

# Agenda

## Board of Commissioners Work Session

7:00 PM February 27, 2023

Board Meeting Room, Town Hall Annex, 105 E. Corbin St.

This meeting will be live streamed on the

[Town of Hillsborough YouTube channel](#)



### 1. Opening of the work session

### 2. Agenda changes and approval

### 3. Appointments

- [A.](#) Tourism Board – Appointment of Scott Czechlewski with a term ending Feb. 27, 2025

### 4. Items for decision – consent agenda

- [A.](#) Miscellaneous budget amendments and transfers
- [B.](#) Special Event Permit – Kevin Dendy Memorial 5K
- [C.](#) Authorization to request rezoning of Cates Creek Park to OI (Office Institutional)

### 5. In-depth discussion and topics

- [A.](#) Self-service kayak rentals in Kings Highway Park pilot program
- [B.](#) Allocation of \$43,300 identified in the Fiscal Year 2023 budget for affordable housing

### 6. Committee updates and reports

### 7. Closed session

- A. Closed Session as authorized by North Carolina General Statute Section 143-318.11 (a)(4) regarding economic development

### 8. Adjournment

Interpreter services or special sound equipment for compliance with the Americans with Disabilities Act is available on request. If you are disabled and need assistance with reasonable accommodations, call the Town Clerk's Office at 919-296-9443 a minimum of one business day in advance of the meeting.



## Agenda Abstract

### BOARD OF COMMISSIONERS

Meeting Date: Feb. 27, 2023  
Department: Planning and Economic Development  
Agenda Section: Appointments  
Public hearing: No  
Date of public hearing: N/A

#### PRESENTER/INFORMATION CONTACT

Planning and Economic Development Manager Shannan Campbell

#### ITEM TO BE CONSIDERED

**Subject:** Tourism Board – Appointment of Scott Czechlewski with a term ending Feb. 27, 2025

**Attachments:**

Volunteer Board Application

**Summary:**

The Tourism Board has a seat reserved for a representative of the Hillsborough Chamber of Commerce. Scott is the new Chamber CEO and is eager to learn more about Hillsborough's local economy and how that intersects with tourism. Scott was formerly in communications and marketing in Wilmington, NC.

**Financial impacts:**

None, except for occasional board training opportunities.

**Staff recommendation and comments:**

None.

**Action requested:**

Appointment.



## Appointed Boards Application

If you are a Town of Hillsborough resident and willing to volunteer your time and expertise to your community, please complete this form. Volunteers for the Parks and Recreation Board must be at least 13 years old, and volunteers for all other boards must be at least 18 years old.

The town strives to reflect the diversity of its residents in the makeup of its boards. Demographics and residence location are considered during the appointment process.

**First name (required):**

Scott

**Last name (required):**

Czechlewski

**Home address (required):**

205 Conner Drive #215, Chapel Hill, NC 27514

**Home phone number:**

910-338-8203

**Work phone number:**

919-732-8156

**Email address (required):**

scott@hillsboroughchamber.com

**Place of employment:**

Hillsborough/Orange County Chamber of Commerce

**Job title:**

Chief Executive Officer

**Birth date (required):**

Sept. 5, 1968

**Gender (required):**

Male

**Ethnic origin (check all that apply) (required):**

White

**First choice (required):**

Tourism Board

**Second choice (required):**

Tourism Development Authority

**Third choice (required):**

Historic District Commission

**Reasons for wanting to serve (required):**

As the new Chamber CEO, I would be taking the place of former Chamber CEO Kim Tesoro on the Tourism Board. By- laws call for a Chamber representative to serve.

**Have you served or are you currently serving on a town board? If so, which ones and when? (required)?**

no

**Relevant work, volunteer or educational experience (required):**

CEO, Hillsborough/Orange County Chamber of Commerce  
Communications Director, Wilmington Chamber of Commerce  
Public Information Office, City of Wilmington  
Graduate, UNC-Chapel Hill

**How are you connected to Hillsborough (live, work, play, shop, own property) (required)?**

CEO, Hillsborough/Orange County Chamber of Commerce

**Have you reviewed the Vision 2030 plan, and what are your thoughts about it (required)?**

Yes, but not in depth yet, since I'm new to the area and it's 318 pages long.

**Have you reviewed other town documents (budget, strategy map, small area plans), and what are your thoughts about them?**

Not in depth

**What challenges do you see the town facing that could be addressed by the board or boards on which you wish to serve (required)?**

Need for small businesses in the county to thrive, which can be aided by tourism.

**How did you hear about this opportunity (required)?**

Other

**Check the box to confirm (required):**

✓



## Agenda Abstract

### BOARD OF COMMISSIONERS

Meeting Date: Feb. 27, 2023  
Department: Administration  
Agenda Section: Consent  
Public hearing: No  
Date of public hearing: N/A

#### PRESENTER/INFORMATION CONTACT

Emily Bradford, Budget Director

#### ITEM TO BE CONSIDERED

**Subject:** Miscellaneous budget amendments and transfers

**Attachments:**

Budget Changes Report

**Summary:**

To adjust budget revenues and expenditures, where needed, due to changes that have occurred since budget adoption.

**Financial impacts:**

As indicated by each amendment.

**Staff recommendation and comments:**

To approve the attached list of budget amendments and transfers.

**Action requested:**

Consider approving budget amendments and transfers.

FY 2022-2023

TOWN OF HILLSBOROUGH  
BUDGET CHANGES REPORT

DATES: 02/27/2023 TO 02/27/2023

REFERENCE	CHANGE NUMBER	DATE	USER	ORIGINAL BUDGET	BUDGET CHANGE	AMENDED BUDGET
Facility Management 10-10-5000-5300-145 MAINTENANCE - BUILDINGS To cover PD ATS	34220	02/27/2023	EBRADFORI	201,896.00	-11,066.00	188,287.00
Facility Management 10-10-5000-5300-158 MAINTENANCE - EQUIPMENT To cover PD ATS	34221	02/27/2023	EBRADFORI	0.00	11,066.00	13,609.00
Safety & Risk Mgmt 10-10-6600-5300-330 SUPPLIES - DEPARTMENTAL For 12 AEDs in Safety & Risk Mgmt.	34200	02/27/2023	JFernandez	6,000.00	13,000.00	24,377.07
Police 10-20-5100-5300-330 SUPPLIES - DEPARTMENTAL For 12 AEDs in Safety & Risk Mgmt.	34199	02/27/2023	JFernandez	54,100.00	-13,000.00	41,100.00
WTP 30-80-8120-5700-741 CAPITAL - EQUIPMENT To cover automatic transfer switch.	34212	02/27/2023	JFernandez	0.00	52,200.00	52,200.00
Water Dist. 30-80-8140-5300-330 SUPPLIES - DEPARTMENTAL For purchase of Locator LOGiX utility so	34216	02/27/2023	JFernandez	102,000.00	-980.00	109,490.92
Water Dist. 30-80-8140-5300-458 DATA PROCESSING SERVICES For purchase of Locator LOGiX utility so	34217	02/27/2023	JFernandez	8,500.00	980.00	9,480.00
WW Collect. 30-80-8200-5300-330 SUPPLIES - DEPARTMENTAL For purchase of Locator LOGiX utility so	34218	02/27/2023	JFernandez	60,000.00	-980.00	56,610.00
WW Collect. 30-80-8200-5300-458 DATA PROCESSING SERVICES For purchase of Locator LOGiX utility so	34219	02/27/2023	JFernandez	7,800.00	980.00	8,780.00
WWTP 30-80-8220-5300-323 SUPPLIES - CHEMICALS To cover uniform costs.	34201	02/27/2023	JFernandez	92,500.00	-300.00	89,950.00
WWTP 30-80-8220-5300-350 UNIFORMS To cover uniform costs.	34202	02/27/2023	JFernandez	600.00	300.00	900.00
W&S Contingency 30-80-9990-5300-000 CONTINGENCY To cover automatic transfer switch.	34211	02/27/2023	JFernandez	400,000.00	-52,200.00	217,178.79
					<u>0.00</u>	



## Agenda Abstract

### BOARD OF COMMISSIONERS

Meeting Date: Feb. 27, 2023  
Department: Planning and Economic Development  
Agenda Section: Consent  
Public hearing: No  
Date of public hearing: N/A

#### PRESENTER/INFORMATION CONTACT

Evan Punch, Planning Tech  
Shannan Campbell, Planning and Economic Development Manager

#### ITEM TO BE CONSIDERED

**Subject:** Special Event Permit - Kevin Dendy Memorial 5K

##### Attachments:

1. Special Event Permit Application and Materials (for background)
2. Map/diagram of Gold Park and route to River Park and back with insurance information

##### Summary:

Generation Life Church is hosting a memorial 5k event. The 5k route will take runners from Gold Park to River Park, then back to Gold Park. The event will also include activities in Gold Park for non-runners. Expected attendance is 100-200. The event organizer has rented the park shelter.

##### Financial impacts:

No inherent financial impacts on the town.

##### Staff recommendation and comments:

Staff had concerns with parking limitations at Gold Park. The event organizer is working with the lessee of the West Hillsborough parking lot for event parking.

##### Action requested:

Approve, approve with conditions, or deny permit use of Riverwalk greenway and Gold Park for the event.



TOWN OF  
**HILLSBOROUGH**

**SPECIAL EVENT PERMIT APPLICATION**

Please review the Event Policy Ordinance, Chapter 7 of the Town Code, to determine if your event requires a Special Event Permit. **The Permit Application must be received 60 days in advance of the event.**

Name of Event: Generation Life Church Kevin Dendy Memorial 5k Run/Walk  
 Event Location Address: Gold Park, 415 Dimmocks Mill Rd, Hillsborough, NC 27278  
 Date(s) of event: 04/01/2023  
 Event Set Up Time: 6:00 AM Event Hours: 6 Event Break Down: 12:00 PM  
 Date(s) of event: \_\_\_\_\_  
 Event Set Up Time: \_\_\_\_\_ Event Hours: \_\_\_\_\_ Event Break Down: \_\_\_\_\_

**EVENT ORGANIZER & CONTACT INFORMATION**

Name of Organization/Company: Generation Life Church  
 Organization/Company mailing address: PO Box 1273, Hillsborough, NC 27278  
 Organization Status:  Formal  Informal  For-profit  Not-for-profit  
 Event Organizer Name: Abbi Tenaglia  
 Event Organizer Phone: 919-943-1477 Event Organizer Email: tenagliaabbi@gmail.com

**On-Site Contact(s) During the Day-of Event**

Name: Chelsea Peterson Cell Phone: 910-973-5504  
 Name: Meghan Vanasek Cell Phone: 336-269-1285

**GENERAL EVENT INFORMATION**

Type of Event:

- Private Event on Private Property
- Private Event on Public Property
- Street or Greenway Event (Parades, Marches, Rallies, 5Ks, Bike Races)
- Public Event on Public Property
- Public Event on Private Property

General Event Description (Narrative outlining event purpose and elements including food trucks, car shows, races, vendors, etc):

The purpose of this event is to host a 5k run/walk in memory of a church member, Kevin Dendy, who passed away in 2021.

