

TOWN OF CHAPEL HILL STRATEGIC PLANNING RETREAT



**CHAPEL HILL, NORTH CAROLINA
PREPARED FOR TOWN PLANNING RETREAT FEBRUARY 20-21, 2009**

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ACKNOWLEDGEMENTS

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INTRODUCTION

The purpose of the Town Planning Retreat is to establish the Council's goals for 2009-10. The Council's process for goal-setting starts with a review of 2008 successes, trends for the future and suggested priorities by the Town's senior management team. The Council adopted goals lay the groundwork for developing the budget as the guide for use of the Town's resources to achieve the identified goals.

Our discussion will focus on developing action steps for the goals the Council has set for the past two years: Steward Organizational Culture Change; Champion Downtown; Continue Focus on Land Use, Transit and Development; Maintain and Improve Community Facilities and Services; Improve Town's Fiscal Condition; and Plan Ahead for Carolina North.

COUNCIL GOALS

1. Steward Organizational Culture Change

Continue to work with the Town Manager to develop a style and system of leadership that will ensure the effective provision of services, while supporting the delivery of Council goals and objectives.

2. Champion Downtown

Create and market an attractive, magical entertainment, cultural, and dining district; mitigate the impact of the higher density development construction process; and work with the IFC in identifying a site for the shelter and transitioning out of uptown to assist them in achieving their goal of providing optimal services.

3. Continue Focus on Land Use, Transit, and Development

Make Chapel Hill a better place to live, work, learn, and play; a more diverse community; and a more sustainable community.

4. Maintain & Improve Community Facilities and Services

Sustain Chapel Hill's vibrant, unique spirit and sense of community; provide a safe and secure community; and support and enhance the quality of life.

5. Improve Town's Fiscal Condition

Diversify revenue sources consistent with Town values to reduce pressure on residential property tax; identify and pursue internal operating efficiencies; and develop a strategic financial plan for long-term sustainability.

6. Plan Ahead for Carolina North.

Establish a collaborative and trusted environment to enable the University to develop and plan for a Carolina North strategy that will correctly balance the needs of the University with the needs of the citizens of Chapel Hill.

SUCCESSSES

In preparation for the Council Retreat, department heads and program managers listed the successes for their departments for the past fiscal year. They shared why they thought each item was a success. This section advances our goal of shared understanding of the connection between the activities of the Town and the Council's strategic direction.

Successful organizations take the time to publish their accomplishments and make the time to celebrate success. These successes shared by department heads tell the story of an effective organization, linking work with strategic objectives.

Sharing achievements also allows us to mark some things off our to-do list. As we plan for the future, it is often difficult to remember where we have been. This section of our planning discussion lays some of the groundwork for where we go from here.

Business Management Successes

1. **Certificate of Achievement for Excellence in Financial Reporting:** The Town received the highest recognition for financial reporting from the Government Finance Officers Association for its Comprehensive Annual Financial Report issued for the period ended June 30, 2007. This is the 22nd consecutive year that the Town has received this prestigious award.
2. **Distinguished Budget Presentation Award:** The Town received the Distinguished Budget Presentation Award for the Fiscal Year starting July 1, 2007. In order to receive this award a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.
3. **Improvements to Financial Accounting and Reporting System:** A major upgrade of the Town's financial accounting software was completed in November as part of our efforts to increase the utilization, reliability and efficiency of the existing system. Preliminary testing and training were conducted prior to the implementation. Continued improvements regarding utilization of the current system are planned.
4. **Maintained the Town's AAA credit rating and issued \$1.59 million Installment Payment Agreement for vehicle replacement purchase:** The Town of Chapel Hill is one of the smallest communities to be rated in the highest rating category. As a result of this, the Town received very competitive bids for a seven-year and four-year installment payment agreements for vehicle replacements, which were accepted at interest rates of 2.46 percent and 2.82 percent respectively.
5. **Electronic Forms Initiative:** We began pilot project using electronic forms in order to improve workflow, reduce turn-around time for key processes and to reduce paper dependency. The pilot project uses the Microsoft InfoPath product to replace paper-based work-flows related to travel.

6. **Continued comprehensive review and updating Financial Policies and Procedures:**
We initiated a comprehensive review of finance policies to update and consolidate existing policies and to create new policies where needed. Financial policies and procedures are an integral part of the Town system of internal controls. The Town Council and all employees are responsible for internal controls. One of the most important changes being incorporated in the revisions of financial policies and procedures is the recognition of the principal responsibility for internal control procedures with department heads.
7. **Developed a budget savings plan to reduce General Fund expenditures by 5 percent:**
To respond to the expected impact of the global financial crisis on Town revenues, we developed a strategy for reducing costs in the current year. As part of this plan, savings identified by Town departments in the current budget year from lapsed salaries and reductions in other expenses will be moved to holding accounts controlled by the Manager's Office. The Business Management Department will continue to monitor revenues and to make adjustments in the savings plan as circumstances require.
8. **Organizational Realignment:** The combining of the IT and Finance functions into the Business Management Department was completed during the year. The realignment plan will provide better coordination of business and financial management services and enterprise technology services to the Town Council, management and public. The realignment and addition of new positions will create capacity for business planning and workflow management on an enterprise basis.

Communications and Public Affairs Successes

1. **New Website Project:** The new website, hosted by Vision Internet, is scheduled to go live to the public in June 2009. The project has been a year long endeavor led by CaPA, with the help of RHJ Associates and web stewards. CaPA organized the web stewards early on to maintain the current website. The stewards are a group of individuals from each Town department responsible for the content and maintenance of their department's web pages. CaPA began the website project by gathering input from the public, Council members, and staff.
2. **Paperless Agenda Process:** CaPA is scheduled to begin test implementation of the MuniAgenda paperless agenda process in March 2009. The process will be formally implemented in September 2009. CaPA staff along with the Town Manager participated in a live presentation of the MuniAgenda paperless process in Greenville, NC in summer of 2008. Joint application design sessions were held in late October 2008 and MuniAgenda is currently configuring our process.
3. **Improved Agenda Process:** CaPA worked with the Town Manager to improve the efficiency of the current agenda process. A new Council agenda process calendar was created with firm deadlines for submission of items to CaPA for processing and the addition of an executive summary in preparation for the MuniAgenda process. The improved process has eliminated the practice of sending additional materials to Council

members after the packets are delivered. A new format was created by a professional graphic designer for the agenda and all associated documents. The CaPA staff also took over delivery of the packets to relieve the Police Department of this task.

4. **Communications Plan with a Public Relations Strategy:** CaPA has submitted a draft revision of the Town Communications Plan that reflects the involvement of the entire Communications and Public Affairs Department, and which places special emphasis on new outreach through the website, social media and Government TV 18.



5. **Halloween Event:** We led a successful “Homegrown Halloween” information campaign to reduce the size of the Halloween event. Using press conferences with local merchants and the University, as well as new social media such as YouTube and Facebook, the Town successfully got the word out about changes to Halloween in Chapel Hill. This campaign brought us closer to a homegrown event that is safer and more manageable.
6. **Carolina North Development Process:** The Carolina North development process has created additional meetings, videography, and outreach for CaPA. We created a Carolina North webpage as an outreach vehicle for interested residents. Staff also attends the meetings and posts online notes and video of these meetings.
7. **Graphic Artist Position Expanded:** Combining funds from the Parks and Recreation Department and CaPA, the Graphics Artist position was expanded to a 30-hour per week regular position, instead of a 20-hour a week contract position. This has given CaPA the ability to design a new program guide and begin work on a marketing plan for the Parks and Recreation Department.
8. **Special Media Outreach:** CaPA offered communications support for a number of issues requiring special media outreach including the Public Works graffiti incident, the Chapel Hill Transit pedestrian death incidents, as well as the murder of the UNC student body president.
9. **Video Equipment Updates to Council Chambers:** CaPA submitted an application for and was granted a \$25,000 E-NC grant for video equipment upgrades to the Council Chambers. Equipment in the Chamber was upgraded accordingly.
10. **Mission and Values Project:** CaPA spearheaded the design of the Senior Management Team’s mission and values statement. The department developed a framed poster of the statement and distributed it for display in all departments and throughout Town facilities. We also created and distributed laminated handheld cards of the statement.
11. **CaPA Outreach:** The department created a video demonstrating the services provided by CaPA and made a presentation to the Senior Management Team to introduce the services and outreach provided by CaPA. As part of the presentation, staff members also used a PowerPoint presentation and distributed brochures about Town services that are created by the department. CaPA then gave individual department presentations to further that outreach.

Economic Development Successes

1. Completion and adoption of Economic Development Strategy
2. Fostering developments through the Development Process
3. Working on improvements to the Internal Development Process
4. Building relationships and working with developers to guide new projects toward needs of the community based around Economic Development Strategy Statements
5. Serving as Interim Director of the Downtown Partnership
6. Completion of a plan for replacement parking for Lot 5

Fire Successes

1. **Fully activated computer software data management system to track incident reports, departmental workload and service demand:** We implemented a commercial database (Fire House software) in 2005 that allows us to build a comprehensive record of service demand, response and workload. During 2007-08 we expanded the use of this system and trained employees for improved data capture. We are now testing implementation of improved access from the field on two fire trucks with this database as part of the Council's priority on technology with RHJ Associates. This database is now helping us develop statistical information for review by Council and Manager to evaluate fire protection services.
2. **Educational Safety Puppet Program in cooperation with Chapel Hill Museum and Grant Funded by the UNC Hospital Burn Center.** An entertaining and educational puppet program promoting fire safety for children and the community at large was developed by Life Safety staff of the Fire Department and Chapel Hill Museum volunteers. The program provides lessons in public safety delivered through music and drama created by the use of puppets. The program has been featured about 14 times in the community and is being considered by the NC Legislature for recognition.
3. **Continued participation in the regional USAR Partnership with Raleigh, Cary and Durham.** The Urban Search and Rescue (USAR) team developed as a partnership with the cities of Raleigh, Durham and Cary has provided resources and training to the Chapel Hill Fire department that we likely would not otherwise be able to afford. This arrangement has provided Chapel Hill with capabilities in technical heavy rescue, water rescue, vertical rescue, ground cave-in rescue and building collapse rescue.
4. **Continuation of Code Red public emergency information system.** A partnership between Chapel Hill, Carrboro and OWASA formed and contracted with Code Red to provide emergency public notification capability through mass telephone messaging.



This system allows us to send critical information directly to our residents and businesses either town-wide or in a designated geographical area during a major emergency or potential hazard. The system was activated in November 2007 and has been utilized twice for emergency purposes in Chapel Hill.

Housing Successes

1. **Applicant Screening:** We continued the criminal background screening process for public housing occupancy. This has been successful in eliminating applicants who have criminal records that include arrests for violent crimes or illegal drug activity. Criminal background reports are received from the FBI. The turnaround time for receiving criminal reports from the FBI is about two weeks.
2. **Recertification of Public Housing Eligibility:** Annual recertification of eligibility for public housing tenancy and residents income reporting are completed for all lease holders every 12 months as required by the U.S. Department of Housing and Urban Development.
3. **Section 504/ADA Compliance:** We completed modifications and upgrades in seven public housing apartments to comply with federal accessibility standards. Accessibility compliance work will begin in nine additional apartments in February 2009.
4. **Resident Services:** We completed the first year of a three-year partnership with Chapel Hill Training Outreach Project Inc. to provide programs and services to help public housing residents achieve economic independence. The programs and services are funded through a \$248,240 three-year grant the Housing Department received from the U.S. Department of Housing and Urban Development.

Human Resource Development Successes

1. **Recruitment**
 - Implemented NEOGOV, an online recruitment, hiring and retention process. The system is webhosted by the provider and automates all the manual processes formerly used including requisition creation and approval, application submission and screening, applicant tracking and selection and final hiring approval. It has greatly improved our communication with managers and applicants and is a paperless workflow process.
 - Filled mission critical positions, including Director of Business Management, Assistant Human Resource Development Director, Occupational Health and Safety Officer, Public Arts Administrator, Assistant Transit Director, Sustainability Officer.

2. Benefit Plan Improvements

- Engaged Hill, Chesson and Woody as our benefit Consultant to review and rebrokered all benefits. Their efforts resulted in capping health insurance premiums increases to 10 percent, no increase in dental premiums, and a 50 percent decrease in the cost of disability insurance. They also conducted all open enrollment meetings, completed an audit of all benefit legal reporting and communication requirements and built an Employee Benefit website available 24/7 to all employees.
- Engaged Frank Horton Associates as our Employee Assistance Program provider. They provide monthly newsletters to employees and managers, and training to managers and supervisors on how to use the EAP to support them and their team members. Utilization is up from 4-5 percent through the former vendor to 8.59 percent year to date.
- Restructured the Employee Wellness program from a participate-based to an outcome based incentive program. To be a part of the incentive program, employees must complete a health risk appraisal and screening. Those who complete a second screening and demonstrate improvements or maintain an already healthy score receive the incentive.



3. Partner Services and Communication to Departments

- The reorganization of the HRD department from a functional to a partner service model was initiated in January 2008. Feedback from each department indicates the model is working well, providing services and information to employees as well as coaching and feedback to supervisors and managers. There is consensus that having one partner who understands the department's operations and is the point of contact for all services is very efficient and effective.

4. Regulatory Compliance

- Family and Medical Leave Act benefits were extended to cover those who serve in the Military and family members for certain types of situations. Information and training was provided to personnel and benefit representations to update them of their requirements. All FLMA forms and procedures were updated to reflect changes.
- The Occupational Health and Safety Office was hired in October and is assessing safety and risks within the town and preparing a plan to implement in 2009.

5. Training and Development

- Wellness Lunch and Learns continued through June 2008
- "What is a Job: How to Develop and Write a Job Description" workshop developed and delivered to Public Works to assist them in writing/revising job descriptions.
- "How to Plan and Conduct a Successful Performance Evaluation" designed and delivered to departments. The workshop provided specific guidance to manager about how to gather information, write performance comments, prepare for the

- evaluation meeting, give honest and respectful feedback, and set the stage of the next review cycle.
- Cross training of HRD staff continued on a weekly basis. This effort is to ensure that all HRD Partners are competent and confident to respond to employees and supervisors questions and concerns.

