

**STATEMENT OF JUSTIFICATION (SPECIAL USE)
FOR THE INNOVATION CENTER AT CAROLINA NORTH**

In order to grant a Special Use Permit, the Town Council must make the required four findings contained in Section 4.5 of the Land Use Management Ordinance. The applicant shall submit a statement titled Statement of Justification prepared by the applicant, presenting factual information supporting each of the four required findings.

The four required findings and suggested considerations to be addressed (as per the Town's Description of Required Information) are listed below, along with the applicant's detailed responses:

Finding #1: That the use and development is located, designed, and proposed to be operated so as to maintain or promote the public health, safety, and general welfare.

a. Traffic conditions in the vicinity, including the effect of additional traffic on streets, street intersections, and sight line at street intersections and driveways.

The existing signalized Municipal Drive/Martin Luther King Jr. Boulevard intersection will continue to serve as the primary access for the Innovation Center employees and guests. According to the Traffic Impact Analysis produced for this project by the town-selected traffic engineer, RS&H, the Innovation Center will not have a significant impact on the roadway network or require any mitigation measures. Furthermore, this 85,000 square-foot building is estimated to generate fewer vehicle trips than previously generated at the site by the Town of Chapel Hill municipal yard and transit operations.

b. Provision for services and utilities, including sewer, water, electric, garbage collection, and fire protection.

Water and sewer will be provided by OWASA. Energy will be provided by UNC-Chapel Hill. Recycling and waste management will also be administered by UNC Chapel Hill. Police protection will be provided by UNC Chapel Hill and fire protection will be provided by the Town of Chapel Hill.

c. Drainage plans.

The Innovation Center improvements are designed to reduce the amount of impervious surface already existing on the site. Furthermore, the plans include the reestablishment of natural systems to handle stormwater and site drainage. The existing natural vegetation on the site is limited and working landscapes and other plantings during development will improve surface drainage patterns for the site while enhancing the overall general appearance of the area.

d. Relationship of the site to the Chapel Hill Floodway/Floodplain/Resource Conversation District.

The Innovation Center is not within a Resource Conservation District overlay zone.

Other considerations relevant to the proposed use.

The Innovation Center will redevelop a portion of the former Town of Chapel Hill municipal yard with a new entry-drive configuration, green areas and landscaped parking adjacent to the new building.

Finding #2: That the use or development complies with all required regulations and standards of this chapter, including all applicable provisions of Articles 3, 4, and 5 and the applicable specific standards contained in Section 6, and with all other applicable regulations.

a. Compliance with Development Ordinance and land development regulations and standards, including street improvements, screening and landscape buffer requirements, setbacks, height, parking and intensity regulations.

All applicable requirements for driveway access, setbacks, building heights and other zoning regulations will be met in development of the site, with the exception of landscape buffer requirements. Additional improvements that are not required by the zone but that have been discussed during concept plan will improve pedestrian and transit access to the site with new sidewalks and crosswalks on Martin Luther King Jr., Boulevard. The opacity standards for the type "D" buffer normally required along Martin Luther King Jr. Boulevard would not allow for a transit-oriented streetscape to develop along this important corridor. Since the Town and the University are both interested in pursuing a mixed-use, transit-oriented development in this location, the applicant proposes a landscape and pedestrian area along the street front that supports these goals. The applicant requests a modification to the regulations for this requirement to permit the proposed landscape as shown on the plans. The plan also includes bicycle parking spaces at the building and shower facilities in the building in order to encourage alternate transportation to the facility. While there is no required number of bicycle spaces for this type of use in the ordinance, the project includes 10 secure bicycle racks and 2 shower / changing facilities as required by LEED Silver Core and Shell version 2.0 10 to earn Sustainable Sites credit 4.2. The number of bicycle spaces required for this credit is based on .5% of the anticipated Full-Time Equivalent occupant count of 402 (calculated on building gross square footage and the Default LEED Occupancy Counts.)

b. Provision of recreation and open space.

There is an outdoor gathering space included in the building design to provide

building occupants and visitors with a place to transition between the building and the street front.

c. Other considerations relevant to the proposed use.

The Innovation Center, which is proposed to be an 85,000-square-foot, three-story building, meets the current zoning requirements and provides a unique set of resources to accelerate select technology-based business development opportunities based on research carried out at UNC-Chapel Hill. By providing a facility in Chapel Hill to lease space to these companies, the University is contributing to the local economy. The Innovation Center design also includes a small café and a common meeting space.

Finding #3: That the use of development is located, designed, and proposed to be operated so as to maintain or enhance the value of contiguous property, or that the use or development is a public necessity.

a. Relationship of the proposed use and the character of development to surrounding uses, including possible conflicts between uses and how conflicts will be handled.

