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Mayor Kevin Foy & Chapel Hill Town Council
Town of Chapel Hill
405 Martin Luther King, Jr. Blvd.
Chapel Hill, NC 27514



Downtown Economic Development Initiative – Petition for Expedited Review

Dear Mayor Foy and Council Members,

Ram Development Company, in partnership with the Town of Chapel Hill, formally requests expedited review through the Special Use Permit Process for the Downtown Economic Development Initiative's project at Lot 5 based on the public benefits provided by the Lot 5 project. We request the Council authorize a date-specific schedule for completing consideration of a Special Use Permit by September 10th, 2007.

Since the Downtown Economic Development Initiative's inception in 2004, the Council, with input from the public of Chapel Hill, has established goals for the public benefits the Lot 5 project could provide. We at Ram have been working with the Town of Chapel Hill to provide those public benefits in a viable project that will be formally committed to with the final Developer's Agreement coming before the Council February 12th.

In the Development Agreement negotiations, Ram Development Company has committed to providing the following public benefits to fulfill the goals of the Downtown Economic Development Initiative:

- 1.) Create a more vibrant, safer, and pedestrian-friendly downtown environment by providing a mix of uses including better than 28,000 SF of retail space and 137 new residences, including 21 affordable units. The connective project will bridge the gap between East and West Franklin St., as well as Rosemary and Franklin St., and encourage sustainable growth for both sides. In addition to boosting the Town's tax base, the Lot 5 project will act as the hub of economic and cultural revitalization by sparking additional investment in Downtown Chapel Hill and adding residents back to the entire area.
- 2.) Create significant and meaningful public spaces including a new 27,000+ SF public plaza with additional pedestrian arcades and courtyards to include nearly 50% of the ground level area of the entire project at no cost to the Town of Chapel Hill.
- 3.) Make a significant contribution to the economic growth and culture of Downtown Chapel Hill with a \$200,000 donation to public programming in the new plaza, a nearly \$800,000 budget to build the public space, and a nearly \$700,000 commitment to fund public art throughout the project. A total public space commitment of better than \$1,700,000.
- 4.) Commitment to a sustainable development by absorbing the additional cost to make the project LEED certified.

5.) Improve the Downtown pedestrian environment and provide room for all public spaces on the site by absorbing the cost to put public, retail and residential parking below ground and providing the public parking as an income producing asset for Chapel Hill at a guaranteed not- to- exceed cost.

6.) Guarantee the project is designed on sound sustainable building principles after conducting better than six independent peer review sessions with Dean Marvin Malecha and scheduling two additional review sessions during the SUP Process. The additional commitment by Ram Development is taken on to assure the public of Chapel Hill that we are committed to delivering a high quality design that delivers on the promise of these public benefits in a project that respects the context and surroundings of Downtown Chapel Hill.

7.) Deliver greatly increased property tax revenue to the Town and County estimated to exceed \$1.25 million per year while utilizing the existing infrastructure rather than adding to the burden. This figure includes only the projected property tax revenues and does not include any projected sales tax revenues from the new retail or the tax boost other developments will bring to a more vibrant downtown that Lot 5 will sponsor.

Based on the significant contributions towards the public good for the Downtown Economic Initiative and the Town of Chapel Hill represented by these commitments set down in the forthcoming Development Agreement, we submit our request for expedited review for the Special Use Permit process on the following proposed schedule:

Submittal of SUP Package by Ram Development
Submittal to Town Boards for Review
Public Hearing on Town Plan
Town Council Consideration of the SUP
Zoning Compliance Permit Received
Building Permit Received

February 12th, 2007
May 2007
June 18th, 2007
September 10th, 2007
November, 2007
December, 2007

With the granting of this petition, Ram Development Company will partner with the Town to meet and exceed our obligations to facilitate this schedule. By expediting the entire approval process along this schedule, Ram Development can meet its contractual obligations, avoid additional significant cost escalations resulting from a lengthy process that may further impact the design, and begin delivering the economic and public benefits of the Lot 5 - Downtown Economic Development Initiative.

Respectfully Yours,

John E. Florian
Senior Vice President of Development - NC
Ram Development Company