



TOWN OF HILLSBOROUGH

STRATEGIC PLAN



FY24 ANNUAL REPORT



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Message from the Manager

FY24 YEAR-END REVIEW

We are pleased to present the town's first annual report for the FY24-26 Strategic Plan. When we discontinued the use of the balanced scorecard, we were unclear on the exact direction to take our performance efforts but we developed a vision of what was wanted: a plan that details where we're trying to go as an organization and how to get there. The strategic plan is our attempt to fulfill that vision.

While we have provided quarterly updates throughout the year, this report provides a summary of the work that has been done to advance the strategic plan initiatives that were identified for FY24. Some of the initiatives were completed and can be checked off the list, while others will need to be continued into FY25 or beyond. In the report, you'll find the exact status of each of the initiatives.

I want to thank the town board for the support and flexibility that has been provided as we navigate the first year implementing our strategic plan. Also, a big thanks to departments for their work in helping to develop and now make progress toward the plan, which serves as an action-oriented road map to achieve the town board's priorities.

Please don't hesitate to contact Administrative Services Director Jen Della Valle or myself if you have any questions, suggestions, concerns, or ideas related to this report. Most importantly, we look forward to listening and participating in the discussions of this report that will help us take the next steps in shaping Hillsborough's future.



Sincerely,

Eric Peterson
Town Manager

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. (FY24-FY25)
Request for Proposals for the Unified Development Ordinance has been prepared and is ready for release with consideration for other projects kicking off, such as the parking study and code enforcement contract.
- Initiative 1.2 – Update the Future Land Use Map to simplify land use categories and express current preferred future land use and growth patterns (FY24-FY25).
Further coordination with Orange County and municipal partners indicated a need to update the Water and Sewer Management, Planning and Boundary Agreement (WASMPBA) to reflect the revised water and sewer boundary recommended by the Comprehensive Sustainability Plan, then Hillsborough/Orange County Central Orange Coordinated Area (COCA), then the town Future Land Use Plan. The goal is to transact these in the fall/winter 2025.

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 (FY24-26).
Plans for the Adron F. Thompson Water/Sewer Facility renovation include providing conduit so that the facility is “solar-ready.” Town staff is exploring opportunities to apply for grant funding for solar panels at this facility. Plans for the future train station also include photovoltaic panels. No other progress has been made on this initiative due to staff capacity and funding constraints.
- 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 (FY24-26).
Staff has completed an LED transition of site lighting at Town Hall, Town Hall Annex, and the Dorothy N. Johnson Community Center. Staff continue to work with Duke Energy on completing LED streetlight transition. Staff is incorporating energy efficient equipment and weatherization at facilities as funding allows. No further progress has been made on geothermal or solar projects due to staff capacity and funding constraints. Green infrastructure is being incorporated at town parks, future transportation projects, and the future train station plans.
- Initiative 2.4 – Evaluate the town’s vehicle fleet to determine right-sizing and transition to electric vehicle (EV) 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 (FY24-FY26).
Fleet staff is monitoring the town’s hybrid police vehicles for fuel mileage increase over regular gas vehicles. It is unforeseen what the difference in maintenance costs and time out of service may be when compared to traditional units. Fleet staff is attending a yearly Fleet Sustainable Fuel Expo to stay up to date with the trending alternative fuel options.
- Initiative 2.7 – Continue to coordinate at a regional level on the Electric Vehicle Supply Equipment Location Suitability Analysis (FY24).
Staff continues to work with partners (Chapel Hill, Carrboro, Orange County, and UNC) to improve our grant competitiveness and hopes to apply for funding in a future round of Charging and Fueling Infrastructure (CFI) grant after not receiving a round 1 CFI grant.

Protect and enhance natural resources.

- Initiative 3.3 – Develop and adopt a landscape management plan for town-owned and town-maintained properties (FY24).

