

The Parks at Meadowview Modification to a Planned Residential Community



GENERAL INFORMATION

February 13, 2006

Chatham County, North Carolina

**THE PARKS at MEADOWVIEW
MODIFICATION TO A PLANNED RESIDENTIAL
COMMUNITY**

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Development Team

I.

DEVELOPMENT TEAM

Developer: The Parks at Meadowview, LLC
Contact Person: Nick Robinson
P. O. Box 607
Pittsboro, NC 27312
(919) 542-2400

Attorneys: Bradshaw & Robinson, LLP
Contact Person: Nick Robinson
P. O. Box 607
Pittsboro, NC 27312
(919) 542-2400

Civil Engineer/Land Planner: C E Group, Inc.
Contact Person: Mark Ashness, PE, ASLA
11000 Regency Parkway, Suite 410
Cary, NC 27511
(919) 367-8790

Ecologist/Soils Evaluation: Soil & Environmental Consultants, P.A.
Contact Person: Sean Clark/Don Wells
11010 Raven Ridge Road
Raleigh, NC 27614
(919) 846-5900

Audubon International
Contact Person: Sarah Anderson
11104 Limehurst Place
Charlotte, NC 28273

Surveyor: Absolute Land Surveying and Mapping, PC
Contact Person: Charles Eliason, PLS
117 North Chatham Avenue
Siler City, NC 27344
(919) 542-0074

Transportation Engineer: Ramey Kemp & Associates
Contact Person: Rynal G. Stephenson, PE
4928-A Windy Hill Drive
Raleigh, NC 27609
(919) 872-5115

Hydrogeologist:

Edwin Andrews & Associates
Contact Person: Ed Andrews, PG
P. O. Box 30653
Raleigh, NC 27622
(919) 783-8395

Economic Analysis:

Miley Gallo & Associates
Contact Person: Lucy Gallo, CPA
2530 Meridian Parkway, Suite 200
Durham, NC 27713
(919) 806-4677

Statement of Purpose

II.

STATEMENT OF PURPOSE

The Parks at Meadowview, LLC (“Applicant” or “Crescent”), wholly-owned by Crescent Resources, LLC (<http://www.crescent-resources.com>), is applying to Chatham County for revision of the subdivision sketch design approval for the Meadowview Subdivision. Crescent, a premier residential development company formed by Duke Energy, recently acquired the Meadowview property. In partnership with Audubon International, Crescent has re-designed some portions of the plan to reduce density, add value to Chatham County tax base and consciously to reduce the environmental impact of the project.

Crescent has built the strongest of reputations by creating incomparable communities in beautiful places. Crescent has developed numerous residential communities located in six states across the southeast and southwest with more than two dozen such communities located here in North Carolina. Crescent communities are known to be some of the finest in the country. Utilizing architectural controls and meticulously landscaped entrances and common areas, Crescent has created communities of enduring value and unparalleled lifestyles.

A few of its award-winning communities in the Carolinas are The Point, Ballantyne Country Club and the Sanctuary in Charlotte, N.C.; Black Forest on Lake James near Morganton, N.C.; Waterside Crossing and Pointe Harbor on Lake Keowee near Seneca, S.C.; Palmetto Bluff in Bluffton, S.C., and Oldfield near Beaufort, S.C. Crescent is the recipient of numerous awards for its environmentally sensitive approach to developing communities in the Carolinas. Crescent was recognized for creating the Community of the Year by the National Arbor Foundation and named the Industrial Conservationist of the Year by the S.C. Wildlife Federation. Its community The Point on Lake Norman was twice a finalist for the Urban Land Institute’s Award of Excellence. The company was also honored with the Corporate Stewardship Award from the South Carolina Department of Natural Resources.

Audubon International (<http://www.auduboninternational.org>) operates in over two dozen countries and on five continents. It strives to educate, assist, and inspire millions of people from all walks of life to protect and sustain the land, water, wildlife, and natural resources around them. By helping people make sound environmental decisions and to take action, building from individual to community-wide involvement, Audubon fosters more sustainable human and natural communities.

On May 16 2005, the Chatham County Board of Commissioners voted unanimously to approve the sketch design application for the Meadowview subdivision.

The approved plan called for 715 residential lots and approximately 60% open space and ample stream buffers. The project also included a gated phase with private roads.

Crescent and Audubon International form a formidable partnership. Together, they have worked to redesign the project with an eye toward even further enhancing the environmentally conscious design of the project.

In particular, Crescent proposes to revise the sketch design to reduce the total number of lots from 715 to 600. With Audubon's input, Crescent has decided to move and reshape lots to provide alignment of open space for wildlife corridors and the movement of wildlife throughout the property.

In addition, the name will be changed to 'The Parks at Meadowview.' All phases will now have private roads. The intent is to install an unmanned gate system at the connections to public roads. The intention is for the gates to be open during daylight hours and to use a scan decal system during the night-time hours. Ultimately, the schedule and use of the gate will be determined by the property owners association.

Except as modified by this application, the information supplied during the Meadowview sketch design process remains applicable.

The property is in an unzoned portion of Chatham County where one-acre lots are allowed. The property could readily be approved for over 771 one-acre lots leaving no provision for open space or common area within the subdivision. However, Applicant has a vision for an environmentally sustainable planned unit development that would create 600 residential lots, ranging in size from 12,000 SF to just over an acre, thereby leaving approximately 475 total acres of open space, or approximately 60% of the total acreage. The open space will include manicured meadows and amenities and natural buffer zones and trail so as to enhance wildlife habitats, protect existing streams and create natural buffers between the community and neighboring land owners. The open space area will be dedicated to the property owners association.

The Parks at Meadowview PUD, as revised, will generate excess tax revenue even beyond that previously estimated. Although the number of lots has been reduced, the anticipated revenue to be generated will be higher. The project will ultimately create new annual ad valorem tax revenue (net of expenses) to Chatham County of approximately \$1,452,877.00 per year – compared to \$13,617.30, the current ad valorem tax revenue generated by the property in its current use. In other words, the net tax revenue increase at buildout is expected to be 100 times the current ad valorem tax revenue being generated by the property.

Application

Chatham County Planning Department

P.O. Box 54
Pittsboro, NC 27312
Tel: (919) 542-8204
Fax: (919) 542-2698

Type of Review

- Sketch
- Preliminary
- Final

MAJOR SUBDIVISION APPLICATION

Name of Subdivision: The Parks at Meadowview

Subdivision Applicant:

Subdivision Owner:

Name: The Parks at Meadowview, LLC

Name: The Parks at Meadowview, LLC

Address: 1104 Limehurst Pl. _____
Charlotte, NC 28273

Address: Same _____

Phone:(W) (704) 295-1106

Phone:(W) _____

Phone:(H) _____ **Fax:** (704) 295-0077

Phone:(H) _____ **Fax:** _____

E-Mail _____

E-Mail _____

Township: Center/Hadley _____ **Zoning:** None _____ **P. I. N.#** _____

Flood Map #370299_0050 **Zone:** Zone A & X _____ **Parcel #** See Attached _____

Watershed: WS IV - PA _____

Existing Access Road: S.R. # 1520 and NC 87

S.R. road name _____

Total Acreage: 793.01 _____

Total # of Lots: 600 _____

Min. Lot Size: +/- 1/3 ac.

(See phasing plan)

Ph. I Acreage _____

Ph. I # of lots 172 Lots **Max. Lot Size:** +/- 1 ac.

Ph. II Acreage. _____

Ph. II # of lots 165 lots **Avg. Lot Size:** _____

Ph. III Acreage _____

Ph. III # of lots 263

Type of new road: Private/ Length 41,975 linear feet Public/ Length _____

Road Surface:

- paved
- gravel

Water System:

- individual wells
- community wells
- public system
name Pittsboro _____

Sewer System:

- septic systems
- community system
- public system
name Heater _____

List other facilities: commercial, recreation, etc., and the approximate acreage or square footage:

Amenity area +/- 7.4 acres; Meadows +/- 261.2 _____

For Office Use Only:

Notes: _____

Approved by County Commissioners: Sketch _____
Preliminary _____
Final _____

Payment: Date ____/____/____ Amount: \$ _____

Parcel Numbers

PIN Numbers

5983

9733-75-0481

10950

9734-23-9527

5912

9733-37-5526

10657

9734-20-5777

61935

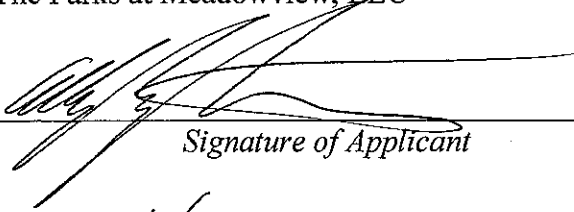
9723-89-2774

10893

9723-79-8927

The Parks at Meadowview, LLC

By:



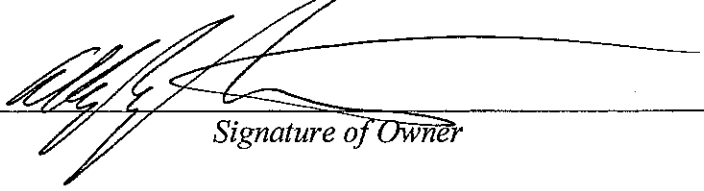
Signature of Applicant

Date

2/8/06

The Parks at Meadowview, LLC

By:



Signature of Owner

CHATHAM PARTNERS LLC

By: Thomas J. Towelle
Signature of Owner

POLK-SULLIVAN, LLC

By: _____
Signature of Owner

Chatham County Planning Department
P.O. Box 54
Pittsboro, NC 27312
Tel: (919) 542-8204
Fax: (919) 542-2698

Type of Review
 Sketch
 Preliminary
 Final

MAJOR SUBDIVISION APPLICATION

Name of Subdivision: _____
Subdivision Applicant: _____ Subdivision Owner: _____

Name: _____ Name: _____

Address: _____ Address: _____

Phone:(W) _____ Phone:(W) _____
Phone:(H) _____ Fax: _____ Phone:(H) _____ Fax: _____

E-Mail _____ E-Mail _____

Township: _____ Zoning: _____ P. I. N. # _____

Flood Map # _____ Zone: _____ Parcel # _____
Watershed: _____ Existing Access Road: S.R. # _____
S.R. road name _____

Total Acreage: _____ Total # of Lots: _____ Min. Lot Size: _____

Ph. I Acreage _____ Ph. I # of lots _____ Max. Lot Size: _____

Ph. II Acreage _____ Ph. II # of lots _____ Avg. Lot Size: _____

Ph. III Acreage _____ Ph. III # of lots _____

Type of new road: Private/ Length _____ Public/ Length _____

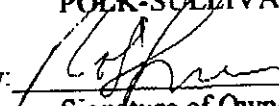
Road Surface: paved gravel
Water System: individual wells community wells public system
name _____
Sewer System: septic systems community system public system
name _____

List other facilities: commercial, recreation, etc., and the approximate acreage or square footage: _____

CHATHAM PARTNERS LLC

By: _____
Signature of Owner

POLK-SULLIVAN, LLC

By:  _____
Signature of Owner

1. Pearce Zebedee Jr. Grace M Zebedee	29. Charles R. Billings Jane E. Cousins
3887 Old Graham Road	357 Wesley Drive
Pittsboro, NC 27312 (Parcel #6585)	Chapel Hill, NC 27516 (Parcel #81426) (Lot 54B)
2. Edward M. Harris III (Trustee) Gene K. Harris (Trustee) Camille H. Cunnup (Trustee)	30. Earl R. Wingo Jr.
2501 Ferguson Road	2028 Pondsedge Trace
Raleigh, NC 27612 (Parcel #5985)	Raleigh, NC 27603 (Parcel #81420) (Lot 48B)
3. Elizabeth Lee Alston	31. Grady C. Gaskill
198 Major Lee Road	353 Oak Branch Lane
Pittsboro, NC 27312 (Parcel #5909)	Sanford, NC 27330 (Parcel #81419) (Lot 47B)
4. Charles S. Lutterloh	32. John S. Ginn Cristin F. Ginn
323 L&W Lane	101 Spruce Ridge
Pittsboro, NC 27312 (Parcel #64636)	Holly Springs, NC 27540 (Parcel #81417) (Lot 45B)
5. Donna Holt	33. Gregory K. Caldwell
4546 NC Hwy 87 North	117 Donna Place
Pittsboro, NC 27312 (Parcel #64637)	Cary, NC 27513 (Parcel #81403) (Lot 31A)
6. Mable C. Rodgers Willie Rodgers	34. Chadwick D. Burton
4874 NC Hwy 87 North	P.O. Box 14264
Pittsboro, NC 27312 (Parcel #63265)	Durham, NC 27709 (Parcel #81402) (Lot 30A)
7. Marvin Chalmers	35. John J. Crncic

Vernice B. Chalmers	
4914 NC Hwy 87 North	St. Edmunds Lane
Pittsboro, NC 27312 (Parcel #5966)	Apex, NC 27539 (Parcel #81401) (Lot 29A)
8. Delores J. Ferguson	36. Billy Wayne Campbell Charity Campbell
P.O. Box 1634	5035 Old Graham Road
Pittsboro, NC 27312 (Parcel #10849)	Pittsboro, NC 27312 (Parcel #10951)
9. Delores J. Ferguson Elizabeth Reep Weatherspoon	37. New Salem Baptist Church
P.O. Box 1634	5030 Old Graham Road
Pittsboro, NC 27312 (Parcel #10857)	Pittsboro, NC 27312 (Parcel #62465)
10. Robert C. Strowd Karen C. Strowd	38. Mary Susan Back
5154 NC Hwy 87 North	6729 Falconbridge Road
Pittsboro, NC 27312 (Parcel #10859)	Chapel Hill, NC 27514 (Parcel #78547)
11. Fred Pugh Barbara Pugh	39. John G. Wright Gladys Ann Wright
5332 NC Hwy 87 North	4995 Old Graham Road
Pittsboro, NC 27312 (Parcel #10865)	Pittsboro, NC 27312 (Parcel #68325)
12. Fred Pugh Barbara Pugh	40. Frank T. Foushee Emily R. Foushee
5332 NC Hwy 87 North	P.O. Box 604
Pittsboro, NC 27312 (Parcel #10895)	Pittsboro, NC 27312 (Parcel #70612)
13. Susan S. Braxton	41. Billy T. Dowdy (Life Estate)