The event will raise funds to go towards the building fund at Generation Life Church.

The primary element of the event is the 5k run or walk as well as kids' outdoor activities, some water stations along the path and a small celebration at the end of the 5k with t-shirts and medals.



Estimated total number of people that will attend the event: 150-200

Estimated peak time(s) of attendance: 8:00-10:00 AM

Maximum capacity of event location (number of persons, if applicable): N/A

If the event is annual, the estimated attendance of the last event of this kind: N/A

**GENERAL EVENT QUESTIONNAIRE**

**Will tickets be sold or admission/fees be charged as part of the event?**  YES  NO

**Will there be alcohol sold or provided as a part of this event?**  YES  NO

If yes, please indicate the vendor(s) and/or ABC permit holder(s) responsible for the alcohol sales/distribution and attach a copy of the ABC permit(s) for each vendor : \_\_\_\_\_

*Please note: Alcohol may only be sold by vendors with an off-premise permit or by event organizers with a special one-time ABC sales permit. Alcohol sales may be subject to the prepared food & beverage tax.*

**Will vendors be on-site selling goods/crafts/wares during the event?**  YES  NO

**Will vendors be on-site selling food/beverages during the event?**  YES  NO

*Please note: All vendors without a physical location in town and/or food trucks that do not have Town of Hillsborough Food Truck Permits that are selling prepared food/beverage will need to [prepay the Food & Beverage Tax](#) with the Finance Department. Please list the name(s) of the food/beverage vendors:*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Will you be soliciting donations as part of the event?**  YES  NO

If yes, for what cause or organization? Generation Life Church's building fund

**Will you bring additional equipment, stages, microphones, amplification, etc?**  YES  NO

Please Explain: We'll have some speakers and computer to play music during the event.

**Will any items be left at the event site overnight?**  YES  NO

Please Explain: \_\_\_\_\_

**Will signs or banners be displayed on site or around Town?**  YES  NO

*Please note: [Special event signage](#) must be applied for and permitted separately **BEFORE** signage is placed around town.*

**Will tents be erected for the event?**  YES  NO

If yes, how many and what size? 2-4 10x10 tailgate-style pop-up tents with weights may be used in Gold Park

*Please note: Tents may require a permit and inspection by the Orange County Fire Marshal's office depending on size and number. Tents should be shown with location and dimensions on event map/layout.*

**Will you provide (portable) restroom facilities?**

YES  NO

*Please note: Restroom facilities are required to be provided by Special Event organizers depending on attendance numbers and duration. Local Business, Town, and County facility restrooms may compliment, but not become a substitute for, providing adequate restrooms for the event.*

**Will you provide (portable) handwashing facilities?**

YES  NO

*Please note: Handwashing facilities are required for events that include on site food preparation and/or sales without direct or immediate sink access.*

**Will the event require any street closures or change in traffic flow?**

YES  NO

**Will the event require additional trash and recycling facilities?**

YES  NO

**Will you request that the Town Board sponsor specific services in conjunction with this event (i.e. Police Coverage, Road Closures, Traffic Control, Trash and Recycling Rollouts)?**

YES  NO

*Please note: Events requesting Town Sponsorship of events must apply at least 90 days in advance of the event to be considered. Event organizers who are able should make every necessary attempt to provide and pay for services at their events as the Town has limited staff and resources to cover the costs of event services.*

#### **EVENT MAP/LAYOUT REQUIREMENTS**

***With this application, you must attach a map of the area where the event is to take place and indicate the following:***

- Traffic flow; including any streets requested to be closed or obstructed (locations of barriers and officers will be determined by Law Enforcement).
- If the event includes a parade, greenway closure, etc. then the route of the event should be clearly shown.
- Parking areas where event attendees will be directed that are adequate for event attendance. Please note: The Eno River deck has only 400 parking spaces.
- Pedestrian access and flow.
- The location of any concession stand, food truck(s), booth, or other temporary structures, tents, stages or facilities; and the location of proposed fences, stands, platforms, benches, or bleachers.
- The location of restroom and/or handwashing facilities.

*A street map and a map of Gold Park are available on the Town's website. Google Maps is also an excellent resource and can be easily marked up. Contact Staff if you need assistance with providing an event layout or route map.*

**EVENT LIABILITY INSURANCE**

Event organizers and/or property owners need to insure themselves from liability in case an event attendee injures themselves during the course of the event. Events occurring on Public Property (Town or County) are required to carry event liability insurance with the Public Property owner listed as 'additionally insured'.

Copy of event liability Certificate of Insurance is attached:  YES  NO

Name of insurance company providing liability coverage for the event:

**State Farm**

Contact information for broker/agent providing coverage:

**Matt Phillips - matt.phillips.qug2@statefarm.com**

**EVENT PROPERTY USE PERMISSION**

If the event will be located on property that is not owned/managed by the event organizer then the property owner must indicate consent for the use of their property below:

_____	_____
Name of Property Owner	Phone
_____	_____
Signature of Property Owner	Date

**TOWN LIABILITY AGREEMENT**

I, the applicant, agree to indemnify and hold harmless the Town of Hillsborough, its employees, and its agents from and against any and all liability for any injury which may be suffered in connection with this special event approval or park reservation. I also hold harmless the Town of Hillsborough, its employees, and its agents from and against any liability for any equipment or supplies lost, damaged, or stolen, that are stored or otherwise as a result of this special event.

<i>Abbi Tenaglia</i>	01/03/2023
_____	_____
Applicant Signature	Date

**SUBMITTAL DIRECTIONS:**

Please submit electronically to: [Evan.Punch@hillsboroughnc.gov](mailto:Evan.Punch@hillsboroughnc.gov)

Please submit via paper copy here:

Hillsborough Planning Department  
ATTN: Evan Punch  
P.O. Box 429  
101 E. Orange Street  
Hillsborough, NC 27278

**FOR OFFICE USE ONLY:**

Application received by: Evan Punch

Date: 1/9/2023

Fee Paid: \_\_\_\_\_

Date information emailed out: 1/9/2023

**Permit Status**

Approved  YES  NO Explanation: \_\_\_\_\_

Date Permit Issued: \_\_\_\_\_

Approved with any conditions: \_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Town Staff Member

**Forwarded to others for review/information:**

OC Fire Marshal: \_\_\_\_\_

Hillsborough Police Department: \_\_\_\_\_

OC Sheriff's Department: \_\_\_\_\_

OC Fire Department: \_\_\_\_\_

Hillsborough Public Works: \_\_\_\_\_

Hillsborough Public Space Manager: \_\_\_\_\_

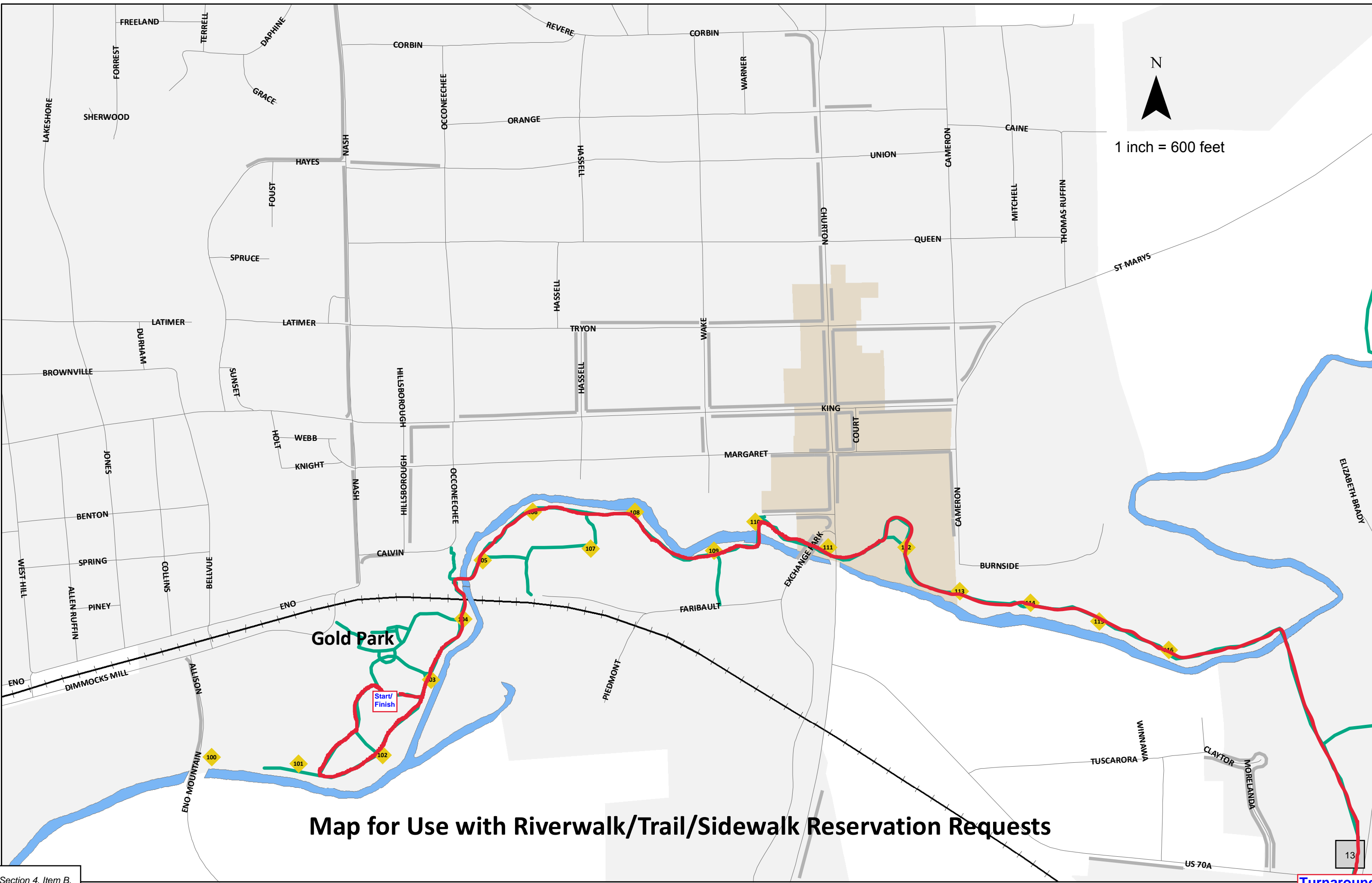
OC DEAPR (River Park): \_\_\_\_\_

OC AMS (Visitors Center, Library, Old or New Courthouse): \_\_\_\_\_

NCDOT (DOT Road Closures): \_\_\_\_\_

Hillsborough Finance (Food & Beverage Tax 1 Day): \_\_\_\_\_

Hillsborough Public Information Office: \_\_\_\_\_



N  
1 inch = 600 feet

**Map for Use with Riverwalk/Trail/Sidewalk Reservation Requests**



## Agenda Abstract

### BOARD OF COMMISSIONERS

Meeting Date: Feb. 27, 2023  
Department: Public Space and Sustainability  
Agenda Section: Consent  
Public hearing: No  
Date of public hearing: N/A

#### PRESENTER/INFORMATION CONTACT

Stephanie Trueblood, Public Space and Sustainability Manager

#### ITEM TO BE CONSIDERED

**Subject:** Authorization to request rezoning of Cates Creek Park to OI (Office Institutional)

**Attachments:**

None

**Summary:**

The 15.95-acre park site is currently zoned ESU (Entranceway Special Use).