Library Successes



1. **Library Expansion Project: Detailed Plan Review.** The library's management team participated in the review of detailed construction drawings.
2. **Library Expansion Project: Transition Services Options.** We identified alternatives for relocating library services during construction. Alternatives included review of possible spaces available offsite, analyses of levels of service able to be offered in each space, secure and accessible offsite storage of 50,000 volumes and costs associated with relocating and operating temporary services.
3. **Library Expansion Project: Budget Projections.** We served on the Town's project team that developed the capital budget. Library staff developed the operating budget projections for the expanded library.
4. **Library Expansion Project: Branch Library Options.** We identified branch library service alternatives for the Council as an option to expanding the existing facility.
5. **Technology Plan Update.** We hired technology consultant Richard Wayne to review the detailed plans for the library expansion project and to update the Library's Technology Plan.
6. **50th Anniversary Celebration.** We have used the new 50th anniversary logo created by Sheer Associates on banners installed on poles up Library Drive, on book bags, on library cards and on children's program giveaway supplies.
7. **"9300 Books Now" Campaign:** We received a grant of \$36,000 from the Chapel Hill Public Library Foundation toward its \$250,000 commitment for the library's 4-year collection development project, included in the Town's adopted Capital Improvements Program. We purchased a very popular start-up collection of 1,300 children's DVDs.
8. **24/7 Reference Service:** We began partnering with NC Knows to provide statewide 24/7 library reference service.

Parks and Recreation Successes

1. **Completed the Southern Community Park project.** This 72 acre park is now our largest developed park with three full size soccer fields, trails, art, play area, picnic shelters, dog park, a meadow area, and a disk golf course. This project completes a major component of the Town's Parks and Recreation Master Plan, which is a component of the Comprehensive Plan.
2. **Completed the Homestead Park Aquatic Center.** This 27,000 square foot building has two tanks including a 25 yard X 25 meter pool and a smaller pool that has zero entry for handicap accessibility and young children. The pool will open in early January 2009.
3. **Completed the concept plan for Phase 3 of the Bolin Creek Trail.** Purchased a key tract and started negotiations for other needed easements. Started work on detailed plans for eventual trail construction. The project will eventually extend the existing trail to Umstead Park.
4. **Completed detailed design, bid documents, and local permitting for the Morgan Creek Trail Project.** Once complete the trail will link the existing Fan Branch Trail to the Merritt Pasture and to the Southbridge neighborhood.
5. **Completed the Dry Creek Trail Concept Plan.** The trail will eventually connect Perry Creek Road in the Springcrest neighborhood with the Eastowne area.
6. **Completed the Needs Assessment Study of Park Facilities.** This document will assist the department in prioritizing future maintenance and renovations.
7. **Completed the athletic light assessment project,** removed failing athletic light poles, hired a design consultant to assist with light replacement, and determined the best course of action for bidding replacement lights systems.



8. **Completed the replacement of all asphalt walks at Community Center Park** with new concrete walks. Some walks were relocated to protect trees.
9. **Completed the Hargraves Park playground surface project.** This project substituted 2,500 square feet of poured-in-place recycled rubber for engineered wood fiber. Safety, enjoyment, and ease of maintenance should be enhanced.
10. **Resurfaced Oakwood and Cedar Falls tennis courts.**

11. **Completed design of the Battle Branch Trail boardwalk and bridge replacement project.** Once permitting is complete we could bid a phase one replacement project.
12. A department staff member is **participating with the Carrboro Greenways Program** to assure coordination of the two jurisdiction's trail development programs.
13. Initial discussions have started with UNC staff concerning **development of greenways on the Carolina North campus.**
14. **Programming for classes has increased** at the Community Center by 20 percent.
15. **The landscape division was successfully transferred from the Public Works Department to the Parks and Recreation Department** in February 2008. The transition continues to develop.
16. The landscape division **updated some crucial equipment** through the Fleet Replacement Program.
17. The landscape division successfully **completed an in-house replacement of the landscape at the entrance to the Chapel Hill Public Library.** The landscape at this location was an example of one which had outlived its useful lifetime.
18. **New Community Events were added** and improvements made to existing events. We introduced Chapel Hill's first Earth Day Celebration in April 2008 on the Wallace Plaza urban park. The Locally Grown Series was co-sponsored with the Downtown Partnership. We approached Festifall with a "Discover the West End" Campaign that was a cooperative effort with downtown business owners on West Franklin Street.
19. **We started working with a new Cemeteries Advisory Board** in order to involve residents in the management of our public cemeteries.
20. The administrative staff **worked with Information Technology staff to initiate an on-line credit card payment system** for parks and recreation fee based programs.
21. **Moved the Pottery Studio** to the garage area of the administrative building and successfully revived this program.
22. **Created a new Hepatitis B program** for all qualified permanent and temporary staff of the department.
23. **Expanded the department safety program** by developing a safety calendar, identifying staff requiring training, and starting training programs for first aid and CPR.

Planning Successes

1. **Northern Area Task Force Report.** The department provided staff support to the Northern Area Task Force. The Northern Area Task Force Report was adopted as a component of the Comprehensive Plan, and the Land Use Plan was amended, on January 14, 2008.



2. **Rogers Road Small Area Plan.** We have provided staff support to the Rogers Road Small Area Plan Task Force and coordinated with Carrboro and Orange County staff on related efforts undertaken by both jurisdictions. We worked with the Task Force and the Durham Area Designers to conduct a community workshop (June 7) and developed a land use plan and final report. It is anticipated that the Task Force final report will be submitted to the Council in February 2009.
3. **Carbon Reduction Program.** We provided staff support to the Council's Sustainability, Energy and the Environment (SEE) Committee. The Town has pledged to reduce community wide carbon pollution. We have worked with the Town's Sustainability Officer to prepare a more detailed assessment of greenhouse gas and carbon production related to Town operations. We are also developing a similar assessment for the larger community. We continue to work with Orange County staff and ICLEI toward the development of the countywide Greenhouse Gas Emissions Reduction Strategy. Staff assisted with the creation and organization of the Town's Sustainability Committee and continues to provide technical support.
4. **Sidewalk Construction Program.** We have administered the implementation of the Council's sidewalk construction program using Chapel Hill bond money and State and federal funds. For example, we used Community Development funds to construct the sidewalk on Mitchell Lane in the Northside neighborhood. We coordinated with Engineering, Public Works and Transit staff to identify pedestrian improvements and allocate funding.
5. **NC 86 Pedestrian Safety Implementation Study.** We are coordinating with NCDOT to implement the adopted recommendations of the NC 86 Pedestrian Safety Implementation Study. We secured \$250,000 in Metropolitan Planning Organization (MPO) funding for pedestrian improvements along Martin Luther King Jr. Blvd. and an additional \$300,000 for townwide pedestrian improvements.
6. **Active Living by Design (ALbD) Initiatives.** We completed the five year original Active Living by Design grant period and were awarded \$45,000 in sustainability funding to continue the work. We continue to implement the recommendations of the various neighborhood mobility studies and secure funds from other sources such as the N.C. Safe Routes to School program.
7. **Transportation Management Plans.** We completed the evaluation of the 2007 survey data and secured funding for a regional Transportation Demand Management grant to support transportation demand management programs for Town employees and other local employers.
8. **Transit Payment-in-Lieu Study.** A consultant has been hired and the Planning Department is managing the project to adjust the Town's Traffic Impact Analysis guidelines to become Transportation Impact Analysis guidelines that incorporate transit

consideration. The project is expected to be completed in early 2009.

Comprehensive Plan theme: Include working toward a balanced transportation system.

9. **Long Range Transit Study.** We continue to work with the Project Policy Committee to complete the final report. The final Report is anticipated to be completed in January 2009.
10. **Regional Transportation Planning.** Planning Department staff supported work of the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization (MPO) to continue the development of the final 2035 Regional Plan. Town staff prepared information for the transportation network and land use scenarios, revised information from the Triangle Regional Model and worked with the MPO staff to develop the financial plans. Staff also participated in various regional initiatives, including the Strategic Transit Advisory Committee, Seamless Transit project and the Durham-Chapel Hill-Orange County work group.
11. **Carolina North Fiscal Equity Study.** Staff worked with University representatives regarding the Carolina North Fiscal Equity Study. We provided information to the consultant and reviewed preliminary analysis.
12. **Carolina North Joint Staff Work Group.** Planning Department staff met weekly with University representatives to develop a shared understanding of how to plan for Carolina North and prepare for joint Town Council/Board of Trustee meetings.
13. **NC 54 Corridor Study.** Staff coordinated with the Metropolitan Planning Organization, City of Durham and Durham County to secure regional funds to conduct the NC 54 Corridor Study. We have provided input to the scope of work. The study is expected to be initiated in early 2009 and take nine months to be completed.
14. **Neighborhood Conservation Districts.** Glen Lennox Neighborhood is the first neighborhood to use the new process for establishing a Neighborhood Conservation District. The new process provides us the opportunity to educate residents about the Neighborhood Conservation District process and the impact it could have on their neighborhood before deciding to move forward with the creation of a Neighborhood Conservation District.
Comprehensive Plan theme: Conserving and protecting existing neighborhoods.
15. **Community Service Activities.** Community Development funds are used to support after school and summer programs that serve about 60 youths living in the Northside, Pine Knolls or public housing communities.
Comprehensive Plan theme: Provide quality community facilities and services.
16. **Revitalization of Northside and Pine Knolls Neighborhoods.** The Planning Department coordinated pedestrian improvements developed for the Northside Neighborhood by the Active Living by Design Pedestrian Safety Study

17. **Interdepartmental Coordination.** The Planning Department continues to lead the efforts of the interdepartmental Community Impact Team.
18. **CDBG Regulatory Success.** The Planning Department successfully met a federally mandated spending threshold so the Town can continue to receive federal Community Development Block Grant funding.

19. **Efforts to End Chronic Homelessness.**

- A. Project Homeless Connect: For the second year, the Planning Department served as lead organizer of Project Homeless Connect. This year's event on September 25 was a great success:
- 202 people who were homeless or at risk of homelessness received services (50 percent more than last year);
 - Nearly 50 local agencies and individuals provided services including housing and employment assistance, health and dental care, legal assistance, and haircuts;
 - Nearly 300 volunteers participated;
 - More than 70 businesses, faith communities, and others donated food, money, personal care products, and clothes;
 - More than 400 lunches of soup, sandwiches, fruit, snacks, and desserts were served.
- B. Real Change for Spare Change: The Council allocated \$15,000 of Community Development funds toward this program that educates the community on issues of panhandling and homelessness and supports the current street outreach program in Chapel Hill. Funds are being used to support a street outreach worker position.
- C. Community Alternatives for Supportive Abodes (CASA): The Council allocated \$30,000 of Community Development funds to CASA to assist with renovation costs for five duplexes located on Pritchard Avenue Extension. The units will provide 10 apartments to house persons who earn 30 percent or below of the Area Median Income and who have a disabling condition or have been homeless.
- D. The 10-Year Plan to End Chronic Homelessness is moving from the planning phase to the implementation phase.



20. **Affordable Housing Development.**

- A. The Planning Department provides staff support to the Inclusionary Zoning Task Force. A consultant, hired this year, is preparing a draft ordinance for review.
- B. We presented a Comprehensive Affordable Housing Overview to the Council. The document analyzes the current supply and demand for affordable housing in Chapel

- Hill, identifies gaps between the supply and demand for affordable housing, proposes solutions to address the housing gaps, prioritizes proposed solutions, and helps set goals for the affordable housing system in Chapel Hill. The document also includes an affordable housing matrix that provides an analysis of the inventory by population and housing type. The document will be reviewed and updated on an annual basis.
- C. Orange Community Housing and Land Trust: The Town continues to work with Orange Community Housing and Land Trust to respond to affordability and maintenance concerns of new and existing land trust homes. Since January, the Town has provided \$265,700 to the Land Trust to reduce the sales price or rehabilitate 13 homes. The Town used Community Development Block Grant funds, Affordable Housing Fund and Housing Loan Trust funds to respond to the Land Trust's requests. These permanently affordable homes will continue to serve households earning less than 80 percent of the area median income. The staff also worked with the countywide task force that studied the affordability and maintenance concerns. Recommendations were presented at the September Assembly of Governments meeting.
 - D. Public Housing Renovations: About \$19,500 of Community Development funds was used to modernize nine public housing apartments to conform and comply with Section 504 and the Uniform Federal Accessibility Standards (UFAS) as mandated by the U.S. Department of Housing and Urban Development. Funds were also used to replace carpeting, repair a fence, and install a fence at the South Estes Drive public housing community.
 - E. Amendment to the Eligibility Guidelines of the Town's Affordable Housing Program: In response to a petition from Orange Community Housing and Land Trust, the Council approved an amendment to the guidelines of the Town's affordable housing programs for senior citizens that may purchase condominiums in the Land Trust. The change could significantly increase the Land Trust's pool of applicants for condominiums.
 - F. The department provides staff support to the Council Committee on Affordable Housing. The committee continues to discuss affordable housing policy issues and forward recommendations to the Council.
 - G. We helped the Council establish a maintenance program for the Culbreth Park Program homeowners to address exterior maintenance issues. Funds from the Affordable Housing Fund will be provided as grants to homeowners to improve the quality of these homes.
Comprehensive Plan themes: Create and preserve affordable housing opportunities, provide quality community facilities and services.
- 21. **Development Review Process.** The Planning Department has successfully managed a high volume of development applications. Furthermore, staff is developing, and has begun to implement, changes to improve the internal development review process. Comprehensive Plan theme: Promote orderly development and redevelopment.
 - 22. **Amendments to Land Use Management Ordinance.** The department successfully guided the following amendments through the review process this past year:

- Proposal to adjust size limit for Planned Development-Housing, tabled on March 17, 2008.
 - Proposal to modify residential floor area restrictions for planned developments was enacted April 28, 2008
 - Creation of higher density residential zoning districts, denied May 5, 2008.
 - Proposal to provide comparable floor area ratios for portion of property in Resource Conservation District, denied May 5, 2008.
 - Proposal to amend vehicular, bicycle and handicapped parking was partially amended in October 2008.
 - Proposal to amend the R-SS-C zoning district was enacted in November 2008.
Comprehensive Plan theme: Promote orderly development and redevelopment.
23. **Major Development Application Notices Posted on Web.** Information about major development applications and Concept Plan submittals is now available online at the Town website.
Comprehensive Plan theme: Include providing quality community facilities and services.
24. **Staff Development.** Increased efforts are underway to comply with American Institute of Certified Planner requirements for continuing education. Several lunch and learn sessions as well as joint efforts with surrounding jurisdictions are under way.
Comprehensive Plan theme: Include providing quality community facilities and services.

Police Successes

1. **Eve Carson homicide investigation:** This was a tragic and traumatic event in our community. A collaborative effort among the Chapel Hill Police Department, Durham Police Department, the University of North Carolina at Chapel Hill, the State Bureau of Investigation, the Federal Bureau of Investigation, Crimestoppers, the news media, the Mayor's office, and many others combined to bring a swift and successful resolution to this very difficult case. All of this was accomplished under intense scrutiny by the media. CHPD proved to be a professional policing organization under the most trying circumstances.
2. **Halloween 2008:** Again, CHPD was the lead department for the annual Halloween celebration. In partnership with the University, the news media, the business community, other town and county departments, law enforcement agencies from all over central North Carolina and the residents of the area, we were able to successfully reduce the crowd size from 80,000 people in 2007 to approximately 35,000 in 2008. This made for a safer, more enjoyable event for all.



