



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 Michael Parker
Council Member Jessica Anderson
Council Member Allen Buansi

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

Wednesday, December 9, 2020

7:00 PM

Virtual Meeting

Virtual Meeting Notification

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

The public is invited to attend the Zoom webinar directly online or by phone.

Register for this webinar:

https://us02web.zoom.us/webinar/register/WN_I_NhzdvoRP2Ole6xzTeGqg After registering, you will receive a confirmation email containing information about joining the webinar in listen-only mode. Phone: 301-715-8592, Meeting ID: 846 3793 0751

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Roll Call

Present: 8 - Mayor Pam Hemminger, Mayor pro tem Michael Parker, Council Member Jessica Anderson, Council Member Allen Buansi, Council Member Hongbin Gu, Council Member Karen Stegman, Council Member Tai Huynh, and Council Member Amy Ryan

Other Attendees

Town Manager Maurice Jones, Deputy Town Manager Florentine Miller, Town Attorney Ann Anderson, Planning Director Colleen Willger, Operations Manager Judy Johnson, LUMO Project Manager Alisa Duffey Rogers, Business Management Director Amy Oland, Economic Development Officer Dwight Bassett, Emergency Management Coordinator Kelly Drayton, Police Chief/Community Safety Executive Director Chris Blue, Senior Planner Anya Grahn, Principal Planner Corey Liles, Planner II Michael Sudol, Urban Designer Brian Peterson, Executive Director for Technology and CIO Scott Clark, Executive Director for Technology and CIO Scott Clark, Communications and Public Affairs Director/Town Clerk Sabrina Oliver, and Deputy Town Clerk Amy Harvey.

OPENING

Mayor Hemminger opened the virtual meeting at 7:00 p.m. and welcomed the public. She said that Spanish interpreters would be participating from the beginning of the meeting to the end of Item 10.

Mayor Hemminger called the roll and all Council Members replied that they were present.

ANNOUNCEMENTS BY COUNCIL MEMBERS

0.01 Mayor Hemminger and Council Vote Regarding Continuing Items 14 and 15 to January 27, 2021. [\[20-0877\]](#)

- 14.** Close the Public Hearing to Consider a Request to Close a Portion of an Unmaintained and Unimproved Monroe Street Public Right-of-Way. [\[20-0867\]](#)

A motion was made by Council Member Ryan, seconded by Council Member Anderson, that Item 14's Public Hearing was continued to January 27, 2021, as the applicant had requested. The motion carried by a unanimous vote.

- 15.** Continue the Public Hearing: Conditional Zoning Application for Columbia Street Annex, 1150 S. Columbia Street, from Residential-2 (R-2) to Mixed Use-Village-Conditional Zoning District (MU-V-CZD). [\[20-0868\]](#)

A motion was made by Council Member Anderson, seconded by Mayor pro tem Parker, that Item 15's Public Hearing was continued to January 27, 2021, as the applicant had requested. The motion carried by a unanimous vote.

0.02 Mayor Hemminger Regarding Event Honoring Start of Exploring Pathway of James Cates. [\[20-0878\]](#)

Mayor Hemminger explained that the Town would begin exploring a case regarding James Cates, a former community member who had been killed on November 21, 1970, at the age of 22. The Council wanted to acknowledge the loss and to obtain a full accounting of the events that had led to an attack on him at the University of North Carolina at Chapel Hill (UNC-CH), all that occurred afterward, and what role the Town had played in those events, she said.

Council Member Buansi confirmed with Mayor Hemminger that the Town would allow investigations of Town records and would help witnesses participate in interviews. The Town was committed to being open and transparent about all discoveries made, the Mayor said.

0.03 Proclamation: Ron Stutts Day. [\[20-0879\]](#)

Mayor Hemminger said that the Council was proclaiming December 18, 2020 to be Ron Stutts Day in Chapel Hill. Mr. Stutts, who had been "The Voice" of Chapel Hill and Carrboro for the past 43 years would retire from WCHL on December 18, 2020, and the Council wanted to thank him for his many contributions to the community, she said.

0.04 Mayor Hemminger Regarding Concept Plan at 150 East Rosemary Street Moving to December 14 Community Design Commission Meeting.