Glenn Braxton	
1137 Woodbrook Way	5011 Old Graham Road
Garner, NC 27529 (Parcel #10896)	Pittsboro, NC 27312 (Parcel #5972)
14. Charles Sirls Bell Minnie Sirls	42. Larry Wayne Glenn
5429 NC Hwy 87 North	P. O. Box 247
Pittsboro, NC 27312 (Parcel #10863)	Bunn, NC 27508 (Parcel #70614)
15. Mrs Beatrice B. Lasater	43. Fannie Mae
5429 NC Hwy 87 North	950 E. Paces Ferry Rd.
Pittsboro, NC 27312 (Parcel #10860)	Atlanta, GA 30326-1161 (Parcel #70613)
16. Charles Sirls Jr. Bell Minnie Sirls	44. Terry A. Ayers
5429 NC Hwy 87 North Pittsboro, NC 27312 (Parcel #10846)	187 Butch Dowdy Road Pittsboro, NC 27312 (Parcel #76797)
17. Walter C. Henderson	45. Dennis M. Dowdy
5560 NC Hwy 87 North	1245 Henderson Tanyard Road
Pittsboro, NC 27312 (Parcel #10892)	Pittsboro, NC 27312 (Parcel #60784)
18. Jerry R. Justice	46. Byron Jones
2654 NC Hwy 87 North	4713 Old Graham Road
Pittsboro, NC 27312 (Parcel #10876)	Pittsboro, NC 27312 (Parcel #5913)

19. Jerry R. Justice	47. Billy C. Akridge Judith H. Akridge
2654 NC Hwy 87 North	182 Old Lytra Road
Pittsboro, NC 27312 (Parcel #10843)	Chapel Hill, NC 27514 (Parcel #5916)
20. Larry F. Justice Heirs	48. Shawn Lionel McKenzie
P. O. Box 1396	302 West Dolphin Street
Longbeach, MS 39560 (Parcel #10862)	Siler City, NC 27344 (Parcel #5914)
21. Morris Reid Love Kathlen G. Love	49. George Clifton Scurlock Jr.
416 Lutterloh Road	4425 Old Graham Road
Pittsboro, NC 27312 (Parcel #70015)	Pittsboro, NC 27312 (Parcel #74821)
22. Virgilia Lutterloh	50. George Clifton Scurlock Jr.
4034 NC Hwy 87 North	4425 Old Graham Road
Pittsboro, NC 27312 (Parcel #74015)	Pittsboro, NC 27312 (Parcel #5978)
23. Lynn Lutterloh Frost Andrew McLean	51. George C. Scurlock Ruby M. Scurlock
468 Lutterloh Road	4385 Old Graham Road
Pittsboro, NC 27312 (Parcel #67262)	Pittsboro, NC 27312 (Parcel #71804)

24. Jordan Lake Preserve Corporation	52. George C. Scurlock
840 The Preserve Trail	4385 Old Graham Road
Chapel Hill, NC 27517 (Parcel #10950)	Pittsboro, NC 27312 (Parcel #5977)
25. Ashutosh V. Kotwal Ashwini A. Kotwal	53. Allen R. Phillips Teresa E. Phillips Junius Earl Maynard
3015 Broomsedge Way	1282 Hanks Chapel Rd.
Durham, NC 27712 (Parcel #81462) (Lot 90C)	Pittsboro, NC 27312 (Parcel #5900)
26. John M. Turco	54. William M. Cooper Jr.
19 Songbird Court	P.O. Box 1342
Apex, NC 27502 (Parcel #81431) (Lot 59B)	Pittsboro, NC 27312 (Parcel #5984)
27. John D. Dunaway	55. Arm Sales Inc.
121 Balsam Court	1501 E. Bessemer Avenue
Chapel Hill, NC 27514 (Parcel #81428) (Lot 56B)	Greensboro, NC 27405 (Parcel #68324)

28. Ruth V. Schwasinger	56. Chatham Partners LLC Polk Sullivan LLC
18 Maple Street	1000 St. Albans Drive
Scarsdale, NY 10583 (Parcel #81427) (Lot 55B)	Raleigh, NC 27609 (Parcel #81318)
57. Jo E. Hill	58. Annie Bell Dark etal. c/o George Dark
5430 NC Hwy 87 North	2 Pond Hollow Drive
Pittsboro, NC 27312 (Parcel #78748)	Oak Ridge, NJ 07438 (Parcel #5987)

59. Ronald A. Newcomb Patricia L. Newcomb	60. Howard B. Katzoff Ann Katzoff
109 Phacelia Way	6411 Morning Time Lane
Cary, NC 27511 (Lot 46B) (Parcel #6585)	Clarksville, MD 21029 (Lot 57B)
61. Linda Barton	62. Joseph E. Lang Susan A. Lang
310 Hardwick Drive	9051 Seward Street
Durham, NC 27713 (Lot 49B)	Frederick, MD 21704 (Lot 58B)
63. Shumaila Chaudry	64. Yash P. Mehndiratta Ritula Mehndiratta
4745 Charter Court	6104 Stonehenge Place
Woodbridge, VA 22192 (Lot 50B)	North Bethesda, MD 20852 (Lot 60B)

65. Frank A. DeGeorge Kimberly A. DeGeorge	66. William B. Lahtinen Elaine A. Rhoades
1406 Hillcroft Court	162 Sterling Road
Apex, NC 27502 (Lot 51B)	Princeton, MA 01541 (Lot 61B)
67. Jed Schipper	68. John W. Ratzlaff Sherry L. Gaden
337 Lime Avenue #3	250 Rainbow Drive #15028
Long Beach, CA 90802 (Lot 52B)	Livingston, TX 73351 (Lot 62B)
69. Joseph Marion Elaine Marion	70. Destin Building & Development, LLC
126 Dug Road	590 Mountain Laurel
Chester, NY 10918 (Lot 53B)	Chapel Hill, NC 27517 (Lot 63B)
71. Thomas A. Lang Nicholas Triandafilou	72. Alice Anne Oravetz Christopher Paul Oravetz
5500 Roy Court	203 Kennondale Court
New Market, MD 21774 (Lot 94C)	Cary, NC 27519 (Lot 88C) (Parcel #61935)
73. Christopher A. Plunkey Kelly D. Plunkey	74. New Classic Builders, L.L.C.
44 Victoria Drive	649 Olde Thompson Creek Road
Pittsboro, NC 27312 (Lot 93C)	Apex, NC 27523 (Lot 89C)
75. Xue Feng Wang Xiao Le Xu	76. Nelu Skumpija Lisa Skumpija
102 Westchester Place	70 Victoria Drive
Chapel Hill, NC 27514 (Lot 91C) (Parcel #10860)	Pittsboro, NC 27312 (Lot 92C)

**Approved Sketch
Master Plan**

Proposed Master Plan and Residential Specifications

PROPOSED REVISED MASTER PLAN AND RESIDENTIAL SPECIFICATIONS

The Parks at Meadowview LLC is planning to build an attractive community with maintained meadows, horse rail fencing, walking trails, neighborhood parks, and a central community amenity. The central amenity will include a community clubhouse, shelter, multi-sport court, playground, tennis and pool facilities. The homesites will be single-family homesites, approximately 600. The lots will range in size from 12,000 sf to just over an acre. See attached Sketch Master Plan.

APPROVED SKETCH PLAN LAND ALLOCATION

The following is a detailed summary of each land use, the associated approximate acreage as well as the percentage each use comprises of total acreage:

Club House, and Amenities		7.4 acres (1%)
Single Family Homesites		246 acres (31%)
Min/Max homesite size	1/8 to 1 acre	
Average homesite size	1/3 acre	
Road Rights of Way		72.2 acres (9%)
Public roads	41,714 linear feet	
Private Roads	5,815 linear feet	
Open Space		474.9 acres (59%)
Meadows		261.2 acres (33%)
Passive Open Space		206.3 acres (26%)

PROPOSED SKETCH LAND PLAN ALLOCATION

The following is a detailed summary of each land use, the associated approximate acreage as well as the percentage each use comprises of total acreage:

Club House, and Amenities		7.4 acres (1%)
Single Family Homesites		241 acres (30%)
Min/Max homesite size	0.3 to 1 acre	
Average homesite size	1/2 acre	
Road Rights of Way		65.3 acres (8%)
Public roads	5,098 linear feet	
Private Roads	41,975 linear feet	
Open Space		479.7 acres (61%)
Meadows		261.2 acres (33%)
Passive Open Space		218.5 acres (28%)

Approximately 60% of the project area will be left in open space, of which 40% will be left passive with little disturbance. Open space project has been selected to enhance the viewshed from the residential lots and roadways. Passive open space has typically been provided to further enhance protection of natural drainage courses found within the project.

RESIDENTIAL SPECIFICATIONS

Restricted Covenants will be recorded at the time of final plat approval and will include building setback, square footage restrictions, etc.

(Sketch Master Plan, Amenity Concept Plan, and Impervious Summary follows)

MAXIMUM POTENTIAL IMPERVIOUS CALCULATION

Lots	Impervious Area	Total
600	10,000	6,000,000 s.f.

Item	Impervious Area
1 Homesites	6,000,000 s.f.
2 Roadways	1,777,248 s.f.
3 Water Booster Pump Sta.	4,000 s.f.
4 Amenity	161,172 s.f.
5 Sidewalks & Trails	275,000 s.f.
TOTAL IMPERVIOUS	8,217,420 s.f.

TOTAL TRACT AREA **793.1 acres**
34,547,436 s.f.

IMPERVIOUS PERCENTAGE	23.8 %
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Roadway Design

VI

ROADWAY DESIGN

The project will access both NC 87 and Old Graham Road (SR 1520). A public road is currently under construction between the Golf Clubhouse at Chapel Ridge and NC 87. With exception of this Public road, all other roads will be designed, constructed, to NCDOT construction specifications and will remain "private" and maintained by the property owners association. Entrance gates may be provided to access the project from both Old Graham Road and both entrances off of the "public" road to NC 87. All roads within the development shall be constructed to the pavement and base thickness requirements of the North Carolina Department of Transportation (NCDOT). All roadways will have a right-of-way width of at least 50' with curb and gutter. All road signs will be located within the right of way and will be intended to comply with applicable Chatham County standards. The gates accessing the project's private roads will be un-manned and left open during daylight hours.

NCDOT has already approved access location to both Old Graham Road and NC 87. The turn lanes on NC 87 are under construction. A turn lane is also planned for the Old Graham Road.

(Roadway Plan with typical cross sections follows)

About Crescent Resources

VII

ABOUT CRESCENT RESOURCES, LLC

The Parks at Meadowview, LLC is wholly owned by Crescent Resources, LLC. Building on more than three decades of strength and experience, Crescent Resources, LLC has emerged as a leader in the growing real estate markets in the southeastern and southwestern United States. The company's primary objective is to add value to the land entrusted to it, whether it be through land management, a commercial development or a residential community.

Crescent Resources is a real estate development and land management company comprised of dedicated people with uncompromising integrity. The company is committed to excellence in serving its customers, developing the potential of its employees, honoring the obligations of its owners and caring for the environment and communities it serves.

For Crescent Resources, the key to success is building on its strength. From its formation in 1969 by Duke Energy to its emergence as the premier development, land management and commercial forestry company in the Carolinas, to its position today as a real estate force in the Southeast and Southwest, Crescent has held firm to the principles that brought the company to where it is today.

Crescent is recognized as a leader in environmentally-friendly land management and real estate development practices. In the communities it develops, the company routinely restricts tree removal, typically establishes set-backs wider than those dictated by government entities and establishes Community Covenants and Restrictions (CCRs).

Crescent communities are known to be some of the finest in the country. Utilizing architectural controls and meticulously landscaped entrances and common areas, Crescent has created communities of enduring value and unparalleled lifestyles.

A few of its award-winning communities in the Carolinas are The Point, Ballantyne Country Club and the Sanctuary in Charlotte, N.C.; Black Forest on Lake James near Morganton, N.C.; Waterside Crossing and Pointe Harbor on Lake Keowee near Seneca, S.C.; Palmetto Bluff in Bluffton, S.C., and Oldfield near Beaufort, S.C. Crescent is the recipient of numerous awards for its environmentally sensitive approach to developing communities in the Carolinas. Crescent was recognized for creating the Community of the Year by the National Arbor Foundation and named the Industrial Conservationist of the Year by the S.C. Wildlife Federation. Its community The Point on Lake Norman was twice a finalist for the Urban Land Institute's Award of Excellence and the Sanctuary on Lake Wylie was the first community in the world to receive the Three Diamond designation from Audubon International. The company was also honored with the Corporate Stewardship Award from the South Carolina Department of Natural Resources.

Development Schedule

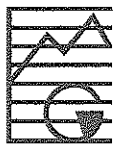
ESTIMATED DEVELOPMENT SCHEDULE

YEAR

2006	Sketch Plan Approval
2006	Phase 1 Plat Approval, Horizontal Construction
2008	Phase 2 Plat Approval, Horizontal Construction
2010	Phase 3 Plat Approval, Horizontal Construction

	HOMES COMPLETED (per year)	TOTAL
2007	72	72
2008	72	144
2009	72	216
2010	72	288
2011	72	360
2012	72	432
2013	72	504
2014	72	576
2015	24	600

Economic Analysis



FISCAL IMPACT OF THE PARKS AT MEADOWVIEW ASSUMING 600 UNITS

Assuming 600 units are constructed, the Meadowview project will increase the residential real estate tax base of Chatham County by \$450 million. As outlined in the table below, it is clear that the Meadowview project will have a positive net fiscal impact on the Chatham County government and the Chatham County School Board.

The annual benefit at expanded service levels is the surplus of revenues less expenditures when Meadowview is built out, as shown below. The proposed development clearly has a positive fiscal impact on Chatham County and the Chatham County Board of Education.

CHATHAM COUNTY GENERAL FUND ANNUAL FISCAL IMPACT OF MEADOWVIEW AT BUILDOUT		
INCREMENTAL REVENUES		
PROPERTY TAXES	\$2,780,886	
SALES TAXES	<u>243,674</u>	
TOTAL INCREMENTAL REVENUES		\$3,024,560
INCREMENTAL EXPENDITURES		
CHATHAM COUNTY		
CHATHAM COUNTY SCHOOLS	\$ 626,059	
OPERATING	539,345	
DEBT SERVICE - CAPITAL	<u>354,449</u>	
TOTAL INCREMENTAL EXPENDITURES		<u>1,519,853</u>
ANNUAL INCREMENTAL BENEFIT AT EXISTING SERVICE LEVELS		1,504,707
INCREMENTAL COUNTY EXPENDITURES WITH EXPANDED SERVICES		<u>51,830</u>
ANNUAL INCREMENTAL BENEFIT, EXPANDED SERVICE LEVELS		<u>\$ 1,452,877</u>



**A FISCAL IMPACT ANALYSIS
OF THE PARKS AT
MEADOWVIEW
DEVELOPMENT**

PREPARED FOR

**THE DEVELOPERS -
CRESCENT RESOURCES, LLC**

**PREPARED BY
LUCY L. GALLO, CPA - PRINCIPAL
HARRY W. MILEY, JR., PH.D. - PRINCIPAL
EMIL MALIZIA, PH.D., AICP**

FEBRUARY 9, 2006

■ www.mileygallo.com

Research Triangle Park, NC ■
Columbia, SC ■

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A FISCAL IMPACT ANALYSIS OF THE PARKS AT MEADOWVIEW DEVELOPMENT

1. INTRODUCTION

This study evaluates the fiscal impacts of the proposed The Parks At Meadowview development ("Meadowview") on the Chatham County government and the Chatham County Board of Education. This analysis is intended to provide Chatham County and the Chatham County Board of Education with detailed information that will facilitate the evaluation of the impacts the development will have on the community. This information will help the County and the School Board plan for changes in the demand for services that will occur over the project's buildout.