In an effort to be consistent with other town-owned parks, it is advised that Cates Creek Park be rezoned to OI. This zoning designation is more in keeping with the anticipated intensity of development on the site. Additionally, as special use districts are no longer allowed under state law, rezoning the property will help to establish the intended use for the site as a park and will simplify the process for site plan review when improvements are made.

**Financial impacts:**

None

**Staff recommendation and comments:**

None

**Action requested:**

Authorize staff to submit a rezoning request for Cates Creek Park.



## Agenda Abstract

### BOARD OF COMMISSIONERS

Meeting Date: Feb. 27, 2023  
Department: Planning and Economic Development  
Agenda Section: Regular  
Public hearing: No  
Date of public hearing: N/A

#### PRESENTER/INFORMATION CONTACT

Planning and Economic Development Manager Shannan Campbell

#### ITEM TO BE CONSIDERED

**Subject:** Self-service kayak rentals in Kings Highway Park pilot program

**Attachments:**

Rent.Fun Self-service kayak rental proposal (full document)

**Summary:**

The Planning and Economic Development division was approached by a company that places self-service kayak rentals in parks. This approach saves overhead costs from having a staffed rental booth. From a tourism perspective this could be a nice way to give our visitors (and residents) an easy way to rent a kayak and get further utilization out of our new bio-dock at Kings Highway Park. The units do not need electricity and the rental company handles placement of the units, maintenance, and insurance.

The Tourism Board is interested in sponsoring the pilot program for the kayak self-service rentals using prepared food and beverage tax dollars; however, historically via town code and policy we have not allowed for commerce in the parks and greenways, outside of special events.

The Public Space division is supportive of trying out the kayak rentals in Kings Highway Park but has concerns about other equipment rentals popping up (without authorization) and requests for further commercial uses of the parks. The town board is being asked to consider this pilot program and also help staff think through potential pros and cons.

Public Space and Stormwater will be consulted on final kiosk rental location(s).

**Financial impacts:**

None. Tourism Board would sponsor the costs of initializing the kayak rentals.

**Staff recommendation and comments:**

Staff recommends trying out the program and seeing how well it's utilized before making any sweeping policy or code of ordinance changes or updates.

**Action requested:**

Board direction to staff.

# RENT!FUN



## Self-Service Kayak Rental Proposal

2022-08-01

This proposal is valid for 60 days.





# Cover Letter

Dear colleague,

Rent.Fun, a Movatic company, is excited to submit our proposal for the region's first-ever self-service kayak rental program.

Like most parks and rec enthusiasts, we believe that there is no better feeling than launching a kayak at sunset.

But buying your own boat is expensive! And lugging it to the park is a pain.

With rent.fun's self-service kayak rental program, your community can click a button on their smart phone and rent a kayak at the waters edge.

No lines. No paper forms. No reservations.

And unlike traditional operators, we're open for business 7 days a week, sun-up to sun down, all season long.

From assisting users with technical issues, to repairing and replacement equipment - we handle all the logistics so you don't have to lift a finger.

Welcome to the new age of recreational rentals.

We'd be honored to partner with you!

Sincerely,



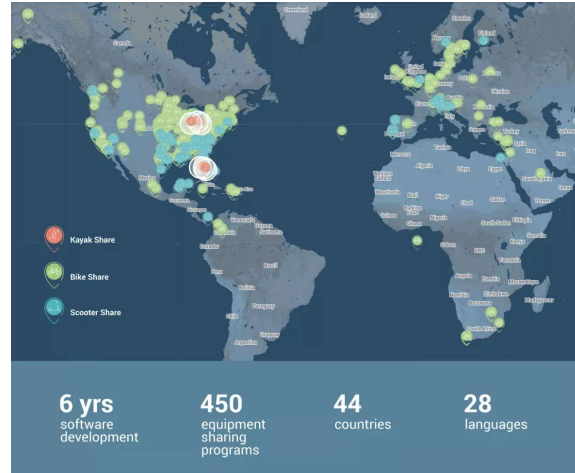
Adam Greenstein, JD/MBA  
CEO & Chief Fun Officer  
617.686.0667  
adam@rent.fun

# Our Story

With nearly a decade of experience powering self-service equipment rental programs, we have a deep understanding of how to deploy software and hardware to create equipment sharing programs that make usage more convenient, affordable, and environmentally-friendly than traditional rental models.

## Equipment Sharing Pioneer.

In 2012, we began developing software-connected “smart locks” that could transform a fleet of standard bicycles into a fully functional bike sharing program. Through our parent company, that technology has been licensed to over 450 bike and scooter sharing systems across 44 countries, processing over 3000 equipment rentals every day.



## Operational Excellence.

More than just technology, we've honed our operational skills through our first subsidiary - Tandem-Mobility ([tandem-mobility.com](http://tandem-mobility.com)) -- a bike share operations company that has launched and operated 18 municipal bike share programs over the past 24 months.



**Continuous Innovation.** In 2019, we started experimenting with a new app-based rental program - “kayak share.” Since then, we've perfected our proprietary "smart lockers" and are expanding our kayak share network to include 20 locations across 10 states in Spring 2022. We plan to expand contactless rentals to other forms of recreational equipment - such as lawn games, pickle ball paddles and tennis rockets - in Fall 2022.



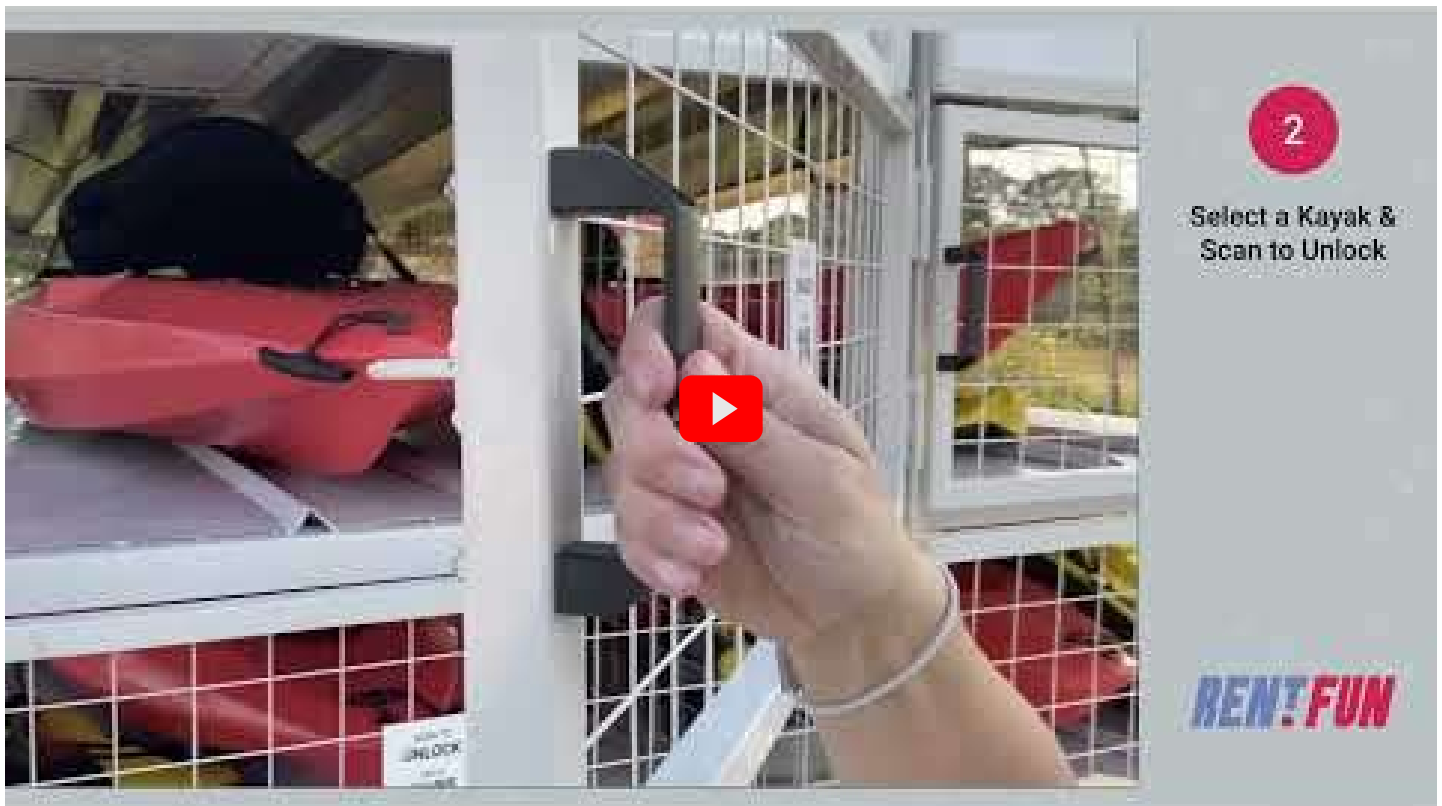
## How Self-Service Kayak Rentals Work

Kayaks, lifejackets, and paddles are stored in solar-powered “smart lockers” and secured with app-controlled locks.

To rent and access equipment, users just download the rent.fun app, add payment information and sign the digital waiver, and then unlock and rent by scanning a QR code on the smart locker.