[\[20-0880\]](#)

Mayor Hemminger said that a Community Design Commission (CDC) meeting regarding the 150 East Rosemary Street concept plan had been moved from December 10 to December 14, 2020, at 6:30 pm. More information and supporting documents were available on the Town's website, she said.

0.05 Mayor Hemminger Regarding First 2021 Council Meeting on January 6.

[\[20-0881\]](#)

Mayor Hemminger said that the Council's next meeting would be held on January 6, 2021.

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

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

0.06 Edmund Burke Regarding Short Term Rentals.

[\[20-0882\]](#)

Edmond Burke, a Chapel Hill resident, expressed concern that short-term rentals would threaten the character and charm of Chapel Hill's residential areas, and he made several recommendations for regulation.

1. East West Partners Request for Murray Hill Limited Scope SUP Modification.

[\[20-0855\]](#)

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

CONSENT

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

Approval of the Consent Agenda

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

2. Approve all Consent Agenda Items. [\[20-0856\]](#)

3. Revise Sections III. D. and III. E.1. of the Council Procedures Manual Regarding Naming Policies and the Acceptance of Gifts and Donations. [\[20-0857\]](#)

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

4. Adopt a Resolution Supporting an Application for Transportation Demand Management (TDM) Grant. [\[20-0858\]](#)

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

5. Continue the Discussion of a Land Use Management Ordinance Text Amendment for Townhomes in the Blue Hill District to February 24, 2021. [\[20-0859\]](#)

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

INFORMATION

6. Receive Upcoming Public Hearing Items and Petition Status List. [\[20-0860\]](#)

This item was received as presented.

7. Update on the Airport Hazard District Land Use Management Ordinance Text and Map Amendment. [\[20-0840\]](#)

This item was received as presented.

DISCUSSION

8. Update on Town Efforts to Respond to the COVID-19 Crisis. (no attachment) [\[20-0861\]](#)

Mayor Hemminger said that UNC-CH would update the Council on January 13th regarding its 2021 spring semester plans.

Emergency Manager Kelly Drayton provided an update on the Town's COVID-19 response. She pointed out that Governor Cooper had announced a modified stay-at-home order from 10 p.m. to 5:00 a.m. to be in effect through January 8, 2021.

Ms. Drayton outlined new measures regarding non-essential businesses and alcohol sales and discussed precautions that citizens should take during the holiday season. The Town's winter message was, "Spread Joy, Not Illness", she said, and she emphasized the importance of continuing to wear masks, wash hands regularly, and wait safe distances apart.

Ms. Drayton said that North Carolina would receive its first shipment of COVID-19 vaccines on December 14th and would follow a four-phase distribution schedule from the National Academy of Science, Engineering and Medicine. She reported that the Town had served more than 46,000 individuals at its Food Bank during the pandemic, had distributed almost 24,000 masks, and had provided assistance to 400 households through its Emergency Housing Assistance Program.

Ms. Drayton mentioned several additional Town efforts to assist families and said that communication campaigns had been translated into Spanish, Mandarin, Burmese and Karen. The Town would retain many of those strategies and be even stronger when the pandemic was over, she said.

Mayor Hemminger pointed out that Food for Students had distributed more than 750,000 meals during COVID-19. She said that people of all ages had gotten involved in supporting the community. Individuals could check the Town's website for information on how to make donations for rental assistance and could also go to the Orange Water and Sewer Association (OWASA) webpage for information on how to help people with utility payments, she said.

The Mayor and Council discussed how North Carolina's counties and towns could institute rules that were more restrictive than the governor's orders -- but not any that were more lenient. Mayor Hemminger said that UNC-CH would be better able to plan for isolation and quarantine because it had not filled the number of single-occupancy dorm rooms that it had planned. She expressed pride in how Orange County and local communities had worked together during the pandemic and how local businesses had stepped up to create safe environments.

This item was received as presented.

