

**AGENDA ITEM
CITY COUNCIL
MEETING OF JANUARY 5, 2016**

To: Ruffin Hall, City Manager
From: Larry M. Jarvis, AICP, Housing & Neighborhoods Director 
Subject: Ripley Station Subordination and Loan Amendment
Date: December 15, 2015

What Is Requested?

- A. APPROVAL** to subordinate City loan to new first mortgage lender, Community Investment Corporation of the Carolinas (CICCAR) allowing DHIC to refinance current loan that is coming due for a lower interest rate and complete some necessary repairs at the development and improve energy efficiency of the units.
- B. APPROVAL** to extend loan maturity date between the City of Raleigh and Ripley Station, LP (managed by Downtown Housing Improvement Corporation - DHIC) so that the City loan and new loan are co-terminus.
- C. APPROVAL** to change DHIC's repayment terms to annual payments as opposed to annual cash flow payments.
- D. APPROVAL** to reduce the interest rate from 6.5% to 2%

Background:

On November 14, 1995, the City of Raleigh provided funding in the amount of \$583,479 to DHIC in order to construct a 48-unit affordable housing complex for families at 3030 Ripley Station Way, Raleigh, NC 27610. The loan was set at 6.5% interest with payments based on available cash flow. In October, when the tax credit compliance period ended, the investors in the property transferred complete ownership of the property to DHIC.

At the current repayment terms, the City receives between \$3,000 and \$28,000 per year in repayment. The proposed repayment is \$12,000 per year, which will allow DHIC to begin paying down the principal and to set aside funds to reinvest in the property. Recently, DHIC spent replacement reserve funds to replace the roof and install new insulation and an accessible playground among other repairs. DHIC intends to continue

to update the property and increase the energy efficiency of the units in part with a \$75,000 grant from NeighborWorks¹.

What is Requested:

DHIC requests:

1. Subordinate City loan to new CICCAR loan of \$875,000.
2. Extend existing loan term to match that of CICCAR (current maturity date is 12/31/25)
3. Modify the payment to an annual amount of \$12,000 paid in monthly installments.
4. Reduce interest rate from 6.5% to 2% (letter incorrectly states current rate as 6%)

Note: Such requests are typical of tax credit developments nearing the end of their tax credit compliance period. At its meeting on January 20, 2015, Council approved a similar request made by Evergreen Construction for two of its developments.

Recommendation:

Housing and Neighborhoods staff recommends that the City Council authorize the City Manager, or his designee, to execute the necessary modification documents enabling DHIC to preserve this affordable rental development for families.

¹ NeighborWorks directly supports a network of 240+ nonprofit organizations with technical assistance, grants, and training for more than 12,000 professionals in the affordable housing and community development field each year.



November 16, 2015

Mr. Larry Jarvis, Director
Housing and Neighborhoods Department
City of Raleigh
PO Box 590
Raleigh, NC 27601

Dear Larry:

We are in the process of refinancing the Ripley Station Apartments located at Ripley Station Way in Raleigh near the Wake Med complex. The first mortgage for this 48-unit complex that serves families at or below 50% of area median income is now due. While the City note is not due for another 10 years we would at a minimum need to subordinate the loan with the new financing. We would like to request that the City amend the note to be co-terminus with the proposed first mortgage loan from CICCAR as well revise the payment schedule from one based on cash flow to a fixed-payment as proposed in our attached pro forma.

The first 15 years of the property's operations have allowed the interest payment to be current. With the favorable rate from CICCAR we have an opportunity to start paying some principle if the City will also amend its rate from 6% to 2%. We are not looking to adjust the affordability of the property in any way through the remaining compliance period for the tax credits.

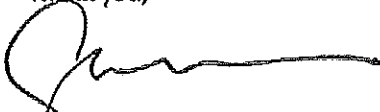
This refinancing/rehabilitation plan will also allow us to reinvest in the physical plant of the property with \$8,000 per unit of proceeds that will be available from this restructure. We have completed some renovations already which include roof replacement, new insulation, a new accessible playground and some security enhancements with the use of replacement reserve funds. This plan will allow us to make improvements to the energy efficiency of the property for the future in the same way we were able to do so at Tryon Grove apartments when that property was refinanced. We are also pleased to indicate that NeighborWorks America provided us with an additional \$75,000 to assist our rehabilitation efforts.

We have attached the pro forma for the refinance to this transmittal. We will make documents you might want to review to the Share file established by Len Tatem in our office for your convenience. This file includes the following items:

- The commitment letter from CICCAR
- An appraisal obtained through CICCAR
- The phase I obtained through CICCAR
- Audited financial statements
- An extension of the Wells Fargo note due November 16, 2015 14th (the extension is at the current terms)

We should also note that the updated ALTA survey has been prepared and that DHIC and CICCAR have engaged legal counsel, Matt York and Anna McLamb, respectively. We would appreciate it if you could advise whether you can honor this request on relatively short order and work with us to revise this loan with the new financing. Please look over the attached materials and let us know if you have questions regarding our request.

Thank you,

A handwritten signature in black ink, appearing to read "Gregg Warren", with a long horizontal flourish extending to the right.

Gregg Warren
President

Cc: Len Tatem and Sharon Lorden (for DHIC)
Valerie Malloy (City of Raleigh)

Enclosures



Refinancing and Renovation Plan

11/12/2015

Ripley Station
3030 Ripley Station Way
Raleigh, NC 27610

City Loan on Amortizing Fixed Payment

UNIT MIX AND RENTS	No.	Sq. Ft	Contract Rent	Utilities	Gross Rent	Max. Gross Rent	Income Level
1 Bedroom 1 Bath							
2 Bedroom 1 Bath	36	835	625	118	743	865	50%
3 Bedroom 2 Bath	12	1,076	725	146	870	100	50%
Total Apartments	48						
Total Monthly Gross Income	31,200						
Total Annual Gross Income	374,400						

PROPOSED SOURCES OF FUNDS	Amount	Rate	Term	Amort.	Annual Pmt.	Comments
First Mortgage Loan	875,000	4.82%	10	30	55,217	CICCAR 61,428
City of Raleigh Loan	581,363	2.00%			12,000	Fixed payment
DHIC Loan (NeighborWorks - new)	75,000	0.00%	20	NA	Deferred	
Project Reserves	213,165	NA	NA	NA	NA	
Other	-					
Other	-					
TOTAL SOURCES OF FUNDS	1,744,528					

APPLICATION OF FUNDS	Amount	Per Unit
First Mortgage Payoff (Wells)	506,789	10,558
City of Raleigh Loan Balance	581,363	12,112
Interim Financing Costs (Wells extension)	9,633	201
Rehabilitation	425,191	8,858
Architect's Fee - Design	0	0
Architect's Fee - Inspection	0	0
Engineering Costs	0	0
Construction Insurance (prorate)	0	0
Construction Loan Orig. Fee (prorate)	0	0
Construction Loan Interest (prorate)	250	5
Permits and Fees	500	10
ALTA Survey	3,700	77
Property Appraisal	3,450	72
Environmental Report	1,850	39
2RW Energy/Utility report	2,000	42
Permanent Loan Origination Fee	7,500	156
Permanent Loan Credit Enhancement	0	0
Title and Recording	4,402	92
Real Estate Attorney	8,500	177
Other Attorney's Fees	8,400	175
Furnishings and Equipment	0	0
Resident Service Reserve	15,000	313
Consultant	6,000	125
Replacement Reserve	100,000	2,083
Operating Reserve	60,000	1,250
TOTAL USES OF FUNDS	1,744,528	36,344

REHAB	Amount	Vendor
Water Heaters	36,400	Southern General
Refrigerators (E-Star)	21,600	Southern General
Stoves	14,880	Southern General
Fan Hoods	15,600	Southern General
HVAC	162,000	Southern General
Fire Sprinkler Escutcheon	25,000	Southern General
Leasing Office Upgrade	7,500	Southern General
Bath Fans	16,200	Southern General
Flooring (VCT)	30,000	Southern General
Carpeting (Partial)	33,265	Southern General
Office & Landscaping	9,723	Rooms to Go
General Conditions (6%)	21,867	Southern General
Overhead (2%)	7,289	Southern General
Profit (6%)	21,867	Southern General
TOTAL REHAB	425,191	8,858
		0
Notes:		
<i>Roof, soffits, gutters, playground, exterior lighting are completed.</i>		
<i>Roof, soffits, playground, AD, accessibility, sidewalks</i>	182,030	3,792
Total Work Value	425,191	12,650

Refinancing and Renovation Plan

Ripley Station
3030 Ripley Station Way
Raleigh, NC 27610

OPERATING COSTS	Budget 2014	Post	PER UNIT
Administrative Expenses	16,925	10,925	228
Professional Fees	8,400	8,400	175
Management Fee	29,513	29,513	615
Office and Manager Salaries	31,240	31,240	651
Payroll (Maintenance, Grounds, Janitorial)	27,517	27,517	573
Utilities	36,396	36,000	750
Operating and Maintenance	63,502	64,602	1,346
Taxes & Insurance	35,519	36,621	763
			-
Total Operating Cost (not including SS an Res)	249,012	244,818	5,100
Supportive Service Expenses			
Service Expenses	2,000	2,000	42
Total Supportive Service Expense	2,000	2,000	42
			-
Reserves			
Replacement Reserve	15,400	16,800	350
			-
TOTAL OPERATING EXPENSES	266,412	263,618	5,492

Refinancing and Renovation Plan

Ripley Station
3030 Ripley Station Way
Raleigh, NC 27610

TWENTY YEAR PROFORMA	YEAR 1	2	3	4	5	6	7	8	9	10
GROSS RENT	374,400	381,888	389,526	397,316	405,263	413,368	421,635	430,068	438,669	447,443
+OTHER INCOME	2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390
-GROSS INCOME OR RENT	376,400	383,928	391,607	399,439	407,427	415,576	423,888	432,365	441,013	449,833
-VACANCY ALLOWANCE (7%)	(26,348)	(26,875)	(27,412)	(27,961)	(28,520)	(29,090)	(29,672)	(30,266)	(30,871)	(31,488)
=EFFECTIVE NET RENT	350,052	357,053	364,194	371,478	378,908	386,486	394,215	402,100	410,142	418,345
-OPERATING EXPENSES	(244,818)	(252,163)	(259,727)	(267,519)	(275,545)	(283,811)	(292,325)	(301,095)	(310,128)	(319,432)
-SUPPORTIVE SERVICES	(2,000)	(2,050)	(2,122)	(2,185)	(2,251)	(2,319)	(2,388)	(2,460)	(2,534)	(2,610)
-REPLACEMENT RESERVES	(16,800)	(17,304)	(17,828)	(18,358)	(18,909)	(19,476)	(20,060)	(20,662)	(21,282)	(21,920)
=NET OPERATING INCOME	86,434	85,527	84,522	83,415	82,203	80,880	79,442	77,883	76,198	74,383
-DEBT SERVICE (Bank loan)	(55,217)	(55,217)	(55,217)	(55,217)	(55,217)	(55,217)	(55,217)	(55,217)	(55,217)	(55,217)
-DEBT SERVICE (City of Raleigh Loan)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)
TOTAL DEBT SERVICE	(67,217)	(67,217)	(67,217)	(67,217)	(67,217)	(67,217)	(67,217)	(67,217)	(67,217)	(67,217)
=CASH FLOW AFTER DEBT SERVICE	19,217	18,310	17,305	16,199	14,986	13,663	12,225	10,666	9,981	7,166
-CAPITAL NEEDS	0	0	0	0	0	0	0	0	0	0
=CASH FLOW AVAILABLE	0	0	0	0	0	0	0	0	0	0
DEBT COVERAGE RATIO-First Mortgage	1.57	1.55	1.53	1.51	1.49	1.46	1.44	1.41	1.38	1.35
DEBT COVERAGE RATIO-All Loans	1.29	1.27	1.26	1.24	1.22	1.20	1.18	1.16	1.13	1.11

Key Assumptions
Rent Increase 1.02
Operating Increase 1.03



City Of Raleigh
North Carolina

DATE: January 2, 2016

TO: Ruffin Hall,
City Manager

FROM: Kirsten Larson,
Grants Program Administrative Manager

SUBJECT: Municipal Service Districts - State Legislative Changes

Background

In September 2015, the State adopted legislation impacting the process by which cities contract with private agencies to provide services within a municipal service district (MSD). An MSD is a defined area in which the municipality's governing board levies an additional property tax to provide extra services to the residents or properties in the district. The additional tax collected can be used for functions specifically defined in state statutes including downtown and urban revitalization. The City of Raleigh has two MSDs – one in downtown, established in FY01, and one along the Hillsborough Street Corridor, established in FY09. The City currently contracts with the Downtown Raleigh Alliance (DRA) and the Hillsborough Street Community Services Corporation (HSCSC) to provide services in the downtown and Hillsborough MSDs, respectively. Annual reports for DRA and HSCSC are attached (Attachments 1 and 2).