2. PROJECT DESCRIPTION

Meadowview is a luxury single-family home community planned for development on 793 acres of land in northeastern Chatham County. The development consists of 576 lots and features neighborhood amenities such as a pool, clubhouse, multi-sport courts, mini-parks, and a playground. Home prices are expected to average approximately \$750,000.

Crescent Resources, LLC ("Developer") will develop the project. Since its formation in 1969 by Duke Energy, Crescent Resources, LLC has emerged as a leading land development, land management and commercial forestry company in the Southeastern and Southwestern United States.

The Developers have estimated an absorption rate of, on average, 72 dwelling units per year resulting in a buildout period of 8 years.

3. EXECUTIVE SUMMARY

The Meadowview project will increase the residential real estate tax base of Chatham County by \$432 million. As outlined in the accompanying analysis, it is clear that the Meadowview project will have a positive net fiscal impact on the Chatham County government and the Chatham County School Board. *As seen in Table 1, the net present value of the stream of annual surpluses at expanded service levels during the buildout period is \$4.5 million, assuming a discount rate of 6%.*

The annual benefit at expanded service levels is the surplus of revenues less expenditures when Meadowview is built out, as shown below. The proposed development clearly has a positive fiscal impact on Chatham County and the Chatham County Board of Education.

CHATHAM COUNTY GENERAL FUND ANNUAL FISCAL IMPACT OF MEADOWVIEW AT BUILDOUT		
INCREMENTAL REVENUES		
PROPERTY TAXES	\$2,669,650	
SALES TAXES	<u>233,928</u>	
TOTAL INCREMENTAL REVENUES		\$2,903,578
INCREMENTAL EXPENDITURES		
CHATHAM COUNTY	\$ 601,017	
CHATHAM COUNTY SCHOOLS		
OPERATING	517,771	
DEBT SERVICE - CAPITAL	<u>340,271</u>	
TOTAL INCREMENTAL EXPENDITURES		<u>1,459,059</u>
ANNUAL INCREMENTAL BENEFIT AT EXISTING SERVICE LEVELS		1,444,519
INCREMENTAL COUNTY EXPENDITURES WITH EXPANDED SERVICES		<u>49,756</u>
ANNUAL INCREMENTAL BENEFIT, EXPANDED SERVICE LEVELS		<u>\$ 1,394,763</u>

4. FISCAL IMPACTS ON THE CHATHAM COUNTY GENERAL FUND

REVENUE IMPACTS

The impacts of Meadowview on the revenues of the Chatham County government are outlined in this section. The primary County revenues generated by the Meadowview project will be property taxes, sales taxes and impact fees.

The estimated revenues from all sources, generated over the 8-year buildout of the project's development, are provided in Table 1. Annual County revenues grow from \$363,000 in Year 1 to over \$2.9 million a year in the eighth year. Table 2 provides a detailed analysis of all County revenues from Meadowview at the development's buildout.

As seen in Table 2, the residential property values in Meadowview are expected to increase by \$432 million at buildout. Annual residential property taxes will be \$2.6 million and property taxes from vehicles owned by Meadowview residents are estimated to be \$91,000 per year.

Meadowview will also generate considerable economic activity that will result in increased sales tax collections for Chatham County government. It is estimated that sales taxes will increase by \$234,000 a year at the time of the development's buildout. As seen in Tables 2 and 3, these sales taxes will be generated by Articles 39, 40, 42 and 44 collections.

In addition to property taxes, the project will generate substantial revenues from impact fees. The County's current impact fee of \$2,900 per dwelling unit will generate \$1,670,400 for school construction over the project's 8-year buildout period. Table 17 provides a description of fees and costs for new school construction as a result of the Meadowview project.

ONE TIME REVENUES TO CHATHAM COUNTY

SCHOOL IMPACT FEES	<u>\$1,670,400</u>
RECREATION EXACTION FEES	<u>\$ 263,000</u>

TABLE I

MEADOWVIEW DEVELOPMENT
BUILDOUT ANALYSIS

	Total	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Annual Residential Sales	\$ 432,000,000	\$ 54,000,000	\$ 54,000,000	\$ 54,000,000	\$ 54,000,000	\$ 54,000,000	\$ 54,000,000	\$ 54,000,000	\$ 54,000,000
Annual Unit Sales	576	72	72	72	72	72	72	72	72
Cumulative Residential Sales	\$ 432,000,000	\$ 54,000,000	\$ 108,000,000	\$ 162,000,000	\$ 216,000,000	\$ 270,000,000	\$ 324,000,000	\$ 378,000,000	\$ 432,000,000
Cumulative # of Units	576	72	144	216	288	360	432	504	576
Per Capita Revenues:									
Property Taxes	\$ 1,876.44	\$ 1,876.44	\$ 1,876.44	\$ 1,876.44	\$ 1,876.44	\$ 1,876.44	\$ 1,876.44	\$ 1,876.44	\$ 1,876.44
Sales Taxes	164.42	164.42	164.42	164.42	164.42	164.42	164.42	164.42	164.42
Total Revenues - Per Capita	\$ 2,040.86	\$ 2,040.86	\$ 2,040.86	\$ 2,040.86	\$ 2,040.86	\$ 2,040.86	\$ 2,040.86	\$ 2,040.86	\$ 2,040.86
Per Capita Expenditures:									
Direct Expenditures Per Capita at Existing Service Levels, including Public School Operating Costs	\$ 786.37	\$ 786.37	\$ 786.37	\$ 786.37	\$ 786.37	\$ 786.37	\$ 786.37	\$ 786.37	\$ 786.37
School Debt Service - Per Capita	239.17	239.17	239.17	239.17	239.17	239.17	239.17	239.17	239.17
Expanded Service Levels Per Capita	34.97	34.97	34.97	34.97	34.97	34.97	34.97	34.97	34.97
Total Expenditures - Per Capita	1,060.51	1,060.51	1,060.51	1,060.51	1,060.51	1,060.51	1,060.51	1,060.51	1,060.51
Per Capita Surplus	\$ 980.35	\$ 980.35	\$ 980.35	\$ 980.35	\$ 980.35	\$ 980.35	\$ 980.35	\$ 980.35	\$ 980.35
Buildout Analysis:									
Revenues:									
Total Revenues	\$ 362,947	\$ 725,894	\$ 1,451,789	\$ 1,814,736	\$ 2,177,683	\$ 2,540,630	\$ 2,903,578	\$ 3,266,525	\$ 3,629,472
Expenditures:									
Expenditures at Existing Service Levels	\$ 139,848	\$ 279,697	\$ 419,545	\$ 559,394	\$ 699,242	\$ 839,091	\$ 978,939	\$ 1,118,788	\$ 1,258,636
School Debt Service	42,534	85,068	127,601	170,135	212,669	255,203	297,737	340,271	382,805
Total Expenditures	\$ 182,382	\$ 364,765	\$ 547,147	\$ 729,529	\$ 911,912	\$ 1,094,295	\$ 1,276,677	\$ 1,459,059	\$ 1,641,441
Net Surplus at Existing Service Levels	\$ 180,564	\$ 361,129	\$ 541,694	\$ 722,259	\$ 902,825	\$ 1,083,390	\$ 1,263,954	\$ 1,444,519	\$ 1,627,031
Expenditures at Expanded Service Levels	6,220	12,439	18,659	24,878	31,098	37,317	43,537	49,756	56,000
Net Surplus with Expanded Service Levels	\$ 174,344	\$ 348,690	\$ 523,035	\$ 697,380	\$ 871,727	\$ 1,046,072	\$ 1,220,418	\$ 1,394,763	\$ 1,571,031
Expected New Residents	1,423	178	356	534	711	889	1,067	1,245	1,423
Public School Students	226	28	57	85	113	141	170	198	226
Net Present Value of Net Surplus at Expanded Service Levels, Discounted at 6%	\$ 4,541,933								

TABLE 2

MEADOWVIEW DEVELOPMENT		
CHATHAM COUNTY TAX REVENUE PER SINGLE-FAMILY HOUSEHOLD		
Residential Property Taxes:		
Residential tax base	\$ 432,000,000	
Tax rate	0.5970%	
Total estimated residential property taxes	<u>\$ 2,579,040</u>	
Motor Vehicle Property Taxes:		
Average motor vehicle value per household, based on Federal Reserve Bulletin survey	\$ 26,350	
# of Households	<u>576</u>	
Motor vehicle tax base	15,177,600	
Tax rate	0.5970%	
Total estimated motor vehicle property taxes	<u>\$ 90,610</u>	
Total Property Tax Revenues	<u>\$ 2,669,650</u>	
Article 39 Sales Tax:		
Residential tax base	\$ 432,000,000	Qualifying
# of households	<u>576</u>	sales tax
Average value	750,000	purchases
Earnings multiple	2.90	limited to food,
Estimated household earnings	\$ 259,000	gas and oil,
Estimated % of earnings for Chatham County purchases	6.15%	household
Estimated Chatham County Purchases - All Units	\$ 9,171,072	supplies,
Article 39 Sales Tax Rate	<u>1.00%</u>	and incidentals.
Article 39 Sales Tax Per Household	<u>\$ 91,711</u>	
<i>Calculated Article 39 Sales Tax per capita</i>	<u>\$ 64</u>	
<i>Estimated FY05 Actual Article 39 Sales Tax Per Capita</i>	<u>\$ 63</u>	
Article 40 Sales Tax Per Household:		
Estimated Meadowview Development Population	1,422.72	
FY05 Per Capita Rate - Table 3	<u>\$ 34.05</u>	
Article 40 Sales Tax Per Household	<u>\$ 48,447</u>	
Article 40 - 70% Unrestricted	\$ 33,913	
Article 40 - 30% Restricted	<u>14,534</u>	
Article 40 Sales Tax Per Household	<u>\$ 48,447</u>	
Article 42 Sales Tax Per Household:		
Estimated Meadowview Development Population	1,422.72	
FY05 Per Capita Rate - Table 3	<u>\$ 33.77</u>	
Article 42 Sales Tax Per Household	<u>\$ 48,046</u>	
Article 42 - 40% Unrestricted	\$ 19,219	
Article 42 - 60% Restricted	<u>28,828</u>	
Article 42 Sales Tax Per Household	<u>\$ 48,046</u>	
Article 44 Sales Tax Per Household:		
Estimated Meadowview Development Population	1,422.72	
FY05 Per Capita Rate - Table 3	<u>\$ 32.14</u>	
Article 44 Sales Tax Per Household:	<u>\$ 45,724</u>	
Total Sales Tax Revenues	<u>\$ 233,927</u>	
Total Tax Revenues	<u>\$ 2,903,578</u>	