3. Our Community Services Unit continues to conduct the **Good Neighbor Initiative** in conjunction with the UNC Dean of Students office and with Empowerment. About 400 welcome packets were distributed to student rental units in residential neighborhoods.
4. **Collaborative efforts** among the police department and UNC Public Safety, the UNC Office of the Dean of Students and the UNC Student Government were emphasized this year. Excellent relationships have developed. This relationship with the University was a key to making Halloween 2008 such a success. CHPD officers, after a long hiatus, have resumed working at UNC events on a mutual aid basis. This has the effect of enhancing the camaraderie between the two agencies as well as filling a need for the University.
5. CHPD has **participated in the Emergency Response Group (ERG)** over the past year. Orange County law enforcement agencies, Fire departments, Orange Communications, and UNC Hospitals have met regularly. The group's original goal was to share information about resources and capabilities and to develop a tabletop exercise to test operational readiness. The group continues to meet to discuss shared challenges. This is a collaboration that has not always been evident in the past.
6. **CHPD continues to partner with the Coalition for Alcohol and Drug Free Teens** to work on underage drinking issues. The department was named the 2008 Law Enforcement Agency of the Year by the Underage Drinking Enforcement Center for efforts to combat underage drinking.
7. Chapel Hill was awarded the **2008 North Carolina Traffic Safe Community of the Year** by the Foundation for Traffic Safety. This was due largely to the efforts of our Patrol division, specifically the Traffic Unit.
8. CHPD has begun a **relationship with downtown bar and restaurant owners**, working together on common concerns. The biggest project we worked on together was the 2008 Halloween event. This collaboration will continue into the future.
9. **CHPD was awarded \$116,000 through a COPS grant** for the purchase of technology equipment and software to enhance our ability to deliver services.
10. Orange County has been selected as a new **Project Safe Neighborhoods** site by the US Attorney of the Middle District of North Carolina, and CHPD is the lead agency in that endeavor. Grant funding has been allocated for the hiring of a Project Safe Neighborhoods coordinator to oversee the program. The program seeks to identify and concentrate our efforts on violent criminals in our area.




11. **CHPD is a participating agency in the Community Safety Partnership.** This program encourages all departments to work with employees in the field to report suspicious activity. OWASA, Transit and Public Works employees also participate. The goal is to create a force multiplier for the police department.
12. **CHPD now has a uniformed Honor Guard.** These officers have represented the Town and the department at several ceremonial and memorial functions and have brought credit upon

themselves and upon our agency.

13. **CHPD implemented 800 MHz communications this year.** This represents a significant step toward communications interoperability with other public safety agencies, both local and regional.

Public Arts Successes

1. **An Office of Public Arts Created.** The Chapel Hill Public Arts Commission (CHPAC) working diligently in tandem with Town administration developed and implemented steps for establishing an Office of Public Arts with a staff and budget in order to sustain and improve the Town's commitment to public art. In June a Public Arts Administrator was hired, the CHPAC's Public Art Coordinator became a Town employee, and CHPAC became a Town Advisory Commission. CHPAC funds were transferred to the Town in September.
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2. **Town Operation Center (TOC) Artworks Received National Recognition.** The two artworks created by artist Larry Kirkland through the Town's Percent for Art Program that were unveiled in late 2007 received recognition as an outstanding public art work by the Public Art Network of Americans For the Arts at their annual conference in June 2008.
 3. **Chapel Hill Received Recognition from *American Style Magazine* as One of the Top 25 Small Cities for Art.** The recognition, which has been received in the past (2007, 2000), was due in a large part to the excellent public art programs (SculptureVisions, Library and Town Hall Exhibitions, Community Art Project, Artist@Work Program) of the Chapel Hill Public Arts Commission as well as the percent for art program being somewhat rare for a town the size of Chapel Hill. Chapel Hill was voted # 9.
 4. **Two Public Artworks through the Percent for Art Program Coordinated by the Office of Public Arts Were Completed.** Ray King finished the installation of a patterned terrazzo floor with glass insets for the Aquatic Center in August and Laura Haddad and Tom Drugan's environmental art designs were completed at Southern Community Park in December. The Lot 5 art project was advanced to the construction drawing stage. Contracts for Lot 5, the Library Expansion, the Greenways Art Prototype Design, and Community Center Park Wall projects were issued. The Greenway project includes an extensive community residency.
 5. **Initiated New Public Art Project Collaborations with Outside Agencies, Town Departments, and the Community.** *Our Stories, in Focus* is a community-based public art project initiated in collaboration with the UNC Program for the Humanities, the Carolina Union and the Historical Society. Up to 500 community members will be able to participate. The Office is organizing and collaborating with University Mall on a first eco

art exhibition in April. The Office is working with the Traffic Engineering to use 10 new signal boxes as canvases for public art.

6. **Agreement Reached with Woodmont Developers for the Inclusion of \$250,000 for Public Art on the Development Site.** Negotiations with the Woodmont developers in conjunction with the Planning department resulted in a public art agreement with wording for its phased inclusion in the CZP process.

Public Works Successes

1. **Successful departmental realignment** which included transitioning the Landscape Division to Parks and Recreation and Inspections to Public Works.
2. **Continued work on multi-year Stormwater Management Master Plan**, a key directive from the Town Council as part of its approval of a fee-based Stormwater Management Utility.
3. **Continued construction program for neighborhood traffic calming** in response to petitions requiring majority support of affected property owners.
4. **Secured funding and scheduled major capital improvement projects** involving NCDOT roads and traffic signal systems (Weaver Dairy Road, South Columbia Street, Superstreet and Upgrade/Replacement of Traffic Signal System). All projects include significant measures intended to reduce traffic congestion (and air pollution) and to provide/improve facilities such as bike lanes and sidewalks to encourage non-motorized modes of transportation.



5. **Secured funding for a mid block crosswalk at 400 block of West Franklin Street.** This project is a high priority to improve pedestrian mobility and safety in the downtown area.
6. **Organized and staffed the Fordham Boulevard and Manning Drive Safety Workgroup**, which developed recommendations to improve pedestrian and bicycle safety at, and in the vicinity of, this intersection. Several of the group's recommendations have been implemented and others are in the process of being implemented.
7. **Secured Section 319 Grant to begin restoration initiative of Bolin Creek Water Shed.** Funds will be used for implementation of three small stream projects; development of a Nine Element Watershed Restoration Plan to guide future restoration projects; initiation of long term monitoring for determining measurable result; and a stormwater management alternatives analysis for a dense urban subwatershed of Tanyard Branch in preparation of future stream projects in the area.
8. **Participation in a multi-jurisdictional group to monitor and review State standards for controlling pollutants entering Jordan Lake.** Our participation has and will

continue to ensure that standards established by the State are physically and fiscally practical, and will enable us to identify impacts of the standards on Chapel Hill.

9. **Increased level of service with regard to traffic signal functions**, which increased our reimbursement from NCDOT for maintaining and operating traffic signals on State roads in Chapel Hill and Carrboro.
10. **Secured approval for transportation related improvements adjacent to the Southern Community Park** that included the installation of a pedestrian crosswalk table on Dogwood Acres Drive and for installation of a traffic signal at US 15-501 and Dogwood Acres Drive.
11. **Participated with Orange County and E911 in development of a comprehensive, county-wide property address database** intended to improve response time and accuracy for emergency response. This project, which is nearly complete, is the culmination of several years of cooperative staff work with the County and other municipalities.
12. **Continued staff support for consultants** hired to revise the Downtown Streetscape Master Plan and the Town's tree protection regulations. The Downtown Streetscape Master Plan is being revised to creatively reflect changing downtown development objectives and enhance the livability of the Town center. Proposed revisions to the tree protection regulations reflect the Town's environmental goals as embodied in the Comprehensive Plan and the Town's commitment to sustainable development.
13. **Completed installation of 1.25 miles of new sidewalk along six streets.** We performed four installations with in-house crews which accounts for half of the total footage. The other two larger projects were completed by contract.
14. **Completed largest leaf collection to date for this time period**, with a total of 375 loads collected compared to 207 loads for the same period last year.
15. **Continuation of project management for new construction and renovation projects** at the Homestead Aquatic Center, Town Hall (HVAC Replacement Project), Chapel Hill Museum (Exterior Maintenance), Post Office Court Room (Audio/Visual and Data Systems Improvements) and the Pottery Studio (Relocation and Renovations).
16. **Resurfaced 32 streets totaling six miles, and seal-coated eight streets totaling two miles.**
17. **Realized full funding of drainage maintenance program** through stormwater fees resulting in reduction of tax burden to the general fund by an additional \$292,500.



18. **Housing staff members completed interior work required to finish out the first phase of UFAS work relative to the Voluntary Compliance Agreement.**
19. **Solid Waste program continued to realize reduction in residential MSW (4.2 percent over previous 12 months); continued reduction in commercial MSW (2 percent over previous 12 months).**
20. **Communications with Orange County and the Public in implementing their cardboard recycling program** which should reduce our solid waste disposal cost.
21. **Successful completed training and recertification of inspectors.**
22. **Completed development of multi-disciplinary plan review process.**

Sustainability Successes

1. **Carbon Reduction (CRed) Program.** The Town has pledged to reduce carbon emissions from municipal operations by 60% as of the year 2050. Staff has worked to prepare a more detailed assessment of greenhouse gas production related to Town operations. These efforts include the identification and management of resources at the Institute for the Environment (IE) at UNC-Chapel Hill. This fall, staff provided oversight to an undergraduate capstone team at the IE that successfully quantified greenhouse gas emissions from Chapel Hill Transit operations from 2005-2008. With the help of the University, staff is planning to complete the detailed municipal operations emissions inventory and begin developing a similar assessment for the larger community in 2009. The Office of Sustainability continues to work with Orange County staff and ICLEI toward the development of the County-wide Greenhouse Gas Emissions Reduction Strategy.
2. **Sustainability, Energy & Environment (SEE) Committee.** Staff support was provided to the Council's Sustainability, Energy and the Environment (SEE) Committee. Staff assisted with the Committee's development of policy and action concerning Peak Oil awareness and planning, community gardens exploration, a Green Jobs Pledge, participation in the North Carolina League of Municipalities Green Challenge, and support for state legislation to improve net metering and renewable energy utility rates.
3. **Sustainability Committee.** Staff support was provided to the Sustainability Committee. Staff assisted with the creation and organization of the Town's Sustainability Committee and continues to provide technical support, including assistance with the development of a Sustainability Work Plan.
4. **Sustainable Operations & Services (SOS) Team.** Staff support was provided to the Sustainable Operations & Services team. Staff assisted the Manager with the creation and organization of the team in preparation for its launch in January 2009.
5. **Energy Bank.** Staff worked to evaluate the Energy Bank so as to provide suggested measures to the SEE Committee that would enhance the fund's overall utility in 2009.

6. **Earth Day 2009.** Staff support was provided to the Parks & Recreation Department through participation on the Earth Day 2009 planning committee. The Committee developed a vision and program for the event, which emphasis collaboration between the Town, the University and local businesses and other organizations. Staff will continue to provide support to the committee and the event in 2009.

7. **Green Jobs Pledge.** Staff assisted the SEE Committee in the development of a Council resolution to adopt the Green Jobs Pledge, a policy that reinforces the Council's existing Economic Development Strategy and emphasizes the importance of green job creation and training within the local economy.

8. **NC League of Municipalities Green**

Challenge. Staff assisted the SEE Committee in the development a Council resolution to participate in the NC League of Municipalities Green Challenge, where the Town was awarded for completing the highest available milestone in the program.

9. **Mayor's Youth for a Sustainable Future.** Staff assisted the Mayor's Office in the creation of the Mayor's Youth for a Sustainable Future—a youth-oriented sustainability program designed to provide hands-on learning and skills for a green economy. Staff also provided assistance with the development and implementation of the first project aimed at water conservation in low-income housing. The results of the first project will be presented to Council in the spring of 2009.

10. **Interlocal Water Conservation Strategies.** Staff participated in an interlocal working group for an OWASA-led initiative to identify possible strategies for improving water conservation. Staff helped develop and receive Council approval for a resolution that generally endorsed the proposed strategies and encouraged the interlocal staff working group to proceed with the refinement of these strategies in 2009.

11. **Education and Outreach.** Staff provided information about the Town's sustainability efforts in a variety of local, state and national venues, including the ICLEI—Local Governments for Sustainability national conference in Albuquerque, NM and the NC League of Municipalities 100th Annual Conference in Charlotte, NC. The Town's sustainability efforts were also featured in both local and regional publications.



Transit Successes

1. **Fleet Modernization.** We have ordered 17 new buses that will be delivered in 2009. This will bring the number of new buses in our fleet to 36. Regular replacement of aging buses is key to controlling maintenance costs and increasing ridership. The new buses also contribute positively to the environment.

2. **New Services.** We worked collaboratively with Triangle Transit and other area governments to expand transit services. In November we began service to Hillsborough. We received two federal grants to introduce bus service from Chatham County and Alamance County to Chapel Hill.
3. **Ridership Growth.** Last year ridership grew by 14 percent, reporting 6.5 million riders.
4. **Maintenance Improvements.** We have made significant improvements in maintenance resulting in a finding of no deficiencies in a Federal Transit Administration Triennial Review. Improvements include:
 - 97 percent of preventative maintenance inspections being done on time
 - implementation of an oil analysis program to predict engine failures before they happen
 - successful A/C campaign
 - expanded and improved mechanic training
5. **Green Fleet Activities.** We completed our first year of operating three diesel hybrid buses. It is estimated that these 3 buses have resulted in an \$18,000 fuel cost savings. We will receive 9 more hybrid buses in 2009.
6. **Run Cutting/Scheduling Technology.** We introduced Trapeze Scheduling and Run Cutting software in Operations and EZ Rider. Scheduling efficiencies have saved over \$200,000 annually in nonproductive wages.
7. **Partner Communications.** We improved communications with our funding partners, UNC and Carrboro, by providing earlier budget input, developing a 2 year budget and providing improved monthly reporting.
8. **Successful Federal Transit Administration Review.** Every 3 years the FTA conducts a triennial review to check compliance in 23 areas. We received excellent reviews having minor comments in only 5 cases.
9. **Safety Efforts.** We began a process to review all aspects of our safety and training program. The review, which included an internal and external audit, will be concluded in early 2009.
10. **Individual Route Schedules.** Individual route schedules were introduced. The schedules will help control cost while allowing staff the ability to change schedules more often.
11. **Better Training.** This year we put more emphasis on improved training for all transit staff. Additional training for operators, mechanics and supervisors has helped many of our staff be better equipped to function at the professional levels we expect.



TRENDS


In preparation for the Council's Planning Retreat, department heads and program managers identified trends, from their professional perspectives, which might affect the future of the Town. They considered possible consequences of those trends for the Town and their effect on the themes of the Comprehensive Plan. The identification of these trends is one way to inform the Council discussion about priorities.

