * Open the Public Hearing and Consider a Request to Close a Portion of Public Right-Of-Way on Flemington Road between Maxwell Road and Brandon Road.

[\[18-0046\]](#)

Engineering and Infrastructure Manager Chris Roberts responded to a request to partially close a public right-of-way on Flemington Road. In a PowerPoint presentation, he reviewed a process that had begun with a DA approval in June 2014. Mr. Roberts outlined a request by Glen Lennox to close part of the right-of-way. He noted that the realignment had been approved as part of the DA, and that the Glen Lennox developer owned the property on both sides. Mr. Roberts recommended that the Council approve Resolution 5.

George Retschle, representing Ballentine and Associates, showed the Glen Lennox area on a map, at the intersection of N.C. 54 and U.S.15-501. He explained that Phase I of the development had been approved, but that Flemington Road needed to be moved about 30 feet as part of the design. That would require abandoning a portion of the right-of-way that would no longer be needed, he said. Mr. Retschle said that a new right-of-way would be dedicated in the realigned road.

A motion was made by Mayor pro tem Anderson, seconded by Council Member Bell, that R-5 be adopted. The motion carried by a unanimous vote.

8. Update on Municipal Services Center.

[\[18-0077\]](#)

Assistant Police Chief Jabe Hunter began a PowerPoint update on a Municipal Services Center (MSC) project. He provided information about the current Police Department facility's inadequacy, and need for major repairs. Mr. Hunter said that other Town facilities were in poor condition, as well, and the Town envisioned co-locating them in one MSC. He discussed the benefits of having a shared environment where daily cross-departmental collaboration could thrive.

Mr. Hunter showed a proposed location on the University of North Carolina (UNC) property on Estes Drive Extension. He said that staff had held three community information sessions since March 2017. Stormwater issues had been the main concern raised at those meetings, and staff believed that those issues could be mitigated with proper engineering and design. Mr. Hunter said that UNC and the Town had been working on a

development agreement (DA) since September 2017, and that more community sessions were scheduled for February 5th and 15th, and March 1, 2018.

Senior Planner Aaron Frank reviewed the history of the project and summarized some of the discussion points and milestones that had been reached during the DA process.

Council Member Parker said that he liked the draft Guiding Principles, but wanted the Town to make promises that it could keep.

Assistant Town Manager Mary Jane Nirdlinger described ongoing conversations with UNC, and said that the project had gone into design, community engagement, negotiation, and conversation in recent months. The University had an opportunity to provide feedback on revised designs, and had continued the conversation about what a lease structure would look like, she said. Phase 4 would include finalization of the DA, review by the Town, advisory boards, and UNC, and the Planning Commission would provide a recommendation to Council, she explained.

Ms. Nirdlinger showed an early concept plan, and reviewed key tenants, such as a vegetative buffer along the South and East. In Phase I, she said, the MSC would be the core building, flanked by additional future office space for UNC. She described dual access points for Emergency Services, and said there would be a pad for a future fire station. Since a September kick-off meeting, there had been three community workshops regarding site and building orientation, and stormwater management, she said. The Town would continue to have community meetings in that format moving forward, Ms. Nirdlinger said.

Eric Schoenagel, representing Little Architecture, gave a PowerPoint overview of concept designs for four preliminary projects on the site. He said that the design team's next steps would include the following: condensing the development area; evaluating opportunities for a contiguous tree canopy; exploring distributed stormwater control measures; assessing transportation and multi-modal inter-connectivity; studying options and costs for structured parking in order to minimize surface parking; and considering greenways and trails as a public amenity.

Ms. Nirdlinger reviewed Guiding Principles that the Town had developed with the help of the neighboring community. These were: to preserve 50 percent of the site; to design with empathy (as though you lived there); to exhibit environmental leadership; and to exceed stormwater requirements. She asked that the Council refer those principles to the DA negotiations. Ms. Nirdlinger pointed out that there was still much work to be done on refining specifics.

Business Manager Ken Pennoyer discussed fiscal impacts and resources. He said that the funding plan included a combination of General Obligation

Bonds and installment financing. Construction could start in late 2018, or 2019, he said, noting that the cost of construction escalated \$1 million per year. He pointed out that the project costs included coal ash mitigation.

