



Town of Carrboro

Town Hall
301 W. Main St.
Carrboro, NC 27510

Meeting Agenda Board of Aldermen



Tuesday, October 25, 2016

7:30 PM

OWASA Community Room

7:30-7:35

- A. ANNOUNCEMENT OF UPCOMING MEETINGS
- B. OTHER MATTERS

7:35-7:40

- 1. [16-319](#) Charge Issued - Daniel Meyer, Carrboro Tourism Development Authority

7:40-8:00

- 2. [16-318](#) Report on Maximum Supportable School Impact Fee Study

PURPOSE: The purpose of this agenda item is for the Board of Aldermen to receive a report on the recently completed study of the maximum supportable impact fee that could be applied to new residential construction in support of Chapel Hill Carrboro City School facilities.

Attachments: [Attachment A - CHCCS Impact Fee Study 2016](#)
[Attachment B - MSIF with percentages](#)

8:00-8:30

- 3. [16-311](#) Discussion of Possible Establishment of a Stormwater Utility Enterprise Fund

PURPOSE: The purpose of this item is for the Board to discuss the possibility of establishing a stormwater utility enterprise fund to assist in expanding stormwater management services.

Attachments: [Attachment A - Staff Report](#)

8:30-8:50

4. [16-317](#) An Update on Carrboro's Parking Plan

PURPOSE: The purpose of this agenda item is for the Board of Aldermen to receive an update on the progress of the Town's Parking Plan.

8:50-9:10

5. [16-320](#) Request to Approve a Resolution Authorizing the Town Manager to Enter into a Memorandum of Understanding (MOU) and to Create Amendments as Needed between the Town of Carrboro and the Chapel Hill Carrboro City Schools for Fiber Optic Infrastructure Facilities Sharing and/or Exchange

PURPOSE: The purpose of the MOU and Amendments is to allow the Town of Carrboro and the Chapel Hill Carrboro City Schools to interconnect portions of their respective existing fiber optic cable plant to facilitate network path redundancy and diversity, network access to Town of Carrboro staffed offices within CHCCS, fiber optic infrastructure planning, engineering and administration expertise sharing and many other benefits.

Attachments: [Attachment A.docx](#)
[Attachment B.docx](#)

C. PUBLIC HEARING

9:10-9:35

1. [16-312](#) Public Hearing on Town Code Amendment to Establish Vacant Nonresidential Building Ordinance

PURPOSE: The purpose of this agenda item is for the Board of Aldermen to receive public comment on a draft ordinance that establishes Town Code requirements related to the condition of vacant, nonresidential buildings.

Attachments: [Attachment A - Draft Vacant Nonresidential Building Ordinance 10-21-2016](#)

9:35-10:00

2. [16-313](#) Public Hearing on Land Use Ordinance Text Amendments Relating to Conditional Zoning Districts

PURPOSE: The purpose of this item is for the Board of Aldermen to consider amending the Land Use Ordinance to clarify the language in Article IX relating to conditional zoning districts.

Attachments: [Attachment A-1 - Consistency Resolution for Ordinance Adoption 3mb](#)
[Attachment A-2 - Consistency Resolution for Ordinance Denial](#)
[Attachment B - Draft Ordinance 9-13-2016](#)
[Attachment C - Orange County and Planning Board Review Responses](#)
[Attachment D - Section 15-141.4 03-2016](#)

D. MATTERS BY BOARD MEMBERS

E. MATTERS BY TOWN MANAGER

F. MATTERS BY TOWN ATTORNEY

G. MATTERS BY TOWN CLERK



Town of Carrboro

Town Hall
301 W. Main St.
Carrboro, NC 27510

Agenda Item Abstract

File Number:16-318

Agenda Date: 10/25/2016

File Type:Agendas

In Control: Board of Aldermen

Version: 1

TITLE:

Report on Maximum Supportable School Impact Fee Study

PURPOSE: The purpose of this agenda item is for the Board of Aldermen to receive a report on the recently completed study of the maximum supportable impact fee that could be applied to new residential construction in support of Chapel Hill Carrboro City School facilities.

DEPARTMENT: Planning

CONTACT INFORMATION: Patricia McGuire, 919-918-7327, pmcguire@townofcarrboro.org;
Perdita Holtz, 919-245-2578, pholtz@orangecountync.gov

INFORMATION: Orange County received approval from the NC General Assembly in 1987 to charge impact fees to new development in relation to the provision of public school facilities. Studies to determine the appropriate fee have been conducted several times, with the most recent undertaken in 2015. Orange County contracted with a consultant, TischlerBise, to conduct a study for both the Orange County School (OCS) and Chapel Hill Carrboro City School (CHCCS) districts to determine the "Maximum Supportable Impact Fee" (MSIF) that could be charged to new residential construction. TischlerBise has completed the work and the draft impact fee report for CHCCS is attached (*Attachment A*). Orange County Planning staff member, Perdita Holtz, will be attending the meeting to provide a brief presentation on the study.

Historically, the Board of County Commissioners has not adopted the MSIF but, instead, has adopted fee levels at a lesser amount. For the past two updates (2001 and 2008), fee levels were adopted at 60 percent of the MSIF or a phased transition to 60 percent. Current fees may be viewed at

<http://www.orangecountync.gov/document_center/PlanningInspections/School_Impact_Fees.pdf>

The recently completed studies disaggregate unit types by the number of bedrooms a unit contains and also break out smaller sized (less than 800 square feet) detached units. The studies includes information on Age Restricted Units as well. Previous studies did not disaggregate housing types to this extent. *Attachment B* summarizes the MSIF for each housing type, shows potential fee levels at various percentages of the MSIF, and the percentage change from the current fee levels if the updated fees were adopted at 60 percent of the MSIF. Most local governments in Orange County participate in both of the school-related impact and development review/approval mechanisms that have been established to integrate the timing of development with planning and funding school facilities. Though they have some overlap and similarities, the two mechanisms are different. For example, you may notice that the Student Generation Rates (SGR) in impact fee studies are

Agenda Date: 10/25/2016

File Type:Agendas

In Control: Board of Aldermen

Version: 1

different from the rates adopted for SAPFO (Schools Adequate Public Facilities Ordinance, which is separate from the Impact Fee Ordinance) purposes. This is because the rates adopted for SAPFO purposes are based only on ten years of recently constructed housing while the rates for the impact fee studies must be based on information about all the area's housing stock. No change to the SAPFO-adopted SGRs is proposed at this time- rates were updated only last year in response to the most recent study.

- **September 6, 2016-** Tischler-Bise presented draft reports to the BOCC for formal receipt of reports and authorization of next steps.
- **September 26, 2016-** Public Information Meeting held at the Whitted Meeting Facility.
- **September 26, 2016-** School Impact Fee Studies discussed at the Joint BOCC/CHCC and OC School Boards meeting.
- **October 4, 2016-** Public Hearing on proposed Ordinance amendments.

The Commissioners continued their discussion of the item to October 18th, received public comment that evening, and deferred action until November 15th to give staff time to meet with the 3 people who attended and provided input. Agenda materials may be found at this link, <http://server3.co.orange.nc.us:8088/weblink8/0/doc/43262/Page1.aspx>). The Commissioners also voted to pick the option to “charge fees by bedroom counts” as the preferred option.

FISCAL & STAFF IMPACT: There is no fiscal or staff impact associated with receiving this information. .

RECOMMENDATION: Town staff recommends that the Board of Aldermen receive the status report and provide questions and comments for the BOCC as it concludes its consideration of the report.



SCHOOL IMPACT FEE STUDY

DRAFT

Prepared for

Orange County, North Carolina

August 15, 2016



**4701 Sangamore Road, Suite S240
Bethesda, MD 20816
800-424-4318
www.tischlerbise.com**

TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
OVERVIEW	1
IMPACT FEE METHODOLOGIES	1
MAXIMUM SUPPORTABLE SCHOOL IMPACT FEES	2
<i>Figure 1. Maximum Supportable School Impact Fees: CHCCS</i>	<i>3</i>
GENERAL IMPACT FEE REQUIREMENTS	5
LEGAL FRAMEWORK	5
REQUIRED FINDINGS	5
METHODOLOGIES AND CREDITS	6
CHAPEL HILL-CARRBORO CITY SCHOOLS IMPACT FEE OVERVIEW	8
STUDENT GENERATION RATES	9
<i>Figure 2. Student Generation Rates: CHCCS</i>	<i>10</i>
<i>Figure 3. Age-Restricted Unit Generation Rates</i>	<i>10</i>
IMPACT FEES: CHAPEL HILL-CARRBORO CITY SCHOOLS	11
METHODOLOGY	11
<i>Figure 4. Impact Fee Methodology Chart: CHCCS</i>	<i>11</i>
BUILDING LEVEL OF SERVICE STANDARDS	12
<i>Figure 5. LOS Standards: CHCCS</i>	<i>12</i>
<i>Figure 6. CHCCS Elementary Schools</i>	<i>12</i>
<i>Figure 7. CHCCS Middle Schools</i>	<i>13</i>
<i>Figure 8. CHCCS High Schools</i>	<i>13</i>
SCHOOL CONSTRUCTION COSTS	14
<i>Figure 9. School Project Costs</i>	<i>14</i>
PORTABLE CLASSROOM COSTS	14
SUPPORT FACILITIES	14
<i>Figure 10. Support Facilities – CHCCS</i>	<i>15</i>
<i>Figure 11. Support Facilities – Serving OCS and CHCCS</i>	<i>15</i>
BUS / VEHICLE COSTS	15
<i>Figure 12. Buses / Vehicles Levels of Service and Costs: CHCCS</i>	<i>15</i>
ADJUSTMENT FOR NON-LOCAL FUNDING	16
CREDIT FOR FUTURE PRINCIPAL PAYMENTS ON SCHOOL IMPROVEMENTS	16
<i>Figure 13. Credit for Future Principal Payments: CHCCS</i>	<i>17</i>
SCHOOL IMPACT FEE INPUT VARIABLES	17
<i>Figure 14. Schools Impact Fee Input Variables: CHCCS</i>	<i>18</i>

MAXIMUM SUPPORTABLE IMPACT FEES FOR CHAPEL HILL-CARRBORO CITY SCHOOLS	18
<i>Figure 15. Maximum Supportable Schools Impact Fees: CHCCS</i>	<i>19</i>
CASH FLOW PROJECTIONS.....	20
<i>Figure 16. Cash Flow Projections: CHCCS</i>	<i>20</i>
IMPLEMENTATION AND ADMINISTRATION.....	21
ACCOUNTING	21
COST UPDATES	21
CREDITS AND REIMBURSEMENTS.....	21
COLLECTION AND EXPENDITURE ZONES	22
IMPACT FEE ACT	22
APPENDIX A: DEMOGRAPHIC DATA.....	23
OVERVIEW	23
POPULATION AND HOUSING GROWTH	23
<i>Figure A1. U.S. Census Population and Housing Units</i>	<i>24</i>
<i>Figure A2. 2014 Housing Units</i>	<i>24</i>
<i>Figure A3. Housing Unit Growth 2004-2013: OCS.....</i>	<i>25</i>
<i>Figure A4. Housing Unit Growth 2004-2013: CHCCS.....</i>	<i>26</i>
ESTIMATED STUDENT GENERATION RATES	26
<i>Figure A5: ACS PUMS Data Bedroom Count by Category Analysis (Unweighted Sample)</i>	<i>27</i>
<i>Figure A6: OCS Student Counts.....</i>	<i>27</i>
<i>Figure A7: CHCCS Schools Student Counts.....</i>	<i>27</i>
<i>Figure A8: OCS Single Family Detached Units – Unknown Bedroom Count Student Allocation.....</i>	<i>28</i>
<i>Figure A9: CHCCS Single Family Detached Units – Unknown Bedroom Count Student Allocation.....</i>	<i>29</i>
STUDENT GENERATION RATES.....	29
<i>Figure A10. OCS Student Generation Rates.....</i>	<i>30</i>
<i>Figure A11. CHCCS Student Generation Rates.....</i>	<i>31</i>
<i>Figure A12. Age-Restricted Student Generation Rates.....</i>	<i>32</i>
PUBLIC SCHOOL STUDENT ENROLLMENT TRENDS AND SAPFO PROJECTIONS.....	32
<i>Figure A13. Historical Public School Enrollments: OCS.....</i>	<i>32</i>
<i>Figure A14. Projected Public School Enrollments: OCS.....</i>	<i>33</i>
<i>Figure A15. Historical Public School Enrollments: CHCCS.....</i>	<i>34</i>
<i>Figure A16. Projected Public School Enrollments: CHCCS.....</i>	<i>34</i>
HOUSING UNIT PROJECTIONS.....	34
<i>Figure A17. Combined Housing Unit Projections.....</i>	<i>35</i>
APPENDIX B: IMPACT FEE ACT	36

APPENDIX C: HOUSING UNIT TYPES41

Executive Summary

OVERVIEW

TischlerBise was retained by Orange County, North Carolina, to calculate impact fees for public schools to meet the demands generated by new residential development for school facilities in the county. The County has been granted authority by the State to implement impact fees for schools.¹ The purpose of the legislation is to “help defray the costs to the county of constructing certain capital improvements, the need for which is created in substantial part by the new development that takes place within the county.”²

Impact fees are one-time payments used to defray the cost impacts of school facilities necessary to accommodate new development. The payment amount represents new growth’s fair share of capital facility needs. TischlerBise evaluated possible methodologies and documented appropriate demand indicators by type of development for the fee amounts. Specific capital costs have been identified using local data and current dollars. Level-of-Service (LOS) standards and cost factors are presented in this report and are the basis for the calculations. It should be noted that although growth affects both capital and operating expenses incurred by schools, the impact fee analysis addresses new development’s impact on *capital* facilities only. It is further limited to capital improvements that provide additional capacity as opposed to maintenance or rehabilitation.

Orange County is served by two school systems, Orange County Schools (OCS) and Chapel Hill-Carrboro City Schools (CHCCS). TischlerBise analyzed and calculated school impact fees for each school system. This report details the results of the CHCCS impact fees. The OCS report is issued under separate cover.

IMPACT FEE METHODOLOGIES

There are three basic *methodologies* used to calculate impact fees. The **incremental expansion method** documents the current LOS for each type of public facility in both quantitative and qualitative measures. The intent is to use fee revenue to expand or provide additional facilities, as needed to accommodate new development, based on the current cost to provide capital improvements. The **plan-based method** is commonly used for public facilities that have adopted plans or engineering studies to guide capital improvements, such as utility systems. A third approach, known as the **cost recovery method**, is based on the rationale that new development is paying for its share of the useful life and remaining unused capacity of an existing facility or land.

¹ S.L. 1987-460 (“An Act Making Sundry Amendments Concerning Local Governments In Orange And Chatham Counties, Title VI: Orange County Impact Fees”). In addition to schools, other community service facility categories are allowed such as: the acquisition of land for open space and greenways, capital improvements to public streets, bridges, sidewalks, bikeways, on- and off -street surface water drainage ditches, pipes, culverts, other drainage facilities, water and sewer facilities and public recreation facilities. (See Appendix B for a copy of the applicable section of the Act.)

² Ibid, Sec. 17 (b) (1).

Maximum supportable school impact fees for CHCCS are derived using the incremental expansion approach. For school capital improvements, the most common methodology employed is typically the incremental expansion method when future capacity needs are anticipated. This approach allows for the greatest flexibility in providing future capacity improvements. Under this methodology, the fees are based on current LOS standards and project costs for each type of school facility (i.e., elementary, middle, and high), support facilities, portable classrooms, and buses. Land for school sites is not a component of the fee, since the draft 2016 *Orange County, NC Schools Adequate Public Facilities Ordinance Annual Report* indicates “renovation and expansion to existing facilities may delay construction of new schools further into the future.”³ Therefore, new land acquisition is not required at this time. These LOS standards are documented and the intent is to use fee revenue to provide additional or expanded public school and related facilities as needed to accommodate new development.

The current LOS and capital costs for new or expanded facilities are used to derive a cost per student for each type of school facility. Using the cost per student and the average CHCCS student generation rate by type of unit, a cost by type of residential unit is derived. The term “student generation rate” refers to the average number of public school students per housing unit in the CHCCS system. Further discussion on student generation rate calculations is provided in the body of this report and in Appendix A.

A general requirement common to impact fee calculations is the evaluation of *credits*. Two types of credits should be considered: **future revenue credits** and **site-specific credits**. Revenue credits are necessary to avoid potential double payment situations arising from the payment of a one-time impact fee plus the payment of other revenues that may also fund growth-related capital improvements. Revenue credits are dependent upon the fee methodology used in the cost analysis. To avoid this potential double payment situation, future revenue credits are integrated into the fee to account for outstanding debt on CHCCS school facilities. A credit is necessary since new residential units that will pay the fee will also contribute to future principal payments on this remaining debt through property taxes. A credit is not necessary for interest payments because interest costs are not included in the costs.

The second type of credit, a **site-specific credit**, is for system improvements that have been included in the fee calculations. Policies and procedures related to site-specific credits for system improvements should be addressed in the ordinance that establishes the County’s impact fees. However, the general concept is that developers may be eligible for site-specific credits or reimbursements *only if they provide system improvements that have been included in the fee calculations*. Project improvements normally required as part of the development approval process are not eligible for credits against impact fees.

MAXIMUM SUPPORTABLE SCHOOL IMPACT FEES

Figure 1 provides the schedule of *maximum supportable school impact fees* for CHCCS in Orange County, North Carolina. For a single-family detached housing unit, the maximum supportable fee amount is \$13,114 for a 0-3 bedroom unit, \$25,139 for a 4+ bedroom unit, and \$3,848 for a unit with less than 800

³ SAPFOTAC, 2016 *Orange County, NC Schools Adequate Public Facilities Ordinance* (draft), p. iii.

square feet; for a single family attached unit, the amount is \$10,266 for a 0-2 bedroom unit and \$16,414 for a 3+ bedroom unit; for a multifamily unit, the fee is \$4,441 for a 0-2 bedroom unit and \$18,914 for a 3+ bedroom unit ; and for a manufactured home, the amount fee is \$6,999. Additionally, age-restricted units (those units in developments that restrict the number of units with occupants aged under 55 years old) have a maximum fee amount of \$756. All fees should be collected when building permits are issued.

School impact fees are applied only to residential development and are per housing unit, reflecting the proportionate demand by type of unit. The amounts shown are “maximum supportable” amounts based on the methodologies, LOS, and costs for the capital improvements identified herein. The fees represent the highest amount feasible for each type of applicable development, which represent new growth’s fair share of the capital costs as detailed in this report. The County can adopt amounts that are lower than the maximum amounts shown. However, a reduction in fee revenue will necessitate an increase in other revenues, a decrease in planned capital expenditures, and/or a decrease in LOS.

Figure 1. Maximum Supportable School Impact Fees: CHCCS

MAXIMUM ALLOWABLE SCHOOL IMPACT FEES: Chapel Hill-Carrboro City Schools				
Impact Fee per Housing Unit	Elementary	Middle	High	TOTAL
Single Family Detached				
0-3 Bedrooms	\$5,530	\$3,541	\$4,043	\$13,114
4+ Bedrooms	\$9,512	\$6,995	\$8,632	\$25,139
Single Family Detached Average	\$6,968	\$4,809	\$5,715	\$17,492
Single Family Detached (<800 Sq. Ft.)				
	\$1,769	\$1,574	\$505	\$3,848
Single Family Attached				
0-2 Bedrooms	\$5,825	\$2,536	\$1,905	\$10,266
3+ Bedrooms	\$9,291	\$3,585	\$3,538	\$16,414
Single Family Attached Average	\$8,258	\$3,279	\$3,071	\$14,608
Multifamily				
0-2 Bedrooms	\$2,396	\$918	\$1,127	\$4,441
3+ Bedrooms	\$8,701	\$5,159	\$5,054	\$18,914
Multifamily Average	\$3,502	\$1,661	\$1,827	\$6,990
Manufactured Unit				
	\$3,244	\$1,967	\$1,788	\$6,999
Age-Restricted Unit				
				\$756

As another option, the County could choose to adopt fees that consolidate bedroom count subcategories within a broader housing unit category. For instance, Single Family Detached homes, which the proposed fee schedule currently divides into two subcategories (0-3 Bedrooms and 4+ Bedrooms), could be charged a single fee regardless of size. If the County decides to pursue this alternative option, the average impact fee by type of unit provided in this report would be the impact fee amount on the adopted schedule.

A note on rounding: Calculations throughout this report are based on an analysis conducted using Excel software. Most results are discussed in the report using one, two, and three digit places, which represent

rounded figures. However, the analysis itself uses figures carried to their ultimate decimal places; therefore, the sums and products generated in the analysis may not equal the sum or product if the reader replicates the calculation with the factors shown in the report (due to the rounding of figures shown, not in the analysis).

General Impact Fee Requirements

Impact fees are one-time payments used to fund capital improvements necessitated by new growth. This type of fee has been utilized by local governments in various forms for at least 50 years. Impact fees have limitations and should not be regarded as the total solution for infrastructure financing needs. Rather, they should be considered one component of a comprehensive portfolio to ensure adequate provision of public facilities with the goal of maintaining current LOS in a community in the face of new growth. Any community considering impact fees should note the following limitations:

- Impact fees can only be used to finance capital infrastructure and cannot be used to finance ongoing operations and/or maintenance and rehabilitation costs;
- Impact fees cannot be deposited in the local government's General Fund: the funds must be accounted for separately in individual accounts and earmarked for the capital expenses for which they were collected; and
- Impact fees cannot be used to correct existing infrastructure deficiencies unless there is a funding plan in place to correct the deficiency for all current residents and businesses in the community.

LEGAL FRAMEWORK

U.S. Constitution. Like all land use regulations, development exactions—including impact fees—are subject to the Fifth Amendment prohibition on taking of private property for public use without just compensation. Both state and federal courts have recognized the imposition of impact fees on development as a legitimate form of land use regulation, provided the fees meet standards intended to protect against regulatory takings. To comply with the Fifth Amendment, development regulations must be shown to substantially advance a legitimate governmental interest. In the case of impact fees, that interest is the protection of public health, safety, and welfare by ensuring that development is not detrimental to the quality of essential public services.

There is little federal case law specifically dealing with impact fees, although other rulings on other types of exactions (e.g., land dedication requirements) are relevant. In one of the most important exaction cases, the U. S. Supreme Court found that a government agency imposing exactions on development must demonstrate an “essential nexus” between the exaction and the interest being protected (see *Nollan v. California Coastal Commission*, 1987). In a more recent case (*Dolan v. City of Tigard, OR*, 1994), the Court ruled that an exaction also must be “roughly proportional” to the burden created by development. However, the *Dolan* decision appeared to set a higher standard of review for mandatory dedications of land than for monetary exactions such as impact fees.

REQUIRED FINDINGS

There are three reasonable relationship requirements for impact fees that are closely related to “rational nexus” or “reasonable relationship” requirements enunciated by a number of state courts. Although the

term “dual rational nexus” is often used to characterize the standard by which courts evaluate the validity of impact fees under the U.S. Constitution, we prefer a more rigorous formulation that recognizes three elements: “impact or need,” “benefit,” and “proportionality.” The dual rational nexus test explicitly addresses only the first two, although proportionality is reasonably implied, and was specifically mentioned by the U.S. Supreme Court in the *Dolan* case. The reasonable relationship language of the statute is considered less strict than the rational nexus standard used by many courts. Individual elements of the nexus standard are discussed further in the following paragraphs.

Demonstrating an Impact. All new development in a community creates additional demands on some, or all, public facilities provided by local government. If the supply of facilities is not increased to satisfy that additional demand, the quality or availability of public services for the entire community will deteriorate. Impact fees may be used to recover the cost of development-related facilities, but only to the extent that the need for facilities is a consequence of development that is subject to the fees. The *Nollan* decision reinforced the principle that development exactions may be used only to mitigate conditions created by the developments upon which they are imposed. That principle clearly applies to impact fees. In this study, the impact of development on improvement needs is analyzed in terms of quantifiable relationships between various types of development and the demand for specific facilities, based on applicable level-of-service standards.