Business Management Trends

1. **Fiscal Stress:** Since September the financial markets and the world economy have been devastated by a series of unprecedented events. The consequences of the economic crisis are still unfolding and there continues to be tremendous volatility in the markets with the possibility of more major failures across multiple industries. In this environment it is impossible to predict the full impact of the crisis on the local economy. This is exacerbated by relatively long delays in the receipt of key revenues. This puts us in the position of having to react before we know the full extent of the impact of the crisis, because by the time our revenues show the effects it will be too late to make orderly changes to the current budget. It is reasonable to assume that the impacts on Town revenues will include the following:
 - a. **Reductions in retail sales:** The acute drop in consumer confidence coupled with an increased tightening in the consumer credit markets could result in a significant impact on Sales Tax receipts for this fiscal year.
 - b. **Decline in commercial and residential construction:** The bursting of the "housing bubble" has resulted in a decline in home values and a severe restriction of credit. This combination will create barriers to new construction, as developers will have difficulty getting construction loans. Also, the glut of homes in the real estate market will stifle new construction. The primary concern is long-term rather than for the current fiscal year.
 - c. **Revenue shortfalls in development fees, interest income and user charges.**
2. **Debt Service Budgetary Pressure:** The dramatic growth in debt service costs requires a greater emphasis on long-term planning in order to meet capital needs and to maintain the Town's highest credit rating. Portions of the Town's long term capital needs will be expanding as existing facilities age and must be replaced or renovated, while the demand for new facilities will continue to increase. The Town must develop a debt management plan that provides capacity for additional debt to meet the current and future debt service requirements.
3. **Sustainability of Retired Healthcare Program:** The Town of Chapel Hill must develop a plan to ensure the sustainability of its retired health-care program and separation allowance for police officers, which are called "*other postemployment benefits*" (OPEB).

A plan to begin funding the OPEB liability while changing the defined OPEB benefit for new employees needs to be developed.

Communications and Public Affairs Trends

1. **Demand for More Advanced Technology:** CaPA foresees the public demanding more advanced technology, particularly in connection with the Town's web site. The Granicus feature of online, on-demand streaming video has reduced the number of telephone and walk-in inquiries. The capabilities that the new website will provide will enable CaPA, assisted by Web Stewards, to better meet the ever-changing needs of residents.
2. **Technology Assistance at Council Meetings:** Increasingly, residents are using PowerPoint presentations and digital images to communicate information to the Council. CaPA has held training sessions to assist other department staff members in operating audio-visual equipment. The Information Technology Department is the contact for information regarding operation of this equipment. Electronic devices in the Council Chamber need to be upgraded to meet this need.
3. **Cable Video Franchising:** Our franchise agreement with Time Warner Cable is expected to end in 2009 as the state is taking over the cable franchising business. This will change the way we administer the cable access channels, revenues collected, and programming requirements. Business Management Development will assume oversight of this important revenue source to the Town.
4. **New Communication Technologies:** Much of our communication today relies on the web and e-mail. How can we improve to better reach citizens? Our communication outreach to citizens still focuses primarily on print mediums through the newspaper and printed materials. How can we reach more people by improving our web, interactive web technologies, and other mediums such as television and telephone? Council meetings feature back-to-back PowerPoint presentations, digital photos and more. The public demands high quality, readable maps and graphics to help illustrate agenda items.
5. **E-government and Communication:** Our residents are expressing their desire for e-government, the exchange of information and services by electronic technologies. Communications is an important part of this service.
6. **Our Changing Community:** In the pipeline are downtown development, capital projects, Carolina North, environmental and transportation issues. All will require consistent and comprehensive communication to engage residents in important conversations with the Town.
7. **Building Community:** Chapel Hill takes pride in its tradition of civic involvement and social concerns. How well are we doing as a caring, involved and integrated group of residents called community? How do we share and express our values? Does our community have a strong and positive image of local government? Do our residents

understand and care about Town-wide issues (not only those affecting their neighborhoods)? Do we create new opportunities for our residents to work and play together?

8. **Changing Demographics:** More bilingual residents are moving to Chapel Hill. How do we encourage participation, convey rules, communicate our values, etc.?
9. **Recruitment for Advisory Board Diversity:** Recruitment for Diversity is a Council priority and was listed in its February 2007 Goals. CaPA is responsible for advertising seats on more than 50 committees and boards, with more than 700 volunteers. We use software to keep an inventory of seats, volunteers, terms served, etc. For this priority to make forward progress, recruitment needs to be the primary responsibility of a staff person. Such a position could tie into the Town's need for coordination of volunteer efforts, college interns and the Youth Council.

Economic Development Trends

1. Slowing of sales tax growth and collections
2. Minimal growth in commercial tax base
3. Overall conditions of global economic climate

Fire Trends

1. Unchanged from last year, the trends affecting the provision of fire protection and emergency services are many of the same growth trends affecting services delivery in other disciplines of the community. Our statistical base is short term in that we only have about 42 months of comprehensive data (see data item above) for evaluation, but our annual emergency service demand average increase is close to 10 percent. Increased density of the community development and traffic increases fire protection demand in the form of alarm response, pre-planning, building plan review and code enforcement. An increase in vertical development (density) will also result in the need to add resources including a second ladder truck. Development of Carolina North will necessitate construction, equipping and staffing of a fire station in that complex.
2. There is a continuing trend at all levels (local, state and federal) to **increase responsibilities of First Responder agencies** including fire departments in other hazard prevention and response modes besides traditional fire and emergency medical. These include disaster, terrorism, environmental protection and public education, all resulting in increased workload and increased need for specialization and technical training. Combined with this trend is increased regulatory pressure from State and Federal agencies on local emergency service organizations to meet training, safety, certification, preparedness, reporting and performance standards thus resulting in increased time and workload demands related to records documentation and training of employees.
3. A trend observed first last year and continuing is that of **increasing demands on the time of our employees who also serve as military reservists**. During the past several

years we have experienced frequent and lengthy military activations that take full time employees away. This causes staffing difficulties for us and increases the need for overtime to meet staffing requirements. It also disrupts supervision relationships. We currently employ eight full time individuals (9.8 percent of our Operations force) who also serve in the military reserve or National Guard. Currently we have one fire captain deployed by the National Guard until at least November of 2009 and one firefighter deployed by the National Guard until at least December of 2009. We anticipate additional deployments in 2009. We expect this trend to continue for at least a couple more years.

4. A *potential* trend that is historically documented in state and national fire statistics and may become something we see locally (and need to be aware of) is an **increase in destructive property fires (homes, businesses and vehicles) during severe economic downturns**. The current economic recession creates failing businesses, home foreclosures and vehicle repossessions which some individuals will try to forestall or obscure with set fires in an attempt to defraud insurance carriers. If the economy continues a downward trend we may very likely see an increase in property fires.

Housing Trends

The trend of funding reduction from the U.S. Department of Housing and Urban Development continues, and is expected to continue indefinitely. With continued reductions, the Department of Housing will not be able to continue the current level of maintenance and services. The amount of federal subsidy and rental income will not be enough to cover operating costs. In 2008 to 2009, the Town's general fund was used to cover operating costs of \$177,000.

Human Resource Development Trends

1. **Health coverage premiums and retirement plan OPEB liability are upward bound.** Many businesses and public entities, including NC municipalities have developed more than one choice of medical coverage plan for employees. A base plan is offered at low cost: employees who believe they need more coverage select the higher premium plan. There is also a significant trend to shift more costs to retirees for their health care.

The key driver in these shifts has been employers' quest for "benefit cost control and predictability in funding and accounting" of employee retirement plans. Finally, more emphasis on wellness programs with incentives or requirements to manage health conditions are increasing.



2. **Efforts continue to keep, not lose, baby boomers.** Changes in recruiting, retention and management policies/practices are being implemented. Some strategies include allowing part-time workers access to health care and retirement benefits, non-momentary rewards such as flex time, the opportunity to learn something new and a good work-life balance. There is also a significant rise in succession planning and workforce development to

prepare current employees for retiring baby boomers. And with the current economic downturn and its impact on retirement funds, the boomers may decide to keep working longer.

3. **Career Development fails to meet what employees want and need to keep them engaged.** According to a study conducted by Blessing White, an HR consulting firm, over 40 percent of employees say their employers' approach to career development failed to meet their needs. Employees expressed a number of concerns, such as lack of commitment to lateral career moves, support only given to "high potential" employees or specific groups, and an absence of a real talent management system. There are also significant differences in the perception of support across generational lines (boomers and Gen X). For some younger workers, career development may be interpreted as a promise of promotion and in-house advancement and feel cheated if it does not happen. The best practices for a successful talent management program is to provide not just training opportunities, but ensure in-house coaching and mentoring, tapping on the experience and expertise of the organization.
4. **Outsourcing and Consulting.** It is not surprising after a review of the above trends that employees, both private and public, are outsourcing work currently completed in-house. The outsourcing of transactional work such as payroll and benefit administration, has experienced a rapid growth over the decade. Organizations are also reviewing what "core competencies and services" they truly must deliver and outsourcing what is not core (i.e. solid waste collection, mowing/trimming). Outsourcing and working with consultants is a possible option to reduce long term benefit and retirement obligations, the gap in future talent pools and still get essential work completed.

Library Trends

1. **Library use continues to increase.** Despite Internet availability, Chapel Hill Public Library use continues to increase. Since it began in 1999, the Hennen's American Public Libraries Rating (HAPLR) Index has ranked the Library highest in the state because of its extraordinarily high circulation of materials per capita. Since 2000, Chapel Hill's overall circulation has increased by 18 percent. Children's circulation has increased by 39.5 percent.

Possible consequences:

- a) Because the size of the book collection is fixed due to space considerations, we anticipate that increased use of the same number of books will accelerate the wear of the collection. Additional resources will be needed to weed, purchase and mend materials to maintain the size and condition of the collection.
- b) We anticipate demands for a larger collection. The collection development project is intended to accelerate collection growth to four items per capita. However, additional resources will be needed to maintain the collection at this higher level once it is achieved.

- c) We anticipate demands for new services (EX: adult programming and teen space) as new residents move here from communities that offer more non-traditional library services than can be provided in the current space.
 - d) If construction moves forward on the library expansion project, we anticipate reduced access to library services for a period of time. Staff will need to identify possible alternatives to provide quality services and to provide positive marketing of the library's efforts to serve the community in order to maintain community use and support.
 - e) If construction does not move forward on the library expansion project, we will recommend reconfiguring existing library space to provide more space for collections, to improve work flow and to increase patron satisfaction.
2. **Patrons expect libraries to keep pace with new technology.** Patrons expect libraries to provide them with access to information in new and changing formats, including downloadable music, audio books, e-book best sellers, data base subscriptions and 24/7 access to reference services.

Possible consequences:

- a) An expanded floorplan will need to anticipate and provide for requirements of technology and for services not currently offered.
 - b) We anticipate a need for additional public access computers with up-to-date software, and added staff to support computer users and equipment.
 - c) Existing resources may need to be shifted or added to accommodate new formats and types of access. New resources will also be needed to provide these formats.
3. **The library will service as a “commons” or “living room” of the community.** Library literature indicates that this is a national trend, and the Town Council has expressed its interest in providing community space in the expanded library. The Library Master Plan also recommends increasing library-sponsored programming.

Possible consequences:

- a) Any expanded floorplan should be as flexible as possible to accommodate a variety of uses by the community.
 - b) The library currently provides only children's programs. New resources will be needed if adult programming efforts are undertaken.
 - c) Seating space in the library will continue to compete with space for the collection in the existing library. Reorganization of space should be considered to respond to service needs.
4. **People use public libraries more during economic downturns.** We anticipate that more residents will use the library to look for jobs, prepare resumes, provide family outings (programs, movies, story hours, etc.), borrow books and other materials they might otherwise have purchased and to use public computers to avoid home Internet access bills. We also anticipate increased use by teachers seeking to supplement waning school resources.

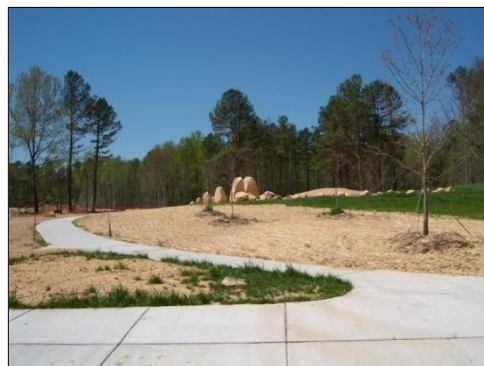
Possible consequences:

- a) The Materials Selection Committee may choose to purchase more copies of fewer titles to meet demand for popular materials. This will meet immediate demand positively but may affect long-term collection development negatively.
- b) The Library's free computer classes should target programs that increase job skills and assist individuals seeking jobs.

The Library may need to consider a different venue for children's programs that provide additional seating and performance amenities.

Parks and Recreation Trends

1. **Childhood Obesity:** As in previous years, childhood obesity continues to plague North Carolina. Chapel Hill is not immune from this problem. North Carolina currently ranks 5th in the number of children who are obese and this trend is expected to continue. In Chapel Hill, contributing factors are the limited number of outdoor play spaces for active recreation and the inability of children to find active field space for structured (organized league) play and unstructured play
2. **High Density Development:** As Chapel Hill continues to move towards greater high density development, the Town needs to provide more open space and passive recreation areas in closer proximity to this type of development to allow for the opportunity to find peace and quiet places to relieve stress. In addition, dog parks should be developed for pet owners in these developments.
3. **Loss of open space.** As the Town continues to approach its limits of development there are few remaining opportunities for acquisition of open space and park lands. Some significant tracts remain on the Town's edge, but there is little remaining funding dedicated to the purchase of open space.
4. **Aging Facilities.** Many of the Town's parks are now in excess of 30 years old and require major renovations. These mounting needs when coupled with recent escalations in the costs of construction and renovation will likely make it more difficult to keep pace with needed capital improvements.
5. **Aging Landscapes at Town Facilities.** The landscapes at most Town facilities are aging beyond their intended functional life cycle. These landscapes are no longer maintenance friendly and provide challenges to routine maintenance efforts.
6. **Economic recession causes greater demands for Parks and Recreation Services.** During an economic slowdown or recession, the demand for public recreation and park services increases as citizens are looking for meaningful recreation experiences, a greater variety of ways to reduce stress and enjoy healthy living, more opportunities for exercise and fitness and quiet reflection all closer to home and less expensive to access. There will be more demands for school age children's programs and camps, especially during the non-academic year. There will also be a greater need for teen and young adult programs



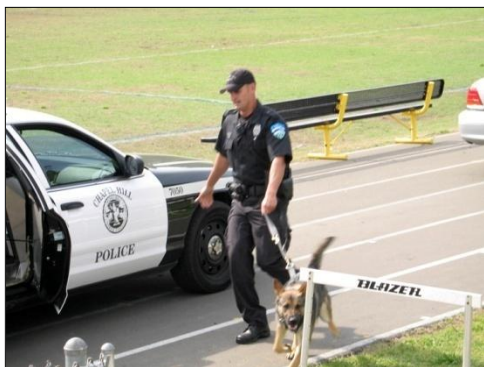
and activities as employment opportunities for these age groups dwindle and this population has more free time on their hands.

