A regular meeting of the Carrboro Board of Aldermen was held on Tuesday, March 20, 2001 at 7:30 p.m. in the Town Hall Board Room.

Present and presiding:

Mayor Michael Nelson Aldermen Joal Hall Broun Mark Dorosin

> Jacquelyn Gist Diana McDuffee Allen Spalt Alex Zaffron

Asst. Town Manager Bing Roenigk

Town Clerk Sarah C. Williamson Town Attorney Michael B. Brough

### **APPROVAL OF MINUTES OF PREVIOUS MEETINGS**

MOTION WAS MADE BY ALEX ZAFFRON AND SECONDED BY JACQUELYN GIST TO APPROVE THE MARCH 6, 2001 MINUTES. VOTE: AFFIRMATIVE ALL

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## REQUEST TO SET A PUBLIC HEARING/CONDITIONAL USE PERMIT MODIFICATION/ UNITED CHURCH OF CHRIST

Mi Escuelita Spanish Immersion Preschool has submitted an application for an amendment to the conditional use permit issued to UCC Assisted Living, Inc. on April 8, 1997, to allow a Combination Use (Use 27.000) comprised of a Senior Citizen Residential Complex (Use 1.660), which is the current use classification permitted with the CUP, and a Child Day Care Facility (Use 22.200). The Board of Aldermen must hold a public hearing to receive input before reaching a decision on a conditional use permit modification. The Administration recommended that the Board set the public hearing for March 27, 2001.

MOTION WAS MADE BY ALEX ZAFFRON AND SECONDED BY JACQUELYN GIST TO SET A PUBLIC HEARING FOR MARCH 27, 2001. VOTE: AFFIRMATIVE ALL

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### **INTRODUCTION OF NEW STAFF MEMBERS**

Trish McGuire introduced two new staff members—Tyrell Evans, the town's new Transportation Planner, and Pam McIntosh, the town's new Environmental Planner.

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### PUBLIC HEARING/COMMUNITY INPUT ON THE FY2001-02 BUDGET AND BUDGET PROCESS

This public hearing was designed to solicit citizen comments on town operations for consideration in the town's development of the Fiscal Year 2001-02 operating budget and capital improvements plan.

Nerys Levy requested that the town consider funding the Community Dinner at \$500 annually.

Boyd Blackburn, representing the Carrboro Recreation and Parks Commission, requested that \$60,000 each for purchase and installation of play equipment at Wilson Park and Anderson Park.

Stephanie Padilla suggested that funds to be set aside to hold a workshop with two consultants on urban planning, connectivity, traffic, etc. that citizens could participate in.

Robert Dowling, representing Orange Community Housing and Community Land Trust in Orange County, requested the town's continued operational support in the 2001-02 budget.

Kimberly Reading requested that the town replace the playground equipment at Wilson Park.

Gray Brown requested that the playground equipment be replaced at Wilson Park. Ms. Brown suggested that the town staff look at Indian Trails Park in Durham for equipment ideas.

Jonathan Fisher also requested that the playground equipment be replaced at Wilson Park.

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### PRESENTATION OF AUDIT REPORT FOR FISCAL YEAR ENDING JUNE 30, 2000

In accordance with principles of accountability and state statutes, the town undergoes an annual financial audit by independent auditors. The town contracted with Dixon Odom PLLC to perform the audit for the fiscal year ending June 30, 2000. The purpose of this agenda item is for the Board to receive the audit report.

John Frank, CPA, of Dixon Odom PLLC, who oversees the town's audit, presented the report.

The following resolution was introduced by Alderman Joal Hall Broun and duly seconded by Alderman Jacquelyn Gist

A RESOLUTION ACCEPTING THE 1999-2000 AUDIT REPORT Resolution No. 113/2000-01

WHEREAS, the Carrboro Board of Aldermen have received the annual 1999-2000 Audit Report; and

WHEREAS, the Aldermen have received the audit report from the Town's auditors and accept the report.