Demonstrating a Benefit. A sufficient benefit relationship requires that fee revenues be segregated from other funds and expended only on the facilities for which the fees were charged. Fees must be expended in a timely manner and the facilities funded by the fees must serve the development paying the fees. Procedures for the earmarking and expenditure of fee revenues are typically mandated by the State enabling act, as are procedures to ensure that the fees are expended expeditiously or refunded. All of these requirements are intended to ensure that developments benefit from the fees they are required to pay. Thus, an adequate showing of benefit must address procedural as well as substantive issues.

Demonstrating Proportionality. The requirement that exactions be proportional to the impacts of development was clearly stated by the U.S. Supreme Court in the *Dolan* case (although the relevance of that decision to impact fees has been debated) and is logically necessary to establish a proper nexus. Proportionality is established through the procedures used to identify development-related facility costs, and in the methods used to calculate impact fees for various types of facilities and categories of development. The demand for facilities is measured in terms of relevant and measurable attributes of development. For example, the need for school improvements is measured by the number of public school-age children generated by development.

METHODOLOGIES AND CREDITS

Any one of several legitimate methods may be used to calculate impact fees. The choice of a particular method depends primarily on the service characteristics and planning requirements for the facility type being addressed. Each method has advantages and disadvantages in a particular situation, and to some

extent can be interchangeable, because each allocates facility costs in proportion to the needs created by development.

Reduced to its simplest terms, the process of calculating impact fees involves two main steps: (1) determining the cost of development-related capital improvements and (2) allocating those costs equitably to various types of development. In practice, though, the calculation of impact fees can become quite complicated because of the many variables involved in defining the relationship between development and the need for facilities. The following paragraphs discuss three basic methods for calculating impact fees and how those methods can be applied.

Plan-Based Fee Calculation. The plan-based method allocates costs for a specified set of improvements to a specified amount of development. The improvements are identified by a facility plan and development is identified by a land use plan. In this method, the total cost of relevant facilities is divided by total demand to calculate a cost per unit of demand. Then, the cost per unit of demand is multiplied by the amount of demand per unit of development (e.g. housing units or square feet of building area) in each category to arrive at a cost per specific unit of development (e.g., single family detached unit).

Cost Recovery Fee Calculation. The rationale for the cost recovery approach is that new development is paying for its share of the useful life and remaining capacity of facilities already built or land already purchased from which new growth will benefit. This methodology is often used for systems that were oversized, such as sewer and water facilities. To calculate a fee using the cost recovery approach, the facility cost is divided by ultimate number of demand units the facility will serve.

Incremental Expansion Fee Calculation. The incremental expansion method documents the current LOS for each type of public facility in both quantitative and qualitative measures, based on an existing service standard (such as square feet per student). The LOS standards are determined in a manner similar to the current replacement cost approach used by property insurance companies. However, in contrast to insurance practices, the fee revenues would not be for renewal and/or replacement of existing facilities. Rather, revenue will be used to expand or provide additional facilities, as needed, to accommodate new development. An incremental expansion cost method is best suited for public facilities that will be expanded in regular increments, with LOS standards based on current conditions in the community.

Credits. Regardless of the methodology, a consideration of “credits” is integral to the development of a legally valid impact fee methodology. There are two types of “credits” each with specific, distinct characteristics, but both of which should be addressed in the development of impact fees. The first is a credit due to possible double payment situations. This could occur when contributions are made by the property owner toward the capital costs of the public facility covered by the impact fee. This type of credit is integrated into the impact fee calculation. The second is a credit toward the payment of a fee for dedication of public sites or improvements provided by the developer and for which the impact fee is imposed. This type of credit is addressed in the administration and implementation of an impact fee program.

Chapel Hill-Carrboro City Schools Impact Fee Overview

Orange County has seen significant residential growth over the past several years and with it increased enrollment in both school systems. Growth is expected to continue in the future. Appendix A provides detail on land use and demographic assumptions and projections. To ensure that CHCCS have adequate capacity to accommodate growth, Orange County is considering implementation of updated impact fees for schools. The County has been granted authority by the State to implement impact fees for Schools.⁴ The purpose of the legislation is to “help defray the costs to the county of constructing certain capital improvements, the need for which is created in substantial part by the new development that takes place within the county.”⁵

Orange County is served by two school systems, OCS and CHCCS. TischlerBise analyzed and calculated school impact fees for each school system. This report details the results of the CHCCS impact fees. The report for OCS is issued under separate cover. The reports comply with relevant requirements for calculation of impact fees.

CHCCS impact fees are derived using the incremental approach. This approach determines current LOS standards for school buildings (elementary, middle, and high), portable classrooms, support facilities, and buses. Land for school sites is not a component of the fee, since the draft 2016 *Orange County, NC Schools Adequate Public Facilities Ordinance Annual Report* indicates “renovation and expansion to existing facilities may delay construction of new schools further into the future.”⁶ Therefore, new land acquisition is not required at this time. LOS standards are derived using the adopted standards per the County’s Schools Adequate Public Facility Ordinance (SAPFO) and are expressed as follows:

- School buildings: Square feet per student by type of school,
- Portable classrooms: Classrooms per student by type of school;
- Support facilities: Square feet per student; and
- Buses/other vehicles: Number of vehicles per student.

A credit is included in the impact fee to account for outstanding debt on CHCCS improvements. Further detail on the approach, LOS, costs, and credits is provided in the body of this report.

⁴ S.L. 1987-460 (“An Act Making Sundry Amendments Concerning Local Governments In Orange And Chatham Counties, Title VI: Orange County Impact Fees”). In addition to schools, other community service facility categories are allowed such as: the acquisition of land for open space and greenways, capital improvements to public streets, bridges, sidewalks, bikeways, on- and off-street surface water drainage ditches, pipes, culverts, other drainage facilities, water and sewer facilities and public recreation facilities. (See Appendix B for a copy of the applicable section of the Act.)

⁵ Ibid, Sec. 17 (b) (1).

⁶ SAPFOTAC, 2016 *Orange County, NC Schools Adequate Public Facilities Ordinance* (draft), p. iii.

Student Generation Rates

Demand for additional school capacity will come from new residential development. To determine the level of this demand, student generation rates are used. The term “student generation rate” refers to the number of public school students per housing unit in the CHCCS system.⁷ Public school students are a subset of school-aged children, which includes students in private schools and home-schooled children.

Student generation rates are important demographic factors that help account for variations in demand for school facilities by type of housing. Students per housing unit are held constant over the projection period since the impact fees represent a “snapshot approach” of current LOS and costs.

TischlerBise obtained student generation data for each school system in the county from Orange County. The student generation rates were calculated using 2013-2014 student address data geocoded to Orange County land records tracking housing unit types. These data were analyzed for units built during two different time periods: prior to 2004, and from 2004 through 2013. Data were collated for these two discrete periods in order to evaluate whether new development patterns and demand trends in the residential market had impacted student generation rates for recently built units. Student generation rates for units constructed from 2004 to 2013 were drawn from an earlier TischlerBise study, finished in May 2015. In some cases, these data from these two periods are combined due to availability limitations, as detailed in Appendix A.

Rates are provided for each of the five housing unit types used in the impact fee analysis for each level of school facility: (1) Elementary; (2) Middle; and (3) High. For single family detached homes, separate rates are included for 0-3 bedroom and 4+ bedroom units. For single family attached and multifamily units, separate rates are provided for 0-2 bedroom and 3+ bedroom units. Rates for single family detached (less than 800 square feet) units and manufactured homes are not segmented by bedroom count given the smaller square footage of these types of units. Student generation rates for CHCCS are shown below in Figure 2.

⁷ Student generation rates are calculated separately for each school system in the County. (See Appendix A for more detail.)

Figure 2. Student Generation Rates: CHCCS

Type of Unit	School Level			Total
	Elementary (K-5)	Middle (6-8)	High (9-12)	
Single Family Detached				
0-3 Bedrooms	0.150	0.081	0.104	0.336
4+ Bedrooms	0.258	0.160	0.222	0.640
Total	0.189	0.110	0.147	0.446
Single Family Detached (< 800 Sq. Ft.)	0.048	0.036	0.013	0.096
Single Family Attached				
0-2 Bedrooms	0.158	0.058	0.049	0.265
3+ Bedrooms	0.252	0.082	0.091	0.425
Total	0.224	0.075	0.079	0.378
Multifamily				
0-2 Bedrooms	0.065	0.021	0.029	0.115
3+ Bedrooms	0.236	0.118	0.130	0.485
Total	0.095	0.038	0.047	0.180
Manufactured	0.088	0.045	0.046	0.179

As shown above, a 0-3 bedroom single family detached unit is estimated to generate a total of 0.336 students (with 0.150 in elementary grades, 0.081 in middle school grades, and 0.104 in high school grades), a 4+ bedroom single family detached unit is estimated to generate a total of 0.640 students, and a single family detached unit with less than 800 square feet generates a total of 0.096. For single family attached, a 0-2 bedroom unit is estimated to generate a total of 0.265 students and a 3+ bedroom unit is estimated to generate a total of 0.425; for multifamily units, a 0-2 bedroom unit is estimated to generate a total of 0.115 students and 3+ bedroom unit is estimated to generate 0.485; and a manufactured home is estimated to generate a total of 0.179 students per unit.

Additionally, TischlerBise calculated a generation rate for age-restricted units (those units in developments that restrict the number of units with occupants aged under 55 years old) based on data provided by Epcon Communities. This type of community is relatively new to the development landscape in the Raleigh-Durham-Chapel Hill region. Figure 3 shows available data, which yields a student generation rate of 0.019. As these developments reach maturity and other age-restricted communities come to market, TischlerBise recommends updating the student generation rate calculation for age-restricted units.

Figure 3. Age-Restricted Unit Generation Rates

Development	Location	Homes	Head of Household <55 y.o.	School Age Children
Courtyards at Culp Arbor	Durham, NC	69	2	0
Courtyards at Cary	Cary, NC	15	0	0
Courtyards at Okelly-Chapel	Cary, NC	22	2	0
Villas at Maple Creek	Westerville, OH	52	2	3
		158	6	3

Student Generation Rate	0.019
--------------------------------	--------------

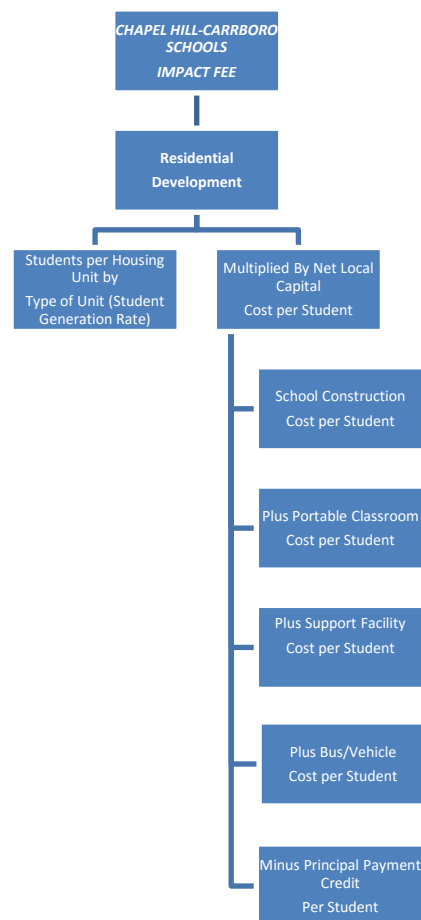
Source: Epcon Communities

Impact Fees: Chapel Hill-Carrboro City Schools

METHODOLOGY

The CHCCS impact fee methodology is based on current average public school student generation rates, LOS standards, and local costs. Figure 4 illustrates the methodology used to calculate the fee. The school impact fees use an incremental expansion approach, which documents the current LOS for public facilities in both quantitative and qualitative measures. The intent is to use impact fee revenue to expand or provide additional facilities, as needed to accommodate new development, based on the current LOS and cost to provide capital improvements. All school levels are included in the fees. Costs for school buildings, portable classrooms, support facilities, and buses/vehicles are included in the fee. The costs are adjusted to account for estimated State funding for capacity projects; therefore, the fees reflect the County's share of the total costs. Finally, a credit for future principal payments on existing debt is included.

Figure 4. Impact Fee Methodology Chart: CHCCS



BUILDING LEVEL OF SERVICE STANDARDS

This section provides current inventories of elementary, middle, and high schools in the CHCCS system. The data contained in these tables are used to determine infrastructure standards for school buildings on which the impact fees are based. The draft 2016 *Orange County, NC Schools Adequate Public Facility Ordinance Annual Report* provides current adopted LOS by school type that are used for the impact fee study. LOS means the amount of students that can be accommodated at a certain school system level. Figure 5 provides the adopted LOS standards.

Figure 5. LOS Standards: CHCCS

LEVEL OF SERVICE STANDARDS	CHCCS
Elementary (K-5)	105%
Middle (6-8)	107%
High (9-12)	110%

Source: Orange County, NC, Schools Adequate Public Facilities Ordinance Annual Report 2016 (Draft)

CHCCS Elementary Schools

The inventory and current LOS for CHCCS elementary schools are shown below in Figure 6. Elementary school buildings have a total of 860,440 square feet of floor area and 27 portable classrooms. Total enrollment in all elementary schools is 5,501. LOS factors for CHCCS elementary schools are also shown in Figure 6. The adopted LOS standards (based on 105 percent capacity) for school buildings and portables are shaded in the figure below. As shown, the LOS factors on which the impact fees are based are 140.58 square feet and 0.0044 portable classrooms per student. It should be noted that the capacity figures reflect mandated reduced class size for Grades K-3 from 1:23 to 1:21, reflecting actual current LOS and the standards by which new schools will be planned and built.

Figure 6. CHCCS Elementary Schools

ELEMENTARY SCHOOLS (K-5) Inventory, Enrollment, and Utilization Facility	Building Square Feet	Portable Classrooms	Official SY 15-16 Enrollment [1]	Capacity [2]	Level of Service
Carrboro Elementary	61,562	1	502	533	94%
Ephesus Elementary	73,096	7	440	448	98%
Estes Hills Elementary [3]	57,989	2	485	527	92%
Glenwood Elementary	55,372	2	531	538	99%
F.P. Graham Elementary	68,513	5	454	423	107%
McDougle Elementary	99,920	2	499	564	88%
Morris Grove Elementary	90,221	0	558	585	95%
Northside Elementary	97,423	0	485	585	83%
Rashkis Elementary	95,729	0	517	585	88%
Scroggs Elementary	92,900	2	505	575	88%
Seawell Elementary	67,715	6	525	466	113%
TOTALS	860,440	27	5,501	5,829	94%

Elementary School Levels of Service	Demand Units (Students)	Building SF	Portables
LOS per Student based on Current Enrollment	5,501	156.42	0.0049
LOS per Student based on Capacity	5,829	147.61	0.0046
LOS based on Adopted LOS Standard (105%)	6,120	140.58	0.0044

[1] Does not include CHCCS students attending the Hospital School or pre-K students.

[2] Capacity reflects class size for Grades K-3 of 1:21; Grades 4-5 of 1:26. Max capacity per school by policy resolution is 585 students.

Source: Orange County; CHCCS

CHCCS Middle Schools

The inventory and current LOS for CHCCS middle schools are shown below in Figure 7. As indicated below, middle school buildings have a total of 506,160 square feet of floor area and two portable classrooms. Total enrollment in all middle schools is 2,844. LOS factors for CHCCS middle schools are shown in Figure 7. The adopted LOS standards (based on 107 percent capacity) for school buildings and portables are shown highlighted in the figure below. As shown, the LOS factors on which the impact fees are based are 160.68 square feet and 0.0006 portable classrooms per student.

Figure 7. CHCCS Middle Schools

MIDDLE SCHOOLS (6-8) Inventory, Enrollment, and Utilization Facility	Building Square Feet	Portable Classrooms	Official SY 15-16 Enrollment [1]	Capacity	Level of Service
Culbreth Middle	122,467	0	716	774	93%
McDougle Middle	138,141	2	689	732	94%
Phillips Middle	109,498	0	642	706	91%
Smith Middle	136,054	0	797	732	109%
TOTALS	506,160	2	2,844	2,944	97%

Middle School Levels of Service	Demand Units (Students)	Building SF	Portables
LOS per Student based on Current Enrollment	2,844	177.97	0.0007
LOS per Student based on Capacity	2,944	171.93	0.0290
LOS based on Adopted LOS Standard (107%)	3,150	160.68	0.0006

[1] Does not include CHCCS students attending the Hospital School.

Source: Orange County; CHCCS

CHCCS High Schools

The inventory and current LOS for CHCCS high schools are shown below in Figure 8. As indicated below, high school buildings have a total of 693,283 square feet of floor area and 22 portable classrooms. Total enrollment in all high schools is 3,701. LOS factors for CHCCS high schools are shown in Figure 8. The adopted LOS standards (based on 110 percent capacity) for school buildings and portables are shown highlighted in the figure below. As shown, the LOS factors on which the impact fees are based are 162.65 square feet and 0.0052 portable classrooms per student.

Figure 8. CHCCS High Schools

HIGH SCHOOLS (9-12) Inventory, Enrollment, and Utilization Facility	Building Square Feet	Portable Classrooms	Official SY 15-16 Enrollment [1]	Capacity	Level of Service
Carrboro High	165,976	0	824	800	103%
Chapel Hill High	254,551	14	1,471	1,520	97%
East Chapel Hill High	267,549	8	1,373	1,515	91%
Phoenix Academy High [2]	5,207	0	33	40	83%
TOTALS	693,283	22	3,701	3,875	96%

High School Levels of Service	Demand Units (Students)	Building SF	Portables
LOS per Student based on Current Enrollment	3,701	187.32	0.0059
LOS per Student based on Capacity	3,875	178.91	0.0057
LOS based on Adopted LOS Standard (110%)	4,263	162.65	0.0052

[1] Does not include CHCCS students attending the Hospital School.

[2] Co-located with Lincoln Center administration and support building

Source: Orange County; CHCCS

SCHOOL CONSTRUCTION COSTS

TischlerBise analyzed costs for school construction in the CHCCS system. Costs for completed and planned school projects in CHCCS were provided by the Orange County Finance Office and CHCCS. TischlerBise adjusted previous costs to current (2016 Q1) dollars, where appropriate, using the Turner Building Index, a well-known and widely available construction price index. Current school costs represent the average costs to construct elementary, middle, and high schools in the CHCCS System. As shown in Figure 9, construction costs average between \$252 and \$288 per square foot. Specifically, the costs are as follows—elementary: \$277 per square foot; middle: \$287 per square foot; and high: \$252 per square foot.

Figure 9. School Project Costs

School	Year	Cost	Index Factor	Adjusted Cost [1]	Square Feet	Cost per SF	Capacity	Cost per Seat
Morris Grove Elementary	2008	\$24,342,000	107%	\$26,004,119	90,221	\$288	585	\$44,451
Northside Elementary	2013	\$23,158,000	112%	\$25,999,144	97,423	\$267	585	\$44,443
			<i>Elem. Subtotal</i>	<i>\$52,003,262</i>	<i>187,644</i>	<i>\$277</i>	<i>1,170</i>	<i>\$44,447</i>
Middle School Prototype (per seat) [2]	-	\$46,179	-	\$46,179	160.68	\$287	1	\$46,179
Carrboro High [3]	2007, 2011	\$36,778,860	114%	\$41,774,583	165,976	\$252	800	\$52,218
		\$84,325,039		\$93,824,025	353,781	\$265	1,971	\$47,602

[1] Adjusted using the Turner Building Cost Index, 2016 First Quarter Forecast.

[2] Derived as a percentage of the OCS cost per sq. ft. for middle schools. TischlerBise defined a) the relationship between CHCCS and OCS of the average cost per sq. ft. for all recent school projects and b) the relationship between OCS's middle school and its elementary and high schools. These two percentages are then multiplied by OCS's cost per sq. ft. for middle schools to derive the average CHCCS cost.

[3] Includes Cultural Arts addition in 2011. Cost indexed using 2007 figures.

PORTABLE CLASSROOM COSTS

CHCCS currently uses portable classrooms for additional classroom capacity with a total of 73 classrooms currently in use. The cost for each portable classroom is \$78,000, per Orange County staff.

SUPPORT FACILITIES

The impact fees also include costs to provide additional support facilities such as administrative office space, maintenance facilities, and bus garages to accommodate future growth in enrollment. For CHCCS, support facilities include office space and gymnasium at Lincoln Center, a maintenance building, and the Transportation Center. The joint use Transportation Facility serves both school systems in the county and, therefore, costs are allocated to current enrollment in *both districts* (see Appendix A). Costs were confirmed with CHCCS staff. The following two figures reflect current LOS and cost factors for these facilities.

Figure 10. Support Facilities – CHCCS

Facility	Square Feet
Transportation Center	5,089
Lincoln Center, Main Building	27,726
Gymnasium	10,162
Maintenance Building	26,957
Total	69,934

Current Total CHCCS Enrollment	12,046
LOS (sq. ft. per student)	5.81
Cost per Square Foot	\$225
Cost per Student	\$1,306.26

Source: CHCCS; TischlerBise

Figure 11. Support Facilities – Serving OCS and CHCCS

Facility	Square Feet	Cost Per Sq Ft	Total Cost
Transportation Facility*	11,704	\$200	\$2,340,800
Total	11,704	\$200	\$2,340,800

Current Total CHCCS and OCS Enrollment	19,572
LOS (sq. ft. per student)	0.5980
Cost per Student	\$119.60

* Serves both OCS and CHCCS Districts

Source: Orange County Schools

BUS / VEHICLE COSTS

Another infrastructure component included in the impact fee is buses and vehicles. New buses and vehicles will need to be purchased to accommodate increased enrollment. In Orange County, OCS owns and maintains all regular buses (i.e., non-activity buses). Nevertheless, new development in CHCCS District must pay its fair share of costs for bus service, so bus costs are included as a component in this fee, to be remitted to OCS. Total current value of the CHCCS fleet is estimated at approximately \$9.6 million, which equates to a current cost of approximately \$797 per student. LOS and costs for the CHCCS fleet are provided below in Figure 12.

Figure 12. Buses / Vehicles Levels of Service and Costs: CHCCS

Type	Number of Units	Cost/Bus	Total Cost
CHCCS Buses	82	\$83,690	\$6,862,580
CHCCS Activity Buses	20	\$84,144	\$1,682,880
Other Vehicles	35	\$30,000	\$1,050,000
Total	137	\$70,040	\$9,595,460

Source: CHCCS

Current Total CHCCS Enrollment	12,046
Buses/Vehicles per Student	0.011
Cost per Student	\$796.57

ADJUSTMENT FOR NON-LOCAL FUNDING

To adequately reflect the local share of capacity costs, the impact fees need to be adjusted to account for State funding for capacity improvements. Orange County estimates that the County receives one percent of the costs for capacity improvements from the State. Therefore, the local share is adjusted to represent 99 percent of the total. (Other contributions from the State are used for maintenance and other non-capacity related improvements.)

CREDIT FOR FUTURE PRINCIPAL PAYMENTS ON SCHOOL IMPROVEMENTS

Because the County debt-financed a portion of recent school capacity expansion construction costs, a credit is included for future principal payments on outstanding debt. A credit is necessary since new residential units that will pay the impact fee will also contribute to future principal payments on this remaining debt through property taxes. A credit is not necessary for interest payments because interest costs are not included in the costs.

Information on outstanding debt for CHCCS was provided by Orange County Finance Department staff. School improvements and applicable bond issues are indicated in Figure 13 below. As shown, total outstanding debt from school capacity expansion projects for CHCCS is estimated at approximately \$65.3 million. Annual principal payments are divided by student enrollment in each year (projected beyond 2018 using an historical growth rate of 1% annually) to get a per student credit. (For example, in FY 2018, the total amount of projected principal to be paid of \$7.3 million is divided by enrollment of 12,724 for a payment per student of \$575.) To account for the time value of money, annual payments per student are discounted using a net present value formula based on an average current interest rate of 3.15 percent. The total net present value of future principal payments per student is \$4,246.69. This amount is subtracted from the gross capital cost per student amount to derive a net capital cost per student for school facilities.