7. **Continued Focus on General Condition of Downtown.** There will continue to be a focus on improving conditions of cleanliness and general appearance of the Downtown. This trend will require an increased presence in the Downtown by the landscape division and additional efforts to provide a higher level of service in the Downtown.
8. **Increase in Size and Number of Town Facilities:** The additions of new Town facilities requiring landscape maintenance will continue to be challenging as these projects come on line. The addition of the Southern Community Park, Aquatics Center, and the landscape buffer project on Christopher Road are examples of areas that will require additional resources of equipment and labor to provide adequate maintenance.

Planning Trends

1. Limited/Declining Resources.
2. Transitioning to a Built-Out Community.
3. Increased Emphasis on Sustainability.
4. Use of Alternate Forms of Transportation Increasing.
5. Increased Emphasis on Public Health Issues.
6. Housing Costs Rising.
7. Complications of Providing Affordable Housing.
 - A. Long Term Maintenance and Affordability of the Affordable Housing Stock.
 - B. Change in the Affordable Housing Product.

Police Trends



1. While the department has been reasonably successful in receiving grant funding in 2008, the outlook for 2009 is not as good. Of particular concern is the availability of grant funding for Project Turnaround, an intervention program for first conviction drug offenders that relies on grant funding for all costs associated with the program.
2. We continue to see that crimes against persons tend to be decreasing while property crimes have been increasing. Bad economic times also have the effect of increasing instances of reported property crimes. Patrol units will continue to try to be innovative with the resources they have at hand in order to develop strategies for dealing with this increase in property crime.
3. Continued redevelopment in the Central Business District and elsewhere around the town will have the effect of changing the business/residential mix in these areas and with that a change in expectations in how we police those neighborhoods. We believe that the residents will expect short response times to calls for service as well as more police visibility. Along these same lines, the University of North Carolina continues to build and

to plan for expansion. Its plans will also have an effect on population density, traffic volume and residential/retail mix. In turn, this will have an effect on policing.

4. There has been a trend toward an increase in spontaneous or clandestinely planned street events/protests designed to disrupt traffic and cause chaos, especially in the Central Business District. The police department will maintain close ties with the University and others in order to gain advance notice of such events, whenever possible, and to plan for them. While we respect the people's right to public protest, we must also be mindful of the safety and traffic concerns that these spontaneous events cause.
5. Policing in Chapel Hill will continue to rely upon advances in technology in order to adequately provide services to the residents of the town. New technologies, such as evidence bar coding, will make evidence handling more efficient and easier to track. The technology services unit will become more prominent in its importance to the department as we endeavor to keep up with changing technologies and their applications in police work.
6. The town expects well trained officers to meet its policing needs and our training division will continue to work with a relatively young workforce in order to keep them trained at a level expected by the residents. The training budget needs to reflect this need for ongoing training.
7. Gang activity has been holding steady, but if the economic downturn deepens or continues for a prolonged period, there will probably be a rise in gang related criminal activity. CHPD will continue to track such activity and work with surrounding agencies to share intelligence on these matters.
8. While we are currently nearly fully staffed, there has been a trend toward difficulty in finding well qualified recruits when vacancies do occur. We expect that this difficulty will continue at least until there is a significant draw down regarding our military commitments abroad.

Public Arts Trends

1. **Economic Situation Will Affect Revenues for Public Art Projects and Programs.** The uncertainty of the economic situation for both the Town and private development will result in fewer, if any, Capital Improvement Projects coming on-line as well as a cut back in private development projects, two important sources of income for public art in Chapel Hill. The Office will need to operate efficiently and effectively with less.
2. **Presidential Stimulus Package.** As part of the national economic recovery strategies, the federal government and states may create jobs and stimulate the economy through funding infrastructure and capital improvement projects, increased grants to arts agencies, and the creation of an artist corps. These programs may mean opportunities for funding of public art. These funds will be competitive. The Town and the Office must aggressively seek such funds.
3. **Community-based Public Art Programs.** Expenditure of public funds for public art in Chapel Hill is relatively new (2002). Projects and the program are still under scrutiny. Recent large-scale projects have not proven their value to the community at-large. There

is a need to re-connect public art with the community via projects that employ local artists, are transparent in their development, and involve community participation and collaboration, as well as education.

4. **Rising Cost of Housing.** While this may seem like an economic development issue, the expense of living in the Chapel Hill/Carrboro area is resulting in a migration of artists to other places (Durham, Raleigh, elsewhere) where they can find affordable housing and studio space. Public art and the arts in general are needed to keep Chapel Hill vibrant. They can only thrive if a vital artist community is maintained. A strategy that identifies the arts as essential to Chapel Hill's development is needed.
5. **Public Art in Context.** The strategy for public arts in Chapel Hill is to link public art to redevelopment, new development, streetscape, cultural arts, social services, recreational facilities, transit and public spaces. The current structure, funding mechanism, and programs only minimally support this effort.

Public Works Trends

1. **Increasing scrutiny by State and Federal regulators regarding water quality in our lakes and streams.** This scrutiny involves the detailed review of the Town's compliance with its National Pollutant Discharge Elimination System (NPDES) permit requirements; the identification and mitigation of impaired streams and stream segments; and the establishment of State standards for controlling pollutants entering Jordan Lake, all of which will result in significant fiscal and physical resource impacts on the Town. We will be able to quantify the fiscal and resource impacts on the Town after the regulations and standards become effective and time tables are established. This trend is already underway; the proposed rules will go to the NC Legislature in January 2009 for review. After the rules are finalized, we will be able to identify specific impacts on the Town.
2. **Increasing density of development and infill development.** We are already beginning to see specific impacts from dense and/or infill development throughout the Town. For example, dense urban development may allow residents to walk to local facilities, but many residents will still own a car or truck to go elsewhere. Increased density typically equates to an increased number vehicles per block which could exacerbate problems of vehicle storage/parking, localized congestion and air pollution, and development expense (e.g. \$100,000+ per underground parking space). Dense infill development also tends to eliminate economical opportunities for stormwater management and pollution control, and may contain new and challenging site constraints (e.g., existing underground and overhead utilities, protection of existing public and private infrastructure and structures). Development on the little remaining raw land in Chapel Hill may encounter a number of physical conditions, which make developing the site a challenge (e.g., steep slopes, poor soils, wetlands, floodplains (regulatory and natural), stream buffers (RCD and water supply watershed), and/or utility easements). This trend is also underway in our Town, and we will be able to quantify impacts with hard data as these developments proceed.
3. **Increasing cost of construction materials and fuel.** Some capital improvement projects will become fiscally impractical unless they are down-sized, phased and/or redesigned. Capital higher initial cost of constructing an energy efficient building may be prohibitive

in some cases. The cost of providing many services increases along with fuel costs. The mid-term result of this trend is likely to be reduced number, scope and scale of capital improvement projects and reduction in services...neither of which will be received well by many citizens.

4. **Increased focus on sustainability** will result in more comprehensive design review requirements for both private and public projects. During the design and approval process for Town projects this focus will likely also lead to increased initial construction costs that may be offset by long term energy savings. The use of LEED certified professionals to commission the Library Expansion and potentially other future Town projects will assist staff in monitoring our success in meeting the sustainability objectives included in the Comprehensive Plan.
5. **Potential revisions to the Town's tree protection regulations** may necessitate new permitting requirements involving staff review of currently unregulated activities. We monitor the number of plans reviewed for consistency with the Town's tree protection and landscape related regulations and anticipate that these potential changes could significantly increase the number of plans reviewed by staff.
6. Increased interest in the downtown area likely will result from the significantly changing development patterns in that area. This will likely result in the need for an **increase in the pace of Streetscape improvements** and the associated staff resources needed to manage these improvement projects. Available bond funds are monitored as these improvements are undertaken and an increase in the use of these funds is anticipated.
7. The availability of funds could be cost effectively utilized to **make selective street improvements** beyond that allowed for in a defined project budget within or outside the organization. Projects could include realignment of a section of roadway/intersection to make it safer for both motorist and pedestrians, add pavement width to help accommodate bicyclists, or perform other important roadway infrastructure projects for which funding is not readily available.
8. **Streets maintained by the division have increased by 28.5 percent** (or about 36 center miles) over past 13 years. During this period there have been significant increases in the cost to resurface streets, with an annual average increase of over 18 percent over the past several years.
9. **Increased expectations and demand for higher service level** relative to collection of loose leaves, snow removal and maintenance of Town's streets, drainage and sidewalk infrastructure.
10. **Increase in quantity and sophistication of fleet** including increased maintenance demands on fire apparatus, new diesel engines emissions requirements and police vehicles.
11. **We continue to expect an upward trend in fuel prices** based on factors of supply and demand.
12. **Increased costs to dispose municipal solid waste.**
13. **Increase in building inspections of high rise construction.**

14. **Residential development.** In FY 2006 and FY 2007, the number of single family units authorized in Chapel Hill stayed below the range of 200 per year to 153 in FY 2006 and 164 in FY 2007. So far, the Inspection Division has authorized 225 units in the current fiscal year, including multi-family and single-family units.
15. **Affordable housing.** The Chapel Hill Comprehensive Plan, adopted in May 2000, and other plans contain specific policy statements on affordable housing. The Comprehensive Plan states that the Town as a general policy should encourage developers of developments with five or more units to provide 15 percent of the units at “prices affordable to low and moderate income households.” The Comprehensive Plan affordable housing goal could be adversely impacted if new residential construction continues to trend downward.

Sustainability Trends

1. Increased Understanding of Holistic Concept of Sustainability (Beyond the Environment).
2. Greater Desire for a Sustainable Community and Methodologies for Monitoring Progress.
3. Increased Emphasis on the Need for Greater Federal and State Funding of Sustainability Projects and Infrastructure.
4. Growing Political Pressure to Develop Federal Policy that Reduces Greenhouse Gas Emissions at the Local Level.
5. Green Building Practices Becoming Preferred.
6. Use of Alternate Forms of Transportation Increasing.
7. Heightened Emphasis on the Relocalization of Goods and Services.
8. Greater Appreciation for Sustainable Business Practices.
9. Expanded Development of Sustainability Curriculum within Higher Education Institutions.
10. Increased prevalence of “greenwashing”.
11. Higher demand for green job training and development.

Transit Trends

1. **Regional Cooperation.** Efforts will expand as pressures for new service grow. Greater collaboration will result in better, more efficient service for the public.
2. **New Services.** Rising fuel prices and tough economic times will put more pressure on us to expand services to new areas inside and outside our current service area.
3. **Fleet Replacement.** Vehicle replacement will continue to be an issue as 35 buses will be eligible for replacement in 2010.

4. **Funding Deficiencies.** Transit funding at the state and federal level relies on gas tax revenues. As fuel use declines so will transit revenues. Efforts will begin to identify new sources of public funding for transportation at the federal and state level.
5. **Fuel Costs.** Fuel costs will continue to be volatile. National trends indicate that fuel prices will increase in 2009. Many industries heavily reliant on diesel fuel, such as transit, will move toward fuel contracting to control fluctuating prices.
6. **EPA Emissions Standards.** New EPA standards effective in 2010 will affect bus pricing. The new technology will also bring a new version of diesel engines and significant infrastructure changes to accommodate the new technology.
7. **Communication.** Ridership growth will continue, and as the number of new riders increases, demands for better, more accessible information will grow.

PRIORITIES

In preparation for the Council Planning Retreat, department heads and program managers reviewed the achievements of the past year and the trends they monitor professionally to project their priorities for the coming year.

Priorities Grouped by Goals

In this section, the Town Manager organized priorities identified by department heads and program managers into Prioritized Goals.

1. Steward Organizational Culture Change

PW: Completion of departmental reorganization plan, including merger of Engineering into Public Works. (Note: the reorganization plan was approved by the Manager effective January 1, 2009.)

PR: We will continue to provide support to the reorganization as outlined in the roadmap for organizational change. To accomplish this priority we will work to consolidate cemetery operations under the Parks and Recreation Department and provide additional support for the Town's Public Art Program.

PA: Complete a Public Arts Strategy. To align public arts with other Town planning and community interests, the Office will form a Mayor's Committee, and seek Town departmental and community input on how Chapel Hill can use public art to help achieve its economic development, downtown beautification, and quality of life goals, as well as how public art should be best implemented.

SO: Develop Annual Goals for Sustainable Operations & Services (SOS) Team. Work with the SOS team to develop near-term and longer-term goals for improving the sustainability of the organization, and implement necessary measures for attaining near-term goals in 2009.

PD: Challenge the staff to develop new and innovative approaches to the way we function.

2. Champion Downtown

ED: Begin planning for a new downtown master plan.

PR: Downtown Beautification. We will champion the Downtown by increasing involvement in and support for the streetscape plan. We will work with downtown merchants and the Downtown Partnership to enhance horticultural areas and bring more color to the downtown area by placing hanging planters on Franklin Street and Rosemary Street.

PW: Successfully complete the Streetscape Master Plan revision process, including endorsement by the Council and inclusion in the Town's Comprehensive Plan.

3. Continue Focus on Land Use, Transit and Development

PW: Work with Planning Department to improve Development Review Process to make it more timely and consistent.

PW: Manage resources to permit timely inspections of large-scale construction projects, such as East 54, Greenbridge and 140 West.

PW: Maintain multi-disciplinary plan review process. The Chapel Hill Inspections Division is well suited for the type of construction--residential and small commercial projects--historically seen here; however, we lack sufficient resources to handle complex commercial projects such as large high-rises proposed to be built in the downtown area. Currently, commercial plan review is limited to improvements to existing structures and smaller scale projects. The larger projects are far more complex and require adequate staff resources to examine the plans and specifications.

PW: Maintain strong presence on the multi-jurisdictional working group considering physical and fiscal impacts of pollution standards (Total Maximum Daily Loads/TMDLs) proposed by the State for Jordan Lake. Standards and rules that have been drafted by the State were deemed to be physically and fiscally impractical by staff of Chapel Hill and most other stakeholder agencies and jurisdictions. Town staff professionals provided comprehensive comments and questions to the State regarding the draft rules.

PW: Successfully complete revisions to the Town's tree protection regulations, including approval of additional staff resources as deemed necessary to implement these revised regulations.

TRAN: Develop a consensus regarding transit growth among funding partners and establish a plan to sustain the growth. The Long Range Transit Plan should provide the framework for future growth of the transit system through 2030.