Changes to Municipal Service District Legislation

As mentioned previously, the State recently adopted legislation outlining new contracting requirements for MSDs. The revised legislation is attached (Attachment 3). Below are highlights of the new requirements:

- City Council shall determine current needs, long-range plans and goals for the service district.
- City shall:
 - Determine selection criteria for services vendor
 - Solicit input from MSD residents and property owners
 - Use a bid process to select private agency best suited to meet MSD needs
 - Hold a public hearing prior to contract award
 - Require annual written and verbal report from the awarded private agency
- Contract award is time-limited (not to exceed 5 years).

To comply with the revised legislation, staff has put together the following timeline for the FY17 MSD service contract process:

- January
 - Council presentation
- February
 - Public input on current needs in MSD
 - Issue request for proposal (RFP)
- March/April
 - RFPs received and evaluated
 - Contractors selected
- May
 - General public hearing
- By July 1st 2016 – MSD contracts must be in place

This timeline allows for the required public input and RFP process.

Next Steps

Before moving forward in response to the legislation, staff seeks Council feedback regarding (1) the current needs, long-range plans and goals for the service district; (2) how the City should solicit input from MSD residents and property owners; and (3) how the City should handle its representation on DRA and HSCSC boards in light of the new RFP requirements. While additional information to help with future conversations regarding these three items is noted below and will be presented during the Council meeting on January 5, 2016, staff does not have an expectation for Council feedback until the January 19th Council meeting.

(1) What are the current needs, long-range plans and goals for the service district?

Below are three different sources of information to help in thinking about the current needs, long-range plans and the goals of the service districts.

In the original resolution establishing Raleigh's first municipal service district in FY01, the following services were outlined:

- Advocacy on issues such as parking, lighting and capital improvements
- Business development services to attract more businesses and assist in development projects
- Coordinated sidewalk cleaning to remove litter and debris on an as needed basis to assure downtown is clean and attractive
- Safety patrols on bicycles to ensure downtown is safe and friendly
- Increased awareness of the cultural, entertainment, and residential changes taking place downtown

The resolution indicated this list was not intended to be all-inclusive or exclusive.

Below is language from state statute G.S. 160A-536 which defines downtown revitalization in service districts:

As used in this section "downtown revitalization projects" are improvements, services, functions, promotions, and developmental activities intended to further the public health, safety, welfare, convenience, and economic well-being of the central city or downtown area. Exercise of the authority granted by this Article to undertake downtown revitalization projects financed by a service district do not prejudice a city's authority to undertake urban renewal projects in the same area. Examples of downtown revitalization projects include by way of illustration but not limitation all of the following:

- (1) Improvements to water mains, sanitary sewer mains, storm sewer mains, electric power distribution lines, gas mains, street lighting, streets and sidewalks, including rights-of-way and easements.
- (2) Construction of pedestrian malls, bicycle paths, overhead pedestrian walkways, sidewalk canopies, and parking facilities both on-street and off-street.
- (3) Construction of public buildings, restrooms, docks, visitor centers, and tourism facilities.
- (4) Improvements to relieve traffic congestion in the central city and improve pedestrian and vehicular access to it.
- (5) Improvements to reduce the incidence of crime in the central city.
- (6) Providing city services or functions in addition to or to a greater extent than those provided or maintained for the entire city.
- (7) Sponsoring festivals and markets in the downtown area, promoting business investment in the downtown area, helping to coordinate public and private actions in the downtown area, and developing and issuing publications on the downtown area.

In a 2005 study titled *The Business Improvement District: An Internationally Diffused Approach to Revitalization* performed by Lorlene M. Hoyt, Ph.D., Hoyt categorizes the services most commonly provided by municipal service districts throughout the world.

- Capital improvements such as street lighting and greenery, sidewalks and curbs, bus shelters, trash bins, wayfinding signage
- Consumer marketing including events
- Economic development such as incentives or loans to bring in and help expand business
- Maintenance such as street and sidewalk cleaning, landscaping, and graffiti removal
- Policy advocacy including lobbying government for district commercial interests
- Security
- Transportation including parking

(2) How should the City solicit input from MSD residents and property owners?

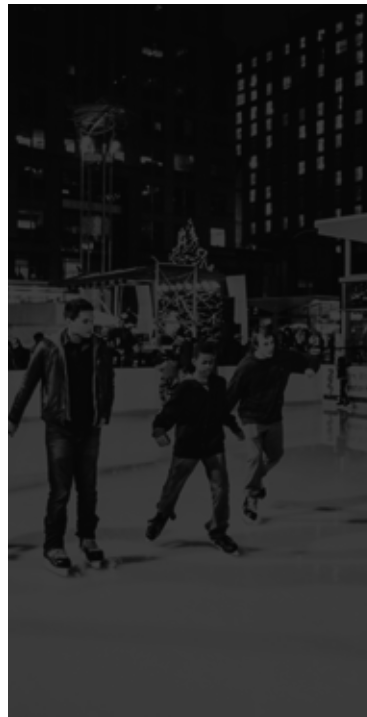
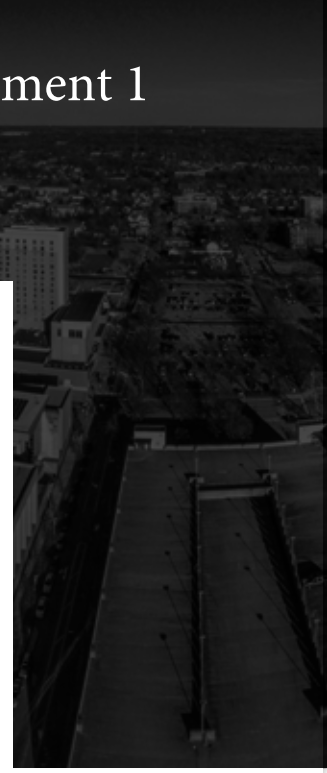
The City has options to comply with the revised state legislation regarding public input. Options include, but are not limited to, the following:

- One or more public input meetings in both the Downtown and Hillsborough Street MSDs
- An online or paper survey
- A public hearing either during a regular Council meeting or a special session

One final option is to hold one general public hearing following the selection of the contractors. The new state legislation specifically requires a public hearing after selecting a contractor but prior to the contract award.

(3) How should the City handle its representation on DRA and HSCSC boards in light of the new RFP requirements?

The current bylaws for both the DRA and HSCSC state the City shall have two representatives (one Council and one City staff member) on their boards. Councilor Baldwin and City Manager Hall serve as non-voting members on the DRA board. Councilor Crowder and Assistant City Manager Adams-David serve as voting members on the HSCSC board. As the City moves through the bid process, staff wants to be sure there is not a potential conflict of interest in having City representation on agencies bidding to provide services in Raleigh's municipal service districts. Also, does the City want consistency in the voting status of representatives to the two MSDs?



2014 DRA IMPACT

LETTER FROM OUR BOARD CHAIR



The Downtown Raleigh Alliance (DRA) is a strong force for enhancing the quality of life and continuing the economic success of Raleigh's downtown. As stated in our mission, we provide services on a day-to-day basis that have a short-term and long-term impact on downtown's revitalization. The services include: Safety, Hospitality, and Clean Ambassadors; Strategic Branding and Community Communications; Special Events Production; Retail Attraction and Merchant Programming; Strategic Partnerships and Stakeholder Engagement; and Strategic Planning. Below is a snapshot of the organization's impact in 2014.

AN ATTRACTIVE DOWNTOWN: We kept downtown Raleigh attractive with the Ambassador Clean Team and new clean machines **removing 69,520 pounds of trash**

A FRIENDLY DOWNTOWN: We ensure downtown Raleigh is a safe and friendly place to visit with the Ambassador Safety Team spending over **7,000 hours patrolling parking decks**, surface lots, and the streets

A VIBRANT DOWNTOWN: We created some of downtown Raleigh's vibrant activity with **over 80% of downtown merchants benefiting from promotions** such as the First Friday Raleigh Art Gallery Walk, the Downtown Raleigh Gift Card, Downtown Raleigh Restaurant Week, the Raleigh MIX, and Shop Downtown Raleigh

A MEMORABLE DOWNTOWN: We created positive memories of downtown Raleigh by producing Raleigh Winterfest, the Raleigh Downtown Farmers Market, and the Downtown Raleigh Movie Series, which hosted a combined **150,000 attendees**

A PROSPEROUS DOWNTOWN: We supported downtown Raleigh's success by assisting **33 street-level businesses** open their doors

AN ENGAGING DOWNTOWN: We engaged downtown Raleigh residents, visitors, and stakeholders by creating and maintaining useful websites which garnered a combined **8.6 million pageviews**

A CONNECTED DOWNTOWN: We facilitated connections among downtown Raleigh stakeholders by adding **67 new DRA members** and attracting **1,850 professionals** to our networking events

A COLLABORATIVE DOWNTOWN: We provided a forum in every district of downtown to **increase community engagement** and dialogue between residents and merchants, which led to impactful solutions such as the new hospitality district ordinance

A TRANSPARENT DOWNTOWN: We added by-laws and the annual operating budget to our website to continue **increasing transparency** about our services and their impact

We thank you for your continued support of DRA and downtown Raleigh. It has been an honor to serve as board chair, and I thank our stakeholders for the privilege of allowing DRA to carry out such an important mission.

A handwritten signature in black ink that reads "Thomas S. Hill III". The signature is written in a cursive, slightly slanted style.

THOMAS S. HILL III | Highwoods Properties

04	AN ATTRACTIVE DOWNTOWN
06	A FRIENDLY DOWNTOWN
08	A VIBRANT DOWNTOWN
12	A MEMORABLE DOWNTOWN
16	A PROSPEROUS DOWNTOWN
18	AN ENGAGING DOWNTOWN
20	A CONNECTED DOWNTOWN
22	A COLLABORATIVE DOWNTOWN
24	A TRANSPARENT DOWNTOWN
26	BOARD + STAFF



© Tierney Farrell

AN ATTRACTIVE DOWNTOWN

A CLEAN DOWNTOWN ATTRACTS MORE INVESTORS and plays a major role in revitalization. New investments lead to rising property values and an expanding tax base that can be used to provide new services. We take pride in enhancing the trash collection service provided by the City of Raleigh. The Ambassador Clean Team contributes by picking up litter, removing graffiti, and performing special maintenance projects. Downtown residents and commercial property owners, as well as business owners, benefit from a well-managed service

that has a positive economic impact for a relatively low cost.

In 2014, the DRA board of directors approved an increase in funding towards the clean program to purchase new clean machines and add ambassadors to provide Sunday cleaning services for the first time in the program's history. By hiring three additional ambassadors, expanding the days of operation to Sundays, and purchasing two new clean machines, the Clean Team is dedicated to keeping up with our growing downtown.

CLEAN MACHINES

The clean machines compact waste to one-third its original size, which reduces dump cycles and cleans more areas in less time. To heighten visibility and awareness of the program, we initiated

a community contest to name the machines. "Wally" and "Izzy"—named after Sir Walter Raleigh and Isabella Cannon, Raleigh's first female mayor—have become a part of our downtown community.

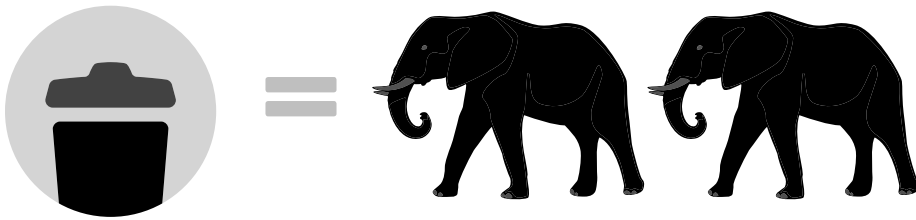
Clean Team Hours:

NEW! Sunday cleaning services have made a big impact on busy weekends in downtown: 7:00 am-3:30 pm

Monday-Friday: 7 am-3:30 pm
Saturday: 9 am-5:30 pm

90% of downtown residents believe that the Ambassador Clean Team is important to downtown's quality of life.¹

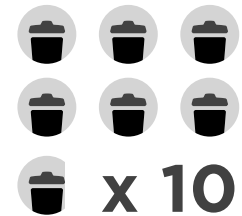
CLEAN MACHINES IMPACT



25,140 pounds
of trash removed

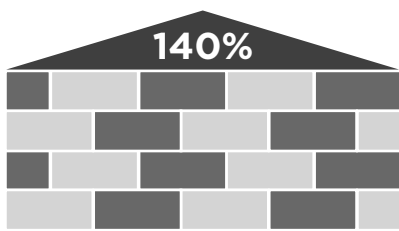
equals the weight of
2 adult male elephants

CLEAN TEAM IMPACT

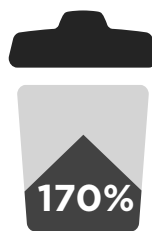


69,520 pounds
of trash

removed from downtown sidewalks by the Ambassador Clean Team and the clean machines combined



The number of blocks cleaned per week increased by approximately **140%** or **43 additional blocks** to accommodate downtown's increasing activity



Trash pickup increased **170%** with the introduction of the clean machines



Spent **105 hours** on graffiti and weed removal

"By maintaining clean sidewalks and pedestrian corridors, the Ambassador Clean Team directly impacts downtown as a family-friendly destination. With five residential projects planned in Glenwood South alone, the program will be

instrumental in supporting a growing living and working environment in downtown."