Figure 13. Credit for Future Principal Payments: CHCCS

Fiscal Year	2010 Projected Principal ⁽¹⁾	2011 Projected Principal ⁽²⁾	2012 Projected Principal ⁽³⁾	2011 Projected Principal ⁽⁴⁾	2012 Projected Principal ⁽⁵⁾	2014 Projected Principal ⁽⁶⁾	2015 Projected Principal ⁽⁷⁾	2015 Projected Principal ⁽⁸⁾	Total	Total Students	Payment Per Student
2016	\$710,978	\$114,502	\$417,217	\$1,194,926	\$1,210,698	\$566,268	\$600,000	\$2,649,127	\$7,463,715	12,388	\$602
2017	\$703,796	\$112,331	\$408,831	\$2,476,707	\$1,216,320	\$566,268	\$600,000	\$2,562,485	\$8,646,739	12,554	\$689
2018	\$709,182	\$230,631	\$0	\$1,183,924	\$1,641,751	\$566,268	\$600,000	\$2,386,577	\$7,318,334	12,724	\$575
2019	\$1,102,375	\$335,365	\$647,840	\$1,237,038	\$1,724,213	\$566,268	\$600,000	\$351,817	\$6,564,915	12,876	\$510
2020	\$1,098,784	\$332,652	\$1,012,643	\$1,242,302	\$1,729,836	\$209,677	\$600,000	\$0	\$6,225,894	13,013	\$478
2021	\$1,093,398	\$600,184	\$0	\$1,250,198	\$1,727,962	\$209,677	\$600,000	\$0	\$5,481,418	13,162	\$416
2022	\$626,624	\$730,965	\$0	\$1,258,094	\$1,731,710	\$209,212	\$600,000	\$0	\$5,156,605	13,316	\$387
2023	\$0	\$148,689	\$1,629,035	\$1,268,622	\$1,739,207	\$209,212	\$0	\$0	\$4,994,765	13,452	\$371
2024	\$0	\$0	\$1,073,444	\$1,276,518	\$1,235,062	\$209,212	\$0	\$0	\$3,794,235	13,602	\$279
2025	\$0	\$0	\$0	\$1,287,046	\$1,152,599	\$209,212	\$0	\$0	\$2,648,857	13,738	\$193
2026	\$0	\$0	\$0	\$2,736,334	\$423,557	\$208,747	\$0	\$0	\$3,368,638	13,875	\$243
2027	\$0	\$0	\$0	\$0	\$423,557	\$208,747	\$0	\$0	\$632,304	14,014	\$45
2028	\$0	\$0	\$0	\$0	\$423,557	\$208,747	\$0	\$0	\$632,304	14,154	\$45
2029	\$0	\$0	\$0	\$0	\$423,557	\$208,747	\$0	\$0	\$632,304	14,296	\$44
2030	\$0	\$0	\$0	\$0	\$423,557	\$0	\$0	\$0	\$423,557	14,439	\$29
2031	\$0	\$0	\$0	\$0	\$423,557	\$0	\$0	\$0	\$423,557	14,583	\$29
2032	\$0	\$0	\$0	\$0	\$423,557	\$0	\$0	\$0	\$423,557	14,729	\$29
2033	\$0	\$0	\$0	\$0	\$423,557	\$0	\$0	\$0	\$423,557	14,876	\$28
Total	\$6,045,137	\$2,605,319	\$5,189,011	\$16,411,706	\$18,497,811	\$4,356,263	\$4,200,000	\$7,950,006	\$65,255,253		\$4,994
										Discount Rate [6]	
										3.15%	
										Net Present Value	
										\$4,246.69	

(1) Smith MS, Rashkis Elem., (issued in March 2010) - Refunding 2010

(2) Rashkis Elem. (issued in November 2011) - Refunding 2011

(3) Carrboro High (issued in December 2012) - Refunding 2012

(4) Morris Grove Elem, CHCCS Renovations (issued September 2011) - Installment #1

(5) Northside Elem (issued April 2012) - Installment #2

(6) Culbreth MS Science Wing (issued January 2014) - Installment #3

(7) Carrboro High (issued June 2015) - Refunding of 2006 COPS

(8) Smith MS, East CH High (issued June 2015) - Refunding Series 2015

(9) See Appendix for enrollment projections. Starting in 2018, enrollment is projected based on historical average growth rate of 1%.

(10) To account for the time value money, total payment per student is discounted using a net present value formula assuming the average interest rate from outstanding debt as shown.

SCHOOL IMPACT FEE INPUT VARIABLES

Factors used to derive the CHCCS impact fee are summarized in Figure 14. Impact fees for schools are based on student generation rates (i.e., public school students per housing unit) and are only implemented on residential development. LOS standards are based on current costs per student for school buildings, portable classrooms, support facilities, and buses/vehicles as described in the previous sections and summarized below. Also included in the fee is the cost for preparation of the impact fee study. The consultant study cost per student is calculated based on the projected increase in student enrollment (based on SAPFO projections; see Appendix A) in CHCCS and OCS over the next three years and is added to the capital cost per student to derive the total cost per student. Three years reflects the typical length of time before the impact fees should be reexamined to reflect changes in development and levels of service.

The total gross capital cost per student is the sum of the boxed cost components. For example, for the elementary school portion, the calculation is as follows: $\$38,961.27$ [building construction] + $\$344.09$ [portables] + $\$1,295.67$ [support facilities] + $\$796.57$ [buses] + $\$134.92$ [consultant cost] = $\$41,532.52$ total gross cost per student.

This cost is then adjusted to reflect the local share of the cost at 99 percent, or $\$41,117.19$ per elementary student, for instance. The credit for future principal payments ($\$4,246.69$) is then subtracted from the gross local capital cost per student to derive the net local capital cost per student ($\$36,870.50$) for elementary schools. The same approach is followed for middle and high schools.

Figure 14. Schools Impact Fee Input Variables: CHCCS

Current Level of Service Standards			
	<i>Elementary</i>	<i>Middle</i>	<i>High</i>
Square Feet per Student	140.58	160.68	162.65
Cost per Sq. Ft.	\$277	\$287	\$252
Total Building Construction Cost per Student	\$38,961.27	\$46,178.91	\$40,936.72
Portable Classrooms per Student	0.0044	0.0006	0.0052
Cost per Portable Classroom	\$78,000	\$78,000	\$78,000
Portable Classroom Cost per Student	\$344.09	\$49.52	\$402.58
CHCCS Support Facilities per Student (Sq. Ft.)	5.81	5.81	5.81
Cost per Sq. Ft.	\$200	\$200	\$200
OCS/CHCCS Transp. Facility per Student (Sq. Ft.)	0.60	0.60	0.60
Cost per Sq. Ft.	\$225	\$225	\$225
Support Facility Cost per Student	\$1,295.67	\$1,295.67	\$1,295.67
Buses/Vehicles per Student	0.01137	0.01137	0.01137
Weighted Average Cost per Bus/Vehicle	\$70,040	\$70,040	\$70,040
Bus/Vehicle Cost per Student	\$796.57	\$796.57	\$796.57
Consultant Study Cost per Student	\$134.92	\$134.92	\$134.92
Total Gross Cost Per Student	\$41,532.52	\$48,455.58	\$43,566.45
Local Share of Capacity Cost	99%	99%	99%
Total Gross Local Capital Cost per Student	\$41,117.19	\$47,971.03	\$43,130.78
Principal Payment Credit per Student	(\$4,246.69)	(\$4,246.69)	(\$4,246.69)
Total Net Local Capital Cost per Student	\$36,870.50	\$43,724.33	\$38,884.09
Average Capital Cost per Student (all levels)			\$39,826.31

MAXIMUM SUPPORTABLE IMPACT FEES FOR CHAPEL HILL-CARRBORO CITY SCHOOLS

Figure 15 shows the schedule of maximum supportable impact fees for CHCCS. The fees are calculated by multiplying the student generation rate for each housing type (shown at the top of Figure 15) by the net capital cost per student for each type of school. Each component is then added together to derive the total public school impact fee. For example, for a 0-3 bedroom single family detached unit, the elementary school portion of the fee is calculated by multiplying the student generation rate of 0.150 by the net local capital cost per elementary student of \$36,870.50, which results in a fee of \$5,530 (truncated). This is repeated for the other school levels. The three portions of the fee are added together to calculate the total fee by type of residential unit (i.e., for 0-3 bedroom single family detached: \$5,530 + \$3,541 + \$4,043 = \$13,114.)⁸ For age-restricted units, the student generation rate of 0.019 is multiplied by the average total net local capital cost per student for all school levels (\$39,826.31), since the school level of generated pupils was not available in the Epcon Communities data. This results in a fee of \$756 per unit.

⁸ Because the analysis uses figures carried to their ultimate decimal places, the sums and products shown may not equal the sum or product if the reader replicates the calculation with the factors shown in the report.

Figure 15. Maximum Supportable Schools Impact Fees: CHCCS

Public School Students per Housing Unit		School Level			
		<i>Elementary</i>	<i>Middle</i>	<i>High</i>	<i>Total</i>
Single Family Detached					
	<i>0-3 Bedrooms</i>	0.150	0.081	0.104	0.336
	<i>4+ Bedrooms</i>	0.258	0.160	0.222	0.640
	<i>Average</i>	0.189	0.11	0.147	0.446
Single Family Detached (<800 Sq. Ft.)		0.048	0.036	0.013	0.096
Single Family Attached					
	<i>0-2 Bedrooms</i>	0.158	0.058	0.049	0.265
	<i>3+ Bedrooms</i>	0.252	0.082	0.091	0.425
	<i>Average</i>	0.224	0.075	0.079	0.378
Multifamily					
	<i>0-2 Bedrooms</i>	0.065	0.021	0.029	0.115
	<i>3+ Bedrooms</i>	0.236	0.118	0.130	0.485
	<i>Average</i>	0.095	0.038	0.047	0.180
Manufactured Unit		0.088	0.045	0.046	0.179
Age-Restricted Unit					0.019
Cost Factors					
Total Net Local Capital Cost per Student		\$36,870.50	\$43,724.33	\$38,884.09	
Average Capital Cost per Student (all levels)				\$39,826.31	
MAXIMUM ALLOWABLE SCHOOL IMPACT FEES: Chapel Hill-Carrboro City Schools					
Impact Fee per Housing Unit		<i>Elementary</i>	<i>Middle</i>	<i>High</i>	TOTAL
Single Family Detached					
	<i>0-3 Bedrooms</i>	\$5,530	\$3,541	\$4,043	\$13,114
	<i>4+ Bedrooms</i>	\$9,512	\$6,995	\$8,632	\$25,139
	<i>Single Family Detached Average</i>	\$6,968	\$4,809	\$5,715	\$17,492
Single Family Detached (<800 Sq. Ft.)		\$1,769	\$1,574	\$505	\$3,848
Single Family Attached					
	<i>0-2 Bedrooms</i>	\$5,825	\$2,536	\$1,905	\$10,266
	<i>3+ Bedrooms</i>	\$9,291	\$3,585	\$3,538	\$16,414
	<i>Single Family Attached Average</i>	\$8,258	\$3,279	\$3,071	\$14,608
Multifamily					
	<i>0-2 Bedrooms</i>	\$2,396	\$918	\$1,127	\$4,441
	<i>3+ Bedrooms</i>	\$8,701	\$5,159	\$5,054	\$18,914
	<i>Multifamily Average</i>	\$3,502	\$1,661	\$1,827	\$6,990
Manufactured Unit		\$3,244	\$1,967	\$1,788	\$6,999
Age-Restricted Unit					\$756

Cash Flow Projections

This section summarizes the potential cash flow to Orange County if impact fees are implemented for CHCCS at the maximum supportable amounts as detailed in this report. Figure 16 provides a summary of the projected cash flow from the impact fees and associated capital costs over a five-year period.

School impact fee revenue averages approximately \$3.49 million per year over the first five years, or almost \$17.45 million, if the fees are implemented at the maximum supportable level. The related school local capital costs average approximately \$4.65 million per year, or \$23.28 million over five years. Based on the projected impact fee revenues and associated costs, the fees are projected to cover approximately 75 percent of the projected related capital costs. Funds can be accumulated for several years in order to construct a major project.

Since the school impact fee includes a credit for existing debt, an overall deficit for schools is projected. The projected deficit, indicated by “()” around the numbers, will require supplemental revenue of approximately \$1.16 million per year. To the extent the rate of development either accelerates or slows down, there will be a corresponding change in the fee revenue and related capital costs. See Appendix A of this report for discussion of the development projections that drive the cash flow analysis.

Figure 16. Cash Flow Projections: CHCCS

	1 2016	2 2017	3 2018	4 2019	5 2020	5-Year Average Annual	5-Year Cumulative Total	10-Year Average Annual	10-Year Cumulative Total
PROJECTED REVENUES									
SCHOOLS									
1 Single Family Detached	\$1,193	\$1,193	\$1,193	\$1,193	\$1,193	\$1,193	\$5,965	\$1,193	\$11,930
2 Single Family Attached	\$747	\$747	\$747	\$747	\$747	\$747	\$3,736	\$747	\$7,472
3 Multifamily	\$1,549	\$1,549	\$1,549	\$1,549	\$1,549	\$1,549	\$7,747	\$1,549	\$15,493
4 Manufactured	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Subtotal Schools Fees</i>	\$3,489	\$3,489	\$3,489	\$3,489	\$3,489	\$3,489	\$17,447	\$3,489	\$34,895
TOTAL FEE REVENUE	\$3,489	\$3,489	\$3,489	\$3,489	\$3,489	\$3,489	\$17,447	\$3,489	\$34,895
PROJECTED CAPITAL COSTS (Local Share)									
SCHOOLS									
Schools - Elementary	\$1,867	\$1,867	\$1,867	\$1,867	\$1,867	\$1,867	\$9,336	\$1,867	\$18,671
Schools - Middle	\$1,247	\$1,247	\$1,247	\$1,247	\$1,247	\$1,247	\$6,236	\$1,247	\$12,473
Schools - High	\$1,541	\$1,541	\$1,541	\$1,541	\$1,541	\$1,541	\$7,707	\$1,541	\$15,413
<i>Subtotal Schools Costs</i>	\$4,656	\$4,656	\$4,656	\$4,656	\$4,656	\$4,656	\$23,279	\$4,656	\$46,557
TOTAL CAPITAL COSTS	\$4,656	\$4,656	\$4,656	\$4,656	\$4,656	\$4,656	\$23,279	\$4,656	\$46,557
NET CAPITAL FACILITIES CASH FLOW - Schools									
Annual Surplus (or Deficit)	(\$1,166)	(\$1,166)	(\$1,166)	(\$1,166)	(\$1,166)	(\$1,166)		Current \$ in thousands (\$1,166)	
Cumulative Surplus (or Deficit)	(\$1,166)	(\$2,332)	(\$3,499)	(\$4,665)	(\$5,831)		(\$5,831)		(\$11,662)

Implementation and Administration

ACCOUNTING

Impact fees should be paid at time of building permit. Certain accounting procedures should be followed by the County. For example, monies received should be placed in a separate fund and accounted for separately and may only be used for the purposes authorized in the impact fee ordinance. Interest earned on monies in the separate fund should be credited to the fund.

COST UPDATES

All costs in the impact fee calculations are given in current dollars with no assumed inflation over time. Necessary cost adjustments can be made as part of the recommended annual evaluation and update of the fees. One approach is to adjust for inflation in construction costs by means of an index specific to construction as opposed to the consumer price index (CPI), which is more general in nature. TischlerBise recommends using the Marshall Swift Valuation Service, which provides comparative cost multipliers for various geographies and types of construction. The multipliers can be applied against the calculated impact fee. If cost estimates or other factors change significantly the County should redo the fee calculations. A full update is recommended every 3 to 5 years to reflect changes in development trends, infrastructure capacities, costs, funding formulas, etc.

CREDITS AND REIMBURSEMENTS

Future Revenue Credits

CHCCS impact fees are calculated using an incremental approach. This method documents current factors and is best suited for public facilities that will be expanded incrementally in the future. Because new development will provide front-end funding of infrastructure, there is a potential for double payment of capital costs due to future principal payments on existing debt for public facilities. A credit is not necessary for interest payments because interest costs are not included in the fees. This type of credit is incorporated into the CHCCS impact fees due to outstanding debt on CHCCS school capacity expansions and land acquisition.

Site-Specific Credits

A site-specific credit should be considered for contributions of system improvements that have been included in the impact fee calculations. If a developer constructs the type of system improvements included in the fee calculations, it will be necessary to either reimburse the developer or provide a credit against the fees for that portion of the fee. The latter option is more difficult to administer because it creates unique fees for specific geographic areas. Based on TischlerBise's experience, it is better for the County to establish a reimbursement agreement with the developer constructing the system improvement. The reimbursement agreement should be limited to a payback period of no more than 10

years and the County should not pay interest on the outstanding balance. The developer must provide sufficient documentation of the actual cost incurred for the system improvement. The County should only agree to pay the lesser of the actual construction cost or the estimated cost used in the impact fee analysis. If the County pays more than the cost used in the fee analysis, there will be insufficient fee revenue. Reimbursement agreements should only obligate the County to reimburse developers annually according to actual fee collections from the benefiting area.

COLLECTION AND EXPENDITURE ZONES

The reasonableness of impact fees is determined in part by their relationship to the local government's burden to provide necessary public facilities. The need to show a substantial benefit usually requires communities to evaluate collection and expenditure zones for public facilities that have distinct geographic service areas.

TischlerBise analyzed school impact fees in the County separately for each school system that serves residential development in Orange County—OCS and CHCCS. The end result is two separate fee studies with two impact fee schedules. For the CHCCS system, one area within the school district is appropriate because capacity improvements are needed at all levels throughout the system and CHCCS will occasionally re-district to accommodate growth and available capacity.

IMPACT FEE ACT

The Act providing Orange County with the authority to collect school impact fees is provided in Appendix B.

Appendix A: Demographic Data

OVERVIEW

As part of our Work Scope, TischlerBise has prepared documentation on demographic data and development projections used in the Schools Impact Fee Studies. Two studies have been conducted for Orange County: (1) OCS and (2) CHCCS. This Appendix covers both school systems in the County, while the body of the report reflects CHCCS only. (The OCS report is issued under separate cover.) The demographic data estimates for the school year 2006-2007 are used in the fee calculations.

Impact fees can be defined as new growth's fair share of the cost to provide necessary capital facilities. Fee revenue must be used for capacity expansions and cannot be used for operations or maintenance costs. In determining the reasonableness of these one-time fees, the fee must meet three requirements: (1) **Impact / Need:** The needed capital facilities are a consequence of new development; (2) **Proportionality:** Fees represent a proportionate share of the cost; and (3) **Benefit:** Revenues are managed and expended in such a way that new development receives a substantial benefit. The demographic data and analysis provided in this section provide the foundation to meet the first two requirements listed above.

The development projections are used to establish a need for future infrastructure due to growth as well as to have an understanding of the possible future pace of service demands, revenues from impact fees, and projected capital expenditures. To the extent development slows or accelerates, there will be virtually no effect on the fee amount.

Please note that calculations throughout are based on an analysis that was conducted using Excel software. Results are discussed using whole numbers or one- to three-digit places, which represent rounded figures. However, the analysis itself uses figures carried to their ultimate decimal places; therefore the sums and products generated in the analysis may not equal the sum or product if the reader replicates the calculation with the factors shown in the report (due to the rounding of figures shown, not in the analysis).

POPULATION AND HOUSING GROWTH

To provide context for public school student enrollment growth in Orange County, the following section provides information on population and housing growth in the county. The total population residing in housing units in the county in 2010, according to the U.S. Census (corrected), was 124,244. In addition, 9,557 persons were estimated to reside in group quarters. When added together, the total estimated county population in 2010 was 133,801 (up from 115,531 in 2000, an increase of 18,270 residents over ten years). The estimated number of housing units in the county in 2010 was 55,597, an increase of 7,891 housing units since 2000.

Estimated average household size for all types of units is 2.23 persons, which is derived by dividing persons residing in housing units by total number of housing units (124,244 population in households / 55,597 housing units = 2.23 persons per housing unit).

Figure A1 provides further detail on a comparison of 2000 and 2010 Census data for Orange County.

Figure A1. U.S. Census Population and Housing Units

	2000	2010	Increase / (Decrease)
Population in Households	105,585	124,244	18,659
Group Quarters Population	9,946	9,557	(389)
Total County Population	115,531	133,801	18,270
Estimated Housing Units	47,706	55,597	7,891
Average Persons per Housing Unit	2.21	2.23	

Source: U.S. Census Bureau 2010 Census

The U.S. Census Bureau estimates that the July 2014 population in Orange County rose to 140,420. Additionally, TischlerBise obtained total housing unit estimates for May 2014 from Orange County, based on the County's Land Records and May 2014 Addresses GIS shapefile. Figure A2 details May 2014 housing unit counts for Orange County, CHCCS, and OCS. For CHCCS, the housing unit counts reflect units located in Chapel Hill and Carrboro and the portion of Orange County that falls within CHCCS. For OCS, building permit data includes other units in the county and the Town of Hillsborough within the OCS system.

Figure A2. 2014 Housing Units

	Orange County Housing Units				
	SF Detached	SF Attached	Multifamily	Manufactured	Total
Total Orange County Housing Stock	36,443	2,191	14,621	4,674	57,929
Share by Type	63%	4%	25%	8%	100%
Subtotal Housing Stock in CHCCSD	18,778	1,493	13,472	513	34,256
Share by Type	55%	4%	39%	2%	100%
Subtotal Housing Stock in OCSD	17,665	698	1,149	4,161	23,673
Share by Type	75%	3%	5%	17%	100%

Source: Orange County Land Records/GIS May 2014 Addresses shapefile

It is assumed that the group quarters data remained the same from 2010 (this figure is not separated from total population in non-decennial census estimates), since this figure is largely driven by University of North Carolina at Chapel Hill dormitory populations. Under that assumption, the total population living in housing units in 2014 was approximately 130,863.

Orange County Schools (OCS)

Based on household characteristics and discussions with County staff, as well as to ensure proportionality, five housing unit types are recommended for the OCS impact fees: (1) Single Family Detached, (2) Single Family Detached Units Less than 800 Sq. Ft., (3) Single Family Attached (e.g., townhomes), (4) Multifamily (e.g., apartments), and (5) Manufactured Homes. In the previous study, Single Family Attached and Multifamily were grouped into one category. However, they are separated in this update to track with changing development patterns. Impact fees are calculated by type of unit and bedroom count (the latter is further detailed below).

As shown, a total of 3,320 new housing units were built from January 1, 2004, to December 31, 2013. The majority of new units are single family detached (almost 69 percent), followed by approximately 17 percent multifamily, and 9 percent single family attached/duplex. The remainder are manufactured homes. The mix of new units by type is used to project future housing unit growth later in this report. Further detail is provided below in Figure A3.

Figure A3. Housing Unit Growth 2004-2013: OCS

Housing Units	2004	2013	Net Increase 2004-2013	% of New Units
SF Detached	13,096	15,390	2,294	69%
SF Attached/Duplex	162	451	289	9%
Multifamily/Other	1,176	1,746	570	17%
Manufactured Home	5,451	5,618	167	5%
<i>Total</i>	19,885	23,205	3,320	100%

Source: Orange County

Chapel Hill-Carrboro City Schools (CHCCS)

Based on household characteristics and to ensure proportionality, five housing unit types are recommended for the CHCCS impact fees: (1) Single Family Detached, (2) Single Family Detached Units Less than 800 Sq. Ft., (3) Single Family Attached (e.g., townhomes), (4) Multifamily (e.g., apartments) and (5) Manufactured Homes. CHCCS has a significant number of multifamily units that do not generate a large number of school-age children due to the presence of the University of North Carolina at Chapel Hill. Impact fees are calculated by type of unit and bedroom count (the latter is further detailed below).

As shown, a total of 2,730 new housing units were built from January 1, 2004, to December 31, 2013. Units are relatively split between single family detached (38 percent), multifamily (34 percent), and single family detached (28 percent). Nine manufactured units were added during this time, a negligible amount. The mix of new units by type is used to project future housing unit growth later in this report. Further detail is provided below in Figure A4.

