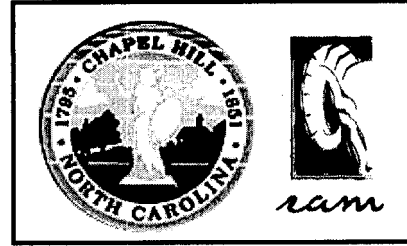


Downtown Economic Development Initiative

Lot 5 Special Use Permit Submittal

Rezoning Application
Statement of Justification



April 23rd, 2007

Introduction

This is a request for a Zoning Atlas Amendment to rezone the 7 contiguous Lot 5 parcels owned by the Town of Chapel Hill to facilitate the construction of the Downtown Economic Development Initiative's Lot 5 redevelopment project. This public private partnership between the Town of Chapel Hill and Ram Development Company proposes a mixed-use development of public spaces, new retail space, 137 residential units, and subterranean parking to improve the community and economic vitality of the heart of Downtown Chapel Hill. Currently, the project lies in the TC-2 zoning district, but this zoning atlas amendment requests that the Town rezone the property to the new TC-3 zoning designation with modifications to allow the increased scale of the project to bring the critical mass needed Downtown to spur economic and social revitalization.

Background

In 2001, in conjunction with community groups and the Planning Department, the Chapel Hill Town Council began exploring ways to revitalize Downtown Chapel Hill with new and creative developments meant to improve the economic and cultural vitality of the Downtown Area. Included in the resulting Downtown Small Area Plan were strategies to change the regulatory environment and encourage beneficial mixed use development with zoning modifications and an expedited review process to make urban redevelopment more attractive than suburban sprawl development. The request in this proposal is a direct result of the Town partnering with Ram Development Company to deliver the highest and best results for those strategies.

Since the establishment of the Principles and Priorities for the use of Parking Lot 5 by the Chapel Hill Town Council in February of 2003, the Downtown Economic Development Initiative and the Town have been working to find a partner to help create at Lot 5 the project that will fulfill the Principles and Priorities as well as the goals of the Comprehensive Plan. After the 2005 RFP process, Ram Development Company was selected as the Town's partner to provide that solution in a mixed use, catalyst project charged with bringing economic and cultural vitality back to the established center of Chapel Hill's community.

The program we are proposing for Zoning Atlas Amendment approval has been outlined in the recently approved Development Agreement ratified by the Town Council on February 12th, 2007. Located on the site identified by the Downtown Small Area Plan as the major opportunity site for unifying east and west Franklin St., our design provides a solution with accessible, vibrant public spaces, the mixed retail and residential uses the Council and Town desired, subterranean parking to reduce the automobile's influence, 15% on-site affordable housing, and a newly connected pedestrian environment to insure a diverse and vibrant community not just on the site but throughout the surrounding Downtown area.

General Site Description

Currently, the site contains 165 surface parking spaces on 7 contiguous parcels that will be leased to the development group and owned by the Town of Chapel Hill. The parcels make up approximately 1.75 acres and will be recombined by the Town of Chapel Hill's directive as continuing owners of the parcels. The property is bounded by Franklin St. to the South, Church St. to the West, and Rosemary St. to the North. On the eastern border and surrounding the entire property are commercial uses in the TC-1 and TC-2

zoning districts. The accompanying site plan, existing area map, and aerials give an exact depiction of what is and what can be on the Lot 5 parcels. Directly adjacent to the Granville Towers at University Square and the Bank of American building, the site is one of the few areas where vertical redevelopment at the center of the site is appropriate as described by the Downtown Small Area Plan. However, the surrounding building streetscape scale and more importantly pedestrian scale will be maintained to provide the connectivity and public gathering space the Downtown Small Area Plan was drafted to create.

Program Overview

The proposed site program calls for 28,540 SF of new retail, 137 condominiums units, 21 of which will provide the 15% affordable housing requirement on site, and 2 levels of subterranean parking to service both the residential and public needs. The total new building square footage will be approximately 284,430 SF. The proposal plans on making use of all existing utilities already present at the site and enhancing those utilities as needed to provide for the site. These improvements include exploring with Duke Power the potential for burying the utilities along Rosemary St. and increasing the site perimeter streetscape lighting to match the Franklin St. precedent and make a more secure after-hours pedestrian environment. Likewise we are exploring sewer and water treatment options with OWASA and are currently working on adaptive solutions for storm water retention and/or treatment on site as needed.

