January 5, 2012

Roger Stancil
Town Manager
405 Martin Luther King Jr. Blvd.
Chapel Hill, NC 27514

Re: Carolina North Development Agreement
Minor Modification Request 2012-1

Dear Mr. Stancil:

I am writing on behalf of the University to request a minor modification to the Carolina North Development Agreement in accordance with the procedures outlined in Section 3.5.5(j) of the Land Use Management Ordinance and Section 4.12 of the Carolina North Development Agreement.

On October 26, 2011, the University described this proposed minor modification at a Business Meeting of the Chapel Hill Town Council. This proposed minor modification is consistent with the University’s presentation that evening.

The overarching goal of this proposed minor modification is to improve the ecological value and connectivity of the 311 acres of the Carolina North property that are to be placed in conservation under the terms of the Development Agreement. The Conservation Area realignments we are proposing are designed to:

- Consolidate Conservation Areas to protect larger continuous tracts;
- Preserve more mature forest;
- Protect additional streams, wetlands and wildlife corridors;
- Eliminate areas such as the landfill that ought to be restored rather than conserved; and
- Maintain an equal number of acres being conserved.

Specifically, we are proposing that the Development Agreement be modified by substituting the Conservation Area exhibit attached as “Exhibit E-2012-1” for the current Conservation Area exhibit attached to the Development Agreement. Exhibit E-2012-1 (see Attachment I) and the existing Exhibit E (see Attachment II) are each attached to this letter.

Exhibit E-2012-1 differs from the existing Exhibit E in the following respects:

- Area 1 shifted west to capture the Crow Branch headwaters, to protect high-quality mature forest, and for connectivity with Area 2. (See Attachment III)
- Area 2 reshaped to protect unique xeric forest, steep slopes, and ephemeral streams while excluding the landfill and the impoundment created by the landfill. (See Attachment III)
- Area 3 removed because it includes a portion of the landfill and it is the site of an active groundwater remediation effort with associated wells, pipes, access roads, and a building. (See Attachment III)
- Area 4 reshaped to protect additional stream, to correct boundary overlap with 50-year development area, and for greater connectivity with conservation areas to the west. (See Attachment IV)
- Area 5 reshaped to protect an additional wetland and to provide connectivity with Areas 6A and 6B. (See Attachment V)
• Area 6A expanded to include the 19 acres of the eliminated Area 3, and the area is reshaped to provide greater connectivity with Areas 5 and 6B. (See Attachment V)
• Area 6B (100-year limited development area) reshaped to include additional stream to the east while maintaining 53 acre area. (See Attachment V)
• Property boundary conflicts corrected. (See Attachments III, IV, V)

For detailed information on the characteristics of the Conservation Areas shown on the Development Agreement’s existing Exhibit E, we encourage you to review the report, dated July 29, 2011, prepared by Biohabitats following a multi-day field study. This report describes each of the Conservation Areas depicted on the existing Exhibit E with respect to ecological features, age of forest, adjacent land uses, presence of utilities, and other attributes. The report is publicly available on the University’s Carolina North website [http://carolinanorth.unc.edu, <Plans, Reports & Studies>, <2011 Carolina North Proposed Conservation Area Descriptions Report>].

We believe this modification request constitutes a request for a minor modification under Section 3.3.5(j) of the Land Use Management Ordinance, because the changes do not fit the definition of a major modification in that there is no:

1. Substantial change in the boundaries of the development agreement.
2. Substantial change in floor area or number of parking spaces.
3. Changes that will substantially affect pedestrian, bicycle or vehicular access or circulation beyond the boundaries of the development agreement.
4. Substantial change in the amount or location of open space within the boundaries of a development agreement.

These adjustments are in substantial compliance with the approving actions of the Town Council and the Board of Trustees and all other applicable requirements. Please do not hesitate to contact us if you need any additional information.

Sincerely,

Bruce Runberg

cc: Holden Thorp  
Patricia Crawford  
Karol Kain Gray  
William Tricomi  
Anna Wu

Attachments:
Attachment I: Exhibit E-2012-1
Attachment II: Exhibit E
Attachment III: Crow Branch Conservation Area Changes Explained
Attachment IV: Bolin Creek East Conservation Area Changes Explained
Attachment V: Bolin Creek West Conservation Area & Bolin Creek 100-Year Limited Development Area (6B) Changes Explained
Exhibit E-2012-1. Map: Conservation Areas

Approximate acreage:

<table>
<thead>
<tr>
<th>Area</th>
<th>Crow Branch Conservation Area (Areas 1-2)</th>
<th>Bolin Creek East Conservation Area (Area 4)</th>
<th>Bolin Creek West Conservation Area (Areas 3-5-6A)</th>
<th>Bolin Creek 100-year Limited Development Area (Area 6B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acres</td>
<td>51</td>
<td>24</td>
<td>183</td>
<td>53</td>
</tr>
</tbody>
</table>
EXHIBIT E. Map: Conservation Areas

Note: Composite Map – Weighted Analysis from Ecological Assessment, with smoothed boundaries and upland hardwood borders

Approximate acreage:

<table>
<thead>
<tr>
<th>Area</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6A</th>
<th>(6B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acres</td>
<td>12</td>
<td>42</td>
<td>19</td>
<td>24</td>
<td>9</td>
<td>205</td>
<td>(53)</td>
</tr>
</tbody>
</table>

{00051632.DOC 5}
Area 1 moved to create contiguous area along Crow Branch and to include mature forest.
Area 2 reshaped to avoid landfill and to include additional wetlands and xeric forest.
Area 3 moved due to existing landfill & groundwater treatment Infrastructure.
Resolved conflict between Development Area boundary and Conservation Area 4.

Offset Conservation Area 100’ from Development Area boundary to account for fill slope from old runway.

Included more streams, stream buffers, and wetlands. Created wildlife corridor to west side.
Attachment V
Bolin Creek West Conservation Area & Bolin Creek 100-Year Limited Development Area (6B)
Changes Explained

1. Extended Conservation Area to the property boundary.
2. Created contiguous Conservation Area.
3. Included more streams, stream buffers, and wetlands.
attached Carolina North Minor Modification letter