

TOWN OF CHAPEL HILL

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

Town Council

Meeting Minutes - Final

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

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

Wednesday, March 22, 2023 7:00 PM

RM 110 | Council Chamber

Language Access Statement

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

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

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In-Person Meeting Notification

View the Meeting

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

Parking

• Parking is available at Town Hall lots and the lot at Stephens Street and Martin Luther King Jr. Boulevard.

See http://www.parkonthehill.com for other public lots on Rosemary Street

• Town Hall is served by NS route and T route, and GoTriangle Routes of Chapel Hill Transit.

Entry and COVID-19 Protocols

[23-0265]

• Entrance on the ground floor.

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

ROLL CALL

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

OTHER ATTENDEES

Interim Town Manager Chris Blue, Deputy Town Manager Loryn Clark, Town Attorney Ann Anderson, Business Management Director Amy Oland, Planning Director Britany Waddell, Planning Manager Corey Liles, Senior Planner Tas Lagoo, Public Housing Director Faith Brodie, Senior Project Manager Sarah Poulton, Affordable Housing Development Officer Emily Holt, Parks and Recreation Interim Director Atuya Cornwell, Police Officer Steven Bradley, Communications Manager Ran Northam, and Deputy Town Clerk Amy Harvey.

OPENING

Mayor Hemminger called the meeting to order at 7:00 p.m. She reviewed the agenda and pointed out that Item 16 had been moved to a later date. Council Member Huynh arrived 7:05 p.m.

ANNOUNCEMENTS BY COUNCIL MEMBERS

0.01 Mayor Hemminger Regarding NCDOT Work on I-40/NC86	<u>[23-0264]</u>
Corner.	

Mayor Hemminger said that representatives from the NC Department of Transportation (DOT) had recently explained that they had cleared a space at the corner of I-40 and NC 86 to be a staging area for work on the Interstate. The DOT was willing to talk about eventually re-treeing that area but would likely have a temporary concrete manufacturing building there during the two-year project, she said.

0.02 Mayor Hemminger Regarding Cedar Falls Athletic Field Ribbon Cutting.

Mayor Hemminger announced that all were invited to a ribbon-cutting ceremony at Cedar Falls Park on March 23rd from 5:30 to 6:00 p.m. to celebrate the new artificial turf. She noted that the Town had recently converted all the lights at Cedar Falls to LEDs, thanks to a grant from Orange County.

	0.03 Mayor Hemminger Regarding Open House for Housing Choice Initiative Event.	<u>[23-0266]</u>	
	Mayor Hemminger announced a community open house at the Seymour Center from 5:30 to 6:30 p.m. on March 27th. The meeting would be about a proposed Housing Choices text amendment and would be the final community open house on the topic, but residents were encouraged to request a virtual or in-person meeting for their neighborhoods, she said. She said that the Council was scheduled to discuss the text amendment again at it April 10, 2023, work session.		
	0.04 Council Member Miller-Foushee Regarding the beginning of the month of Ramadan.	<u>[23-0267]</u>	
	Council Member Miller-Foushee pointed out that the month of Ramadan had begun, and it was a time of reflection and renewal that reinforced patience, perseverance, gratitude, compassion, forgiveness and love. She urged residents to renew the Town's commitment to diversity and religious tolerance and to perform acts of kindness, mercy and understanding in the service of others. She said that an interfaith iftar would be held at the Binkley Baptist Church on March 31st at 6:45 p.m.		
	0.05 Council Member Ryan Regarding Mayor Hemminger's birthday.	<u>[23-0268]</u>	
	Council Member Ryan noted that Mayor Hemminger had recently celebrated her birthday and Mayor Hemminger pointed out that Council Member Ryan's birthday would be the following week.		
	0.06 Mayor Hemminger Regarding Future Meetings.	<u>[23-0269]</u>	
	Mayor Hemminger reminded Council Members that a Council work session had been scheduled for April 10th and a Council Committee on Economic Sustainability meeting would occur on April 15, 2023.		
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			

