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REBIRTH OF DOWNTOWN RALEIGH

The most significant period of downtown investment in the Capital City's history is well under way in Downtown Raleigh. The return of vehicular traffic to Fayetteville Street and the completion of the \$221.9 million Raleigh Convention Center are just two chapters in this rebirth of the center city.

Approximately \$3 billion in public and private investments are earmarked for the area over a five-year period ending in 2013. Besides a redesigned Fayetteville Street and a state-of-the-art convention center with an accompanying headquarters hotel, new downtown projects include quality housing, office, retail, and dining establishments.

Laying the groundwork for this revitalization is the City of Raleigh's "Livable Streets" Downtown Plan. The plan, approved by the City Council in 2003, had five objectives: reinvigorate Fayetteville Street as the heart of downtown, fund and build a new convention center and headquarters hotel to attract conventions and trade shows, improve the pedestrian environment of the center city, remove regulatory impediments and make it easier to do business downtown, and expand management and marketing of downtown. With the majority of the Livable Streets plan soon to be complete, the plan's ability to catalyze new private development has been demonstrated in spades.

Having a strong housing market downtown for residents of all income levels is a key component of the City's efforts to revitalize the area. Approximately 860 new housing units have been constructed downtown in the past five years. Another 940 units are currently under construction and building is set to begin on an additional 1400 units in the near future. These new units are expected to boost the number of residents living downtown to approximately 7,000.

While the current focus is on the opening of the 500,000-square-foot convention center, dozens of projects have recently completed or are under way across Downtown Raleigh. The following list provides insight into a majority of the developments and other projects that are transforming Downtown into the heart of the region:

- **Marriott Convention Center Hotel.** Adjacent to the convention center on the northeast corner of Lenoir and Salisbury streets is a four-star, 400-room Marriott hotel. The 17-floor headquarters hotel includes meeting rooms, a restaurant with outdoor dining, a coffee shop and a pedestrian connector to allow patrons to move back and forth between the hotel and the convention center. The hotel also features a 9,000-square-foot grand ballroom, a junior ballroom, an indoor pool and a fitness spa;
- **City Plaza.** This \$14.8 million public space in the 500 block of Fayetteville Street is meant to become the new active heart of downtown. It will feature a central space capable of hosting every event from music, parades, markets and special events. The City Plaza will include four retail pavilions offering new food, drink and shopping opportunities downtown.

High tech projection, a programmable fountain, LED lighting and smart infrastructure will be other key design elements of the plaza. Construction of the City Plaza is scheduled to begin in mid-October, with completion in October 2009;

- **Clarence E. Lightner Public Safety Center.** This 17-story, 305,000-square-foot building will consolidate public safety operations and other local government offices and functions in one location at the corner of Hargett and McDowell streets, currently the site of the City of Raleigh Police Department headquarters, which will be demolished. The City intends to seek certification of the public safety center as a Leadership in Energy and Environmental Design (LEED) Gold project with the United States Green Building Council. LEED certification distinguishes building projects that have demonstrated a commitment to sustainability by meeting the highest performance standards. The effort includes promoting an energy and water-efficient design, recycling building materials and designating the building as being smoke-free for visitors and employees. Construction of the estimated \$226 million public safety center is expected to begin in the summer or fall 2009 after the Police headquarters building is demolished. Completion is expected by 2012. The public safety center is being named in honor of Clarence E. Lightner, who served as mayor of Raleigh from 1973-75.
- **Site 1, “Charter Square.”** TMC Development has proposed an approximately \$130 million office, retail and residential complex on a 1.8-acre tract for what would be downtown’s largest mixed-use project. The complex would consist of two towers --- one 20-story tower and one 14-story tower that together will house 222 condominiums, 300,000 square feet of office space, 61,000 square feet of restaurant space, and ground-floor retail fronting Fayetteville and Wilmington streets. The development also will have an underground parking garage, currently under construction, with approximately 696 parking spaces;
- **Site 4, ‘The Lafayette.’** Empire Properties is proposing a mixed-use project on a half-acre site just northwest of the Progress Energy Center for the Performing Arts. The company’s mixed-use project, to be called The Lafayette, would be a single tower structure from 16 to 21 stories high. It would include 120 guest rooms for a luxury full-service boutique hotel, and 80 condominiums on the tower’s upper floors, approximately 9,000 square feet of retail space (including a signature restaurant with outdoor plaza seating), and a fitness center and rooftop pool and bar with views of the downtown skyline;
- **Underground parking deck.** To support current and future development and parking needs on the south end of downtown, the City of Raleigh recently completed an underground parking garage in the 500 block of Fayetteville Street on land previously occupied by the old convention center. The underground Convention Center Parking Deck, as it is called, has 906 parking spaces. TMC, the developer of the nearby Charter Square project, plans to connect its underground parking deck to the City’s garage. This will give the combined underground decks a total of 1,602 spaces when finally complete in 2010. Of those spaces, there will be 1,344 spaces for the public. The remainder will be reserved for Charter Square and the Marriott convention center hotel.
- **Façade Improvement Grants.** The City of Raleigh has a program that provides matching grants for façade renovation projects. Businesses and