TABLE 3

MEADOWVIEW DEVELOPMENT						
EXPANDED ANALYSIS OF SALES TAX ALLOCATIONS						
Source: NC Department of Revenue Local Government Distributions and Reimbursements:						
Chatham County	Article 40 1/2%	Article 42 1/2%	Article 39 1%	Article 44 1/2%	Total	Population
July 2004	\$ 208,483	\$ 207,544	\$ 269,503	\$ 137,872	\$ 843,402	52,582
August 2004	203,777	202,787	284,819	153,827	845,210	53,684
September 2004	181,416	180,278	290,137	142,798	794,629	53,684
October 2004	175,932	174,805	266,571	138,409	755,717	53,684
November 2004	165,483	164,645	197,478	117,729	645,335	53,684
December 2004	190,945	189,765	311,910	151,789	844,409	53,684
January 2005	217,444	216,287	336,944	174,347	945,022	53,684
February 2005	186,396	185,358	255,114	142,506	769,374	53,684
March 2005	159,435	158,276	259,574	124,640	701,925	53,684
April 2005	201,898	200,810	290,529	155,595	848,832	53,684
May 2005	178,779	177,693	245,685	140,018	742,175	53,684
June 2005	207,385	207,385	347,801	170,552	933,123	53,684
	\$ 2,277,573	\$ 2,265,633	\$ 3,356,065	\$ 1,770,082	\$ 9,669,353	
Per Capita	\$ 42.42	\$ 42.20	\$ 62.52	\$ 32.97	\$ 84.62	
Total Articles 40 and 42						
North Carolina:						
July 2004						Population
Total Distributed Ad Valorem Basis	\$ 17,301,741	\$ 17,127,607	\$ 45,717,467	\$ 18,304,578	\$ 98,451,393	
Total Distributed Per Capita Basis	21,179,714	21,003,712	46,181,262	20,392,245	108,756,933	
Total Distributed For Both	\$ 38,481,455	\$ 38,131,319	\$ 91,898,729	\$ 38,696,823	\$ 207,208,326	6,575,200
August 2004						
Total Distributed Ad Valorem Basis	\$ 16,747,587	\$ 16,568,376	\$ 46,429,349	\$ 17,788,116	\$ 97,533,428	
Total Distributed Per Capita Basis	20,481,339	20,310,434	45,346,084	19,195,937	105,333,814	
Total Distributed For Both	\$ 37,228,946	\$ 36,878,810	\$ 91,775,433	\$ 36,984,053	\$ 202,867,242	6,672,998
September 2004						
Total Distributed Ad Valorem Basis	\$ 14,909,808	\$ 14,721,819	\$ 44,217,392	\$ 16,205,143	\$ 90,054,162	
Total Distributed Per Capita Basis	18,233,838	18,071,710	40,218,032	16,612,777	93,136,377	
Total Distributed For Both	\$ 33,143,666	\$ 32,793,529	\$ 84,435,424	\$ 32,817,920	\$ 183,190,539	6,672,998
October 2004						
Total Distributed Ad Valorem Basis	\$ 14,459,061	\$ 14,284,296	\$ 39,374,842	\$ 15,360,304	\$ 83,478,503	
Total Distributed Per Capita Basis	17,682,620	17,307,248	39,599,969	16,787,304	91,577,141	
Total Distributed For Both	\$ 32,141,681	\$ 31,791,544	\$ 78,974,811	\$ 32,147,608	\$ 175,055,644	6,672,998
November 2004						
Total Distributed Ad Valorem Basis	\$ 13,660,381	\$ 13,422,393	\$ 37,228,306	\$ 14,506,678	\$ 78,797,758	
Total Distributed Per Capita Basis	16,632,303	16,460,354	36,399,483	15,333,289	83,225,631	
Total Distributed For Both	\$ 30,292,684	\$ 29,882,747	\$ 73,627,791	\$ 30,039,967	\$ 163,983,389	6,672,998
December 2004						
Total Distributed Ad Valorem Basis	\$ 15,692,981	\$ 15,520,283	\$ 43,694,134	\$ 16,456,115	\$ 91,363,513	
Total Distributed Per Capita Basis	19,191,636	19,014,135	44,848,023	18,180,086	101,233,880	
Total Distributed For Both	\$ 34,884,617	\$ 34,534,418	\$ 88,542,157	\$ 34,636,201	\$ 192,597,393	6,672,998
January 2005						
Total Distributed Ad Valorem Basis	\$ 17,870,776	\$ 17,695,428	\$ 49,429,708	\$ 19,340,116	\$ 104,336,028	
Total Distributed Per Capita Basis	21,854,956	21,680,106	49,185,359	21,260,596	113,981,017	
Total Distributed For Both	\$ 39,725,732	\$ 39,375,534	\$ 98,615,067	\$ 40,600,712	\$ 218,317,045	6,672,998
February 2005						
Total Distributed Ad Valorem Basis	\$ 15,319,110	\$ 15,142,740	\$ 41,080,187	\$ 16,390,623	\$ 87,932,660	
Total Distributed Per Capita Basis	18,734,412	18,560,383	40,280,783	17,659,219	95,234,997	
Total Distributed For Both	\$ 34,053,522	\$ 33,703,123	\$ 81,360,970	\$ 34,049,842	\$ 183,167,657	6,672,998
March 2005						
Total Distributed Ad Valorem Basis	\$ 13,103,327	\$ 12,923,472	\$ 38,342,091	\$ 13,956,361	\$ 78,325,251	
Total Distributed Per Capita Basis	16,024,634	15,854,289	37,007,069	14,868,894	83,754,886	
Total Distributed For Both	\$ 29,127,961	\$ 28,777,761	\$ 75,349,160	\$ 28,825,255	\$ 162,080,137	6,672,998
April 2005						
Total Distributed Ad Valorem Basis	\$ 16,593,106	\$ 16,412,059	\$ 46,035,370	\$ 17,839,734	\$ 96,900,269	
Total Distributed Per Capita Basis	20,292,438	20,123,286	43,461,209	18,775,811	102,652,744	
Total Distributed For Both	\$ 36,885,544	\$ 36,535,345	\$ 89,496,579	\$ 36,615,545	\$ 199,553,013	6,672,998
May 2005						
Total Distributed Ad Valorem Basis	\$ 14,693,116	\$ 14,512,619	\$ 39,372,232	\$ 16,067,977	\$ 84,645,944	
Total Distributed Per Capita Basis	17,968,856	17,799,154	36,934,127	17,045,016	89,767,153	
Total Distributed For Both	\$ 32,661,972	\$ 32,311,773	\$ 76,306,359	\$ 33,112,993	\$ 174,413,097	6,672,998
June 2005						
Total Distributed Ad Valorem Basis	\$ 17,044,129	\$ 17,044,129	\$ 45,932,506	\$ 17,826,037	\$ 97,846,801	
Total Distributed Per Capita Basis	20,844,013	20,844,013	47,889,053	19,932,494	109,509,573	
Total Distributed For Both	\$ 37,888,142	\$ 37,888,142	\$ 93,821,559	\$ 37,758,531	\$ 207,356,374	6,672,998
Total FY05 Per Capita Basis	\$ 229,120,999	\$ 227,229,024	\$	\$ 216,243,668	\$	
Per Capita	\$ 34.34	\$ 34.05	\$	\$ 32.41	\$ 68.39	
Total Articles 40 and 42 Per Capita						
State of North Carolina Population	6,672,998					
Meadowview Development Population	1,423					
Chatham County Population Before Meadowview Development		Article 40	Article 42	Article 44	Total	
Chatham County	53,684					
Cary	40					
Goldston	335					
Pittsboro	2,346	\$ 1,843,269	\$ 1,828,048	\$ 1,739,672	\$ 5,410,989	
Siler City	7,519					
Total	63,924					
Chatham County Population After Meadowview Development						
Chatham County	55,107					
Cary	35					
Goldston	331					
Pittsboro	2,346	\$ 1,891,716	\$ 1,876,055	\$ 1,785,395	\$ 5,553,206	
Siler City	7,407					
Total	65,226					
Net Sales Tax Attributable to Meadowview Development	\$	\$ 48,447	\$ 48,046	\$ 45,724	\$ 142,217	
Sales Tax Per Capita - Meadowview Development	\$	\$ 34.05	\$ 33.77	\$ 32.14	\$	

EXPENDITURE IMPACTS

Along with the substantial revenue impacts generated by Meadowview, there will be increased demands on the County and the School Board to meet the needs of the residents of the development. This section of the report describes Meadowview impacts on the expenditures required of Chatham County government to meet those needs.

In general, the expenditure analysis assumes the existing levels of service currently provided by Chatham County will be provided to all Meadowview citizens. In discussions with County staff and officials, it was deemed appropriate to evaluate impacts on certain County expenditures and departments on a marginal cost basis, including capital as well as operating impacts. The following departments were analyzed using a marginal cost approach:

Public Safety	Human Services
Public Schools - Operating and Capital	North Chatham Fire District
Capital Improvements Program	Emergency Medical Services

The analysis estimates the additional costs of the services to the County by major department. Table 4 estimates the annual costs at existing service levels to the County by department at Meadowview's buildout. These estimates are based on a modified marginal cost approach including per capita costs calculated from the County's FY2005-06 budget. Additional detail of the impact on individual departments is provided in Tables 5 - 17.

EXISTING SERVICE LEVELS

As seen in Table 4, at Meadowview's buildout it is estimated that the County's cost of providing services will increase by approximately \$601,000 per year. Major components of this increase include additional Human Services costs of \$148,000, and additional Public Safety costs of \$216,000 that are primarily due to the demands on emergency medical services (EMS) and the Sheriff's department.

EXPANDED SERVICE LEVELS

In an effort to provide additional information for the County, this analysis also estimates the costs to the County if the County were to increase the level of services to residents in Chatham County above those supported in the 2005-06 Budget. The County may need or want to raise the level of service of various departments. In an effort to anticipate some of the additional costs if the County decided to raise the level of service to all County residents, we estimated the cost of increasing the level of service in the Public Safety department and implementing the County's Capital Improvements Program (CIP). The costs of these expanded levels of service are shown in Table 13. The total annual costs of these expanded service levels are estimated to be \$29,000 more than those estimated at the existing level of service. These cost increases are primarily associated with an

expansion in emergency medical services (Table 11) and public safety (Table 12).

CHATHAM COUNTY'S CAPITAL IMPROVEMENT PROGRAM (CIP)

In addition to the potential impact of the County choosing to raise the level of services countywide, we also considered the County's Capital Improvements Program (adopted on January 3, 2006) that includes a total of approximately \$133 million in new General Government and School District projects. The entire 2006-2011 General Government CIP is provided in Table 14 and outlines the projects and their financing plan. Financing assumptions for the \$44.4 million General Government projects are based on the CIP presentation made by Staff to the Board of Commissioners. The Table reports the impacts related to the CIP implementation after evaluating the levels of reserve and capital outlay funding included in the FY06 Budget. Associated operating cost increases were taken into account, based on information available, and were included as expanded service level costs of \$20,000 (at buildout).

As seen in Table 13, at these expanded levels of service including implementation of the County's CIP, the net fiscal surplus to Chatham County at Meadowview's buildout is positive. At buildout, the County is expected to receive a net surplus above costs of approximately \$1,395,000 per year.

TABLE 4

**MEADOWVIEW DEVELOPMENT
CHATHAM COUNTY ANNUAL FISCAL IMPACT - AT BUILDOUT
AT EXISTING SERVICE LEVELS**

Incremental Tax Revenues:

Property Taxes			
Residential	\$ 2,579,040		
Motor Vehicle	90,610		
Total Property Taxes		\$ 2,669,650	
Sales Taxes			
Article 39	\$ 91,711		
Articles 40 and 42	96,493		
Article 44	45,724		
Total Sales Taxes		233,928	
Total Incremental Tax Revenues			\$ 2,903,578

Incremental Expenditures at Existing Service Levels:

Chatham County Government			
Administration	\$ 93,138		
Education, Culture, and Recreation (excluding schools)	46,625		
General Government	42,823		
Human Services	148,211		
Natural Resource Management	54,144		
Public Safety	216,076		
Total Chatham County Government Incremental Expenditures		\$ 601,017	
Chatham County Schools Operating Costs		<u>517,771</u>	
Total Incremental Operating Expenditures at Existing Service Levels			1,118,788

Incremental Capital Costs:

Chatham County Schools - Annual Debt Service			
School Facilities		328,791	
School Transportation		<u>11,480</u>	<u>340,271</u>
Total Incremental Expenditures at Existing Service Levels			<u>1,459,059</u>
Incremental Surplus at Existing Service Levels			<u>\$ 1,444,519</u>

TABLE 5

MEADOWVIEW DEVELOPMENT
ANALYSIS OF CHATHAM COUNTY FY06 BUDGET
ADMINISTRATION SUMMARY

	Buildings & Grounds	County Attorney	County Manager	Court Facilities	Finance Office	Fleet Management	General Services	MIS	Total
Expenditures:									
Salaries	\$ 238,001	\$ -	\$ 257,017	\$ -	\$ 332,661	\$ 60,672	\$ -	\$ 327,105	\$ 1,215,456
Other personnel costs	113,315	-	70,601	-	103,083	25,727	-	106,472	419,198
Operating	670,738	62,500	64,997	78,964	109,515	32,442	416,969	168,259	1,604,384
Public assistance, grants, and special programs	-	-	-	-	-	-	94,800	-	94,800
Debt	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	2,952,392	-	2,952,392
Budget revision	-	-	(8,009)	-	-	-	-	(8,009)	(8,009)
Capital outlay	19,500	-	-	-	-	3,000	740,678	-	763,178
Total expenditures	\$ 1,041,554	\$ 62,500	\$ 384,606	\$ 78,964	\$ 545,259	\$ 121,841	\$ 4,204,839	\$ 601,836	\$ 7,041,399
Revenues:									
Fees and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-	-
Sales & service	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Fund balance	-	-	-	-	-	-	-	-	-
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net cost - excluding sales and property taxes	\$ 1,041,554	\$ 62,500	\$ 384,606	\$ 78,964	\$ 545,259	\$ 121,841	\$ 4,204,839	\$ 601,836	\$ 7,041,399
Less annualization adjustment for CIP funding included in Transfers and Capital Outlay (Table 10)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,374,607)	\$ -	\$ (3,374,607)
Net cost	\$ 1,041,554	\$ 62,500	\$ 384,606	\$ 78,964	\$ 545,259	\$ 121,841	\$ 830,232	\$ 601,836	\$ 3,666,792
FTE's	9.00	-	4.00	-	7.00	2.00	-	7.00	29.00
Chatham County Population	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012
Chatham County Per Capita Net Cost	\$ 18.60	\$ 1.12	\$ 6.87	\$ 1.41	\$ 9.73	\$ 2.18	\$ 14.82	\$ 10.74	\$ 65.46
Estimated Marginal County Costs For Meadowview Development:									
Estimated Meadowview Development Population	1,423	1,423	1,423	1,423	1,423	1,423	1,423	1,423	1,423
Marginal Operating Costs	\$ 26,456	\$ 1,588	\$ 9,769	\$ 2,006	\$ 13,850	\$ 3,095	\$ 21,088	\$ 15,287	\$ 93,138
Additional FTE's Anticipated	0.22860	-	0.10160	-	0.17780	0.05080	-	0.17780	0.73661
Total Anticipated FTE's	9.22860	-	4.10160	-	7.17780	2.05080	-	7.17780	29.73661
FTE = Full-time equivalent personnel									

TABLE 6

MEADOWVIEW DEVELOPMENT
ANALYSIS OF CHATHAM COUNTY FY06 BUDGET
EDUCATION, CULTURE AND RECREATION SUMMARY

	Central Carolina Comm. Coll.	Chatham County Schools	Cooperative Extension Service	Library	Recreation Department	Total	Total Excluding Schools
Expenditures:							
Salaries	\$ -	\$ -	\$ -	\$ 325,237	\$ 93,310	\$ 418,547	\$ 418,547
Other personnel costs	-	-	-	151,111	64,568	215,679	215,679
Operating	334,124	18,361,314	277,428	304,809	59,116	19,336,791	975,477
Public assistance, grants, and special programs	48,620	-	-	-	143,493	192,113	192,113
Debt	70,872	-	-	-	-	70,872	-
Transfers	-	2,550,433	-	-	-	2,621,305	-
Capital outlay	331,910	-	-	-	-	331,910	-
Total expenditures	\$ 785,526	\$ 20,911,747	\$ 277,428	\$ 781,177	\$ 360,687	\$ 23,116,565	\$ 2,204,818
Revenues:							
Fees and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants	-	170,483	-	128,010	-	298,493	128,010
Interest	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-
Sales & service	-	-	-	20,000	32,000	52,000	52,000
Transfers	-	-	-	-	-	-	-
Fund balance	-	-	-	-	-	-	-
Total revenues	\$ -	\$ 170,483	\$ -	\$ 148,010	\$ 32,000	\$ 350,493	\$ 180,010
Net cost - excluding sales and property taxes	\$ 785,526	\$ 20,741,264	\$ 277,428	\$ 633,167	\$ 328,687	\$ 22,766,072	\$ 2,024,808
Less annualization adjustment for CIP funding included in Capital Outlay (Table 10)	\$ (189,201)	\$ -	\$ -	\$ -	\$ -	\$ (189,201)	\$ (189,201)
Net cost	\$ 596,325	\$ 20,741,264	\$ 277,428	\$ 633,167	\$ 328,687	\$ 22,576,871	\$ 1,835,607
FTE's							
Chatham County Population	56,012	56,012	56,012	56,012	56,012	56,012	56,012
Chatham County Per Capita Net Cost	\$ 10.65	\$ 370.30	\$ 4.95	\$ 11.30	\$ 5.87	\$ 403.07	\$ 32.77
Estimated Marginal County Costs For Meadowview Development:							
Estimated Meadowview Development Population	1,423	1,423	1,423	1,423	1,423	1,423	1,423
Marginal Operating Costs	\$ 15,147	\$ 526,834	\$ 7,047	\$ 16,083	\$ 8,349	\$ 573,459	\$ 46,625
Additional FTE's Anticipated	-	-	-	0.25654	0.06350	0.32004	0.32004
Total Anticipated FTE's	-	-	-	10.35654	2.56350	12.92004	12.92004