Figure A4. Housing Unit Growth 2004-2013: CHCCS

Housing Units	2004	2013	Net Increase 2004-2013	% of New Units
SF Detached	14,261	15,304	1,043	38%
SF Attached/Duplex	2,243	3,005	762	28%
Multifamily/Other	16,052	16,968	916	34%
Manufactured Home	1,060	1,069	9	0%
<i>Total</i>	33,616	36,346	2,730	100%

Source: Orange County

ESTIMATED STUDENT GENERATION RATES

TischlerBise calculated student generation rates for each school system in Orange County based on data from Orange County. The term “student generation rate” refers to the number of public school students per housing unit in each school system: OCS and CHCCS. Public school students are a subset of school-aged children, which includes students in private schools and home-schooled children.

Student generation rates are important demographic factors that help account for variations in demand for school facilities by type of housing. Students per housing unit are held constant over the projection period since the impact fees represent a “snapshot approach” of current levels of service and costs.

The student generation rates were calculated using student address data geocoded to Orange County land records tracking housing unit types. These data were analyzed for units built during two different time periods: prior to 2004, and from 2004 through 2013. Data were collated for these two discrete periods in order to evaluate whether new development patterns and demand trends in the residential market had impacted student generation rates for recently built units. Student generation rates for units constructed from 2004 to 2013 were drawn from an earlier TischlerBise study, finished in May 2015.

Student generation rates were provided by housing unit type for the categories used in each district. That is, for Orange County, rates are provided for each type of unit: (1) Single Family Detached, (2) Single Family Attached/Multifamily, and (3) Manufactured Homes. For CHCCS, rates are provided for: (1) Single Family Detached, (2) Single Family Attached, (3) Multifamily, and (4) Manufactured Homes. In addition, the rates reflect demand by type of school level—elementary, middle, and high.

Initially, TischlerBise and County staff attempted a simple combination of the older and newer student generation and housing unit type data in order to derive student generation rates for housing type categories that are representative of the impact of a housing unit on required school capacity over the entire life of that unit. In order to enhance the specificity of its student generation rates, the County tasked TischlerBise with determining these rates by the size of the unit, measured by bedroom count. To facilitate this process, the County had begun to gather bedroom count attributes for most new units constructed since 2004. Therefore, for the most part, student addresses for new units could be matched to a bedroom count record.

However, bedroom counts were unavailable for units constructed prior to 2004. To determine these figures for the pre-2004 housing stock, TischlerBise used 2005-2007 American Community Survey (ACS) Public Use Microdata Sample (PUMS) data for Public Use Microdata Area (PUMA) 2900 (which includes Orange County and Chatham County) to determine the estimated mix of units by bedroom count for each housing type category. This sample period was the closest to the 2004 cut-off that was still large enough to yield accurate data. The results of this analysis are displayed below in Figure A5.

Figure A5: ACS PUMS Data Bedroom Count by Category Analysis (Unweighted Sample)

Housing Type	Bedroom Count	Count	%
Single Family Detached*	0-3	1,014	66.4%
	4	401	26.3%
	5+	112	7.3%
	Total	1,527	100%
Single Family Attached	0-2	64	55.7%
	3+	51	44.3%
	Total	115	100%
Multifamily	0-2	383	88.5%
	3+	50	11.5%
	Total	433	100%
Manufactured	0-2	100	41.2%
	3+	143	58.8%
	Total	243	100%

*SF Detached <800 Sq. Ft. was not included because there are no bedroom count subcategories

Source: 2005-2007 ACS PUMS data for PUMA 2900

However, the same problems were present with data regarding **students** living in units constructed prior to 2004. As shown in Figure A6 and Figure A7 below, a large number of students generated were from units with unknown bedroom counts. This problem is particularly problematic in the Multifamily and Single Family Attached categories.

Figure A6: OCS Student Counts

	Manufactured		Multifamily			Single Family Attached			Single Family Detached					Total
	Known 0-2	Known 3+	Unknown	Known 0-2	Known 3+	Unknown	Known 0-2	Known 3+	Unknown	Known <800 Sq. Ft.	Known 0-3	Known 4	Known 5+	
Unadjusted														
Elementary	580	136	96	4	3	14	5	1	153	23	1,242	319	44	2,620
Middle	231	77	42	2		1	1	1	94	7	669	177	38	1,340
High	253	107	35	1	1	2	5	1	123	8	993	235	49	1,813
Total	1,064	320	173	7	4	17	11	3	370	38	2,904	731	131	5,773

Figure A7: CHCCS Schools Student Counts

	Manufactured		Multifamily			Single Family Attached			Single Family Detached					Total
	Known 0-2	Known 3+	Unknown	Known 0-2	Known 3+	Unknown	Known 0-2	Known 3+	Unknown	Known <800 Sq. Ft.	Known 0-3	Known 4	Known 5+	
Unadjusted														
Elementary	88	3	719	465	37	19	151	58	112	12	1,308	1,176	348	4,496
Middle	44	2	269	167	16	9	65	26	62	9	701	745	216	2,331
High	42	5	300	228	26	15	75	40	77	3	923	1,078	378	3,190
Total	174	10	1,288	860	79	43	291	124	251	24	2,932	2,999	942	10,017

After testing various strategies to accurately allocate students in units with unknown bedroom counts, TischlerBise, in consultation with the County, determined there was insufficient data to include the entire housing stock. Therefore, TischlerBise, in consultation with County staff, recommends using local data on recently built units (with bedroom counts) and geocoded students data for Multifamily and Single Family Attached rates. This solution avoids a skewed student-to-units ratio that might have resulted from an inaccurate allocation of students from units with unknown bedroom counts.

For Single Family Detached, Single Family Detached <800 Sq. Ft., and Manufactured Homes, students in units with unknown bedroom counts reflect less than 10 percent of the total. Therefore, pre-2004 and 2004-2013 data were combined to derive the student generation rates. For Single Family Detached, students from unknown units were allocated based upon the breakdown of students generated from units with known bedroom counts, as shown in Figure A8 and Figure A9.

For instance, for OCS, a portion of the 153 elementary-level students in unknown bedroom count single family detached units (see Figure A7) are placed in the 0-3 bedroom category by calculating percentage of known students in the category out of all the known students living in single family detached homes (77.1 percent, or $2,904 / [2,904 + 731 + 131]$). Therefore, 118 students ($77.1\% \times 153$) are added to the known 0-3 bedroom category (1,242 students) to yield a combined known and unknown student count of 1,360 elementary students.

Figure A8: OCS Single Family Detached Units – Unknown Bedroom Count Student Allocation

	Single Family Detached			
	Unknown	Known 0-3	Known 4	Known 5+
Unadjusted				
Elementary	153	1,242	319	44
Middle	94	669	177	38
High	123	993	235	49
Total	370	2,904	731	131
		77.1%	19.4%	3.5%
Adjusted		Known + Unknown		
Elementary		1,360	349	49
Middle		741	195	41
High		1,088	259	53
Total		3,189	803	144

Figure A9: CHCCS Single Family Detached Units – Unknown Bedroom Count Student Allocation

Unadjusted	Single Family Detached			
	Unknown	Known 0-3	Known 4	Known 5+
Elementary	112	1,308	1,176	348
Middle	62	701	745	216
High	77	923	1,078	378
Total	251	2,932	2,999	942
		42.5%	43.5%	13.7%
Adjusted		Known + Unknown		
Elementary		1,356	1,225	363
Middle		727	772	224
High		956	1,111	389
Total		3,039	3,108	976

STUDENT GENERATION RATES

The 2013-2014 student generation rates for OCS and CHCCS are shown below in Figures A10 and A11, respectively. Rates are provided for each of the five housing unit types used in the impact fee analysis for each level of school facility: (1) Elementary; (2) Middle; and (3) High. For Single Family Detached homes, separate rates are included for 0-2 bedroom, 3 bedroom, and 4+ bedroom units. For Single Family Attached and Multifamily units, separate rates are provided for 0-2 bedroom and 3+ bedroom units. Rates for Single Family Detached <800 Sq. Ft. Units and Manufactured homes are not segmented by bedroom count given the smaller square footage of these types of units.

Additionally, student generation rates are adjusted for the presence of age-restricted developments, as noted in the figure footnotes. A separate rate schedule for age-restricted developments is currently under consideration.

Figure A10. OCS Student Generation Rates

Type of Unit	School Level			Total
	Elementary (PK-5)	Middle (6-8)	High (9-12)	
Single Family Detached				
0-3 Bedrooms	0.166	0.088	0.125	0.379
4+ Bedrooms	0.126	0.069	0.087	0.283
Total	0.152	0.081	0.112	0.346
Single Family Detached (< 800 Sq. Ft.)	0.066	0.020	0.023	0.108
Single Family Attached				
0-2 Bedrooms	0.059	0.029	0.029	0.118
3+ Bedrooms	0.065	0.047	0.060	0.172
Total	0.064	0.045	0.056	0.165
Multifamily				
0-2 Bedrooms	0.033	0.017	0.033	0.083
3+ Bedrooms	0.383	0.128	0.162	0.673
Total	0.088	0.035	0.053	0.176
Manufactured	0.136	0.057	0.068	0.262

Housing Type	Category	Unit Count	Students	SGR
Single Family Detached [1][2]	0-3 Bedrooms	9,678	3,671	0.379
	Elementary		1,610	0.166
	Middle		847	0.088
	High		1,214	0.125
	4+ Bedrooms	5,204	1,473	0.283
	Elementary		656	0.126
	Middle		362	0.069
	High		455	0.087
	Subtotal	14,882	5,144	0.346
Single Family Detached <800 Sq. Ft. [1]	All Bedroom Counts	351	38	0.108
	Elementary		23	0.066
	Middle		7	0.020
	High		8	0.023
	Subtotal	351	38	0.108
Single Family Attached [3][4]	0-2 Bedrooms	34	4	0.118
	Elementary		2	0.059
	Middle		1	0.029
	High		1	0.029
	3+ Bedrooms	232	40	0.172
	Elementary		15	0.065
	Middle		11	0.047
	High		14	0.060
	Subtotal	266	44	0.165
	0-2 Bedrooms	460	38	0.083
Multifamily [3][4]	Elementary		15	0.033
	Middle		8	0.017
	High		15	0.033
	3+ Bedrooms	86	58	0.673
	Elementary		33	0.383
	Middle		11	0.128
	High		14	0.162
	Subtotal	546	96	0.176
	All Bedroom Count	5,618	1,471	0.262
	Elementary		766	0.136
Manufactured [1]	Middle		321	0.057
	High		384	0.068
	Subtotal	5,618	1,471	0.262
All Types	Total	21,663	6,793	0.314

[1] All housing units located in the OCS District

[2] Excludes units built between 2004 and 2013 in Eno Haven, an age-restricted development requiring at least one person over 55

[3] Housing units constructed between 2004 and 2013

[4] Excludes 47 units built between 2004-2013 at Ashbury Crossing, an age restricted development where all permanent occupants must be at least 18 years old. Mix between Single Family Attached and Multifamily is assumed to be 50/50.

Figure A11. CHCCS Student Generation Rates

Type of Unit	School Level			Total
	Elementary (K-5)	Middle (6-8)	High (9-12)	
Single Family Detached				
	0-3 Bedrooms	0.150	0.081	0.104
	4+ Bedrooms	0.258	0.160	0.222
	Total	0.189	0.110	0.147
Single Family Detached (< 800 Sq. Ft.)	0.048	0.036	0.013	0.096
Single Family Attached				
	0-2 Bedrooms	0.158	0.058	0.049
	3+ Bedrooms	0.252	0.082	0.091
	Total	0.224	0.075	0.079
Multifamily				
	0-2 Bedrooms	0.065	0.021	0.029
	3+ Bedrooms	0.236	0.118	0.130
	Total	0.095	0.038	0.047
Manufactured	0.088	0.045	0.046	0.179

Housing Type	Category	Unit Count	Students	SGR
Single Family Detached [1]	0-3 Bedrooms	9,605	3,223	0.336
	Elementary		1,437	0.150
	Middle		782	0.081
	High		1,004	0.104
	4+ Bedrooms	5,440	3,481	0.640
	Elementary		1,405	0.258
	Middle		868	0.160
	High		1,208	0.222
	Subtotal	15,045	6,704	0.446
Single Family Detached <800 Sq. Ft. [1]	All Bedroom Counts	259	25	0.096
	Elementary		12	0.048
	Middle		9	0.036
	High		3	0.013
	Subtotal	259	25	0.096
Single Family Attached [2]	0-2 Bedrooms	225	60	0.265
	Elementary		36	0.158
	Middle		13	0.058
	High		11	0.049
	3+ Bedrooms	537	228	0.425
	Elementary		135	0.252
	Middle		44	0.082
	High		49	0.091
	Subtotal	762	288	0.378
Multifamily [2]	0-2 Bedrooms	755	87	0.115
	Elementary		49	0.065
	Middle		16	0.021
	High		22	0.029
	3+ Bedrooms	161	78	0.485
	Elementary		38	0.236
	Middle		19	0.118
	High		21	0.130
	Subtotal	916	165	0.180
Manufactured [1]	All Bedroom Count	1,069	191	0.179
	Elementary		94	0.088
	Middle		48	0.045
	High		49	0.046
	Subtotal	1,069	191	0.179
All Types	Total	18,051	7,373	0.408

[1] All housing units located in the CHCCS District

[2] Housing units constructed between 2004 and 2013

Additionally, TischlerBise calculated a generation rate for age-restricted units (those units in developments that restrict the number of units with occupants aged under 55 years old) based on data provided by Epcon Communities. This type of community is relatively new to the development landscape in the Raleigh-Durham-Chapel Hill region. Figure A12 shows available data, which yields a student generation rate of 0.019. As these developments reach maturity and other age-restricted communities come to market, TischlerBise recommends updating the student generation rate calculation for age-restricted units.

Figure A12. Age-Restricted Student Generation Rates

Development	Location	Homes	Head of Household <55 y.o.	School Age Children
Courtyards at Culp Arbor	Durham, NC	69	2	0
Courtyards at Cary	Cary, NC	15	0	0
Courtyards at Okelly-Chapel	Cary, NC	22	2	0
Villas at Maple Creek	Westerville, OH	52	2	3
		158	6	3

Student Generation Rate 0.019

PUBLIC SCHOOL STUDENT ENROLLMENT TRENDS AND SAPFO PROJECTIONS

This section provides a summary of historical enrollment trends and projected enrollment growth for each school district.

Orange County Schools

Historical Enrollment

Since the 2005-2006 school year, enrollment in OCS has increased by a total of 806 students with some fluctuation from year to year. Current total membership for the 2015-2016 school year (captured November 13, 2015) is 7,526. Yearly data for the past 10 years as well as the current actual enrollment are shown below in Figure A13 for OCS.

Figure A13. Historical Public School Enrollments: OCS

		2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016 [1]	Annual Growth Rate
Elementary	Membership	3,006	3,072	3,158	3,165	3,211	3,285	3,348	3,403	3,433	3,259	3,318	1.0%
	Increase/ (Decrease)		66	86	7	46	74	63	55	30	(174)	59	
Middle	Membership	1,590	1,580	1,637	1,601	1,665	1,698	1,704	1,684	1,747	1,762	1,739	0.9%
	Increase/ (Decrease)		(10)	57	(36)	64	33	6	(20)	63	15	(23)	
High	Membership	2,124	2,184	2,201	2,242	2,217	2,222	2,283	2,315	2,421	2,502	2,469	1.5%
	Increase/ (Decrease)		60	17	41	(25)	5	61	32	106	81	(33)	
											Net Increase	345	
Total Increase/ (Decrease)			116	160	12	85	112	130	67	199	(78)	3	
Total Membership		6,720	6,836	6,996	7,008	7,093	7,205	7,335	7,402	7,601	7,523	7,526	1.1%
											Total Increase	806	

Source: Orange County, NC Schools Adequate Public Facilities Ordinance, Annual Report, 2015

[1] SAPFO Capture Date Membership, Nov. 13, 2015

Student Enrollment Projections

Enrollment projections for OCS are based on historical actual student growth as part of the County's current Schools Adequate Public Facilities Ordinance (SAPFO) and detailed in the 2015 SAPFO Annual Report. The SAPFO system projects enrollment for two separate functions or activities; capital improvement planning (CIP) and growth management. One projection methodology is used in capital planning and a separate projection system is used to manage the impacts of new unbuilt development.

The SAPFO Certificate of Adequate Public Schools (CAPS) system records new development approvals and determines whether capacity will be available in the prescribed year. If capacity is projected to be available then the development is allowed to proceed; if capacity is not projected to be available, the certificate is not issued until capacity is made available either by changes in enrollment or new capital improvements. This system helps synchronize capital needs and future growth by monitoring historic trends and new growth patterns that may match or exceed past growth. In established, constant growth school districts, the SAPFO CIP system usually adequately reflects future growth.

As shown in Figure A14, current enrollment in OCS is 7,526. By the school year 2025-26, OCS is projected to have a total enrollment of 8,060, a total increase of 10-year increase of 534 students. This represents an average annual growth rate of approximately 0.7% percent. Yearly detail by school level is provided below.

Figure A14. Projected Public School Enrollments: OCS

		2015-2016 [1]	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	Annual Growth Rate
Elementary	Membership	3,318	3,325	3,308	3,319	3,332	3,390	3,430	3,470	3,511	3,551	3,594	
	Increase/ (Decrease)		7	(17)	11	13	58	40	40	41	40	43	0.8%
	Net Increase										276		
Middle	Membership	1,739	1,743	1,776	1,830	1,846	1,790	1,784	1,778	1,817	1,837	1,857	
	Increase/ (Decrease)		4	33	54	16	(56)	(6)	(6)	39	20	20	0.7%
	Net Increase										118		
High	Membership	2,469	2,504	2,539	2,517	2,559	2,604	2,616	2,669	2,635	2,608	2,609	
	Increase/ (Decrease)		35	35	(22)	42	45	12	53	(34)	(27)	1	0.6%
	Net Increase										140		
Net Increase			46	51	43	71	47	46	87	46	33	64	
Total		7,526	7,572	7,623	7,666	7,737	7,784	7,830	7,917	7,963	7,996	8,060	0.7%
Total Increase											534		

[1] SAPFO Capture Date Membership, Nov. 13, 2015

Source: Orange County, NC Schools Adequate Public Facilities Ordinance, Annual Report, 2016 (March Draft)

Chapel Hill-Carrboro City Schools

Historical Enrollment

Since the 2005-2006 school year, enrollment has increased by a total of 1,121 students with some fluctuation from year to year. Current total enrollment for the 2015-2016 school year is 12,086. Yearly data for the past 10 years as well as the current actual enrollment are shown below in Figure A15 for CHCCS.

Figure A15. Historical Public School Enrollments: CHCCS

		2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016 [1]	Annual Growth Rate
Elementary	Enrollment/Membership	4,879	4,980	5,173	5,302	5,219	5,296	5,464	5,543	5,554	5,541	5,501	1.2%
	Increase/(Decrease)		101	193	129	(83)	77	168	79	11	(13)	(40)	
Middle	Enrollment/Membership	2,572	2,592	2,622	2,697	2,708	2,722	2,753	2,785	2,858	2,861	2,884	1.2%
	Increase/(Decrease)		20	30	75	11	14	31	32	73	3	23	
High	Enrollment/Membership	3,514	3,520	3,635	3,630	3,606	3,640	3,714	3,796	3,764	3,730	3,701	0.5%
	Increase/(Decrease)		6	115	(5)	(24)	34	74	82	(32)	(34)	(29)	
Total Increase/(Decrease)			127	338	199	(96)	125	273	193	52	(44)	(46)	
Total Enroll./ Membership		10,965	11,092	11,430	11,629	11,533	11,658	11,931	12,124	12,176	12,132	12,086	1.0%
											Total Increase	1,121	

Source: Orange County, NC Schools Adequate Public Facilities Ordinance, Annual Report, 2015

[1] Official SY15-16 Enrollment

Student Enrollment Projections

Projections are from the SAPFO 2015 Annual Report. The projections are based on historic growth. As shown, current enrollment in CHCCS is 12,086. By the school year 2025-26, CHCCS is projected to have a total enrollment of 13,172. This represents an average annual growth rate of approximately 0.9 percent and a growth of 1,086 students over the ten-year period. Yearly detail by school level is provided in Figure A16 below.

Figure A16. Projected Public School Enrollments: CHCCS

		2015-2016 [1]	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2024-2025	Annual Growth Rate
Elementary	Enrollment/Membership	5,501	5,552	5,584	5,622	5,634	5,699	5,768	5,835	5,902	5,966	6,030	0.9%
	Increase/(Decrease)		51	32	38	12	65	69	67	67	64	64	
Middle	Enrollment/Membership	2,884	2,830	2,854	2,915	2,995	2,996	2,997	2,974	3,006	3,045	3,084	0.7%
	Increase/(Decrease)		(54)	24	61	80	1	1	(23)	32	39	39	
High	Enrollment/Membership	3,701	3,757	3,820	3,842	3,857	3,883	3,917	4,013	4,041	4,045	4,058	0.9%
	Increase/(Decrease)		56	63	22	15	26	34	96	28	4	13	
Net Increase			53	119	121	107	92	104	140	127	107	116	
Total		12,086	12,139	12,258	12,379	12,486	12,578	12,682	12,822	12,949	13,056	13,172	0.9%
											Total Increase	1,086	

[1] Official SY15-16 Enrollment

Source: Orange County, NC Schools Adequate Public Facilities Ordinance, Annual Report, 2016 (March Draft)

HOUSING UNIT PROJECTIONS

Because SAPFO does not account for the portion of enrollment growth driven by new development, TischlerBise undertook its own analysis of potential housing unit growth and resulting student generation from new housing. These projections reflect anticipated growth throughout the county including the Orange County side of the City of Mebane (within the OCS system) and Chapel Hill and Carrboro.

Future housing unit projections were derived for each school system using average annual permitting data from 2004-2013 (detailed in Figures A3 and A4). This recent trend data includes periods before and after the "Great Recession," therefore, it is deemed a reliable predictor of average annual growth and future housing mix. During this time, the OCS District grew by 332 units per year and the CHCCS District grew by an average of 273 units annually. These figures were adjusted to increase by 20% in OCS and 25% in CHCCS based on the large number of approved but unbuilt units in both districts. Therefore, OCS is projected forward at 398 units per year and CHCCS at 341 units per year.

Distribution by type of unit for each district is shown in Figure A17 (single family categories are combined below for the projections). The percentages reflect the share of *new* units constructed, as opposed to percent of total housing stock. In other words, the net increase in units is allocated to each housing unit category according to the percentages shown. These numbers are based on mixes from 2004-2013 permitting data but are adjusted based on knowledge of approved permits currently in the development pipeline. In both cases, staff expect larger numbers of multifamily and single family attached units than in prior years.

As delineated in Figure A17, the County is anticipated to experience residential development growth in both school systems. OCS is projected to increase by 3,980 units and CHCCS by 3,410 units over the next ten years. This totals 7,390 units county-wide, slightly less than the number of units the county was estimated to have added (7,891) between 2000 and 2010 (see Figure A1).