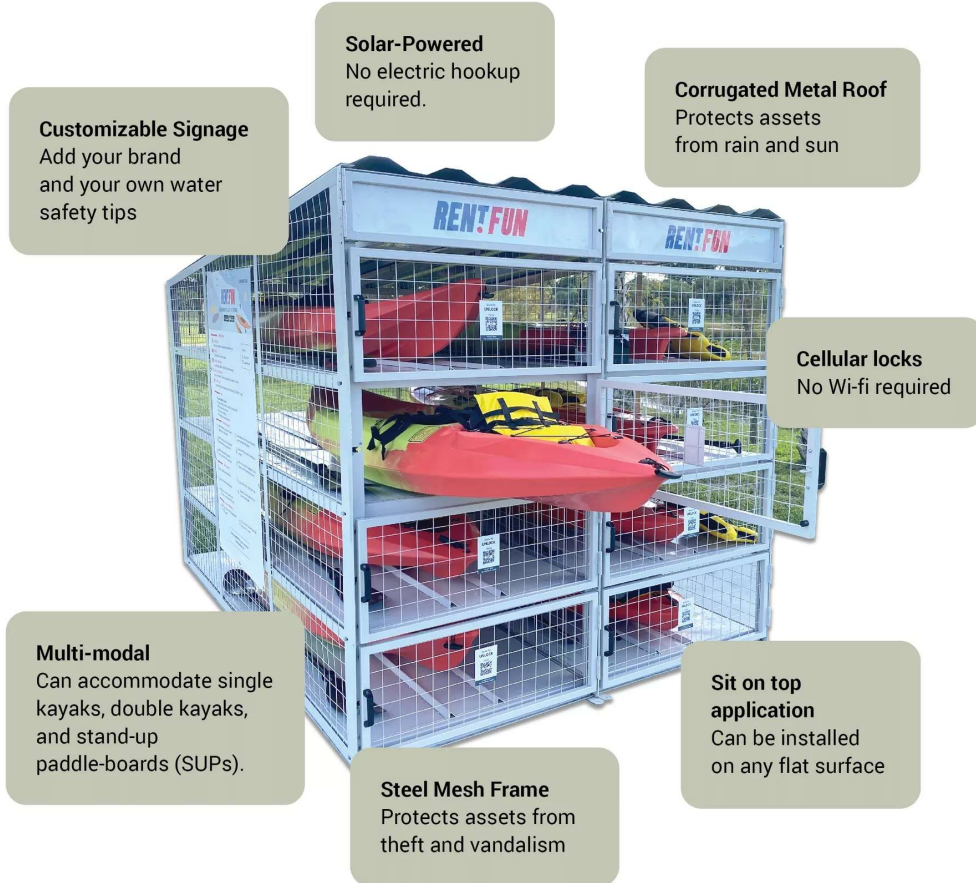
In-app tutorials provide water safety instructions and kayaking tips for beginners.

After a paddle on the water, the user returns the items to the same locker where they got it. The rental automatically ends and the user’s credit card is charged for the duration of their rental.

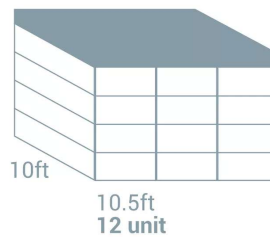
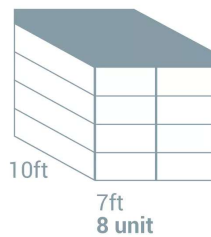


# The Smart Locker

The First Kayak Locker controlled via Smart Phone:



## Size Options



# Example Installations

We can install on any service. A concrete pad is not required.



# The Software

## The Mobile App

Everything that a user needs to rent their favorite equipment - without needing to make reservations, wait in line, or fill out paper forms.

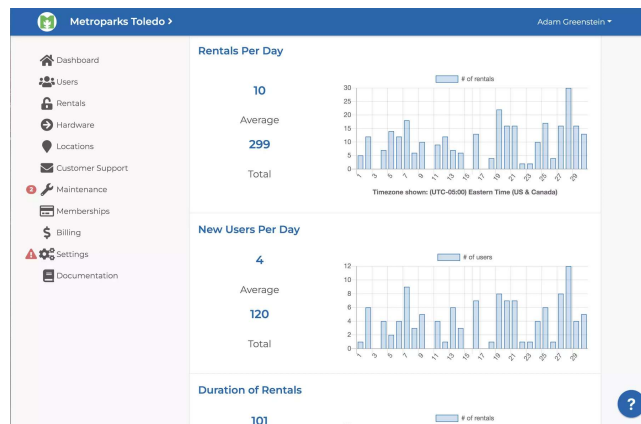


- Rental Instructions and Safety Tips
- Scan QR Code to Lock & Unlock Equipment
- Start & End Rentals
- Accepts Credit Card, Debit Card
- Communicate with Customer Support
- Sign Electronic Waivers
- Get your receipts sent via email
- View Available Units

## The Admin Dashboard

Everything that a park system needs to manage and track the performance of their program.

- Utilization Data
- Revenue Reports
- Customizable Hours of Operation
- Track Maintenance Tickets.



# Operations

## Install

Upon contact execution, we will consult with you to identify the ideal water-front location to install your kayak rental station. We do not need a concrete pad or access to the electrical grid, any flat surface (gravel, dirt, grass, etc.) will do. Within 30 to 90 days, our Launch Manager will arrive by truck to deliver and install the station at the designated location, with the assistance of our local Field Technician (see below). Install will be completed within 1-2 days of arrival.

## Ongoing Maintenance

30 days before launch, our team begins recruiting for a part-time Field Technician, local to your community. The Field Technician will assist with install and will be responsible for ongoing maintenance. During the install process, our Launch Manager will train our local Field Technician on all aspects of the equipment and technology.

Once the station is activated, our local Field Technician will conduct Preventive Maintenance Checks weekly or bi-weekly depending on the operational needs of the program. All tasks are logged digitally and to ensure compliance with our standard operating procedures and contractual requirements. In the event that equipment is damaged or goes missing, we will replace such items at no cost to the City. All field technicians are provided with safety stock of equipment (stored locally) to ensure prompt replacement of equipment.

Preventative Maintenance Checklist	
<p>(1) Kayaks</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Remove the kayak from each locker unit.</li> <li><input type="checkbox"/> Inspect the Rigging - Make sure the handles, perimeter lines and bungees and seats are all in good shape.</li> <li><input type="checkbox"/> Inspect Bottom - Flip kayak over and look for damage, holes, scratches or gouges.</li> <li><input type="checkbox"/> Clean - Wipe exterior and interior seats with water and/or disinfecting wipes.</li> </ul>	<p>(2) Lifejackets</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Remove each lifejacket from each locker unit.</li> <li><input type="checkbox"/> Check that all hardware and straps are firmly attached and are in working order.</li> <li><input type="checkbox"/> Check for leaks, mildew, lumpy or hardened buoyancy material, and oil saturation in the fabric.</li> <li><input type="checkbox"/> Make sure that there are no rips or tears in the fabric.</li> <li><input type="checkbox"/> Make sure that the label stating USCG approval is attached, and that it is readable.</li> <li><input type="checkbox"/> Discard and replace life jackets that show signs of deterioration - tears, mildew stains,</li> </ul>
<p>(3) Paddles</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Remove each paddle from each unit.</li> <li><input type="checkbox"/> Rinse with clean, fresh water; be sure to rinse the ferrule as well.</li> <li><input type="checkbox"/> Examine the internal parts of the shaft to make sure they are clear of water and debris.</li> </ul>	<p>(4) Locker and Locker Door</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Lock and unlock each lock and check battery levels.</li> <li><input type="checkbox"/> Open and close each locker door, inspect hinge, check for proper functioning - make any necessary repairs.</li> <li><input type="checkbox"/> Check that all signage is present and properly displayed. Signs should be straight, clean, and undamaged.</li> </ul>

# Marketing

Through Rent.Fun’s full-service offering, we will invest heavily in marketing and community engagement to drive utilization of the program and increase awareness of your parks and public spaces.

## Custom Website

We develop and promote a custom website for every program that we launch, which informs users of pricing information, rental instructions, and launch locations.

## Local Partnerships

Through partnerships with local hotels, businesses, and nonprofits, we create a network of program ambassadors who promote the program and the park to their constituents. We arm these groups with digital and printed content and promo codes that promote the program and the parks.

## Launch Events & Local Press

We recommend holding a joint City / Rent.Fun launch event and ribbon cutting ceremony to celebrate the program’s launch. We will invite local and regional news outlets to attend the event and cover the story to general local press.

## Digital Marketing

Pre- and post-launch we will invest in geo-targeted google ad words and social media ads to drive rent.fun app downloads and utilization of kayak rental stations. Our objective? When someone searches “kayak rental” or similar terms in your area, rent.fun rental stations will be the first result that they see.





# Risk Management

## Liability

All users must sign a digital waiver in app prior to rentals, under which they assume all risk associated with use of rent.fun equipment. In addition, per the terms of the agreement between Rent.Fun and our public agency partners, we take on all liability associated with the program and agree to indemnify and hold harmless our public agency partners.

## Insurance

We will add our government agency partners as additionally insured under our policy, which includes \$1m of General Liability Coverage, \$5m aggregate.

ACORD		CERTIFICATE OF LIABILITY INSURANCE				DATE (MM/DD/YYYY)	
<p>THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.</p> <p><b>IMPORTANT:</b> If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).</p>						10/15/2021	
<b>PRODUCER</b> K&K Insurance Group, Inc. 1712 Magnavox Way Fort Wayne IN 46804		<b>CONTACT NAME:</b> Rachel Bailey <b>PHONE (A/C, No. Ext):</b> 877-783-1161 <b>FAX (A/C, No.):</b> 800-363-3694 <b>E-MAIL:</b> OandG@kandkinsurance.com <b>ADDRESS:</b> <b>PRODUCER:</b> <b>CUSTOMER ID:</b>		<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Nationwide Mutual Insurance Company <b>INSURER B:</b> <b>INSURER C:</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>		<b>NAIC #</b> 23787	
<b>INSURED</b> Rent Fun LLC 201 S. Division St., Suite 400 Ann Arbor, MI 48104 A Member of the Sports, Leisure & Entertainment RPG		<b>CERTIFICATE NUMBER:</b> W02039423 <b>REVISION NUMBER:</b>					
<p>COVERAGES</p> <p>THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.</p>							
INSUR LTR	TYPE OF INSURANCE	ADOC	SUBMT	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> OTHER			6BRPA0000031575200	10/15/2021 3:33 PM EDT	10/15/2022 12:01 AM	EACH OCCURRENCE \$1,000,000 TRAILER TO RENTED PREMISES (Ea Occurrence) \$300,000 MED EXP (Any one person) EXCLUDED PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$5,000,000 PRODUCTS - COMPOP AGG \$1,000,000 PROFESSIONAL LIABILITY LEGAL LIAB TO PARTICIPANTS WORKERS COMPENSATION (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> PROD. <input type="checkbox"/> LOC <input type="checkbox"/> POLICY <input type="checkbox"/> SUBJECT <input type="checkbox"/> OTHER <input checked="" type="checkbox"/> MEMBER		<input type="checkbox"/> AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY <input type="checkbox"/> NOT PROVIDED WHILE IN HAWAII		<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION		<input type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY <input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	
<b>MEDICAL PAYMENTS FOR PARTICIPANTS</b>		<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>		<b>DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)</b> Kayak/Canoe/Raft/Tube/Paddle & Surf Board Rental Operations Class I, II, III rivers, flatwater (non-guided/guided)		<b>PER STATUTE</b> <input type="checkbox"/> <b>OTHER</b> <input type="checkbox"/> <b>E.L. DISEASE - EA EMPLOYEE</b> <b>E.L. DISEASE - POLICY LIMIT</b> <b>PRIMARY MEDICAL</b> <b>EXCESS MEDICAL</b>	
<b>CERTIFICATE HOLDER</b> Evidence of Coverage				<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. <b>AUTHORIZED REPRESENTATIVE</b> 			
Coverage is only extended to U.S. events and activities. ** NOTICE TO TEXAS INSUREDS: The insurer for the purchasing group may not be subject to all the insurance laws and regulations of the State of Texas.							
ACORD 25 (2016/03) The ACORD name and logo are registered marks of ACORD © 1988-2015 ACORD CORPORATION. All rights reserved.							