JIM BELT, President, Downtown Living Advocates

A FRIENDLY DOWNTOWN

A FRIENDLY DOWNTOWN ENHANCES THE IMAGE OF OUR ENTIRE CITY. Each year, over three million visitors and hundreds of thousands of local citizens add vibrancy to downtown. A positive experience in downtown reflects well on our entire community. That is central to understanding the importance of a safety ambassador program.

Clad in bright red uniforms, the ambassadors patrol the

streets and sidewalks on foot seven days a week, providing a strong uniform presence and elevating a sense of security. They act as safety escorts, provide directions and assistance, and patrol all five downtown districts, serving as additional “eyes and ears” for the police in downtown. The ambassadors are equipped with hand-held radios, which help maximize existing resources to address quality of life situations, such as deterring aggressive panhandling and performing parking deck security.

The Ambassador Safety Team continues to professionalize its services and increase interactions with our community and business partners through the following:

- On-going presentations to new businesses and community groups, such as over 900 Red Hat employees
- Monthly meetings with Raleigh police district captain to strategize on ways to lower crime in downtown
- Assisting Citrix with preparing new employees moving into the Warehouse District
- Certified training for all ambassadors through North Carolina Private Protective Services

“What I like most about living in downtown Raleigh is feeling safe and the ability to get to all the events on bike or walking.”²

- Over **83% of people feel safe** walking the streets of downtown Raleigh¹
- Over 94% of people claim that **safety is a very important factor** in influencing downtown’s likeability¹
- 80% of downtown residents believe the **DRA Ambassador Safety Team is important to downtown’s quality of life** and sense of safety²

“One of our Marbles employees was out on the town recently and left her parking lights on. When she returned to her car she found a nice note from an ambassador with a phone number to call if she needed a jump! Her car started up, so she didn’t need to take advantage of the service, but just receiving the note made her feel safe, comfortable and super impressed with the Ambassador program.”

SALLY EDWARDS, President & CEO, Marbles Kids Museum & IMAX Theatre

Ambassador Safety Team Hours:

Monday-Wednesday: 6 am-12 midnight
Thursday-Friday: 6 am-2 am
Saturday: 10 am-2 am
Sunday: 6 pm-12 midnight

Additional Parking Deck Patrols:

Thursday-Saturday: 12 midnight-2 am

SAFETY TEAM IMPACT



7,000+ hours patrolling nine parking decks and four surface lots seven days a week



5,400+ hospitality assists including car assistance, directions, and visitor recommendations



1,639 total safety escorts in 2014—the highest total since the program began



© Carolyn Scott

AMBASSADOR OF THE YEAR: CHARLEY WESLEY PENNY, JR.



© Stacey Simeone

Charley Wesley Penny Jr. has been named DRA Ambassador of the Year for his leadership, positivity, and dedication. After serving our country in the United States Army for six years and retiring from his job as a truck driver, Mr. Penny joined our DRA Team as a safety ambassador.

As a first-class safety ambassador, Mr. Penny brings his exceptional customer service and leadership skills and strong work ethic to the team. After three years of hard work, he was promoted to a supervisor role in June 2014 and has continued to prove himself worthy of such responsibility. He motivates those around him and promotes the DRA Ambassador Safety Team Program with respect and dignity. Mr. Penny loves everything about his job. "There is no part I dislike," he said, "I love helping people."

"I was turned around inside the convention center and couldn't find my way to the correct parking deck. Charley was gracious enough to not only help me out, he went out of his way to walk me to my car and he helped me carry a box that I needed in the exhibit hall! He went above and beyond and I truly appreciated it!"

VALANDA L. NELSON, MPA, LCAS, CCS, Executive Director, NCPRN, Inc.

A VIBRANT DOWNTOWN



© Tierney Farrell

A VIBRANT DOWNTOWN OFFERS A DIVERSE ARRAY of dining, nightlife, professional services, and retail options, and downtown Raleigh surely does. While many restaurants and bars have opened in recent years, the percentage growth of retailers grew even faster between 2011 and 2014.¹

DRA produces five strategic programs each year to showcase the variety of options in downtown. First Friday Raleigh Art Gallery Walk, Downtown Raleigh Gift Card, Downtown Raleigh Restaurant Week, Shop Downtown Raleigh, and the Raleigh MIX make an impact on Raleigh's economy by attracting hundreds of thousands of customers to downtown.

In 2014, the Downtown Raleigh Gift Card and the Raleigh MIX programs received Merit Awards from the International Downtown Association.

58

Soft goods retailers benefit from the marketing of the **Shop Downtown Raleigh** program

97

Galleries, museums, retailers, bars and restaurants participate in **First Friday** each month

32

Nightlife venues opened for **the Raleigh MIX**, held two consecutive Fridays summer 2014

110

Retailers, service providers, bars, and restaurants accept the **Downtown Raleigh Gift Card**

41

Restaurants participated in the 2014 **Downtown Raleigh Restaurant Week**, the highest in the program's history

80%

Of downtown merchants—a total of **181 different businesses**—benefit from at least one of our five programs

SHOP DOWNTOWN RALEIGH + DOWNTOWN RALEIGH GIFT CARD

THE DOWNTOWN RALEIGH GIFT CARD (www.ShopDowntownRaleigh.com/gift-card) offers downtown merchants another opportunity to collectively brand downtown as a shopping destination. For customers, the card offers over 100 opportunities to patronize 10 different types of businesses. A special thanks goes to Citrix for sponsoring the gift card, which will enable us to continue to expand our promotion of this great program. Citrix and McClatchy Interactive purchased hundreds of cards to assist them in their onboarding process for their employees assigned to work in downtown.



"The Downtown Raleigh Gift Card was a fantastic 'Welcome to downtown; now go explore!' gift for the 600 employees that Citrix moved into downtown Raleigh this fall. Citrix was delighted to also sponsor the program, as it drives local spending and encourages engagement in our community. The gift cards have been so well received that we'll continue to use them for local employees as well as visiting guests." -**ASHTON SMITH**, Associate Project Manager | SaaS Division, Citrix



Photo at High Cotton | ©Tierney Farrell

SHOP DOWNTOWN RALEIGH (www.ShopDowntownRaleigh.com) brands the downtown as a unique shopping destination filled with an eclectic variety of shops. The program impacts the local economy by attracting more patrons to downtown. To further promote shopping downtown, we participated in Small Business Saturday, a national event dedicated to supporting small businesses on the busiest shopping weekend of the year—the Saturday after Thanksgiving.

A committee of downtown retailers participating in this program was created to strategize with DRA staff on expanding downtown's opportunities and addressing challenges facing their businesses. Committee accomplishments include the creation of the Shop Downtown Raleigh Flags, a retail tent at the Raleigh Downtown Farmers Market, and a holiday design window contest.

"The Shop Downtown Raleigh program has offered the downtown retail community the opportunity to collaborate with one another to enhance downtown Raleigh as a retail destination. Through this program, the relationship between Nora & Nicky's and the DRA has been a tremendous resource to us since we opened our second location on Hargett Street."

CATHY BROOKS, Owner, Nora & Nicky's

PARTICIPATING GIFT CARD MERCHANTS BY TYPE

1	Art Galleries & Studios
2	Clothing & Accessories
3	Entertainment Venues
4	Home Furnishing Stores
5	Hotels
6	Live Music Venues
7	Museum Shops
8	Restaurants & Bars
9	Service Providers
10	Specialty Item & Gift Stores

GIFT CARD IMPACT

- Customers purchased **1,686 gift cards**
- **Gift Card sales** exceeded \$51,000

SHOP DOWNTOWN IMPACT

- **58** Shop Downtown Raleigh participants
- Over 4,400 Twitter followers—**64% increase from 2013**



YOU **R** CREATIVE

FIRST FRIDAY RALEIGH ART GALLERY WALK

FOR OVER TWO DECADES, THE FIRST FRIDAY RALEIGH ART GALLERY WALK (www.FirstFridayRaleigh.com) has been the hallmark event that establishes downtown's cultural arts scene. On the first Friday of every month, galleries, studios, museums, and alternative art venues extend their hours inviting art revelers to explore this popular event. The self-guided tour attracts thousands to downtown to experience arts and culture and

take advantage of the specials offered. To heighten awareness, DRA has developed and maintained strong partnerships with targeted media. We distribute a monthly coverage report to participating venues, including First Friday articles in Midtown Raleigh News, First Friday picks on Triangle.com, WRAL's First Friday guide, and a summer cover story in the *Triangle Downtowner*.

IMPACT

97

Galleries, museums, retailers, bars and restaurants **participate in First Friday Raleigh** each month

15k

Attend First Fridays monthly

5.1k

Facebook fans—a **23% increase** from 2013

10k

Twitter followers—a **67% increase** from 2013

"Since opening downtown in 2008, we have been an enthusiastic participant in First Fridays. The event has grown every year and continues to bring new faces to our gallery, each and every month. The exposure First Friday brings, for our art and artists, surpasses all other downtown events. We love meeting so many people, of different ages and at different stages in life. It is exciting to see them all out on a single night, enjoying the exceptional creativity that Raleigh has to offer."

ADAM CAVE, Owner, Adam Cave Fine Art

THE RALEIGH MIX

YOU  SOCIAL

THE RALEIGH MIX (www.TheRaleighMix.com) is a nightlife merchant program that draws thousands to downtown Raleigh's hospitality and entertainment venues to explore or rediscover its vibrant nightlife scene. Due to the success of last year's Raleigh MIX, the 2014 event expanded to two

consecutive Friday nights, adding a live music element to further showcase the diverse nightlife in downtown. As a result, the event welcomed thousands to downtown on both nights to enjoy featured music and drink specials at nightlife venues with no cover charge.

IMPACT

- Experienced a **55% increase** in the number of participating merchants
- Attracted over **20,000 patrons** to downtown
- **Increased** Twitter followers by 20%

"Downtown is home to an exciting array of nightlife and entertainment venues, so we saw the MIX as a viable opportunity to not only promote our businesses, but also collectively showcase downtown's thriving nightlife. We experienced two high volume nights on Glenwood Avenue and Fayetteville Street and welcomed patrons to our newest venue, Capital City Tavern. By adding a live music component, the event diversified downtown's nightlife offerings, enhancing its appeal."

DAN LOVENHEIM, Owner, Capital City Tavern/Cornerstone Tavern

DOWNTOWN RALEIGH RESTAURANT WEEK

DOWNTOWN RALEIGH RESTAURANT WEEK

(www.DineDowntownRaleigh.com) celebrates the growing dining scene and culinary talent of downtown's restaurants. Since its inception, the program has made a positive economic impact by inviting patrons to dine out during a seasonal lull. The one-week long event serves as an effective promotional tool for restaurants to welcome new customers.

The 2014 event featured over 40 dining hot spots—our highest level of participants yet. To elevate the fine-dining component, DRA created a new and exclusive "Elite Experience" offering for diners seeking a first-class experience. This new menu option featured four to seven chef-prepared courses with wine, beer, or cocktail pairings to complement each course. Five restaurants offered this menu in addition to the traditional three-course prix-fixe menus.

"We look forward to participating in Downtown Raleigh Restaurant Week every year, and 2014 was especially exciting because we introduced the Elite Experience, which brought in a different echelon of clientele. As August is normally a slower month out of the year, Downtown Raleigh Restaurant Week always brings a very welcomed crowd through our doors."

MAURIZIO PRIVILEGI, Chef-Proprietor, Tuscan Blu

IMPACT

According to post-survey results, participating restaurants revealed that both **sales and number of diners increased by 39% or higher** than the three preceding weeks in August, confirming the event's positive economic impact.