- 9.** Open the Public Hearing for Conditional Zoning - Phi Gamma Delta at 108 W. Cameron Avenue from Office/Institutional-1 (OI-1) to Office/Institutional-3-Conditional Zoning. (OI-3-CZ)

[\[20-0862\]](#)

Planner Anya Grahn presented a rezoning application from the Phi Gamma

Delta, fraternity, located on the northwest corner of Cameron Avenue and Columbia Street in the Cameron-McCauley Historic District. She explained that the applicant had exceeded its allowed floor area when enclosing a back porch in 2019 and was seeking to replace a 2010 SUP with Conditional Zoning in order to allow the additional 1,044 square feet.

Ms. Grahn said that the Chapel Hill Fire Department had said that bollards in the shared driveway would not likely impede access and the Town's Inspections Department had confirmed that the building included a sprinkler system and fire alarm. She recommended the Council open public hearing, receive comments, and enact Ordinance A on January 13, 2021.

Kevin Hornik, an attorney with Brough Law Firm, said that Phi Gamma Delta had originally been advised, incorrectly, that installing glass windows would not affect the floor area ratio of its porch. He said that the purpose of the current request was to bring the site, in its current condition, into compliance with the Town's Land Use Management Ordinance (LUMO).

A motion was made by Council Member Buansi, seconded by Council Member Huynh, to close the public hearing and receive comment for an additional 24-hours. The motion carried by a unanimous vote.

- 10.** Public Hearing Continued: Conditional Zoning for 1200 & 1204 Martin Luther King Jr. Blvd. from Residential-4 (R-4) and Neighborhood Commercial (NC) to Office/Institutional-2-Conditional Zoning District (OI-2-CZD) and Neighborhood Commercial Conditional Zoning District (NC-CZD) (Project #19-065).

[\[20-0863\]](#)

Planner Michael Sudol outlined the plan for the 13.9-acre site on Martin Luther King Jr. Boulevard, which included converting an original Special-Use Permit (SUP) to a Conditional Zoning (CZ) process. The site was currently zoned Residential-4 and Neighborhood Commercial and the applicant was requesting a rezoning to Office Institutional-2-Conditional for a self-storage facility and mobile home park, he explained. He said that expanding to Neighborhood Commercial Conditional as well would allow the applicant to demolish and reconstruct a gas station and convenience store.

Mr. Sudol reviewed conditions pertaining to signage, notification of available lots, new fencing, buffers, rents, and an option to convert to annual leases. He addressed the length of time that mobile homes must be retained onsite. He said that conditions allowed seven of the new units to be placed in the Resource Conservation District (RCD) and others to be moved around on the site.

Mr. Sudol said that existing conditions included 73 mobile home units that

were scattered across the site. He showed where a proposed bus rapid transit (BRT) station would be located and provided additional information about how that would conflict with the applicant's proposed right-in/right-out entrance. He said that the applicant had agreed to remove the right-in lane when the BRT stop was constructed.

Mr. Sudol said that about 16 of the mobile units would be impacted and that 10 new units were being proposed. The applicant was committing to keeping units on site for 15 years and had agreed to an option that would allow conversion to annual leases within 30 days of entitlement, he said. He showed a list of proposed modifications and noted that three Town advisory boards had recommended approval, with conditions, and two boards had recommended denial. He recommended that the Council close the public hearing, receive comments, and consider the item at its January 13, 2021 meeting.

Developer Dan Jewel, of Coulter Jewell Thames, said that the applicant, Stackhouse Properties LLC, was committed to all Mr. Sudol had outlined. He reviewed changes regarding the driveway, relocation and purchase of mobile home units, and the proposed location of a playground. He said that three of the four units could not be moved until a Zoning Compliance Permit had been approved. If the Council would allow seven additional units in the RCD, the total number would be 82 mobile home units, he said.

Mr. Jewell provided responses to questions and issues that the community had raised at a November 18, 2020, neighborhood meeting. These pertained to tree removal, pot holes, road width, lighting, signage, and speed limits. He requested that a rear-door loading area be allowed to stay open until 10:00 p.m.

Council Member Stegman said that much uncertainty remained regarding long term safety and security of mobile home park residents and that the Council should consider more ideas before finalizing the negotiation. She asked if the applicant was willing to meet with staff to explore the following: 1) More creative options for joint management, perhaps with a non-profit partner; 2) Giving the Town first right of first refusal if the applicant decided to sell; 3) Determine whether the parcel that the mobile homes were on could be treated differently.