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

1.	Yaniv Cohen Request for Home Occupation Permit Modification.	<u>[23-0233]</u>
	A motion was made by Council Member Anderson, seconded by Council Member Huynh, that the Council received and referred the petition to the Mayor and Manager. The motion carried by a unanimous vote.	
CONS	SENT	
block.	of a routine nature will be placed on the Consent Agenda to be voted on in a Any item may be removed from the Consent Agenda by request of the Mayor Council Member.	
Appro	val of the Consent Agenda	
Miller-	ion was made by Council Member Berry, seconded by Council Member Foushee, that R-1 be adopted as amended, which approved the Consent da. The motion carried by a unanimous vote.	
2.	Approve all Consent Agenda Items.	<u>[23-0234]</u>
	Mayor Hemminger explained that a Council Member had initially requested that Item 3 regarding ARPA allocations be removed from the Consent Agenda but had then agreed to move forward if the \$500,000 for greenways and the \$500,000 for skate parks were removed and discussed on April 19, 2023. The Consent Agenda had been amended accordingly, she said.	
	This resolution(s) and/or ordinance(s) was adopted and/or enacted.	
3.	Approve the Remaining American Rescue Plan Act (ARPA) Town Project Allocation (amended).	<u>[23-0235]</u>
	This resolution(s) and/or ordinance(s) was adopted and/or enacted (amended).	
4.	Approve Project Ordinance Amendments to Recognize Capital Financing Proceeds for FY 2022-23.	<u>[23-0236]</u>
	This resolution(s) and/or ordinance(s) was adopted and/or enacted.	
5.	Award a Bid for Chapel Hill Transit Bus Stop Improvements.	[23-0237]
	This resolution(s) and/or ordinance(s) was adopted and/or enacted.	
6.	Authorize the Town Manager to Execute Deeds for the Greene Tract Property Transfer.	<u>[23-0238]</u>
	This resolution(s) and/or ordinance(s) was adopted and/or enacted.	

Authorize the Manager to Execute the Wave Two Settlement [23-0239] 7.

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	Agreement Related to the National Opioid Litigation.	
	This resolution(s) and/or ordinance(s) was adopted and/or enacted.	
8.	Authorizing Changes to the Bylaws of the Chapel Hill Downtown Partnership, Inc.	<u>[23-0240]</u>
	This resolution(s) and/or ordinance(s) was adopted and/or enacted.	
9.	Call a Public Hearing to Consider Renewing the Annexation Boundary Agreement between the Towns of Chapel Hill and Carrboro on April 19, 2023.	<u>[23-0241]</u>
	This resolution(s) and/or ordinance(s) was adopted and/or enacted.	
10.	Amend the 2022-23 Council Calendar.	<u>[23-0242]</u>
	This resolution(s) and/or ordinance(s) was adopted and/or enacted.	
11.	Adopt Minutes from November 16, and 30, 2022 and December 7, and 14, 2022 Meetings.	<u>[23-0243]</u>
	This resolution(s) and/or ordinance(s) was adopted and/or enacted.	
INFO	DRMATION	
12.	Receive Upcoming Public Hearing Items and Petition Status List.	<u>[23-0244]</u>
	This item was received as presented.	
13.	Blue Hill Semiannual Report #17.	<u>[23-0245]</u>
	This item was received as presented.	
14.	Receive Report and Recommendations from the Gaps Analysis and Engagement Study.	<u>[23-0246]</u>
	This item was received as presented.	
DISCUSSION		
15.	Consider Authorizing the Town Manager to Execute a Development Contract with Community Housing Partners (CHP) for the Redevelopment of Trinity Court.	<u>[23-0247]</u>
	Public Housing (PH) Director Faith Brodie asked the Council to authorize the Interim Town Manager to execute a contract with Community Housing Partners (CHP) to redevelop the Trinity Court PH community. She said that redeveloping Trinity Court would improve the Town's annual assessment score with the US Department of Housing and Urban	

Development (HUD).

Ms. Brodie reviewed Trinity Court's history since September 2018 when the Town first submitted a Rental Assistance Demonstration (RAD) Program application to HUD. She said that the proposed redevelopment would increase density at Trinity Court from 40 to 54 units. The project would include 16 bicycle parking spaces and a restored natural surface trail, she pointed out.

Attorney Stephen Carr, a partner with Ellinger and Carr, PLLC, outlined required conditions for entering into a ground lease and pointed out that CHP had already achieved the first of those by receiving a 9 percent low-income housing tax credit (LIHTC) award for Trinity Court. All government approvals and required permits were expected to be in hand by summer 2023, he said.

Mr. Carr explained that a development contract would be the third step in the process and was something that CHP needed in order to line up its lenders. He said that a memo of understanding (MOU) had outlined developer responsibilities, confirmed a 99-year ground lease, and stated that the Town anticipated committing \$1,175,691 from Affordable Housing (AH) funds and \$1,500,000 from PH funds to the project. That MOU included responsibilities and protections for the Town, Mr. Carr pointed out, and he reviewed each of those.

Affordable Housing (AH) Development Officer Emily Holt explained that Council authorization would allow staff to execute the contract with CHP. She reviewed the steps in the process and said that groundbreaking would occur in fall 2023 and construction would begin in winter 2025. She recommended that the Council adopt Resolution-9, which would authorize the Interim Town Manager to execute a contract for the Trinity Court redevelopment.