The Innovation Center is located on the west side of Martin Luther King Jr. Blvd, a significant vehicular access road into Chapel Hill. The building is situated at the existing intersection of Municipal Drive and Martin Luther King Jr. Blvd. The site of the Innovation Center was formerly occupied by the Town of Chapel Hill's municipal operations yard and transit operations. On the east side of Martin Luther King Jr. Blvd are two apartment developments, Shadow Woods (south of Piney Mountain Road) and Timber Hollow (north of Piney Mountain Road). The Glen Heights Subdivision is north of the site, on the opposite side of Crow Branch Creek.

The proposed Innovation Center is scaled in keeping with the surrounding apartment complexes and other non-residential developments along the entire length of Martin Luther King Jr. Boulevard and it is well separated from the nearby Glen Heights residential area by natural areas thus reducing potential conflicts between uses.

The building site accommodates current and future transit use. Sidewalks and crosswalks are included in the design to facilitate the use of current transit routes by occupants and guests of the Innovation Center and surrounding neighborhoods. The setback along Martin Luther King Jr. Blvd. will also allow for future transit corridor development, when appropriate.

b. Conformance of the proposed use with the Zoning Atlas and the Comprehensive Plan for development of Chapel Hill and its environs.

The Innovation Center is located in an OI-2 zone and is permitted with a Special Use Permit. The office building is, therefore, in conformance with the general plans for the physical development of the Town and it has been designed in conformance with the current zoning district. The proposed improvements improve the character of the site and are in keeping with the goals of the Comprehensive Plan. The site is identified for institutional and University use in the Land Use Plan of the Town of Chapel Hill's Comprehensive plan. Furthermore, it is one of the selected sites along Martin Luther King Jr. Blvd. identified as a development opportunity in the goals and objectives of the Town's Comprehensive Plan (section 8.3. 8A-1).

c. Effect on the value of surrounding properties.

The surrounding property is owned by the State of North Carolina/UNC. The new building on this site is designed to complement nearby buildings and natural areas through the use of material, color and scale. Furthermore, the new building and associated site improvements will improve the appearance and functioning of the former municipal yard. It is not expected that the Innovation Center to have a negative effect on the value of surrounding properties.

d. If the use is a public necessity, state the reasons for this designation.

N/A

e. Other considerations relevant to the proposed use.

The building and site development for the Innovation Center are in compliance with the current regulations and will provide a new, complementary use on a main thoroughfare of Chapel Hill.

Finding #4: That the use or development conforms to the general plans for the physical development of the Town as embodied in this chapter and in the Comprehensive Plan.

a. Conformance of the proposed development with the Zoning Atlas and the Comprehensive Plan for development of Chapel Hill and its environs.

The Innovation Center is located in an OI-2 zone and is permitted with a Special Use Permit. The office building is, therefore, in conformance with the general plans for the physical development of the Town and it has been designed in conformance with the current zoning district. The proposed improvements improve the character of the site and are in keeping with the goals of the Comprehensive Plan. The site is identified for institutional and University use in the Land Use Plan of the Town of Chapel Hill's Comprehensive plan. Furthermore, it is one of the selected sites along Martin Luther King Jr. Blvd. identified as a development opportunity in the goals and objectives of the Town's Comprehensive Plan (section 8.3. 8A-1).

The Comprehensive Plan identifies this site in several sections as an area where mission fulfillment will be accompanied by growth of the University (2.2 Major Themes), where the town and the University will cooperatively plan for this growth (2.2, 3A-3, 4.1) and where the town and UNC will work to “identify opportunities for private entrepreneurial activity related to University research” (6C-1). The Innovation Center is the first effort in fulfilling these goals.

b. Relationship of the site to the Chapel Hill Resource Conservation District, the Chapel Hill Thoroughfare Plan, the Greenways Plan, the Land Use Plan, and the Urban Services Area.

The Innovation Center is not located in the Resource Conservation District. As a part of the University’s ongoing commitment to alternative transportation, pedestrian, bike and transit connections will be included with this project. The use is in conformance with the land use plan, as described above, and is located within the urban services area.

Other considerations relevant to the proposed use.

The Innovation Center building will be owned by Alexandria Real Estate Equities Inc. and will be a taxable property contributing directly to the local economy. In addition, the goal of the Innovation Center will be to streamline the development and to accelerate the commercialization of novel technologies by companies that can then become independent entities. The Center will have a management team, along with facilities, amenities, and technical and business development resources needed. The Center will be a place to successfully identify, evaluate, launch, capitalize and manage emerging companies across many different areas of technology represented within the University’s research programs. In addition to research and office space for emerging companies, it is anticipated that the Innovation Center will also provide office space for the University.

The Innovation Center is currently being designed to a LEED Silver Core and Shell standard.