The ground level of the development will be the centerpiece of the program with approximately 41,450 SF of indoor space including the new retail space, room for a spacious activity center for the residents, and a recycling services area for the whole development. Based on the Town's Downtown Design guidelines, the entirety of the ground level will have storefront glass to encourage retail interaction and also emphasize the human scale of the project. Pedestrian entrances, especially at the proposed arcade, will be both architecturally significant and inviting to promote visibility and encourage pedestrians to enjoy not just the facades but also the inner amenities of the site.

More importantly, the balance of the 1.75 acre site consists of expansive public and pedestrian accessible outdoor spaces. The outdoor program includes a large public plaza on the most prominent corner of the site, an amenity long absent from Chapel Hill's Downtown. This plaza will be programmed with entertainment sponsored by a donation from Ram Development Company. The highly visible and pedestrian friendly plaza opens into the heart of the site encouraging pedestrian and bike transit from east to west Franklin retail destinations, as well as drawing the community from south to north through the retail offerings and public spaces available on Lot 5 to the burgeoning commercial destinations along Rosemary St. To compliment this spacious public amenity, a significant pedestrian arcade through the center of the site's retail space will be a much needed pedestrian and retail connection from Franklin to Rosemary Street to help sponsor continued growth along both corridors. This arcade has been extended over the last iteration to provide a completely protected and well lit pedestrian corridor to sponsor both retail connectivity and safety in Downtown Chapel Hill. As further benefit, this arcade now connects a series of open spaces in the upper mall area and Rosemary St. courtyard to make the pedestrian experience a welcoming one no matter which side of the site you enter from. Finally, to complete the public and pedestrian experience on the Lot 5 site, we have planned a series of sidewalk and perimeter improvements including planters, benches, and secure bike facilities to encourage non-automotive travel and pedestrian connectivity throughout the Downtown Area.

The residential portion of the mixed use plan will consist of 137 condominiums built on 7 levels above the retail component of the Lot 5 site. 21 of these units will be provided at affordable rates to the Orange County Land Trust to fulfill the 15% affordable housing onsite and insure the diverse community the Town wants to see on its flagship Downtown Project. All residents will have direct access to the retail and parking amenities as well as the residential amenities throughout the site. The layout of the condominiums has 3 levels above the retail level at the street front on all sides to ensure that the scale of the facades remain in line with the Downtown environment. The central tower is setback significantly on all sides to reduce the impact on the pedestrian environment, but still provide the critical mass of new residences that will encourage an increasingly vibrant and safe Downtown environment every member of the community can enjoy. With a planned club and exercise facility, as well as other site amenities, we plan on fulfilling our

active open space requirement onsite. To compliment these efforts and cap the project, an active recreational space is proposed on top of the central tower for all our residents to enjoy unparalleled views of the green Chapel Hill vistas.

The first level of parking will provide approximately 156 public parking spaces to be owned and operated by the Town of Chapel Hill upon completion. The lower level of parking will provide approximately 169 spaces for the balance of the residential units on the site. Additionally, the potential for 10-15 on-street metered spaces will be explored with both the Planning Department and NC DOT. Parking for the affordable housing condominiums will be provided by the Town at their discretion as outlined by the Town's statement on parking for the affordable housing included with this submittal. In addition to the automobile spaces, the garage will provide a substantial number of secure and protected bicycle spaces fulfilling both Town and LEEDs guidelines. Most importantly though, excellent wayfinding and open, bright and accessible elevators and public stairs will provide a safe and welcoming starting point for visitors to enjoy all Downtown Chapel Hill has to offer.

Goals & Objectives

Simply stated, the goal of the partnership's Lot 5 project is to fulfill the mission of the Downtown Small Area Plan by adhering to the Priorities and Principles of the Downtown Economic Development Initiative for Lot 5 and the 12 themes of the overall Comprehensive Plan. More pointedly, we plan to ensure Downtown Chapel Hill remains the center of the community's government, commercial, spiritual and cultural activities by providing a creative and appropriate development of mixed uses and public amenities that make Lot 5 the new hub for activities of the existing community and a magnet for drawing visitors to an economically and culturally vibrant Downtown Chapel Hill.