property owners in downtown and other eligible areas in Raleigh can apply for the grants. The City also has a façade grant program specifically for businesses on Fayetteville Street and some surrounding streets downtown. The façade grant program complements other City revitalization efforts and helps promote an attractive environment for new investment and business activity;

- **Blount Street Commons.** The State of North Carolina has sold 21 acres along N. Blount Street to LNR Property of Miami Beach, Fla. for redevelopment. The 26 historic homes currently on the site will be restored, relocated linearly along Blount St, and sold to private buyers. Approximately 400 new housing units will be built, featuring a mix of condominiums, lofts, row homes, and carriage houses. Approximately 110,000 square feet of commercial space will complement the residential development;
- **RBC Plaza.** Highwoods Properties will soon complete a 32-story skyscraper at the intersection of Martin and Fayetteville streets, making it the tallest building in Downtown Raleigh. In addition to being the headquarters of RBC Bank, the mixed-use project will contain retail, parking, offices and condominiums. The building includes 17,715 square feet of shops and restaurants on the ground floor and eight floors of parking -- 572 total spaces -- that are above the retail area. There are 10 stories of office space -- a total of 271,926 square feet -- above the parking area. There also are 139 condominiums. On top of the building is a 150-foot-high decorative crown feature that will be lit at night. Construction is expected to conclude this fall;
- **Wake County Courthouse expansion.** Wake County is planning a \$250 million expansion that would include 22 new courtrooms. The new courthouse complex would be built on the northern half of the block bounded by Davie, Salisbury, Martin and McDowell streets, replacing the existing Garland Jones building and a parking deck.
- **Wake County Parking Deck.** To replace the parking deck that would be demolished to accommodate the Wake County Courthouse expansion, Wake County has acquired land at the intersection of Davie and McDowell streets for a new 830-space deck. This new deck would also include up to 110,000 square feet of office and retail space. The County is currently building the parking deck, and Empire Properties has been selected as the developer of the liner building that will wrap the deck;
- **Green Square.** This State of North Carolina project on Jones Street would be a \$115 million expansion of the Museum of Natural Sciences, coupled with a new headquarters for the Department of Environment and Natural Sciences and new main office for the State Employees Credit Union. Five hundred (500) new parking spaces would be provided with this project, with an additional 350 spaces behind Edenton Street Methodist Church. A spherical structure called the Daily Planet will project from the building onto Jones Street. Inside the building, visitors will witness a 360-degree monitor that showcases science through a virtual experience;
- **The Hudson.** The former Hudson Belk building on Fayetteville Street has been converted to a mixed-use development that includes 66 condominiums and a street-level television studio for WTVD. The Hudson also is the new home of Sono, a sushi restaurant, and a UPS Store;