Mr. Jewell replied that he was always happy to talk with staff. However, he had not discussed those issues with Stackhouse Properties and could not say what their response might be, he said.

Council Member Huynh asked if the applicant would be open to adding speed tables on the mobile home park streets, and Mr. Jewell agreed to talk with Stackhouse and the Town's Fire Department about doing so.

Council Member Huyhn asked about the motivation for having a Real

Estate agent do a market analysis only once every four years, and Mr. Jewell said that it seemed to be a good duration for looking at market changes. Council Member Huynh asked about the thinking behind having the enrollment period for annual leases be 30 days for current tenants, and Mr. Jewell said it was to allow any new residents to default to standard monthly leases.

Council Member Buansi asked if all of the applicant's commitments would be written as stipulations, and Mr. Jewell said that they could be. Council Member Buansi asked about typical yearly tenant turnover, and Mr. Jewell agreed to provide that information.

Council Member Ryan confirmed with Mr. Sudol that any of the proposed impacts to the RDC would be in the outer 20 feet of the Jordan Buffer. She verified with Mr. Jewell that any rents that were more than 15 percent higher than what the market analysis had shown would be reduced. She also confirmed with him that a mobile home would be removed and the pad made available for someone else if a tenant left before 15 years. She ascertained that taxes were paid with monthly rent and would increase if rents increased.

Council Member Gu asked about projected increases in traffic volume, and Mr. Jewell replied that there would be 169 new peak hour trips. She replied that she wanted to know the current number as well in order to determine the percentage of increase. She raised questions about residents' safety while the right in/right out driveway was operating, and Mr. Jewell replied that large truck deliveries would be infrequent. He pointed out that the driveway would be widened and that new pedestrian crossings would be added as well.

Council Member Gu confirmed that a 15-year lease condition would run with the land. She verified with him that the applicant's market rate analysis had been based on a sampling of mobile home parks in the Raleigh and Charlotte metro areas.

In response to a question from Council Member Anderson, Mr. Jewell said that a new prohibition against having certain play equipment in front yards had been based on standard rules in the mobile home park industry. She confirmed as well that anyone who moved in from another mobile home park would have access to an annual lease.

Mayor pro tem Parker proposed discussing provisions to ensure that the same standard of maintenance continued over the lifespan of the mobile home park. In addition, what protections against eviction if the property were sold would Stackhouse accept, he asked. He stressed the need for a process of negotiation and dispute resolution for when changes were made.

Jaclyn Gilstrap, Justice in Action Committee chair, expressed concern

about the potential long-term impacts on current residents who would eventually be "pushed out" of the park. She pointed out that Council Members who had run on a platform of affordable housing had an opportunity before them to maintain that promise.

Delores Bailey, executive director of EmPOWERment, Inc., said that some of the concerns she had sent to Council had not been addressed. She wondered how additional, possibly larger, units would have any privacy when units already were positioned so closely together. Ms. Bailey also told the Council that rules were being sent to residents periodically, without explanation, and that residents had no way to talk with anyone about that.

Nathaly Grijalva, a Tarheel Mobile Home Park resident, said that she had received inconsistent messages about rules and had gotten a confusing message when she responded. Receiving messages and not being able to talk with anyone about them was common, she said, and she requested clarification from Stackhouse Properties about that.

Melissa Ginsberg, a Tarheel Mobile Home Park resident, also emphasized the need for better and more consistent communication between the landlord and tenants. However, she did appreciate what Stackhouse had done to help her and her daughter move into one of the new units and was happy about the plan for signage and speed limits, she said.

Mayor Hemminger stressed the Council's commitment to supporting residents of mobile home park communities and to keeping families in Chapel Hill. However, the Council was also voting on a Future Land Use Map that would support higher density and different land uses along the BRT route, she pointed out. She said that both issues were important and that the Council wanted staff to bring a more nuanced plan forward that would help mobile home park residents transition if and when the land were redeveloped.