Request for Zoning Amendment & Requests for Modifications

The proposed Lot 5 mixed use Downtown development complies with the Development Ordinance's land and development regulations and standards as defined in the Application Procedures outlined in Article 4, the Design and Development Standards in Article 5, and the Special Regulations for particular uses in Article 6. The proposed Lot 5 development matches the dimensions of the new TC-3 zoning as determined by the Town Council and shown in the following table:

| Dimensional Matrix | TC - 3 Zone | Proposed Development |
|--|--------------------|--|
| Max. Height (Primary) on Franklin & Rosemary Sides | 44' / 1:1 Slope | Request for Modification to 54' Primary Height / 1:1 Slope |
| Max. Height (Primary) on Church & Interior (Eastern) Sides | 44' / 1:1 Slope | Request for Modification to 44' Primary 1 : 0.25 Slope |
| Max. Building Height (Secondary) | 120' | 120' |
| Minimum Street Setback | 0' | 0' |
| Maximum FAR | 4.00 | 3.29 |

1. Rezoning: The provided dimensional matrix is based on a TC-3 zoning and will require the site to be rezoned to the newly created TC-3 zoning with a request for modification to alleviate constrictions on the building envelope and maximum FAR restrictions in the TC-2 zoning district.

2. Franklin & Rosemary St. Requests for Modifications: We propose to address the two separate primary height exceptions along the Franklin and Rosemary St. facades with two Requests for Modification to the TC-3 zoning designation as applied to our site only. Based on the prominent nature of the Franklin St. and Rosemary St. facades and their direct impact on the pedestrian environment and character of their respective streets, we are seeking the absolutely minimum increases to these facades primary height restrictions. We believe this modification to a 54' primary height on the Franklin St. and Rosemary St. facades are in keeping with the Council's vision established in the first RFP reviews favoring 1 level of pedestrian friendly retail space and 3 levels of articulated residential space above. A minimum primary

height of 54' is required to provide the 4 quality levels in most mixed use construction of this nature. However, to further respect the pedestrian environment along the two main facades of the site, we are recommending to maintain the 1:1 slope from the primary to secondary height. By making sure the central part of the tower is set sufficiently back from the pedestrian streetscape using this slope restriction, we insure that Franklin and Rosemary maintain their more traditional and pedestrian-friendly scale. However, by minimally increasing the height to accommodate the building envelope, we can create enough space in which to develop a critical mass of residents to ensure the vibrant pedestrian population the Council and Downtown Small Area Plan have envisioned.

3. Church St. & Eastern Side (Interior) Requests for Modifications: We propose to address the two separate building envelope slope exceptions along the Church St, and Eastern (Interior) facades with two Requests for Modification to the TC-3 zoning designation as applied to our site only. On both of these sides we will request a Modification from a 1:1 to a 1:0.25 slope from the TC-3 primary height of 44' to the TC-3 secondary height of 120'.

We are requesting these two modifications for two specific reasons. First, these slope modifications allow us to develop an efficient, appropriately sized floor plate for the central tower of the building. If the slope is kept at 1:1 along Franklin and Rosemary with no modification to the slope of the building envelope along the Church St. and Interior sides, very little building area would be allowable at the center of the site. This constriction occurs because the site itself is narrow and therefore the 1:1 slopes from the four sides converge before a central tower of any efficiently sized floor plate and overall height can be built. The benefit of the appropriately sized central tower that these modifications will facilitate is of course the critical mass of new residents a well designed building of appropriate density can bring to revitalize Downtown. However, the second reason why we are requesting these slope modifications to the Church St. and Interior sides of the building is to properly respect the primary pedestrian corridors by maintaining the 1:1 slope along the Rosemary and Franklin St, sides. By modifying only the slope allowances along the Church St. and interior sides of the project, we can ensure that the building envelope does allow for the proper amount of area to create homes for new Downtown residents, while also ensuring the pedestrian corridors along Franklin and Rosemary Street those same new residents and the rest of Chapel Hill hope to enjoy are not spoiled, but instead enhanced by a sensitively designed and well crafted mixed use experience.

To balance the need for increased residential space that sponsors true economic revitalization with the architectural character of Downtown, we pledge to work with the Town during the SUP process to confirm these modifications for the appropriate primary heights and slopes that will accommodate the healthy density the Town and Council desire. The building envelope required by the current design, as well as the envelope established by the existing TC-3 zoning, are illustrated in the elevation exhibits submitted with this application.