Council Member Parker asked what would happen if Trinity Court became non-functional during the 99-year lease. Attorney Susan Ellinger, a partner with Ellinger and Carr, replied that the Town would control both the lease and the fee simple. Using the property for anything other than AH for those 99 years would constitute a default on the lease, she said. She pointed out that there were local and state protections, such as annual audits and NC Housing Finance Agency rules.

Council Member Miller-Foushee asked about equity considerations, and Ms. Brodie explained that CHP had agreed to use the Public Housing Department's current waiting list, which included equity provisions.

A motion was made by Council Member Parker, seconded by Council Member Huynh, that the Council adopted R-9. The motion carried by a unanimous

[23-0248]

vote.

16. Consider Adopting the Council Strategic Focus Areas & Goals 2023-2025.

This matter was deferred.

ZONING ATLAS AMENDMENTS

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

 Close the Legislative Hearing and Consider a Conditional Zoning Application for Tri Pointe Townhomes at 2217 Homestead Road.

Senior Planner Tas Lagoo summarized a Conditional Zoning application for Tripoint Townhomes, a 119-unit project that the Council had seen twice in the past. The site was currently zoned Residential-5-Conditional Zoning District, and the applicant was proposing to rezone it to a new, site-specific Residential-5-Conditional Zoning District, he said.

Mr. Lagoo pointed out that the applicant had added a unit since meeting with the Council in February 2023. The project would comply with the Town's Inclusionary Zoning Ordinance (IZO) by providing 17 affordable units and a \$72,250 payment in lieu, he said. He noted a condition that addressed a request from neighbors regarding buffers and explained why staff had found the applicant's request to modify buffer requirements at its east and south borders to be reasonable. He recommended that the Council close the legislative hearing, adopt Resolution 11, and enact revised Ordinance-6, for approval.

The Council confirmed that the number of smaller units had been increased by four. In response to a comment from Council about a nearby University of North Carolina (UNC) conservation easement, Mr. Lagoo pointed out that the applicant had not asked to remove those buffers and that UNC had said it had no intention of developing near that portion of the site. If UNC did decide to develop there, it would need to put the required buffer in place, Mr. Lagoo said.

Betsy Crittenden, speaking on behalf of Courtyards at Homestead residents, thanked the developer and Town staff for fully addressing their concerns. She expressed gratitude to the Council as well for listening and visiting the neighborhood.

Mayor Hemminger pointed out that several projects had been proposed for the property over the years and that the Council had consistently said that [23-0249]

the Town needed more middle housing, such as townhomes, there. The Council had requested much from the applicant, and the community, and she was very pleased with the outcome, she said.

A motion was made by Council Member Anderson, seconded by Council Member Miller-Foushee, that the Council closed the legislative hearing. The motion carried by a unanimous vote.

A motion was made by Council Member Anderson, seconded by Council Member Berry, that the Council adopted R-11. The motion carried by a unanimous vote.

A motion was made by Council Member Anderson, seconded by Council Member Berry, that the Council enacted O-6. The motion carried by a unanimous vote.

 Consider a Conditional Zoning Application for Aspen Chapel Hill at 701 Martin Luther King Jr Blvd. from Neighborhood Commercial (NC) and Residential-3 (R-3) to Residential-6-Conditional Zoning District (R-6-CZD). (no attachment) [23-0250]

Mayor Hemminger explained that a previous Council vote on this item had resulted in a tie, which meant that it needed to be carried over to the next regular meeting where all Council Members were present. She called a roll-call vote, and Ordinance-2, as amended, failed (4-5).

A motion was made by Council Member Parker, seconded by Council Member Berry, that the Council enacted 2023-03-08/O-2 as amended. The motion failed by the following vote:

Aye:	4 - Council Member Stegman, Council Member Berry, Co	
	Member Miller-Foushee, and Council Member Parker	

Nay: 5 - Mayor Hemminger, Council Member Anderson, Council Member Huynh, Council Member Ryan, and Council Member Searing

SPECIAL USE PERMIT

Special Use Permit: The Application for a Special Use Permit is Quasi-Judicial. Persons wishing to speak are required to take an oath before providing factual evidence relevant to the proposed application.

Witnesses wishing to provide an opinion about technical or other specialized subjects should first establish that at the beginning of their testimony.

[23-0251]

 Close the Evidentiary Hearing and Consider an Application for a Special Use Permit Modification for 1507 & 1509 E. Franklin Street (Project 18-104).

