



TOWN OF HILLSBOROUGH

STRATEGIC PLAN



FY26 ANNUAL REPORT





TABLE OF CONTENTS

1. Elements of the Plan	3
2. Strategy Map	4
3. Values	5
4. Focus Area 1 - Sustainability	6
5. Focus Area 2 - Connected Community	9
6. Focus Area 3 - Economic Vitality	11
7. Focus Area 4 - Community Safety	14
8. Focus Area 5 - Service Excellence	16

Elements of the PLAN

Vision

A statement that describes what organizational success will look like in the future.

Mission

A statement that outlines the organization's purpose.

Values

The set of core beliefs that will determine the approach to realizing the town's vision.

Focus Areas

Main categories that the town will focus on in the 3-year strategic plan window.

Strategic Objectives

A set of desired outcomes and promises that will align the town with its vision over the long-term.

Initiatives

Identifies specific action items to implement in the next 1-3 years to move the organization towards its goals.

PURPOSE

A strategic plan is a management tool that helps an organization align its leadership, resources, and operations to advance a set of goals. It also serves to establish priorities for policy initiatives, budgeting and staffing decisions, and capital investments to create outcomes that are important to the community.

The Town of Hillsborough has limited resources yet faces endless needs, opportunities, and distractions that compete for the use of these resources. The purpose of this strategic plan is to serve as an action-oriented road map that strategically aligns available resources with priorities, which is critical to the effective and efficient delivery of government services.

This strategic plan was drafted after years of collaboration among members of the Board of Commissioners and leadership from the town's departments and divisions.

STRATEGY MAP

VISION STATEMENT

We envision Hillsborough as a prosperous town, filled with vitality, fostering a strong sense of community, celebrating its unique heritage and small-town character.

MISSION STATEMENT

We are stewards of the public trust who exist to make the Vision for Hillsborough a reality. We manage and provide the infrastructure, resources, and services that enhance the quality of life for the living beings and land within our town.

VALUES

As we strive to achieve our goals, we commit to maintaining these core values:

- Vibrancy
- Equity & Inclusion
- Forward Thinking
- Public Service

FOCUS AREAS



VALUES

VIBRANCY

A vibrant Hillsborough is one that is lively and active. We see this manifest in cultural art events, recreation, and how people know each other and are connected by physical and social networks. The community can find ways to participate and connect from both inside and outside their homes. The people, physical environment, and business community are core to this vibrant atmosphere.

EQUITY & INCLUSION

Hillsborough is a place where every resident can thrive, where everyone who lives and works here feels they belong. We will strive to support policies, plans, and actions that are administered fairly to build a Hillsborough where people of all races, ethnicities, gender identifications, sexes, sexual orientations, abilities, and incomes want to live, can afford to live, and will be treated with dignity and respect.

FORWARD THINKING

We think and make decisions that can persist over generations for a sustainable Hillsborough, acknowledging that economic, environmental and social issues are interrelated. This community has a unique sense of place encapsulated by both Hillsborough's long and treasured history and where it meets change and looks to the future. We have an obligation to be fiscally, environmentally, and culturally wise in order to plan for the long term and be resilient to climate change and unforeseen events. We strive to foster a culture of innovation and creativity in town operations.

PUBLIC SERVICE

The town of Hillsborough is here to serve. We are committed to good and ethical governance. We are responsible stewards of community tax dollars put to use for the public good. We strive to ensure each resident, visitor, business, and employee are safe as they live, work, and play in Hillsborough, and this sense of safety should extend beyond the physical environment to foster a community where the people are free from worry regarding whether who they are has bearing on how they are treated.



FOCUS AREA 1

SUSTAINABILITY





SUSTAINABILITY

Optimize the built environment in a way that aligns with smart growth principles.

- **Initiative 1.1** — Overhaul the Unified Development Ordinance and Zoning Map to reflect current development trends and patterns to incorporate sustainability, environmental and climate best practices, economic resiliency measures, and equity in development and redevelopment as well as meet water and sewer system-wide needs. (Fiscal Year 2026)

Staff has received the first draft of the new, condensed zoning district map as well as the first full draft of the fully rewritten ordinance. Staff is in the process of reviewing and providing first round of staff comments on the first full draft, which will include incorporating any state law changes from the last legislative session (parking minimums, etc.). Staff expect a draft to be ready for public review in late 2026 or early 2027.

- **Initiative 1.2** — Update the Future Land Use Map to simplify land use categories and express current preferred future land use and growth patterns (Fiscal Year 2026).

