



February 20, 2002

Chapel Hill Town Council

Petition for Expedited Review of Village Plaza Theaters Special Use Permit

Eastern Federal Theaters wishes to petition the Chapel Hill Town Council for expedited review of their Special Use Permit application for renovation of the existing Village Plaza Theaters. The application for Special Use was submitted on December 14, 2001. The Council action on January 28, 2002 regarding scheduling of public hearings affecting submissions currently under review has impacted this application suggesting that consideration by Town Council would probably begin in October.

The following points are offered as discussion to recommend that Council grant expedited review status to this project.

1. Village Plaza Theaters is an already existing improvement in Chapel Hill. It has been in existence for thirty years. The nature of the Special Use Permit is not to create a new project on virgin ground, but to improve an existing part of the fabric of Chapel Hill that is in need of repair.
2. As such, the Special Use Permit will enable an existing condition that was constructed before the current ordinance was in place to be brought up to standards of landscaping, environmental protection, circulation, and appearance that will remedy and improve a current non-conformance.
3. The previously positive business operation of the Plaza Theaters is currently a loss/break-even venture. Newer competing facilities in Durham at Wyndsong have diverted a large percentage of the Plaza business. It is anticipated that theaters at Streets at SouthPoint will further erode the clientele necessary for a successful theater. The upgrading of the facilities was planned to be in operation for the Christmas season of 2003. The Council's delay will change that to Christmas 2004 creating an additional year of negative cash flow.
4. Eastern Federal seeks the aid of the Council in helping to maintain the theaters as a viable business in Chapel Hill. This business employs 20 people and currently contributes \$30,000 per year in city/county taxes. The new facility would employ 30 people and contribute an estimated \$90,000 in taxes.

We thank you for your consideration and hope to have the opportunity to discuss these issues with you.

Bill Wilson – Eastern Federal Theaters

6320 Quadrangle Drive Suite 250
Chapel Hill, North Carolina 27514
Tel 919.489.9000 fax 919.493.8937