The foregoing resolution having been submitted to a vote, received the following vote and was duly adopted this 20th day of March, 2001:

Ayes: Joal Hall Broun, Mark Dorosin, Diana McDuffee, Jacquelyn Gist, Michael Nelson, Allen Spalt, Alex

Zaffron

Noes: None

Absent or Excused: None

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### WORKSESSION WITH OWASA BOARD MEMBERS

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The Mayor and Board of Aldermen met with the town's representatives on the Orange Water and Sewer Authority Board of Directors to discuss items of mutual interest.

John Smith and Susie Holloway addressed the town's request to have a new tier of availability fees added to OWASA's fee structure. Mr. Smith addressed questions about revenues from the expansion of the American Stone Quarry. Ms. Holloway stated that OWASA is working on a "conservation rate". In addition, OWASA is developing ideas for demand management. Also, OWASA will continue improvements to the water filter plant in the next few years. In addition, the OWASA representatives addressed questions about use of "gray water".

Alderman Spalt requested that the OWASA representatives investigate why the administrative costs for OWASA have risen so significantly over the past ten years.

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### REQUEST FOR A CONDITIONAL USE PERMIT MINOR MODIFICATION/ CARR MILL MALL

The purpose of this agenda item was to consider a minor modification to the Carr Mill Mall Conditional Use Permit (CUP). Carr Mill Limited Partnership has proposed to expand the existing courtyard and add a four (4) space parking lot in the area located east of the existing CVS Pharmacy and Carr Mill Mall. The project includes additional uses in the courtyard, in particular an Automatic Teller Machine, and two (2) outdoor sales kiosks

Chris Murphy, the town's Development Review Administrator, made the presentation.

Nathan Millian stated that the kiosks will be used to accommodate vendors selling flowers and as community booths.

MOTION WAS MADE BY JOAL HALL BROUN AND SECONDED BY ALEX ZAFFRON TO APPROVE THE CONDITIONAL USE PERMIT MINOR MODIFICATION TO ALLOW THE OUTDOOR MERCHANDISING AND AUTOMATIC TELLER MACHINE USES AND ASSOCIATED PAVING AND LANDSCAPING IMPROVEMENTS. VOTE: AFFIRMATIVE ALL

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### REPORT FROM THE CARRBORO HOUSING COMMITTEE

The purpose of this item was to present to the Board of Aldermen the Carrboro Housing Committee Status report. This Committee was established by the Board to explore avenues to increase affordable housing opportunities in the Town of Carrboro.

Alderman Dorosin presented the following report:

#### 1. Use of currently owned town property to support affordable housing

The committee recommends that the Board consider utilizing two parcels it currently owns to support affordable housing. One is the flag portion of a flag lot on the west side of Pathway Drive (the flagpole would be reserved as an easement). The other parcel is at the end of Eugene Street in Carr Court (it may be possible to make it into 2 lots). These parcels could be used in a number of ways.

1 A. Direct gift to non-profit affordable housing agency for AH development

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- 3 B. Direct gift to non-profit affordable housing agency for use or sale
  - C. Sale at market rate, with the money then earmarked as the beginning of the Town's "Affordable Housing Fund," to fund some of the programs described below. The subcommittee recommends Option C.

### 2. Set aside a percentage of future property purchased by town for affordable housing

The Board considered this strategy in the context of the Hillsborough Road Park and concluded that rather than set a strict set-aside policy, this strategy would be reviewed on a case-by-case basis for every future property acquisition. The committee did note and recommends that the Board consider whether the existing house on the property could be used to support affordable housing (directly or with the proceeds from market sale). In addition, if any portion of the property is severed from the whole by the final configuration of any connector road, the Board should revisit the use of this portion for affordable housing.

# 3. Develop Affordable Housing Presence at Abbey Court (Old Well) and Other Moderately Priced Existing Condo and Townhouse Developments

The Board has recognized the unique AH opportunities presented by Abbey Court. Price, size, and location all combine to make it an ideal AH resource and presents us with a unique opportunity to maximize our AH dollars while achieving a number of other important goals, including community development and enhancing diversity. Similar opportunities are available at condo and townhouse developments in Carrboro. There are a number of advocacy groups beginning to look at this opportunity, and the town should do everything possible to encourage and facilitate this involvement.