We are requesting these Modifications to the dimensional requirements and current zoning based on the following significant public benefits and community amenities provided by the Lot 5 redevelopment proposal:

1. Better than \$1.7 MM is being allotted for the construction of public space, public art, and public programming on the site at no cost to the Town.
2. The development is designed for providing a vibrant mixed use community on the location identified by the Downtown Small Area Plan as the major opportunity for mixed use redevelopment in the Downtown Core.
3. The development fulfills the other goals of the Downtown Small Area Plan by providing an east-west and north-south connector at the center of the Franklin St. commercial district with a significant public gathering space and extensive pedestrian amenities.

4. The development fulfills the Town's Affordable Housing Initiative and Inclusionary Taskforce initiatives by providing 21 condominiums onsite to fulfill our 15% affordable housing requirement and insure a diverse Downtown Community.

5. The project is currently committed to 20% energy efficiency increases and providing sustainable technologies as determined by our development agreement with the Town. We pledge to work with the Council and Town Manager to determine the most appropriate sustainability and energy efficiency goals for this project.

6. With its mix of new retail shops and 137 new residences, the proposed project should generate better than \$1.15 MM in annual property taxes for the region with sales taxes from the increased retail activity pushing the tax revenues directly attributable to the Lot 5 project well over \$1.2 MM per annum. These increases to the tax base will come with little additional burden to the Town's infrastructure as all the needed utilities and services are already in place with easy access to the site.

7. The influx of new Downtown residents and visitors drawn by the project will not only contribute to the economic vitality of the Downtown and greater Chapel Hill Area but also contribute to the safety of Downtown Chapel Hill by getting more eyes into a bustling 24 hour community.

LUMO Article 4.4 Zoning Amendment Justification

Article 4.4 of the Land Use Management Ordinance on Zoning Amendments states: *In order to establish and maintain sound, stable, and desirable development within the planning jurisdiction of the Town it is intended that, this Chapter shall not be amended except a) to correct a manifest error in the Chapter, or b) because of changed or changing conditions in a particular area or in the jurisdiction generally, or c) to achieve the purposes of the Comprehensive Plan.*

It is further intended that, if amended, this Chapter be amended only as reasonably necessary to the promotion of the public health, safety, or general welfare, and in conformance with the Comprehensive Plan.

To justify the need for Lot 5's rezoning to the new TC-3 zoning district with a modifications to facilitate two primary height and two slope adjustments to the building envelope for the project, we submit the following:

a.) There is no manifest error in the Chapter that needs to be resolved for Lot 5, however;

b.) Though no manifest error in the zoning chapter seems to exist, there is a change in not the nature of the area around Lot 5 but in the nature of the Community's needs for Lot 5 to enhance the area around it. As identified by the Downtown Small Area Plan, Lot 5 comprises the best development opportunity for the Town to garner the benefits of sustainable urban development and revitalize Downtown into a vibrant economically viable Town core. As a surface parking lot, Lot 5 makes a minimal contribution to the financial development of the Town or commercial district and is a serious detractor from the Downtown pedestrian environment. As a TC-2 designated property it could generate some redevelopment value, but if rezoned to a modified TC-3 property the full benefit of a critical mass of new residents and valuable shopping, coupled with subterranean parking that preserves and enhances the pedestrian environment, the Lot 5 project could act as a catalyst for additional new beneficial development rather than just a small fix to a growing problem of deterioration in the Downtown environment.

c.) The Findings required for the Special Use Permit and the requirements for justifying the proposed rezoning and four requests for modification can best be demonstrated by the proposed development's fulfillment of the core themes of the Comprehensive Plan and how they are translated in the Downtown Small Area Plan and the Principles and Priorities for the use of Lot 5 as outlined by the Downtown Economic Development Initiative.

Themes of the Comprehensive Plan

1. Maintain the Urban Services Area/Rural Buffer Boundary

By redeveloping a Downtown site rather than challenge the buffer with additional suburban track development, the Lot 5 project alleviates suburban sprawl by providing a significant choice for new residential and commercial development on one of the few remaining sites where such development is encouraged and appropriate for the comprehensive plan. Additionally, this new opportunity is created with little additional infrastructure required since the utilities and base services are already present in the Downtown Area.