# Costs & Revenue Share

5-year partnership

Rent.Fun will maintain ownership of the equipment and will be responsible for all ongoing program costs and logistics. We start with a 4-unit rack and then we expand to 8-unit or 12-unit based on program demand. Expansion comes as no cost to you.

5 year agreement	Price
<p><b>One time Activation Fee</b></p> <p>Includes installation and activation of smart locker - fully equipped with kayaks / paddleboards / lifejackets / paddle; locker signage.</p>	<p><b>\$16,000</b></p> <p>Paid upfront prior to launch;</p>
<p><b>5-year Services Agreement</b></p> <p>Guarantees that you'll have the service for 5 years. At the end of the 5 years, you'll have the option to renew the program on a year to year basis at no cost to you.</p>	<p>No cost</p>
<p><b>Revenue Share</b></p> <p>Customer shall receive 50% of all rental revenue during the Term.</p>	

Customer is responsible for:

- help with marketing the program

Rent.Fun is responsible for:

- delivery, installation, maintenance of all program equipment
- on site signage
- providing end users with technical support
- mobile app
- utilization reporting
- maintenance and replacement of equipment
- collecting and processing rental revenue and refunds
- insurance and liability coverage

# Costs & Revenue Share

1 year pilot

Rent.Fun will maintain ownership of the equipment and will be responsible for all ongoing program costs and logistics. We start with a 4-unit rack and then we expand to 8-unit or 12-unit based on program demand. Expansion comes as no cost to you.

1 year pilot agreement	Price
<p><b>One time Activation Fee</b></p> <p>Includes installation and activation of smart locker - fully equipped with kayaks / paddleboards / lifejackets / paddle; locker signage.</p>	<p><b>\$6,000</b></p> <p>Paid upfront prior to launch;</p>
<p><b>Annual Services Agreement</b></p> <p>Guarantees that you'll have the service for 1 year. At the end of the pilot, you'll have the option to extend the program for consecutive 1-year renewal periods.</p>	<p><b>\$3,000 / yr</b></p>
<p><b>Revenue Share</b></p> <p>Customer shall receive 25% of all rental revenue during the Term.</p>	

Customer is responsible for:

- help with marketing the program

Rent.Fun is responsible for:

- delivery, installation, maintenance of all program equipment
- on site signage
- providing end users with technical support
- mobile app
- utilization reporting
- maintenance and replacement of equipment
- collecting and processing rental revenue and refunds
- insurance and liability coverage

**SAMPLE SERVICES AGREEMENT**

This Services Agreement (this "Agreement"), effective as of \_\_\_\_\_, 2022 (the "Effective Date"), is entered into by and between Rent.fun, LLC, a Michigan limited liability company ("Operator") and \_\_\_\_\_ ("City"). Now, therefore, in consideration of the mutual covenants and representations set forth in this Agreement, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged and agreed, City and Operator hereby agree as follows:

The parties agree that the following schedules and attachments are herein incorporated by reference:

Schedule A – Rental Station Services and Obligations  
 Schedule B – Term & Premises  
 Schedule C – City Obligations

1. Purpose. Operator operates recreational equipment sharing programs that utilize recreational equipment, physical storage and blue-tooth and cellular locking technology to allow the equipment to be rented, paid for, and locked and unlocked by users with an app (collectively, the "Rental Station Services"). City now wishes to engage Operator, and Operator has agreed to provide the Rental Station Services on the City's parks, recreation, and open space areas (the "Premises") on the terms and conditions set forth herein.

2. Term. This Agreement is effective as of the Effective Date and shall continue as specified in Schedule B, unless terminated earlier in accordance with the terms of this Agreement.

3. Compensation for Services, Payment. City shall pay Operator an Activation Fee as set forth in Schedule C.

4. Exclusive License. City hereby grants to Operator an exclusive license during the Term to enter upon and utilize the Premises to install and operate the Rental Station Services and to bring onto the Premises personnel and equipment as Operator deems necessary in connection with the Rental Station Services. This exclusive license allows Operator to erect and store such equipment and materials as necessary on the Premises. Operator understands that City's Premises have varying rules and regulations depending on the location and will comply with said rules and regulations. During the Term of this Agreement, City agrees that Operator shall be the only self-service recreational equipment rental operator with the right to use the Premises.

5. Termination. Unless otherwise prohibited by law, either party may terminate this Agreement: (i) if the other party is adjudicated bankrupt or otherwise seeks to avoid its performance obligations under applicable bankruptcy or insolvency laws, (ii) upon the occurrence of a material breach of this Agreement by the other party if such breach is not cured within thirty (30) days after written notice identifying the matter constituting the material breach, or (iii) if City no longer owns or no longer has the right to license the Premises as specified herein this Agreement. In advance of any change in ownership of the Premises, City will provide Operator with at least fifteen (15) business days prior written notice of such change of ownership and use commercially reasonable efforts to get the new owner of the Premises to sign an agreement substantially similar to this Agreement with Operator (if this Agreement is not transferred as part of such change in ownership.) Upon termination or expiration of this Agreement, Operator shall collect and remove all equipment or items located on City's Premises within thirty (30) days.

6. DISCLAIMER. To the maximum extent permitted by law, except as otherwise set forth in this Agreement, neither party makes any representations or warranties to the other, including with respect to its products and services or the subject matter of this agreement, and each party hereby disclaims any express, implied or statutory warranties, including the implied warranties of fitness for a particular purpose, title, merchantability, and non-infringement.

7. Liability for Loss; Indemnity. City shall not be liable for any injury or damages to persons or property sustained by the Operator or by other persons, including but not limited to customers of the Operator or any others using the equipment of the Operator, with or without permission of the Operator. The Operator shall defend, indemnify, and hold the City harmless against any and all third party claims, damages, and lawsuits

asserted against City arising out of this Agreement alleging (a) Operator's negligence or willful misconduct in providing the Rental Station Services; and/or (b) Operator was grossly negligent or committed an intentional act that caused injury to a person or damage to property arising out of this Agreement. Operator shall indemnify and hold City harmless from and against all damages finally awarded by a court of competent jurisdiction or agreed to by Operator in settlement with respect to such third party claims.

8. Liability for Loss; Indemnity. City shall not be liable for any injury or damages to persons or property sustained by the Operator or by other persons, including but not limited to customers of the Operator or any others using the equipment of the Operator, with or without permission of the Operator. The Operator shall defend, indemnify, and hold the City harmless against any and all third party claims, damages, and lawsuits asserted against City arising out of this Agreement alleging (a) Operator's negligence or willful misconduct in providing the Rental Station Services; and/or (b) Operator was grossly negligent or committed an intentional act that caused injury to a person or damage to property arising out of this Agreement. Operator shall indemnify and hold City harmless from and against all damages finally awarded by a court of competent jurisdiction or agreed to by Operator in settlement with respect to such third party claims.

9. Insurance. The Operator shall, throughout the term of this Agreement, at its own cost and expense procure and maintain public liability insurance with respect to the Operator's operations arising out of this Agreement, with limits of at least \$1,000,000.00 for bodily injury and death. Such policy of insurance shall name the City as an insured or additional insured, as its interest may appear, and shall provide that the policy cannot be cancelled without at least ten (10) days written notice to the City. Such policy shall contain an endorsement waiving all rights of subrogation, if any, against the City. The Operator shall provide the City with a copy of such prior to placement of any equipment on the Premises, or conducting any business on the Premises. Operator acknowledges and agrees that it is not an insured under any property or general liability policy maintained by the City.

10. Compliance with Law and Policy. Operator agrees to provide the Rental Station Services in accordance with all City policies, regulations, rules, and practices and with all applicable municipal, state, and federal laws, including but not limited to fire codes.

11. Subcontractors. The Operator shall be the sole source of contact for the contract. The Operator is totally responsible for all actions and work performed by its subcontractors. All terms, conditions and requirements of the contract shall apply without qualification to any services performed or goods provided by any subcontractor.

12. Miscellaneous. This Agreement and all matters concerning its interpretation, performance, or enforcement will be governed in accordance with the laws of the State of Michigan (exclusive of its choice of law rules), and the federal laws of the U.S. Notwithstanding any provision hereof, City and Operator are independent contractors under this Agreement and nothing herein shall be construed to create a partnership, joint venture or agency relationship. Each party is solely responsible for all applicable taxes, withholdings, and other statutory or contractual obligations. Neither party may assign performance of this Agreement or any of its rights or delegate any of its duties under this Agreement without the prior written consent of the other, except that Operator may assign this Agreement without City's prior written consent in the case of a merger, acquisition or other change of control, and in such event this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement may be amended by mutual agreement of the parties. Such amendments shall only be effective if incorporated in written amendments to this Agreement and executed by duly authorized representatives of the parties. This Agreement may be executed simultaneously or in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. This Agreement contains the entire agreement of the parties relating to the subject matter hereof. In the event any of the provisions of this agreement shall be held to be invalid by any court of competent jurisdiction, the same shall be deemed severable, and as never having been contained herein, and this agreement shall then be construed and enforced in accordance with the remaining provisions hereof. In the event either party fails or refuses to comply with the terms of this agreement, then the non-breaching party may seek any remedy available at law or in equity.

13. Independent Contractor. Operator is an independent contractor and neither the Operator nor its officers, employees and/or agents shall be deemed the City's agent, representative or employee. This Agreement does not create an employee/employer relationship, a partnership, joint venture or any other type of legal relationship between the City and the Operator.



**SCHEDULE A: Station Services and Obligations**

1. EQUIPMENT & INITIAL LAUNCH: Operator will make available for rent Kayak Rental Stations Services, as collectively defined below in this subsection. Each Kayak Rental Station shall include:

- 4 sit-on-top kayaks / SUPs, with associated paddles and lifejackets
- Each craft offered for rent shall be furnished with all items of safety equipment specified by state laws governing the use and operation of watercraft on state water; and
- When not in use, all equipment shall be stored in a tamper-proof locker provided, maintained, and installed by Operator. The locker shall include individual storage units suitable to store each kayak and / or SUP and associated lifejackets and paddles. Each storage unit shall be secured by an app-controlled cellular lock, provided and maintained by Operator.

2. EXPANSION. At Operator's discretion, and upon the written approval of City, Operator shall have the right to expand the Kayak Rental Station Services at Premises to include a total of eight (8) or twelve (12) kayaks and / or SUPs, based on demand observed after initial launch.

3. SIGNAGE. Operator may choose to provide signage at the Premises. Operator may obtain third party sponsors for the signage and retain all revenue collected therefrom. Operator will submit designs of any anticipated decals or signage for City's approval prior to installation, not to be unreasonably withheld. Operator shall be solely responsible for installation and maintenance of any decals or signage.