Mr. Pennoyer said that funding sources would include proceeds from the sale of the Old Town Library building, Parks and Recreation bonds, and installment financing, and would total \$35,700,000. He explained that funds would be used for pre-construction and design, construction, furniture, fixtures and equipment, and coal ash mitigation on the current Police Department site. Mr. Pennoyer discussed a capital financing plan for the next five years, as well as, ways to remedy anticipated cash flow problems in 2023-25.

Ms. Nirdlinger said that next steps would include additional community meetings, refining the site layout, capturing development standards, reviewing the project with Town boards and commissions, and then returning to Council. She recommended that the Council approve Resolution 6, to receive the draft Guiding Principles, and refer them to the Town Manager and Town Attorney for the DA negotiations.

Council Member Parker said that he liked the Guiding Principles but was concerned about making promises the Town could not keep. He asked how confident staff was that it could meet the 50 percent conservation criterion.

Ms. Nirdlinger replied that the Town understood and agreed with the intent, but the design was not yet refined to the point where she could answer that question.

Council Member Gu asked if 50 percent referred to Phase 1 or Phases I and II combined.

Ms. Nirdlinger replied that the layout being shown was the ultimate site build-out. Fifty percent referred to half of full build-out, she said, adding that staff's goal was to construct the first building and associated infrastructure somewhere on the site. There were no current plans for a future building, but staff wanted to show full build-out of the site rather than coming back in a few years "for another bite of the apple," she said.

Council Member Oates asked why the Town was responsible for UNC's coal ash cleanup.

Mr. Karpinos replied that issues regarding what needed to be done, and who was responsible, were far from resolved. The number shown was for estimating purposes only, he said.

Council Member Stegman confirmed with Ms. Nirdlinger that the Stormwater Advisory Board would review the project, and that the university was flexible regarding a start date.

Mayor Hemminger verified with Ms. Nirdlinger that the lease would have to be approved by the Council of State, and the building would have to go through the normal approval process with UNC's Buildings and Grounds Department, and its Board of Trustees.

Ms. Nirdlinger said that the Board of Trustees would approve the site, and then the Town would have to bring the building through UNC's building approval process. The Board of Trustees would also have to approve the DA, she pointed out.

Carmen Elliott, an area resident, expressed gratitude to the Town for fostering community meetings regarding concerns. The neighborhood had consistently asked that a minimum of 50 percent of contiguous land be preserved in perpetuity, she said. They had also asked that the MSC be three stories high, as close to Estes Drive as possible, and that it have an attached parking deck rather than surface parking, she said. Ms. Elliott asked the Council to keep preservation of land and neighbors' needs first and foremost in the design. She stressed the importance of staff conveying the community's position accurately to Council, and asked Council members to keep in touch and attend neighborhood meetings.

Tim Williams, an area resident, praised Town staff for keeping neighbors informed, and giving them access to the design team. He pointed out a letter to Council from approximately 60 homeowners regarding concerns that they continued to have. Mr. Williams asked Council members to make the Guiding Principles part of the DA. He would also like to see something about limiting impact on the neighborhood included under "design drivers," Mr. Williams said.

Fred Stang, an area resident, thanked the Council members who had gone out and walked the property, noting that residents wanted the Town to see the project from the neighborhood's perspective. In addition to the right of quiet enjoyment of their property, property value was a factor, he said. Mr. Stang asked the Town to have an appraisal done of the project's probable impact on neighboring real estate values.

Mem Wood, a new homeowner in area, expressed appreciation to the Town for listening to neighbors, and said she supported incorporating the Guiding Principles into the process.

Mayor pro tem Anderson thanked staff and neighbors for working together, and said that she absolutely supported including the Guiding Principles. Building closer to Estes Drive would be great, too, as would having a parking deck, if the Town could afford it, she said. Mayor pro tem Anderson said that having a 50 percent buffer was a great goal, and that she loved the idea of being able to improve stormwater. The project was an opportunity to make things better, not worse, she said.

Council Member Schaevitz said that she appreciated the clarity and specificity of the Guiding Principles. She said that it had been useful to have UNC representatives, Council and community members, Town staff, and designers together for a conversation.

Council Member Parker said that walking the property with neighbors had brought out concerns about stormwater challenges. The Town's standard was to not make things worse, but he thought there was an opportunity and obligation to make things better at that location, he said. With the Guiding Principles as a basis, the Town would strive to make the project as good to the neighborhood as possible, he pledged, adding that he hoped the Town would find the funds to address some of the serious stormwater concerns. Council Member Parker pointed out that receiving 21 free acres from UNC would save taxpayers money, and allow putting the EMC in a much better location than the previous options.