FTE = Full-time equivalent personnel

TABLE 7

MEADOWVIEW DEVELOPMENT
ANALYSIS OF CHATHAM COUNTY FY06 BUDGET
GENERAL GOVERNMENT SUMMARY

	Elections	Governing Board	Register of Deeds	Tax Administration	Land Records	Tax - Revaluation	Total
Expenditures:							
Salaries	\$ 71,607	\$ 146,243	\$ 217,345	\$ 304,325	\$ 68,032	\$ 138,380	\$ 945,932
Other personnel costs	67,331	89,437	96,650	106,275	24,779	53,825	438,297
Operating	118,230	183,625	133,284	195,238	9,902	29,303	669,582
Public assistance, grants, and special programs	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Capital outlay	443,600	-	-	-	-	-	443,600
Total expenditures	\$ 700,768	\$ 419,305	\$ 447,279	\$ 605,838	\$ 102,713	\$ 221,508	\$ 2,497,411
Revenues:							
Fees and permits	\$ -	\$ -	\$ 400,000	\$ -	\$ -	\$ -	\$ 400,000
Grants	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Miscellaneous	-	-	-	(10,000)	-	-	(10,000)
Other taxes	-	-	400,000	-	-	-	400,000
Sales & service	3,000	-	-	18,500	-	-	21,500
Transfers	-	-	-	-	-	-	-
Fund balance	-	-	-	-	-	-	-
Total revenues	\$ 3,000	\$ -	\$ 800,000	\$ 8,500	\$ -	\$ -	\$ 811,500
Net cost - excluding sales and property taxes	\$ 697,768	\$ 419,305	\$ (352,721)	\$ 597,338	\$ 102,713	\$ 221,508	\$ 1,685,911
FTE's	2.00	7.00	6.00	8.00	2.00	4.00	29.00
Chatham County Population	56,012	56,012	56,012	56,012	56,012	56,012	56,012
Chatham County Per Capita Net Cost	\$ 12.46	\$ 7.49	\$ (6.30)	\$ 10.66	\$ 1.83	\$ 3.95	\$ 30.10
Estimated Marginal County Costs For Meadowview Development:							
Estimated Meadowview Development Population	1,423	1,423	1,423	1,423	1,423	1,423	1,423
Marginal Operating Costs	\$ 17,723	\$ 10,650	\$ (8,959)	\$ 15,173	\$ 2,609	\$ 5,626	\$ 42,823
Additional FTE's Anticipated	0.05080	0.17780	0.15240	0.20320	0.05080	0.10160	0.73661
Total Anticipated FTE's	2.05080	7.17780	6.15240	8.20320	2.05080	4.10160	29.73661

FTE = Full-time equivalent personnel

TABLE 8

MEADOWVIEW DEVELOPMENT
ANALYSIS OF CHATHAM COUNTY FY06 BUDGET
HUMAN SERVICES SUMMARY

	Council on Aging	Health Administration	Health Promotion and Advocacy	Family Resource Center	Family Outreach Support	Health Preparedness & Surveillance	Preventive Health Care	Human Service Agencies	OPC Mental Health Area Program	Social Services	Total
Expenditures:											
Salaries	\$ 96,735	\$ 190,622	\$ 366,797	\$ 47,464	\$ 503,296	\$ 262,719	\$ 1,031,901	\$ -	\$ -	\$ 2,881,062	\$ 5,380,596
Other personnel costs	29,769	59,054	170,014	14,787	184,161	86,496	362,845	-	-	1,091,201	1,933,327
Operating	487,329	50,185	48,423	4,700	38,081	17,772	472,938	255,453	533,382	752,351	2,600,614
Public assistance, grants and special programs	-	-	113,095	-	16,337	26,404	26,971	-	-	6,108,939	6,291,748
Debt	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	600,000	-	-	-	-	-	-	-	-	38,268	638,268
Total expenditures	\$ 1,213,833	\$ 299,861	\$ 698,129	\$ 66,951	\$ 741,875	\$ 393,391	\$ 1,899,657	\$ 255,453	\$ 533,382	\$ 10,821,821	\$ 16,924,553
Revenues:											
Fees and permits	-	-	-	-	-	-	-	-	-	-	-
Grants	-	17,708	349,667	-	255,030	97,164	403,329	-	8,000	5,219,780	6,380,678
Interest	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-	-	-	-
Sales & service	-	-	19,100	-	264,719	2,000	512,734	-	-	20,000	818,553
Transfers	-	-	-	-	-	-	-	-	-	-	-
Fund balance	-	-	-	-	-	-	-	-	-	-	-
Total revenues	\$ -	\$ 17,708	\$ 368,767	\$ -	\$ 519,749	\$ 99,164	\$ 916,063	\$ -	\$ 8,000	\$ 5,269,780	\$ 7,199,231
Net cost - excluding sales and property taxes	\$ 1,213,833	\$ 282,153	\$ 329,562	\$ 66,951	\$ 222,126	\$ 294,227	\$ 983,594	\$ 255,453	\$ 525,382	\$ 5,552,041	\$ 9,725,322
Less annualization adjustment for CIP funding included in Capital Outlay (Table 10)	\$ (342,023)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (342,023)
Net cost	\$ 871,810	\$ 282,153	\$ 329,562	\$ 66,951	\$ 222,126	\$ 294,227	\$ 983,594	\$ 255,453	\$ 525,382	\$ 5,552,041	\$ 9,383,299
FTE's	2.00	4.00	10.45	1.00	14.70	5.25	27.55	-	-	78.25	143.20
Net Chatham County Non-Income Dependent Programs, estimated by Chatham County officials	\$ 871,810	\$ 282,153	\$ 329,562	\$ 66,951	\$ 222,126	\$ 294,227	\$ 983,594	\$ 255,453	\$ 525,382	\$ 5,552,041	\$ 9,383,299
Chatham County Population	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012
Chatham County Per Capita Net Cost	\$ 15,56	\$ 5,04	\$ 5,88	\$ 1,20	\$ 3,97	\$ 5,25	\$ 17,56	\$ 4,56	\$ 9,38	\$ 35,77	\$ 104,17
FTE's - Non-Income Dependent Programs	2.00	4.00	10.45	1.00	14.70	5.25	27.55	-	-	28.24	93.19
Estimated Marginal County Costs For Meadowview Development:											
Estimated Meadowview Development Population	1,423	1,423	1,423	1,423	1,423	1,423	1,423	1,423	1,423	1,423	1,423
Marginal Operating Costs	\$ 22,144	\$ 7,167	\$ 8,371	\$ 1,701	\$ 5,642	\$ 7,473	\$ 24,984	\$ 6,489	\$ 13,345	\$ 50,896	\$ 148,211
Additional FTE's Anticipated	0.05080	0.10160	0.20320	0.02540	0.37338	0.13395	0.69978	-	-	0.71732	2.36707
Total Anticipated FTE's	2.05080	4.10160	10.71543	1.02540	15.07338	5.38395	28.24978	-	-	78.96732	145.56707

FTE = Full-time equivalent personnel

TABLE 9

MEADOWVIEW DEVELOPMENT
ANALYSIS OF CHATHAM COUNTY FY06 BUDGET
NATURAL RESOURCE MANAGEMENT SUMMARY

	Central Permitting	Economic Development	Environmental Health	Inspections	Planning Department	Pittsboro-Sher City CVB	Public Works Transfers	Sedimentation & Erosion Control	Soil & Water Conservation District	Total
Expenditures:										
Salaries	\$ 114,541	\$ -	\$ 574,121	\$ 350,591	\$ 233,831	\$ 50,439	\$ -	\$ 62,355	\$ 123,777	\$ 1,509,655
Other personnel costs	40,193	-	185,956	118,386	76,270	15,218	-	24,371	42,343	502,737
Operating	35,065	170,502	63,740	74,967	37,956	24,540	-	14,300	30,103	451,173
Public assistance, grants and special programs	-	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	1,088,098	-	-	1,088,098
Budget revision	-	64,893	-	-	-	-	-	-	-	64,893
Capital outlay	-	-	8,500	60,800	-	-	-	20,000	-	89,300
Total expenditures	\$ 189,799	\$ 235,395	\$ 832,317	\$ 604,744	\$ 348,037	\$ 90,197	\$ 1,088,098	\$ 121,026	\$ 196,223	\$ 3,705,856
Revenues:										
Fees and permits	-	-	-	-	-	-	-	-	-	875,000
Grants	-	-	6,250	875,000	-	-	-	48,497	22,000	76,747
Interest	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	90,197	-	-	-	90,197
Sales & service	-	-	356,840	-	80,000	-	-	72,529	100	509,469
Transfers	-	-	-	-	-	-	-	-	-	-
Fund balance	-	-	-	-	-	-	-	-	-	-
Total revenues	\$ -	\$ -	\$ 363,090	\$ 875,000	\$ 80,000	\$ 90,197	\$ -	\$ 121,026	\$ 22,100	\$ 1,551,413
Net cost - excluding sales and property taxes	\$ 189,799	\$ 235,395	\$ 469,227	\$ (270,256)	\$ 268,037	\$ -	\$ 1,088,098	\$ -	\$ 174,123	\$ 2,154,443
Less annualization adjustment for CIP funding included in Capital Outlay (Table 10)	\$ -	\$ -	\$ -	\$ (22,802)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (22,802)
Net cost - excluding sales and property taxes	\$ 189,799	\$ 235,395	\$ 469,227	\$ (293,058)	\$ 268,037	\$ -	\$ 1,088,098	\$ -	\$ 174,123	\$ 2,131,641
FTE's	3.00	-	13.00	8.00	5.00	1.00	-	2.00	3.00	35.00
Chatham County Population	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012
Chatham County Per Capita Net Cost	\$ 3.39	\$ 4.20	\$ 8.38	\$ (5.23)	\$ 4.79	\$ -	\$ 19.43	\$ -	\$ 3.11	\$ 38.06
Estimated Marginal County Costs For Meadowview Development:										
Estimated Meadowview Development Population	1,423	1,423	1,423	1,423	1,423	1,423	1,423	1,423	1,423	1,423
Marginal Operating Costs	\$ 4,821	\$ 5,279	\$ 11,918	\$ (7,444)	\$ 6,809	\$ -	\$ 27,638	\$ -	\$ 4,423	\$ 54,144
Additional FTE's Anticipated	0.07620	-	0.33020	0.20320	0.12700	0.02540	-	0.05080	0.07620	0.88901
Total Anticipated FTE's	3.07620	-	13.33020	8.20320	5.12700	1.02540	-	2.05080	3.07620	35.88901
FTE = Full-time equivalent personnel										

TABLE 10

MEADOWVIEW DEVELOPMENT
ANALYSIS OF CHATHAM COUNTY FY06 BUDGET
PUBLIC SAFETY SUMMARY

	Court- Related Programs	EMS	Emergency Operations	Emergency Telecom	Fire Marshal	Animal Control	Sheriff's Office	Sheriff - Jail	Total
Expenditures:									
Salaries	\$ 172,144	\$ -	\$ 120,500	\$ 445,339	\$ 172,479	\$ 197,942	\$ 2,297,141	\$ 454,136	\$ 3,859,681
Other personnel costs	51,211	-	41,284	320,072	64,598	89,127	1,005,990	223,939	1,796,221
Operating	211,167	1,458,074	197,346	109,476	29,655	109,827	589,865	200,593	2,906,003
Public assistance, grants and special programs	60,000	-	28,000	-	-	-	-	-	88,000
Debt	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	14,844	-	476,000	7,500	498,344
Total expenditures	\$ 494,522	\$ 1,458,074	\$ 387,130	\$ 874,887	\$ 281,576	\$ 396,896	\$ 4,368,996	\$ 886,168	\$ 9,148,249
Revenues:									
Fees and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,000	\$ -	\$ 8,000
Grants	307,285	-	45,300	-	-	1,800	80,000	21,900	455,385
Interest	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-	-
Sales & service	3,000	-	-	-	50,000	31,000	84,588	9,450	178,038
Transfers	-	-	-	-	-	-	-	-	-
Fund balance	-	-	-	-	-	-	-	-	-
Total revenues	\$ 310,285	\$ -	\$ 45,300	\$ -	\$ 50,000	\$ 32,800	\$ 172,588	\$ 30,450	\$ 641,423
Net cost - excluding sales and property taxes	\$ 184,237	\$ 1,458,074	\$ 341,830	\$ 874,887	\$ 231,576	\$ 364,096	\$ 4,196,408	\$ 855,718	\$ 8,506,826
FTE's	5.25	-	3.00	14.00	4.00	6.00	67.00	16.00	115.25
Chatham County Population	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012
Chatham County Per Capita Net Cost	\$ 3.29	\$ 26.03	\$ 6.10	\$ 15.62	\$ 4.13	\$ 6.50	\$ 74.92	\$ 15.28	\$ 151.88
Estimated Marginal County Costs For Meadowview Development:									
Estimated Meadowview Development Population	1,423	1,423	1,423	1,423	1,423	1,423	1,423	1,423	1,423
Marginal Operating Costs	\$ 4,680	\$ 37,035	\$ 8,683	\$ 22,722	\$ 5,882	\$ 9,248	\$ 106,590	\$ 21,735	\$ 216,076
Adjusted Marginal Costs	\$ 4,680	\$ 37,035	\$ 8,683	\$ 22,222	\$ 5,882	\$ 9,248	\$ 106,590	\$ 21,735	\$ 216,076
Additional FTE's Anticipated	0.13335	-	0.07620	0.35560	0.10160	0.15240	1.70182	0.40640	2.92738
Total Anticipated FTE's	5.38335	-	3.07620	14.35560	4.10160	6.15240	68.70182	16.40640	118.17738
FTE = Full-time equivalent personnel									