2. Participate in regional planning

Forward thinking, sustainable revitalization projects like the one proposed for Lot 5 can give Chapel Hill an example project to act as a model for the rest of the region.

3. Conserve and protect existing neighborhoods

Since the area inside the Urban Services Area is approximately 94% built out, one of the few remaining opportunities for Chapel Hill to accommodate the nearly 50% population growth forecast in the 2035 Long Range Plan is to seek out sustainable appropriate urban redevelopment like the proposed Lot 5 project. With developments like Lot 5 handling the new growth, the character and nature of Chapel Hill's historic neighborhoods can be protected.

4. Conserve and protect the natural setting

As with neighborhood protection, assigning growth projects to designated growth areas like Lot 5 can make sure the natural vistas of Chapel Hill remain unblemished.

5. Identify areas where there are creative development opportunities

As recognized and detailed by the Town's Downtown Small Area Plan, no better location exists than on Lot 5 for a unique, mixed use redevelopment project like this one.

6. Encourage desirable forms of non-residential development

By incorporating the retail component directly into the Downtown residential components of Lot 5, we create an integrated project from which both the commercial and residential components benefit. Furthermore, there can be no more desirable form of a required public parking deck than one hidden from view by an expansive public plaza and surrounded by pedestrian amenities.

7. Create and preserve affordable housing opportunities

This proposal includes 21 new affordable condominiums on site and Ram has pledged an additional \$25,000 to the Town of Chapel Hill to study strategies for keeping affordable housing affordable.

8. Cooperatively Plan with the University of North Carolina

Every effort has and will continue to be made so that the University of North Carolina is included in the benefits Lot 5 hopes to provide to Downtown Chapel Hill.

9. Work toward a balanced transportation system

By design, Lot 5 brings more residents to the walkable Downtown environment to reduce overall automobile trips and travel. More directly though, Lot 5's design is meant to provide a welcoming walkable pedestrian hub to connect the east and west Franklin St. retail areas and provide a safe, protected and inviting pedestrian connection between Franklin and Rosemary Streets. In addition to the pedestrian amenities, Lot 5 has all the required secure and sheltered bicycle facilities to fulfill LEED and Town guidelines. Finally, as researched independently for our Traffic Impact Analysis, the bus facilities already located within walking distance of the site make Lot 5 an ideal project for boosting ridership.

10. Complete the bikeway / greenway / sidewalk system

The new pedestrian and bicycle amenities provided by the Lot 5 design are built specifically to provide the connectivity between the east and west and north and south commercial corridors that the Downtown area has been lacking. Additionally, with new planters and benches, pedestrian and bike havens on the site, and a revamped sidewalk system at its perimeter, the pedestrian experience should be greatly enhanced for all of the Downtown areas.

11. Provide quality community facilities and services

From the well-lit and secure subterranean parking deck to the expansive public plaza and the public art that adorns it, the Lot 5 project will give Downtown Chapel Hill a model for truly beneficial community facilities.

12. Develop strategies to address fiscal issues

By generating better than \$1.2 MM in property and sales taxes for the region per annum and providing the Town with a income generating asset in the new parking deck, the Lot 5 project gives the Town of Chapel Hill a ready means of meeting fiscal demands for years to come.

Downtown Small Area Plan Goals

As an adopted extension of the Comprehensive Plan, the Downtown Small Area Plan also gives a wealth of support to the proposed design for the Downtown Development Initiative's project at Lot 5 in which it plays a key role. The Small Area Plan states two central themes as part of its vision statement;

"The Downtown Plan will seek to reverse the tide of decentralization by encouraging 'incubation' of vital, well-integrated, mixed-use development, of which housing, with its after-hours population, would be a key component"

The proposed mixed use design located on the key component of the Downtown Small Area Plan, make the proposed Lot 5 development the definition of the commercial-residential project the Small Area Plan envisioned.

"The Downtown Small Area Plan places one guiding principle above all others in importance: The preservation and extension of vital people/pedestrian-oriented character of the Downtown Center, and the fostering of programs and policies which would tend to intensify the social and cultural activity which defines this character."

The central premise of Lot 5's designation as the primary development opportunity of the Downtown Small Area Plan revolves around its pivotal dual function as a north-south and east-west pedestrian and cultural bridge to revitalize both ends of the Downtown Area. Coupled with its second function as a public gathering space and cultural arena for all of Chapel Hill, this plan for Lot 5 strives to become both the commercial and cultural for a truly revitalized, connected and walkable Downtown.