Council Member Gu thanked all who had participated in the process. She said that she, too, hoped to use the opportunity to mitigate existing stormwater conditions, and was glad that the Stormwater Advisory Board would be part of the process. She felt confident that there would be resolutions to benefit all, said Council Member Gu.

Mayor Hemminger pointed out that the project had been a good example of community, Town, University and partners working together for a positive outcome. She felt confident that they would resolve some stormwater issues, and become better neighbors than a typical development would, she said.

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

9. * Report on the Town's Comprehensive Annual Financial Report (CAFR) for the Period ended June 30, 2017 and Financial Update Presentation.

[18-0042]

Kari Dunlap, an audit manager from Martin Starnes and Associates, gave a brief overview of the auditing process. she said that the Town had received an unmodified (clean) opinion for the year.

Interim Director of Business Management Amy Oland reviewed the Comprehensive Annual Financial Report (CAFR) contents. While the CAFR included Townwide financial statements, the major funds gave the best indication of the Town's financial results, she said. Ms. Oland explained that there were two different sets of major funds - Governmental Funds and Enterprise Funds. She said that each fund used a different basis of accounting, and she explained the differences.

Ms. Oland said that CAFR results showed whether the Town was better off than it had been a year ago, and whether there were any trends or

conditions that needed to be addressed. The FY 2017 report showed a "clean" opinion from the auditors, she said. Ms. Oland added that the Town had been awarded a Certificate of Excellence for FY 2016, and was expected to do so for FY 2017, as it had for 32 consecutive years. Ms. Oland said that the Town continued to maintain a AAA bond rating as well.

Business Management Director Ken Pennoyer explained the Town's total net position had decreased by about \$3.8 million in FY 2017, split evenly between a \$1.9 million decrease in Governmental Funds, and a \$1.9 million decrease in Enterprise Funds. The Town's General Fund balance was down \$8.2 million, but much of that had been planned for the American Legion property purchase, two large transfers for AH, and post-employment benefit accumulated funds, he said.

Mr. Pennoyer explained that the Town's "Rainy Day Fund" had been relatively stable over the last eight years, but had dropped to 20.2 percent for FY 2017, he said. He reminded Council members that the Town had informally established a Fund Balance floor of 22 percent.

Mr. Pennoyer said that the Town's employee turnover rate of a little less than 10 percent had provided savings of about \$3.4 million in the FY 2017 budget. Even though the Town was using Fund Balance to balance the budget, savings through lapsed salaries balanced it out, and allowed the Town to finish the year on a more or less break-even basis, he said.

Mr. Pennoyer discussed sales tax revenues, and said that the Debt Management Fund balance had increased to \$7 million. However, planned debt through FY 2022 was about \$54 million, and new debt service would eventually be about \$3.5 million, he said. As of 2017, the Town had \$70 million worth of outstanding debt, he said, noting that the challenge going forward would be to manage debt issuance in a way as to not go below zero.

Mr. Pennoyer said that the Transit Fund showed a decrease of about \$1.4 million in net assets, due to increases in personnel and depreciation costs, as well as bus purchases to replace federal grants that were no longer unavailable. With regard to the Parking Fund, expenditures exceeded revenues by about \$200,000 in FY 2017, due to unexpected expenditures and costs, he said.

Mr. Pennoyer said that there might be an eventual cash problem, if the results in FY 2018 were similar to that of FY 2017. Staff was monitoring that closely, and the Town might want to look at alternatives to having it as a self-supporting Enterprise Fund, he said.

Mayor Hemminger pointed out that there had been positive results for the first six months of the current fiscal year. Things were not looking quite so dire in the Parking Fund yet, she said.

Mr. Pennoyer said that the Housing Fund had declined in net assets due to housing stock maintenance projects. However, the Town had strong unrestricted net assets as a percentage of budget in that fund, so it was in a relatively good position, he said. He pointed out that there had been changes in the Housing Fund revenue sources over the past few years. The Stormwater Fund had a positive net result for FY 2017, and was in a relatively good position moving forward, he said.

