





January 29, 2015

Mr. Jeff Kleaveland
Carrboro Planning
301 West Main Street
Carrboro, NC 27510

Re: Shelton Station – UNC-Horizons Program

Dear Mr. Kleaveland,

Based on our meeting with you on January 20, 2015 we wanted to take this opportunity to follow up with the question you had regarding the tax status of the UNC-Horizons program.

As we discussed in our meeting, we have been negotiating a contract with UNC to move the UNC-Horizons program into the commercial building of our Shelton Station project. Due to their funding protocol and requirements, they need to own their space vs. lease it from us. Our collective solution to this requirement is to “condo” the commercial building and allow them to own the space that they will occupy. Their total space is very close to 50% of the commercial building. This appears to be a win/win for everyone.

Although we have spent a tremendous amount of time working on this with the directors and staff of the UNC-Horizons program, we have also been working side by side with the UNC Real Estate Office and the UNC Real Estate Foundation. As an answer to your question regarding the tax status of the UNC-Horizons program and the entity that will be contracted to purchase the space, I offer you the following information:

- UNC-Horizon is a non-profit program operated as part of the Department of Obstetrics and Gynecology of the School of Medicine at the University of North Carolina-Chapel Hill. They will not be the entity that purchases the space from Shelton Station, LLC.
- The UNC Real Estate Foundation, working through the UNC Real Estate Office is who we will enter into contract with and convey the property to. The UNC Real Estate Foundation is a tax paying entity and would be in a position to pay property tax similar to if Shelton Station, LLC retained ownership. For your reference, this is similar to when the same foundation purchased University Square in downtown Chapel Hill.

I hope this letter satisfies your questions and any concerns that you may have had about the UNC-Horizon program. Please do not hesitate to contact us if there is anything you would like to discuss further, or if there are any additional questions, comments or concerns.

Thank you very much.

Regards,

A handwritten signature in black ink, appearing to read 'Mark Moshier', written over a horizontal line.

Mark Moshier
Principal

cc: Marty Roupe, Town of Carrboro
Ken Reiter, Shelton Station, LLC
William Anderson, Kennon Craver



January 26, 2015

Mr. Jeff Kleaveland
Carrboro Planning
301 West Main Street
Carrboro, NC 27510

Re: Shelton Station – CUP – Permissible and Accessory Uses

Dear Mr. Kleaveland,

Based on our meeting on January 20, 2015 and a review of Article X of the Town of Carrboro Land Use Ordinance, we are providing our assessment that the operations of the UNC-Horizons program is consistent with the 3.00 classification (which includes 3.11 & 3.12) as listed in Section 15-146 (Table of Permissible Uses) and as approved as part of our CUP.

The UNC-Horizons program is a substance abuse treatment program for pregnant and parenting women and their children, including women that have abused and are victims of domestic abuse. UNC-Horizons is operated as part of the Department of Obstetrics and Gynecology of the School of Medicine at the University of North Carolina – Chapel Hill. The UNC-Horizons program offers the following services to its clients: 1. Prenatal clinic for planning, counseling and care, 2. Outpatient treatment services, 3. Childcare services for participants of the UNC-Horizons program. The hours of operation for the UNC-Horizons program is typically 8:00 a.m. to 5:00 p.m.

The prenatal clinic and outpatient treatment services are permissible as part of the 3.00 classification. The childcare services are an important portion of the UNC-Horizons program and are incidental and an insubstantial portion of the total activity of the project, and as such can be classified as an accessory use to the principal use generally described as office, clerical, research and non-merchandising services.

As the plan currently stands, the operations of the UNC-Horizons program located at Shelton Station will contain 11,596 square feet. The total square footage of the Shelton Station project is approximately 113,000 square feet. Therefore, the UNC-H program represents just 10% of the total square footage.

Additionally, the childcare services are approximately 4,000 square feet, or just 3% of the total project square footage. Because the childcare services are incidental and an unsubstantial portion of the entire project, the childcare services can be placed under the 3.00 classification.

The vehicular traffic associated with the UNC-Horizons program is less than the proposed commercial activity that was included in the traffic analysis conducted as part of the CUP. Additionally, the childcare services portion of the UNC-H operations is available to clients of the UNC-H program (who are often brought to the site by UNC-H staff, shuttle or public transportation). The clients attend programs at the site by appointments which occur throughout the day. The operations of these programs and their scheduling effectively manage the total traffic generated from this childcare use and therefore eliminate the typical volume of drop off and pick up traffic.



Mr. Jeff Kleaveland

January 26, 2015

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The UNC-horizons program was operated in Carrboro under similar circumstances on Roberson Street until 2013. The UNC-Horizons program has been temporarily relocated to Chapel Hill in anticipation of a move back to Carrboro upon the completion of Shelton Station in 2016.

Please provide us with a letter confirming that the UNC-Horizons program as proposed and described above is consistent with a permissible use of 3.00 (3.11, 3.12) classification as included in the CUP granted on April 2, 2013.

Please do not hesitate to contact us with any questions, comments or concerns.

Thank you very much.

Regards,

A handwritten signature in black ink, appearing to read 'Mark Moshier', with a stylized flourish at the end.

Mark Moshier

Principal

cc: Marty Roupe, Town of Carrboro
Ken Reiter, Shelton Station, LLC
William Anderson, Kennon Craver
Dan Jewell, Coulter Jewell Thames
Jeremy Anderson, Coulter Jewell Thames