



**THE UNIVERSITY
of NORTH CAROLINA
at CHAPEL HILL**

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October 18, 2004

Mr. Cal Horton, Town Manager
Town of Chapel Hill
306 North Columbia Street
Chapel Hill, NC 27516

Dear Mr. Horton:

On behalf of The University and UNC Health Care System, I am writing to outline our concerns regarding the proposed text amendments to the Land Use Management Ordinance (LUMO) which would adjust provisions of the Office-Institutional 4 Zoning District (2004-04026/R-3).

As you are aware, the University and the Town worked together at the highest levels of leadership to develop the new Office-Institutional 4 (OI-4) zoning district in the Spring of 2001. The negotiated process that resulted in the OI-4 zoning established very rigorous standards for mitigation of impacts on the community; periodic monitoring of our success in meeting these standards, and responsibility for completing all of the related studies, far beyond those agreed upon by our sister UNC institutions around the state. The 90-day review period was developed in exchange for these standards, and in recognition of the importance of a predictable, efficient approval process.

The Town's agreement to a predictable turnaround time is essential to the University's ability to plan and deliver projects on time and on budget, as expected by the citizens of North Carolina when they approved the Higher Education Bond Program and the Bond Oversight Committee. A clearly defined turnaround time creates a pace, interim milestones, and a deadline that all of us endeavor to satisfy so that we share in public accountability for completing projects cost-effectively and without prolonged delays. These regulations represent the Town and the University's combined effort at responsible land stewardship in the Town. Several of the proposed changes to the LUMO, which the Town Council has not yet discussed with the University, will effectively reverse these efforts of our previous administrations. We believe that it is possible to address all of the community's concerns that more time is needed simply by making better use of the current 90-day review period.

In response to the Manager's Report of October 18, 2004 I would like to offer the following comments:

We agree with the recommendation that a Concept Plan be presented to the Council prior to submission of a Development Plan or Modification of a Development Plan. The University submitted a Concept Plan prior to submission of Development Plan Modification #2, which was reviewed and approved according to the schedule set forth in the current ordinance. We believe that the Concept Plan facilitated the 90-day review and represents an improvement to the process.

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The current 90-day review requirement has been proven sufficient, as illustrated by Development Plan Modification #2, and it remains essential to the University's ability to fulfill its public service mission to the citizens of North Carolina.

During the 90-day review of Development Plan Modification #2, a new Perimeter Transition Area and proposed mitigations were developed to the satisfaction of the adjacent neighborhood, Town review boards, commissions and Town Council. This illustrates the adequacy of the 90-day timeframe to accommodate review, approval and the resolution of Perimeter Transition issues.

The University has no objection to the recommendation that the Planning Board make a recommendation on Development Plan applications, provided it occurs within the 90-day process outlined by the current OI-4 zoning district.

The University supports communication with the Town and agrees to forward its semi-annual Capital Improvement Report for the Board of Trustees to the Mayor and Town Council for information. The University currently updates Town staff on status of projects in design and construction through quarterly meetings between the Town, UNC Health Care System, and the University. The Concept Plan provision, discussed earlier, will allow Town Council a preliminary review of projects included in a Development Plan or Development Plan Modification.

We support the manager's recommendation not to add a finding that the University's development plan and modifications comply with the Town's Comprehensive Plan, a policy document, in addition to the LUMO, the adopted regulatory mechanism. The University's primary mission is to provide education, research and public service to the citizens of the state of North Carolina. There are several instances where the Town's Comprehensive Plan identifies university owned land or university investments as tools for achieving the Town's planning goals. Although the University has consistently attempted to mitigate its development impacts in Chapel Hill, the University's primary development focus must be first directed at achieving the mission of our institution. We believe the University has been mindful of the Town's planning goals and has been cooperative when mitigation measures could help to simultaneously fulfill a Town and University goal. The OI-4 zoning represents a true joint effort between the Town and the University to deal with the complex issues generated by large tracts of University owned property.

The University agrees with the manager's recommendation that Development Plans or modifications not be required to comply with all regulations and standards of the LUMO. Most of the LUMO does not directly address University development, which is why the OI-4 zoning was developed. OI-4 anticipates Development Plans and provides for their development and implementation. Furthermore, OI-4 already includes standards for noise, light, traffic impact analysis, stormwater impacts, and mitigations for construction impacts, as developed jointly by the Town and University. It is unclear how the LUMO, which is typically geared towards the implementation of smaller scale projects, would be applied to Development Plans. Requiring compliance with the entire Ordinance would create conflicting interpretations, reduce the ability to plan effectively for these large, unique areas of town, lengthen review periods unnecessarily and result in increased costs to the Town and University.

Finally, we believe that the Perimeter Transition Area provides sufficient protection for neighborhoods adjacent to University development and an additional public Town review requirement is not needed.

To summarize, I have attempted to convey the University's agreement with those text amendments that would support increased communication through Concept Plan review and continued information sharing. However, the University maintains its strong objections to the proposed text amendments that would reverse our previously agreed upon provisions for findings, standards and approval time frame. The UNC Health Care System shares these objections. The University remains willing to sit down with the Town and discuss these issues, as we have done previously. The OI-4 district represents a significant historic collaboration by the Town and the University. We believe that our past experiences support continued use of the current OI-4 zoning since it has proven workable, reasonable and effective.

Sincerely,



Nancy D. Suttentfield
Vice Chancellor for Finance and Administration

cc: Chancellor James Moeser
William Roper, UNC Health Care System