PR: We will work with the Planning Department and the Council to upgrade the Parks and Recreation section of the LUMO.

PD: Comprehensive Plan Update and Amendments. Upcoming efforts anticipated to include:

- amendment to incorporate recommendations of the Rogers Road Small Area Plan,
- amendment to incorporate recommendations of the Long Range Transit Plan, and
- amendment to update the Comprehensive Plan such as adding a community vision process, or corridor studies, as determined by the Council.

PD: Implementation of Comprehensive Plan.

PW: Maintain scheduled development of the Stormwater Management Program Master Plan.

PW: Continue to work with appropriate staff and the Sustainability Energy and Environment (SEE) Committee to provide for better management and oversight of a proactive sustainability program.

4. Maintain and Improve Community Facilities and Services

A. Services

TRAN: Establish transit system performance measures to improve allocation of resources.

PD: The future of Project Turnaround remains a priority with the department. We need to gauge the Town's commitment to the program to discern if we continue the program as intended, or reduce services to reflect the lack of funding.

PD: In an effort to be more interactive with the public while providing services, CHPD would like to pursue **web-based information retrieval**. This would allow residents to remotely access police reports, traffic accident reports, arrest reports and crime mapping from home.

PA: Continued Education of Town Staff, Commissions, Counsel, Artists, and the Public as to the Value of Public Art.

PA: Continue Modified Programming Developed by the Public Arts Commission.

CaPA: Enhancements to Chapel Hill Government TV 18

CaPA: New Website

SO: Enhance the Visibility and Content of the Town's Sustainability Webpage. Work with Communications and Public Affairs Department to improve the web prominence of the Town's GreenCity page and enhance the content so as to provide greater education to the public regarding sustainability practices.

CaPA: Citizen Survey

PW: Ensure communication of laws to all property owners and citizens. The Inspections Division is using placards and other posted notifications such as the Complaint Notice on private property to initiate communication with the property owners.

PW: Revise solid waste program to continue improved safety and efficiency in collection, including consideration of "Pay As You Throw" option for residential, automated residential service and more efficient and environmental friendly yard debris collection.

SO: Receive ICLEI Countywide Greenhouse Gas Emissions Report. Receive ICLEI Countywide Greenhouse Gas Emission Report in February, 2009 and—with Council input and direction—proceed with development of next steps towards formulation of countywide reduction strategy.

SO: Complete Detailed Greenhouse Gas Emissions Inventory for Town Operations. Continue to work with the Institute for the Environment at UNC-Chapel Hill to identify and manage personnel resources that can assist with the Town's CRed pledge. Sectors targeted for completion in 2009 include streetlighting, vehicle fleet and facilities.

LIB: 50th Anniversary Celebration: Partnering of the Friends, Foundation and library staff to celebrate the library's 50th anniversary began in 2008 and will continue through 2009. Events will celebrate the reader, increase awareness of the long-term needs of the library, recognize the library's partners and identify new ones, showcase the history of the library in the context of

growth and change in Chapel Hill and promote awareness of the need for private support to complement the public budget.

LIB: Collection Development Project: The Library Master Plan recommends that the library provide a four-items-per-capita collection to patrons on opening day in 2010.

B. Technology

CaPA: Paperless Agenda Process

PW: Obtain funding and implement integrated work order management, automatic vehicle location/mobile data terminals and call center programs; that are compatible with our financial management system.

LIB: Technology Planning: Objectives will be to update the existing Technology Plan component of the Library Master Plan, develop a schedule for installation of a radio frequency identification system, based on the construction management company's timeline, and continue to identify cost-effective technologies and vendors to maximize patrons' electronic access to library resources.

FD: Continued transition to operational use of 800 MHz VIPER radio system as daily response communications system.

FD: Continued Development and Implementation of Improved Wireless Technology for Fire Department Field Access.

HD: Continue the process of converting to the project-based budget and asset management budgeting model as required by the U.S. Department of Housing and Urban Development.

HD: Continue to investigate opportunities to collect outstanding balances from former tenants.

CaPA: Town-wide Document Management System

C. Human Resources

TRAN: Expand emphasis on System Safety. In FY 2007-08 we were involved in serious bus-pedestrian accidents. While our safety programs meet industry standards, there are improvements that can be made to make our safety and training programs more effective.

TRAN: Continue staff development efforts to improve employee skills and performance and establish opportunities to create a welcoming work environment.

PD: Invest in employees. Our employees are our most valuable resource. Special focus will be on our certified planners who now have mandatory continuing education requirements.

PR: Develop a comprehensive staff training program as an ongoing process for both supervisor and groundskeeper levels personnel.

HRD: Employee Training and Development.

HRD: Compensation and Benefits - provide the best total pay and benefits for current employees possible and ensure that plans are fiscally sustainable.

HRD: Performance Management - A consistent performance evaluation and management system is greatly needed which is perceived as effective and fair.

HRD: Organizational Effectiveness - There is an expressed need by directors to have clarity in organizational policies, procedures and operations.

HRD: Employee Relations and Communication - The town experienced very challenging employee relations issues at the TOC this year and are responding with efforts such as the recent “Day of Dialogue” held in November. We will build on what we have learned to keep employees informed and to build positive, trusting relationships with them.

FD: Complete Implementation of a career development program for the Department started in FY 07-08.

FD: Improvement of the overall Emergency Preparedness of the ToCH through the creation of an Emergency Manager position.

PD: The overtime budget for the police department continues to be a matter of concern. It does not reflect staffing needs for an increasing number of special events.

PW: Reclassify Engineering Technicians to reflect the increased complexity and breadth of knowledge required for work in their associated responsibility areas.

PD: The Town Manager has appointed a committee to **study compensation and retention issues** within public safety as a whole. The focus of the group is the review of compensation (including incentives), overtime policy, and the need for an exit interview process. The group will make recommendations to the Town Manager for a compensation plan that will enhance our ability to hire and retain the best employees to serve the town.

PD: We will need to **fill critical civilian staff positions** that are currently vacant. One is the crime analyst/tech. support position and the other is administrative assistant position.

PW: Enhance enforcement of Town Code and the Land Use Management Ordinance. The Inspections Division will face a challenge in the coming years of enforcing specialized zoning regulations, such as ordinances regulating Neighborhood Conservation Districts, while continuing the enforcement of the Land Use Management Ordinance and the Town Code with one code enforcement officer.

D. Facilities

PD: Maintenance and repair of both the building as well as operational equipment remains a priority. Police headquarters is an older building requiring more maintenance and repair as time goes by. Our technical services unit faces growing responsibilities as the department acquires more equipment to install and maintain both in the building and in the police vehicles.

FD: Continuing a legislative priority to address equitable State Funding for fire protection of state-owned properties.

PA: On-Going Percent for Art Projects. The Office will oversee the activities and phased completion of already begun projects.

HD: Continue energy conservation measures by installing energy star rated appliances in the public housing apartments. And also, installing energy-efficient florescent light bulbs and water saving plumbing devices.

HD: Complete comprehensive renovation work in the 11 North Columbia street public housing apartments.

LIB: Library Expansion Project: The Library will continue to provide staff support to the design team and Town staff as the Town considers costs associated with building and operating an expanded library. If the Library is to be in the existing space for an extended time, then staff will consider floorplan revisions to improve efficiency and service. Staff will also assist in review of possible library service options in lieu of expanding the existing library.

LIB: Maintain Current Service Levels: If the expansion project proceeds, staff will develop alternatives for on- and off-site operations to minimize service impacts for the public. Staff will also work with the Library Board to develop user surveys to identify future services and outreach.

PR: We will utilize the recently completed park and greenways facilities condition assessment. In addition, we will continue the development of a comprehensive maintenance management plan for parks, greenways, cemeteries, open space and beautification areas that includes the establishment of maintenance standards and levels of care to be given to each facility type and specific location.

PR: Explore options for adequate programming space and a new department administrative headquarters building.

PR: Increase the effectiveness of the Parks and Recreation Landscape Division and its efforts to maintain community facilities more efficiently and with improved safety by providing additional personnel and equipment resources.

PR: Utilize contract mowing to help to free staff to accomplish other necessary tasks in the horticultural area of responsibilities.

PR: Conduct an assessment to evaluate the condition of the aging landscapes so that updated landscapes can be installed on a schedule based on the priorities of the study. The landscape at the entrance of the Chapel Hill Public Library is a perfect example of such a landscape. The scheduled replacements could be done over a period of time and could be funded as a Capital Improvement Project. These landscape replacement projects would allow for both efficiency and safety issues as they relate to maintaining Town facilities.

PW: Allocate staff resources as necessary to ensure thorough project design and construction oversight for upgrading and replacing the Town's computerized traffic signal system.

PW: Obtain additional funds to increase frequency of street resurfacing from once every 20 years to once every 14 years (national recognized standard is once every 12 years).

PW: Continued improved pavement maintenance practices such as crack pouring and various types of seal coats. These practices give cost effective alternatives to extend and maintain service life of the Town's roadways.

E. Vehicles and Equipment

TRAN: Improve the maintenance, dependability and condition of the Chapel Hill Transit fleet. We have invested more than \$35 million in our bus fleet. A modern, properly maintained bus fleet is essential to assure proper use of Town resources and quality service to the public.

FD: Improvement of the fire apparatus fleet maintenance program by the addition of an extra fire pumper for spare/reserve purposes.

PD: Fleet management is a main area of concern for the department. A special committee has been appointed by the manager to study this issue and make recommendations. Our goal is to have sufficient fleet capacity to ensure that operational readiness concerns are addressed and to have the type of fleet that takes into account the council goal of a green fleet.

5. Improve Town's Fiscal Condition

BMS: Implement Debt Management Plan.

BMS: Improve and strengthen Internal Control to recognize new requirements over financial reporting and compliance of laws and regulations.

BMS: Improve performance measurement and service efforts reporting

BMS: Centralize and improve business management services to enable Town departments to increase efficiency and effectiveness of service delivery.

BMS: The Town of Chapel Hill **must ensure the sustainability of its retired health-care program including "other postemployment benefit" (OPEB).**

ED: Complete a retail market analysis to better understand needs.

ED: Work to create an inventory of commercial spaces and tenants.

Initialize a Small Area Plan for area adjacent to Ram's Plaza and including former Volvo dealership and Colony Apartments.

ED: Work with partners (CHDP, Chamber, SBTDC, UNC, Town) to draft a white-paper defining issues related to business development in Chapel Hill.

ED: Establish a working group of professionals to help identify issues related to the retaining and attracting creative professionals to Chapel Hill.

ED: Work with UNC Economic Development to form an Innovation Committee to meet quarterly to discuss futuristic opportunities in economic development

ED: Work on creating a stronger community presence for economic development.

PR: Develop alternative funding sources and innovative funding strategies to help meet the growing demand for parks, open space and recreation programming, including event

sponsorships, increasing the opportunity for donations and charitable gifts; increased marketing and advertising sales.

PD: Efficient use of available resources (including state/federal program funding) **and identification of new resources.**

PA: Seek Grant and Other Funds to Supplement Office Budget and to Support Initiatives.

PA: Champion an “In-Lieu Of” Resolution for Public Art in Private Development.

SO: Secure Outside Funding for Energy Conservation Demonstration Project(s). Identify and pursue outside funding opportunities to form public-private partnerships aimed at developing and implementing energy conservation demonstration projects in Chapel Hill.

6. Plan Ahead for Carolina North

PR: Integrated greenway system on the new campus and to continue to advocate for public use of open space and recreation space within the Carolina North Campus. We will work to include the short term use of land for outdoor recreation space until such time as that land is needed for “brick and Mortar” development of Carolina North.

PW: Allocate staff resources as necessary to thoroughly review and comment on proposals for development of the Horace Williams Property (i.e. Carolina North).

Priorities Identified by Departments/Programs

Business Management Priorities

1. **Implement Debt Management Plan:** The Town’s annual debt service cost has more than doubled in the last four fiscal years, which has severely depressed available resources necessary to sustain the Town’s ability to provide reliable and effective services to the community. With the creation of the debt fund an important first step has been taken in managing the Town’s debt. It is imperative that the Town continue to carefully manage its debt load in a manner that does not negatively impact its ability to deliver appropriate levels of routine services.
2. **Improve and strengthen Internal Control** to recognize new requirements over financial reporting and compliance of laws and regulations. The Auditing Standards Board recently issued Statement on Auditing Standards No. 112, *Communicating Internal Control related Matters Identified in an Audit* will have an impact on performance of the Town’s annual audit and materially increase staff efforts during the fiscal year and at fiscal year end. The Government Finance Officers’ Association has issued recommendations to minimize the negative effects resulting from implementation of SAS No. 112 that calls for improving and maintaining a sound financial reporting system by the following:
 - a. utilizing sufficient financial staff to minimize the possibility of material auditor-initiated audit adjustments;

- b. incorporating an anti-fraud monitoring program and methods to monitor adherence to administrative procedures; and
 - c. maintaining adequate staff to prepare financial statements without assistance by independent auditors.
3. **Improve performance measurement and service efforts reporting:** The connection between the budget and the strategic plan should be strengthened so that resource allocation decisions more clearly support the strategic direction of the Town. Meaningful benchmarks and performance indicators should be developed for each work unit and used as a management tool to gauge efficiency and effectiveness of operations. The annual budget, in addition to documenting goals and service objectives, should link goals and objectives to meaningful performance measurement indicators and benchmarks.
4. **Centralize and improve business management services** to enable Town departments to increase efficiency and effectiveness of service delivery. By centralizing some of the business and financial procedures within the Business Management Department, staff in other departments will be able to increase their time and effectiveness in performing service delivery responsibilities. This will result in Townwide improvement in efficiency and effectiveness and result in better service to Town residents.
5. The Town of Chapel Hill must **ensure the sustainability of its retired health-care program** including “*other postemployment benefit*” (OPEB). In addition to finding a way to increase funding for current and unfunded OPEB liability costs, the Town may consider the following possibilities of enhancing the sustainability of its commitment to past and present Town employees:
- a. implement health care cost containment measures; i.e., place Medicare eligible staff and retirees on a separate Medicare Supplement Plan;
 - b. review vesting rules and make changes for non-vested and future employees;
 - c. establish eligibility rules that avoid including retirees, dependents, and spouses who are otherwise insured;
 - d. implement a cost containment measure, such as capping the annual cost to a manageable maximum level. This level should be set at an amount that is not expected to be reached immediately, but will stop the actuarial cost projections at 8 percent to 12 percent each year from being carried out beyond the cap amount.

These changes will assist the Town in controlling future costs and the annual funds that must be designated for this purpose. In addition, as the unfunded liabilities are funded, investment income will become an important part of the annual funding considerations.