Mr. Lagoo reintroduced a special use permit (SUP) modification application for 1507 & 1509 East Franklin Street, which was currently zoned Community Commercial. He reviewed the request from Dunkin Donuts to allow a drive-through window and associated traffic management there and to reduce the minimum parking space requirement from 43 to 37. He showed the location on a map and reminded Council Members that they had seen the application in February 2023. He recommended that the Council close the evidentiary hearing and consider adopting Resolution-13, which would approve the SUP modification.

Mayor Hemminger confirmed that no Council Members had conflicts or reasons to recuse themselves from the vote and that no one was requesting any additional testimony.

A motion was made by Council Member Anderson, seconded by Council Member Berry, that the Council closed the evidentiary hearing. The motion carried by a unanimous vote.

A motion was made by Council Member Berry, seconded by Council Member Anderson, that the Council adopted R-13. The motion carried by a unanimous vote.

CONTINUED DISCUSSION

20. Approve FY 2022 Excess Fund Balance Appropriation.

[23-0252]

Director of Business Management Amy Oland presented a plan for allocating \$4 million of the Town's \$ 6.8 million FY 2022 Excess Fund Balance. She explained that staff had revised its March 1, 2023, recommendations in response to Council feedback. The proposed allocations would address organizational needs and Council priority areas where staff had identified significant funding gaps, she said. She recommended that the Council enact Ordinances 7, 8, 9 and 10, for approval.

Ms. Oland said that some items on the Town's current project list were time-sensitive, while others -- such as the American Legion pond dam, LUMO re-write, Inman Property, and Green Tract project -- could be removed (as could any other, if the Council so desired). If the Council chose to remove any of those four, it would need to approve an amended Ordinance-7 and Ordinances 8 and 10, but not approve Ordinance-9, she explained.

The Council and Ms. Oland discussed "must do" projects that were either tied to others or needed to move forward due to timing. Council Member Ryan asked how time-sensitive the Inman Property was, and Deputy Town Manager Loryn Clark replied that there was interest in moving forward as soon as possible but she did not have an exact timeframe. Council Member Ryan proposed considering that as a "nice to do now" project because of its importance to what would happen in that part of Town.

Town Attorney Ann Anderson commented that some environmental due diligence was being done on the Inman Property as part of the Town's interest in purchasing it. Mayor Hemminger added that Orange County was waiting for that environmental study to be completed before deciding whether or not to participate in the purchase. Council Member Parker confirmed with Ms. Oland that the \$250,000 for that could be repurposed or returned to Fund Balance if the Inman Property purchase did not happen.

The Council and Ms. Oland discussed the pros and cons of removing various items from the list. Council Members Parker and Berry asked if not allocating funds for the American Legion pond dam would prevent the Town from moving forward with AH on that site, and Ms. Oland replied that other funds could always be reallocated later if needed. Interim Manager Blue said that staff anticipated returning to the Council to discuss the pond dam after it receives the engineering report, which was due soon.

Council Member Searing confirmed that the cost of one new police car ranged from \$65,000 to \$70,000. He said that the Town needed 60 of those and needed new trash trucks as well. To him, those vehicles were a much higher priority than some of the other nice-to-have items, he said. He proposed removing the four items that staff had listed from the list and concentrating on more important needs.

Council Member Anderson characterized any statement that buying the Inman Property or funding the American Legion pond dam meant not being able to meet other Town needs as a "false narrative". She confirmed with Ms. Oland that excess FB was not the only source of funding for Town needs and was being proposed for one-time projects for which the Town had no other current funding sources. For other, reoccurring expenses, annual budget allocations were the ideal source of funding and there were a multitude of options for paying for other things on the list, Ms. Oland said.

Mayor Hemminger said that buying new vehicles all at once meant having to face the same problem again several years down the road. She felt comfortable that staff had determined the number that was currently needed, she said. She and Ms. Oland discussed needs that Council and staff had previously discussed that were not on the proposed list, and Ms. Oland explained the basis for her decisions. Mayor Hemminger provided background on the American Legion pond dam and Inman Property and discussed how those were connected to the Town's AH goals. Using Town-owned property helped reduce the cost of development and the Town needed to be ready to purchase land when opportunities arose, she said.

Chapel Hill resident Able Hastings asked the Council to consider whether it could defend deprioritizing Town Police and Fire Departments during a moment of "financial crisis". He urged Council Members to ensure that the Town's public safety team had what it needed and to realize the economic benefit of adding low-cost, visitor-centered greenspace, such as trails.

The Mayor and Council thanked Ms. Oland for her hard work. They pointed out that the Town had a AAA bond rating and said that having Excess Fund Balance was not an indication of financial distress. The Town had been able to spend less than it brought in while bringing in more than it had projected, and Ms. Oland and her team had made responsible decisions that had kept Chapel Hill in a safe financial condition, they said.