4. CUSTOMER SUPPORT: Operator shall provide customer and technical support services to end users of its equipment to resolve billing issues, technical issues, and general inquiries.

5. MARKETING: Operator shall develop and deliver to City a custom website designed to market the Rental Station Services prior to launch.

6. MAINTENANCE: Operator maintenance personnel will visit the Premises to perform general maintenance and cleaning of all equipment to ensure that all equipment is in good repair and condition for use. In the event a safety or maintenance issue is discovered on any equipment available for rent, such equipment shall be made unavailable to users and shall be removed and repaired before it is put back into service.

**SCHEDULE B: Term and Revenue Share**

1. TERM: The Term shall commence on the Effective Date and shall continue for a period of 5 years, unless earlier terminated in accordance with the provisions of this Agreement ("Initial Term").

2. REVENUE SHARE: City shall receive 50% of the gross rental revenue received from watercraft rentals on Premises, less the direct costs of any Non-Standard Repairs that are required during the Term. Non-standard repairs shall include: (a) moving the locker to a new City-managed location, on written request of City; (b) replacement of locker or parts thereof due to vandalism, natural disasters, or other outside forces unrelated to Operators or its Rental Station Services.

**SCHEDULE C: City Obligations**

1. MARKETING. City will use reasonable efforts to promote the Rental Stations Services to the public, which shall include linking to the program website from the City's web properties and social media accounts.

2. COMPENSATION. City shall pay Operator the following fees:

- Activation Fee: \$16,000.

3. PAYMENT. An invoice shall be sent following execution of this Agreement, with payment terms of net 30 days.

**AGREED AND ACCEPTED**

Operator: Rent.fun, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

City \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



## Agenda Abstract

### BOARD OF COMMISSIONERS

Meeting Date: Feb. 27, 2023  
Department: Community Services  
Agenda Section: Regular  
Public hearing: No  
Date of public hearing: N/A

#### PRESENTER/INFORMATION CONTACT

Margaret Hauth, Assistant Town Manager  
Matt Efird, Assistant Town Manager

#### ITEM TO BE CONSIDERED

**Subject:** Allocation of \$43,300 identified in the Fiscal Year 2023 budget for affordable housing

##### Attachments:

1. FY23 budget allocation memo
2. Affordable Housing context staff document
3. Funding Request – PEH (from FY23 budget process)
4. Funding Request – IFC (including agreement with Chapel Hill)

##### Summary:

During the development of the FY23 budget, the Partnership to End Homelessness requested a funding increase of \$43,292 for expanded services in addition to their continuation funding of approximately \$16,000. At the budget public hearing, Inter-Faith Council for Social Service asked the town to participate in funding their shelter operations in Chapel Hill. The total request from all jurisdictions was for \$650,000 annually. Using the population distribution formula, the town's portion of that request would be \$42,250. When the board adopted the budget, \$43,300 was earmarked for affordable housing, but it was not specified how the funds could be allocated. With the completion of the FY21 audit, staff is bringing this item back to the board for consideration.

##### Financial impacts:

Has implications for FY24 budget.

##### Staff recommendation and comments:

The two requests for funding represent operating costs for the two entities, not one-time requests. Staff urges the board to carefully consider the implications of these significant allocations considering their on-going nature. The attached memo goes into more detail and a second document provides broader context and discussion for board consideration.

While IFC has indicated their request for FY24 and board members received the FY24 request form PEH via email earlier, tonight's discussion is focused on the FY23 allocation. FY24 requests will be handled through the rest of the budget development process.

##### Action requested:

Decision on how the affordable housing allocation can be spent.

# Memorandum



To: Mayor Jenn Weaver  
Town Board members

From: Margaret A. Hauth, Assistant Town Manager  
Matt Efird, Assistant Town Manager

Date: Feb. 21, 2023

Subject: Background for allocating FY23 affordable housing earmark

The uncertainty of the town’s financial picture during the FY23 budget deliberations caused the board to set aside a block of funding for affordable housing without a specific purpose. The earmark was \$43,300.

1. The board’s decision to set aside \$43,300 represents a three-fold increase over the FY22 allocation of funding for affordable housing and housing stability efforts by Hillsborough. The total spent in FY22 was \$22,488. The continuation budget figure was \$24,774 for FY23. Combined with the earmark, the FY23 total is \$68,074.
2. The board also received the request from the Affordable Housing Coalition as part of the FY22 budget to allocate 2 cents of the tax revenues for affordable housing. There was no specific project attached to this request. It was a request by advocates to prioritize affordable housing in an on-going and meaningful way.
3. The board adopted guiding principles in April 2022 related to affordable housing that supported a 3-5 year ramp-up in local funding with the intent of reaching the 2-cent reservation.
4. There are two requests for funding from local organizations in reference to this earmark. Both requests are for on-going operational costs. Committing to either or both will create a situation of expected continued funding from the town in future years. IFC is specifically interested in a multi-year funding commitment from all four jurisdictions.
  - a. Partnership to End Homelessness- \$43,292 for expansion services.
  - b. Inter-Faith Council - \$42,250 to support their shelter operations in Chapel Hill
5. Neither proposal funds the construction, repair, or acquisition of new or existing affordable dwellings.
6. During the FY23 budget deliberations, more detailed discussion will be needed about what a ramp-up to 2 cents looks like and other competing requests for funds.
7. The town’s Comprehensive Sustainability Plan is expected to be adopted in June. It will provide more guidance on this topic.
8. The towns and Orange County will be starting a comprehensive housing assessment and plan process in the late spring to be completed within a year. The purpose of this effort is to identify overlapping interests and goals as well as identifying benchmarks and strategies.

Staff urges caution in committing relatively small amounts of funding to multiple on-going efforts. These types of commitments limit the town’s flexibility to take strategic actions that might have more significant and lasting impacts in the town.



## Affordable Housing Budget Context and Policy Consideration

The board adopted Guiding Principles for Affordable Housing in April 2022. These principles focus on ways for the town to increase the supply of affordably priced dwelling units through regulation, direct action, having funds available to assist those willing to build units, or assisting residents to stay in or maintain their units.

While principle 2 specifically indicates funds will be spent on all housing efforts, the other principles do not speak to funding or continuing supportive programs to prevent homelessness or otherwise support vulnerable households directly.

Eighty-seven percent of the fees in lieu funding from Forest Ridge (roughly \$209,000) supported the creation of about 48 new units on Odie Street and in Crescent Magnolia. That came out to about \$4,300 per dwelling unit, which is a significant leveraging. Chapel Hill staff recently noted it takes about \$80,000 of subsidy to bring a new dwelling unit to the market. That is just the subsidy portion to “buy down” the construction costs to bring the unit into the affordable range. The cost of construction is still borne by the builder and recouped over time through rents or sales. Those two examples are both ownership opportunities as well. The other 13% of the funds went to emergency housing support. Only about \$1,700 of the \$240,000 fee remains to be allocated.

The board has great latitude to develop a program as they chose. Development activities and support programs are authorized expenditures for local governments. A budget analogy would be the difference between capital expenditures or hiring staff. Capital expenditures tend to be large and one-time. There is a smaller price-tag for hiring staff, but the cost is on-going and always increasing.

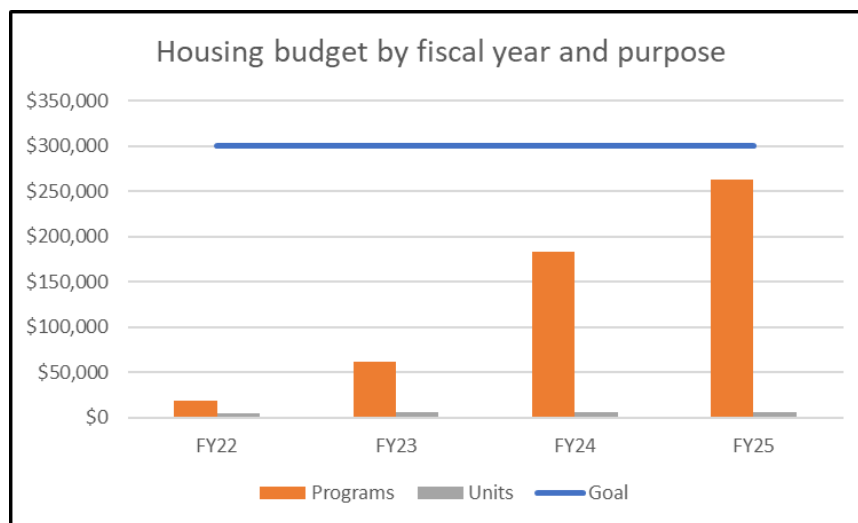
Funding support for IFC to operate Community Housing and Homestart is equivalent to hiring staff. IFC runs a much-needed facility, and they appear to be the only entity willing to do so in the county. Operating a shelter to address emergency situations will likely be a continuing need in the community for many years. Many of the items on the Partnership to End Homelessness Gaps Analysis are also equivalent to hiring staff. Homelessness prevention and ensuring housing security are services, so the systems must be on-going to address ever changing conditions.

The development of more income-based housing is in the top three of the Gaps Analysis and the price to fill this gap is hard to estimate. This will also be an on-going concern – to understand and manage the number of income-based or otherwise affordable units in the community to align with the economic profile of the population. Constructing housing is more of a capital expenditure because the units must be created, then their affordability has to be maintained. Like a new government facility that is built, it also has expenses related to operation and maintenance.

The guiding principles were developed to fill a void in the town’s policy documents. The first principle is that they will be reconsidered and merged into the Comprehensive Sustainability Plan. The draft plan should be ready for public review and adoption by the end of June. The towns and county are also preparing to release an RFP for a countywide housing plan. The effort will be funded with HOME-ARP administrative funds and should kick off in late spring and take about a year to complete. These two documents will better inform the town on where local funding will be most beneficial.

The commitment of 2 cents of tax revenue for affordability and security is significant, but also limited. The board must choose and prioritize the allocation of these funds. Less than \$10,000 of the annual funding supports the construction, repair or acquisition of units through the HOME program grant match and operational support for Community Home Trust. This is roughly 18% of the annual funding. All other funding is allocated toward service provision. The board’s decision to provide \$43,300 of additional funding in FY23 tripled its FY22 funding allocation. This new funding has been requested by both the Partnership to End Homelessness (for service expansion) or IFC (to support service provision). With the additional funding allocated to services, the percentage going toward “capital” drops to 9.5%.

This table illustrates this shift. The blue line is the 2-cent goal (\$300,000). The orange bar is a combination of all “staff” type requests, if requested activities are funded: Partnership, Inter-Faith Council, and Emergency Housing Assistance. The gray bar shows the “capital” type requests: HOME program match and Community Home Trust. Of the potential expenditures, only the Emergency Housing Assistance is certain to be spent to benefit current Hillsborough residents.