This is on hold pending outcomes of the draft zoning map in conjunction with Unified Development Ordinance rewrite and coordination with Orange County on updating the Central Orange Coordinated Area Land Use Plan. An FY28 budget request is being drafted for a consultant to assist staff in aligning the Future Land Use Map with an updated Central Orange plan as well as the Comprehensive Sustainability Plan.

Intensify efforts to meet 2030 and 2050 clean energy goals, reducing overall energy consumption and increasing the use of clean energy for town operations.

- **Initiative 2.1** — Assess renewable energy generation potential for solar photovoltaics and wind energy projects on town-owned properties and identify priority sites for planning and implementation (Fiscal Years 2024-26).

The solar feasibility study being conducted is nearly complete. The final report is anticipated for late summer 2026. Facilities that were evaluated include the Water Treatment Plant, Wastewater Treatment Plan, Adron F. Thompson Water/Sewer Facility, Highway 86 North Facility and the Town Hall Annex.

- **Initiative 2.2** — Investigate opportunities and incorporate to the greatest extent possible sustainability and climate initiatives in facility development including geothermal, solar, weatherization and green infrastructure (Fiscal Years 2024-26).

This is an ongoing item. Sustainability and climate initiatives are evaluated for every public space project. Green infrastructure is being incorporated into the Rainey Avenue sidewalk design, Mayo Park parking lot, Wastewater Treatment Plant and skate spot. Facility improvements will be reassigned to the Administrative Services Department following the recent reorganization.

- **Initiative 2.4** — Evaluate the town's vehicle fleet to determine right-sizing and transition to electric vehicle potential. Transition the town's vehicle fleet to zero emission alternatives on a schedule consistent with vehicle lifecycles and market availability. Advance the schedule of this transition as feasible (Fiscal Years 2024-26).

Fleet Maintenance only had one hybrid vehicle repair during the entire year. It was on a police vehicle, and the failure point was consistent with



non-hybrid vehicles. Overall, the decision to purchase hybrid vehicles has been successful. The hybrid vehicles averaged 19 mpg, compared to 8 mpg for non-hybrid patrol cars.

- **Initiative 2.5** — Ensure electric vehicle charging infrastructure is appropriately provided to support the town's vehicle transition (Fiscal Year 2025).

This is on hold until we begin transitioning to an electric fleet.

- **Initiative 2.6** — Work with regional partners to expand the number of electric vehicle charging stations in the town to support readiness and encourage widespread adoption, especially in key places like Gold Park and the Town Hall Campus (Fiscal Years 2025-26).

External grant funding is in short supply for sustainability and climate initiatives, so there is no update on progress this year.

Protect and enhance natural resources.

- **Initiative 3.1** — Develop and adopt a tree inventory for town-owned and town-maintained properties (Fiscal Year 2026).

This item is on hold until the transition to ArcGIS Pro and online is complete. Staff training on these ESRI products has begun.

- **Initiative 3.2** — Develop and adopt a tree preservation policy for town-owned and town-maintained properties (Fiscal Year 2025-2026).

This initiative will be started once the tree inventory is complete.



- **Initiative 3.5** — Investigate options to develop incentives for developers to incorporate sustainable environmental best practices for managed natural areas and landscapes (Fiscal Years 2025-26).

Incentives will be included in the Unified Development Ordinance rewrite. Language has been shared with the consultants to incorporate it in the draft.

- **Initiative 3.7** — Continue implementing watershed improvement projects under the interim alternative implementation approach for compliance with the Falls Lake Stage 1 Existing Development Rule for Stormwater (Fiscal Years 2024-26).

Due to the ongoing drought, the compost blanket project for the Mayo Park parking lot has been put on hold. The project is expected to move forward this fall, assuming drought conditions improve. Staff continued to meet with local consultants regarding flood mitigation and other watershed improvement projects. Staff are considering a proposal by the consultant team to conduct preliminary investigations. Staff expect to have the team under contract for this initial phase early in the new fiscal year. The dam removal project on the Eno Mountain Road is the top priority.



FOCUS AREA 2

CONNECTED COMMUNITY





CONNECTED COMMUNITY

Advance a multi-modal network that reduces single-occupancy vehicles and links Hillsborough residents to key places and each other.

- **Initiative 1.2** — Contribute annual budget allocations to expand public art and amenities and public spaces (Fiscal Years 2024-26).

In the FY26 budget, \$2,500 was included as a continuation item for public art. Staff believe it would be helpful to allow these funds to accrue, as what is budgeted was not sufficient to purchase permanent art. These funds are typically used to support art projects like the Dorothy N. Johnson Community Center mosaic mural, expected to be installed in Summer 2026. If the town board wants to continue purchasing permanent public art from Uproar festival, funds will need to be added in the FY28 budget.