Council Member Miller-Foushee said that the proposed budget reflected several Town values and that it was important to move away from a reductive framing of Town efforts. Council Members Anderson and Ryan said that using terms such as "financial crisis" and "irresponsibility" was intended to scare people. Mayor pro tem Stegman expressed frustration over what she characterized as a "cynical ploy" to undermine the progress that some did not want to see on American Legion and Green Tract properties.

Most Council Members expressed support for staff's choices, which Mayor pro tem Stegman said represented the majority's votes and intentions. Council Member Ryan recommended that staff look into the Walton Family Foundation's recent contribution of \$74 million for trails and greenways. She and Council Member Parker said that they wanted the Town to be in a position to move on the Inman property, if that became available. Council Member Ryan described opportunities at the American Legion property and Council Member Parker proposed earmarking money for those.

Mayor Hemminger said that moving to a five-year budget plan had required the Council to look at everything holistically, including the Town's backlogs. She pointed out that Ms. Oland had been very conservative in saving \$2.5 million of the Excess Fund Balance. Because of that, the Town had flexibility if it needed to pull funds to do other things, she said.

The Council voted (8-1) in favor of Ordinances 7, 8, 9 and 10, with Council Member Searing voting no.

A motion was made by Council Member Parker, seconded by Council Member Miller-Foushee, that the Council enacted O-7. The motion carried by the following vote:

- Aye: 8 Mayor Hemminger, Council Member Stegman, Council Member Anderson, Council Member Berry, Council Member Miller-Foushee, Council Member Huynh, Council Member Parker, and Council Member Ryan
- Nay: 1 Council Member Searing

A motion was made by Mayor pro tem Stegman, seconded by Council Member Parker, that the Council enacted O-8. The motion carried by the following vote:

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

Nay: 1 - Council Member Searing

A motion was made by Mayor pro tem Stegman, seconded by Council Member Berry, that the Council enacted O-9. The motion carried by the following vote:

- Aye:8 Mayor Hemminger, Council Member Stegman, Council
Member Anderson, Council Member Berry, Council Member
Miller-Foushee, Council Member Huynh, Council Member
Parker, and Council Member Ryan
- Nay:1 Council Member Searing

A motion was made by Mayor pro tem Stegman, seconded by Council Member Berry, that the Council enacted O-10 . The motion carried by the following vote:

- Aye: 8 Mayor Hemminger, Council Member Stegman, Council Member Anderson, Council Member Berry, Council Member Miller-Foushee, Council Member Huynh, Council Member Parker, and Council Member Ryan
- Nay: 1 Council Member Searing

CONCEPT PLAN REVIEWS

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.

21. Concept Plan Review: Aura South Elliott, 200 S. Elliott Road.

Planning Manager Corey Liles provided an overview of a concept plan for property on Elliott Road that consisted of several parcels and was currently owned and occupied by Extraordinary Ventures. The existing zoning was Office Institutional-1 and Residential-5, he said. He showed the location on a map and described its surrounding areas. He said that the applicant was proposing a multi-family building with structured parking.

Mr. Liles pointed out that the property was located in Sub Area A of Highway 15-501 Focus Area A, where multi-family was an appropriate land use, typical height was about six stories, and building frontages needed to be activated. He noted that the site was located within the Blue Hill District (BHD) but was not subject to BHD zoning. Since the applicant had discussed providing AH, staff believed a conditional zoning to a district that was not part of the BHD would be the right approach, he said.

Mr. Liles reviewed the Community Design Commission's comments and the Town's rules for concept plan review. He recommended that the Council hear the presentation and then adopt Resolution 15, transmitting its comments to applicant.

Justin Brown, a senior project manager with Trinsic Residential Group, commented on the uniqueness of the "Aura" site being within the BHD but not assigned an actual zoning designation. He said that Trinsic was trying to figure that out from an entitlement perspective and was hoping to hear Council feedback before moving towards entitlement.

Jessica Hardesty, a planner with McAdams Company, described the approximate four-acre site, which currently included a two-story building and surface parking. She pointed out that the primary frontage was on

[23-0253]

South Elliott Road but that a portion fronted on Couch Road as well. She indicated where a small part of an intermittent stream ran along South Elliott Road.

Ms. Hardesty outlined a plan for a multi-family development consisting of approximately 330 rental units. She described a five-six story, U-shaped building that would be wrapped with structured parking. A pool and courtyard would be likely, and the applicant was considering preserving a natural tree area on the western side, she said. She pointed out that the affordable units would be indistinguishable from the market rate ones. The applicant had been considering a Residential-6-Conditional Zoning District, she said.