- Attracted over **16,200 diners** to downtown
- Generated over **\$294,000** in restaurant revenue
- Increased online reservations by **61%**
- **31% increase** in Twitter followers

YOU  INDULGENT



A RECORD 18,000+ PATRONS
SKATED AT OUR OUTDOOR ICE
RINK—THE MOST SINCE THE
RINK OPENED IN 2009

© Carolyn Scott

A MEMORABLE DOWNTOWN

A MEMORABLE DOWNTOWN HOSTS MANY EVENTS FOR VISITORS. We created memorable experiences through our diverse array of outdoor events. With corporate sponsorships and community partnerships, we are able to attract hundreds of thousands of people to downtown with special events.

**Our outdoor events bolstered downtown,
filling the streets with over 150,000 people.**

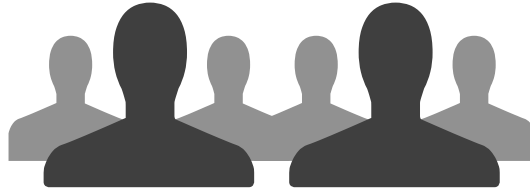
Raleigh Winterfest, the Raleigh Downtown Farmers Market, and the Downtown Raleigh Movie Series each have a unique purpose, which provides opportunities for various types of visitors. Raleigh Winterfest is a family friendly-event that ushers in the winter season with an outdoor ice rink and the mayor's tree lighting celebration. The Raleigh Downtown Farmers Market is a quality of life enhancement for downtown's 40,000 daytime workers and downtown residents. The Downtown Raleigh Movie Series was created to activate City Plaza during the summer evenings and attract a young professional crowd.

RALEIGH WINTERFEST

IMPACT



Displayed **40-foot**
Norway Aspen Tree with
14,000 LED lights



Attracted **10,000+ visitors**
to the December 6 celebration



16
performance groups and
main stage performers



RALEIGH WINTERFEST (www.RaleighWinterfest.com) is a two-month outdoor winter experience accompanied with a celebration festival. For the past six years, we have transformed City Plaza into a winter wonderland featuring the largest outdoor ice rink with natural ice in the region. Over 18,000 skaters patronized the rink during its two-month season—the highest since the rink opened in 2009. The rink hosted weekly special programming with DJ music, horse-drawn carriage rides, and special discounts.

The 2014 celebration held on December 6 featured a new Gingerbread House Contest and Taste of Downtown, showcasing local talent and culinary cuisine. Event festivities included a carousel, Ferris wheel, a sledding hill, live performances, carriage rides, a beer tent, and the official mayor's tree lighting ceremony. This year, we established a toy donation opportunity, whereby an unwrapped gift could be exchanged for a ride ticket. We donated the toys to Capital City Claus, a nonprofit organization benefiting local families.

"Winterfest gave Rye Bar & Southern Kitchen the opportunity to showcase our new restaurant, food, and staff. The excitement that was shared throughout the community was amazing even with the rain. The planning that went into this event showed the professionalism and cooperation of the DRA staff and volunteers."

MICHAEL RIGOT, Executive Chef and General Manager, Rye Bar & Southern Kitchen



"I look forward to Wednesdays starting in the spring, because I love the Raleigh Downtown Farmers Market. It's perfectly timed for getting out of the office during your lunch break. My plan is to just buy a few locally-grown veggies for the week, but somehow I walk away with fresh-baked bread and delicious goat cheese every single time!"

MELANIE CHERNOFF, Director of Government & Community Affairs, Red Hat



YOU **R** LOCAL

RALEIGH DOWNTOWN FARMERS MARKET

THE RALEIGH DOWNTOWN FARMERS MARKET (www.RaleighEatLocal.com) is the premier venue for locally-grown produce and artisan foods that brought workers, residents, and visitors together to enjoy the downtown community. Our 26-week long Wednesday market offered live music, local lunch options from downtown restaurants,

cooking demonstrations, product tastings, retail merchants, and non-profit partners. During the season, the market produced four local food festivals: Pig Pickin' Kickoff, Summer Feast, CHEESE PLEASE!, and the Honey Buzztival. This year, local tech company, Ipreo, encouraged their employees to eat healthy by purchasing "Market Bucks" for over 150 of their associates.

IMPACT

- Attracted **102,000 market shoppers** to downtown
- Exceeded **\$200,000** in vendor sales on local agriculture and artisan food products
- Brought over **24,000 people** to our four local food festivals
- **Set record high** showcasing 34 market vendors



YOU **R** ENTERTAINED

© Christer Berg

DOWNTOWN RALEIGH MOVIE SERIES



© Christer Berg

THE DOWNTOWN RALEIGH MOVIE SERIES

(www.DowntownRaleighMovieSeries.com) was launched in 2014 to provide a unique summer outdoor experience for the Triangle community. To drive our film selection and activities, we incorporated a made-in-North Carolina theme. Thousands of movie goers descended upon downtown for the six-week event to enjoy featured films on a 30 x 50 cubic foot outdoor screen in City Plaza. The event hosted live performances, food trucks, and a beer and wine garden to elevate the social experience.

"Downtown Raleigh is booming, and this new movie series serves the burgeoning downtown residential and professional community and supports local merchants and retailers. We are delighted to support our downtown Raleigh community through our sponsorship of this new and exciting event."

REBECCA QUINN-WOLF, Director of Client & Community Relations, PNC

IMPACT

- Attracted over **10,000 movie-goers** to downtown
- Activated City Plaza for **six consecutive Fridays**

A PROSPEROUS DOWNTOWN

BUSINESSES DRA ASSISTED IN OPENING THEIR DOORS IN 2014

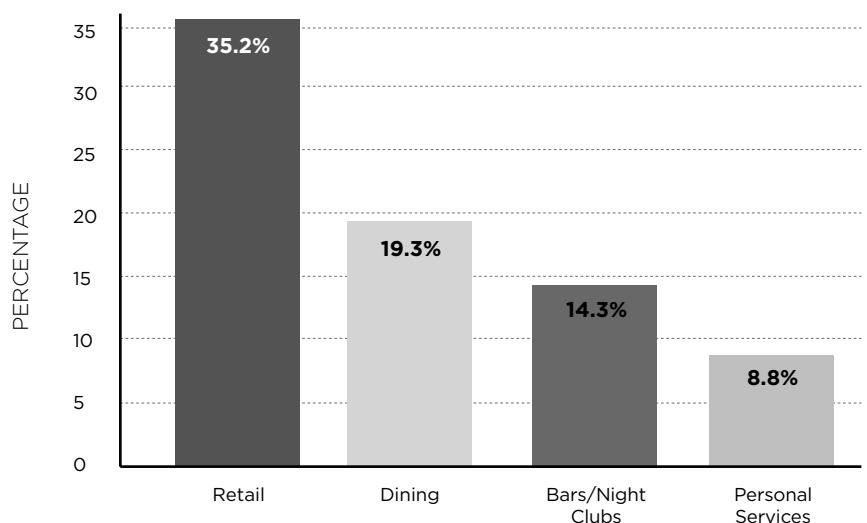
214 E Martin Street
 Arborpro LLC
 Arrow Haircuts
 Balance
 Bittersweet
 BREW Raleigh
 Café de Los Muertos
 Capital City Tavern
 Capitol Smoke
 City Club Raleigh
 Common 414
 DeMo's Pizzeria & Deli
 Dogwood Collective
 Edge of Urge
 Element Beauty Bar
 Garland Dining Room and Bar
 Happy + Hale
 Hibernian Pub
 HQ Raleigh
 Lisa Stewart Designs
 Local Color Gallery
 lucettegrace
 MedFirst Medical Center
 North Street Beer Station
 Oak City Meatball Shoppe
 The Oakz
 Runologie
 Rye Bar + Southern Kitchen
 Shucker's Oyster Bar + Grill
 Subway
 SunTrust Bank
 Tasty 8's
 Vintage Church

A PROSPEROUS DOWNTOWN IS ONE WITH ACTIVE STOREFRONT SPACES during the day and into the evening. In partnership with the City of Raleigh's Economic Development Office and the Planning Department, our economic development staff actively works with retail brokers and landlords to fill storefront spaces in downtown. These new and diverse storefront businesses make a direct economic impact by increasing tax revenues and creating employment opportunities. This work fosters an urban environment with a strong retail climate and amenity pool that attracts companies, investors, and residents to downtown.

36 street-level businesses opened in 2014, adding hundreds of new jobs and expanding tax revenues

These new businesses represent a broad range of services such as running apparel, leather goods, craft beer bottle shops, restaurants, beauty salons, and medical care.

PERCENTAGE OF NET GAIN IN BUSINESSES BY STOREFRONT CLASSIFICATION FROM 2011-2014



IMPACT

- **95%** of new businesses are **locally-owned** and independent
- Since December 2010, downtown has added **32 soft goods and specialty gift retailers**
- Downtown has one of the **largest concentrations** of independent retailers in the region



DRA RETAIL DEVELOPMENT INITIATIVES

Improvements in data and analytical capabilities: refined our approach to retail targeting by introducing a more data-driven concept that includes sales leakages, market share, and comparative statistics, all to help use our resources efficiently and build a more successful retail recruitment strategy



Downtown Raleigh Gift Card: helps to reposition downtown Raleigh as a shopping destination and circulates revenue back into the local economy

Shop Downtown Raleigh: promotes downtown as a culturally exciting shopping destination with a wide variety of unique shops for everyday and specialty items

Recruiting retail prospects: assisted in identifying available spaces, connected with brokers, and provided resources for business plans, and provided tailor-made information packets and tours

Pop-up retail: worked with the Urban Design Center and other interested parties to activate vacant storefronts downtown with retail pop-ups

Storefront inventory: identified the uses of every storefront in our 110-block downtown to analyze trends in vacancies and business types, which helps improve our targeting and recruitment efforts



AN ENGAGING DOWNTOWN

My Sky Night Time First Place Winner | © Geoff Brown

AN ENGAGING DOWNTOWN IS ONE THAT CONSTANTLY COMMUNICATES the great things happening in the center city. We consistently engage our stakeholders, influencers, and the public to heighten visibility of our organization and recognize downtown as a

vibrant and vital urban center. Our target marketing, strategic communications, and media relations continued to make a positive impact on the perception of downtown Raleigh. To gather those perceptions, DRA surveyed stakeholders to gain insight into public opinion, serving as internal benchmarks.

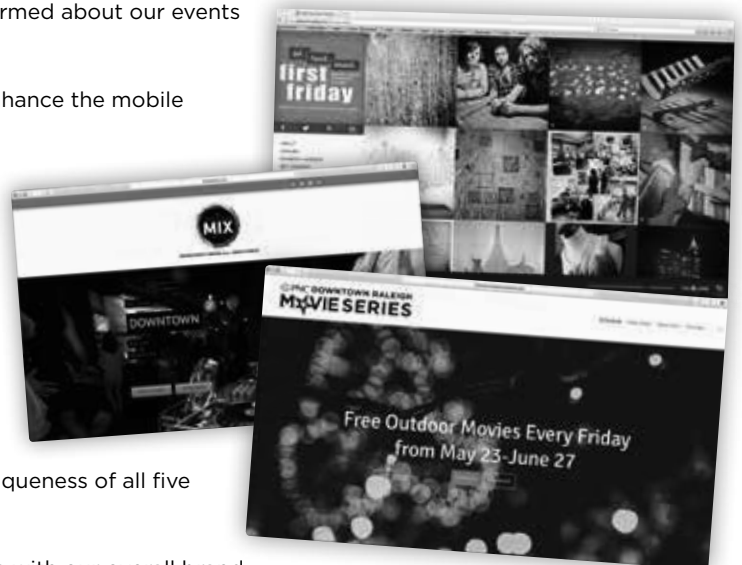
WEBSITE IMPACT

We created **three brand new websites** to keep stakeholders informed about our events and to stay on par with current web design trends.

- Created a new responsive website for First Friday Raleigh to enhance the mobile experience with 18,358 pageviews in December 2014 alone
- Designed and programmed a new website for the Downtown Raleigh Movie Series, which received 9,159 pageviews in May and June 2014
- Designed and programmed a new responsive website for the Raleigh MIX with 9,567 pageviews—a 45% increase from 2013

Featured additions to www.YouRHere.com

- Added district-specific pages to generate awareness of the uniqueness of all five downtown districts
- Added an events page to link DRA special events and programs with our overall brand



MARKETING

To keep up with the growing demands in graphics production, the board approved making our part-time graphic design position a full-time job. The process of creating printed materials and website development improved immensely.