Figure A17. Combined Housing Unit Projections

		Projected										
		Base Yr. 2015	1 2016	2 2017	3 2018	4 2019	5 2020	6 2021	7 2022	8 2023	9 2024	10 2025
HOUSING UNITS	% of											
Orange County Schools	New Units											
Single Family Detached	60.0%	17,904	18,143	18,381	18,620	18,859	19,098	19,337	19,575	19,814	20,053	20,292
Single Family Attached	15.0%	758	817	877	937	997	1,056	1,116	1,176	1,235	1,295	1,355
Multifamily	20.0%	1,229	1,308	1,388	1,467	1,547	1,627	1,706	1,786	1,865	1,945	2,025
Manufactured Homes	5.0%	4,181	4,201	4,221	4,241	4,261	4,280	4,300	4,320	4,340	4,360	4,380
Total		24,071	24,469	24,867	25,265	25,663	26,061	26,459	26,857	27,255	27,653	28,051
Net Increase in Units			398	398	398	398	398	398	398	398	398	398
Total Increase												
Chapel Hill-Carrboro Schools	% of New Units											
Single Family Detached	20.0%	18,846	18,914	18,983	19,051	19,119	19,187	19,255	19,324	19,392	19,460	19,528
Single Family Attached	15.0%	1,544	1,595	1,646	1,698	1,749	1,800	1,851	1,902	1,953	2,005	2,056
Multifamily	65.0%	13,694	13,915	14,137	14,359	14,580	14,802	15,024	15,245	15,467	15,689	15,910
Manufactured Homes	0.0%	513	513	513	513	513	513	513	513	513	513	513
Total		34,597	34,938	35,279	35,620	35,961	36,302	36,643	36,984	37,325	37,666	38,007
Net Increase in Units			341	341	341	341	341	341	341	341	341	341
Total Increase												
Total County												
Total County Housing Units		58,668	59,407	60,146	60,885	61,624	62,363	63,102	63,841	64,580	65,319	66,058
												7,390

Appendix B: Impact Fee Act

Orange County has been granted authority by the State of North Carolina to implement impact fees for schools, the acquisition of land for open space and greenways, capital improvements to public streets, bridges, sidewalks, bikeways, on and off street surface water drainage ditches, pipes, culverts, other drainage facilities, water and sewer facilities and public recreation facilities. The County is pursuing impact fees for schools at this time. A copy of the applicable sections of the Act is provided in this Appendix.

Note: Only Title VI (Orange County Impact Fees) is shown.

GENERAL ASSEMBLY OF NORTH CAROLINA
1987 SESSION

CHAPTER 460
HOUSE BILL 917

AN ACT MAKING SUNDRY AMENDMENTS CONCERNING LOCAL GOVERNMENTS IN
ORANGE AND CHATHAM COUNTIES.

///

TITLE VI. ORANGE COUNTY IMPACT FEES.

Sec. 17. G.S. 153A-331 is amended by identifying the existing provisions as subsection (a) and by adding new subsections to read:

"(b) Impact Fees Authorized.

- (1) Orange County may provide by ordinance for a system of impact fees to be paid by developers to help defray the costs to the County of constructing certain capital improvements, the need for which is created in substantial part by the new development that takes place within the County.
- (2) For purposes of this subsection, the term capital improvements includes the acquisition of land for open space and greenways, capital improvements to public streets, schools, bridges, sidewalks, bikeways, on and off street surface water drainage ditches, pipes, culverts, other drainage facilities, water and sewer facilities and public recreation facilities.
- (3) An ordinance adopted under this subsection may be made applicable to all development that occurs within the County.

(c) Amount of Fees. In establishing the amount of any impact fee, the County shall endeavor to approach the objective of having every development contribute to a capital improvements fund an amount of revenue that bears a reasonable relationship to that development's fair share of the costs of the capital improvements that are needed in part because of that development. In fulfilling this objective, the County shall, among other steps and actions:

- (1) Estimate the total cost of improvements by category (e.g., streets, sidewalks, drainage ways, etc.) that will be needed to provide in a reasonable manner for the public health, safety and welfare of persons residing within the County during a reasonable planning period not to exceed 20 years. The Board of County Commissioners may divide the County into two or more districts and estimate the costs of needed improvements within each district. These estimates shall be periodically reviewed and updated and the planning period used may be changed from time to time.
- (2) Establish a percentage of the total costs of each category of improvement that, in keeping with the objective set forth above, should fairly be borne by those paying the impact fee.
- (3) Establish a formula that fairly and objectively apportions the total costs that are to be borne by those paying impact fees among various types of developments. By way of illustration without limitation:
 - a. In the case of street improvements, the impact fee may be related to the number of trips per day generated by different types of uses according to recognized estimates;

- b. In the case of drainage improvements, the impact fee may be related to the size of a development, the amount of impervious surface the development has, or other factors that bear upon the degree to which a development contributes to the need for drainage improvements made at public expense.
 - (d) Capital Improvements Reserve Funds: Expenditures.
 - (1) Impact fees received by the County shall be deposited in a capital improvements reserve fund or funds established under Chapter 159 of the General Statutes, Article 3, Part 2. Such funds may be expended only on the type of capital improvements for which such impact fees were established, and then only in accordance with the provision of subsection (2) of this section.
 - (2) In order to ensure that impact fees paid by a particular development are expended on capital improvements that benefit that development, the County may establish for each category of capital improvement for which it collects an impact fee at least two geographical districts or zones, and impact fees generated by developments within those districts or zones must be spent on improvements that are located within or that benefit property located within those districts or zones.
 - (e) Credits for Improvements. An impact fee ordinance shall make provision for credits against required fees when a developer installs improvements of a type that generally would be paid for by the County out of a capital reserve account funded by impact fees. The ordinance may spell out the circumstances under which a developer will be allowed to install such improvements and receive such credits.
 - (f) Appeals Procedure. An ordinance authorizing impact fees as provided herein may provide that any person aggrieved by a decision regarding an impact fee may appeal to the Orange County Board of Adjustment. If the ordinance establishes an appeals procedure, it shall spell out the time within which the appeal must be taken to the board of adjustment, the possible grounds for an appeal and the board's authority in the matter, whether the fee must be paid prior to resolution of the appeal, and other procedural or substantive matters related to appeals. Any decision by the board of adjustment shall be subject to review by the superior court by proceedings in the nature of **certiorari** in the same manner as is provided in G.S. 153A-345.
 - (g) Payment of Impact Fees. An ordinance authorizing impact fees as herein provided shall spell out when in the process of development approval and construction impact fees shall be paid and by whom. By way of illustration without limitation, the ordinance may provide that an applicant for a building permit shall submit the impact fee along with the permit application and that building permits shall not be issued until the impact fee has been paid.
 - (h) Refunds. If this section or any ordinance adopted thereunder is declared to be unconstitutional or otherwise invalid, then any impact fees collected shall be refunded to the person paying them together with interest at the rate established under G.S. 105-241.1, being the same rate paid by the Secretary of Revenue on refunds for tax overpayments.
 - (i) Limitations on Actions.
 - (1) Any action contesting the validity of an ordinance adopted as herein provided must be commenced not later than nine months after the effective date of such ordinance.
 - (2) Any action seeking to recover an impact fee must be commenced not later than nine months after the impact fee is paid."
- Sec. 17.1. Section 17 of this act shall apply only to Orange County, and applies only within the planning jurisdiction of Orange County.
- Sec. 18. G.S. 153A-340 is amended by identifying the existing provisions as subsection (a) and by adding new subsections to read:
- "(b) Impact Fees Authorized.
- (1) Orange County may provide by ordinance for a system of impact fees to be paid by developers to help defray the costs to the County of constructing certain capital

improvements, the need for which is created in substantial part by the new development that takes place within the County.

- (2) For purposes of this subsection, the term capital improvements includes the acquisition of land for open space and greenways, capital improvements to public streets, schools, bridges, sidewalks, bikeways, on and off street surface water drainage ditches, pipes, culverts, other drainage facilities, water and sewer facilities and public recreation facilities.
- (3) An ordinance adopted under this subsection may be made applicable to all development that occurs within the County.

(c) **Amount of Fees.** In establishing the amount of any impact fee, the County shall endeavor to approach the objective of having every development contribute to a capital improvements fund an amount of revenue that bears a reasonable relationship to that development's fair share of the costs of the capital improvements that are needed in part because of that development. In fulfilling this objective, the County shall, among other steps and actions:

- (1) Estimate the total cost of improvements by category (e.g., streets, sidewalks, drainage ways, etc.) that will be needed to provide in a reasonable manner for the public health, safety and welfare of persons residing within the County during a reasonable planning period not to exceed 20 years. The Board of County Commissioners may divide the County into two or more districts and estimate the costs of needed improvements within each district. These estimates shall be periodically reviewed and updated and the planning period used may be changed from time to time.
- (2) Establish a percentage of the total costs of each category of improvement that, in keeping with the objective set forth above, should fairly be borne by those paying the impact fee.
- (3) Establish a formula that fairly and objectively apportions the total costs that are to be borne by those paying impact fees among various types of developments. By way of illustration without limitation:
 - a. In the case of street improvements, the impact fee may be related to the number of trips per day generated by different types of uses according to recognized estimates;
 - b. In the case of drainage improvements, the impact fee may be related to the size of a development, the amount of impervious surface the development has, or other factors that bear upon the degree to which a development contributes to the need for drainage improvements made at public expense.

(d) **Capital Improvements Reserve Funds: Expenditures.**

- (1) Impact fees received by the County shall be deposited in a capital improvements reserve fund or funds established under Chapter 159 of the General Statutes, Article 3, Part 2. Such funds may be expended only on the type of capital improvements for which such impact fees were established, and then only in accordance with the provision of subsection (2) of this section.
- (2) In order to ensure that impact fees paid by a particular development are expended on capital improvements that benefit that development, the County may establish for each category of capital improvement for which it collects an impact fee at least two geographical districts or zones, and impact fees generated by developments within those districts or zones must be spent on improvements that are located within or that benefit property located within those districts or zones.

(e) **Credits for Improvements.** An impact fee ordinance shall make provision for credits against required fees when a developer installs improvements of a type that generally would be paid for by the County out of a capital reserve account funded by impact fees. The ordinance may spell out the

circumstances under which a developer will be allowed to install such improvements and receive such credits.

(f) Appeals Procedure. An ordinance authorizing impact fees as provided herein may provide that any person aggrieved by a decision regarding an impact fee may appeal to the Orange County Board of Adjustment. If the ordinance establishes an appeals procedure, it shall spell out the time within which the appeal must be taken to the board of adjustment, the possible grounds for an appeal and the board's authority in the matter, whether the fee must be paid prior to resolution of the appeal, and other procedural or substantive matters related to appeals. Any decision by the board of adjustment shall be subject to review by the superior court by proceedings in the nature of **certiorari** in the same manner as is provided in G.S. 153A-345.

(g) Payment of Impact Fees. An ordinance authorizing impact fees as herein provided shall spell out when in the process of development approval and construction impact fees shall be paid and by whom. By way of illustration without limitation, the ordinance may provide that an applicant for a building permit shall submit the impact fee along with the permit application and that building permits shall not be issued until the impact fee has been paid.

(h) Refunds. If this section or any ordinance adopted thereunder is declared to be unconstitutional or otherwise invalid, then any impact fees collected shall be refunded to the person paying them together with interest at the rate established under G.S. 105-241.1, being the same rate paid by the Secretary of Revenue on refunds for tax overpayments.

(i) Limitations on Actions.

- (1) Any action contesting the validity of an ordinance adopted as herein provided must be commenced not later than nine months after the effective date of such ordinance.
- (2) Any action seeking to recover an impact fee must be commenced not later than nine months after the impact fee is paid."

Sec. 18.1. Section 18 of this act shall apply only to Orange County, and applies only within the planning jurisdiction of Orange County.

In the General Assembly read three times and ratified this the 23rd day of June, 1987.

Appendix C: Housing Unit Types

For the purposes of school impact fee analysis and calculations, the following housing type categories were used. A brief description of each housing category is provided.

Single Family Detached: a detached building located on a single lot containing one dwelling unit. In situations where an accessory dwelling unit (i.e., a “mother-in-law suite” or “granny flat”) is located on the same lot, the principal dwelling is categorized as a Single Family Detached dwelling.

Examples of single family detached dwellings are site-built houses and modular houses.

Single Family Attached: a group of dwelling units which share a common floor-to-ceiling wall or share the wall of an attached garage or porch with an adjacent dwelling and in which all units have a ground-floor living space. Units are individually owned or intended to be individually owned after initial sales are complete.

Examples of single family attached dwellings are duplexes, triplexes, townhouses, row houses, and condominiums in which all units have a ground-floor living space.

Multifamily: a group of dwelling units which share a common floor-to-ceiling wall with an adjacent dwelling. All units may not have a ground-floor living space. Units may be individually owned (as is the case with condominiums) or may be owned by one entity and rented/leased to tenants. Also included in this category are dwelling units located above ground-floor non-residential (i.e., retail or office) uses. In situations where an accessory dwelling unit (i.e., a mother-in-law suite, granny flat, or efficiency apartment) is located on the same lot as a principal dwelling, the accessory dwelling unit is categorized as a multifamily dwelling provided the accessory dwelling unit is categorized as such by the local zoning code (i.e., less than 750-800 square feet, depending on the specifics of the local code).

Examples of multifamily dwellings include apartments, condominiums in a multi-story building in which all units do not have a ground-floor living space, mother-in-law suites and granny flats located on a lot containing a separate principal dwelling, and dwellings located above non-residential uses.

Manufactured home: a dwelling built in a factory in accordance with the federal Manufactured Home Construction and Safety Standards, commonly referred to as the 'HUD' Code.

Examples of manufactured homes are single-wide, double-wide, and triple-wide “mobile” homes.

Age Restricted Unit: A dwelling, regardless of type (detached, attached, multi-family, etc.), located in a development that restricts the number of units with occupants aged under 55 years old and whereby the age restriction is achieved by deed restrictions, homeowners association documents, and/or restrictive covenants.

Chapel Hill - Carrboro City Schools

						Current Fee (adopted at 60% of 2007 MSIF)	% Change - Current Fee vs. 60% of MSIF
Single Family Detached							
	MSIF	90% MSIF	80% MSIF	70% MSIF	60% MSIF		
	0-3 BR	\$13,114	\$11,803	\$10,491	\$9,180	\$7,868	-31.1%
	4+ BR	\$25,139	\$22,625	\$20,111	\$17,597	\$15,083	32.0%
	Average	\$17,492	\$15,743	\$13,994	\$12,244	\$10,495	-8.1%
						\$11,423	
Single Family Detached <800 sq. ft.							
		\$3,848	\$3,463	\$3,078	\$2,694	\$2,309	-79.8%
Single Family Attached							
	0-2 BR	\$10,266	\$9,239	\$8,213	\$7,186	\$6,160	-6.8%
	3+ BR	\$16,414	\$14,773	\$13,131	\$11,490	\$9,848	49.0%
	Average	\$14,608	\$13,147	\$11,686	\$10,226	\$8,765	32.6%
						\$6,610	
Multifamily							
	0-2 BR	\$4,441	\$3,997	\$3,553	\$3,109	\$2,665	107.2%
	3+ BR	\$18,914	\$17,023	\$15,131	\$13,240	\$11,348	782.5%
	Average	\$6,990	\$6,291	\$5,592	\$4,893	\$4,194	226.1%
						\$1,286	
Manufactured Home							
		\$6,999	\$6,299	\$5,599	\$4,899	\$4,199	-15.0%
						\$4,939	
Age Restricted Unit							
		\$756	\$680	\$605	\$529	\$454	N/A - assessed by housing type
							N/A

Orange County Schools

						Current Fee (adopted at 60% of 2007 MSIF)	% Change - Current Fee vs. 60% of MSIF
Single Family Detached							
	MSIF	90% MSIF	80% MSIF	70% MSIF	60% MSIF		
	0-3 BR	\$12,044	\$10,840	\$9,635	\$8,431	\$7,226	28.5%
	4+ BR	\$8,952	\$8,057	\$7,162	\$6,266	\$5,371	-4.5%
	Average	\$10,959	\$9,863	\$8,767	\$7,671	\$6,575	16.9%
						\$5,623	
Single Family Detached <800 sq. ft.							
		\$3,317	\$2,985	\$2,654	\$2,322	\$1,990	-64.6%
Single Family Attached							
	0-2 BR	\$3,665	\$3,299	\$2,932	\$2,566	\$2,199	26.2%
	3+ BR	\$5,558	\$5,002	\$4,446	\$3,891	\$3,335	91.3%
	Average	\$5,319	\$4,787	\$4,255	\$3,723	\$3,191	83.1%
						\$1,743	
Multifamily							
	0-2 BR	\$2,656	\$2,390	\$2,125	\$1,859	\$1,594	-8.6%
	3+ BR	\$20,677	\$18,609	\$16,542	\$14,474	\$12,406	611.8%
	Average	\$5,498	\$4,948	\$4,398	\$3,849	\$3,299	89.3%
						\$1,743	
Manufactured Home							
		\$8,127	\$7,314	\$6,502	\$5,689	\$4,876	82.1%
						\$2,678	
Age Restricted Unit							
		\$623	\$561	\$498	\$436	\$374	N/A - assessed by housing type
							N/A



Town of Carrboro

Town Hall
301 W. Main St.
Carrboro, NC 27510

Agenda Item Abstract

File Number:16-311

Agenda Date: 10/25/2016

File Type:Agendas

In Control: Board of Aldermen

Version: 1

TITLE:

Discussion of Possible Establishment of a Stormwater Utility Enterprise Fund

PURPOSE: The purpose of this item is for the Board to discuss the possibility of establishing a stormwater utility enterprise fund to assist in expanding stormwater management services.

DEPARTMENT: Manager's Office, Public Works Department, Planning, Zoning and Inspections Department

CONTACT INFORMATION: Nate Broman-Fulks: nbroman-fulks@townofcarrboro.org
<<mailto:nbroman-fulks@townofcarrboro.org>>, Patricia McGuire: pmcguire@townofcarrboro.org
<<mailto:pmcguire@townofcarrboro.org>>, Randy Dodd: rdodd@townofcarrboro.org
<<mailto:rdodd@townofcarrboro.org>>, JD Freeman: jfreeman@townofcarrboro.org
<<mailto:jfreeman@townofcarrboro.org>>.

INFORMATION: The Town has been analyzing different approaches to address stormwater challenges we are faced with today and into the future. This agenda item is presenting the option of establishing a stormwater utility enterprise fund. Establishing such a fund would allow the Town to increase and improve stormwater management efforts.

The report in Attachment A describes current stormwater management practices and outlines a potential enterprise fund, the services that could be provided through the creation of a stormwater utility enterprise fund, other important factors to be considered, and a potential plan for implementation.

The Town has decades of experience with stormwater management during which its land area has grown from less than one square mile to over six square miles and its population has increased from a few thousand residents to over twenty thousand. Significant portions of the land around the tributaries that flow into Bolin and Morgan creeks are largely developed. The Town has set high standards for development and level of service and maintains a strong commitment to environmental stewardship. Increased state and federal regulatory demands, increasingly complex stormwater management systems, and recent and projected variable and unpredictable storm events, however, compel consideration of this new approach.

Improved stormwater management service delivery is needed to respond more quickly to concerns in neighborhoods like Old Pittsboro Road, Webbwood, and Plantation Acres, to evaluate conditions and identify responses. Changes to the Town's role in management of stormwater structures in newer neighborhoods where

homeowners' association bear significant responsibility for inspections and maintenance of stormwater devices are also being considered. Information gathered during the neighborhood walkabout in the Tom's Creek area identified problems that range from inspections, maintenance, and capacity of existing public and private infrastructure (i.e. ditches and culverts associated with streets, detention pond at Lloyd Square) to property-to-property runoff that has been exacerbated by infill development. Quick follow-up on comments received in interviews resulted in repairs to a detention pond and significant reduction in stormwater flows to Tom's Creek. Other action has included examination of culverts and clean-up, inspections of CHCCS infrastructure and communication with facilities management staff, active monitoring of systems during storm events and detailed analysis of the potential implications relating to the Lloyd Farms requested rezoning. Administration of the Department of Public Safety/FEMA grants for acquisition and elevation of properties in the area has also been underway. These actions fall within the normal workload of staff in various departments and prioritization for follow-up is necessitated by the level of demand for services from all areas of town, deadlines associated with project management, and other circumstances. There is clearly much more that can be done. An enterprise funded utility for stormwater management would involve concentrating and coordinating existing efforts and adding new resources and services. Among those could be detailed capacity analysis for locations where stormwater could be detained for volume control or water quality enhancement - as part of improvements to existing ditches or other new structures. Such an undertaking would involve increasing the scope of baseline information on impervious surface, discharge locations, and patterns of overland flow within the drainage area. Management options for private property, as well as programs or incentives for owners to participate in larger solutions could also be included in a utility framework. There are numerous examples throughout the nation and nearby to inform any steps the Town contemplates taking in this regard.

FISCAL & STAFF IMPACT: The process of establishing an enterprise fund has a nominal fiscal impact. If a fund is created, it would allow for a dedicated source of funding to pay for stormwater management and related infrastructure investments. It is anticipated that a new position of Stormwater Utility Manager would be created in the upcoming fiscal year with any fiscal impact to be described at that time.

RECOMMENDATION: Staff recommends the Board discuss the option of establishing a stormwater utility enterprise fund.



Discussion of Possible Establishment of Stormwater Utility Enterprise Fund

Staff Report, Oct. 25th, 2016

Current Stormwater Management Practices

Carrboro has and continues to implement stormwater management activities to remain a leader in environmental stewardship, comply with state and federal regulations on water quality and quantity, and respond to resident needs. Carrboro's Vision 2020 states *"Carrboro should be proactive in managing its stormwater, promoting active maintenance of facilities, reducing impacts of increased impervious surface, and minimizing impacts on waterways"*.

Weather patterns vary over time. A period with more intense storm events occurred in the late 1990s, followed by two significant periods of drought in the early 2000s. More recently, intense storms have been on the rise and citizens have requested action from the Town due to impacts on residences and public infrastructure. In addition, state and federal mandates have required new and increased levels of stormwater management.

The two principal regulatory drivers for stormwater management are the Town's National Pollutant Discharge Elimination System (NPDES) Phase II permit and requirements under the Jordan Lake Rules. The Town's NPDES permit is scheduled to be reissued by the State in late 2016. A draft of the permit indicates there will likely be additional water quality requirements placed on the Town. The Jordan Lake requirements stem from the lake's classification as an impaired water body due to high levels of chlorophyll A and alkalinity. Actions to address the nutrient problems can be traced back to the North Carolina Environmental Management Commission designating the reservoir as Nutrient Sensitive Water the year of its impoundment (1983) and imposing phosphorus limits on wastewater dischargers. From 1997-2009, a progression of studies, stakeholder processes, and actions concluded that water quality standards were not being met in Jordan Lake. This finding resulted in statutes and regulations being put in place and requirements of the federal Clean Water Act being set in motion. The North Carolina General Assembly has delayed implementation of the new regulations, however, this delay does not supersede the federally recognized impairment. Cleaning up Jordan Lake is a federal mandate; a "no action" option does not exist when looking beyond a one- to two- year planning horizon. Studies pursued as part of the Town's Capital Improvement Program and mandatory reporting requirements to the State indicate that complying with the Jordan Lake Rules will be a multimillion dollar undertaking for Carrboro, with a preliminary estimate of about \$4M needed over the next decade.

Carrboro has seen an increase in the effect storms are having on existing properties and infrastructure in town. The primary method to control stormwater discharge for existing developments is through the use of stormwater control measures. These include construction of new stormwater management infrastructure and upgrades to existing infrastructure.



The Town's current stormwater responsibilities and activities act on behalf of the community's environmental values, react to state and federal requirements, and respond to residents' needs. The need for stormwater management activities has increased to respond to these values, requirements, and needs. The current funding source for these activities comes from existing staffing levels and departmental functions funded through the General Fund and, therefore, can fluctuate based on competing projects as well as be subject to economic downturns. Establishing a stormwater utility enterprise fund would allow for an effective and dedicated source of funding to pay for stormwater management and related infrastructure investments.

Description of an Enterprise Fund

An enterprise fund establishes a separate accounting and financial reporting mechanism for municipal services. Under enterprise accounting, the revenues and expenses of a service are placed into a separate fund, rather than commingled with all other government activities. Establishing an enterprise fund for stormwater activities would allow for a designated amount of resources to be allocated for stormwater management consistently, rather than competing for general fund dollars, as it currently does.

An enterprise fund typically generates revenues through fees or taxes for service. These revenues would fund the operation, construction, and maintenance of stormwater management devices, and for stormwater system planning and management. By creating an enterprise fund the town will be able to better maintain compliance with the Clean Water Act and the Jordan Lake rules, and give the Town increased ability to respond to resident needs. It is planned that the fund will initially be allocated resources through the General Fund, with the plan to make the fund sustainable in the future through a stormwater utility fee or an earmarked one-half cent or one cent property tax rate increase.