This initiative was inadvertently left off the list of initiatives to track in FY24 and it will be moved to FY25 for completion.

- Initiative 3.5 – Investigate options to develop incentives for developers to incorporate sustainable environmental best practices for managed natural areas and landscapes (FY25-FY26).

Stormwater and Environmental Services staff continues to research how to codify incentives for developers. While the town may not be more restrictive than the state, there is latitude if it can be shown as necessary to meet requirements of the town’s stormwater permit.

In a parallel process, staff provided review and input through the Upper Neuse River Basis Association (UNRBA) to allow soil improvement credit for new development. This request was submitted to the state, and it is currently under review. If soil improvement credit is approved by the state as a nutrient reduction/stormwater runoff reduction practice, it would incentivize developers to include various soil improvement and/or amendments.

- Initiative 3.6 – Update and adopt a comprehensive stormwater management plan (FY25).

Based on the town’s first ever stormwater program audit by the state, a new stormwater management plan was drafted and approved by North Carolina Department of Environmental Quality. The town’s new National Pollutant Discharge Elimination System (NPDES) stormwater permit was public noticed in May/June and became effective July 1, 2024. Stormwater and Environmental Services Division staff began implementing the new stormwater management plan and permit requirements on July 1, 2024.

- 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 (FY24-FY26).

Completed the third year of the Interim Alternative Implementation Approach (IAIA) program, which was approved by the state to meet requirements of the Falls Lake Stage 1 Existing Development Rule for Stormwater. This is a five-year program. In FY24, the Stormwater and Environmental Services Division completed the following projects:

- Odie Street Green Infrastructure – currently in operational phase with additional outreach events planned in FY25.
- Dorothy N. Johnson Community Center Rain Garden and Stormwater Harvesting – a rain garden was installed and planted by volunteers. A cistern and two rain barrels were also installed.
- Riverwalk Bioswale – an existing drainage ditch was converted to a bioswale and planted by volunteers as part of the FY24 Creek Week event.

Stormwater and Environmental Services Division staff conducted an annual planning meeting and identified the following projects for FY25: native plantings for the stormwater swale at the Cates Creek Park skate spot; stream stabilization project at Odie Street (grant funding secured); compost blanket at the town’s wastewater treatment plant; living retaining wall at the town’s parking lot at 125 W. King St.; and design of an water access area and bank stabilization project along Riverwalk.



Figure 1 Volunteers planting as part of Creek Week.



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.

- 1.1 – Complete Churton Street Multi-Modal Corridor Study to inform the future NC Department of Transportation-funded project (FY24).

The South Churton Street Multimodal Corridor Study is complete, it was endorsed by the town board in June 2024, and it has been shared with North Carolina Department of Transportation (NCDOT) to inform their funded project, U-5845. Staff will continue to coordinate with NCDOT as the funded project moves into the engineering phase and staff will provide updates to the town board as the project progresses.
- 1.2 – Contribute annual budget allocations to expand public art and amenities and public spaces (FY24-26).

A budget increase was funded in FY25. Staff is working on a plan for free expression/public art panels near the skate spot in Cates Creek Park. Staff continues to work with tourism program, Orange County Arts Commission, and Hillsborough Arts Council to identify new arts opportunities and support public art events like Uproar Public Art Festival. Also, Perpetual Bond (giraffes) sculpture was installed at Town Hall.
- 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 (FY24-FY25).

Ridgewalk Phase 2 Study is nearly complete, and it will be presented to the town board in September 2024 so that the board can determine the project scope and schedule.

Foster reliable, high-speed internet services throughout the community.

- 2.1 – Explore offering wireless access points at parks and public spaces to increase internet accessibility (FY24).

A plan and cost projections have been received from several internet service providers. Town staff met with North Carolina Department of Information Technology (NCDIT) to discuss the plan and cost projections for a fiber-to-town facilities project. Both Gold Park and Cates Creek Park are locations included in the fiber project. NCDIT has completed the planning phase of the project and is preparing to request quotes for the various phases of the project.