YOU R HERE BRANDING

Our award-winning “You R Here” tagline put downtown Raleigh on the map. It showcases downtown as a place of unique experiences and captures downtown’s vibrant, diverse, and innovative spirit. It inspires community involvement while fostering pride and ownership in downtown. We look forward to reviewing our brand in the upcoming year to ensure it reflects our vision for downtown’s future.



“As a downtown resident, I enjoy living in the center of activity. Every day is a new adventure here in downtown, and you never know what festival or new business you may find. Thankfully, the DRA provides a monthly Downtown Raleigh Events Newsletter, so I can stay connected with the latest restaurant and retail openings and upcoming exhibits, concerts, and festivals.”

BRENNA MCDANIEL, Downtown Resident, The HUE

MY SKY CONTEST

During the month of September, we hosted a skyline photo contest in which we invited both amateur and professional photographers to submit their best 2014 photos of Raleigh’s skyline. A jury comprised of individuals from each of the sponsor organizations selected four winning photographs—two night and two day—that showcase the growing skyline. First place winners received a \$750 cash prize and second place winners received a \$500 cash prize in exchange for the rights to share the photographs with other Raleigh advocates.

COMMUNICATIONS CAMPAIGNS

- Downtown Resident Survey
- Downtown Stakeholder Survey
- First Friday E-Newsletter
- Farmers Market E-Newsletter
- Member E-Newsletter
- Member Update E-blasts
- Downtown Events and Updates E-Newsletter
- Quarterly Economic Development Reports
- Weekly Street Closure Notification

DRA PROGRAM WEBSITES

- www.DineDowntownRaleigh.com
- www.DowntownRaleighMovieSeries.com
- www.FirstFridayRaleigh.com
- www.RaleighEatLocal.com
- www.TheRaleighMix.com
- www.RaleighWinterfest.com
- www.ShopDowntownRaleigh.com

IMPACT

8,600,000

Website **pageviews** on all of our sites combined

67,784

Overall social media followers—**a 40% increase** from 2013

16,000

Receive our monthly **downtown events** and updates e-newsletter

419

Print and online **marketing pieces** designed

251

DRA **media mentions**

147

Media **partners**

48

Press releases and media alerts distributed



A CONNECTED DOWNTOWN

A CONNECTED DOWNTOWN IS CHARACTERIZED BY MANY NETWORKS of business associates and community stakeholders that share a vision and commitment to continue the success of the area. We bring these groups together by producing membership programs, executing networking opportunities, and providing information and resources.

MEMBERSHIP

Our membership program brings executives, business owners, government officials, nonprofit partners, residents, students and downtown supporters together. These supporters are members of DRA to associate themselves with a reputable organization that prides itself on its professionalism and strong work ethic. Members are supporting the vision of a successful and growing downtown that will offer a wide array of business development opportunities.



© Carolyn Scott

ANNUAL MEETING AND DOWNTOWN ACHIEVEMENT AWARDS CEREMONY: Our premier event provides an update on DRA's accomplishments. We also recognize the contributions of individuals, businesses, and organizations that are making downtown Raleigh a vibrant urban core. Attendees are inspired and educated about key topics relevant to downtown's growth and revitalization.

- Over **900 downtown advocates** and prominent business leaders attended the 2014 event.



© Carolyn Scott

LADIES LUNCH DOWNTOWN: The primary goal of the event is to promote and support female leaders in downtown Raleigh who are enhancing downtown's quality of life and economic success. The event is a perfect opportunity for women to network and learn more about DRA and our membership program. In 2014, we celebrated women in downtown Raleigh's retail industry with an "Experience Downtown Shopping" themed event.

- Over **150 downtown advocates** attended the 2014 event.



© Carolyn Scott

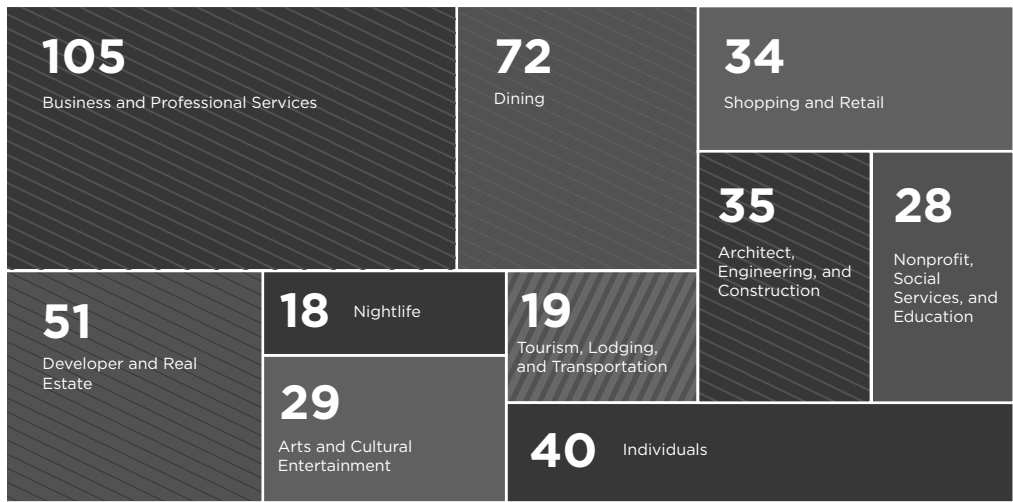
STATE OF DOWNTOWN RALEIGH: Each year, this event provides a comprehensive market analysis of Raleigh's Municipal Services District (MSD) for the purpose of informing and exploring new partnerships with the investor and real estate community. This is the premier event for developers, brokers, and economic developers whose clients would benefit from learning more about Raleigh's MSD.

- Over **500 downtown advocates** attended the 2014 event.

MEET DOWNTOWN: We host bi-monthly Meet Downtown networking events for members to stay informed about downtown and DRA updates, build and develop relationships, and connect with staff.

- Over **300 downtown advocates** attended the five events held in 2014.

DRA BOASTS A BROAD RANGE OF MEMBER BUSINESSES



REPORTS AND RESOURCES

The DRA is a thought leader and market expert in all things downtown. We produce many customized and annual reports to update the local community of downtown’s successes and opportunities. Our research capacity has grown significantly

over the past year. Our reports provide a comprehensive collection of data and statistics, including office, residential, and retail, highlighting trends for developers, real estate brokers, and investors.

ANNUAL REPORT, DRA IMPACT

To keep our stakeholders updated, this annual report provides a comprehensive overview of the organization and recognizes our mission’s impact on downtown revitalization.

STATE OF DOWNTOWN RALEIGH

The State of the Downtown Raleigh report shows the main market trends impacting the economy of downtown. The report is a useful guide for investors and for the community to learn about the growth and success of downtown.

QUARTERLY ECONOMIC DEVELOPMENT REPORT

The Economic Development Report provides a quarterly update about downtown’s progress. It provides an overview on the organization’s partnership with the city as it relates to retail recruitment.



"We always speak of the change in downtown. One thing I hope that continues to stay the same is the sense of community. DRA is a huge part of that. I love being able to tell our prospective clients about the atmosphere and events downtown. It's what brought our company to the market and what makes it successful. Thank you, DRA, for all of your contributions!"

TARA WILSON, General Manager, Regus Group

IMPACT

- **431** dues-paying members including **67 new members**
- Hosted **12 grand opening** events and ribbon cutting ceremonies
- **Attracted over 1,850** total attendees to networking events

A COLLABORATIVE DOWNTOWN

A COLLABORATIVE DOWNTOWN RECOGNIZES that no single person or organization can revitalize a downtown or sustain its success; it takes a team effort. We have increased our collaborative efforts over the past year by tapping into a robust knowledge base, reducing overlap, and increasing opportunities for success.

DISTRICT COLLABORATIVES

DRA supported the creation of stakeholder groups in each district to create a collaborative environment in which solutions can be applied to the unique needs of each district. These inclusive meetings consist of business owners, residents, government employees, and property owners, and we

encourage the public to attend. Our role is to convene regular meetings for these groups and provide leadership that focuses on teamwork and results. These collaboratives provide an opportunity to address specific issues, share information and opinions, and turn achievable objectives into action items.



GLENWOOD SOUTH DISTRICT

The Glenwood South Neighborhood Collaborative meetings are led by Committee President, Jim Belt and DRA staff leader, Ashley Melville.

- Developed a noise ordinance that promotes communication and cooperation between business owners and residents
- Created a monthly e-newsletter to showcase businesses, raise community awareness, and promote events
- Established a tree knitting sweater project to enhance community involvement; blankets created from the tree sweaters were donated to residents of Glenwood Towers

FAYETTEVILLE STREET DISTRICT

The Fayetteville Street Neighborhood Collaborative meetings are led by DRA staff leader, Mike Stephens. In 2014, the committee focused on cleanliness and event management.

- Created a district action committee called the Livable Streets Committee
- Advocated for installation of two additional Big Bellies on Fayetteville Street
- Worked with the City Events Management office to modify policies and procedures to mitigate effects from street closures

WAREHOUSE DISTRICT

The Warehouse District Collaborative meetings are facilitated by DRA staff leader, Lacie Lindstaedt.

- Conducted a sidewalk audit that will be used to further the development of the district
- Featured a float in the WRAL Raleigh Christmas Parade that showcased the diversity of the district
- Met at Citrix and received a tour of the new building

MOORE SQUARE DISTRICT

The Moore Square District Collaborative held their first meeting in November with DRA staff leader, Bill King. The stakeholders plan to address key issues and set goals to kick off their 2015 agenda.

District collaboratives provide forums to increase community engagement and dialogue, leading to impactful solutions.

WIDE OPEN LATE: BLUEGRASS AFTER HOURS

DRA partnered with the International Bluegrass Music Association, the Greater Raleigh Convention & Visitors Bureau, and the Raleigh Convention Center to build the connection between the festival and downtown merchants.

To support nightlife venues during the International Bluegrass Festival, Wide Open Late Night was created to drive traffic to local businesses who were hosting bluegrass events. The event had 20 bluegrass bands at 10 downtown venues the evenings of Friday and Saturday, October 3-4, 2014. As a result, the nightlife venues were able to capitalize on the thousands of people in town for the event.

DOWNTOWN APP

In collaboration with city partners, the DRA is developing a new downtown Raleigh app which will help visitors find parking, keep track of events and road closures, and find local businesses and merchants. The Raleigh City Council approved funding for the development of the downtown app and contributed \$5,000 for the project. The highly anticipated downtown app expects to launch in 2015.



R-LINE

Promoting the R-LINE, downtown's free circulator, with the City of Raleigh, clearly illustrates how the adoption of our "You R Here" brand by partner organizations increases our visibility, establishes brand equity, and raises awareness about downtown amenities.

- Over 8,000 riders in just one week during IBMA's World of Bluegrass and the Wide Open Bluegrass Festival—a 66.5% increase in daily ridership
- Over 252,700 people rode the R-LINE in 2014

2025 DOWNTOWN RALEIGH EXPERIENCE PLAN

In partnership with Raleigh's Planning Department and its Urban Design Center, our staff acted as the management team assigned to facilitate the community planning process. The goal is to bring forth a draft plan to city council in 2015, and we are excited about the many initiatives being recommended in this plan. We thank our corporate sponsors who donated \$250,000 to the City of Raleigh that was used to hire a consulting firm to assist in the development of the plan.

DOWNTOWN FREE PUBLIC WIFI

We promote downtown public WIFI with the City of Raleigh to enhance downtown's image as a technologically-innovative destination.

- Co-branded the free WIFI as "You R Connected" to further enhance the downtown Raleigh brand

SPONSORSHIP SUPPORT

- Greater Raleigh Convention & Visitors Bureau (GRCVB) Annual Meeting
- Iron Man 70.3 Competition
- Wide Open Bluegrass Convention and Festival
- The "Works!" Fourth of July Celebration
- Glenwood South tree sweater project
- Skyline painting by Dan Nelson for Chavis Community Center

PROMOTIONAL SUPPORT FOR EVENTS + ORGANIZATIONS

- Activate Raleigh
- Artsposure
- Boys and Girls Club
- CompostNOW
- First Night Raleigh
- Hops and Shops Market
- Hopscotch Music Festival
- Junior League of Raleigh Shopping Spree!
- Kidznotes
- The Most Amazing Race Raleigh
- PineCone
- Raleigh Revolt
- Shop Local Raleigh
- World of Beer Festival

A TRANSPARENT DOWNTOWN

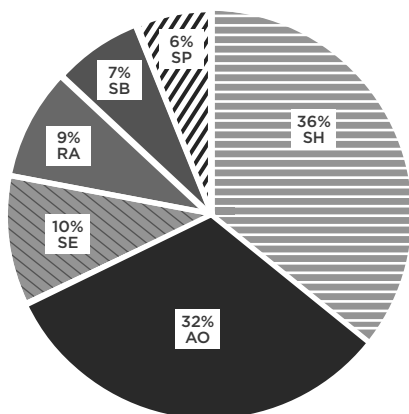
IN 1996, THE DOWNTOWN RALEIGH ALLIANCE WAS CREATED AS A BUSINESS-LEAGUE NONPROFIT association for the purpose of revitalizing downtown. The by-laws state that DRA was created for the delivery of services funded by the municipal services district (property assessment): to attract investors, businesses and developers to downtown; to recruit retail and service businesses; to promote and encourage development; to undertake activities to promote a positive image of downtown and to improve its marketability; and to maintain continuous and positive dialogue with government leaders. As you can see, our organization now fulfills its purpose more than ever through its core services and by virtue of our success and growth.