- **The Dawson.** This mixed-use project on Dawson and Morgan streets contains 66 housing units and several ground floor uses, including a tavern and offices;
- **The Paramount.** Completed in 2006, this building at Boylan Avenue and Johnson Street has 82 housing units and 1,000 feet of retail space. The Paramount is one of the most successful residential projects built during this recent revitalization of downtown;
- **The Quorum.** This was Raleigh's first vertically-structured, mixed-use transit-oriented development. Located at Jones and Harrington streets, The Quorum has 37 housing units, office and retail space, and 373 parking spaces. Construction was completed in the spring of 2007;
- **The Palladium.** Located next to Progress Energy's headquarters on Blount Street, The Palladium features 63 housing units and 4,500 square feet of retail space. The project was completed in late 2007;
- **The Bloomsbury.** One hundred and ten (110) residential units are planned for this development located at the intersection of West Hargett Street and Boylan Avenue near a future rail station. Its architecture will pay homage to the Second Empire style that was popular when Raleigh was first being developed in the early 19th century. The first of two buildings is currently under construction and should be finished late this fall;
- **Gateway Park.** This 84-unit mixed-income rental housing project is on South Sanders Street near the Dix Hospital campus. It includes a community center, garden plots and some covered garages;
- **Carlton Place.** Completed in 2007, this 80-unit mixed-use, mixed-income project is located on Bloodworth Street behind Moore Square Magnet Middle School;
- **Capitol Park.** A Raleigh Housing Authority (RHA) Hope VI grant project near Peace College that has 209 affordable- and market-rate housing units, including villas, townhouses, single-family homes and apartments for senior citizens with low incomes. Capitol Park is fully occupied. RHA demolished the Halifax Court public housing complex to build Capitol Park, which was completed on time and within its \$30 million budget;
- **Village at Pilot Mill.** An upscale single-family subdivision next to Capitol Park. The subdivision has 104 lots, with houses selling for up to \$500,000;
- **Chavis Heights.** Another Hope VI grant project designed to duplicate the success of Capitol Park. The project is located along Martin Luther King Jr. Boulevard near Chavis Park and consists of 165 affordable- and market-rate housing units, including villas, townhouses and triplexes, and apartments for senior citizens. It was completed in early 2008;;
- **Seaboard Station.** The old Seaboard Rail Warehouses north of Peace Street next to Peace College and Capitol Park was converted into shops and restaurants covering a total of 113,700 square feet. The commercial phase of the project is complete and houses new restaurants, a full service grocery store, a wine shop, soft goods retailers, an Ace Hardware, and art gallery, and luxury gym. A residential phase was recently proposed on the north side of the site to include 112 rental units;
- **301 Hillsborough St.** Reynolds Company, LLC is planning a mixed-use development on the combined sites of 301 and 309 Hillsborough Street. The project would include 25 residential units, 17,390 square feet of retail space, a 125-room hotel, and a parking deck. Under terms of the sales agreement, Reynolds Company must meet certain deadlines regarding

development of the mixed-use project or the City could exercise its option to repurchase the property at 301 and 309 Hillsborough St.;

- **Contemporary Art Museum.** The museum and its management partner, North Carolina State University, are exploring development options for the museum's site at Harrington and Martin streets. Currently, the museum is planning to retrofit its building into a 20,000 square-foot dynamic arts and learning venue. Construction is set to begin in the spring 2009;
- **The West at North.** This mixed-use project at West and North streets in Glenwood South will include 170 residential units and 17,000 square feet of retail and restaurant space in a 16-story building. The project is expected to be complete in October;
- **222 Glenwood.** Currently under construction, this project will include 117 residential units and 22,000 square feet of retail and restaurant space. Completion is scheduled for this fall;
- **The Tucker.** Construction is under way on 176 rental residential units on the old Raleigh Office Supply site at the intersection of Tucker and Boylan streets;
- **N.C. AIA Headquarters.** Following a design competition, the North Carolina chapter of the American Institute of Architects (AIA) commissioned Frank Harmon to design a 12,000 square-foot Center for Architecture and Design. The building will be located near the intersection of Wilmington and Peace Streets. Construction is scheduled to begin in the spring 2009;
- **Powerhouse Plaza.** Located at the intersection of Jones and Harrington Streets, Powerhouse Plaza is a planned mixed-use project featuring 134 hotel rooms, 88,000 square feet of office space, and 7,684 square feet of ground floor retail space. Hyatt Place will be the hotel; the anchor tenant for the office space will be Cline Design. This project is expected to break ground later this year;
- **The Edison.** Hamilton-Merritt is planning to construct The Edison on the block bounded by Martin, Blount, Davie, and Wilmington streets. The Edison will include two 40-story towers fronting Wilmington Street and two 30-story towers along Blount Street. Combined, the four buildings will have 640 residential condominiums, 576,000 square feet of office space, 50,000 square feet of ground floor retail space, and over 2,900 parking spaces. Ground breaking for this projected in anticipated in the spring of 2009; and,
- **The Hue.** Between two existing condominium buildings, The Dawson and Park Devereux, Trammell Crow is constructing The Hue, a 209-unit condominium building at the intersection of Hargett and Dawson streets. The project will also feature 8,000 square feet of ground level retail space. It is expected to be complete in the fall of 2009.