What could \$300,000 buy:

- Approximately \$3.7 million borrowed over 20 years at 5% interest (loan payment).
- About ½ of the purchase price for 604 & 618 N Churton St.
- About 2/3 the cost of our most recent Fire Truck purchase (FY16 engine).
- Almost 4 Police Officers based on FY24 personnel costs.
- About 4 Public Works Equipment Operator I positions (FY24 cost).

What “capital” funding opportunities exist for affordable housing?

That is uncertain and will change over time. To date, the town has not been asked to directly participate in any tax credit project. That may be simply due to feedback from staff to applicants that the town has no designated funding source. As noted earlier, the town has participated in two Habitat projects with direct funding and other properties through other support.

If the town pursues a partner to construct affordable housing near the future train station on town property, the town may opt to donate the land to assist the project. That option is available at that site, but the town doesn’t own other tracts of land it can make available for housing development.

By having local funds available, the town has a lot of flexibility to participate in projects. Local funds carry only the strings the town wants to impose, rather than grant or federal sources that may have a variety of limitations and requirements. As the town moves to require new developments to provide a percentage of units as affordable, the requests for local funding will increase.

Habitat hasn't moved quickly on the East Village at Meadowlands project. It seems likely they would be interested in local funding to assist with this project. CASA may need assistance as they move into development of the Collins Ridge site.

The tax credit program for rental housing is highly competitive and only one project will be funded each year in each county. Scores need to be near perfect for a project to receive the 9% tax credits. There is a non-competitive program that provide 4 ½% tax credits. If local funds were available to help developers fill this 4 ½% gap, the town could possibly see project that leverage this highly available and underused tool.

A handful of non-profits partner to make small repairs to houses owned by income-eligible people. This program would also benefit from a regular funding allocation from the town to expand their capacity.

Having funds available when opportunities come up allows the town to act quickly and incentivize what it views as important. This is the way the town has operated in recent years.

FY24 budget preparation

The decision about FY23 funds heavily influences the FY24 process. Since the FY24 budget is still using the continuation budget method, we applied that rule to the 2-cents for housing as well. We heard the board's commitment to this ideal, but we did not want to pre-commit or indicate any kind of preference. Below are the details we have currently about FY24 requests. We expect updated information on HOME and the Partnership prior to the May budget workshop.

Continuation Budget includes:

Community Home Trust payment (per interlocal agreement)	\$ 2,500
Local match funds – HOME (HUD) funding (estimate)	\$ 6,486
<u>Partnership to End Homelessness (FY22 activities)</u>	<u>\$15,788</u>
Total for draft FY24 budget	\$24,774

Requests:

IFC (3% increase from FY23)	\$ 43,518
Partnership (FY23 requested amount- expect update)	\$ 43,292
<u>Emergency Housing Assistance once grant completed</u>	<u>\$ 79,200</u>
Total increase requested for FY24	\$166,010

FY23 Partnership to End Homelessness Budget Requests - with OC Manager Recommendations only

Description		Staff	Total Request	Chapel Hill	Orange County	Carrboro	Hillsborough
Percentage Split				39.7%	39.5%	14.3%	6.5%
<b>OCPEH Continuation Budget</b>							
<i>Personnel</i>		2.65 FTE: 1 Homeless Programs Manager, .625 Homeless Programs Coordinator & 1 Housing Access Coordinator					
<i>Operations</i>			\$ 226,821	\$ 90,048	\$ 89,594	\$ 32,435	\$ 14,743
<b>TOTAL CONTINUATION BUDGET</b>			\$ 242,891	\$ 96,428	\$ 95,942	\$ 34,733	\$ 15,788
<b>Expansion/ARPA Funding</b>							
<b>Rapid Re-housing</b>	Rapid Re-housing provides financial assistance and case management services to people experiencing homelessness to help them obtain and maintain housing.	1 FTE: 1 continuing	\$ 263,937	\$ 104,783	\$ 104,255	\$ 37,743	\$ 17,156
<b>SOHRAD</b>	The Street Outreach, Harm Reduction and Deflection (SOHRAD) program serves people living unsheltered, connecting them with services and housing	4 FTE: 1 FTE Clinical Coordinator; 3 FTE Peer Support Navigators	\$ 307,493	\$ 122,075	\$ 121,460	\$ 43,971	\$ 19,987
<b>Housing Stability &amp; Locator</b>	The Housing Stability Coordinator helps people who are at risk of homelessness maintain their housing, or find new housing. The new Housing Locator position would be available to help people who need extra support with housing search. Currently people are searching for units for over three months, even with financial assistance in hand. These positions prevent homelessness and in cases where they cannot do this, they decrease the amount of time people experience homelessness.	1.5 FTE: 1 Homelessness Prevention/Housing Stability Coordinator, .5 Housing Locator	\$ 94,603	\$ 37,557	\$ 37,368	\$ 13,528	\$ 6,149
<b>Bridge Housing</b>	There is a critical need for short-term, low barrier reentry housing and supporting services to help reentering individuals re-integrate into the community. Bridge Housing funds allow for short-term supportive stabilization housing at hotels for up to 60 days for 55 reentering individuals per year and supportive services for 65 individuals through Reentry House Plus (already an Outside Agency). Reentry House Plus has contracted with the SWIT (Success While in Transition) program run by individuals who themselves have reentered successfully to provide a monthlong course and ongoing one-on-one case management and peer mentoring for these individuals in collaboration with our Local Reentry Council. Bridge Housing and support is an evidencebased best practice for ensuring stabilization and support for people reentering from incarceration, which has been identified as a critical priority by U.S. Housing and Urban Development Secretary, Marcia Fudge, and a clear funding opportunity through the American Rescue Plan Act funds.	0 FTE - services and hotelling	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Permanent Supportive Housing</b>	Permanent Supportive Housing (PSH) serves people experiencing chronic homelessness, providing housing subsidy and case management; Increased PSH is a homeless system gap. The InterFaith Council for Social Service (IFC) is requesting funds for 3 FTE case managers to allow expansion of best practice PSH program. The current program cannot expand due to the need for match funding. The program currently has 2 FTEs funded by Continuum of Care (CoC) funding. Changing the staff funding source to ARPA funds would allow the CoC dollars to be used for rental assistance, and adding another FTE case manager (3 total) would provide the staff capacity needed to administer additional rental assistance from reallocated CoC funds.	3 FTE: 3 IFC Permanent Supportive Housing Case Managers	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Homeless Youth Housing</b>	LGBTQ Center of Durham for housing, therapy, and case management for youth (age 18-24) exiting homelessness in Orange County; program serves both LGBTQ and nonLGBTQ youth.	0 FTE - services and housing	\$ -	\$ -	\$ -	\$ -	\$ -
<b>COVID Isolation Hotelling</b>	Funding for COVID isolation hotel rooms, food, and other client needs for 50 people.	0 FTE - hotelling and other client needs	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL EXPANSION REQUEST</b>			\$ 666,033	\$ 264,415	\$ 263,083	\$ 95,243	\$ 43,292
<b>TOTAL COMPLETE BUDGET</b>			\$ 1,476,754	\$ 360,843	\$ 359,025	\$ 129,976	\$ 59,080

## Margaret Hawth

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**From:** Molly De Marco <mollydemarco@gmail.com>  
**Sent:** Friday, February 17, 2023 12:18 PM  
**To:** Margaret Hawth; Matt Efird  
**Cc:** Jackie Jenks; Susan Laidlaw  
**Subject:** IFC's request to fund emergency housing for Fiscal Years 2023 and 2024  
**Attachments:** FY23\_IFC\_PerformanceAgreement\_Workplan\_final.docx; IFC Request for InterLocal Agreement FY23.pdf; FY23\_IFC Performance Agreement for Homelessness Services\_final.docx

Hi Margaret and Matt:

Below are our requests for FY 2023 and FY 2024, which you need by February 20th to put in front of the Hillsborough Town Commission at their next meeting.

We are also attaching the original request document so you have that readily available. It covers the need for this request. I'm also again attaching the sample service agreement and work plan so that you have all information in one place. We understand that, for FY 2023 at least, the town may opt for a different funding mechanism.

### FY 2023 Request

We are requesting that the Town of Hillsborough contribute their portion of the annual joint funding allotment from the county and the three towns for Fiscal Year 2023. This funding will be used to provide emergency housing to people experiencing homelessness and will allow for a dedicated funding stream for these essential services.

This breaks down as follows, based upon the 2020 Census data:

<b>Jurisdiction</b>	<b>Percent</b>
Orange County	39.5%
Town of Chapel Hill	39.7%
Town of Carrboro	14.3%
Town of Hillsborough	6.5%

Given IFC's request for \$650,000 for fiscal year 2023 and the 2020 population breakdown, the amounts to be contributed by each jurisdiction for FY 2023 are as follows:

<b>Jurisdiction</b>	<b>Contribution</b>
Orange County	\$256,750
Town of Chapel Hill	\$258,050
Town of Carrboro	\$92,950
Town of Hillsborough	\$42,250

FY 2024 Request

We are requesting that the Town of Hillsborough enter into a similar arrangement for Fiscal year 2024 with a 3% increase in the amount of funding to account for inflation.

<b>Jurisdiction</b>	<b>Contribution</b>
Orange County	\$264,453
Town of Chapel Hill	\$265,792
Town of Carrboro	\$95,739
Town of Hillsborough	\$43,518

Please let us know if you have any questions. Thank you for your continued attention to this request.

Molly De Marco

Attachments: [FY23 funding request](#), [FY23 performance agreement with Chapel Hill \(including workplan\)](#)



March 14, 2022

Dear Managers White, Jones, Hammersley and Peterson:

IFC is following up our Outside Agencies/Human Services Application with a **request to enter a process for an inter-local agreement to fund our emergency housing programs: HomeStart for women and families and Community House for men**. We are asking that funding for our emergency housing programs be considered separately from the Outside Agencies/Human Services process. We will, however, work through the Outside Agencies/Human Services process for funding for our food security programs.

**The emergency housing programs that IFC provides are unique in Orange County. No other organization provides these essential basic human services in our community.** Without these vital services, more people would be living outdoors, given the worsening affordable housing crisis.

**IFC is requesting \$650,000 annually through an inter-local agreement for our emergency housing programs**, which is approximately 20% of our \$3.2 million annual budget and a bit less than half of our shelter costs of \$1.4 million. We request an initial 5-year agreement, indexed for inflation, to be considered for renewal at the end of the initial period.

**Currently, funds from the Towns and County only total 12% of our budget, which is extremely low for basic safety net services that would otherwise need to be provided by local governments. The local governments of comparable college towns provide significantly higher percentages of the budget for the essential services provided by nonprofit social service agencies like IFC (see attached chart).** The information on the chart is from interviews we conducted with the Executive Director of each organization and verified using public information including IRS 990 returns. We believe the organizations are good comparisons to IFC.

To summarize our findings, the three organizations that we compare ourselves to receive on average of 26.4% of their expenses in county and town funding. This is double the 12.7% that IFC currently receives. The \$650,000 we are requesting would be 20.1% of our expenses.

