

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005**

**HOUSE BILL 2724  
RATIFIED BILL**

AN ACT AMENDING THE CHARTER OF THE TOWN OF CHAPEL HILL TO PERMIT THE TOWN COUNCIL TO ACCEPT PAYMENTS IN LIEU OF TRANSPORTATION INFRASTRUCTURE IMPROVEMENTS FOR NEW DEVELOPMENT.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 7 of Chapter V of the Charter of the Town of Chapel Hill, being Chapter 473 of the 1975 Session Laws, as amended by Chapter 936 of the 1985 Session Laws and Chapter 549 of the 1993 Session Laws, is amended by adding the following new section to read:

"Sec. 5.43. Public Transit System Payments.

(a) The Town may adopt an ordinance to allow an applicant for development to offer, at the applicant's discretion, payments in support of the public transit system in lieu of providing transportation infrastructure improvements in order to satisfy a condition of approval of the proposed development. The ordinance may allow for both the payment of funds and the construction of transportation infrastructure improvements if the Council determines that a combination of payments and construction is in the best interest of the citizens of the area to be served.

(b) The ordinance shall provide for the following standards:

- (1) A traffic impact study demonstrates that the proposed new development in the Town or in the Town's extraterritorial planning jurisdiction is expected to place an increased demand on the transportation infrastructure.
- (2) The payments are calculated to be reasonably equivalent to the cost of the public transit system improvements required to address the impact of the new development.
- (3) The Town uses any payments made under this section to provide either or both of the following:
  - a. Public transit system capital improvements that will improve public transit service to the new development.
  - b. Roads or other transportation infrastructure improvements that will serve the area of the new development.

(c) As used in this section, the term "public transit system capital improvements" includes buses and bus shelters."

**SECTION 2.** This act is effective when it becomes law.  
In the General Assembly read three times and ratified this the 12<sup>th</sup> day of  
July, 2006.

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Beverly E. Perdue  
President of the Senate

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James B. Black  
Speaker of the House of Representatives