TABLE 11

MEADOWVIEW DEVELOPMENT ANALYSIS OF CHATHAM COUNTY FY06 BUDGET EXPANDED ANALYSIS OF EMS			
Assumptions:			
Estimated cost of new EMS Base	\$ 275,000	Financing Terms:	
Annual Debt Service for EMS Base	\$ 62,275	Interest Rate	5.00%
Population Served	10,000		
Debt Service Allocation to Meadowview Development	\$ 8,860	Term - in years	5
Annual operating cost of EMS Unit	\$ 192,000		
# of Units Needed	2		
Total EMS Units Annual Operating Cost	\$ 384,000		
Population Served	10,000		
Annual EMS Units Operating Cost Allocated to Meadowview Development	\$ 54,632		
		<u>EMS</u>	
		<u>Operating</u>	
Expenditures:			
Salaries			
Other personnel costs	\$ -		
Operating	1,458,074		
Public assistance	-		
Debt	-		
Transfers	-		
Capital outlay	-		
Total expenditures	<u>\$ 1,458,074</u>		
Revenues:			
Fees and permits			
Grants	\$ -		
Interest	-		
Intergovernmental	-		
Miscellaneous	-		
Other taxes	-		
Sales & service	-		
Transfers	-		
Fund balance	-		
Total revenues	<u>\$ -</u>		
Net cost - excluding sales and property taxes	<u>\$ 1,458,074</u>		
Estimated Costs Assuming Per Capita Approach:			
Chatham County Population	56,012		
Chatham County Per Capita Net Cost	\$ 26.03		
Estimated Marginal County Costs For Meadowview Development:			
Estimated Meadowview Development Population	<u>1,423</u>		
Marginal Operating Costs	<u>\$ 37,035</u>		
Estimated Costs Assuming Increased Levels of Service:			
Per Capita Allocation of Transfer to Capital Reserve	\$ -		
Annual debt service for new EMS base	8,860		
Annual operating costs of new EMS units	<u>54,632</u>		
Total Anticipated Costs	<u>\$ 63,492</u>		
Additional Annual Costs Related to Increased Levels of Service	<u>\$ 26,457</u>		

TABLE 12

MEADOWVIEW DEVELOPMENT ANALYSIS OF CHATHAM COUNTY FY06 BUDGET EXPANDED PUBLIC SAFETY ANALYSIS		
FY06 Departmental Budget - Net Costs:	<u>FY06 Requested</u>	<u>FY06 Approved</u>
Health - Animal Control	\$ 398,389	\$ 364,096
Sheriff's Department - Law Enforcement	4,255,212	4,196,408
Sheriff's Department - Jail	875,568	855,718
	<hr/>	<hr/>
Total	\$ 5,529,169	\$ 5,416,222
	<hr/>	<hr/>
Chatham County Population	56,012	56,012
Chatham County Per Capita Net Cost	\$ 98.71	\$ 96.70
Estimated Marginal County Costs for Meadowview Development - Expanded Services:		
Estimated Meadowview Development Population	1,423	1,423
Marginal Operating Costs - Expanded Services	\$ 140,442	\$ 137,574
Expanded Service Cost Differential Allocated to Meadowview Development	\$ 2,869	

TABLE 13

**MEADOWVIEW DEVELOPMENT
CHATHAM COUNTY FISCAL IMPACT - AT BUILDOUT
AT EXPANDED LEVELS OF SERVICE**

Incremental Tax Revenues:

Property Taxes

Residential	\$ 2,579,040	
Motor Vehicle	90,610	
Total Property Taxes		\$ 2,669,650

Sales Taxes

Article 39	\$ 91,711	
Articles 40 and 42	96,493	
Article 44	45,724	
Total Sales Taxes		233,928
Total Incremental Tax Revenues		\$ 2,903,578

Incremental Expenditures at Existing Service Levels:

Chatham County Government

Administration	\$ 93,138	
Education, Culture, and Recreation (excluding schools)	46,625	
General Government	42,823	
Human Services	148,211	
Natural Resource Management	54,144	
Public Safety	216,076	
Total Chatham County Government Incremental Expenditures		\$ 601,017

Chatham County Schools Operating Costs 517,771

Total Incremental Operating Expenditures at Existing Service Levels 1,118,788

Incremental Chatham County Schools Capital Transportation Costs:

Annual Debt Service - School Facilities	328,791	
Annual Debt Service - School Transportation	11,480	340,271

Total Incremental Expenditures at Existing Service Levels 1,459,059

Incremental Surplus at Existing Service Levels \$ 1,444,519

Expanded Service Level Expenditures:

Public Safety:

Emergency Medical Services	\$ 26,457	
Public Safety	2,869	
Total Public Safety		\$ 29,326

Contribution to Countywide CIP Program, including both Operating Costs and Annual Debt Service 20,430

Total Expanded Service Level Expenditures 49,756

Annual Incremental Surplus at Expanded Service Levels \$ 1,394,763

TABLE 14

MEADOWVIEW DEVELOPMENT CHATHAM COUNTY 2006-2011 CAPITAL IMPROVEMENTS PROGRAM													
Status	On Hold	PER PUBLISHED CHATHAM COUNTY CIP:	Project Cost	Grant and Rec Fee	Operating Rev. Pending	Debt Financed	FY 05-06	FY 06-07	DEBT SERVICE FY 07-08	FY 08-09	FY 09-10	Annual Operating Cost Impact	Average Annual Debt Service
		American Tobacco Trail	\$ 1,100,000	\$ 1,100,000	\$ -	\$ -						\$ -	\$ -
		Hells Landing Park	231,250	231,250								\$ -	\$ -
		Community College Renovations	531,910		531,910							\$ -	\$ -
		Community Park - Southwest	687,650	279,580	378,070							\$ -	\$ -
		Community Parks System - Countryside	2,172,000	1,842,000	330,000							\$ -	\$ -
		Dunlop Building Renovations	534,724		534,724							\$ -	\$ -
		Dealing Building	7,500,000		7,500,000							\$ -	\$ -
		Dealing facility	489,692		489,692							\$ -	\$ -
		Law Enforcement Center Site Improvements	326,665		326,665							\$ -	\$ -
		Manager's Office Expansion and Renovation	200,000		200,000							\$ -	\$ -
		Mobile Unit for Scheduled Period Health Services	31,000,000		31,000,000							\$ -	\$ -
		Plinkero Library	111,259	37,800	73,459							\$ -	\$ -
		Plinkero Library Renovation	35,000		35,000							\$ -	\$ -
		Plinkero Tennis and Basketball Courts Renovation	344,510		344,510							\$ -	\$ -
		Register of Deeds Renovation and Renovation	152,982		152,982							\$ -	\$ -
		Sheriff's Department Renovation	41,837		41,837							\$ -	\$ -
		Sheriff's Department Renovations	4,300,000		4,300,000							\$ -	\$ -
		Social Services Building Renovation and Expansion	79,876		79,876							\$ -	\$ -
		Soil and Water Office Renovations	250,000		250,000							\$ -	\$ -
		Voice Over IP	40,000		40,000							\$ -	\$ -
		Voice-activated Software for Central Permitting	420,000		420,000							\$ -	\$ -
		Voting Machines	1,300,000		1,300,000							\$ -	\$ -
		West Chatham Senior Center	6,700,000	900,000	6,000,000							\$ -	\$ -
		Industrial Park	5,640,000		5,640,000							\$ -	\$ -
		Central Carolina Community College	15,160,000		15,160,000							\$ -	\$ -
		Other - To Be Determined	\$ 53,830,255	\$ 4,225,000	\$ 4,844,655	\$ 44,920,000	\$ 105,000	\$ 1,555,574	\$ 2,053,231	\$ 3,063,572	\$ 3,999,312	\$ 953,587	\$ 3,007,772
		Projected Users - Estimated Chatham County	66,408		66,408							\$ -	\$ -
		Population July 2013 - RC State Demographer	81		81							\$ -	\$ -
		Per Capita	2,47		2,47							\$ -	\$ -
		Percent per household	2,092		2,092							\$ -	\$ -
		Estimated cost per new household				\$ 675	\$ 2	\$ 23	\$ 31	\$ 46	\$ 46	\$ 14	\$ 46
		Cost Per Household				\$ 1,667						\$ 35	\$ 114
		Allocation of CIP Annual Operating Costs to Meadowview Development										\$ -	\$ 20,430

FY05 to FY09 Average Annual Operating Revenue Funding from CIP	
Capital Outlay	\$ 216,931
FY06 Budget	\$ 2,852,392
General Services	\$ 5,084,890
Total CIP Funding, included in FY06 Budget	\$ 8,154,213

Capital Outlay Included in Incremental Expenditure Obligations	
Administration	\$ 340,963
Education, Culture & Recreation	442,709
General Government	483,600
Human Resource Management	6,698
Public Safety	498,344
Total	\$ 1,970,314
FY06 Transfer to Utility - Enterprise Fund related to water system expansion	\$ 1,088,998

Comparison to Historical Capital Outlay Expenditures:	
2004	\$ 1,246,097
2003	\$ 2,176,861
2002	\$ 1,356,097
2001	\$ 1,702,077
Average	\$ 1,597,763

Comparison to Historical Capital Outlay Expenditures:	
2004	\$ 457
2003	\$ 576
2002	\$ 263,232
Average	\$ 263,232

CIP Funding	
General Services	\$ 2,852,392
Capital Outlay	\$ 216,931
Total CIP Funding, included in FY06 Budget	\$ 3,069,323

Total County Projects	
Chatham County CIP	\$ 3,067,712
Debt	\$ 46
Service	\$ 114

NOTE: It appears the County's FY06 dedicated capital funding of \$5,084,890 plus the \$1,088,098 transfer from the general fund to the utility fund are sufficient to fund the debt service on the projects above in the future.

5. FISCAL IMPACTS ON THE CHATHAM COUNTY SCHOOLS

Estimates of the increased costs incurred by the Chatham County Board of Education from Meadowview for operations and capital needs are described in this section. These costs are based on the School District's FY 2005-06 Budget. The costs to the District will primarily be driven by the number of students generated by the new residents of Meadowview.

A critical assumption in the analysis is the estimate of the Student Generation Rate (SGR). In 1996, the County contracted with Tischler & Associates, Inc. (TA) to provide analysis of the impacts on schools in Chatham County. TA's report estimates student generation rates (SGR) for various types of housing and provides the County with an estimate of the appropriate impact fees necessary to offset the costs of new residents to the school system.

TA's 1996 report uses data from the 1990 Census. The study incorporates methodologies that are frequently used in the industry. It should be noted that as of the 2000 Census, the average student per housing unit in Chatham County had not changed substantially from that estimated by TA using 1990 data. According to the more recent 2000 Census data, the average SGR for Chatham County was equal to .37. That is on average, there were 37 school-aged children attending public schools in Chatham County for every 100 dwelling units in the County. This rate is very similar to the SGRs estimated by TA in the 1996 report.

We engaged Dr. David J. Cowen, Ph.D. (Chair – Department of Geography, University of South Carolina) to prepare student generation rates for Chatham County using 2000 U.S. Census data and methodologies comparable to those used in TA's 1996 report. The updated student generation rate schedule is included on Table 15 and supports our assumption of the single-family SGR of .39.

The following analysis assumes an SGR of .39 meaning that for every 100 new dwelling units in Meadowview, there will be 39 more students generated in the School District. The SGR rate included in this study is further supported by a report published on June 21, 2004 by the Operations Research and Education Laboratory at North Carolina State University entitled *Chatham County School Integrated Planning for School and Community (IPSAC)- Land Use Study*¹. The baseline analysis of this study indicates the current SGR in Chatham County Schools is .322 to .363. Furthermore, the study projects the SGR for proposed subdivisions within the County will range from .2759 to .3232.

Based on an SGR of .39, it is estimated that Meadowview will have 286 new students enrolled in Chatham County Schools at the development's buildout. Approximately 87 of these students will be at the elementary grade level. Of the remainder, 72 will be new

¹ Operations Research and Education Laboratory Institute for Transportation Research and Education, North Carolina State University, Chatham County Schools Integrated Planning for School and Community Land Use Study Report, June 21, 2004, pages 17 – 21.

middle school students and 67 will be new high school students. The derivation of these new students by type of school is shown in Table 15.

As shown in Table 16, these 226 new Meadowview students will cost the District approximately \$518,000 in annual operating expenses. The estimate is based on a per student operating cost of \$2,289.

In addition to these operating costs to the District, there will be additional capital costs required for these new students. Based on current estimates of capital costs provided by Shuller, Ferris Lindstrom & Associates, architects for the District, it is estimated that the District will incur capital costs of approximately \$6.4 million to accommodate the 226 new students. The capital costs by type of school are shown in Table 17. However, these capital costs will be partially offset by impact fees of \$2,900 per dwelling unit. Therefore, the District will receive a total of \$1,670,400 of offsetting revenues (Table 17), resulting in a net capital cost of \$4.8 million. The annual debt service for the \$4.8 million is estimated to be \$356,000.

As described in the Methodology section, all revenues and expenditures are based on constant 2006 dollars; therefore, school construction costs are based on current estimates from information prepared by the architect for the School District.

The North Carolina Department of Public Instruction estimates Chatham County's annual lottery distribution, restricted for public school construction, will be \$575,000. Since lottery sales have not yet begun in North Carolina, the accuracy of this estimate is uncertain at this time. Consequently, lottery proceeds have not been included in this analysis but will be considered in future fiscal impact analyses for North Carolina counties.

TABLE 15

**MEADOWVIEW DEVELOPMENT
CHATHAM COUNTY SCHOOLS - PUBLIC SCHOOL STUDENTS**

	Elementary	Middle	High	Total
Single Family	0.15	0.12	0.12	0.39
Multifamily	0.07	0.03	0.03	0.13
Mobile Homes & Other	0.16	0.14	0.08	0.38

Public Use Microdata Sample (5%) 2000 Census

*Source: David J. Cowen, Ph.D., Chair - Department of Geography, University of South Carolina
Analysis Prepared June 2005*

	Elementary	Middle	High	Total
Meadowview Development	87	72	67	226

	Approved Subdivision Analysis	Proposed Subdivision Analysis
Bennett	N/A	N/A
Bonlee	0.2500	0.2500
Harrison	0.3232	0.3232
J.S. Waters	0.3981	0.3981
Moncure	0.2190	0.2190
North Chatham	0.2384	0.2384
Pittsboro	0.2759	0.2759
Siler City	0.3608	0.3608
Silk Hope	0.5000	0.5000

Source: Integrated Planning for School and Community (IPSAC) Land Use Study Report

Prepared for: Chatham County Schools

*Prepared by: Operations and Research Education Laboratory, North Carolina State University
June 21, 2004*

	Elementary	Middle	High	Total
Single Family	0.19	0.09	0.12	0.40
Multifamily	0.08	0.02	0.04	0.14
Mobile Homes & Other	0.19	0.09	0.09	0.37

Public Use Microdata Sample (5%) 1990 Census

Source: 1996 Chatham County Public School Impact Fee Report - Tischler and Associates, Inc.