Mr. Stancil gave a brief PowerPoint summary of trends and next steps for solving issues related to the Town's financial condition. He noted that the Stormwater Fund was relatively stable. The reduction in federal funding for Public Housing was concerning, he said, and explained that the Transit Fund had been weakened due to changes in federal funding as well. The Town had begun conversations with UNC regarding transit funding that included discussions regarding a memo of understanding, he said.

Mr. Stancil said that the Parking Fund had been up and down, and was currently in critical condition. He mentioned that a dip in the Debt Fund had not been unexpected, and said that possible solutions were to stretch projects out and/or raise the tax rate to create more revenue. The General Fund was breaking even, but costs and expenses did not run exactly parallel with each other, so the Town needed to find ways to address those, he said.

Mr. Stancil mentioned a plan to maintaining core services. He said that personnel and healthcare costs were rising, and causing a dilemma everywhere. A Town group had been working on recommendations and would be sharing those with the Council, he said. Mr. Stancil said that maintenance that had been put off during the Great Recession was having repercussions, and the Town would need to be thoughtful about how to maintain its older facilities. With regard to strategic initiatives, the Council would decide on those priorities at its upcoming retreat, Mr. Stancil said.

Mr. Stancil said that a mid-year report regarding the Town budget would be issued in the next few days. Over the next few months, the Council would discuss a General Obligation Bond issuance in the spring, he said. He pointed out that the Council retreat would be a critical part of planning for the FY 2019 budget process. The Council had been discussing a potential AH bond referendum in November 2018, and would need to make decisions about that soon, he said. Mr. Stancil clarified that borrowing money would mean having to raise taxes to pay it back.

Council Member Bell said that the Town had lowered the amount of tax that it put toward debt service in 2010. She confirmed with Mr. Stancil that that was currently half a cent from its former level. Council Member Bell commented that the Town was currently funding its debt at a lower rate than it had been in 2009.

Council Member Oates asked if \$70 million in debt was a reasonable amount.

Mr. Pennoyer replied that it put the Town in the middle of its AAA peer group.

Council Member Oates confirmed with Mr. Pennoyer that the debt had been from things such as the Chapel Hill Public Library, the Town Operations Center, the Aquatics Center, and a number of other things, such as streets and parks and recreation projects.

The item was recieved as presented.

10. * Parking Update Presentation.

[18-0044]

Director of Planning and Development Services Ben Hitchings gave a PowerPoint follow-up to his April 17, 2017 presentation on parking. He pointed out that parking required an integrated strategy to serve a number of functions, and said that staff had been looking at best practices and appropriate strategies - such as shared parking for the downtown and the Blue Hill District.

Mr. Hitchings pointed out that UNC had been a strong partner in providing transit services, which had helped reduce parking on campus. He said that benefits and challenges associated with best practices for mitigating traffic included parking payments in lieu, un-bundling parking fees and rents, dedicating on-street spaces for ride/share purposes, and integrating different techniques to increase the effectiveness of each.

Mr. Hitchings discussed potential future changes, such as autonomous vehicles, and pointed out that there was much uncertainty about if/when such changes would occur. He described the impacts on traffic that such changes would have, but said that it probably would be at least a decade or two before those modes of travel would be available. He said that the Town had hired Nelson Nygaard Consulting Associates to analyze current and future parking demand in the downtown area.

Mr. Hitchings said that a payment in lieu was currently the most promising technique for helping new development mitigate the demand it creates. Staff would update language in the Town's Code of Ordinances, and would study other communities for more information regarding best practices, he said, and outlined the following next steps: complete installation of new parking meter system and track resulting data; bring the Council a presentation on Nelson Nygaard research; and present a preliminary analysis of parking in the Blue Hills District, if the Council was interested in seeing that. He asked Council members what other information would be helpful to them.

Council Member Parker confirmed with Mr. Stancil that the Nelson Nygaard

report was scheduled to return to the Council at its second meeting in March.

Council Member Anderson verified with Mr. Stancil that construction for new parking meters would begin in three to four weeks, and that staff was working with the vendor to have them installed as quickly as possible.

Mayor Hemminger said that installation should begin in about 10 weeks, and would be done in phases.

Council Member Oates asked if staff was considering including parking regulations for the downtown when rewriting the Land Use Management Ordinance.

Mr. Hitchings replied that staff would definitely revisit the parking requirements table, and could include those if it was something the Council wanted after having further discussions.

Council Member Gu pointed out that GPS technology could be an alternative to shared parking. With GPS, parking spaces could be pooled together and drivers guided to available spots, she said. Council Member Gu said that such a software approach might be worth exploring because it could be more flexible, and would use existing resources.