The Council and Ms. Hardesty discussed how building on the natural tree area would be difficult considering the Town's impervious surface and tree canopy requirements. Council Member Ryan said, however, that the Town did have provisions for transferring development rights that would enable the applicant to develop more land in exchange for preserving trees somewhere else. Since Elliott Road was a very urbanizing area, investigating that option made sense to her, she said.

Mayor Hemminger pointed out that the natural lot being discussed was mainly bamboo, and she confirmed with staff that bamboo did not count as tree canopy. Council Member Parker asked if that approximate 3/4-acre area might become a community amenity, and Ms. Hardesty replied that the applicant was seeking Council feedback on that area.

The Council asked about plans to activate Elliott Road, and Ms. Hardesty shared their thinking about bringing the building to the edge where there was an existing sidewalk. The Council confirmed that the plan was to have all residential development. Ms. Hardesty said that commercial had been considered, but probably would mean less AH. The site was not ideal for commercial, since there was no area for parking in front, she said.

The Council confirmed that there were potential bike and pedestrian connections in the area but that the current concept plan did not include permeability through the site from back to front. They verified that Trinsic's market was a traditional, multifamily development company that was not student housing and did not target any particular demographic. Trinsic would rent to anyone who was willing to sign a lease, said Mr. Brown.

In response to a question about how the concept fit into the Town's Complete Communities Framework (CCF), Mr. Brown said that Trinsic was trying to bring AH to the BHD, which already had much density and retail. They planned to integrate CCF strategies regarding pedestrian connections and had been trying to figure out a way to connect Franklin Street to Elliott Road, he said. The street frontage might be activated by bringing the building down to street level and they had been toying with the idea of putting a fitness facility on the ground floor to make it look and feel more commercial along Elliott Road, he said.

Mayor pro tem Stegman asked how "placemaking" would apply, and Mr. Brown said that the project would diversify housing offerings within the BHD. It would be directly adjacent to multiple retailers, and would have extreme walkability, he said.

The Mayor and Council agreed that the proposed concept plan was a reasonable use for the parcel. Several of them emphasized the importance of pedestrian and bicycle connectivity though the site and to surrounding parcels. They wanted to see a smaller, lower and more outward-facing building with activated commercial frontage, they said. Council Member Huynh said that the Council expected the applicant to accept housing vouchers for all units, not just the affordable ones. The Council urged the applicant to work with the Town's urban designer on several aspects of the plan.

Council Member Ryan said she thought that the natural area would be a great location for something like a brewery, even though she was normally in favor of preserving natural land. Other Council Members agreed, and Council Member Parker recommended that the applicant seriously consider having that area be something that the public could take advantage, even if it was just beautiful woods with walking paths.

The Council proposed that the applicant talk with the businesses across the street about shared parking arrangements. Council Member Anderson mentioned a possible opportunity to collaborate with Extraordinary Ventures on housing for people with disabilities and having that be the AH component.

A motion was made by Council Member Anderson, seconded by Council Member Miller-Foushee, that the Council adopted R-15. The motion carried by a unanimous vote.

22. Concept Plan Review: Chapel Hill Life Sciences Center, 306 W. Franklin Street.

Mr. Liles gave an overview of a concept plan for a 9-story, 320 square-foot building on West Franklin Street that would extend to West Rosemary Street in an area that was currently zoned Town Center-2. He showed a site diagram and noted that there was existing retail and commercial businesses and surface parking in the area. The proposed Life Sciences Center would include laboratories, offices, retail space, and structured parking, he said.

Mr. Liles reviewed the Town's urban designer's comments and said that the Community Design Commission (CDC) had agreed with those

[23-0254]

recommendations. The CDC had provided additional comments as well, which pertained to activating West Rosemary Street frontage, mitigating the effects of a proposed parking deck, considering a layout that would allow part of an existing building to remain, and addressing the building's scale along its western façade, he said.

Mr. Liles pointed out that the site was in Downtown Focus Area/Sub Areas A and B, where commercial and office were the primary uses and typical heights were 3-4 stories at the street, stepping up to as many as 8 stories at the interior. He noted that West Franklin and West Rosemary Streets were both expected to have activated street frontages and said that the West Rosemary Street Development Guide would apply to the site. He recommended that the Council listen to the presentation and then adopt Resolution-16, transmitting its comments to the applicant.

Nathan Zeidler, a senior project manager with Longfellow Real Estate Partners, provided background information on his company, a privately held national developer of Life Science ecosystems. He said that Longfellow had partnered with world class universities, such as UNC, and had developed projects in Research Triangle Park and in Durham.