To further implement its mission, Raleigh Civic Ventures (RCV) was created in 1998 as a subsidiary of DRA to serve as a supporting organization. Creating RCV expanded our potential revenue sources by providing opportunities for charitable donations.

In 2008, the combined budget for both organizations was less than \$1 million. At that time, our budget was significantly smaller than that of comparable downtown organizations operating in cities with similar populations to Raleigh. Six years later, the combined \$2.4 million budget provides a diverse array of revenue streams that leverage one another. Multiple revenue streams reduce the risk to the organization by not relying heavily on any one source of revenue, which is a challenge for all nonprofits.

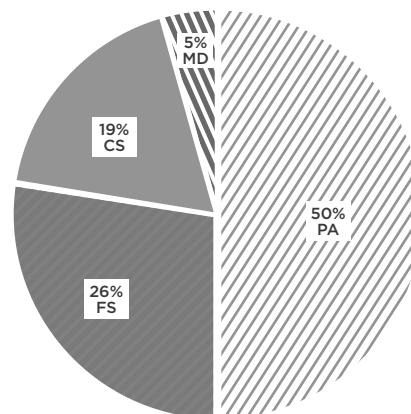
Annually, our finance committee develops the operating budgets that are approved by the board of directors. The organization operates with a balanced budget and demonstrates fiscal responsibility by remaining debt free. Langdon & Company LLP, an independent accounting firm, audited the combined financial statements of DRA and RCV for fiscal year ending June 2014 confirming sound financial standing for both organizations.

2014-2015 COMBINED BUDGETED EXPENSES



- ▨ Safety, Hospitality + Clean (SH)
- Advocacy + Operations (AO)
- Special Events Production (SE)
- Retail Attraction + Merchant Programs (RA)
- Strategic Branding + Community Communications (SB)
- ▨ Strategic Partnerships + Stakeholder Engagement (SP)

2014-2015 COMBINED BUDGETED REVENUES



- ▨ Property Assessment (PA)
- Fee for Service (FS)
- Corporate Sponsorships (CS)
- ▨ Member Dues (MD)



BOARD + STAFF

The DRA board of directors and staff work as a team. The board provides leadership and sets the strategic direction for the organization. The staff implements the board's direction on a day-to-day basis.

STAFF

JEAN CARROLL | Special Events Coordinator
jeancarroll@downtownraleigh.org

ROXANNE COFFEY | Office Manager
roxannecoffey@downtownraleigh.org

DAVID A. DIAZ | President + CEO
daviddiaz@downtownraleigh.org

KIMBERLEY JONES | Assistant to the President
kimberleyjones@downtownraleigh.org

BILL KING | Planning + Development Manager
billking@downtownraleigh.org

CARLA LAIRD | Marketing + Communications Manager
carlalaIRD@downtownraleigh.org

LACIE LINDSTAEDT | Director of Communications + Membership
lacielindstaedt@downtownraleigh.org

ASHLEY MELVILLE | Merchant Benefits Manager
ashleymelville@downtownraleigh.org

STACEY SIMEONE | Graphic Designer
staceysimeone@downtownraleigh.org

MIKE STEPHENS | Director of Operations
mikestephens@downtownraleigh.org

KATIE-ROSE TUTTLE | Special Events Manager
katierosetuttle@downtownraleigh.org

STEPHANIE WILSER | Bookkeeper
stephaniewilser@downtownraleigh.org

OFFICERS + EXECUTIVE COMMITTEE 2015

Rebecca Quinn-Wolf
Chair
PNC

Jason Smith
Treasurer/Chair-Elect
18 Seaboard Restaurant

Thomas S. Hill III
Immediate Past Chair
Highwoods Properties

Sharon Moe
Secretary
North State Bank

Joseph "Bo" Dempster, Jr.
Legal Counsel
Poyner Spruill

Jill Wells Heath
At-Large
Mulkey Engineers & Consultants

Jon Wilson
At-Large
Kimley-Horn and Associates, Inc.

David A. Diaz (Ex-Officio)
President + CEO
Downtown Raleigh Alliance

BOARD OF DIRECTORS 2015

Mary-Ann Baldwin (Ex-Officio)

City of Raleigh

Pam Blondin

Deco Raleigh

Clymer Cease, Jr.

Clark Nexsen

Ashley Christensen

AC Restaurants

Marty Clayton

Duke Energy

Leon Cox

Sheraton Raleigh Hotel

Sally Edwards

Marbles Kids Museum & IMAX Theatre

Gaddis Faulcon

Shaw University

Sue Glennon

Hampton Inn & Suites Hotel at
Glenwood South

Ruffin Hall (Ex-Officio)

City of Raleigh

Jim Hartmann (Ex-Officio)

Wake County

Kathy Higgins

Blue Cross and Blue Shield of NC

Andy Holland

Wells Fargo Bank

Chad T. Lefteris

Rex Healthcare

J. Rich Leonard

Campbell University School of Law

D. O'Hara Macken

Ipreo

David Meeker

Downtown Resident, West at North

Sarah Powers

Visual Art Exchange

Gregg Sandreuter

Hamilton Merritt

Harvey Schmitt (Ex-Officio)

Greater Raleigh Chamber of
Commerce

Nate Spilker

Citrix

Josh Stein (Ex-Officio)

NC General Assembly

Andrew Stewart

Empire Properties

Anthony Tata (Ex-Officio)

NC Department of Transportation

Caroline F. Welch

WTVD-TV/ABC 11

THANK YOU TO OUR 2014 OUTGOING BOARD MEMBERS

Jim Belt

Downtown Resident, 510 Glenwood

Richard French

French/West/Vaughan

Debra M. Townsley

William Peace University

OUR MISSION

The Downtown Raleigh Alliance is an award-winning nonprofit organization whose mission is to continue the revitalization of Raleigh's downtown by enhancing its quality of life and contributing to its economic success. On a day-to-day basis, DRA provides six core services that have a short-term and long-term impact on downtown:

1. Safety, Hospitality + Clean Ambassadors
2. Strategic Branding + Community Communications
3. Special Events Production
4. Retail Attraction + Merchant Promotions
5. Strategic Partnerships + Stakeholder Engagement
6. Strategic Planning