Communications and Public Affairs Priorities

1. New Website:
- The website is how we communicate with our residents, the community, and the world.

- Implementation of the new website is a 2008 Council priority.
 - The new website will give CaPA the tools it needs to meet the public's ever-changing technology needs.
 - We must get the website up and running in order to implement the paperless agenda process because the two are integrated.
2. Paperless Agenda Process:
- This process will not only reduce the amount of money the Town spends on paper and paper related costs such as large copy machines, and multiple copy machine sites, and maintenance of those machines, and space occupied by these machines. The process can actually eliminate paper.
 - The process will also improve the efficiency of providing the Council and the public information. It will enable us to automatically publish the Council packet to the website. It will also allow us to customize our workflow.
 - The process will enable us to customize our agenda layout. And while it will have a new look, the packet will still replicate our existing paper form that our constituency is used to seeing.
 - The process also integrates with Granicus, our online on-demand streaming web video.
3. Chapel Hill Government TV 18:
- The Town would benefit from a fulltime videographer to manage the government cable television channel and maintain the Council Chamber AV equipment.
 - We rely on various outside freelancers for this service.
 - Design a program to create new programming for TV 18 using PEG funds and UNC journalism students.
4. Citizen Survey:
- Surveys will help us gauge citizen satisfaction with overall services.
 - CaPA would like to measure citizen satisfaction with Town communications/outreach and understand preferences for two-communication.
 - In this economically uncertain time, surveys can help us understand what services, facilities citizens value the most.
5. Town-wide Document Management System:
- With the implementation of the paperless agenda process a Town-wide document management system is critical. There needs to be one place where all the Town's documents are readily accessible by all Town departments.
 - Paper documents could be scanned into the system, then stored offsite, freeing up needed space in our facilities.

Economic Development Priorities

1. **Complete a retail market analysis** to better understand needs. This item will help in guiding our growth based around market needs.
TASK: Analyze the market to identify opportunities and capacities. Identify weaknesses that can be captured locally to use in recruiting businesses and defining new uses for

existing shopping centers.

TASK: Define what types of businesses are appropriate for Chapel Hill and that we desire to recruit.

2. **Work to create an inventory of commercial spaces and tenants.** This item will allow us to keep track of occupancy levels and also be better prepared for growth and development opportunities.
TASK: Create a database of existing office/commercial space in Chapel Hill.
TASK: Define opportunities for growing jobs and demand for office/commercial space.
TASK: Consider ways to encourage growth of entrepreneurial opportunities in Chapel Hill that will help in growing office space demands.
3. **Initialize a Small Area Plan for area adjacent to Ram's Plaza** and including former Volvo dealership and Colony Apartments.
TASK: Define areas like which could benefit from a small area plan and initiate.
4. **Begin planning for a new downtown master plan.**
TASK: Identify new downtown redevelopment projects which can assist in redefining the retail market for downtown. Consider the possibility of creating a local REIT to invest in projects.
TASK: Work with the University on redevelopment of University Square
5. **Work with partners (CHDP, Chamber, SBTDC, UNC, Town) to draft a white-paper defining issues related to business development in Chapel Hill** including: rents, regulatory environment, space available and other issues.
TASK: Based on findings evaluate the needs for encouraging business development in Chapel Hill including lease subsidy.
TASK: Consider marketing grants to encourage and grow retail sales for shopping centers.
6. **Establish a working group of professionals** to help identify issues related to the retaining and attracting creative professionals to Chapel Hill. (TASK)
7. **Work with UNC Economic Development to form an Innovation Committee** to meet quarterly to discuss futuristic opportunities in economic development. (TASK)
8. **Work on creating a stronger community presence** for economic development.
TASK: Develop new web presence to offer information on business development in Chapel Hill.
TASK: Develop a monthly e-newsletter of economic and development news.
TASK: Investigate additional marketing opportunities for creating a stronger environment for business development in Chapel Hill.

Fire Priorities

1. **Continued transition to operational use of 800 MHz VIPER radio system as daily response communications system.** This is a continuation project for the last two years. We have portable radios ready that were purchased with Federal grant funds and Town CIP funds that purchased mobile 800 MHz radios in last year's budget. We are waiting for Orange County to install dispatch consoles before we can transition. The new revised

target date is January 2009. Our radio warranties have expired due to ongoing delays by Orange County. This will address Section 11 for improved services and Section 12 for fiscal responsibility.

2. **Continued Development and Implementation of Improved Wireless Technology for Fire Department Field Access.** As part of the Council and Manager's priority to use technology to improve delivery of services, the fire department is working with RHJ Associates Consulting firm to make fire and emergency related databases accessible from the field during emergency responses thus increasing vital information available to responders relative to GIS and fire based software. This will include computer terminals in fire trucks and readily updated information on streets, occupancies, infrastructure and hazard information. Needs for fulfillment of this objective include acquisition of a stand alone fire server or space sharing on the police server, 12 to 14 mobile data terminals and transmission hardware, and a full or part-time information technology position to manage the fire software and hardware. This project was approved for initiation in the 2008-09 CIP fund, and a beta-test is currently underway with trial units on two fire units. Implementation is slated for spring of 2009. This data base also has applications and value for engineering, police, public works, building inspections and planning.
3. **Continuing a legislative priority to address equitable State Funding for fire protection of state-owned properties.** We succeeded in achieving an \$800,000 increase in the total state fund for FY 2006-07. Chapel Hill's share was \$214,000, increasing our revenue to \$1,063,000 from the fund. Three years ago we were given assurances that the fund would be increased incrementally over a period of years, but that assurance was not fulfilled by the Legislature. With Council's authorization we are once again prepared to launch a repeated major lobby effort by affected municipalities statewide to seek another funding increase. UNC System President Erskine Bowles has stated that campus safety is his administration's number one priority, and fire protection is included in that priority. This is clearly a Section 12, fiscal responsibility goal.
4. **Complete Implementation of a career development program for the Department started in FY 07-08.** The program creates a path from new hire Firefighter to Master firefighter or Fire Equipment Operator based on achievement benchmarks. We also implemented a process of a two-step company officer career track whereby new promotees to company officer from the competitive process are initially Lieutenants and then they will follow an achievement-based career track to captain. We implemented the career path for firefighters, and we have promoted fire lieutenants this past year as a result of the competitive process for promotion. We have not been able due to budget constraint to implement the second step of the career development that involves a senior captain progression based on achievement. This does not address comprehensive plan goals but does meet stated Council goals of developing opportunities for the workforce and improved services.
5. **Improvement of the overall Emergency Preparedness of the ToCH through the creation of an Emergency Manager position.** As the Town has grown and become more dense and high profile, the risk and need for emergency preparedness has also become more complex. This could be a civilian or fire officer position (suggested grade 43) responsible for comprehensive disaster and emergency operations plans, Emergency Operations Center management, FEMA liaison and record keeping, planning assistance

for all Town departments, grant writing, emergency resource inventories, employee emergency training, FEMA regulatory compliance, special event plans, risk assessments and coordination of disaster recovery plans and operations. The retirement of Randy Ballard in Public Works last year makes this more important since he has been our FEMA reimbursement specialist for all past incidents.

6. **Improvement of the fire apparatus fleet maintenance program by the addition of an extra fire pumper for spare/reserve purposes.** One of the greatest impediments to efficient and consistent delivery of emergency services currently is the ongoing maintenance and repair of fire trucks in a timely fashion. We currently suffer frequent and lengthy breakdowns of our first line apparatus due to lack of preventive maintenance. A primary reason for this is lack of good quality and dependable spare apparatus. Both of our spare apparatus are 20+ years old and are not dependable for service. Replacement and repair parts for these units have become very difficult to locate. We will receive a replacement pumper in 2009 to replace E-32, but this will only marginally increase our reserve contingency. This causes us to pressure Public Works to return front line units quickly, reducing maintenance opportunities. One potential cost saving approach to this issue may be to purchase a late-model, excellent condition used pumper from another fire department.

Housing Priorities

1. Continue the process of converting to the project-based budget and asset management budgeting model as required by the U.S. Department of Housing and Urban Development.
2. Continue to investigate opportunities to collect outstanding balances from former tenants.
3. Continue energy conservation measures by installing energy star rated appliances in the public housing apartments. And also, installing energy-efficient florescent light bulbs and water saving plumbing devices.
4. Complete comprehensive renovation work in the 11 North Columbia street public housing apartments.

Human Resource Development Priorities

1. **Employee Training and Development.**
Senior Director rank employee training and development as the top priority for HRD to address. The primary focus is on developing our supervisors and managers as leaders to train, coach and manage their employees. A Training and Development Advisory Committee will convene at the beginning of 2009. Their charge is to assess our training needs, establish priorities, identify strategies to provide the training and recommend measures of success. In addition to supervisory training, there will also be a focus on new employee orientation, technical and professional skills (writing and presentation) and safety.

2. **Compensation and Benefits.**
The current and future fiscal environment will challenge our ability to balance the need to provide competitive benefits and pay to our current employees. Much information has been gathered by Hill, Chesson and Woody to help us understand employees' current utilization of benefits, anticipate future trends and liabilities and how we compare with other municipal and local government entities. In collaboration with Business Management and the management team, we will provide the best total pay and benefits for current employees possible and ensure that plans are fiscally sustainable.
3. **Performance Management**
A consistent performance evaluation and management system is greatly needed which is perceived as effective and fair. Performance management begins with setting expectations and goals, providing ongoing feedback, and providing career development opportunities. The annual performance appraisal discussion reinforces accountability for performance. This priority is very closely aligned with the priority to development our managers and supervisors.
4. **Organizational Effectiveness**
There is an expressed need by directors to have clarity in organizational policies, procedures and operations. Outdated personnel and safety policies as well as different departmental practices create confusion and raises concerns of inconsistency within our organization. Much of the realignment of town departments has been completed and a top priority should be to advance our cultural and operational alignment. HRD will begin with the personnel policies as part of that effort.
5. **Employee Relations and Communication.**
The town experienced very challenging employee relations issues at the TOC this year and are responding with efforts such as the recent "Day of Dialogue" held in November. These efforts focused on understanding and appreciated our differences and diversity will continue. HRD will work with departments this year to understand how we currently recognize employees and help facilitate a culture of recognition between employees and across the organization. We have improved communications between HRD and departments this year as a result of the HRD Partner model implementation. We will build on what we have learned to keep employees informed and to build positive, trusting relationships with them.

Library Priorities

1. **Library Expansion Project:** The Library will continue to provide staff support to the design team and Town staff as the Town considers costs associated with building and operating an expanded library. If the Library is to be in the existing space for an extended time, then staff will consider floorplan revisions to improve efficiency and service. Staff will also assist in review of possible library service options in lieu of expanding the existing library.
2. **Maintain Current Service Levels:** If the expansion project proceeds, staff will develop alternatives for on- and off-site operations to minimize service impacts for the public.

Staff will also work with the Library Board to develop user surveys to identify future services and outreach.

3. **50th Anniversary Celebration:** Partnering of the Friends, Foundation and library staff to celebrate the library's 50th anniversary began in 2008 and will continue through 2009. Events will celebrate the reader, increase awareness of the long-term needs of the library, recognize the library's partners and identify new ones, showcase the history of the library in the context of growth and change in Chapel Hill and promote awareness of the need for private support to complement the public budget.
4. **Technology Planning:** Objectives will be to update the existing Technology Plan component of the Library Master Plan, develop a schedule for installation of a radio frequency identification system, based on the construction management company's timeline, and continue to identify cost-effective technologies and vendors to maximize patrons' electronic access to library resources.
5. **Collection Development Project:** The Library Master Plan recommends that the library provide a four-items-per-capita collection to patrons on opening day in 2010. The library will implement the third of a four-year project to expand the current collection to provide 4 materials per capita by 2011, and encourage financial support from local non-governmental partners, including the Chapel Hill Public Library Foundation, the Friends of the Chapel Hill Public Library and other private sources, to fund this project.

Parks and Recreation Priorities

1. **Steward the Organizational Culture Change.** We will continue to provide support to the reorganization as outlined in the roadmap for organizational change. To accomplish this priority we will work to consolidate cemetery operations under the Parks and Recreation Department and provide additional support for the Town's Public Art Program.
2. **Downtown Beautification.** We will champion the Downtown by increasing involvement in and support for the streetscape plan. We will work with downtown merchants and the Downtown Partnership to enhance horticultural areas and bring more color to the downtown area by placing hanging planters on Franklin Street and Rosemary Street.
3. **Plan Ahead for Carolina North.** We will work with the University and other Town staff to plan for an integrated greenway system on the new campus and to continue to advocate for public use of open space and recreation space within the Carolina North Campus. We will work to include the short term use of land for outdoor recreation space until such time as that land is needed for "brick and Mortar" development of Carolina North.
4. **Continue Focus on Land Use and Development.** We will work with the Planning Department and the Council to upgrade the Parks and Recreation section of the LUMO.
5. **Maintain and Improve Community Facilities and Services.** We will utilize the recently completed park and greenways facilities condition assessment. In addition, we will continue the development of a comprehensive maintenance management plan for parks, greenways, cemeteries, open space and beautification areas that includes the

- establishment of maintenance standards and levels of care to be given to each facility type and specific location.
6. **Explore options for adequate programming space** and a new department administrative headquarters building.
 7. **Increase the effectiveness of the Parks and Recreation Landscape Division** and its efforts to maintain community facilities more efficiently and with improved safety by providing additional personnel and equipment resources.
 8. **Utilize contract mowing** to help to free staff to accomplish other necessary tasks in the horticultural area of responsibilities.
 9. **Develop a comprehensive staff training program** as an ongoing process for both supervisor and groundskeeper levels personnel.
 10. **Conduct an assessment to evaluate the condition of the aging landscapes** so that updated landscapes can be installed on a schedule based on the priorities of the study. The landscape at the entrance of the Chapel Hill Public Library is a perfect example of such a landscape. The scheduled replacements could be done over a period of time and could be funded as a Capital Improvement Project. These landscape replacement projects would allow for both efficiency and safety issues as they relate to maintaining Town facilities.
 11. **Improve the Town's Fiscal Condition.** Develop alternative funding sources and innovative funding strategies to help meet the growing demand for parks, open space and recreation programming, including event sponsorships, increasing the opportunity for donations and charitable gifts; increased marketing and advertising sales.

Planning Priorities

1. **Comprehensive Plan Update and Amendments.** Upcoming efforts anticipated to include:
 - amendment to incorporate recommendations of the Rogers Road Small Area Plan,
 - amendment to incorporate recommendations of the Long Range Transit Plan, and
 - amendment to update the Comprehensive Plan such as adding a community vision process, or corridor studies, as determined by the Council.
2. **Implementation of Comprehensive Plan.** Efforts include:
 - development review/permitting,
 - amendment to the Land Use Management Ordinance,
 - regional transportation planning,
 - coordination with Orange County and Carrboro to implement recommendations from the Rogers Road Small Area Plan,
 - development of capability to monitor cumulative impact of development and visioning tools,
 - housing/community development/neighborhood efforts, and
 - Carolina North solutions.