Mayor Hemminger encouraged the applicant to hold another community meeting and proposed that the Council continue the public hearing to January 2021 in order to see if there were options that had not been considered. Doing so would allow time to implement what management had committed to doing, get residents' reactions, hear back from staff on a plan for transitions, and process what it really would mean to lock the property down for 15 years, she said.

Mr. Jewell commented that no other mobile home park in Town had the protections and guarantees that Stackhouse was offering. Stackhouse Properties believed its proposal was the only financially viable way to own and operate a mobile home park in Chapel Hill, given the current price of land, he said.

Mr. Jewell pointed out that there would be no guarantee that anyone else would come forward with any plan other than de-populating the mobile home park, if his client were to sell the land. He agreed to provide the requested information and said he appreciated how the Council was trying to do the best for Town residents.

Council Members generally agreed with Mayor Hemminger's statement and stressed the importance of working with Town partners to prioritize and create an overall plan for mobile home parks.

Council Member Buansi urged the applicant to engage in conversations about options, such as public/private partnerships, to continue managing the property if it were sold.

Council Member Huynh emphasized the need for more speed tables, more frequent rental market analyses, and staff follow-up on residents' statements regarding the inconsistency of rules. He pointed out that residents had not asked for a playground but had said that they wanted a space that met current residents' needs. He asked that the enrollment period be extended beyond the proposed 30 days and said he was not in favor of adding units in the RCD.

A motion was made by Council Member Anderson, seconded by Mayor pro tem Parker, to continue the Public Hearing to January 27, 2021. The motion carried by a unanimous vote.

11. Charting Our Future - Consideration for the Adoption of the Future Land Use Map - Update to Chapel Hill 2020.

[\[20-0864\]](#)

Land Use Management Ordinance (LUMO) Project Manager Alisa Duffey Rogers presented minor modifications to the Future Land Use Map (FLUM) update to the Chapel Hill 2020-2050 comprehensive plan. She outlined the three proposed modifications that UNC-CH and UNC Health had requested: 1) Include "auxiliary hospitals" in the Commercial Office land-use category; 2) Change the Institutional/Civic character type name to include University in its title and include minor changes to its definition; 3) Make the Civic character type for the NC 54 Focus Area primary rather than secondary in one area.

Ms. Duffey Rogers also outlined a staff recommendation to reduce street frontage height to four stories in the South Columbia Gateway Focus Area. She said that all other aspects of Chapel Hill 2020-2050 would remain unchanged. She recommended that the Council consider the minor changes and adopt the new FLUM, which would replace the current one.

The Mayor and Council praised Ms. Duffey Rogers for the vast amount of detail that she had processed over the past three years. They confirmed with her that specifying "hospital" in the FLUM would not obligate the

Town to approve a small hospital as a use.

Kimberly Brewer, a Chapel Hill resident, expressed appreciation for the recommendation to reduce building height in the South Columbia Street area but pointed out that neighbors had previously argued that a four-story development was also incompatible due to environmental and traffic constraints. She encouraged the Council to make that location a Special Gateway Area rather than a focus area.

Julie McClintock, a Chapel Hill resident, called on the Council to develop a Gateway Entranceway Plan for the north and south ends of Highway 15-501. She stressed the importance of ensuring that future zoning retain the college town character. The Town should evaluate whether the proposed four-story structure could be supported by safe transportation, meet storm water requirements and environmental standards, and retain existing affordable housing in the area, she said.

Council Members said that they liked the change to four stories and the proposed gateway idea. They discussed the need to balance various concerns and look at the South Columbia Street area in more detail during the upcoming LUMO rewrite. They agreed to a proposal by Council Member Ryan that a statement on the South Columbia Street page state that the Council would be refining its decision regarding that area in Phase 2.

A motion was made by Council Member Huynh, seconded by Council Member Stegman, that R-5 be adopted. The motion carried by a unanimous vote.

- 12.** Consider an Application for Conditional Zoning for Bridgepoint at 2214 and 2312 Homestead Road from Residential-5-Conditional (R-5-C) to Residential-5-Conditional Zoning District (R-5-CZD).