Michael Stevenson, an architect and principal with Perkins Eastman, showed drawings of the site, which was an assemblage of buildings that he said had recently added a bicycle chain parcel. He discussed the site's typography and explained the plan to build upon existing pedestrian connections. The project would incorporate the Town's current character into the design, he said, emphasizing that Rosemary Street would become another frontage, not just the back of the property.

Mr. Stevenson showed how the site plan was currently organized, with pedestrian and bike connections and activated street frontages that would reach into the site and connect it through its center. A landscape architect had begun to think about the character of different zones, and Longfellow was good at incorporating and programing active community spaces, he said.

Mr. Stevenson presented drawings that showed how the building's articulation would break down its scale and how its frontages would be in keeping with others on Franklin Street. He showed renderings of the building from various directions and discussed proposed setbacks. His process was to think about creating frontages and public spaces and then let the architecture evolve from that, he said.

Mr. Stevenson proposed that the Council consider the building's height in the context of other Downtown development. Because the site was at the low point of Franklin Street, it seemed large, but it was generally not drastically different from other new buildings in the downtown area, he said. Council Member Ryan confirmed that the floor-to-floor height on the 9-story building was currently 15 feet, and she asked to see dimensions in feet as well going forward. She confirmed with Mr. Stevenson that a new Grubb office building nearby was 240,000 square feet.

Council Members asked about plans to minimize parking, and Mr. Zeidler replied that planners had been looking at burying at least one level and that Longfellow had also been exploring other parking options with the Town. The Council asked about communication with current tenants, affordability of the start-up spaces, the applicant's community outreach efforts, inclusion of affordable rentals, and plans to elevate the civil rights history of the Northside community.

Mr. Zeidler replied that target tenants would be a mix of start-ups and established companies and that a "spec lab" program would build smaller labs that fit with start-ups. With regard to the Council's other questions, Mr. Zeidler generally replied that his colleague Gregg Capps, would need to provide answers to those after he recovered from illness.

Council Member Searing asked if a zoning change would be required for a 9-story building that was approximately 150-160 feet tall, and Mr. Liles said that there had been opportunities to rezone to Town Center-3 in the Downtown area. However, the proposed height might exceed that limit as well, and the Council could consider a modification to regulations, Mr. Liles said.

Council Member Searing confirmed with Mr. Zeidler that Longfellow had not actually purchased the bike chain building and that doing so might allow the building height to be lower.

Council Member Berry asked about the number of jobs that had resulted from Longfellow's other projects, and Mr. Zeidler agreed to provide that statistic.

The Council confirmed with Mr. Liles that the project would not come to it for action before fall 2023, even if the applicant submitted a formal application within next 30-60 days. Timelines vary, but groundbreaking could occur a year after Council approval, Mr. Liles said. Mr. Zeidler commented that Longfellow would break ground as soon as it was permitted.

Paula Gilland, a Chapel Hill resident, said that Downtown was running the risk of losing its most endearing qualities. Continuing to construct high-rise buildings would replace local charm with institutional blandness, she said. She told the Council that her Downtown restaurant, Purple Bowl (PB), had created a special sense of community, which was a rare and valuable treasure that was not easy to move.

UNC students/PB employees Rachel Kirlan, Cameron Wald and Emily

Saunders spoke against the proposed development. Ms. Kirkland read what she said was the Council's seven goals for development and argued that approving the Life Sciences Center would undermine every one of them. Mr. Wald said that Longfellow would not be able to preserve the sense of community that the Gillands had created. Ms. Saunders questioned why Longfellow would want to build a 9-story industrial building in the center of a small college Town.

Olivia Smith, a Chapel Hill resident who works with the Gillands, raised questions about the Council's motivation and implied that the Town had attempted to put the Gilland family in an unethical position regarding a diversity quota.

Maria Romano, a Chapel Hill resident whose daughter had been born with Down Syndrome, said that the Town should protect and celebrate places that showcase inclusion in the workplace. Her daughter, Lucia Romano, explained how working at PB had made her feel happy, appreciated, and respected.

Teddy Band, UNC Student Body president, said that she had major concerns about what the project would mean for the Northside community and that she agreed with what others were saying about PB.

UNC students Jacob Williams, Bea Nicole Galit, Sabastian Marten and Emily Jenkins spoke about how PB was a home away from home for many. Ms. Jenkins read a statement on behalf of Isabela Igesgos, which described how PB had made her feel immediately welcome when she transferred to UNC from UNH in 2021.

UNC students Ibrahim Feras Shakhoun, Austin Layton and Flavia Nunez spoke against the proposed project as well. Mr. Feras said that good leaders act on behalf of those they serve, and that the Council should not give a location that meant so much to people away to corporate interests. Mr. Layton said he felt greatly disheartened about the possibility of demolishing a place like PB that had played a substantial role in making the area so special. Mr. Nunez read a statement from the owner of Bella Nail Bar about the economic hardship that she would face if forced to move her salon.