Regarding amendment to the Land Use Management Ordinance, we will seek Council guidance to determine the most significant text amendments for the immediate future from the active list below:

- A. Inclusionary Zoning Ordinance (consultant hired, work under way)
 - B. Strengthening the tree protection regulations (consultant hired, work under way for more extensive changes to regulations)
 - C. Enacting the legislation allowing the Town to accept payments in lieu of transportation infrastructure improvements for new development projects (consultant hired)
 - D. Expanding existing transit supportive development district provisions (guidelines to follow Long Range Transit Plan)
 - E. Changes to Ordinance and Code to allow female chicken-keeping in residential neighborhoods
 - F. Incorporating “Dark Sky” lighting provisions (Planning Board initiative)
 - G. Change gravel to impervious (built-upon) area on north side of Town for consistency
 - H. Demolition in Historic Districts
 - I. Duplexes in R-1 (correction in Use Matrix)
 - J. Signs (format correction)
 - K. Report on Recreation Space Payment-in-Lieu
 - L. Energy Management Incentives
 - M. Parking Lots – consider increased shading
 - N. Bicycle Parking Revisions to adjust minimums and establish maximums
3. **Invest in employees.** Our employees are our most valuable resource. Special focus will be on our certified planners who now have mandatory continuing education requirements.
4. **Efficient use of available resources** (including state/federal program funding) **and identification of new resources.**
5. **Challenge the staff to develop new and innovative approaches to the way we function.**

Police Priorities

1. **The future of Project Turnaround** remains a priority with the department. PTA is a program run from the police department as an intervention for first time drug offenders. It has been in existence since 1993 and serves adult and juvenile populations. There are currently about 125 clients in the program. The program is designed to have two employees serve the adult population, and one employee serves the juvenile population. Funding comes from assorted grants and from client fees – both uncertain sources of revenue. With the resignation of the juvenile case manager this year we will only be able to fill this position in January 2009 because grant funding is inadequate to pay for this

position for the entire year. In the past, lapsed salary funds were used to make up for the shortfall, however as we are nearly fully staffed, that option is no longer viable. We need to gauge the Town's commitment to the program to discern if we continue the program as intended, or reduce services to reflect the lack of funding.

2. **The overtime budget** for the police department continues to be a matter of concern. It does not reflect staffing needs for an increasing number of special events, including the NCAA events likely to occur in April 2009. It is also inadequate for staffing ongoing special projects such as DWI checkpoints, stakeouts, and other operations which are staffed by off duty personnel.
3. We will need to **fill critical civilian staff positions** that are currently vacant. One is the crime analyst/tech. support position and the other is administrative assistant position. The crime analyst will help to focus personnel and resources more efficiently by interpreting crime trend data. The administrative assistant is a key player in budget preparation and implementation, as well as in grant writing and contract management.
4. In an effort to be more interactive with the public while providing services, CHPD would like to pursue **web-based information retrieval**. This would allow residents to remotely access police reports, traffic accident reports, arrest reports and crime mapping from home. The implementation of this project would be a function of the technical services unit of the department.
5. **Fleet management** is a main area of concern for the department. A special committee has been appointed by the manager to study this issue and make recommendations. Our goal is to have sufficient fleet capacity to ensure that operational readiness concerns are addressed and to have the type of fleet that takes into account the council goal of a green fleet.
6. Similarly, the Town Manager has appointed a committee to **study compensation and retention issues** within public safety as a whole. The focus of the group is the review of compensation (including incentives), overtime policy, and the need for an exit interview process. The group will make recommendations to the Town Manager for a compensation plan that will enhance our ability to hire and retain the best employees to serve the town.
7. **Maintenance and repair** of both the building as well as operational equipment remains a priority. Police headquarters is an older building requiring more maintenance and repair as time goes by. Our technical services unit faces growing responsibilities as the department acquires more equipment to install and maintain both in the building and in the police vehicles.

Public Arts Priorities

1. **Complete a Public Arts Strategy.** To align public arts with other Town planning and community interests, the Office will form a Mayor's Committee, and seek Town departmental and community input on how Chapel Hill can use public art to help achieve its economic development, downtown beautification, and quality of life goals, as well as how public art should be best implemented.

2. **Continued Education of Town Staff, Commissions, Counsel, Artists, and the Public as to the Value of Public Art.** Efforts will include organizing a “lessons learned” session with Town staff involved in previous public art projects with the result being better communication and a set of guidelines for intra-departmental collaboration for implementing integrated public art projects; continuing to work with the Public Arts Commission on aligning their mission and activities with that of the Office and the Town; speaking about public art and its intersection with various Town Commissions; keeping Town Council better informed of all public art activities; looking for opportunities to involve the community in public art activities; and hosting public art “how to workshops” for area artists to train them to be competitive in public art competitions.
3. **Champion an “In-Lieu Of” Resolution for Public Art in Private Development.** Work with the Planning Department to research other resolutions of this type, craft appropriate memos that would allow for payment options and a revenue stream for non-development site art programs, projects, and facilities to present to Town Counsel for approval. Assist private developers to better understand the value of public art for their development and how to implement public art in their projects. A set of guidelines will be created and published.
4. **On-Going Percent for Art Projects.** The Office will oversee the activities and phased completion of already begun projects (Greenways Art Prototype Design, Community Center Park Wall, Lot 5’s Art Areas I & II, Library Expansion, and the new Signal Box projects). The Office will work with the appropriate Town staff and community as required.
5. **Continue Modified Programming Developed by the Public Arts Commission.** Current Public Arts Commission programs are the public face for the Town’s arts efforts. Some form of programming must be maintained, while modifications of those programs and new program initiatives are developed.
6. **Seek Grant and Other Funds to Supplement Office Budget and to Support Initiatives.** With expected budget cuts, supplementing public art program revenues will be important to continuing to provide visible public art activities to CH. Grants from the North Carolina Arts Council for the school residency program and the implementation of the Greenway prototypes will be sought and funds from the National Endowment for the Arts for program initiatives may be applied for. Grants require matching funds so Town program funding programs as part of the operating budget of the Office will still be necessary.

Public Works Priorities

1. **Completion of departmental reorganization plan,** including merger of Engineering into Public Works. (Note: the reorganization plan was approved by the Manager effective January 1, 2009.)
2. **Maintain scheduled development of the Stormwater Management Program Master Plan.** Because of the increasing emphasis on stormwater runoff quality, it is imperative that we promptly identify what the Program needs to accomplish and when. The Program

Master Plan provides a roadmap and schedule for the efficient and effective allocation of resources necessary to meet the requirements and objectives identified in the Plan. The Plan also provides a means to develop data necessary to justify and quantify utility fee increases that we believe will be necessary to support the Program as we envision it in future years.

3. **Continue to work with appropriate staff and the Sustainability Energy and Environment (SEE) Committee to provide for better management and oversight of a proactive sustainability program.**
4. **Allocate staff resources as necessary to ensure thorough project design and construction oversight for upgrading and replacing the Town's computerized traffic signal system.** Project design is complete and construction is scheduled to begin in the summer of 2009. Town professional staff will be working closely with the NCDOT and the system design consultant to ensure that the Town gets the system and components that it wants and needs to properly manage traffic in, through, and around Chapel Hill and Carrboro in the future. Close coordination and involvement with the Town's IT Department will be necessary to ensure that the project includes fiber-optic communication capabilities desired by the Town for purposes other than those specific to the traffic signal system.
5. **Allocate staff resources as necessary to thoroughly review and comment on proposals for development of the Horace Williams Property (i.e. Carolina North).** Carolina North will be the most significant individual land development project in the Town's history. We will allocate professional staff resources as necessary to ensure that proposed development is innovative, sustainable, efficient, and effective in meeting the Town's development standards and community goals while achieving the University's objectives for development of its property.
6. **Maintain strong presence on the multi-jurisdictional working group considering physical and fiscal impacts of pollution standards (Total Maximum Daily Loads/TMDLs) proposed by the State for Jordan Lake.** Standards and rules that have been drafted by the State were deemed to be physically and fiscally impractical by staff of Chapel Hill and most other stakeholder agencies and jurisdictions. Town staff professionals provided comprehensive comments and questions to the State regarding the draft rules.
7. **Reclassify Engineering Technicians to reflect the increased complexity and breadth of knowledge required for work in their associated responsibility areas.** To accomplish the necessary work, technicians must understand, apply and utilize environmental science techniques, sophisticated computer technology/software/equipment, materials science, and construction law. The Town must find a way to acknowledge and reward employees for the increasing volume and sophistication of work and responsibilities associated with these positions, or retention and recruitment will become a serious problem.
8. **Successfully complete the Streetscape Master Plan revision process, including endorsement by the Council and inclusion in the Town's Comprehensive Plan.**

9. **Successfully complete revisions to the Town's tree protection regulations, including approval of additional staff resources as deemed necessary to implement these revised regulations.**
10. **Obtain additional funds to increase frequency of street resurfacing from once every 20 years to once every 14 years** (national recognized standard is once every 12 years).
11. **Continued improved pavement maintenance practices such as crack pouring and various types of seal coats.** These practices give cost effective alternatives to extend and maintain service life of the Town's roadways.
12. **Obtain funding and implement integrated work order management, automatic vehicle location/mobile data terminals and call center programs;** that are compatible with our financial management system.
13. **Revise solid waste program to continue improved safety and efficiency in collection,** including consideration of "Pay As You Throw" option for residential, automated residential service and more efficient and environmental friendly yard debris collection through requirement that such has to be placed in yard waste containers.
14. **Work with Planning Department to improve Development Review Process** to make it more timely and consistent.
15. **Manage resources to permit timely inspections of large-scale construction projects,** such as East 54, Greenbridge and 140 West.
16. **Maintain multi-disciplinary plan review process.** The Chapel Hill Inspections Division is well suited for the type of construction--residential and small commercial projects--historically seen here; however, we lack sufficient resources to handle complex commercial projects such as large high-rises proposed to be built in the downtown area. Currently, commercial plan review is limited to improvements to existing structures and smaller scale projects. The larger projects are far more complex and require adequate staff resources to examine the plans and specifications.
17. **Enhance enforcement of Town Code and the Land Use Management Ordinance.** The Inspections Division will face a challenge in the coming years of enforcing specialized zoning regulations, such as ordinances regulating Neighborhood Conservation Districts, while continuing the enforcement of the Land Use Management Ordinance and the Town Code with one code enforcement officer.
18. **Ensure communication of laws to all property owners and citizens.** The Inspections Division is facing the challenge of enforcing specialized zoning while continuing the enforcement of the Land Use Management Ordinance and the Town Code with one code enforcement officer. In an effort to enforce ordinances and procedures consistently and to provide the citizens with courteous and timely attention to requests for information and assistance, the division is using placards and other posted notifications such as the Complaint Notice on private property to initiate communication with the property owners.

Sustainability Priorities

1. **Receive ICLEI Countywide Greenhouse Gas Emissions Report.** Receive ICLEI Countywide Greenhouse Gas Emission Report in February, 2009 and—with Council input and direction—proceed with development of next steps towards formulation of countywide reduction strategy.
2. **Complete Detailed Greenhouse Gas Emissions Inventory for Town Operations.** Continue to work with the Institute for the Environment at UNC-Chapel Hill to identify and manage personnel resources that can assist with the Town's CRed pledge. Sectors targeted for completion in 2009 include streetlighting, vehicle fleet and facilities.
3. **Develop Annual Goals for Sustainable Operations & Services (SOS) Team.** Work with the SOS team to develop near-term and longer-term goals for improving the sustainability of the organization, and implement necessary measures for attaining near-term goals in 2009.
4. **Enhance the Visibility and Content of the Town's Sustainability Webpage.** Work with Communications and Public Affairs Department to improve the web prominence of the Town's GreenCity page and enhance the content so as to provide greater education to the public regarding sustainability practices.
5. **Secure Outside Funding for Energy Conservation Demonstration Project(s).** Identify and pursue outside funding opportunities to form public-private partnerships aimed at developing and implementing energy conservation demonstration projects in Chapel Hill.

Transit Priorities

1. **Develop a consensus regarding transit growth among funding partners and establish a plan to sustain the growth.** The Long Range Transit Plan should provide the framework for future growth of the transit system through 2030. The funding partners (Chapel Hill, Carrboro and UNC) must come to agreement on what the system will look like and acquire public support for their vision.

Chapel Hill Transit and its partners should position the transit system to meet future demands by undertaking the following:

- Present the vision and the Long Range Transit Plan for public discussion
- Develop a 3-5 year short range transit plan that will impact budget development with an emphasis on the early stages of Carolina North
- Expand opportunities for regional cooperation and coordination
- Develop a financial plan including sources of funding to sustain the necessary growth in the transit system
- Establish criteria to guide service performance evaluation
- Implement EZ Rider system improvement and refocus the system to be more efficient
- Clarify the roles and responsibilities of the Transportation Board, Public Transit Committee and other area transit providers

2. **Expand emphasis on System Safety.** In FY 2007-08 we were involved in serious bus-pedestrian accidents. While our safety programs meet industry standards, there are improvements that can be made to make our safety and training programs more effective, including consideration of the following:
 - Hire a transit safety and training director to put full time emphasis on safety
 - Increase system monitoring with supervisors and independent audits
 - Implement system improvements and actions plans from the safety audit
 - Develop a set of standards for design and placement of bus stops and other amenities
3. **Establish transit system performance measures to improve allocation of resources.**

In 2007 we introduced technology to better manage the transit system. Automated passenger counters, scheduling and run cutting software, and mobile data terminals improve system management and performance measurement. Staff now conducts performance evaluation and short range planning.

In 2009 we should focus on a comprehensive evaluation of the system with a goal to improve system performance. To be successful the following needs to take place:

 - Establish performance criteria
 - Analyze the system in accordance with the evaluation criteria
 - Conduct periodic performance measurements during the year
 - Examine the EZ Rider service performance and identify opportunities for regional cooperation
4. **Improve the maintenance, dependability and condition of the Chapel Hill Transit fleet.** We have invested more than \$35 million in our bus fleet. A modern, properly maintained bus fleet is essential to assure proper use of Town resources and quality service to the public. The recent purchase of 36 buses was a major improvement in the fleet. However, 35 buses will be eligible for replacement in 2010. The following activities are critical to maintain the fleet.
 - Secure funding to purchase 10 buses annually for the next four years
 - Develop transit capital improvement program and support a long term fleet vehicle replacement plan
 - Continue to replace aging EZ Rider vehicles
 - Approve one additional maintenance employee to maintain electronic equipment on buses
 - Continue training to expand maintenance skills of maintenance staff
5. **Continue staff development efforts to improve employee skills and performance and establish opportunities to create a welcoming work environment.**

Chapel Hill Transit has a responsibility to ensure that employees have proper training to perform their jobs effectively. Staff development and training is a critical component to provide effective and responsive transit service. Chapel Hill Transit should continue and expand training efforts.