Possible Services Provided Through the Fund

Below is a list of existing and new services that the Town of Carrboro could manage and coordinate under a stormwater utility enterprise fund structure:

A. Public Participation, Outreach, Education

1. Maintain and promote "library" of resource materials related to stormwater management, floodplain management, drainage, pollution.
2. Coordinate with neighboring jurisdictions on community messaging and promotion at community events
3. Staff advisory board(s).

B. Technical Services

1. Provide technical assistance concerning stormwater management practices, sediment and erosion control, and floodplain issues.
2. Manage service tiers and implement public/private stormwater improvements



3. Manage or coordinate instream water quality sampling activities.
4. Inspect stormwater facilities; coordinate inspection of private facilities.
5. Manage or coordinate stream repair and restoration and stormwater retrofits
6. Implement an illicit discharge detection and elimination program
7. Conduct field investigations to classify streams/delineate buffers.

C. Planning Services

1. Review proposed development in relation to streams, storms, floodplains, buffers.
2. Assist with buffer and stormwater management enforcement activities.
3. Review and recommend amendments to Town regulations and policies.
4. Maintain and coordinate floodplain management including accurate floodplain mapping, map revisions/amendments and investigations.
5. Maintain accurate mapping of stormwater features

D. Public Infrastructure

1. Maintain and repair stormwater system infrastructure.
2. Sweep streets routinely to remove pollutants and debris.

E. Management and Administration

1. National Pollutant Discharge Elimination System (NPDES) municipal stormwater permits compliance requirements.
2. Stormwater Management Program and Plan updates and implementation
3. Compliance with other requirements or plans (e.g. Jordan Lake Rules, Bolin Creek Watershed Restoration Plan)
4. Stormwater fee billing
5. Capital improvements project (CIP) identification, prioritization, and scheduling.
6. Grants management (e.g. applications and management for funds to assist with drainage and water quality improvement projects and stream bank stabilization projects, FEMA hazard mitigation funds).
7. Professional services and construction contracts administration.

Service Delivery Options

If a stormwater utility fund is pursued, there will be certain decision points in the future on how a stormwater utility should be structured and operated. It is anticipated that hiring a Stormwater Utility Manager will be necessary to not only assist staff and the Board in making these decisions, but also managing the day to day operations and service implementation. Some factors that will need to be considered in the future are:

1. Revenue generation:
 - a. Anticipated to be a stormwater utility fee or an earmarked property tax rate increase
 - i. If it is a fee, how the fee will be assessed
2. Billing and collection methods and administration
 - a. Perform collections as part of town functions



- b. Potential partnering with the county or other entity
- 3. Service prioritization and implementation

Implementation of the Fund

Town staff has a proposed implementation plan, should the Board of Aldermen choose to pursue implementation of a stormwater utility enterprise fund. Below is a timeline laying out the steps that would be taken to implement the fund.

Timeline of Creating Fund

- a. Year 0 – November 2016 – June 30, 2017
 - i. Amend Town Code to include the Stormwater Utility
 - ii. Setup the fund in the budget for fiscal year 2017-18
 - iii. Advertise and hire Stormwater Utility Manager. This is a new employee position for the Town.
- b. Year 1 – July 2017 – June 30, 2018
 - i. Fund is created and implemented in the budget
 - ii. Current stormwater management activities are implemented into fund
 - iii. Present service delivery management and funding structure options to the Board of Aldermen
- c. Year 2 – July 2018
 - i. Implement permanent funding structure
 - ii. Implement permanent service delivery management method
 - iii. Increase stormwater management activities as new funding source is available



Town of Carrboro

Town Hall
301 W. Main St.
Carrboro, NC 27510

Agenda Item Abstract

File Number:16-317

Agenda Date: 10/25/2016

File Type:Agendas

In Control: Board of Aldermen

Version: 1

TITLE:

An Update on Carrboro's Parking Plan

PURPOSE: The purpose of this agenda item is for the Board of Aldermen to receive an update on the progress of the Town's Parking Plan.

DEPARTMENT: Planning

CONTACT INFORMATION: Patricia McGuire, 919-918-7327, pmcguire@townofcarrboro.org; Christina Moon, 919-918-7325, cmoon@townofcarrboro.org; Bergen Watterson, 919-918-7329, bwatterson@townofcarrboro.org

INFORMATION: In November 2015 the Town entered into a contract with VHB, a transportation planning firm in Raleigh, to undertake a parking study and prepare a parking plan. Since reporting to the Board in June 2016, VHB's efforts have focused on analysis, report preparation and meetings with business owners. The list below describes activities and the current schedule for project completion.

Activities Completed

- **July 2016**-VHB generated estimates for future parking demand using existing data and future development projects and land uses
- **August-September 2016**-VHB produced technical memos for the following:
 - Bicycle Parking Recommendations
 - Park & Ride Locations
 - Park & Ride Analysis
 - Loading Zone Utilization
 - Land Use Ordinance
- **August 16 & August 24, 2016**-VHB conducted stakeholder meetings with local business owners

Agenda Date: 10/25/2016

File Type:Agendas

In Control: Board of Aldermen

Version: 1

- **August 26, 2016**-Online survey closed with 602 respondents; VHB produced a memo and summary of results
- **September 2016**-VHB analyzed parking occupancy and turnover at six lots in Chapel Hill that are closest to Carrboro
- **September 14, 2016**-VHB sent a draft of the Introduction, Public Outreach and Existing Conditions sections for staff review
- **October 13, 2016**-VHB sent a draft for staff review

Next Steps

- Staff will complete review of the draft
- VHB will present draft to Board of Aldermen on November 15, 2016

FISCAL & STAFF IMPACT: There is no fiscal impact associated with receiving this information.

RECOMMENDATION: Town staff recommends that the Board of Aldermen receive the status report.



Town of Carrboro

Town Hall
301 W. Main St.
Carrboro, NC 27510

Agenda Item Abstract

File Number:16-320

Agenda Date: 10/25/2016

File Type:Agendas

In Control: Board of Aldermen

Version: 1

TITLE:

Request to Approve a Resolution Authorizing the Town Manager to Enter into a Memorandum of Understanding (MOU) and to Create Amendments as Needed between the Town of Carrboro and the Chapel Hill Carrboro City Schools for Fiber Optic Infrastructure Facilities Sharing and/or Exchange

PURPOSE: The purpose of the MOU and Amendments is to allow the Town of Carrboro and the Chapel Hill Carrboro City Schools to interconnect portions of their respective existing fiber optic cable plant to facilitate network path redundancy and diversity, network access to Town of Carrboro staffed offices within CHCCS, fiber optic infrastructure planning, engineering and administration expertise sharing and many other benefits.

DEPARTMENT: IT

CONTACT INFORMATION: Andy Vogel, 919-918-7305

INFORMATION: The Town of Carrboro and the Chapel Hill Carrboro City Schools jointly desire to formally recognize and maintain a mutually beneficial and collaborative environment surrounding the planning, engineering, deployment, documentation and maintenance of their respective fiber optic infrastructure resources.

The Town of Carrboro and the Chapel Hill Carrboro City Schools each utilize significant fiber optic infrastructure assets to interconnect their respective facilities, buildings and other interests. The Town of Carrboro and the Chapel Hill Carrboro City Schools acknowledge that each entity would be able to enhance the scope, route diversity, redundancy and overall reliability of such connectivity through a structured and detailed process whereby the Town and School System equitably, and by mutually beneficial means, share and/or exchange specific elements of their respective fiber cable plants. Therefore, it is the purpose of the MOU to establish the terms and conditions for the Town and School System to equitably share and/or exchange defined elements of their respective (a.) fiber optic infrastructure systems, (b.) fiber optic infrastructure strategic planning, and (c.) fiber optic infrastructure engineering and administration expertise. The initial term of the MOU is for ten years and will be automatically extended for up to two additional five year terms with the ability to modify or terminate the agreement with notice. Amendments to the MOU will be created, as needed, to document and describe each instance of sharing or exchanging of fiber optic infrastructure resources.

The Town of Carrboro and the Chapel Hill Carrboro City Schools will have no ownership rights to the other

Agenda Date: 10/25/2016

File Type:Agendas

In Control: Board of Aldermen

Version: 1

organization's fiber optic infrastructure under this MOU or Amendments. Sharing and/or exchanging of fiber optic infrastructure, created under specific amendments, will be quid pro quo at no cost to either organization other than possible nominal splicing fees. Finally, the Town of Carrboro and the Chapel Hill Carrboro City Schools will use each other's fiber optic infrastructure only for network interconnections among their respective Town or School System owned buildings, facilities and assets to provide the benefits previously listed. No other uses are permitted unless previously authorized by mutual consent and agreement of the Town of Carrboro and the Chapel Hill Carrboro City Schools. The Memorandum of Understanding between the Town of Carrboro and the Chapel Hill Carrboro City Schools is Attachment A.

FISCAL & STAFF IMPACT: NONE

RECOMMENDATION: Staff recommend that the Board adopt the resolution in Attachment B.

MEMORANDUM OF UNDERSTANDING

Between

Chapel Hill-Carrboro City Schools

And

Town of Carrboro

For

FIBER OPTICAL INFRASTRUCTURE

FACILITIES EXCHANGE

This FIBER OPTICAL INFRASTRUCTURE FACILITIES EXCHANGE MEMORANDUM OF UNDERSTANDING, henceforth referred to as “MOU”, is made between:

The Town of Carrboro, henceforth referred to as the “TOWN”

And

The Chapel Hill-Carrboro City Schools, henceforth referred to as the “CHCCS”.

1. PURPOSE

TOWN and CHCCS each utilize significant FIBER OPTICAL INFRASTRUCTURE assets to interconnect their respective facilities, buildings and other interests. The two Parties acknowledge that each entity would be able to enhance the scope, route diversity, redundancy and overall reliability of such connectivity through a structured and detailed process whereby the two Parties equitably, and by mutually beneficial means, share and/or exchange specific elements of their respective fiber cable plants. Therefore, it is the purpose of this MOU to establish the terms and conditions for the Parties to equitably share and/or exchange defined elements of their respective (a.) fiber optic infrastructure systems, (b.) fiber optic infrastructure strategic planning, and (c.) fiber optic infrastructure engineering and administration expertise.

FIBER OPTICAL INFRASTRUCTURE shall henceforth be referred to as “INFRASTRUCTURE”.

2. BACKGROUND

The TOWN has successfully deployed certain INFRASTRUCTURE assets inside the corporate limits of the Town of Carrboro for the purpose of optically interconnecting the Town’s various buildings, facilities and other interests. The TOWN wishes to strategically offer limited elements of said assets to CHCCS in exchange (a.) for greater optical connectivity flexibility and route diversity among the TOWN’s interests, (b.) for network access to TOWN staffed offices within CHCCS, and (c.) for access to CHCCS’s fiber optic engineering, maintenance and administrative experiences and expertise.

CHCCS has successfully deployed certain INFRASTRUCTURE assets for the purpose of optically interconnecting CHCCS’s various buildings, facilities and other interests. CHCCS wishes to strategically offer limited elements of said assets to TOWN in exchange for (a.) greater optical connectivity, flexibility and diversity among CHCCS’s interests, (b.) access to the Microelectronics Center of North Carolina (MCNC) and North Carolina Research and Education Network (NCREN), and (c.) access to TOWN’s fiber optic engineering, maintenance and administrative experiences and expertise.

Additionally, TOWN and CHCCS jointly wish to formally recognize and maintain a mutually beneficial and collaborative environment surrounding the planning, engineering, deployment, documentation and maintenance of their respective INFRASTRUCTURE resources.

3. EFFECTIVE DATE AND INITIAL TERM

The effective date of this MOU shall be November _____, 2016. The INITIAL TERM of the MOU shall remain in effect for ten (10) years, or until an appropriate modification or termination agreement is reached between TOWN and CHCCS as stipulated in Section 9. – MODIFICATION AND TERMINATION PROCEDURES.

4. EXTENSION OF TERM:

The INITIAL TERM of this MOU shall automatically be extended for up to two (2) additional periods (each a “RENEWAL TERM”) of five (5) years each unless either TOWN or CHCCS terminate the MOU due to an uncured default by the other Party or as otherwise provided in the MOU. In consideration of each Party’s investment, each Party will give the other Party good faith consideration to extending the term of the MOU for an additional period of time after the INITIAL TERM and the RENEWAL TERMS, as may be permissible under then applicable law. The INITIAL TERM as extended by the RENEWAL TERMS is hereinafter referred to as the “TERM.”

5. TERMS AND CONDITIONS

TOWN and CHCCS agree to the following terms and conditions:

- A. INFRASTRUCTURE: For the purposes of this MOU, “INFRASTRUCTURE” is defined as all usual and customary outside plant optical fiber cables, enclosures, splice cases, patch panels, racks, hardware, and pathways both above and below ground.
- B. INTENDED USE OF INFRASTRUCTURE: TOWN hereby grants CHCCS a non-exclusive, cancelable, restricted right to use the INFRASTRUCTURE, as more particularly described in each “AMENDMENT” as attached hereto, solely for the purpose and in accordance with the terms and conditions of this MOU. CHCCS hereby grants TOWN a non-exclusive, cancelable, restricted right to use the INFRASTRUCTURE, as more particularly described in each “AMENDMENT” as attached hereto, solely for the purpose and in accordance with the terms and conditions of this MOU. Each Party shall use the INFRASTRUCTURE only for optical interconnections among their respective buildings, facilities and interests. No other uses are permitted unless previously authorized by mutual consent and agreement and in writing by the Parties. Each Party shall have no ownership rights to the other Party’s INFRASTRUCTURE.
- C. INFRASTRUCTURE AMENDMENTS: The Parties agree that, for each instance of sharing or exchanging INFRASTRUCTURE resources, each such action shall be assigned an “AMENDMENT” number for identification purposes. Each Amendment to this MOU, when executed, shall reference this MOU and incorporate its terms by reference.
- D. INFRASTRUCTURE DOCUMENTATION: The Parties agree that each AMENDMENT or other activity pursued under this MOU will be properly documented and shared between the Parties. The Parties further agree that such documentation may include written or graphical engineering best practices documents in paper or digital format as deemed appropriate. The Parties also agree to maintain and share INFRASTRUCTURE data in industry standard GIS format. Each AMENDMENT will be fully documented and shared between the Parties for planning, deployment, or administrative activity pursued under this MOU. Neither party will

disclose any information it receives about the infrastructure that belongs to the other party without first obtaining permission from the other party.

- E. MAINTENANCE: Each Party will, at its own cost, maintain its INFRASTRUCTURE included in this MOU in the same manner it maintains similar INFRASTRUCTURE outside of this MOU.
- F. INFRASTRUCTURE ALTERATION AND/OR RELOCATION: Each Party shall have the right to alter or relocate any portion of its INFRASTRUCTURE; provided, however, that such alteration or relocation (a) shall be the owning Party's sole cost and expense, (b) shall not result in any material interruption of service provided by the owning Party to the other Party, and (c) shall not result in impairment of the quality of service provided by the owning Party to the other Party following such alteration or relocation. The owning Party may exercise such rights after the Parties have mutually agreed upon a timeframe and location. Owning Party shall cooperate with the other Party in enabling other Party to perform standard maintenance or cutover procedures and shall ensure that the altered or relocated INFRASTRUCTURE is operational before discontinuing existing services.
- G. TERMINATION OF USE: Upon the expiration of the TERM or earlier termination as provided herein, each Party will vacate the other's INFRASTRUCTURE; will disconnect or otherwise remove INFRASTRUCTURE interconnections, apparatus and equipment; will ensure that the INFRASTRUCTURE is safe and in good order and condition (ordinary wear and tear excepted); and will have no further rights to INFRASTRUCTURE.
- H. STRATEGIC PLANNING: TOWN and CHCCS acknowledge the desire and need to work collaboratively to evaluate, plan and deploy INFRASTRUCTURE to meet current and future needs. The Parties shall meet annually, or more frequently as needed, to discuss and share strategic technology initiatives, to seek opportunities for collaboration, and to seek opportunities for joint development of enhanced INFRASTRUCTURE with the goals of avoiding duplication of deployments, promoting standardization of fiber optical infrastructure systems, and incorporating best practices for INFRASTRUCTURE engineering and administration.

6. CONFIDENTIAL INFORMATION:

Each Party receiving Confidential Information ("Recipient") from the other Party ("Discloser") will protect the disclosed Confidential Information by using the same degree of care, but no less than reasonable degree of care, to prevent the unauthorized use, dissemination, or publication of the Confidential Information as Recipient uses to protect its own Confidential Information, subject to the North Carolina Public Records Law.

7. ASSIGNMENT:

This MOU is not assignable. The MOU contains the entire understanding of both Parties as to the subjects covered herein and shall not be altered, amended or modified except by an agreement in writing executed by the duly authorized officials of both Parties.

8. SUPERSESSION

This MOU supersedes any and all previous or current fiber optic infrastructure agreements between the Parties, and any subsequent written or verbal amendments.

9. MODIFICATION AND TERMINATION PROCEDURES

This MOU may be modified through the express written agreement and consent of the Parties. The Party desiring modifications shall submit a written request to the other Party, and the written request shall clearly outline the nature and purpose of the modifications. Upon receipt of the written request for modifications, the other party shall have sixty (60) business days to respond.

This MOU may be terminated by either Party upon delivery of a written notice to the other party stating the desire to terminate the MOU, provided that such notification is delivered at least six (6) months prior to the termination date.

10. ENTIRE UNDERSTANDING

This MOU contains the entire understanding of the parties and shall not be altered, amended or modified except by mutual written agreement executed by authorized representatives of both parties.

11. NOTICES

Any NOTICE or other communication required to be given by this MOU shall be in writing and shall be delivered to the following addresses:

For TOWN:

Information Technology
Town of Carrboro
301 West Main St
Carrboro, NC 27501
Phone: 919-918-7305
Fax: 919-918-4456

For the CHCCS:

Network Operations
Chapel Hill- Carrboro City Schools
750 S Merritt Mill Rd.
Chapel Hill, NC 27516
Phone: 919-967-8211
Fax: 919-918-2502

12. OPERATIONAL POINTS OF CONTACT:

All OPERATIONAL activities executed under this AGREEMENT, including but not limited to collaborative investigations, engineering studies, strategic planning, designing, deployment, maintenance, testing, or decommissioning shall be in writing and shall be delivered to the following addresses:

<p>For the</p> <p>TOWN:</p> <p>Normal hours</p> <p>The Town of Carrboro Information Technologies 301 West Main St. Carrboro, NC 27510 Phone: 919-918-7305</p> <p>After hours and emergencies</p> <p>The Town of Carrboro Help Desk Phone: 919-918-7305 After hours page out service:919-XXX-XXX Emergencies: Dial 911</p>	<p>For the CHCCS:</p> <p>Normal hours</p> <p>Network Operations Chapel Hill-Carrboro City Schools 750 S Merritt Mill Rd. Chapel Hill, NC 27516 IT Support Line: 919-967-8211 x 28333</p> <p>After hours and emergencies</p> <p>Network Operations Information Technology Division 750 S Merritt Mill Rd. Chapel Hill, NC 27516 Director of IT Operations: 919-967-8211 x 28274</p>
---	--

IN WITNESS WHEREOF,
the parties hereto have caused this
MEMORANDUM OF UNDERSTANDING (MOU)
to be executed by their duly authorized representatives:

FOR AND ON BEHALF OF TOWN

By:

Name:

Title:

Date:

FOR AND ON BEHALF OF CHCCS

By:

Name:

Title:

Date:

A RESOLUTION AUTHORIZING THE TOWN MANAGER TO ENTER INTO A MEMORANDUM OF
UNDERSTANDING (MOU) AND TO CREATE AMENDMENTS AS NEEDED BETWEEN THE TOWN OF
CARRBORO AND THE CHAPEL HILL CARRBORO CITY SCHOOLS FOR FIBER OPTIC
INFRASTRUCTURE FACILITIES SHARING AND/OR EXCHANGE

WHEREAS, the Town of Carrboro and the Chapel Hill Carrboro City Schools jointly desire to formally recognize and maintain a mutually beneficial and collaborative environment surrounding the planning, engineering, deployment, documentation and maintenance of their respective fiber optic infrastructure resources; and,

WHEREAS, the Town of Carrboro and the Chapel Hill Carrboro City Schools jointly acknowledge that each entity would be able to enhance the scope, route diversity, redundancy and overall reliability of network connectivity through a structured and detailed process whereby the Town and School System equitably, and by mutually beneficial means, share and/or exchange specific elements of their respective fiber cable plants through an MOU and Amendments; and,

WHEREAS, the purpose of the MOU is to establish the terms and conditions for the Town of Carrboro and the Chapel Hill Carrboro City Schools to equitably share and/or exchange defined elements of their respective (a.) fiber optic infrastructure systems, (b.) fiber optic infrastructure strategic planning, and (c.) fiber optic infrastructure engineering and administration expertise and that Amendments to the MOU will be created, as needed, to document and describe each instance of sharing and/or exchanging fiber optic infrastructure resources; and,

WHEREAS, the Town of Carrboro and the Chapel Hill Carrboro City Schools will have no ownership rights to the other organization's fiber optic infrastructure as a result of this MOU or Amendments; and,

WHEREAS, the Town of Carrboro and the Chapel Hill Carrboro City Schools will be sharing and/or exchanging fiber optic infrastructure, as laid out under specific Amendments, all sharing and/or exchanging will be quid pro quo at no cost to either organization other than possible nominal splicing fees;

NOW, THEREFORE BE IT RESOLVED by the Carrboro Board of Aldermen that the Board authorizes the Town Manager to enter into a Memorandum of Understanding (MOU) and to Create Amendments as needed between the Town of Carrboro and the Chapel Hill Carrboro City Schools for Fiber Optic Infrastructure Facilities Sharing and/or Exchange.



Town of Carrboro

Town Hall
301 W. Main St.
Carrboro, NC 27510

Agenda Item Abstract

File Number:16-312

Agenda Date: 10/25/2016

File Type:Agendas

In Control: Board of Aldermen

Version: 1

TITLE:

Public Hearing on Town Code Amendment to Establish Vacant Nonresidential Building Ordinance

PURPOSE: The purpose of this agenda item is for the Board of Aldermen to receive public comment on a draft ordinance that establishes Town Code requirements related to the condition of vacant, nonresidential buildings.

DEPARTMENT: Planning

CONTACT INFORMATION: Patricia McGuire-- 919-918-7327 - pmcguire@townofcarrboro.org [<mailto:pmcguire@townofcarrboro.org>](mailto:pmcguire@townofcarrboro.org); Robert Hornik -919-929-3905 - hornik@broughlawfirm.com

INFORMATION: Board members and staff have received numerous inquiries and complaints about a vacant, nonresidential building in town. The process identified in NC GS 160A-439 allows the Town to follow up with a property owner and identify remedies depending on the degree to which such a building is found to be deteriorated or dilapidated, including demolition of a structure/building if the cost to repair exceeds 50 percent of the building's "then current value." The process gives the property owner several opportunities to be heard about the condition of the property. A draft ordinance that amends the Town Code to include a new Section 11A has been prepared (*Attachment A*). Per the Board's direction, written notice of the public hearing on this amendment has been sent to the owners of all non-residential properties as identified through a search of property ownership and property land use records.

FISCAL & STAFF IMPACT: Investigation and enforcement activities associated with adoption of the draft ordinance involve staff, Town Attorney, and nominal costs associated with notice.

RECOMMENDATION: Staff recommends that the Board of Aldermen consider adoption of the draft ordinance that establishes vacant, nonresidential building requirements in the Town Code (*Attachment A*).

TOWN OF CARRBORO VACANT NONRESIDENTIAL BUILDING ORDINANCE

Sec. 11A-1- Title. This ordinance shall be known and may be cited and referred to as the “Town of Carrboro Vacant Nonresidential Building Ordinance.”

Sec. 11A-2. - Purpose. In order to protect the health, safety and welfare of the Town and its residents and citizens including but not limited to owners of vacant nonresidential buildings or structures, it is the purpose of this ordinance to establish minimum standards of maintenance, sanitation, and safety relating to vacant nonresidential buildings or structures, as expressly authorized by G.S. § 160A-439. This ordinance provides for the repair, closing or demolition of vacant nonresidential buildings or structures as a result of a public necessity caused by conditions that are dangerous to the public health, safety and welfare.