[\[20-0865\]](#)

Planner Anya Grahn gave a PowerPoint presentation on a Conditional Rezoning request for Bridgepoint, a 9.2-acre site on Homestead Road. The property was currently zoned Residential-5 Conditional Use and the applicant, Capkov Ventures, was asking to rezone it to Residential-5 Conditional Zoning District, she explained. She said that the application had been through multiple advisory board and staff reviews and that the Council had last seen it at a public hearing on November 18, 2020.

Ms. Grahn outlined the proposal to relocate two dwelling units, demolish associated buildings, and construct 54 townhomes and a stormwater retention system. She showed the location and surrounding landmarks on an area map and indicated a perennial stream in the northern portion of the site. She described a proposal for new public streets, which would connect to a Town-owned property at 2200 Homestead Road.

Ms. Grahn explained how the applicant had worked with staff to reduce

the amount of land disturbance in an RCD managed use zone down to 22 percent. The applicant had also been working to reduce disturbance in the upland zone, she said, and she provided reasons why staff believed the applicant was headed in the right direction. Capkov Ventures had committed to working with Town stormwater staff to further reduce total land disturbance before submitting a final plan, she said.

Ms. Grahn reviewed the applicant's proposal to disturb 55 percent of the steep slopes. She noted that the LUMO limited disturbance to 25 percent of areas with a slope of 25 percent or more. However, only 2,133 square feet of disturbance would occur on a natural slope, with the remainder being on man-made slopes, she pointed out.

Ms. Grahn noted that the proposal for five affordable units was 15 percent of the number required by the Town's Inclusionary Zoning Ordinance. She discussed parking regulations, street signage, stream water improvements, and a right-of-way conveyance for a future, multi-modal Town project. She recommended that the Council adopt the resolution abandoning the 2010 SUP, adopt the resolution of consistency, and enact the ordinance approving the Conditional Zoning Atlas Amendment.

Eric Chupp, representing Capkov Ventures Inc., discussed the history of the application and asked for the Council's approval. He said that the improved plan was specifically designed to address the housing needs of middle income families. He provided details about townhome prices and features, parking, landscaping, elevations, sidewalks, public green spaces, street signals and lighting, bicycle facilities, and more.

Mr. Chupp said that Capkov Ventures would make an estimated \$25,000 payment in lieu to the Town's Parks and Recreation Department for any deficiency in active recreation. He said that the five affordable homes would be evenly dispersed throughout the community. Three of them would be for people making 80 percent or less of the area median income (AMI) and two would be for those making 65 percent AMI or less, he said. All of the affordable homes would be conveyed to the Community Home Trust for perpetual affordability, Mr. Chupp said.

Mayor Hemminger asked about preventing units from becoming short-term rentals, and Mr. Chupp agreed to add covenants and conditions that would prohibit leases shorter than a year.

Council Member Ryan clarified with Mr. Chupp that a previous higher estimate of RCD encroachment had been a miscalculation on the applicant's part. She ascertained that the applicant would dedicate land for future construction of a greenway but was not constructing that. She confirmed that the applicant would clear and grade the area carefully and in consultation with the Town's arborist.

Council Member Anderson pointed out that the improved project was another example of why review by the Town's urban designer was so important, and she implored staff to integrate that review at the beginning of the process. She also asked staff to look into modifying the Inclusionary Zoning Ordinance in a way that would allow adjustment for different price points.

Council Member Gu encouraged the applicant to be conscious of improving the internal environment and the appearance of the development from Homestead Road.

Council Member Ryan explained that she voted against the resolution because she remained troubled about the stormwater plan and its effects on the RCD.

A motion was made by Council Member Anderson, seconded by Mayor pro tem Parker, that R-6 and R-7 be adopted and that O-1 be enacted as amended to approve the rezoning with a stipulation that the applicant include language preventing short-term rentals in its covenants. The motion carried by the following vote:

Aye: 7 - Mayor Hemminger, Mayor pro tem Parker, Council Member Anderson, Council Member Buansi, Council Member Gu, Council Member Stegman, and Council Member Huynh

Nay: 1 - Council Member Ryan

13. Consider a Petition to Annex Property at 7000 Millhouse Road. [\[20-0866\]](#)

Planner Corey Liles gave a brief PowerPoint presentation on the annexation of 9.76 acres on Millhouse Road to allow Carolina Donor Services to build a 51,000 square-foot office and lab facility in the recently-created Millhouse Enterprise Zone.