Lanier Swan, a Chapel Hill resident who said that she was speaking on behalf of families who find themselves repeatedly drawn to PB, urged the Council to think about protecting that business. Ms. Gilland had created her brand organically, by investing in people and showing up for them, she said.

Amelia Luetter, a UNC student and West Franklin Street resident, said that replacing a small Franklin Street business with a "drag and drop " development that could be found anywhere in the country would mean losing a vital part of the Town's character. Mayor Hemminger said that there had been a misconception regarding a conversation between the Town and PB owners. The Town did have a fund to help minority businesses move but it had been determined that it was not a good fit for the PB due to its ownership, she said. She said that Town staff was currently working on a proposal regarding a less restrictive fund.

All Council Members thanked the public speakers and characterized PB as a community asset. Several said that it was not PB's building that had led to its success, however. They said that they were committed to figuring out a way forward that would allow PB to remain the vibrant community center that it was, but potentially in a different place.

The Council talked about its goal of creating a year-round economy in which entrepreneurs and intellectual capital coming out of UNC would want to stay. They said that UNC students were valued customers but were not in Town for the full year. Chapel Hill needed businesses that could provide jobs and bring a greater customer base to its Downtown area, they said.

Council Member Huynh said that trying to build a tech-based business in Chapel Hill had been difficult, if not impossible. The Council had worked long and hard on the problem and had finally begun to see investments, he said.

Council Member Searing pointed out that UNC had made space to preserve the Carolina Coffee Shop during its renovation of Porthole Alley. He suggests that the applicant look at ideas for doing something similar with PB.

With regard to the concept plan itself, several Council Members balked at the parking proposal. Council Member Berry asked the applicant to consider going deeper than one level and Council Member Parker said that he would not want to see a freestanding parking deck on Rosemary Street, or pretty much anywhere in the Downtown area. Council Member Huynh characterized the idea of a 300-space standalone deck on Rosemary Street as "horrifying". Council Member Anderson expressed an openness to discussing some sort of parking agreement with the Town that would lead to a less massive building.

Some Council Members raised concerns about Longfellow not having engaged with the community and several commented on how important questions could not be answered because Gregg Capp was absent. The Council emphasized the importance of engaging with all current tenants equitably and some said that they would not support the project if that was not done. "Do the homework," said Mayor pro tem Stegman. "This isn't just about building a building; it's about creating community." The Council raised concerns about the proposed height and mass and the possible canon effect of the pass-through. Council Member Parker suggested that the applicant look at how UNC had blended its old and new buildings with respect to materials. Several Council Members described what they wanted to see in the public spaces, and they said that the Rosemary Street frontage and the public courtyard concept needed more work. "Get the public space right, and everything else will fall into place around it," said Council Member Ryan.

Council Members Ryan and Anderson emphasized the importance of lab safety, and Council Member Ryan asked for information on the outcome of a previous Council discussion about having a safety committee oversee new lab buildings.

Mayor Hemminger said that the Town had been closing more businesses than it was opening every year, but it was just starting to see a small shift in that trend. The overall goal was to create a sustainable Downtown and the Council had determined that Life Sciences was the right niche. The Town had worked out a partnership with UNC to do infrastructure improvements Downtown, she said, and she pointed out that the top floor of 136-137 Rosemary Street had been completed and was already full.

The Council had been intrigued when the Longfellow proposal came along, but it then became apparent that it would be right smack on top of some very authentic and successful Downtown businesses, Mayor Hemminger said. She urged the applicant to engage with the Northside Community and said that she agreed with Council comments about height and massing and about blending old and new design. She also agreed that the applicant needed to better understand the Town and its values, she said.

A motion was made by Council Member Anderson, seconded by Council Member Parker, that the Council adopted R-16. The motion carried by a unanimous vote.

APPOINTMENTS

23.	Appointments to the Board of Adjustment.	<u>[23-0255]</u>
	The Council appointed James Faron to the Board of Adjustment.	
24.	Appointments to the Historic District Commission.	<u>[23-0256]</u>
	The Council appointed Michael Booth to the Historic District Commission.	
25.	Appointments to the Transportation and Connectivity Advisory Board.	<u>[23-0257]</u>

The Council appointed Neal Wolgin and Stanley Robboy to the

Transportation and Connectivity Advisory Board.

ADJOURNMENT

Mayor Hemminger encouraged citizens to apply for seats on Town boards, especially the Board of Adjustment. The meeting was adjourned at 11:22 p.m.