Sec. 11A-3. - Definitions. The following words and phrases shall have the meanings set forth herein unless the context clearly indicates otherwise:

Administrator means the Town officer designated to administer and enforce this ordinance.

Agent means any person, firm or corporation who is responsible for the management, maintenance, operation, renting, leasing or sale of any property, or who makes application for or seeks a permit or certificate on behalf of the owner of any property or who in any other way represents the owner of the property in any particular case.

Bathroom means a heated enclosed space with privacy containing a toilet with access to a lavatory (either within enclosed space or specifically accessible by enclosed space).

Building means any structure built for the shelter or enclosure of persons, animals or property of any kind or any part of such structure, shelter or property.

Nonresidential means any building or structure or portion of a building or structure designed ~~occupied~~ or intended to be occupied, in whole or in part, for a use other than a dwelling, home, residing place, or permanent living space or sleeping space for one or more human beings.

Owner shall mean any person who alone, jointly, or severally with others:

- (1) Shall have title in fee simple to, or hold mortgage or deed of trust in, any nonresidential building or structure, with or without accompanying actual possession thereof; or
- (2) Shall have charge, care or control of any nonresidential building or structure as owner or agent of the owner, or as executor, executrix, administrator, administratrix, trustee or guardian of the estate of the owner. Any such person thus representing the actual owner shall be bound to comply with the provisions

of this ordinance and of rules and regulations adopted pursuant thereto, to the same extent as if such person were the owner.

Parties in interest mean all individuals, associations and corporations who have interests of record in a nonresidential building or structure and any who are in possession thereof.

Premises means any lot or parcel of land inclusive of any building or improvements located thereon.

Structure means, in addition to its ordinary meaning, anything constructed, regardless of where it was constructed.

Vacant means unoccupied, or not in active use for any purpose intended or allowed by the owner of the building or structure.

Vacant industrial warehouse means any building or structure designed for the storage of goods or equipment in connection with manufacturing processes, which has not been used for that purpose for at least one year and has not been converted to another use.

Vacant manufacturing facility means any building or structure previously used for the lawful production or manufacturing of goods, which has not been used for that purpose for at least one year and has not been converted to another use.

Sec. 11A-4. - Applicability and compliance.

- (a) This ordinance shall apply to all nonresidential buildings or structures which now are, or may become, vacant, and which are now in existence or which may be built within the corporate limits of the Town.
- (b) Every vacant nonresidential building or structure and the premises on which it is situated shall comply with the provisions of this ordinance, whether or not such building or structure shall have been constructed, altered, or repaired before or after the enactment of this ordinance, and irrespective of any permits or licenses which have been issued for the use or occupancy of the building or structure or for the installment or repair of equipment or facilities. This ordinance establishes minimum standards for all vacant nonresidential buildings or structures and does not replace or modify standards otherwise established for the construction, repair, alteration, or use of the building or structure contained therein.

Sec. 11A-5. - Maintenance standards for vacant nonresidential buildings and structures.

(a) *Space and use standards.*

- (1) The floor and walls, if in contact with the earth, are waterproof and dampproof in accordance with the state building code requirements. Such waterproofing and dampproofing shall be between the floor or wall finish and the ground.

- (2) Access. Access shall be provided to all rooms within a vacant nonresidential building or structure such that reasonable exit is available if necessitated by circumstances.
 - (3) Doors. Doors shall be provided at all doorways leading to bathrooms.
- (b) *Entrances and exits.*
- (1) All entrances and exits must meet the standards set forth in the state building code.
 - (2) Doors providing entrance and exit for any nonresidential building or structure shall have locking devices capable of being operated from the inside and outside of the nonresidential building or structure, even if vacant or intended by the owner to be vacant.
 - (3) Safe, continuous and unobstructed exit shall be provided from the interior of the building or structure to the exterior at street or grade level.
 - (4) Platforms and steps shall be provided, where appropriate, to serve exits and shall be maintained in a safe condition.
- (c) *Light and ventilation standards.* Window frames and glass shall be reasonably weathertight, with no cracked or broken glass. If, in the opinion of the administrator or his or her designee, certain cracked glass does not present a danger or hazard, a waiver of this provision may be granted. Windows shall at all times remain operable consistent with the windows' design.
- (d) *Lighting of halls and stairs.* Every enclosed area shall be adequately lighted at all times with fixtures with conveniently located light switches controlling the lighting system which provides the illumination required therein and which may be turned on when needed. This provision may be waived by the administrator.
- (e) *Heating.* Heating facilities. Every nonresidential building or structure shall have an operational heating unit appropriate for the use of the nonresidential building or structure.
- (f) *General requirements relating to safety and maintenance.*
- (1) *Good repair and safe condition.* Every nonresidential building or structure and all parts thereof designed or intended used or occupied as an enclosed area shall be kept in good repair, in safe condition and fit for any use to which it may be put. The roof and walls of all such buildings or structures shall be maintained so as not to leak; and all means of draining water therefrom shall be maintained as to prevent dampness in the walls, ceiling or crawl space or basement.

- (2) *Quality of materials and workmanship.* Material used in making any repairs shall be of a quality suitable for the purpose and of a kind normally used by a contractor or tradesman to accomplish such a repair. Such repair shall be accomplished in a manner that is in accordance with the accepted standards and practices of the trade.

(g) *Structural standards.*

(1) *Foundation.*

- a. Every nonresidential building or structure unit shall be situated on firm ground. Foundation drainage shall be provided and maintained so as to prevent standing water.
- b. Footings shall be sound with adequate bearing.
- c. All elements of the foundation, including structural members and masonry, shall be in good repair.
- d. No piers shall be used for support in which the plumb line from top center falls outside the middle one-third of the base of the pier. (A plumb bob held firmly against the top of the pier and hanging down the side wall indicates the vertical alignment).
- e. No isolated masonry piers exceeding in height ten times the least dimension of pier shall be permitted.
- f. A crawl space access hole having a door shall be provided to any under-floor space in all nonresidential buildings or structures.

(2) *Walls, exterior.*

- a. All exterior surfaces shall be structurally sound, waterproof, weatherproof and vermin proof.
- b. All exterior finishes shall be weathertight with no holes, cracks or rotted boards which permit outside air or water to penetrate rooms.
- c. All structure or load bearing walls, exterior or interior, shall not be bowed or out of plumb and shall be structurally sound.
- d. Studs shall provide sufficient support for sheathing or exterior finish.

(3) *Roofs.*

- a. Roofing shall be provided to prevent the entrance of moisture and shall be maintained by renewal, repair, waterproofing or other suitable means.
- b. Gutters and downspouts, if installed, shall be provided to properly collect, conduct and discharge the water from the roof and away from the structure.

- c. Roofs shall be supported and no rafters shall be rotted, broken, sagging or have improperly supported ends.
 - d. Attics shall have ventilation that allows the movement of air to dissipate excessive heat build-up. Heat buildup is excessive if it causes deterioration of any structural member or roofing material.
 - e. Sheathing shall not be rotted, loose or sagging excessively.
 - f. Roof covering shall not be loose, nor have holes or leaks.
 - g. Flashing shall be provided at walls and chimneys and shall be installed in accordance with the state building code.
 - h. Soffits shall be maintained in a weathertight condition and shall not be rotted, loose or sagging.
- (4) *Porches.* Porches, balconies or raised floor surfaces located more than 30 inches above the floor or grade below shall have guardrails not less than 42 inches in height. Such guardrails shall not be rotted, broken or termite damaged.
- (5) *Stairs and steps.*
- a. Stairs and steps shall be free of holes, grooves and cracks large enough to constitute accident hazards.
 - b. Handrails having minimum and maximum heights of 30 inches and 38 inches respectively, measured vertically from the nose of the treads, shall be provided on at least one side of stairways of four or more risers.
 - c. No flight of stairs shall be settled out of its intended position or pulled away from supporting or adjacent members.
 - d. Stairs shall be strongly supported and supports shall not be rotting, sagging or deteriorated.
 - e. Stairs shall be plumb, level and treads shall be uniform in width and risers uniform in height, sound and securely fastened to structure. A slight uniform tilt of the treads to aid in the runoff of water is permissible for exterior steps.
 - f. Every stairway, including inside stairs and rails, porches, decks and appurtenances thereto shall be kept in sound condition and good repair.
 - g. Platforms and steps shall be provided to serve exits and shall be maintained in a safe condition.

(6) *Ceilings.*

- a. Joists and supporting members shall provide sufficient support for the ceiling.
- b. No holes or cracks which permit outside air to penetrate rooms shall be permitted.
- c. There shall be no loose plaster, boards, sheetrock, or ceiling finish. Any materials used in the repair of the ceiling shall be of a material that is similar in texture and appearance to the original material. This provision does not prohibit the replacement of the entire ceiling; provided that the material used is contiguous over the entire ceiling area within the affected room.
- d. Ceilings shall be maintained free of holes, cracks or loose or deteriorated materials.
- e. All ceilings shall be kept clean and free of any flaking, loose or peeling paint and paper.

(7) *Walls, interior.*

- a. Interior finish shall be free of holes and excessive cracks which:
 - 1. Permit outside air or moisture to penetrate rooms; or
 - 2. Contain loose or flaking materials.
- b. All walls, woodwork, doors and windows shall be kept clean and free of any flaking, loose or peeling paint.
- c. There shall be no loose plaster, boards, or other loose wall materials.
- d. Cardboard, newspaper or other highly combustible or improper wall finish is prohibited.
- e. Studs shall provide sufficient support for interior wall.
- f. Doors must fit the opening in which they are hung and be equipped with hardware that allows for their opening and closing.

(8) *Floors.*

- a. Broken, overloaded, excessively decayed or sagging structural floor members are prohibited.

- b. Structural floor members shall be supported on foundation walls and piers that are not deteriorated and perform the function for which they were intended.
- c. Floor joists shall be supported on structural bearing members and shall not be made structurally unsound by deterioration.
- d. Flooring shall be reasonably smooth, not rotten or worn through, and without holes or excessive cracks which permit outside air to penetrate rooms.
- e. Flooring shall not be loose.
- f. Split, splintered or badly worn floor boards shall be repaired or replaced.
- g. Floors in contact with soil shall be paved either with concrete not less than three inches thick or with other masonry not less than four inches thick, which shall be sealed tightly to the foundation walls.
- h. All bathroom, laundry and kitchen floors shall be constructed and maintained so as to be impervious to water by covering with a waterproof nonabsorbent material.

Examples of this type of material include asphalt tile, ceramic tile, linoleum tile or sheet, rubber tile, terrazzo, vinyl tile, vinyl plastic tile or sheet, finished wood, parquet, masonry, polyurethane. Certain absorbent materials covered with a waterproof finish shall also be permitted. Porch and deck-type enamel paints shall be prohibited due to their nondurable nature. The administrator can approve other types of waterproof nonabsorbent materials that meet the criteria of this section.

(h) *Property maintenance.*

(1) *Structures.* Floors, walls, ceilings and fixtures shall be maintained in a clean and sanitary condition.

(2) *Open areas.*

- a. Surface and subsurface water shall be appropriately drained from open areas to protect structures and to prevent development of stagnant ponds.
- b. Fences and all accessory structures, either attached to or detached from the primary nonresidential building or structure, shall be maintained in a safe and substantial condition. Accessory structures shall include, but are not limited to, sheds, storage buildings, carports, and garages.

i) *Electrical standards.* Electrical service. Every enclosed area shall be supplied with adequate electric service, of at least 100 amp service which shall be properly installed and connected

to the source of electric power in a manner prescribed by the ordinances, rules and regulations of the Town.

(j) *Plumbing standards.*

(1) *General.*

- a. Every nonresidential building or structure shall be connected to public water supply and/or sanitary sewer system where they are available; unless a private water supply and sanitary sewer system for each nonresidential building or structure is approved by the county health department. This provision may be waived by the administrator.
- b. All plumbing, water closets and other plumbing fixtures in every nonresidential building or structure shall be installed and maintained in good working condition and repair and in accordance with the requirements of this ordinance and the state plumbing code. All plumbing shall be so maintained and used as to prevent contamination of the water supply through cross connections or back siphoning.
- d. All fixtures shall be in proper working condition with no leaks existing.
- e. No fixtures shall be cracked, broken or badly chipped.
- f. All water piping shall be protected from freezing by proper installation in enclosed or concealed areas or by such other means as approved by a Town plumbing inspector.
- g. Access to all bathrooms shall be through a weathertight and heated area.

(2) *Water heating unit.* Every enclosed area shall have supplied a water heating unit which has been listed by a testing agency and is properly installed, operated and maintained in safe and good working condition and is properly connected to the bathtub or shower, sink and lavatory basin, as required in this ordinance and the state plumbing code. Such water heating unit shall be capable of automatically heating water to a temperature of 120 degrees Fahrenheit and capable of meeting normal demands at every required outlet, even though the enclosed areas' heating unit is not in operation. All gas-fired water heaters shall be vented to the outside.

(3) *Bathroom.* Every enclosed area shall have access to a bathroom in good working condition which shall be properly connected to the public sanitary sewer or to an approved sewage disposal system. The lavatory basin shall be properly connected to both hot and cold water lines, and the water closet shall be properly connected to a cold water line.

(k) *Painting.* All exterior surfaces of buildings and structures, not inherently resistant to deterioration, shall be treated with a protective coating, such as paint or other suitable preservative, with sufficient frequency to prevent deterioration. All such portions shall be cleaned and free of flaking, loose or defective surfacing materials prior to painting or coating. All interior loose or peeling wall covering or paint shall be removed and the exposed surface shall be placed in a smooth and sanitary condition. No paint shall be used for interior painting of any enclosed area unless the paint is free from any lead pigment.

(l) *Fire and safety standards.*

- (1) *Fireproofing and fire protection.*
 - (2) *Fire extinguishing equipment.* All fire extinguishing equipment required by the state fire code shall be provided and maintained in an operable condition.
 - (3) *Smoke detectors.* Enclosed areas shall be equipped with a smoke detector (battery operated or 110 volt) which has been listed by a testing agency (such as Underwriters Laboratories). All smoke detectors shall be located on or near the ceiling of the room wherein it is located and shall be installed in accordance with the manufacturer's instructions and maintained in proper working condition.
 - (4) *Abandoned iceboxes.* The doors shall be removed from all iceboxes, refrigerators and other large air-tight containers which are abandoned and which are accessible to children, unless the door or lock can be released or opened from the inside.
- (m) *Awnings.* All canopies, metal awnings, stairways, porches, fire escapes, standpipes, exhaust ducts, air conditioners, and similar overhanging extensions shall be maintained so as to be free of missing, defective, rotting or deteriorated foundations, supports, floors, other members, and steps thereto, so as to be safe to use and kept in sound condition and in good repair.
- (n) *Other dangerous conditions prohibited.* Any combination of conditions which in the judgment of the administrator renders any nonresidential building or structure dangerous or injurious to the health, safety, or general welfare of owners, occupants or members of the general public.

Sec. 11A-6. - Designation of the administrator as public officer. The administrator is hereby designated as the public officer pursuant to G.S. 160A-439.

Sec. 11A-7. - Powers of the administrator. The administrator is authorized to exercise such powers as may be necessary or convenient to carry out and effectuate the purpose and provisions of this ordinance, including the following powers:

- (a) To investigate nonresidential buildings and structures in the Town to determine whether they have been properly maintained in compliance with the minimum standards established by this ordinance so that the health, safety and/or welfare of the occupants or members of the general public are not jeopardized;
- (b) To administer oaths and affirmations, examine witnesses and receive evidence;
- (c) To enter upon premises for the purpose of making examinations and inspections provided that such entries shall be made in accordance with law and in such manner as to cause the least possible inconvenience to the persons in possession;

- (d) To appoint and fix duties of such officers, agents, and employees as the administrator deems necessary to carry out the purposes of this ordinance; and
- (e) To delegate any of his or her functions and powers under this ordinance to other officers and agents.

Sec. 11A-8. - Inspections. For the purpose of making inspections, the administrator is hereby authorized to enter, examine, and survey at all reasonable times, any vacant nonresidential building or structure as defined in this ordinance. If entry upon the premises for purposes of investigation is necessary, such entry shall be made pursuant to a duly issued administrative search warrant in accordance with G.S. 15-27.2 or with permission of the owner, the owner's agent, a tenant, or other person legally in possession of the premises.

In addition, the administrator may adopt a periodic inspection program, subject to the council's approval, to provide for the routine inspection of all nonresidential buildings or structures as defined in this ordinance.

Sec. 11A-9. - Procedure for enforcement.

- (a) *Preliminary investigation.* Whenever it appears to the administrator that any nonresidential building or structure is, or has been, vacant and has not been properly maintained so that the health, safety and/or welfare of its occupants or members of the general public are jeopardized for failure of the property to meet the minimum standards established by this ordinance, the administrator shall undertake a preliminary investigation.
- (b) *Complaint and hearing.* If the preliminary investigation discloses evidence of a violation of the minimum standards established by this ordinance, the administrator shall issue and cause to be served upon the owner of and parties in interest in the nonresidential building or structure a complaint. The complaint shall state the charges and contain a notice that a hearing will be held before the administrator at a place within the Town, not less than ten days nor more than 30 days after the serving of the complaint; that the owner and parties in interest shall be given the right to answer the complaint and to appear in person, or otherwise, and give testimony at the place and time fixed in the complaint; and that the rules of evidence prevailing in courts of law or equity shall not be controlling in hearings before the administrator.
- (c) *Procedure after hearing; issuance of order.*
 - (1) If, after notice and hearing, the administrator determines that the vacant nonresidential building or structure has been maintained in that the property meets the minimum standards established by this ordinance, the administrator shall state in writing findings of fact in support of that determination and shall

issue and cause to be served upon the owner thereof a copy of said determination and the matter shall be closed.

- (2) If, after notice and hearing, the administrator determines that the vacant nonresidential building or structure has not been properly maintained so that the health, safety and/or welfare of its occupants or members of the general public is jeopardized for failure of the property to meet the minimum standards established by this ordinance, the administrator shall state in writing findings of fact in support of that determination and shall issue and cause to be served upon the owner thereof an order in accordance with the provisions of either subsections (c)(3) or (c)(4) and subject to the limitations set forth in this ordinance.
 - (3) If the administrator determines that the cost of repair, alteration, or improvement of the vacant nonresidential building or structure would not exceed 50 percent of its then current value, then the administrator shall state in writing the findings of fact in support of such determination and issue an order that requires the owner, within a reasonable time specified in the order, to either:
 - a. Repair, alter, or improve the vacant nonresidential building or structure in order to bring it into compliance with the minimum standards established by this ordinance, or
 - b. Vacate and Close the nonresidential building or structure for any use.
 - (4) If the administrator determines that the cost of repair, alteration, or improvement of the nonresidential building or structure would exceed 50 percent of its then current value, then the administrator shall state in writing the findings of fact in support of such determination and issue an order that requires the owner, within a reasonable time specified in the order, to either:
 - a. Remove or demolish the vacant nonresidential building or structure, or
 - b. Repair, alter or improve the vacant nonresidential building or structure to bring it into compliance with the minimum standards established by this ordinance.
- (d) *Failure to comply with order; adoption of ordinance by Board of Alderman*
- (1) If the owner fails to comply with an order to either:
 - a. Repair, alter, or improve the vacant nonresidential building or structure, or
 - b. Vacate and Close the vacant nonresidential building or structure, the administrator may request that Board of Alderman adopt an ordinance ordering the administrator to cause such vacant nonresidential building or structure to be repaired, altered, or improved in order to bring it into compliance with the minimum standards established by this ordinance or to

be closed for any use. The property or properties shall be described in the ordinance. The ordinance shall be recorded in the office of the register of deeds and shall be indexed in the name of the property owner or owners in the grantor index. Following the Board of Alderman adoption of an ordinance, the administrator may cause the building or structure to be either repaired or closed for any use. The administrator may cause to be posted on the main entrance of any vacant nonresidential building or structure so closed a placard with the following words: "This building is unfit for any use; the use or occupation of this building for any purpose is prohibited and unlawful." Any person who occupies or knowingly allows the occupancy of a building or structure so posted shall be guilty of a class 3 misdemeanor.

(2) If the owner fails to comply with an order to either:

- a. Remove or demolish the vacant nonresidential building or structure, or
- b. Repair, alter, or improve the vacant nonresidential building or structure, the administrator may request that the Board of Alderman adopt an ordinance ordering the administrator to cause such vacant nonresidential building or structure to be removed or demolished. No ordinance shall be adopted to require removal or demolition of a nonresidential building or structure until the owner has first been given a reasonable opportunity to bring it into conformity with this ordinance. The property or properties shall be described in the ordinance. The ordinance shall be recorded in the office of the register of deeds and shall be indexed in the name of the property owner or owners in the grantor index. Following the Board of Alderman adoption of an ordinance, the administrator may cause the building or structure to be removed or demolished.

Sec. 11A-10. - Limitations on orders and ordinances—Historic landmark or historic district.

Notwithstanding any other provision of this ordinance, if the vacant nonresidential building or structure is designated as a local historic landmark, listed in the national register of historic places, or located in a locally designated historic district or in a historic district listed in the national register of historic places and the Board of Alderman determines, after a public hearing, that the nonresidential building or structure is of individual significance or contributes to maintaining the character of the district, and the nonresidential building or structure has not been condemned as unsafe, an order issued by the administrator pursuant to this ordinance and an ordinance approved by Board of Alderman pursuant to this ordinance may only require that the vacant nonresidential building or structure be vacated and closed until it is brought into compliance with the minimum standards established by this ordinance.

Sec. 11A-11. - Same—Vacant manufacturing facility or vacant industrial warehouse.

Notwithstanding any other provision of this ordinance, an order issued by the administrator pursuant to this ordinance and an ordinance approved by the Board of Alderman pursuant to this

ordinance may not require repairs, alterations, or improvements to be made to a vacant manufacturing facility or a vacant industrial warehouse to preserve the original use. The order and ordinance may require such building or structure to be vacated and closed, but repairs may be required only when necessary to maintain structural integrity or to abate a health or safety hazard that cannot be remedied by ordering the building or structure closed for any use.

Sec. 11A-12. - Limitation on enforcement of complaint or order—Approved renovation plan.

- (a) If the owner of the vacant nonresidential building or structure is served with complaint or order due to exterior and interior violations on such vacant nonresidential building or structure and if such owner repairs the exterior violations and secures the vacant nonresidential building or structure within an agreed upon timeframe, then administrator may suspend the enforcement of this ordinance for a period of up to two years from date of issuance of complaint or order if:
 - (1) Owner presents proof that owner is actively seeking to sell the property upon commercially reasonable terms. Such proof includes posting a sign in a conspicuous place on the premises indicating such nonresidential building or structure and premises is for sale or lease or other evidence that such building or structure is being actively marketed for sale or lease upon commercially reasonable terms; and
 - (2) Owner states that purpose of not repairing interior is to allow a new owner or tenant to upfit or renovate the interior of the building or structure.
- (b) When the owner secures the vacant nonresidential building or structure pursuant to this section, the administrator may require the owner to take reasonable measures to ensure that the building or structure in its closed state is in a safe and sanitary condition. Such measures include but are not limited to requiring the owner to keep boarded, if any, windows free of graffiti.

However, the administrator may reinstate the enforcement of the provisions of this ordinance at any time if the vacant nonresidential building or structure is no longer secure, other exterior violations appear or if the vacant nonresidential building or structure has conditions or a change of circumstances that make it dangerous and injurious to public health, safety and welfare.

Sec. 11A-13. - Vacated and closed nonresidential buildings or structures; abandonment of intent to repair.