Mr. Hitchings replied that the Town would have to do work on its code requirements. He pointed out that demand fluctuated during the day, and said that areas with counter-cyclical uses provided a particular opportunity for shared parking. The proximity of different uses was part of the consideration, he said, noting that available spaces could be too far from the desired destination. However, staff could absolutely look at some of the software opportunities for making existing spaces more broadly available, Mr. Hitchings said.

Mr. Stancil pointed out that the Town was one of a small number of AT&T Smart Cities in the country. Due to its contract with AT&T for extending fiber throughout Town, there was a specialized area of technology consistent with that idea, and he would bring the Council a report, he said.

Mayor Hemminger said that the Town needed to think more broadly about parking. She liked the multi-faceted approach of payments in lieu, providing some parking, and working with the Town's Transportation Management Plan (TMP) program, she said. She pointed out that the Town had taken great steps forward, by rearranging parking, increasing capacity at peak times, moving people around, and partnering with UNC. Carolina Square was going in as well, she said.

Mayor Hemminger said that the Council needed to be ready to discuss parking issues related to new projects. She saw changes ahead, such as autonomous cars, so she was not motivated to spend a lot of money on a

new parking deck that might not bring in enough revenue, she said. Mayor Hemminger advised working with those who want to redevelop downtown to find some kind of balance through a combined approach that would be more than a TMP. She mentioned some ideas that were being discussed, and spoke in favor of balancing approaches.

Council Member Buansi asked if interest in making a payment in lieu differed between residential and commercial property owners.

Mr. Hitchings replied that his first thought was that commercial developers would want to build their own parking on the site. He agreed, but thought that it would be interesting to see what the utilization levels were for the two kinds of development.

Council Member Anderson noted that Mayor Hemminger had mentioned Carolina Square. She asked what that development had done for downtown parking.

Mr. Stancil replied that staff did not yet have enough information to answer that question. There was a possibility that it did not include enough parking, but more time was needed to determine what the impact would be, he said.

Mayor Hemminger asked if there had been enough Council feedback to staff to return with a combined approach. Mr. Hitchings replied that it would be helpful to have the Nelson Nygaard analysis. He proposed starting a discussion based on that, and the Council could then decide whether it wanted staff to bring back a formal recommendation.

Council Member Parker asked staff to provide shared parking information as well.

Mr. Stancil recommended that the Town defer its discussion of the Wallace Deck until after it had the additional information, and Mayor Hemminger agreed.

This item was received as presented.

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, a citizen speaking on an agenda item is normally limited to three minutes. Persons who are organizing a group presentation and who wish to speak beyond the three minute limit are requested to make prior arrangements through the Mayor's Office by calling 968-2714.

**11. Concept Plan Review: Eastowne Redevelopment, Phase I
Medical Buildings, 100 and 600 Eastowne Drive.**

[\[18-0022\]](#)

Senior Planner Kay Pearlstein gave a PowerPoint overview of a UNC Healthcare concept plan for Phase 1 redevelopment of its Eastowne Drive medical offices. On a map, she indicated approximately 13 acres in the western portion of the site near the intersection of U.S.15-501 and Interstate 40. She noted that the area included a creek in an environmentally sensitive area.

Ms. Pearlstein pointed out that staff had not reviewed the concept plan, which was being presented for Council feedback only. The idea was to demolish four of five office buildings and then build a 5-1/2 story parking deck for 1,100 spaces, two 6-story medical buildings, and a 300,000-square-foot medical office building, she said. She pointed out that the existing zoning was OI-2.

Ms. Pearlstein said that the site was in Focus Area 5 in the Chapel Hill 2020 Comprehensive Plan, and on the Town's Land Use Map. She noted its potential connection to light rail and bus rapid transit, and pointed out that the location was a gateway entrance to the Town. She said that key considerations included the following: future redevelopment plans; light rail and bus rapid transit connections in the area; site design as the area builds out; walkability to existing greenways; and connections to other buildings in the area.

Ms. Pearlstein noted that the Community Design Commission (CDC) had wanted additional contextual information, such as what was being proposed for the area around Phase I. The CDC had expressed concerns about the view of the parking deck from nearby apartments, and disturbance to the environmental area, she said. Ms. Pearlstein reported

that the CDC's dissenting opinion was related to the U.S.15-501 landscape buffer, and access to the light rail station. There had been some CDC discussion about having a signature building that could be a focus of that area, she said.