Town staff met with Spectrum regarding their free wireless in public spaces program. Their program was discontinued in 2017, and they only provide maintenance support for locations that were recipients of their program from 2015 to 2017
- 2.2 – Review broadband speed accessibility in different areas of town using the state’s coverage map (FY24).

North Carolina Division of Broadband and Digital Equity provides a map, Fixed Broadband Service Areas, detailing which broadband service providers serve which specific area of town with minimum speeds of 25mb/s download and 3mb/s upload. Google and Lumos have begun lighting up their high-speed fiber inside of town limits and throughout rural Orange County. Both vendors now provide high-speed broadband options to many different areas of town.



FOCUS AREA 3
ECONOMIC VITALITY





ECONOMIC VITALITY

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

- **1.1 – Conduct a downtown parking study to develop and adopt a long-range parking plan (FY24).**
Parking study Request for Letters of Interest (RFLOI) was released, a contractor was selected, and the project is in the contracting phase. Project kickoff expected in the first quarter of FY25, and this initiative will continue to be tracked in FY25.
- **1.2 – Complete Train Station Development Master Plan (FY24-FY25).**
This project is stacked behind others. The plan is to release Request for Proposal (RFP) after a Unified Development Ordinance (UDO) contractor is selected and that project is kicked off.
- **1.3 – Invest in wayfinding and interpretive signage programs (FY24-FY26).**
Interpretive signs for Dickerson Chapel, Occaneechi Village and Kings Highway Park were fabricated and installed. The interpretive signage walking tour map has been updated with those additions. The next phase will be design for prioritized signs including the topic of native trees. Staff is working with North Carolina Department of Transportation and Duke Power to locate a wayfinding sign for the Eno Arts Mill on Allison Street.
- **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 (FY24-FY26).**
This initiative is ongoing. The Chapel Hill Magazine 'Best of' Ad was printed/run. Conversations continue on joining Triangle Restaurant Week and establishing a Social District. Staff assisted a retail business with permits for a move into a larger space on King Street in quarter 4 and is working with a local restaurateur to add a new restaurant concept somewhere in town.

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

- **2.2 – Engage with the local business community through periodic small business workshops hosted by town or in conjunction with economic development partners (FY24-FY26).**
Town staff and the Hillsborough/Orange County Chamber are still planning to pick this up, but a challenge has been a lack of capacity. Businesses have expressed a desire for more data and staff has done a demonstration with Placer.AI (Chapel Hill/Carrboro uses them) on a platform that can track restaurant/retail customer behavior as well as report event statistics (tourism). Staff is going to discuss a cost share with Tourism Board/Tourism Development Authority on obtaining access to this data for FY25.

Create equitable economic opportunities for all residents.

- **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 (FY24-FY26).**
Staff has compiled a preliminary list to identify businesses, but it is not complete. Staff discussed partnering with the Chamber for a Greater Chapel Hill/Carrboro on a position they are creating built around this goal, but they ended up wanting to focus solely on Chapel Hill and Carrboro initiatives to identify and promote woman and BIPOC owned businesses. This initiative may require funding and capacity in the future to make it successful.

Preservation of naturally occurring affordable housing.

- 4.1 – Actively participate in county-wide housing plan effort to inform a local action plan (FY24).
After the initial joint request for proposals was postponed, Orange County Housing staff reorganized, and a new draft Request for Proposals was developed and was under review. Additional budget participation needed from partner agencies, and additional progress is anticipated in early FY25. This initiative will continue to be tracked.

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

- 5.2 – Support changes to town code and state law to provide new funding sources and reduce administrative barriers for affordable housing creation (FY24-FY26).
Work was done on these efforts through the town’s advocacy networks. Planning for the first affordable housing workshop was done at the end of FY24, with the workshop held in July. The focus of the workshop was subject-matter expert partner needs and feedback.
- 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 (FY24-FY26).
Options are under consideration for town-owned land at Hillsborough Station, and conversations were held with funding partners and non-profit housing developers to guide next steps.