- **Initiative 1.3** — Ridgewalk feasibility study is complete. If directed by the board, design and engineering for the section from downtown to Collins Ridge will proceed (Fiscal Years 2024-25).

Feasibility study is complete and a preferred alignment has been identified. Staff is ready to start engineering on Ridgewalk but have decided it is best to wait until the train station site plan is reviewed by North Carolina Railroad so that the two projects are aligned and staged for construction correctly. Engineering involves applying for permits, which are generally good for about two years. Staff will need to know the timeline for the train station construction before applying for and paying for Ridgewalk permits.



FOCUS AREA 3

ECONOMIC VITALITY





ECONOMIC VITALITY

Develop public projects, policies and marketing related to economic system goals.

- **Initiative 1.1** — Conduct a downtown parking study to develop and adopt a long-range parking plan (Fiscal Year 2026).

The town board adopted the finalized Hillsborough Parking Study analysis. Parking study implementation projects were prioritized based on budget and staff time needed. Initial contacts being made with Orange County to start some of the joint implementation projects in FY27.



- **Initiative 1.2** — Complete Train Station Development Master Plan (Fiscal Years 2026).
Uses and development scenarios continue to be contemplated internally, but no updates at this time.
- **Initiative 1.3** — Invest in wayfinding and interpretive signage programs (Fiscal Years 2024-26).
Added interpretive sign on Riverwalk about native plants, biodiversity and invasive species removal. Replaced nine panels on existing wayfinding signs that deteriorated from age. Added a wayfinding destination sign at the Calvin Street entrance to Riverwalk.
- **Initiative 1.4** — Market and brand Hillsborough through town website and social media as a great place to live, work and do business by engaging in partnerships to highlight success stories and incentive opportunities (Fiscal Years 2024-26).
This is an ongoing effort between Planning and Communications divisions with partnerships through Tourism. Annual “BEST OF” Chapel Hill Magazine ad placed in July/August issue featuring Hillsborough business winners.

Develop partnerships and programming that provide jobs, employment education, workforce development and training.

- **Initiative 2.1** — Identify and analyze current labor market and skills gaps and needs through partnership, contract or town-led study (Fiscal Year 2025).
Re-evaluate goal and relevance with town board for FY27 and beyond. Coordination with Chamber of Commerce on the development of a “Entrepreneurial Center” on the second floor of its building to foster startups, as an identified need for business growth.
- **Initiative 2.2** — Engage with the local business community through periodic small business workshops hosted by town or in conjunction with economic development partners (Fiscal Years 2024-26).
Hosted the Chamber of Commerce’s Central Carolina Women in Business group in the Board Meeting Room for “Making your books make sense for your CPA” workshop in February. No further updates in the final quarter of the year.

Create equitable economic opportunities for all residents.

- **Initiative 3.1** — Translate business documents and forms into other relevant languages and set up a system for staff to be able to communicate in other languages with residents (Fiscal Year 2026).

This initiative was transferred to the Communications Division. The town contracted with a language service vendor to assist customers who would prefer to communicate in a language other than English. Contracting with document accessibility vendor for PDF translation services put on hold to better determine whether it meets accessibility requirements. Staff still need to explore moving business forms onto payments platform and the language access there.

- **Initiative 3.2** — Work with local and regional partners to identify and promote woman and Black, Indigenous and People of Color (BIPOC) owned businesses through marketing success stories and tracking contractual partnerships with the town (Fiscal Years 2024-26).

No updates. Re-evaluate or update goal based on relevant state legislation. Consider whether to accomplish goal by breaking it into smaller pieces for FY27 and beyond.

Preservation of naturally occurring affordable housing.

- **Initiative 4.2** — Develop local action plan (Fiscal Year 2026).

Draft report and initial recommendations have been received and will be presented to the town board at the August work session.



Develop policies and invest in projects that contribute to meeting identified affordable housing needs in town.

- **Initiative 5.2** — Support changes to town code and state law to provide new funding sources and reduce administrative barriers for affordable housing creation (Fiscal Years 2024-26).

No updates. This is a continuous item.

- **Initiative 5.3** — Prioritize surplus of town-owned land for creation of affordable housing and strategically acquire additional land or financial participation from new development for affordable housing (Fiscal Years 2024-26).

No updates. This is a continuous item.