TABLE 16

**MEADOWVIEW DEVELOPMENT
ANALYSIS OF CHATHAM COUNTY FY06 BUDGET
CHATHAM COUNTY SCHOOLS OPERATING COSTS**

Expenditures:	
Salaries	\$ -
Other personnel costs	-
Operating	18,361,314
Public assistance	-
Debt	2,550,433
Transfers	-
Capital outlay	-
Less Debt - New School Debt Service Evaluated Separately	<u>(2,550,433)</u>
Total expenditures	\$ 18,361,314
Revenues:	
Fees and permits	\$ -
Grants	170,483
Interest	-
Intergovernmental	-
Miscellaneous	-
Other taxes	-
Sales & service	-
Transfers	-
Fund balance	-
State ADM funds are separately considered in ADM Adjustment	<u>(170,483)</u>
Total revenues	\$ -
Net cost - excluding sales and property taxes	\$ 18,361,314
Chatham County Public School Enrollment	8,020
Chatham County Per Student Net Cost	\$ 2,289
Estimated Marginal County Costs For Meadowview Development:	
Estimated Meadowview Development Public School Students	<u>226</u>
Marginal Operating Costs	\$ 517,771

TABLE 17

**MEADOWVIEW DEVELOPMENT
CHATHAM COUNTY SCHOOLS - CAPITAL COSTS**

<u>Based on Current Estimates</u>	<u>Elementary</u>	<u>Middle</u>	<u>High School</u>	
Land - unimproved acreage	\$ 400,000	\$ 800,000	\$ 1,200,000	
Building, sitework, furnishings and equipment	15,588,015	16,866,687	39,917,413	
Technology costs	467,640	506,001	1,117,688	
Total Cost	16,455,655	18,172,688	42,235,101	
Student Capacity	700	650	1,200	
Capital Cost per Student	\$ 23,508	\$ 27,958	\$ 35,196	
<u>Meadowview Development Public School Students</u>	<u>87</u>	<u>72</u>	<u>67</u>	Total 226
Capital Costs Allocable to Meadowview Development	\$ 2,053,612	\$ 1,999,830	\$ 2,367,576	\$ 6,421,017
Less:				
Impact Fees	\$ 645,229	\$ 528,323	\$ 496,848	\$ 1,670,400
	645,229	528,323	496,848	1,670,400
Net Chatham County School Capital Cost Attributable to Meadowview Development	\$ 1,408,383	\$ 1,471,507	\$ 1,870,727	\$ 4,750,617
Annual Debt Service	\$ 94,245	\$ 98,469	\$ 136,078	\$ 328,791
<u>Chatham County School Transportation Capital Costs</u>				
Meadowview Development Estimated Enrollment	226			
Chatham County School bus ridership rate	49%			
Estimated Meadowview Development Bus Riders	110.82			
School Bus Capacity	60			
New School Buses Required	1.8469			
Cost of New School Bus	70,000			
Annual Debt Service Per School Bus	\$ 20,201			
Total Debt Service for Meadowview Development Buses	\$ 149,243			
Amortization Period - State Replaces Bus in Year	13			
Annual School Bus Transportation Capital Cost	\$ 11,480			

6. FISCAL IMPACTS ON THE CHATHAM COUNTY SPECIAL REVENUE AND ENTERPRISE FUNDS

Tables 16 – 17 reflect the impacts of Meadowview on the North Chatham Fire District and the Waste Management Fund.

NORTH CHATHAM FIRE DISTRICT – TABLE 18

Based on a 0.06% tax rate, annual revenues at buildout are expected to be \$176,000. Estimated expenses attributable to Meadowview residents are \$97,000 thereby producing a net annual surplus of \$79,000.

UTILITY FUND

A private utility will provide water and wastewater services. Therefore, a separate analysis of the Utility Fund is not necessary.

WASTE MANAGEMENT FUND – TABLE 19

The residents of Meadowview are assumed to have trash and recycling services provided through private contractors. A net annual surplus of \$35,000 is expected for this fund.

TABLE 18

**MEADOWVIEW DEVELOPMENT
ANALYSIS OF CHATHAM COUNTY FY06 BUDGET
NORTH CHATHAM FIRE DISTRICT - SPECIAL REVENUE FUND**

Incremental Revenue:

Property Tax Base:

Residential	\$ 432,000,000
North Chatham Fire Tax Rate	<u>0.0600%</u>

Incremental Fire Department Revenue **\$ 259,200**

Incremental Expenditures:

Estimated Operating Costs:

Annual operating budget of a station with three full-time personnel per Deputy Fire Chief \$ 360,000

Estimated Capital Costs:

	Cost
New station	\$ 325,000
New fire engine	329,000
New aerial truck with 75' ladder	<u>500,000</u>
Total Capital Costs	<u>\$ 1,154,000</u>

Annual debt service - 5% for five years 261,329

Total Annual Cost \$ 621,329

Estimated population served - per Deputy Fire Chief 11,250

Estimated Meadowview Development Population 1,423

Estimated Annual Cost Allocated to Meadowview Development \$ 78,576

Incremental Fire Department Expenditures 78,576

Annual Net Surplus \$ 180,624

TABLE 19

**MEADOWVIEW DEVELOPMENT
ANALYSIS OF CHATHAM COUNTY FY06 BUDGET
WASTE MANAGEMENT - ENTERPRISE FUND**

Incremental Availability Fee Revenue:

Annual Availability Fee	\$	81.00	
# of Meadowview Development Households		<u>576</u>	
Annual Availability Fee Revenue			\$ 46,656

Incremental Expenditures:

Per Household Cost Estimates Provided by Chatham County Staff

Garbage	\$	10.97	
Recyclables		7.25	
White goods		2.10	
Scrap tires		0.84	
Administration		7.50	
HHW		<u>2.89</u>	
Costs Per Household	\$	31.55	
# of Meadowview Development Households		<u>576</u>	
Annual Expenditures			<u>18,173</u>

Annual Net Surplus			<u><u>\$ 28,483</u></u>
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SENSITIVITY ANALYSIS

This fiscal impact analysis of the Meadowview development incorporates several critical assumptions. These assumptions include (1) the number of persons per household (2) the number of public school-aged children per household and (3) the average housing unit value. SGR assumptions are discussed at length on pages 20 – 21.

According to the 2000 Census, the average number of persons per household in Chatham County was 2.47. The statewide rate of 2.49 compares favorably to the Chatham County persons per household rate of 2.47, according to the 2000 Census. Therefore the County rate was deemed appropriate for this analysis.

The housing prices and absorption rates are based on projections by Crescent Resources, LLC who has been active in residential real estate developments in the Southeast market for many years. The estimated Meadowview home price is \$750,000; however, if the average Meadowview unit sales price were to deviate 15% from the assumed average unit sales price [average unit sales price of \$637,500 instead of the assumed average unit sales price of \$750,000], the net annual surplus at expanded service levels at buildout would be \$1 million compared to the anticipated \$1.4 million.

8. METHODOLOGY AND ASSUMPTIONS

The objective of fiscal impact analysis is to estimate the financial impacts of a development or land use change on the revenues and expenditures of the government units affected by the development. The analysis evaluates the fiscal characteristics of the proposed development and is designed to help local governments measure the estimated difference between anticipated revenues and the related costs of the new development.

There are several acceptable methods for conducting fiscal impact analyses. The simplest and most often used is the pure per capita technique. Options range to the more costly case study oriented approach that relies exclusively on interviews with local government officials and staff. Furthermore, there are two basic approaches used to project the costs of local government services related to new development – average costing and marginal costing. Average costing is more straightforward, less expensive and tends to be the more common approach for smaller governmental units. When applying average costing, local government costs attributable to new development are allocated according to the average cost per unit of service in the current population times the number of units related to the proposed development. This approach does not take into account excess or deficient capacity. Furthermore, it assumes stable costs of future municipal services. In comparison, marginal costing requires an in-depth analysis of capacities present in the services currently provided by local government. In many cases, analysts use a combination of the various approaches in order to more accurately evaluate the impacts on local government.

Although costs could have been allocated between residential and nonresidential land

uses and derived on a cost per person or cost per employee/trip and/or per square foot approach or based on functional population, the approach taken in this report is a reasonable proxy of the operating cost implications.

A modified per capita, case-study type approach was used to estimate the costs and revenues associated with the proposed Meadowview development. This approach was considered to be the most fiscally conservative method since it assumes that (1) 100% of government costs vary according to population changes and (2) all government services are currently provided at full capacity. Projected governmental expenditures in this report are most likely overstated because during previous extensive personal interviews Chatham County officials indicated certain departmental budgets would be more modestly affected by the Meadowview development than projected in this report (i.e. some departments currently have available capacity).

Each of the following Chatham County departments was subject to further analysis based on an assessment that indicated these budgets and the related services had increased sensitivity to the proposed development. Marginal costs associated with the demand identified for new and/or increased levels of service were estimated and are reflected in the accompanying analysis.

Public Safety	Human Services
Public Schools – Operating and Capital	Emergency Medical Services
North Chatham Fire District	Capital Improvements Program

In general, the impacts are identified on an annual basis and are then summarized at the time of the project's buildout. All revenues and expenditures are based on constant 2006 dollars, and the analysis includes no inflation during the project's buildout. This approach is based on the assumption that over the buildout period, both revenues and expenditures will rise proportionately, and therefore, inflation will have little if any affect on the net results of the analysis. A constant dollar approach is commonly used in fiscal impact analysis since many local governments do not have the resources necessary to adequately perform the sophisticated financial modeling required to produce credible alternative assumptions. The constant dollar assumption applies to all estimates in this analysis, including: property values, incomes, sales, County revenues and expenditures and School District operating and capital expenditures.

CHATHAM COUNTY REVENUE PROJECTIONS – REPORT TABLES 2 AND 3

PROPERTY TAX REVENUES

The estimates for Chatham County General Fund revenues are based on property taxes generated by the improvements on homes owned by the residents living in Meadowview. The property tax rate for the County is assumed to be constant throughout the buildout period and is equal to the existing rate of 0.597%. It is assumed that the property tax collection rate is 100% due collection experience associated with homes of this value.

The average dwelling unit included in the analysis is valued at \$750,000 and is based on the weighted average value of all 576 units. It is assumed that there are 2.47 persons per household (2000 Census for Chatham County, North Carolina) resulting in an estimated population in Meadowview of 1,423. The Developers estimate the absorption rate to be, on average, 72 units per year with a corresponding buildout period of 8 years.

IMPACT FEES

All dwelling units are assumed to pay the required school impact fee of \$2,900. These fees are paid at time of construction. The County's Planning Department estimated the recreation exaction fee to be \$457 per lot.

CHATHAM COUNTY EXPENDITURE PROJECTIONS

EXISTING SERVICE LEVELS – REPORT TABLES 4 – 9

It is assumed that all Chatham County services will be provided in the future at the existing levels of service currently provided by Chatham County to all citizens living in the County. In prior discussions with County officials, it was deemed appropriate to evaluate impacts on certain County expenditures and departments on a marginal cost basis, including capital as well as operating impacts. All County operating expenditures are estimated on a net cost basis, consistent with the official County Budget Report. The budget data are from the current FY 2005-06 County Budget. The County's current population is estimated at 56,012 and is calculated by extrapolating the County's reported population and associated growth trends since 1997. Total department budgets are computed on a per capita basis based on the County's existing residents. This per capita cost is then multiplied by the number of anticipated residents in Meadowview to estimate the total cost of providing that particular service to Meadowview residents. Table 4 provides a summary of these departmental impacts.

Human Service costs on Table 8 reflect a per capita allocation of all Council on Aging and Health Department net costs. County staff provided the estimated net costs associated with non-income dependent programs of the Department of Social Service.

EXPANDED SERVICE LEVELS AND CAPITAL IMPROVEMENTS – REPORT TABLES 11, 12, 13 AND 14

The expenditure estimates are based on the assumption that the County will maintain the existing level of service to the residents of Meadowview as currently provided to all residents living in Chatham County. This assumption is relaxed in the Report to determine the costs to the County if certain County services are increased in the future relative to what they are today. Table 13 provides a summary of these departmental impacts and the resulting positive net surplus to the County's general fund of \$1,395,000 per year at the project's buildout. As described below, County officials indicated that expanded service levels should be estimated for certain Public Safety costs in order for

the County to maintain adequate levels of service to Meadowview residents.

PUBLIC SAFETY – Table 11, Expanded Analysis of Emergency Medical Services, projects the additional costs necessary to accommodate annual debt service for an EMS base as well as to operate two EMS units. The worksheet also allocates these costs proportionately to Meadowview residents.

Based on prior discussions with County officials, the FY06 Requested Budgets reflect a more appropriate level of service for those Public Safety departments identified in Table 12, Expanded Public Safety Analysis. The allocable difference between the Requested and the Approved budgets is shown as an expanded level of service cost.