Ms. Pearlstein listed the applicant's three development options, and said that UNC Healthcare had expressed interest in a rezoning/special use permit process for Phase I. Staff recommended that the Council adopt Resolution 7, transmitting comments to the applicant, she said.

Council Member Parker pointed out that nearby Wegmans's traffic impact analysis had not assumed any of the development being described. He said that either Wegmans or the Town would be spending money on traffic mitigation along U.S.15-501, and that any UNC Healthcare development would need its own mitigation. The approach to traffic felt "horribly uncoordinated," he said, and asked if a traffic analysis could be fast-tracked, and built into the plan for Wegmans.

Mr. Stancil replied that the Town had told the NC Department of Transportation that the entire intersection and gateway entrance of U.S.15-501 needed to be redesigned. The Wegmans solutions were only temporary measures, he said.

Simon George, VP of Real Estate at UNC Healthcare, gave a PowerPoint presentation on UNC Healthcare's long-term growth plans, and explained the concept of developing the Eastowne medical buildings in phases. He said that UNC Healthcare wanted its development to be in its hometown, but needed to build fast due to immediate needs. He had met with the CDC, and taken its feedback regarding the parking structure and buffers to heart, he said. He noted that the CDC had asked to see a master plan, and had provided comments regarding the project's walkability and connectivity.

Mr. George reviewed what Ms. Pearlstein had described, and pointed out that five of the 13 acres were in the environmentally sensitive area. He said that designers had looked at parking in many different ways. Since the building would consist of clinical space, and have patients coming and going throughout the day, they believed that the parking structure should be along Eastowne Drive, he said. Mr. George said that a 35-foot buffer would hide the parking nicely. However, there would be a need for temporary surface parking during construction, he said. He described two areas that would be used for that, noting that one spot, by the pond, would become a green amenity at build-out.

Mr. George said that the second project would be a six-story building next to the first one, and the parking structure would be larger to accommodate approximately 520 more parking stalls. He said that UNC Healthcare's goal was to decongest and consolidate services on its main campus by leveraging its existing infrastructure on Eastowne Drive. They wanted the

construction of first building during the summer of 2018, if possible, and hoped to deliver the first building in early 2020, and begin the second one in 2021, Mr. Simon said.

John Martin, an architect with Elkus Manfredi, gave a PowerPoint presentation and discussed the concept of entering into a planning process for the entire 47 acres with the Town and community while the first two buildings were being constructed. He presented a timeline that showed how this could be accomplished. Mr. Martin discussed four of the issues that the CDC had raised: future plans, the environmental and built quality of the site, visibility and buffering, and the arrangement of buildings on the site. He showed renderings of the building as it would be seen from Highway 15-501 and from across Eastowne Drive. Mr. Martin argued that having a building along Eastowne Drive would create a much more imposing presence than the parking garage would.

Dixon Pitt, CDC chair, commented on the opportunity for a great place at the site, and said that the CDC liked the incremental plan, which would limit impact. He said that the applicant had done a good job of addressing the master plan and connectivity issues. Mr. Pitt said that the plan to add sidewalks would improve the area and noted that none currently existed on UNC's side of Eastowne Drive. The CDC's opinion was mixed regarding buffers, but felt comfortable that UNC would create attractive buildings, he said.

Council Member Buansi asked if any Pinegate residents had attended the CDC meeting.

Mr. Pitt replied that he did not know. None had spoken if they were there, he said.

Mayor Hemminger remarked that she had spent a lot of time at Pinegate over the summer, and did not recall how the entrance to UNC's property lined up with Pinegate's entrance. She pointed out that many Pinegate residents use public transportation and said that there were difficulties getting children across the street because of the number of cars. Mayor Hemminger asked if the CDC had discussed any of that.

Mr. Pitt replied that it would be a good point to discuss in the broader conversation about connectivity. The CDC had talked more about the parking deck and the view from the neighborhood, he said.

Mayor Hemminger verified with Mr. Pitt that the CDC had not talked about "wrapping" the parking deck.