Along with its vision statement, the Downtown Small Area Plan had four central goals developed and supported by community input. Strategies to provide for and address them all can be found in the proposed Lot 5 design.

1. Economic Vitality

Maintain Downtown Chapel Hill as the focal point for all civic and cultural functions
With the expansive public plaza as the new hub of the walkable Downtown environment, Chapel Hill will now have a public space to host the cultural events of its diverse community. Thanks to

Ram's additional donation for public programming, Chapel Hill will also have a means of providing high quality cultural events for the community to enjoy in the plaza.

Provide a diversity of densities, scales, land uses and sizes

By adopting and modifying zoning designations where appropriate, projects like this Lot 5 proposal can provide the needed residential and commercial densities and sizes that will act as a catalyst for other projects and collectively revitalize the Downtown Economy.

Encourage redevelopment of properties in accordance with this Downtown Plan

Lot 5 is perfectly positioned in the Small Area plans major opportunity area for redevelopment.

Change the regulatory environment to make it easier to develop Downtown

This proposal is asking for modifications to fulfill the goals of this overall plan.

Utilize available land in an economically optimal fashion

Lot 5 makes the best use of available land to increase retail and residential densities to a critical mass level in order to act as an effective catalyst for economic revitalization in Downtown Chapel Hill.

Provide a safe and secure environment

By providing secure and well lit parking and pedestrian environments and increasing the after-hours population with new residents, Lot 5 hopes to provide the best security available for the Downtown environment with vested and concerned new eyes watching over their new Downtown home.

2. Town Character

Retain the intimacy of the Downtown Environment

The design of Lot 5 maintains the human scale and encourages community interaction at the pedestrian level on the primary facades of the site, as well as filling the gap in intimacy found in a surface parking lot by replacing it with an open and inviting public plaza.

Encourage new magnets for attracting people Downtown

Whether it be for new residents, avid shoppers, or culture seekers coming to enjoy public events Downtown, the new Lot 5 proposal provides something for everyone.

Develop public open space

The Lot 5 design provides a unique public plaza and complimentary open space that can not be found at any other Downtown location.

Complete the sidewalk system Downtown

By filling the east-west and north-south gap in the sidewalk system caused by Lot 5, the proposed design not only helps complete the sidewalk system, but greatly enhances the pedestrian environment with new amenities, arcades, bike facilities, and public gathering spaces.

Encourage public uses to locate Downtown

The new public plaza incorporated into the Lot 5 design gives an entirely new venue for public activities in the heart of Downtown.

Maintain a human scale in the built environment

Using the Downtown Design Guidelines as building blocks, the Lot 5 proposal maintains the human scale and encourages community interaction by using store front along all the pedestrian corridors throughout the ground level, emphasizing the pedestrian openings with significant and inviting architecture, and maintaining the traditional scale of the surrounding Downtown area along the primary street frontages.

Promote Compatible residential use in the commercial zones

Lot 5's mixed use design locating urban style residential units over a retail ground floor ideally integrates residential units into the Downtown commercial environment.

3. Infrastructure**Develop workable refuse and recycling plans that respond to the limitations of Downtown**

Lot 5's design incorporates recycling facilities on every floor and access for public services that keep service vehicles out of the traffic of Franklin Street and insulated from the pedestrian environment.

Intensify public safety efforts

No better reinforcement to public safety efforts can be found than in adding new residents to the Downtown area with a vested interest in keeping the streets around their new homes safe.

Provide pedestrian connectivity throughout Downtown and the surrounding neighborhoods

The founding purpose of the Lot 5 project was to provide a hub and connector project to unify Downtown and provide easy and welcoming access to the surrounding neighborhoods and regions beyond.

Expand the Downtown Streetscape Plan to include the streets surrounding Franklin

Lot 5 is a key component for including both Church St and Rosemary St. as important connections on that plan.

Permit on-street parking for the full length of Franklin in front of University Square

A key component of our agreement with the Town is working with the Planning Department and NC DOT to gain more on-street metered parking surrounding the site.

4. Transportation**Parking Supply**

With its new 2 level subterranean parking deck, Lot 5's proposed design provides not only the appropriate amount of parking for Downtown but also provides it in a way that does not disrupt but instead encourages the enjoyment of the walkable Downtown environment.

