



CONSIDER A PETITION TO ANNEX PROPERTY AT 7000 MILLHOUSE ROAD

STAFF REPORT

TOWN OF CHAPEL HILL PLANNING DEPARTMENT
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PROJECT LOCATION 7000 Millhouse Road	MEETING DATE December 9, 2020	REQUESTED BY Carolina Donor Services LLC
STAFF'S RECOMMENDATION That the Council enact Ordinance A to annex the property with an effective annexation of 11:59 p.m. on December 9, 2020.		
UPDATES SINCE THE NOVEMBER 4, 2020 ANNEXATION HEARING The petitioner has shared that they are seeking tax-exempt status for this property. Orange County would determine whether to grant this exemption. The Town would not collect property tax revenue if tax-exempt status is approved. The property would incur costs of services to the Town which would primarily consist of Public Works and Fire Services. The Carolina Donor Services project would still have indirect economic benefit to the Town through job creation. Additionally, if the property were sold in the future, the new owner could be responsible for property taxes.		
ITEM OVERVIEW The Town received a valid petition to annex 9.76 acres of land at 7000 Millhouse Road. Council held a public hearing on annexation on November 4, 2020 ¹ . Annexation would extend the Town's corporate limits to include this property.		
PROCESS <ol style="list-style-type: none"> 1. Receive Petition 2. Certify Sufficiency 3. Call Public Hearing 4. Fiscal Analysis 5. Council Public Hearing on Annexation Petition 6. Council Action on Annexation 	ADDITIONAL INFORMATION <ul style="list-style-type: none"> • Carolina Flex Park LLC submitted a voluntary annexation petition on February 17, 2020. Following sale of the property, the annexation petition was updated on September 30, 2020 to include signature from the current property owner, Carolina Donor Services LLC. The Town Clerk reviewed and determined this is a valid petition. • North Carolina General Statute 160A-31(c) requires the Town to set a public hearing for annexation upon receiving a valid petition for land contiguous to Town boundaries. 'Contiguous' land includes land that is separated from the Town boundary by municipal-owned property. • Staff notified the community of the annexation hearing in accordance with State statute. • Enacting the Ordinance would annex 9.76 acres of private land along with half of the right-of-way of Millhouse Road. • The property in question is the site of Carolina Donor Services, a future 51,281 sq. ft. office and clinic/lab facility for organ and tissue recovery. • Annexation of property adjacent to existing urban areas is a tool for ensuring the efficient delivery of urban services and the orderly development of urban areas. 	
FISCAL IMPACT/RESOURCES Annexed properties pay property tax to the Town of Chapel Hill and may receive the full range of services provided by the Town. Further detail on fiscal impacts is provided in the attached materials. The approved Conditional Zoning ² allows up to 380,000 sq. ft. of development on the site, which would result in additional revenues and costs for the Town. The Town would also make a one-time payment of \$123.09 towards the long-term debt of the New Hope Fire District, to meet the requirements of State statute.		

¹ <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=4682748&GUID=EB7C6895-D785-4AA8-817F-343DC75E1D42>

² http://chapelhill.granicus.com/GeneratedAgendaViewer.php?view_id=21&clip_id=3313. See Item #3, Carolina Flex Park.

ATTACHMENTS

1. Draft Staff Presentation
2. Ordinance A (Approving the Annexation)
3. Proposed Annexation Map
4. Annexation Petition with Certificate of Sufficiency
5. Annexation Financial Impact Analysis
6. New Hope Fire District Debt Workbook