Mr. Liles said that a revenue estimate staff had previously presented would not apply if Orange County agreed to grant the property 501(c)(3) exemption status. However, there would be a cost for services, a one-time Fire District payment, and other possible opportunities to collect property taxes, he said. He recommended that the Council enact the ordinance, pointing out that annexation at any later point would be at the property owner's discretion.

Mayor Hemminger mentioned that the Enterprise Zone had attracted a great deal of interest. The Town was excited about Carolina Donor Services making its state headquarters in Chapel Hill and bringing jobs to Town, she said.

A motion was made by Council Member Anderson, seconded by Mayor pro tem Parker, that O-2 be enacted. The motion carried by a unanimous vote.

- 14.** Close the Public Hearing to Consider a Request to Close a Portion of an Unmaintained and Unimproved Monroe Street Public Right-of-Way. [\[20-0867\]](#)

This item was moved to the January 27, 2021 meeting.

- 15.** Continue the Public Hearing: Conditional Zoning Application for Columbia Street Annex, 1150 S. Columbia Street, from Residential-2 (R-2) to Mixed Use-Village-Conditional Zoning District (MU-V-CZD). [\[20-0868\]](#)

This item was moved to the January 27, 2021 meeting.

- 16.** East Rosemary Parking Deck Update. [\[20-0869\]](#)

Economic Development Manager Dwight Bassett gave a PowerPoint update on the East Rosemary Redevelopment Parking Deck. He said that an opinion of probable costs from Walker Consultants had been in line with other estimates that were on the Town's website. He presented renderings and provided more information about proposed materials and about changes to the facade's design.

Mr. Bassett said that a traffic impact analysis had been completed and that the Town had made an offer to purchase property on North Street. Staff was continuing to explore options for solar technology and would share those recommendations in the future, he said.

Mr. Bassett said that the Town had also submitted a letter of interest to UNC-CH and was working on a final draft of the Wallace Deck lease. The final review of management and site license agreements was beginning, he said. He noted that the Town's review of financial projections based on occupancy and demand had been more conservative than Walker Consulting's estimates.

Mr. Bassett said that Walker Consulting's recent presentation at a Council Committee on Economic Sustainability meeting had proposed three parking deck options for consideration: 1) A license plate recognition system that would use the Town's existing technology and a gate counter (\$250,000); 2) A gate and license plate reader with pay stations (\$750,000); 3) A system that would be mostly all technology with limited monitoring by staff (\$1.3 million). Mr. Bassett said that the Town's current budget could cover up to (\$750,000). With Council approval, staff would begin to negotiate a contract and return in February 2021 with additional financial information on the overall construction budget, he said

Council Members confirmed with Mr. Bassett that there were sufficient resources in the Town's contingency budget to spend up to \$750,000 and still maintain a 5 percent contingency. In response to the Council's questions, he said that staff intended to negotiate both Options 2 and 3.

Council Members Ryan and Anderson expressed discomfort with the idea of using contingency funds, which were for unexpected occurrences, so early in the process. Council Member Anderson asked staff to bring back examples of how the Town had financed other decks, such as 140 west and to explain why they were looking at 5 percent rather than 10 percent contingency. Council Members said they supported having a separate line item and not using a contingency fund.

Council Members expressed a general preference for Option 2, if the cost of Option 3 could not be reduced. Council Member Gu confirmed with Mr. Bassett that maintenance costs would be an estimated \$17,000 to \$20,000 for Option 2 and \$50,000 to \$60,000 for Options 3. Council Member Huynh proposed getting information on the cost of using only one camera for several parking spots in Option 3, and Mr. Bassett agreed to determine the cost difference.

Mayor Hemminger stressed the importance of being fiscally conscious. She asked Mr. Bassett to provide the names of nearby parking decks that Council Members could look at.

Mr. Bassett said he hoped to return with a final construction budget in February 2021. He might also return in January so that the Council could authorize a letter of intent with UNC-CH, he said.

This matter was received and filed.

ADJOURNMENT

The meeting was adjourned at 10:46 p.m.