DowntownRaleigh
Alliance

2015 Annual Report Economic Boom

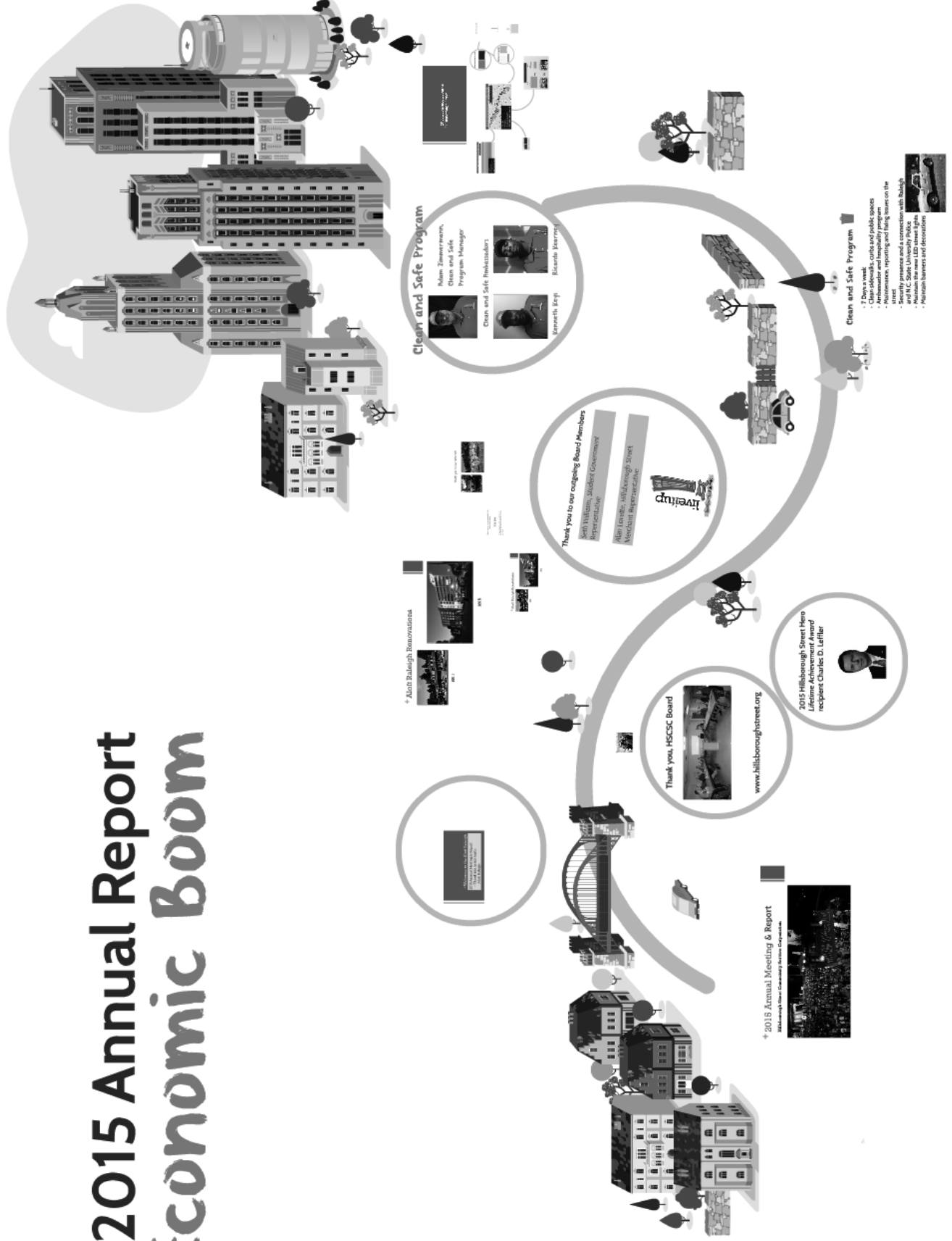


Image by Star 5 July by Prezi

+ 2015 Annual Meeting & Report

Hillsborough Street Community Service Corporation



+ Welcome to the Aloft Raleigh

2015 Annual Meeting & Report

- Thank you to our hosts:
Aloft Raleigh

+ Aloft Raleigh Renovations



2011



2015

Welcome to all the Elected Officials



**2015 Hillsborough Street Hero
Lifetime Achievement Award
recipient Charles D. Leffler**



Thank you, HSCSC Board



www.hillsboroughstreet.org



Thank you to our outgoing Board Members

Seth Williams, Student Government Representative

Alan Lovette, Hillsborough Street Merchant Representative



Staff



David Dean, Director of Programs



**Will Gaskins, Economic Development
Specialist**

Clean and Safe Program



Adam Zimmermann,
Clean and Safe
Program Manager

Clean and Safe Ambassadors



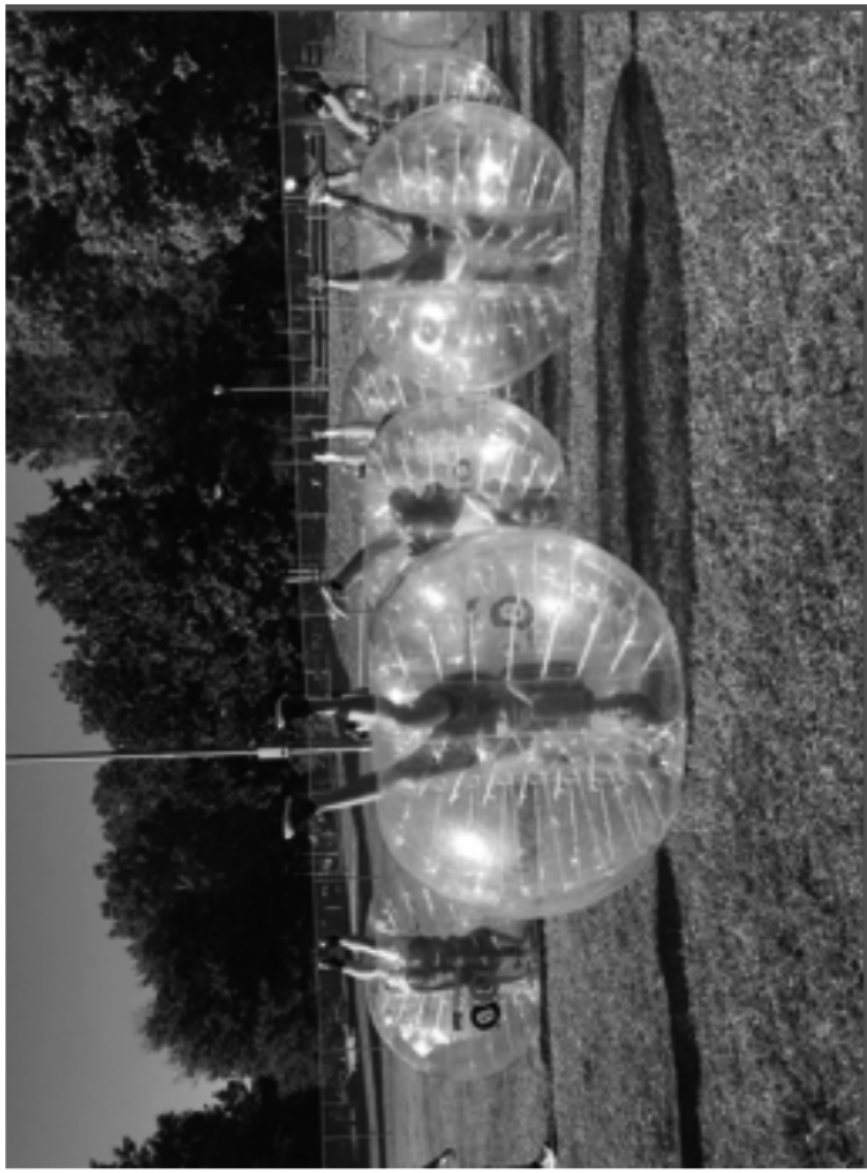
Kenneth Keys

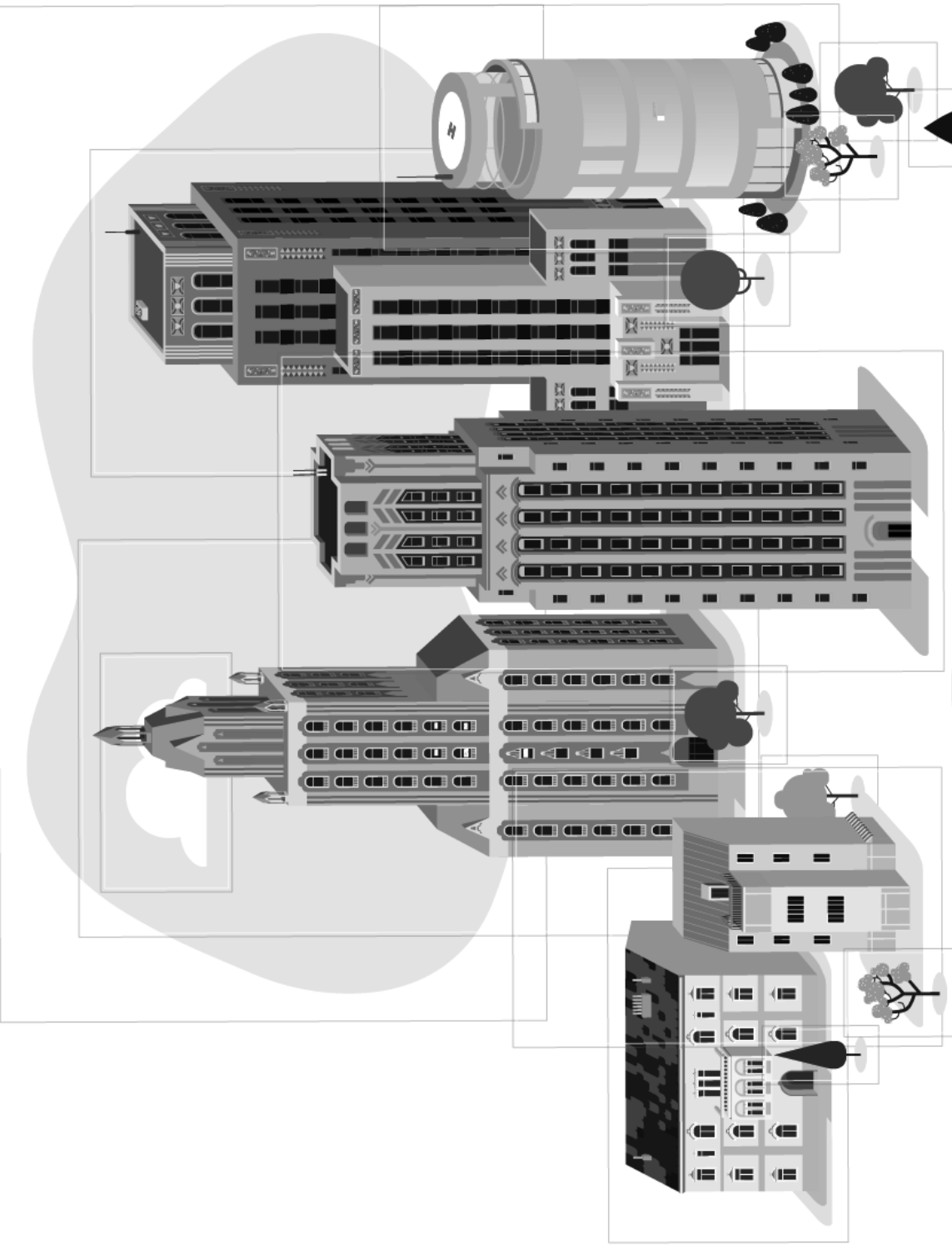


Ricardo Kearney

Developmental Projects
2012-2015
Over 50 Projects
Now Completed by
100+ People
100+ Hours

Thank you to our Interns!!





Clean and Safe Program

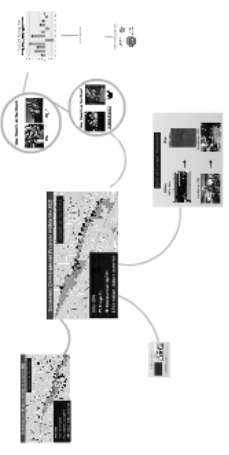
Adam Zimmermann,
Clean and Safe
Program Manager

