

FISCAL EQUITY PRINCIPLE

Principle 1: The University or State or Carolina North tenants shall bear the cost of Town services required by Carolina North so that Town residents do not subsidize those uses through their local taxes. The Carolina North development shall be either revenue positive or revenue neutral for the Town.

Goal 1: The Town shall establish a process at the outset to identify the costs and the revenues associated with Carolina North and receive appropriate support from the University for Town services and resources.

Strategies

- a) A process involving the Town and University should be established to develop a set of standards regarding natural resources and public facilities and our expected quality of life and then to monitor and evaluate the impacts of growth on those standards and look for alternatives for development when a saturation point has been reached.
- b) The Town recommends UNC to explain its financial model to the Town and to articulate how the project will serve the needs of North Carolina citizens and to explain the impacts on Chapel Hill citizens. The Town shall employ outside expertise to evaluate the financial model.
- c) A fiscal impact statement shall accompany every building or project at Carolina North. Any facility used for non-academic purposes should be subject to taxes or payment in lieu of taxes.
- d) The report produced jointly by the Town and University in 1999 on fiscal equity shall be revised in light of the proposed development.
- e) Establish a committee to develop the indicators and produce a report on fiscal equity. This committee shall be composed of citizens not affiliated with Town or University governance, though representatives of Town and University governance would serve as valuable resources to this group.
- f) The Town shall take the opportunity offered by the zoning approval process to advance the goals identified by the Town's Horace Williams Citizens' Committee.

COMMENTS

General Comments: We felt the Carolina North conceptual draft was not concrete enough to allow us to give any further recommendations. We also felt that we needed the information specified in our recommended principles, goals, and strategies to proceed with any further evaluation of the Carolina North plan.

We feel that the fiscal plan is as important as the physical plan. As a consequence, we strongly urge the Town to set up a structure to measure and evaluate fiscal impacts and take other actions recommended in this section prior to the development review process.