- (a) If the Board of Alderman has adopted an ordinance or the administrator has issued an order requiring the vacant nonresidential building or structure to be repaired or vacated and closed and such building or structure has been vacated and closed for a period of two years pursuant to the ordinance or order, then if the Board of Alderman finds that the owner has abandoned the intent and purpose to repair, alter, or improve the building or structure and that the continuation of the building or structure in its vacated and closed status would be inimical to the health, safety, and welfare of the Town in that it would continue to

deteriorate, would create a fire or safety hazard, would be a threat to children and vagrants, would attract persons intent on criminal activities, or would cause or contribute to blight and the deterioration of property values in the area, then the Board of Alderman may, after the expiration of the two-year period, adopt an ordinance and serve such ordinance on the owner, setting forth the following:

- (1) When the cost to repair is less than or equal to 50 percent of the nonresidential building or structure's current value, the ordinance shall require that the owner either:
 - a. Demolish and remove the nonresidential building or structure within 90 days, or
 - b. Repair, alter, or improve the nonresidential building or structure to bring it into compliance with the minimum standards established by this ordinance within 90 days; or
 - (2) When the cost to repair exceeds 50 percent of the nonresidential building or structure's current value, the ordinance shall require that the owner demolish and remove the nonresidential building or structure within 90 days.
- (b) In the case of a vacant manufacturing facility or a vacant industrial warehouse, the building or structure must have been vacated and closed pursuant to an order or ordinance for a period of five years before Board of Alderman may take action under this section.
- (c) If the owner fails to comply with the requirements of the ordinance, the administrator shall demolish and remove the nonresidential building or structure.

Sec. 11A-14. - Methods of service of complaints and orders.

- (a) Complaints or orders issued by the administrator under this ordinance shall be served upon persons either personally or by registered or certified mail and, in conjunction therewith, may be served by regular mail. When service is by regular mail in conjunction with registered or certified mail, and the registered or certified mail is unclaimed or refused, but the regular mail is not returned by the post office within ten days after mailing, service shall be deemed sufficient. If regular mail is used, a notice of the pending proceedings shall be posted in a conspicuous place on the premises thereby affected.
- (b) If the identifies of any owner or the whereabouts of persons are unknown and cannot be ascertained by the administrator in the exercise of reasonable diligence, and the administrator makes an affidavit to that effect, then the serving of the complaint or order upon the owners or other persons may be made by publication in a newspaper having general circulation in the Town at least once no later than the time at which

personal service would be required under the provisions of this ordinance. When service is made by publication, a notice of the pending proceedings shall be posted in a conspicuous place on the premises thereby affected.

Sec. 11A-15. - Notice of lis pendens.

Upon issuance of a complaint and notice of hearing or order, a notice of lis pendens with a copy of the complaint and notice of hearing or order attached thereto may be filed in the office of the clerk of Superior Court of Orange County or the county where the property is located. The notice of lis pendens and a copy of the complaint and notice or order shall be indexed and cross-indexed in accordance with the indexing procedures of G.S. 1-117. From the date and time of indexing, the complaint and notice or order shall be binding upon the successors and assigns of the owners of and parties in interest in the nonresidential building or structure. A copy of the notice of lis pendens shall be served upon the owners and parties in interest in the nonresidential building or structure at the time of filing. The administrator may cancel the notice of lis pendens if the action in which the complaint and notice or order was issued has been settled, discontinued, or abated.

Sec. 11A-16. - Costs, lien on premises.

- (a) The amount of the cost of repairs, alterations, or improvements, or vacating and closing, or removal or demolition by the administrator shall be a lien against the real property upon which the cost was incurred, which lien shall be filed, have the same priority as, and be collected as a lien for special assessment provided in G.S. ch. 160A, art. 10.
- (b) The amount of the cost of repairs, alterations or improvements, or vacating and closing, or removal or demolition by the administrator shall be a lien on any other real property of the owner located within the Town limits except for the owner's primary residence. The additional lien provided in this subsection is inferior to all prior liens and shall be collected as a money judgment.
- (c) If the nonresidential building or structure is removed or demolished by the administrator, the administrator shall offer for sale the recoverable materials of the building or structure and any personal property, fixtures, or appurtenances found in or attached to the building or structure and shall credit the proceeds of the sale, if any, against the cost of the removal or demolition, and any balance remaining shall be deposited in the superior court by the administrator, shall be secured in a manner directed by the court, and shall be disbursed by the court to the persons found to be entitled thereto by final order or decree of the court. Nothing in this section shall be construed to impair or limit in any way the power of the council to define and declare nuisances and to cause their removal or abatement by summary proceedings or otherwise.

Sec. 11A-17. - Temporary injunction remedy for aggrieved person and certiorari review.

- (a) Any person aggrieved by an order issued by the administrator or a decision rendered by the Board of Alderman may petition the superior court for an injunction restraining the administrator from carrying out the order or decision. The petition shall be filed within 30 days after issuance of the order or rendering of the decision. A hearing on the petition shall be as provided in G.S. 160A-446(f).
- (b) Certiorari review. Every decision of the board shall be subject to review by the superior court by proceedings in the nature of certiorari instituted within 15 days of the decision of the board, but not otherwise.

Sec. 11A-18. - Conflict with other provisions.

In the event any provision, standard or requirement of this ordinance is found to be in conflict with any other ordinance or code of the Town, the provision which establishes the higher standard or more stringent requirement for the promotion and protection of health and safety of the citizens of the Town shall prevail.

Sec. 11A-19. - Violations; penalty; fee; remedies.

- (a) It shall be unlawful for the owner of any vacant nonresidential building or structure to fail, neglect or refuse to repair, alter or improve the same, or to close or remove or demolish the same, upon order of the administrator duly made and served as herein provided, within the time specified in such order, and each day that any such failure, neglect or refusal to comply with such order continues shall constitute a separate and distinct offense.
- (b) It shall be unlawful for the owner or agent of the owner in charge of such vacant nonresidential building or structure with respect to which an order has been issued pursuant to this ordinance, to occupy or permit the occupancy of the same in a dilapidated or deteriorated condition found to be unfit for any use in violation of such order for its repair, alteration or improvement or its vacation, closing or demolition, and each day that such unlawful occupancy continues after the expiration of the time prescribed in the order to repair, alter, improve, vacate, close or demolish such nonresidential building or structure shall constitute a separate and distinct offense.
- (c) Any person that fails to comply with any of the provisions of this ordinance shall be subject to a civil penalty in the amount of \$300.00 for the first day of noncompliance and \$50.00 for each day thereafter. This penalty may be recovered by the Town in a civil action in the nature of debt if the person does not pay the same within 30 days after the initial day of noncompliance.
- (d) The owner of any vacant nonresidential building or structure who fails to repair or vacate and close it, or demolish or remove it, upon order of the administrator duly made and served as herein provided, within the time specified in such order, shall be subject to an administrative fee in an amount set by the Town council for

noncompliance. This fee allows the Town to recover some of its administrative costs incurred due to the owner's failure to comply with the administrator's order described herein.

- (e) The violation of any provision of this ordinance shall constitute a misdemeanor and shall be punishable in accordance with section 1-9.
- (f) A violation may be corrected by any appropriate equitable remedy, a mandatory or prohibitory injunction, or an order of abatement as authorized by G.S. 160A-175. The Town shall have a lien on the property for the cost of executing an order of abatement in the nature of a mechanic's and materialman's lien.



Town of Carrboro

Town Hall
301 W. Main St.
Carrboro, NC 27510

Agenda Item Abstract

File Number:16-313

Agenda Date: 10/25/2016

File Type:Agendas

In Control: Board of Aldermen

Version: 1

TITLE:

Public Hearing on Land Use Ordinance Text Amendments Relating to Conditional Zoning Districts

PURPOSE: The purpose of this item is for the Board of Aldermen to consider amending the Land Use Ordinance to clarify the language in Article IX relating to conditional zoning districts.

DEPARTMENT: Planning Department

CONTACT INFORMATION: Christina Moon - 919-918-7325; Patricia McGuire - 919-918-7327; Bob Hornik - 919-929-3905

INFORMATION: On June 23, 2015, the Board adopted text amendments to the Land Use Ordinance to authorize the creation of conditional zoning districts for almost all of the existing general districts. Subsequently, on March 23, 2016, the Board adopted text amendments to allow social service providers with dining facilities in certain conditional districts, subject to a zoning permit (Attachment D). The latter amendments included language that allows the Board the discretion to create conditional districts for social service providers with dining that supersede LUO regulations in some respects. These additional provisions were designed to apply only to districts created for social service providers with dining facilities, not to conditional districts in general. The organization of the new paragraphs adopted as part of the text amendment in March, however, was not clear in this regard. The purpose of this amendment is to revise and reorganize the language in Section 15-141.4 to clarify the original intent. The changes are administrative in nature; no new provisions are being proposed.

The draft ordinance was referred to Orange County and presented to the Planning Board at its October 6, 2016 meeting. Responses are provided (Attachment C).

FISCAL & STAFF IMPACT: Public hearings involve staff and public notice costs associated with advisory board and Board of Aldermen review.

RECOMMENDATION: Staff recommends that the Board of Aldermen consider adoption of the resolution finding consistency (Attachment A-1), and the draft ordinance (Attachment B).

A RESOLUTION ADOPTING A STATEMENT EXPLAINING THE BOARD OF
ALDERMEN'S REASONS FOR ADOPTING AN AMENDMENT TO THE TEXT OF THE
CARRBORO LAND USE ORDINANCE

Draft Resolution No.

WHEREAS, an amendment to the text of the Carrboro Land Use Ordinance has been proposed, which amendment is described or identified as follows: AN ORDINANCE AMENDING THE CARRBORO LAND USE ORDINANCE TO MODIFY PROVISIONS RELATED TO THE CREATION OF CONDITIONAL ZONING DISTRICTS.

NOW, THEREFORE, the Board of Aldermen of the Town of Carrboro Resolves:

Section 1. The Board concludes that the above described amendment is consistent the Land Use Ordinance in that it would further allow the use of a mechanism already authorized and is consistent with Carrboro Vision 2020, particularly the statements under Section 2.0, Development, relating to the inclusion of all community interests when making development decisions.

Section 2. The Board further concludes that the above described amendment is reasonable and in the public interest because it because it corrects language in the Land Use Ordinance to align the conditional zoning provisions with their original intent.

Section 3. This resolution becomes effective upon adoption.

This the 25th day of October 2016.

A RESOLUTION ADOPTING A STATEMENT EXPLAINING THE BOARD OF ALDERMEN'S
REASONS FOR REJECTING AN AMENDMENT TO THE TEXT OF
THE CARRBORO LAND USE ORDINANCE

Draft Resolution No.

WHEREAS, an amendment to the text of the Carrboro Land Use Ordinance has been proposed, which amendment is described or identified as follows: AN ORDINANCE AMENDING THE CARRBORO LAND USE ORDINANCE TO MODIFY PROVISIONS RELATED TO THE CREATION OF CONDITIONAL ZONING DISTRICTS.

NOW, THEREFORE, the Board of Aldermen of the Town of Carrboro Resolves:

Section 1. The Board concludes that the above described amendment is not consistent with Town plans and policies.

Section 2. The Board concludes that its rejection of the above described amendment is reasonable and in the public interest because existing regulations are appropriate.

Section 3. This resolution becomes effective upon adoption.

This the 25th day of October 25, 2016.

AN ORDINANCE AMENDING THE CARRBORO LAND USE ORDINANCE TO MODIFY PROVISIONS RELATED TO THE CREATION OF CONDITIONAL ZONING DISTRICTS

DRAFT 9-13-2016

THE CARRBORO BOARD OF ALDERMEN ORDAINS:

Section 1. Sections 15-141.4(d) and (d1) (Conditional Zoning Districts) of the Carrboro Land Use Ordinance are amended to read as follows:

(d) When a rezoning petition for a conditional zoning district is submitted (in accordance with Article XX of this chapter), the application shall include a list of proposed conditions (which may be in the form of written statements, graphic illustrations, or any combination thereof) to be incorporated into the ordinance that rezones the property to the requested conditional zoning district.

(d1) A rezoning petition may be submitted to allow use classification 3.260, Social Service Provider with Dining within a building of more than two stories or 35 feet in height.

- (1) The petition shall include information that demonstrates that, if the project is completed as proposed, it:
 - a. Will not substantially injure the value of adjoining or abutting property; and
 - b. Will be in harmony with the area in which it is to be located. The manner in which a project is designed to accommodate additional building height including, but not limited to, scale, architectural detailing, compatibility with the existing built environment and with adopted policy statements in support of vibrant and economically successful and sustainable, mixed-use, core commercial districts shall be among the issues that may be considered to make a finding that a project is or is not in harmony with the area in which it is to be located. The applicant may use a variety of graphic and descriptive means to illustrate these findings; and
 - c. Will be in general conformity with the Land Use Plan, Thoroughfare Plan, and other plans officially adopted by the Board.
- (2) All relevant provisions of the Land Use Ordinance shall apply except to the extent that such provisions are superseded by the provisions of this section or any conditions incorporated into the conditional zoning district described in subsection (d1) above.

Section 2. Section 15-141.4(d2) of the Carrboro Land Use Ordinance, the full text of which has been incorporated as subdivision (d1)(2) above, shall be deleted.

Section 3. Section 15-141.4 of the Carrboro Land Use Ordinance shall be further amended by redesignating the existing subparagraphs (e) through (g) as subparagraphs (f) through (h) and adding a new subparagraph (e) that reads as follows:

(e) The list of proposed conditions may be modified by the planning staff, advisory boards, or Board of Aldermen as the rezoning application works its way through the process described in Article XX, but only those conditions mutually approved by the applicant and the Board may be incorporated into the conditional zoning district shall be limited to (i) those that address the conformance of the development and use of the site to the provisions of this chapter or to applicable plans adopted by the Board, and (ii) those that address the impacts reasonably expected to be generated by the development or use of the site.

Section 4. Any provisions of any town ordinance in conflict with this ordinance are repealed.

Section 5. This ordinance shall become effective upon adoption.

ORANGE COUNTY PLANNING & INSPECTIONS DEPARTMENT

Craig N. Benedict, AICP, Director

Administration
(919) 245-2575
(919) 644-3002 (FAX)
www.orangecountync.gov



131 W. Margaret Lane
P O Box 8181
Hillsborough,
North Carolina, 27278



TRANSMITTAL DELIVERED VIA EMAIL

September 28, 2016

Christina Moon, AICP
Planning Administrator
Town of Carrboro
301 W. Main St.
Carrboro, NC 27510

SUBJECT: Joint Planning Review of Proposed Ordinance Amendments

Dear Tina:

Thank you for the opportunity to review the revisions to the following Land Use Ordinance amendments received by us September 23, 2016 and proposed for town public hearing on October 25, 2016:

- *An Ordinance to Modify Provisions related to the Creation of Conditional Zoning Districts.*

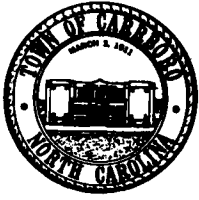
We have reviewed the amendments and find no inconsistency with the adopted *Joint Planning Area Land Use Plan*.

If you have any questions or need additional information, please let me know.

Sincerely,

A handwritten signature in cursive script that reads "Perdita Holtz".

Perdita Holtz, AICP
Planning Systems Coordinator



TOWN OF CARRBORO

Planning Board

301 West Main Street, Carrboro, North Carolina 27510

R E C O M M E N D A T I O N

THURSDAY, OCTOBER 6, 2016

LAND USE ORDINANCE TEXT AMENDMENT TO MODIFY THE PROVISIONS THAT CREATE CONDITIONAL ZONING DISTRICTS

Motion was made by Foushee and seconded by Poulton that the Planning Board recommends that the Board of Aldermen Approve the draft ordinance.

VOTE:

AYES: (8) Adamson, Clinton, Foushee, Hunt, Pendergrass, Poulton, Rosser, Whittemore

ABSENT/EXCUSED: (1) Tiemann

NOES: (0)

ABSTENTIONS: (0)

Associated Findings

By a unanimous show of hands, the Planning Board membership also indicated that no members have any financial interests that would pose a conflict of interest to the adoption of this amendment.

Motion was made by Rosser and seconded by Hunt that the Planning Board of the Town of Carrboro finds the proposed text amendment, is consistent with the Land Use Ordinance in that it would further allow the use of a mechanism already authorized and is consistent with Carrboro Vision 2020, particularly the statements under Section 2.0, Development, relating to the inclusion of all community interests when making development decisions.

Furthermore, the Planning Board of the Town of Carrboro finds that the proposed text amendment is in the public interest because it corrects language in the Land Use Ordinance to align the conditional zoning provisions with their original intent.

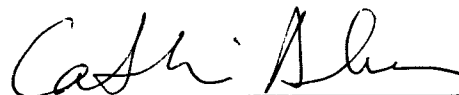
VOTE:

AYES: (8) Adamson, Clinton, Foushee, Hunt, Pendergrass, Poulton, Rosser, Whittemore

ABSENT/EXCUSED: (1) Tiemann

NOES: (0)

ABSTENTIONS: (0)



(Chair)

10/17/2016

(Date)

ARTICLE IX

ZONING DISTRICTS AND ZONING MAP

PART I. ZONING DISTRICTS

Section 15-141.4 Conditional Zoning Districts (AMENDED 03/22/16)

(a) Conditional zoning districts are zoning districts in which the development and use of the property so zoned are governed by the regulations applicable to one of the general use zoning districts listed in the Table of Permissible Uses, as modified by the conditions and restrictions imposed as part of the legislative decision creating the district and applying it to the particular property. Accordingly, the following conditional zoning districts may be established:

R-20-CZ, R-15-CZ, R-10-CZ, R-7.5-CZ, R-3-CZ, R-2-CZ, R-R-CZ, R-S.I.R.-CZ , and R-S.I.R.-2-CZ

B-1(C)-CZ, B-1(G)-CZ, B-2-CZ, B-3-CZ, B-3-T-CZ, B-4-CZ, CT-CZ, O-CZ, OACZ, M-1-CZ, M-2-CZ (AMENDED 4/27/10; 06/23/15)

(b) The conditional zoning districts authorized by this section may be applied to property only in response to a petition signed by all the owners of the property to be included within such district.

(c) Subject to the provisions of subsections (f) and (g), the uses permissible within a conditional zoning district authorized by this section, and the regulations applicable to property within such a district, shall be those uses that are permissible within and those regulations that are applicable to the general use zoning district to which the conditional district corresponds, except as those uses and regulations are limited by conditions imposed pursuant to subsection (d) of this section. For example, property that is rezoned to a B-2-CZ district may be developed in the same manner as property that is zoned B-2, subject to any conditions imposed pursuant to subsection (d). (AMENDED 11/9/11)

(d) When a rezoning petition for a conditional zoning district is submitted (in accordance with Article XX of this chapter), the application shall include a list of proposed conditions (which may be in the form of written statements, graphic illustrations, or any combination thereof) to be incorporated into the ordinance that rezones the property to the requested conditional zoning district. A rezoning petition submitted to allow use classification 3.260 Social Service Provider with Dining within a building of more than two stories or 35 feet in height shall include information that demonstrates that, if the project is completed as proposed, it

(1) Will not substantially injure the value of adjoining or abutting property; and

Art. IX ZONING DISTRICTS AND ZONING MAP

(2) Will be in harmony with the area in which it is to be located. The manner in which a project is designed to accommodate additional building height including, but not limited to, scale, architectural detailing, compatibility with the existing built environment and with adopted policy statements in support of vibrant and economically successful and sustainable, mixed-use, core commercial districts shall be among the issues that may be considered to make a finding that a project is or is not in harmony with the area in which it is to be located. The applicant may use a variety of graphic and descriptive means to illustrate these findings.

(3) Will be in general conformity with the Land Use Plan, Thoroughfare Plan, and other plans officially adopted by the Board. **(AMENDED 03/22/16)**

(d1) The list of proposed conditions may be modified by the planning staff, advisory boards, or Board of Aldermen as the rezoning application works its way through the process described in Article XX, but only those conditions mutually approved by the applicant and the Board may be incorporated into the conditional zoning district. Conditions and site-specific standards imposed in a conditional district shall be limited to (i) those that address the conformance of the development and use of the site to the provisions of this chapter or to applicable plans adopted by the Board, and (ii) those that address the impacts reasonably expected to be generated by the development or use of the site. **(AMENDED 03/22/16)**

(d2) All relevant provisions of the Land Use Ordinance shall apply except to the extent that such provisions are superseded by the provisions of this section or any conditions incorporated into the conditional zoning district described in subsection (d1) above. **(AMENDED 03/22/16)**

(e) All uses that are permissible in the conditional zoning district shall require the issuance of the same type of permit that such use in the corresponding general use district would ordinarily require (according to the Table of Permissible Uses), i.e. a zoning permit, special use permit, or conditional use permit.

(f) Notwithstanding the foregoing, in approving a rezoning to a B-1(g) – CZ zoning district, the Board of Aldermen may authorize the property so zoned to be developed at a higher level of residential density than that otherwise permissible in B-1(g) zoning districts under Section 15-182 if the rezoning includes conditions that provide for site and building elements that will create a more vibrant and successful community. Site and building elements are intended to be selected from at least three of the following seven areas: stormwater management, water conservation, energy conservation, on-site energy production, alternative transportation, provision of affordable housing, and the provision of public art and/or provision of outdoor amenities for public use. Conditions that may be included to meet the above stated objective include but shall not be limited to the following: **(AMENDED 11/9/11)**

(1) Reduction in nitrogen loading from the site by at least 8% from the existing condition, as determined by the Jordan Lake Accounting Tool

- (2) Energy performance in building requirements to meet one or more of the following
 - a. Achieve 40% better than required in the Model Energy Code, which for NC, Commercial is ASHRAE 90.1-2004-2006 IECC equivalent or better, and Residential is IECC 2006, equivalent or better).
 - b. “Designed to Earn the Energy Star” rating.
 - c. Architecture 2030 goal of a 50 percent fossil fuel and greenhouse gas emission reduction standard, measured from the regional (or country) average for that building type.
 - d. AIA goals of integrated, energy performance design, including resource conservation resulting in a minimum 50 percent or greater reduction in the consumption of fossil fuels used to construct and operate buildings.
 - e. LEED certification to achieve 50% CO2 emission reduction, or LEED silver certification
 - f. US Conference of Mayors fossil fuel reduction standard for all new buildings to carbon neutral by 2030.
 - g. Specific energy saving features, including but not limited to the following, are encouraged..
 - i. Use of shading devices and high performance glass for minimizing heating and cooling loads
 - ii. Insulation beyond minimum standards;
 - iii. Use of energy efficient motors/HVAC;
 - iv. Use of energy efficient lighting;
 - v. Use of energy efficient appliances
 - vi. LED or LED/Solar parking lot lighting (50-100% more efficient).
 - vii. Active and passive solar features.
- (3) Provision of onsite facilities (e.g. solar, wind, geothermal) that will provide 5% of electricity demand associated with the project.
- (4) Use of harvested rainwater for toilet flushing.
- (5) Parking lot meets the standard for a “green” parking lot, per the EPA document Green “Parking Lot Resource Guide.”
- (6) Inclusion of Low Impact Development features.
- (7) Provision of covered bike parking sufficient to provide space for one space per every two residential units.
- (8) Provision of a safe, convenient, and connected internal street system or vehicle accommodation area designed to meet the needs of the expected number of motor vehicle, bicycle, pedestrian, and transit trips
- (9) Inclusion of at least one (1) parking space for car sharing vehicles
- (10) Provision of public art and/or outdoor amenities for public use.
- (11) Use of surface materials that reflect heat rather than absorb it.
- (12) Use of devices that shade at least 30% of south-facing and west-facing building facades.
- (13) Provision of affordable housing in accordance with Town policy.

Art. IX ZONING DISTRICTS AND ZONING MAP

(g) If a B-1(g) – CZ zoning district is created and, pursuant to subsection (f) of this section, a higher level of residential density than that otherwise permissible in B-1(g) zoning districts is approved for that district, then it shall be a requirement of such district that at least twenty percent (20%) of the total leasable or saleable floor area within all buildings located within such zoning district shall be designed for non-residential use. Occupancy permits may not be given for residential floor area if doing so would cause the ratio of residential floor area for which an occupancy permit has been issued to non-residential floor area for which an occupancy permit has been issued to exceed four to one (4:1). **(AMENDED 11/9/11)**