Tim Williams, representing USAT Corporation, located on Eastowne Drive, described his office area as a complicated little section of Pinegate. He said that traffic in and out of Eastowne was already horrible, and that no one had mentioned how that would be remedied. Nor had anyone

explained how years of construction would be managed, he said. Mr. Williams asked for more information on potential noise levels, traffic impact, circulation, and debris removal during construction. He expressed support for the project, but said he was concerned about the interim process, and wanted to know if all street parking would ultimately be eliminated.

Mayor pro tem Anderson praised the CDC's report and comments. It was difficult for her to evaluate the project with no master plan that put it in context, but she was glad to hear that traffic impacts would be looked at in a larger, more holistic way, she said. Council Member Anderson commented that the parking deck seemed to dwarf the office space. With respect to AH, she noted that UNC generated a lot of low-paying jobs, and she advocated for having opportunities for people to live near where they work.

Council Member Oates asked for more information about UNC Healthcare's plan to "decongest" its main campus.

Mr. George explained that there were many out-patient clinics on campus, and that UNC was proposing to move those to Eastowne. It would then re-purpose the space for in-patient clinics where people could stay for longer periods, he explained. The patient flow, and commensurate traffic, would then be diminished on campus, Mr. George said.

Council Member Schaevitz asked for more information about AH going forward. She also asked if existing satellite sections of UNC Healthcare would move to the site.

Mr. George replied that the current focus was to move functions from main campus. However, some clinics could be moved from outside main campus as well, and planners were still working through that, he said.

Council Member Gu noted that the environmentally sensitive area was very close to the floodplain. She asked for information on what kind of evaluation processes UNC would use to make sure that construction did not have a negative impact. She was especially concerned about stormwater management, and impact on the floodplain, said Council Member Gu.

Council Member Parker said he preferred the thinner buffer with the caveat that the building should look good if the that buffer were chosen. He suggested minimizing the visual impact of the parking deck by including some sort of functional space, such as food facilities, particularly at ground level. That would make the parking garage more than just a place to park cars, he pointed out.

Council Member Stegman said she agreed with the CDC that parking was important, but there should also be an emphasis on connectivity. She

recommended thinking about ways to encourage modes of transportation other than driving cars.

Mayor Hemminger said that creating walkability at the site was a huge issue. She pointed out that the back of the Eastowne property connected to other neighborhoods, and told the applicant to think about that when looking more broadly at walkability and mobility through the site. Mayor Hemminger said that UNC's Cobb Deck on main campus was an example of a parking deck that was more visually appealing. She stressed the importance of addressing the appearance of a deck that would be facing the Pinegate community.

Mayor Hemminger said that it would be helpful for those coming to the building to be able to see it from the street. She was interested in having a buffer that showed the building, but softened the edges with green and low-growing plantings, she said. Mayor Hemminger said that the Council was pleased that UNC Healthcare wanted to stay in Town, and that she considered it a great partner, and draw to the area. She expressed concern that the parking deck might not be large enough to handle parking from two buildings, though.

Mr. George replied that trips to medical office buildings were typically short, and that parking spots turned over frequently during the day. He said that the plan was for 580 stalls in the first building, and another 520 when the deck was expanded.

Council Member Bell expressed concern about people parking in the deck, and then taking a train somewhere else. With regard to the concept, she said that having a strong, complete design took some pressure off having to have a master plan.

Mayor Hemminger pointed out that the Town would request that electric charging stations be included in the parking plan. The Council would also begin requesting shared ride spots, and a conduit for solar roofs, she said. She told the applicant to keep carbon footprint reduction in mind during design. The Town was excited about the concept plan, and would like to know more about how it would fit into an overall master plan, she said. Mayor Hemminger said that the Council had some concerns that it wanted the applicant to address, but was pleased about keeping UNC Healthcare in Chapel Hill.

A motion was made by Mayor pro tem Anderson, seconded by Council Member Parker, that R-7 be adopted. The motion carried by a unanimous vote.

APPOINTMENTS

13. * Appointment to the Parks, Greenways and Recreation Commission.

[\[18-0050\]](#)

The Council appointed Linda Alexander to the Parks, Greenways and Recreation Commission.

12. Appointments to the Housing Advisory Board.

[18-0078]

The Council appointed Letitia Davidson, Stephen Whitlow, Jim Yamin, and Anne Hoole to the Housing Advisory Board.

ADJOURNMENT

Council members agreed to move the closed session to the following Wednesday.

Mayor Hemminger announced that an Economic Sustainability meeting would be held on Friday morning.

The meeting was adjourned at 11:48 p.m.