FOCUS AREA 4
COMMUNITY SAFETY





COMMUNITY SAFETY

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

- **1.1 – Complete North Carolina League of Municipalities risk assessment and begin follow up on implementation of results (FY24).**

The Police Department’s new management analyst is in place and has been working to get up to speed on progress from prior work and has started working through the standards to see what needs to be done and gathering the necessary proofs. Management analyst has reviewed over half the standards and is starting to work on standards that have not had much prior work done. This initiative will continue into FY25.
- **1.2 – Host a community conversation that focuses on a broader concept of safety. Pilot completed in FY23 (FY24).**

This event is scheduled for September 14, 2024. Staff is currently working to get all the details set up and get the event ready.

Reinforce resiliency in town operations by implementing emergency preparedness strategies.

- **2.1 – Complete refresh of the Emergency Operations Plan (FY24).**

The Emergency Operations Plan has gone through all of steps necessary to put out a request for proposal (RFP). The current goal is to start reviewing RFPs on October 1, 2024. This initiative will continue to be tracked in FY25.
- **2.2 – Establish quarterly management check-ins (FY24-FY26).**

The Emergency Management Team has implemented quarterly check-ins, with meetings in December and March to discuss a variety of topics.
- **2.4. – Establish Emergency Operations Centers (FY24).**

The Emergency Management Team has developed portable Emergency Operations Centers (EOC) that could be deployed to different locations, based on the emergency. The EOC will be finalized with the updated Emergency Operations Plan.
- **2.5 – Restart employee emergency preparedness training (FY24).**

Employees who had not taken the ICS-100 course within the past 5 years were required to complete the course. All new employees are required to complete this course once they are hired.



FOCUS AREA 5
SERVICE EXCELLENCE





SERVICE EXCELLENCE

Maintain, protect, and optimize assets and infrastructure to drive reliability, cost effectiveness, and efficiency.

- 1.1 – Schedule and consolidate building maintenance services (FY24).
All building maintenance services except pest control have been consolidated. Facilities is working to consolidate pest control under one contract. Facility management software (Brightly) has been deployed in Beta format.

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

- 2.1 – Evaluate onboarding process and identify gaps and redesign process (FY24).
Staff has received feedback and is working to make improvements regarding the onboarding process, including new employee orientation. Staff is still working to implement an onboarding checklist and scheduling focus groups. This initiative will continue to be tracked in FY25.
- 2.2 – Explore and develop strategies to encourage the timely completion of performance evaluations (FY24).
The town extended the timeframe for employees and supervisors to complete all evaluations. Since many departments already have a lot of tasks going on at the end of the fiscal year and the beginning of the new fiscal year, the deadline was extended from July 31 to August 15. The town removed the employee self-rating portion of the evaluation to reduce potential rating bias for supervisors. Competency language was revised to provide more clarity and direction. Staff will evaluate/review how these few changes impacted employees and supervisors and make further improvements to the process.

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

- 3.1 – Assess representation on appointed boards and boost recruitment efforts for underrepresented groups and areas (FY24).
Member demographics have been collected for further analysis and staff will identify gaps in representation. Next step is to develop strategies for boosting recruitment efforts for any underrepresented groups and areas. This initiative will continue to be tracked in FY25.

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

- 4.1 – Develop, adopt, and implement a racial equity plan (FY24-FY26).
The Diversity, Equity and Inclusion Core Team has been exploring options on how to move forward to develop an equity action plan. Town staff is exploring moving forward by working with Central Pines Regional Council (CPRC) to develop our plan, with staff currently reviewing a proposal from CPRC. The Operations Team and DEI team members are continuing to test the racial equity assessment lens to further revise and develop a user guide.