**IFC currently raises 70% of our annual revenue from private sources, including individuals, the faith community, foundations, and businesses. We also leverage significant in-kind support to meet people's basic needs.** Community members volunteer almost 15,000 hours of staffing each year, and nearly all the food distributed at the Community Market and served at the Community Kitchen and both shelters is donated. We maintain two reserve funds to draw from in emergencies and for needed capital maintenance on our three buildings (projected at \$110,000 annually, which is 1% of the value of our aging buildings). **Without larger, sustained funding from the local government, we are not able to sustain all our safety net services and face making very difficult decisions.**


IFC's annual operating costs have increased over time due to several factors, including the addition of the new Community House building in 2015, increased requirements from funders and other expenses necessary to keep up with information technology advances, staffing and facility needs. Costs jumped again this past year when we moved the Community Kitchen and Community Market out of the Old Chapel Hill Town Hall, as the Town of Chapel Hill had provided rent, utilities and building maintenance at no charge for 30+ years. Leaving

Old Town Hall was a divestment of \$48,000 per year of in-kind, public support, a cost that IFC has now incurred. Unexpected one-time gifts and bequests have covered our funding gap to date, but we cannot rely on these unexpected funds to continue to materialize.

Orange County has one of the highest income disparities in the state. **When adequately funded, IFC helps to make this community more affordable for low-income residents and workers who make this a diverse and desirable place to live.**

Thank you for your thoughtful consideration and dependable partnership confronting the causes and responding to the effects of poverty in our community. We appreciate the decisions ahead of you.

Sincerely,

  
Jackie Jenks  
President & CEO

  
Vicky Kim  
Board Chair

Cc: Board of County Commissioners, Orange County  
Mayor and Council, Town of Chapel Hill  
Mayor and Council, Town of Carrboro  
Mayor and Council, Town of Hillsborough



## Local Government Support for Organizations Providing Shelter Services in Comparable Towns

Community	Organization	Expense Budget	Shelter Expenses of Total	Shelter Capacity	Town & County Support	Percentage of Local Support	Town/County Split	Inter-local Agreement
Chapel Hill/ Carrboro, NC	IFC	\$3,225,531	44%	90	\$410,000	12.7%	40/60	--
Gainesville, FL	Grace Market	\$4,025,584	67%	146	\$1,500,000	37.3%	50/50*	Yes
Ann Arbor, MI	County Shelter Association	\$2,531,583	55%	65	\$640,000	25.3%	40/60	Coordinated Funding
State College, PA	Housing Transitions	\$1,100,000	27%	13	\$183,315	16.7%	15/85	No

\*Used to be 50/50. Now county funds a different shelter

**STATE OF NORTH CAROLINA  
COUNTY OF ORANGE**

**CONTRACT FOR  
FY22-23 PERFORMANCE AGREEMENT  
FOR HOMELESSNESS SERVICES**

This Contract is made and entered into by and between the “Town of Chapel Hill”, herein “Town”, and “Inter-Faith Council for Social Service, Inc.”, herein “Contractor”, for services hereinafter described for the Town of Chapel Hill. This Contract is for Homelessness Services.

**WITNESSETH**

That for and in consideration of the mutual promises and conditions set forth below, the Town and Contractor agree:

1. Duties of the Contractor: The Contractor agrees to perform those duties described in Exhibit A attached hereto and incorporated herein by reference.
2. Duties of the Town: The Town shall pay for the Contractor’s services as set forth in Exhibit A.
3. Fee Schedule and Maximum Sum: Contract amount is not to exceed \$258,050 total and quarterly payments not to exceed \$64,512.50. Payment shall be made for work performed in Exhibit A.
4. Billing and Payment: The Contractor shall submit a bill to the Town quarterly for work performed under the terms of this Contract. The Contractor shall bill and the Town shall pay the rates set forth therein. Payment will be made by the Town within thirty (30) days of receipt of an accurate invoice, approved by the contact person or his/her designee.
5. Indemnification and Hold Harmless: The Contractor agrees to indemnify and hold harmless the Town of Chapel Hill and its officers, agents and employees from all loss, liability, claims or expense (including reasonable attorneys’ fees) arising from bodily injury, including death or property damage to any person or persons proximately caused in whole or in part by the negligence or willful misconduct of the Contractor except to the extent same are caused by the negligence or misconduct of the Town.
6. Insurance Provisions: The Town requires evidence of Contractor’s current valid insurance (if applicable) in the amounts stated below during the duration of the named project and further requires that the Town be named as an additional insured for Commercial General Liability and Business Automobile policies. The required coverage limits are: 1) Commercial General Liability and Business Automobile - \$1,000,000 per occurrence and 2) Workers’ Compensation - \$100,000 for both employer’s liability and bodily injury by disease for each employee and \$500,000 for the disease policy limit. Based on nature of services to be provided by the contractor and assessment of risk posed to the Town, the Town may require evidence of supplementary insurance coverages.

7. Non-Discrimination: The Contractor contractually agrees to administer all functions pursuant to this Contract without discrimination because of race, creed, sex, national origin, age, economic status, sexual orientation, gender identity or gender expression.
8. Federal and State Legal Compliance: The Contractor must be in full compliance with all applicable federal and state laws, including those on immigration.
9. E-Verify: The Contractor shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Further, should Contractor utilize a subcontractor(s), Contractor shall require the subcontractor(s) to comply with the requirements of Article 2, Chapter 64 of the General Statutes. Pursuant to North Carolina General Statute § 143-133.3 (c)(2), contracts solely for the purchase of apparatus, supplies, materials, and equipment are exempt from this E-Verify provision.
10. Amendment: This Contract may be amended in writing by mutual agreement of the Town and Contractor.
11. Termination: Either party may terminate this Contract at any time by giving the other party thirty (30) days written notice of termination prior to the end of the term as described herein.
12. Interpretation/Venue: This Contract shall be construed and enforced under the laws of North Carolina. The courts and the authorities of the State of North Carolina shall have exclusive jurisdiction over all controversies between the parties which may arise under or in relation to this Contract. In the event of any dispute between the parties, venue is properly laid in Orange County, North Carolina for any state court action and in the Middle District of North Carolina for any federal court action. Contrary to any provision that may be contained in any exhibit attached hereto the Town shall not consent to 1) resolving any dispute by means of arbitration and/or 2) waiver of a trial by jury.
13. Preference: In the event that the terms of any exhibit attached hereto are not consistent with the terms of this Contract, this Contract shall have preference; provided that where either any exhibit attached hereto or this Contract establishes higher standards for performance by either party, the higher standard, wherever located, shall apply.
14. Severability: The parties intend and agree that if any provision of this Contract or any portion thereof shall be held to be void or otherwise unenforceable, all other portions of this Contract shall remain in full force and effect.
15. Assignment: This Contract shall not be assigned without the prior written consent of the parties.
16. Entire Agreement: This Contract shall constitute the entire agreement of the parties and no other warranties, inducements, considerations, promises, or interpretations shall be implied or impressed upon this Contract that are not expressly addressed herein. All prior agreements, understandings and discussions are hereby superseded by this Contract.

17. Construction Project Related Sales Tax: If applicable, the Contractor shall furnish the Town certified statements setting forth, the cost of all materials purchased from each vendor and the amount of North Carolina sales and use taxes paid thereon. In the event the Contractor makes several purchases from the same vendor, the Contractor's certified statement shall indicate the invoice number, the inclusive dates of the invoices, the total amount of the invoices, and the North Carolina sales and use taxes paid thereon. The Contractor's certified statement shall also include the cost of any tangible personal property withdrawn from the Contractor's warehouse stock and the amount of North Carolina sales or use tax paid thereon by the Contractor. The Contractor shall furnish such additional information as the Commissioner of Revenue of the State of North Carolina may require to substantiate a refund claim by the Town for sales or use taxes. The Contractor shall obtain and furnish to the Town similar certified statements by the subcontractors. The certified statements to be furnished shall be in the form of the standard CONTRACTOR'S SALES TAX REPORT and shall be submitted with each request for payment. The Town will not make payment to the Contractor until the CONTRACTOR'S SALES TAX REPORTS ARE SUBMITTED. Any and all refunds received by the Town of said taxes shall remain with the Town, and the Contractor shall not be entitled to such refund.
18. Term: This Contract, unless amended as provided herein, shall be in effect until June 30, 2023.

[SIGNATURES ON FOLLOWING PAGE.]

This Contract is between the Town of Chapel Hill and Inter-Faith Council for Social Service, Inc for Homelessness Services.

IN WITNESS WHEREOF, the parties hereto cause this agreement to be executed in their respective names.

**INTER-FAITH COUNCIL FOR SOCIAL SERVICE**

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
PRINTED NAME & TITLE

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
PRINTED NAME & TITLE

**TOWN OF CHAPEL HILL**

\_\_\_\_\_  
DEPARTMENT HEAD/EXECUTIVE DIRECTOR OR DEPUTY/TOWN MANAGER

\_\_\_\_\_  
PRINTED NAME & DEPARTMENT

ATTEST BY TOWN CLERK:

\_\_\_\_\_  
TOWN CLERK

TOWN SEAL

**Town Clerk** attests date this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Approved as to Form and Authorization

\_\_\_\_\_  
ATTORNEY FOR TOWN

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
FINANCE OFFICER

\_\_\_\_\_  
DATE

EXHIBIT A

**INTER-FAITH COUNCIL FOR SOCIAL SERVICE, Inc.**

**WORK PLAN**

FY 2022-2023

Ensure a Community Network of Safe Emergency Shelter Services	
<u>Action</u>	<u>Expected Outcome</u>
Provide Town of Chapel Hill Residents with Emergency Shelter Services, including sleeping quarters, restrooms and shower facilities.	Chapel Hill residents access the most appropriate social safety net services.
Provide additional shelter spaces during the cold weather season and during inclement weather events	Chapel Hill residents access the most appropriate social safety net services.
Take referrals into shelter from the Orange County Coordinated Entry system	Chapel Hill residents are able to access the shelter through Coordinated Entry.
Provide shelter staffing during hours of operation.	Staff will be present on-site during hours of operation.
Community members who lack a fixed, regular, and adequate nighttime residence will receive shelter during the program year.	Serve 260 homeless households during the program year.
Maintain accurate accounting records and ensure internal controls are consistently followed. Require that staff and volunteers conduct themselves in a professional manner that promotes a safe, healthful, inclusive and productive work environment.	Provide the Town with audited Financial Statements within 6 months of the close of IFC's fiscal year. Address any issues promptly and report back on their resolution.
Submit regular progress reports to the Town. Reports are due at a minimum by October 15, January 15, April 15, and July 15 (July 15 report shall include 4 <sup>th</sup> quarter accomplishments as well as a cumulative report) and will provide information about activities, challenges, and other relevant information regarding the implementation of this Work Plan.	4 reports submitted annually; 1 after each quarter