APPENDIX 1

MEADOWVIEW DEVELOPMENT
INPUTS AND ASSUMPTIONS

MEADOWVIEW DEVELOPMENT		
Meadowview Development		Information Source
Project Name	Meadowview Development	
Total Acreage	-	N/A
Total Units	576	Assumed
Affordable Housing Units	-	N/A
Rental Apartments	-	N/A
Townhomes	-	N/A
Single Family	576	N/A
Total Units - Excluding Affordable Housing	576	N/A
Average unit sales value	\$ 750,000	Developer
Residential tax base	\$ 432,000,000	
Commercial office sq footage	-	N/A
Commercial office tax value per sq ft	\$ 130	ADVANTIS
Commercial office tax base	\$ -	
Commercial office/retail sq footage	-	N/A
Commercial office/retail tax value per sq ft	\$ 100	ADVANTIS
Commercial office/retail tax base	\$ -	
Commercial Buildout - Year 4	0%	N/A
Commercial Buildout - Year 5	0%	N/A
Commercial Buildout - Year 6	0%	N/A
Commercial Buildout - Year 7	0%	N/A
Projected population	1,423	Based on 2000 U. S. Census
Average Absorption Rate - residential units per year	72	N/A
Build-out period - in years	8.00	N/A
Discount Rate	6%	Assumed
Discount Rate	6	Assumed
Assumed debt coverage ratio	1.25	Estimated
Chatham County		
Fiscal Year (FY:xx)	FY06	
County	Chatham	
Current County Population under Study	56,012	N.C. State Demographics Unit
Persons Per Household	2.47	2000 U.S. Census
Siler City Population	7,002	Chatham Co. NC website
Pittsboro Population	2,236	Chatham Co. NC website
Goldston Population	319	2000 U.S. Census
Center Township - excluding Pittsboro	3,701	2000 U.S. Census
Haw River Township	1,215	2000 U.S. Census
Cape Fear Township	1,170	2000 U.S. Census
Population served by existing North Chatham Fire Station	11,250	Deputy Chief - North Chatham Fire Department
Population served by North Chatham Fire District	18,500	Deputy Chief - North Chatham Fire Department
Current ratio of deputies per 1,000 population	1.30	Chatham County Sheriff
Norm area county ratio of deputies per 1,000 population	1.80	Chatham County Sheriff
Target ratio of deputies per 1,000 population	2.30	Chatham County Sheriff - rate for other area municipalities
Population factor	1,000	Chatham County Sheriff
Ad Valorem Tax Rates:		
Commercial	0.5970%	Chatham County FY 06 Budget
Commercial collection %	97.78%	Chatham County FY 06 Budget
Residential	0.5970%	Chatham County FY 06 Budget
Residential collection %	97.78%	Chatham County FY 06 Budget
Motor vehicle	0.5970%	Chatham County FY 06 Budget
Motor vehicle collection %	88.31%	Chatham County FY 06 Budget
Assumed collection rate at average new home value	100.00%	Assumed
North Chatham Fire District Rate	0.06%	Chatham County FY 06 Budget
Article 39 Sales Tax Rate	1.0%	Chatham County FY 06 Budget
Article 44 Point of Sale	0.25%	Chatham County Officials
Assumptions for Sales Tax Calculations:		
Earnings multiple	2.90	North Carolina Department of Commerce, Weighted Average Chatham, Orange, Wake and Durham Counties 1st Qtr 2004 Trends
Estimated household earnings	\$ 259,000	Calculated Based on Earnings Multiple
Survey Category - Median Value of Motor Vehicle Holdings	\$ 26,350	Federal Reserve Bulletin - 2001 Survey of Consumer Finances
FY04 Articles 40 and 42 Sales Taxes		Chatham County FY 05 Budget
FY04 Article 44 Sales Tax		Chatham County FY 05 Budget
FY04 Article 40 and 42 Sales Tax Per Capita - Chatham Co.		NC Department of Revenue - Sales and Use Tax Distributions
FY04 Article 44 Sales Tax Per Capita - Chatham Co.		NC Department of Revenue - Sales and Use Tax Distributions
FY04 Article 40 and 42 Sales Tax Per Capita - NC		NC Department of Revenue - Sales and Use Tax Distributions
FY04 Article 44 Sales Tax Per Capita - NC		NC Department of Revenue - Sales and Use Tax Distributions
FRB Survey of Average Household Expenditures:		
Total Applicable Household Expenditures	\$ 15,922	Federal Reserve Bulletin - 2002 Consumer Expenditure Report
% of earnings for purchases in Chatham County	6.15%	
Estimated Square Footage Northeast Library	23,000	Chatham County 2005 - 2009 Capital Improvements Program
Occupied Housing Units - Chatham County	19,741	2000 U.S. Census

APPENDIX 1

MEADOWVIEW DEVELOPMENT
INPUTS AND ASSUMPTIONS

Total Housing Units - Chatham County	21,358	2000 U.S. Census
Capital Improvements FY05 Operating Revenue Funding	\$ 346,000	Chatham County FY 05 Budget
Social Service Non-income Dependent Programs	\$ 2,003,757	Chatham County Officials
Total Household Water Customers	4,802	Chatham County Officials
Average Monthly Household Water Bill for North Chatham Customers	\$ 44.21	Chatham County Officials
Water Plant Expansion Capacity - in gallons per day	2,000,000	Chatham County Officials
Average Gallons Per Day Per Household	400	Chatham County Officials
Waste Management Annual Household Availability Fee	\$ 81.00	Chatham County Officials
% of Waste Management Budget Allocated to Non-Disposal Costs	69.00%	Chatham County FY 05 Budget
Recreation Exaction Fee - Per Lot	\$ 457	Chatham County Officials
New Single Family Dwelling Inspection Fees - over 1200 square feet	\$ 375	Chatham County FY 05 Budget
plus the following rate per square foot	\$ 0.25	Chatham County FY 05 Budget
Square footage rate threshold	1,000	Chatham County FY 05 Budget
2005-06 Budget Adjustment Factor	3.50%	Chatham County Officials
Chatham County Schools		
Chatham County Public School Enrollment:		
Chatham County Public Schools	7,493	Projected Enrollment FY06 - Chatham County Schools
Charter School Students	527	Projected Enrollment FY06 - Chatham County Schools
Total Chatham County Public School Enrollment	8,020	
Public School Student Generation Rates:		
Single Family	0.39	Dave J. Cowen, Ph.D.
Multifamily	0.13	Dave J. Cowen, Ph.D.
Mobile Home and Other	0.38	Dave J. Cowen, Ph.D.
Meadowview Development Public School Students	226	Calculated
School Impact Fee	\$ 2,900	Chatham County Officials
Capital Financing		
CIP and School COPS Interest Rate	5.25%	Chatham County CIP Approved 1/7/06
CIP and School COPS Term - in years	30	Chatham County CIP Approved 1/7/06
School General Obligation Bond Interest Rate - High School	5.25%	Chatham County CIP Approved 1/7/06
School General Obligation Bond Term - in years - High School	25	Chatham County CIP Approved 1/7/06
Technology Capital Costs - % of Construction Costs - Elementary School	3.00%	Estimated based on the study: "Investing in K-12
Technology Capital Costs - % of Construction Costs - Middle School	3.00%	Technology Equipment: Strategies for State Policymakers"
Technology Capital Costs - % of Construction Costs - High School	2.80%	completed by the Education Commission of the States
Estimate results in technology cost per student of:		
Elementary school	\$ 668	These amounts are within the ranges for the enhanced
Middle school	\$ 778	desktop and thin client scenarios outlined in the ESC
High school	\$ 931	Issue Paper "Investing in K-12 Technology Equipment:
Elementary School Capital Costs:		Strategies for State Policymakers"
Unimproved Land - 20 Acres at \$20,000 per acre	\$ 400,000	Estimated Based on Recent Comparables
Building, sitework, furnishings and equipment - estimated current cost	15,588,015	Shuller, Ferris, Lindstrom & Associates, Architects
Technology costs	467,640	Estimated at benchmark percentage
Total Elementary School Capital Costs	\$ 16,455,655	
Capacity	700	Shuller, Ferris, Lindstrom+Associates, Architects
Technology Capital Cost per Elementary Student	\$ 668	
Capital Cost per Public Elementary School Student	\$ 23,508	
Facility Square Footage	\$ 95,000	Shuller, Ferris, Lindstrom+Associates, Architects
Middle School Capital Costs:		
Unimproved Land - 40 Acres at \$20,000 per acre	\$ 800,000	Estimated Based on Recent Comparables
Building, sitework, furnishings and equipment - estimated current cost	16,866,687	Shuller, Ferris, Lindstrom+Associates, Architects
Technology costs	506,001	Estimated at benchmark percentage
Total Middle School Capital Costs	\$ 18,172,688	
Capacity	650	Shuller, Ferris, Lindstrom+Associates, Architects
Technology Capital Cost per Middle School Student	\$ 778	
Capital Cost per Public Middle School School Student	\$ 27,958	
Facility Square Footage	\$ 99,000	Shuller, Ferris, Lindstrom & Associates, Architects
High School Capital Costs:		
Unimproved Land - 60 Acres at \$20,000 per acre	\$ 1,200,000	Estimated Based on Recent Comparables
Building, sitework, furnishings and equipment - estimated current cost	39,917,413	Shuller, Ferris, Lindstrom & Associates, Architects
Technology costs	1,117,688	Estimated at benchmark percentage
Total High School Capital Costs	\$ 42,235,101	
Capacity	1,200	Shuller, Ferris, Lindstrom & Associates, Architects
Technology Capital Cost per High School Student	\$ 931	
Capital Cost per Public High School Student	\$ 35,196	
Facility Square Footage	\$ 225,000	Shuller, Ferris, Lindstrom & Associates, Architects
School Transportation Costs		
Percentage of Chatham County Students Riding Buses	49%	NC Department of Public Instruction
School Bus Capacity	60	Chatham County Schools
Cost of New Bus	\$ 70,000	Chatham County Schools
Lease Financing - term in years	4	Chatham County Schools
Lease Financing - interest rate	6.00%	Chatham County Schools
Bus replaced by State in year	13	Chatham County Schools

APPENDIX 2

MEADOWVIEW DEVELOPMENT
SUMMARY OF HOUSING TYPES, PRICE RANGES AND HOUSING VALUES
BASED ON MASTER PLAN

Lot Type	Average Unit Price	# of Units	Value	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Single Family Homes	\$ 750,000	576	\$ 432,000,000								
Units				72	72	72	72	72	72	72	72
Total Annual Closings			\$ 54,000,000	\$ 54,000,000	\$ 54,000,000	\$ 54,000,000	\$ 54,000,000	\$ 54,000,000	\$ 54,000,000	\$ 54,000,000	\$ 54,000,000
			<hr/>								
Cumulative Units			\$ 432,000,000	\$ 54,000,000	\$ 54,000,000	\$ 54,000,000	\$ 54,000,000	\$ 54,000,000	\$ 54,000,000	\$ 54,000,000	\$ 54,000,000
			<hr/>								
Cumulative Units				72	144	216	288	360	432	504	576
			\$ 54,000,000	108,000,000	162,000,000	216,000,000	270,000,000	324,000,000	378,000,000	432,000,000	432,000,000

**Compliance with
Subdivision Ordinance**

COMPLIANCE WITH CHATHAM COUNTY SUBDIVISION ORDINANCE

Applicant incorporates by reference the corresponding section of the application originally filed by Chatham Partners LLC and Polk-Sullivan LLC for Meadowview. What follows are issues that merit being addressed based on the changes proposed by this requested revision. The proposed revised planned unit development meets all of the standards and goals of the Chatham County Subdivision Ordinance (the "Subdivision Ordinance"). An analysis of the purposes of the Subdivision Ordinance, the minimum standards of development and the special standards imposed for planned unit developments reveals that this revised project meets all of the relevant purposes and meets or exceeds applicable standards. The Subdivision Ordinance specifically allows for planned unit developments that include lots smaller than 40,000 square feet so long as the master plan meets the special development standards for planned unit developments set out in the ordinance.

Under the Ordinance, Applicant could obtain approval for a subdivision of approximately 771 one-acre lots with no available open space, no dedicated property and no amenities to offer to the residents. Instead, Applicant proposes a carefully crafted planned unit development that calls for approximately 171 fewer lots and proposes to dedicate approximately 479 acres (approximately 61% of total land area) to meadows or passive open space.

A review of the purposes of the Subdivision Ordinance leads to the conclusion that this revision to the previously approved project should be approved. The purposes are set forth below along with a discussion of each.

To protect and provide for the public health, safety and general welfare of Chatham County. (Subdivision Ordinance, Section 1.3A)

The Project satisfies this purpose by converting commercially managed timber property into a beautiful residential community preserves trees and protects watersheds that could otherwise be eliminated or harmed. The pool and recreational facilities available for residents of the Project certainly provide health and welfare opportunities that are currently sparse or unavailable in the central part of the County. Further, the connectivity of this Project to the adjoining Chapel Ridge ensures that more residents will have access to the Chapel Ridge golf course without having to resort to driving on Old Graham Road or Highway 87. The existence of private pool and tennis facilities within the Project makes it unlikely that residents of the Project will tax similar public recreational facilities in the area. The welfare of the County is enhanced by streamside buffers that equal or exceed County requirements. The impervious surface amounts are well within limits. The amount of open space retained (approximately 60%) ensures

protection and preservation of beautiful Chatham County land while simultaneously increasing the tax base and tax revenue to the county.

To provide for the orderly growth and efficient development of the County, to avoid overcrowding of the land and extreme concentration of population. (Subdivision Ordinance, Sections 1.3B, H and K)

The Project meets this goal by subjecting a large unzoned tract of property to the strictures and requirements of a planned unit development rather than subjecting the property to unplanned, piece-meal development. As a result, careful attention has been given in this proposal to elements that make residential development orderly and efficient. The roads, water, wastewater, erosion control, stormwater management and schedule of development have all been carefully planned precisely in order to make the development orderly and efficient. For example, the density of the development is less than would be the case if the Project were not a planned unit development. As a further example, the provision of potable water to the Project through the Town of Pittsboro and Heater Utilities presents an enormous benefit that prevents the drilling of 600 ground water wells and the resulting harsh demand on the water table.

To provide for coordination of subdivision streets with existing and/or planned streets and to insure an adequately planned street system avoiding sharp curves, steep grades and hazardous intersections. (Subdivision Ordinance, Sections. 1.3C, D and L).

The Project provides direct access from Highway 87 and Old Graham Road. It has minimal impact on any other existing roads. Coordination with the developers of Chapel Ridge has ensured that there will be connectivity for both subdivisions to highway 87. Traffic flow on Old Graham Road is anticipated to be orderly and safe. None of the new roads include steep grades or sharp curves. The only significant intersection is the intersection with Old Graham Road, the location of which has been visited and approved by NCDOT.

To provide for safe and adequate water and sewer systems (Subdivision Ordinance, Section 1.3E).

The water system source is Heater Utilities with water provided by the Town of Pittsboro. The wastewater will be treated by the Heater wastewater treatment plant at Chapel Ridge. The water and wastewater systems have been professionally designed. A detailed description of each can be found above.

To provide for the dedication of rights of ways for streets and utilities (Subdivision Ordinance, 1.3F)

All rights of way for streets and utilities will be dedicated to the proper public authorities or to the property owners association, as applicable.

Environmental Impact
(Subdivision Ordinance, 5.2A(1))

The development program provides for the construction of up to 600 lots upon land that has previously been managed as timber land. The proposed use is compatible with the existing land condition. The lack of zoning enforcement within this area could allow more aggressive development of this property inclusive of mining, and other industrial applications. Additional buffering (at least 100' each side in total) of all significant intermittent and perennial streams is proposed. Both dry and wet water quality structures will be constructed to detain and filter initial runoff from paved surfaces. There will be no irreversible or irretrievable environmental changes which would be involved should the Project be approved.

Further, the partnership with Audubon International on the re-design of this project has reduced the density, added value to Chatham County tax base and consciously reduced the environmental impact of the project.

Economic Impact
(Subdivision Ordinance, 5.2A(2))

The economic impact analysis is provided above under the section entitled "Fiscal Impact Analysis."

Recreational Amenities
(Subdivision Ordinance, 6.5A(2))

Applicant intends to meet the recreational amenities requirements of the ordinance by paying the recreation fee contemplated by Section 6.5A(2)(b).

Special Development Standards for PUDS
(Subdivision Ordinance, Section 8)

The required information itemized in Section 8.2 is set forth above or in the original submission (incorporated herein by reference). All of the design standards of Section 8.3 are met as set out in the narratives and plans included herewith.

CONCLUSION

The revision of the Meadowview subdivision is positive growth for Chatham County. Taking all factors into consideration, The Parks at Meadowview, LLC requests that the application be approved in all respects.