Pedestrian facilities and safety

Lot 5's main purpose is a pedestrian destination and connector for all directions along the Downtown commercial corridor. Its new safe, sheltered and well lit pedestrian amenities provide not just a filled gap but a greatly enhanced Downtown pedestrian environment.

Encourage bicycle use throughout Downtown

Benefiting not only from the pedestrian amenities, bicycles can enjoy safe, sheltered and secured bike parking throughout the Lot 5 design.

Encourage the Transit system

As identified by the commissioned TIA, the location of our site is excellent for access to existing bus stations and will also be ideally located for a light rail or other mass transit system that will be greatly encouraged by the increase in Downtown population our new residents will provide.

Downtown Economic Development Initiative: Principles and Priorities for the Use of Lot 5

Finally and most specifically, we believe the Special Use Permit, Zoning Atlas Amendment, and four requests for modification needed to facilitate the construction of the proposed Lot 5 project should be granted because the new design delivers on the goals laid out specifically for it in the Principles and Priorities for the use of Lot 5 as adopted by the Town Council for the Downtown Economic Development Initiative.

1. Based on its lively and mixed retail and appropriate residential density, Lot 5 will be a catalyst for a vibrant Downtown.
2. Lot 5's wealth of pedestrian and bike amenities coupled with its proximity to public transit, both existing and proposed, make it a distinct enhancement for the Downtown environment.
3. By providing a wealth of new jobs and a new venue for public gatherings and festivities, as well as on site affordable housing alternatives, this Lot 5 proposal offers distinct opportunities for all segments of Chapel Hill's diverse community.
4. This one of a kind product of a unique public/private partnership provides a model for integrating public space with commercial and residential developments that will be a magnet for activity and visitors from all surrounding regions and beyond.
5. The proposed Lot 5 design's central theme is connectivity making it the east-west and north-south hub for pedestrian, retail, and community activities with a unique focal point in a public plaza unlike any other space in the Downtown area.
6. As addressed above, the new Lot 5 design can be a model for how responsive a development can be to the themes of Chapel Hill's Comprehensive Plan.
7. Lot 5's location and public amenities will give the community a gathering space independent of, but still attractive to the University community.
8. The ideal mix of uses for this location on Lot 5 will showcase the synergistic benefits a properly planned mixed use development can bring to a Downtown area in need of an economic and social catalyst to spark revitalization.
9. The public space and new parking will give Downtown Chapel Hill an infrastructure boost to support rebuilding efforts in the Downtown area without over-taxing the Town with new utility or infrastructure extensions.
10. The Lot 5 project with its better than \$1.2 MM in property and sales tax generated per annum and the income producing parking deck controlled by the Town will make it a project that the Town can rely on fiscally to help facilitate further growth.
11. The project will provide a variety of public, retail, and residential uses in densities that will generate real benefits for the Downtown Area.

12. 21 affordable condominiums found onsite will ensure the 15% affordable housing requirement is met with an inclusionary program that will provide a diverse community in Downtown Chapel Hill.

13. The retail component of the Lot 5 product will greatly expand the shopping opportunities in the Downtown area, supporting both our residents and the surrounding neighbors. All the while, the project will continue to greatly increasing sales tax revenues to the Town from increased sales on not just Lot 5 but all the surrounding vendors as well.

14. Lot 5's public plaza provides the much needed community-focused gathering place where real community building can occur in an environment awash with public art and with programming jumpstarted by Ram's initial donation of \$200,000.

15. Though expensive, subterranean parking was made possible with Ram's commitment to increasing public space and meaningful pedestrian connectivity.

16. The proposal for Lot 5's design roots itself deeply in sound urban design principles and embraces the real value adding aspects of the LEEDs guidelines to create a project that is both functional as a community building block and sustainable as a model for sensitive development.

Request

For its support of all the major themes of the Comprehensive Plan, fulfillment of the best strategies and goals of the Downtown Small Area Plan, and its adherence to the Principles and Priorities of the Downtown Economic Development Initiative as adopted by the Town Council, we request that the Council grant the Zoning Atlas Amendment request to develop and construct this proposal for the Lot 5 redevelopment project and deliver to Downtown Chapel Hill the catalyst and harbinger of revitalization we believe this project to be.