- A. The town has applied for money from the HOME program to purchase three units at Abbey Court. These units will then be sold to qualifying buyers (ideally current renters) with deed restrictions to ensure long-term affordability and owner occupation. Revenue generated from the sale of these units will then be placed in an AH revolving loan fund (which can be limited to additional purchases at Abbey Court or can be used for AH generally, as described below). Some non-profits have shown interest in this proposal and are seeking funds for similar projects. Depending upon the success of this initial foray, the Board may consider seeking county bond money to expand and enhance this effort.
- B. Any AH effort at Abbey Court needs to be supported with a commitment from the Town for neighborhood revitalization. The town should commit to re-opening the community police substation as soon as possible, and also consider the possibility of securing one of the units as an available residence for a police officer (either free or at a significantly reduced rent).
- C. Work with advocacy groups and non-profits to develop a long-range, coordinated program for these efforts, including funding, management, and community and neighborhood development.

### 4. Revolving Loan Fund

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This strategy would establish a revolving loan fund, similar to the one for small businesses, for AH purchases in Carrboro. The City of Durham has a very successful program, funded by bond money. The Board should decide specific details for the program, including

- A. Income groups eligible (80%, 60%, 30% of median)
- B. Interest and payback rates (the Durham program is 0%, 10 or 30 yr. Term)
- C. Loan amount caps

D. Provisions to ensure long-term affordability for any units purchased.

Funding for a program like this is of course the critical component. The amount in the fund helps determine the amount available per loan, which may be a determining factor in making the program worthwhile. Possible funding sources include county bond money, money collected under items 1 and 3, above, and budget-line item. Alderman Broun indicated that Self-Help Credit Union is interested in assisting us in securing funding and establishing the program. (Information and forms from the Durham program are attached.)

### 5. Completed Tasks

The following items were listed in the Comprehensive Housing Strategy and have been completed or are currently pending before the Board during regular meetings. The Board may wish to re-examine some of these items with more specific housing goals or outcomes.

- 1. Review open space ordinance
- 2. Support mixed use (residential & commercial) projects
- 3. Review infill policies
- 4. Review connector road policy and its impacts
- 5. Facilitate the development of SRO housing
- 6. Waive development-related fees for AH projects (non-profit)
- 7. Urge OWASA to reduce fees for AH projects (further encouragement pending)
- 8. Review diversity bonuses (R-SIR)

### 6. Remaining Tasks

The committee has not taken action on the following items listed in the CHS and would like some input from the Board regarding priorities.

- 1. Housing subsidy for town employees—This item needs some clarification. A simple subsidy program could easily be designed as an employee "benefit," and retention strategy without including an AH component. Conversely, the town could adopt an Individual Development Account (IDA) program for town employees earning less than 80% of median income (\$49,850.00 for a family of four) specifically to promote home ownership, either in specifically in Carrboro or just in general. There are a variety of goals here, and although they are not necessarily incompatible, the Board should clarify and prioritize them to maximize our efforts.
- 2. Subsidize land trust units at a rate of \$5000 per unit
- 3. Examine Chapel Hill policy regarding AH and rezoning and CUP requests to require the inclusion of AH
- 4. Review land-use ordinance and address obstacles & disincentives for AH

- 5. Form a task force of representatives from the building community, landlords, government, advocacy groups, and residents to make recommendations for lowering housing costs.
- 6. Develop strategy/dialogue with University regarding increased housing for university populations and possible cooperative housing efforts.
- 7. Find ways to reduce the impact of taxes on existing homeowners.

Mayor Nelson suggested that the Agenda Planning Committee schedule a Board discussion of the housing subsidy for town employees.

Alderman Gist stated that the Housing Committee has agreed to replace the language "community police substation" at Abbey Court with "family resource center". Alderman Gist requested that Items #4, 5, and 7 under Remaining Tasks be scheduled for discussion by the Board of Alderman. In addition, Alderman Gist expressed concern about rumors of housing discrimination towards the Latino community at Abbey Court.

Mayor Nelson stated that the Town needs to adopt a Comprehensive Housing Strategy. In addition, Mayor Nelson stated that residents of Abbey Court have expressed a desire to have community policing back.

