



*additional info  
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*The Design Response, Inc.*

May 24, 2004

Mayor Kevin Foy and Town Council  
Town of Chapel Hill  
306 N. Columbia Street  
Chapel Hill, NC 27516

Subject: Proposed Designation of Chapel Hill North as a Potential School Site

Dear Mayor Foy and Council Members:

Our behalf of our client, Crosland, Inc., we would like to formally request that the Chapel Hill Town Council not designate Phase II of the Chapel Hill North Mixed Use Development as a potential school site in the Town of Chapel Hill's Land Use Plan.

As you are aware, our client is pursuing the development of Phase II of the Chapel Hill North for residential purposes, in an effort to fulfill the Town's mixed use vision for this site as identified in the Comprehensive Plan and on the Town's existing Land Use Plan. To this extent, we visited with the Town Council for a Conceptual Plan Review on October 20, 2003.

In making our request to not designate this site as a potential school site, we would like to note that we certainly understand and applaud the joint effort of the Chapel Hill-Carrboro City Schools and the Chapel Hill Town Council to identify and reserve potential school sites in the community. We readily acknowledge that there are a limited number of appropriate school sites remaining in the school district. In making our request however, we believe that there are several key philosophical and economical reasons as to why it would be a disservice to the Town and its taxpayers, if this site were designated as a school site. These reasons are noted as follows:

- Although schools are very important land uses in a community, the Chapel Hill North site an unusual and special site too. Specifically, as part of the Chapel Hill North development, this site represents an opportunity to transform the existing Chapel Hill North development into a full three-dimensional mixed use development, by adding residences to the existing retail and office uses on the site. The addition of residences would create a synergy that is presently missing from the development, placing residents within walking and biking distance of various retail (dry cleaners, restaurants, grocery store, movie rentals, etc.) and office uses. Thus, at a philosophical level, the use of this site for residences and the acquisition and development of some other residential parcel that cannot replicate this mixed-use synergy would achieve the highest level of utility for the greater community. Accordingly, we believe that there are other such alternate sites in the Weaver Dairy Road and Eubanks Road corridors that would be more appropriate for a school site.

- The Chapel Hill North site (11.8 acres) has a tax value of \$3,065,400, or approximately \$260,000 per acre. A ranking of the potential sites mentioned in the School Board's request is as follows:

<u>Owner</u>	<u>Location</u>	<u>Acreage</u>	<u>Tax Value</u>	<u>Cost Per Acre</u>
Harris Teeter	Chapel Hill North	11.79	\$3,065,400	\$260,000
Park West Investors	Eubanks Road	29.56	\$1,197,504	\$40,510
Obeys Creek	Highway 15-501	89.13	\$1,148,928	\$12,890
Campus Estates	Eubanks Road	19.97	\$224,632	\$11,250
Shieh Ting Kuo	Weaver Dairy Road	44.93	\$487,397	\$10,850

Source: Letter from Chapel Hill-Carrboro City Schools, January 8, 2004.

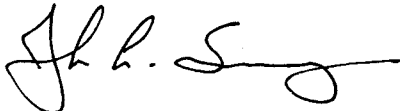
Clearly, the Chapel Hill North site is valued much higher than any of the other sites being discussed. We would suggest that this land is, in fact, too expensive for acquisition by the Chapel Hill-Carrboro City Schools, utilizing taxpayer dollars.

- If the Chapel Hill-Carrboro City Schools did elect to purchase the Chapel Hill North site, and therefore take it off of the property tax rolls, it would deprive both the City and the County of significant property tax base. It would seem to be a more prudent move for the taxpayers if the Chapel Hill-Carrboro City Schools elected to choose one of the other identified sites, with a tax valuation of \$40,000 per acre or less.
- If this site is in fact designated as a school site on the Town's Land Use Plan, then upon approval of the proposed residential component for Chapel Hill North, the Chapel Hill-Carrboro City Schools would have up to 12 months to decide whether or not they wish to acquire the site for a school. This one-year delay (which does not begin until the Council approves a Special Use Permit for the site) effectively means that the developer must sit and wait for the final verdict, as it is not prudent for a developer to invest money in detailed construction plans and the pursuit of building permits if the site may still be acquired for a school site. Thus, this designation and the associated delay, actually places a real and significant cost on the developer. This delay and uncertainty does not just affect the developer, however. In the event that the Chapel Hill-Carrboro City Schools choose not to acquire the site for a school, the taxpayers have also been deprived of a year's worth of tax revenue – revenue that ironically serves as a source of funds for the school system.

In summary, we believe that the existing value of the land combined with the Town's longstanding vision for mixed use development on the Chapel Hill North site as identified on the existing Land use Plan outweigh the desirability of placing a school on this site. Accordingly, we request that the Town Council not designate Phase II of Chapel Hill North as a Potential School Site on the Town's Land Use Plan. We believe that to do otherwise would be a disservice to the Town's tax base and its taxpayers.

Sincerely,

THE DESIGN RESPONSE, INC.

A handwritten signature in black ink, appearing to read "J. L. Smyre", with a long horizontal flourish extending to the right.

Jack L. Smyre, PE, AICP  
Principal