Performance Measures

- Completed downtown parking study.
- Preliminary masterplan layout of Train Station Development Master Plan done, with the final plan on hold.
- Thirty-two social media and/or website story highlights promoted in collaboration with Communications Division or local news media outlets.
- Two small business workshops were held with workforce development partners, one in the fall and one in the spring.
- No business documents and forms translated into other languages.



FOCUS AREA 4

COMMUNITY SAFETY





COMMUNITY SAFETY

Ensure that all people are safe and feel safe throughout town.

- **Initiative 1.3** — Restart the police citizens academy program (Fiscal Year 2026).

The 2026 Community Police Academy was held from May 5 to June 15. The academy had a great turnout and received positive reviews. Staff is discussing holding another academy in FY27.



Community Police Academy participants learn about policing in Hillsborough.

Reinforce resiliency in town operations by implementing emergency preparedness strategies.

- **Initiative 2.1** — Complete refresh of the Emergency Operations Plan (Fiscal Year 2026).

The Emergency Operations Plan is nearing completion. The remaining tasks is to finalize forms and guides that are aligned with the plan and the town's Emergency Operations Center structure.

- **Initiative 2.2** — Establish quarterly management check-ins (Fiscal Years 2024-26).

The Emergency Management Team continues to meet regularly, discussing topics such as emergency planning efforts, status of after-action review items and winter weather and hurricane season kickoffs. The team is now meeting every other month.

- **Initiative 2.4** — Establish Emergency Operations Centers (Fiscal Year 2026).

This item is complete. The town activated the Emergency Operations Center on March 16 due to strong winds and tornado warnings forecasted.



Assistant Chief of Police Andy Simmons leads Hurricane Season Kickoff to help staff prepare for severe weather.

Performance Measures

- Community Survey question "How safe do you feel in Hillsborough overall?" — 90% of respondents feel "very safe" or "safe."
- Community Survey question "How satisfied are you with town's efforts to prevent crime?" — 75% of respondents were "very satisfied" or "satisfied."
- Community Survey question "How satisfied are you with visibility of police in neighborhoods?" — 75% of respondents were "very satisfied" or "satisfied."
- Applicable National Incident Management System and Incident Command Structure training — 64% of employees have completed NIMS 100 training.



FOCUS AREA 5
SERVICE EXCELLENCE





SERVICE EXCELLENCE

Provide quality municipal services through operational excellence and a culture of innovation.

- **Initiative 1.2** — Develop a utilities asset management plan that helps identify risk of failure (Fiscal Year 2026).
Utilities will transition to town's work order and asset management software. Before importing data to the new system, work will need to be done to clean up the mapping. In the meantime, staff is trending main breaks and leaks visually in ArcGIS and using staff knowledge on where leak detection should be performed. Utilities performs asset management tasks, just not in a comprehensive document or program. Growth is overriding general replacement goals in the Capital Improvement Plan for the next several years.

Promote inclusive community engagement in town services, programs, and projects.

- **Initiative 3.1** — Assess representation on appointed boards and boost recruitment efforts for underrepresented groups and areas (Fiscal Year 2026).

This initiative is expected to be continued in FY27. The focus will be assessing geographic representation across appointed boards and developing strategies to boost membership in areas lacking representation.



Embed racial equity throughout the organization and in the services provided to the community.

- **Initiative 4.1** — Develop, adopt and implement a racial equity plan (Fiscal Years 2024-26).

This initiative has been placed on hold while staff monitors the status of House Bill 171 – Equality in State Agencies/Prohibition on State Agencies/Prohibition on Diversity, Equity and Inclusion.

- Community Survey statement “Overall quality of services provided by the town” — 88.9% of respondents selected “satisfied” or “very satisfied.”
- Percentage of geographic areas with appointed board representation — Map was completed and updated but is not broken out by geographic areas.
- Alignment of appointed board representation with community demographics (data from last fiscal year)
 - 61% of board membership are males compared to 46.6% in population.
 - 45-64 age group represents 42% of board membership compared to 31% of the population.
- Percentage of employees completing Racial Equity Institute's Groundwater training – Training is no longer being provided to employees.
- 58% of performance evaluations were completed on time, by Aug. 15. Tropical Storm Chantal caused several delays.
- 0.99 sewer breaks for 100 miles of collection pipe (101 miles total; 1 sewer break).
- 25.3 leaks per 100 miles of distribution pipe (38 water main leaks).
- 1.19% of gravity sewer mains were inspected by CCTV camera.
- 14.5% of gravity sewer mains were cleaned by water jetting.
- Asset depreciation metric from Environmental Finance Center dashboard — 40%, based on FY2025 Audit.