Alderman McDuffee asked whether the Housing Committee has discussed strategies for affordable rental property.

Alderman Dorosin stated that the Committee's recommendation in the report was for the Town to purchase three units at Abbey Court for sale to ensure long-term affordability and owner occupation.

Alderman Spalt suggested that the report include some of the things that the Town is currently doing now in support of affordable housing—support for Orange Community Housing, Empowerment and Habitat for Humanity. In addition, that the suggestion by Covenant Place about how the Town could facilitate other federal programs that brings money to that project should be included. Also, that the Town state its goals for affordable housing.

Alderman Zaffron suggested that rather than the Town purchasing the three units at Abbey Court, the Town could use the same amount of money to leverage financing in some way—bridge financing to get control of the property, and then within that budget, budget it for debt service for one year while the units were being marketed or transferred to another organization which could then arrange their own financing.

Mayor Nelson expressed concern about the Town pursuing the purchase of housing. In addition, Mayor Nelson expressed concern that an application had been filed to receive HOME program funds for the purchase of three units at Abbey Court without the Board's approval of the Comprehensive Housing Strategy.

Alderman McDuffee stated that the Board needs to discuss the items included within the report before adopting it as the town's comprehensive housing strategy. Alderman McDuffee stated that planning is needed on how to structure the Board's discussion of the report and more staff work on the implications of the recommendations contained in the report. Alderman McDuffee stated that the Town should not be in the business of owning rental property and that quick action needs to be taken on Abbey Court.

It was the consensus of the Board to request that:

1) The Housing Committee prepare a final report based on the Board's comments tonight in addition to any additional requests for changes or concerns; and

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2) HOME program funding be pursued for the purchase of units at Abbey Court with the agreement that the Town would negotiate with one of the non-profits to administer the program.

Mike Brough pointed out that the Town does have a housing discrimination ordinance.

The Board authorized the Mayor to forward a letter to the Chair of the Human Relations Commission to investigate the possibility of housing discrimination at Abbey Court.

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### **R-SIR FOLLOW UP REPORT**

On June 6, 2000, the Board of Aldermen received a report on R-SIR zoning and requested additional information from staff. A staff report was presented in response to this request

Trish McGuire, the town's Planning Administrator, made the presentation.

The following resolution was introduced by Alderman Allen Spalt and duly seconded by Alderman Jacquelyn Gist.

# A RESOLUTION ACCEPTING THE REPORT ON REGULATORY PROVISIONS CURRENTLY APPLICABLE IN R-SIR ZONING DISTRICTS Resolution No. 115/2000-01

WHEREAS, the Carrboro Board of Aldermen has requested information on the implementation of R-SIR provisions in relation to other regulatory mechanisms.

NOW, THEREFORE BE IT RESOLVED by the Carrboro Board of Aldermen that the Aldermen have reviewed materials compiled to address this request.

BE IT FURTHER RESOLVED by the Carrboro Board of Aldermen that the Aldermen receives the report.

The foregoing resolution having been submitted to a vote, received the following vote and was duly adopted this 20th day of March, 2001:

Ayes: Joal Hall Broun, Mark Dorosin, Diana McDuffee, Jacquelyn Gist, Michael Nelson, Allen Spalt, Alex

Zaffron

Noes: None

Absent or Excused: None

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### **APPOINTMENTS TO ADVISORY BOARDS**

This item was delayed until March 27<sup>th</sup>.

Alderman McDuffee requested that the town staff prepare a chart showing all vacant positions on the advisory boards.

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### STATUS REPORT ON LLOYD/MAIN STREET TRAFFIC SIGNAL

Mike – status report on traffic light at Lloyd and	Main
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# REQUEST FOR REPORT ON BURNED STRUCTURE ON N. GREENSBORO STREET

Alderman Broun requested th	at a status r	eport on the	use of the	property	located	at the	corner o	of Watter	s Road
and N. Greensboro Street.									

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MOTION	WAS	MADE	BY	JACQUELYN	GIST	AND	SECONDED	BY	JOAL	HALL	BROUN	TC
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