Clean and Safe Ambassadors

Kenneth Keys

Ricardo Kearns

2018 Resource Book at
Pittsburgh Friend



13th Floor
13th Floor



2018



+ Friends of Hillsborough Street



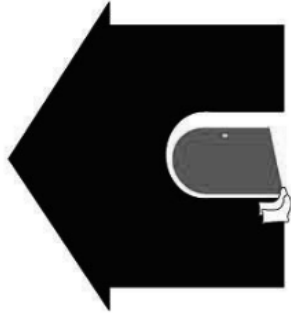
+ Friends of Hillsborough Street



+ Friends of Hillsborough Street



Bell Tower Parking, LLC



walktostate.com



+ Friends of Hillsborough Street



NC State Real Estate Office

barefoot press

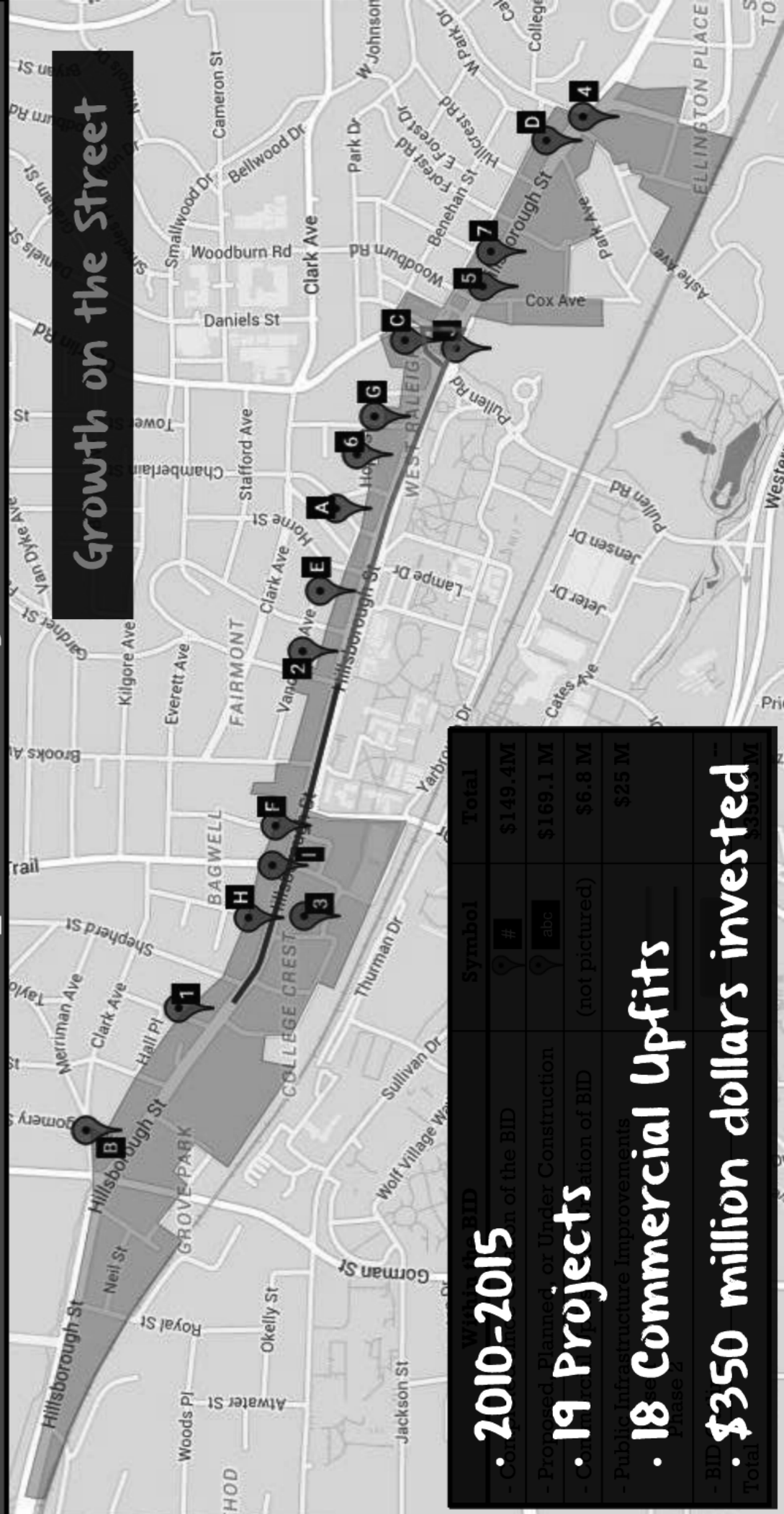
+ Friends of Hillsborough Street



2015 Economic Boom on + Hillsborough Street

Economic Development Projects within the BID

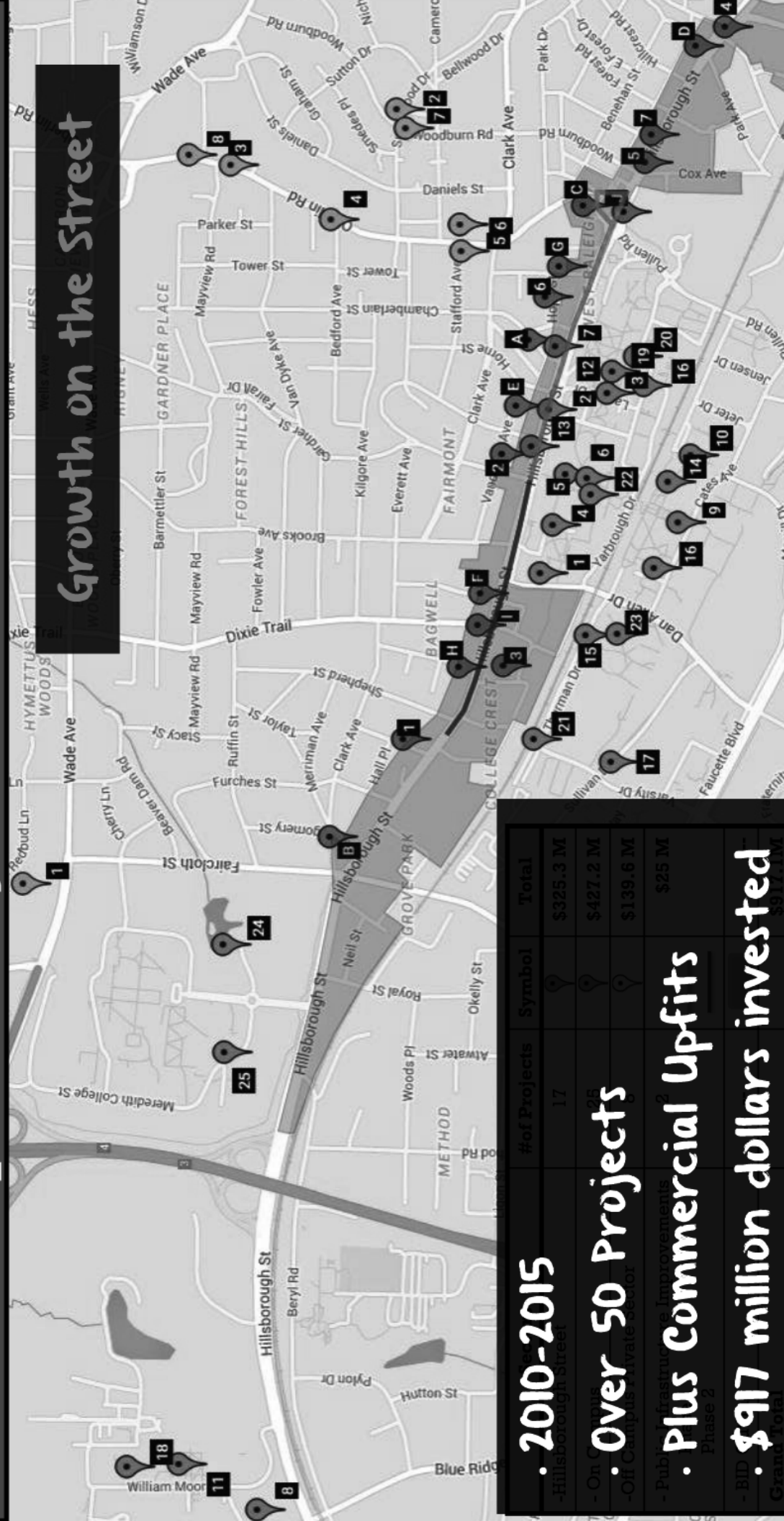
Growth on the Street



Symbol	Total
#	\$149.4M
abc	\$169.1 M
(not pictured)	\$6.8 M
	\$25 M
2010-2015	
• 19 Projects	
• 18 Commercial Upfits	
• \$350 million dollars invested	

Development Projects inside & near the BID

Growth on the Street



- 2010-2015
- Over 50 Projects
- Plus Commercial Upfits
- \$917 million dollars invested

# of Projects	Symbol	Total
17	📍	\$325.3 M
25	📍	\$427.2 M
25	📍	\$139.6 M
25	📍	\$25 M
25	📍	\$917.1 M



Upfit of Current Merchants

Before

Waffle House



After

Waffle House



I Love New York Pizza



I Love New York Pizza



Revitalization of Old Spaces



- 240 seat, casual, full service restaurant
- Design will include a bar, open kitchen and lots of seating

New Tenants on the Street

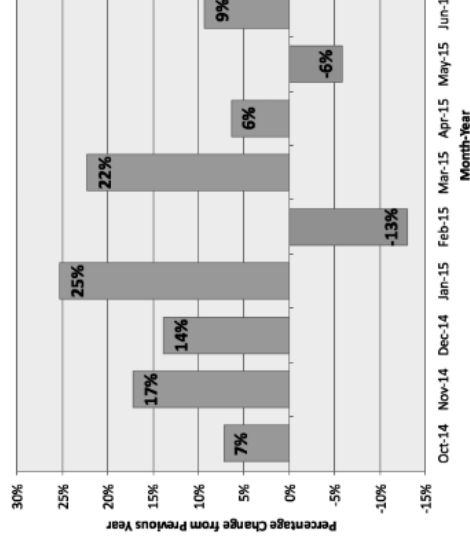


CVS/pharmacy



Aloft
HOTEL

Food and Beverage Sales Percentage Change in Food & Beverage Sales Previous Year for the Last 12 Months



New Tenants on the Street

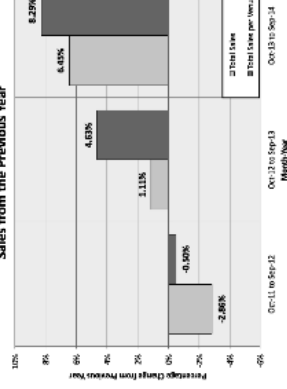


GONZA TACOS Y TEQUILA



liquid
state

Food and Beverage Sales Percentage Change (Year over Year) in Food & Beverage Sales from the Previous Year



New Tenants on the Street



GONZA TACOS Y TEQUILA



New Tenants on the Street



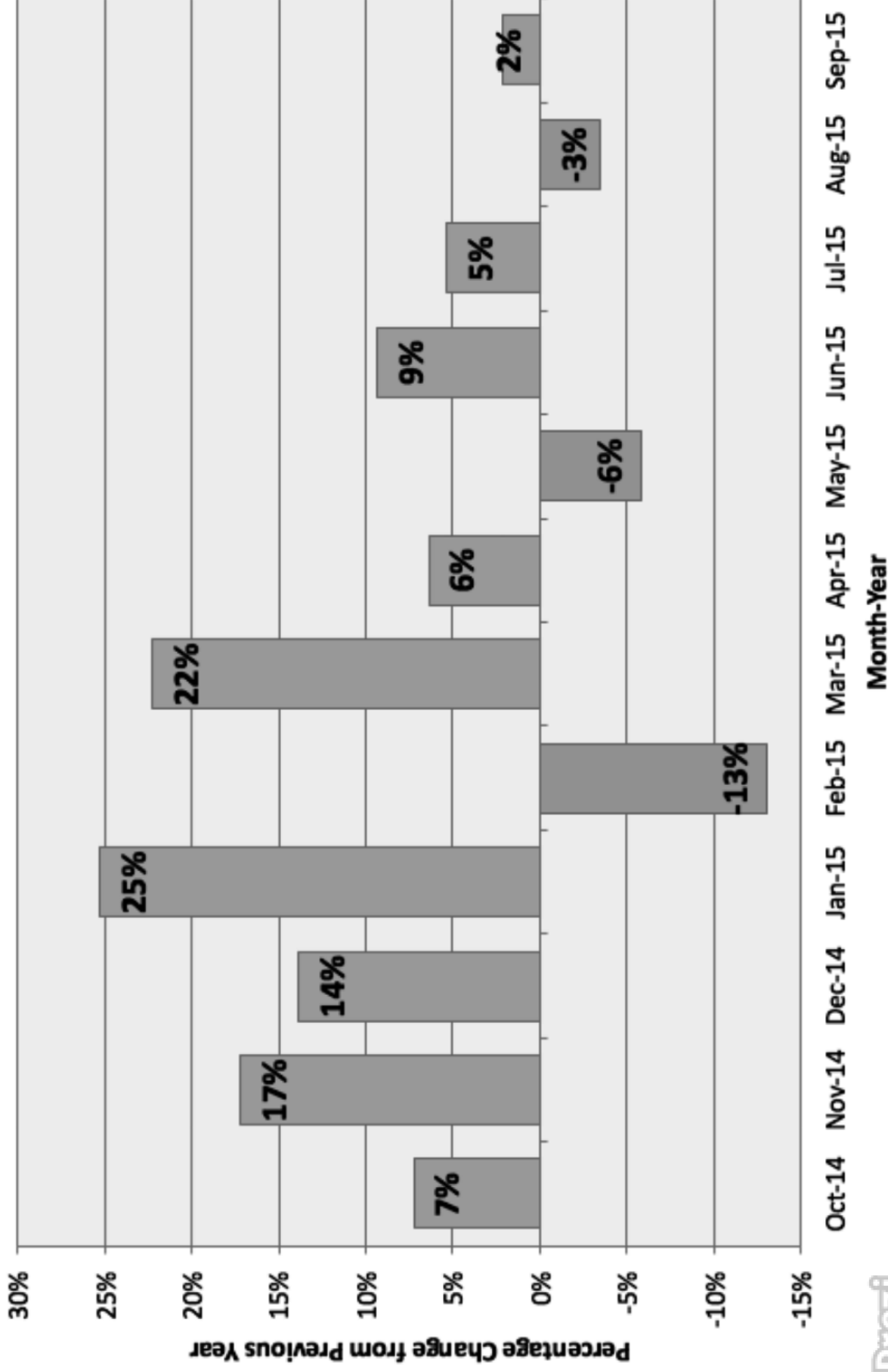
CVS/pharmacy



Aloft
RALEIGH

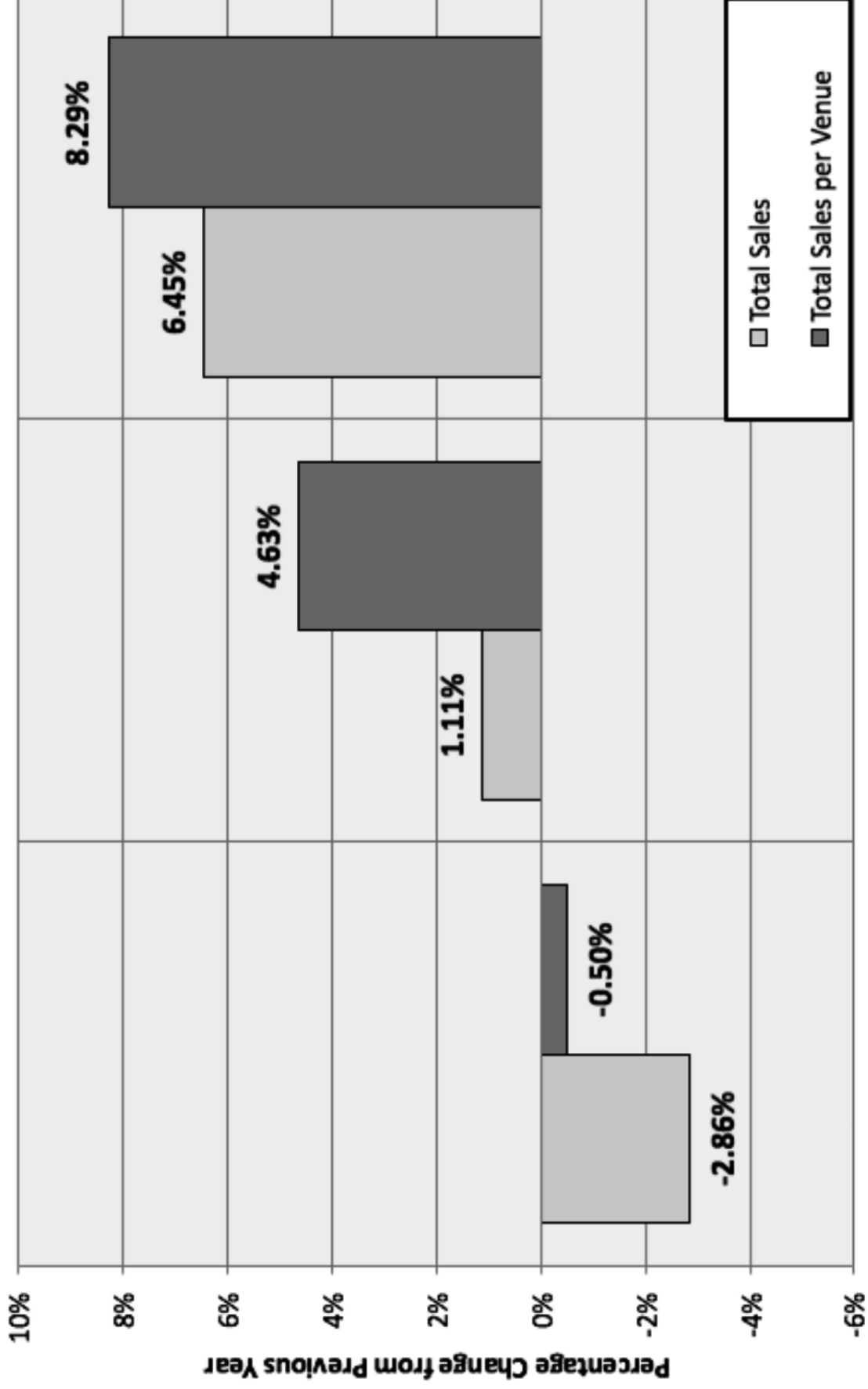
Food and Beverage Sales

Percentage Change in Food & Beverage Sales from the Previous Year for the Last 12 Months

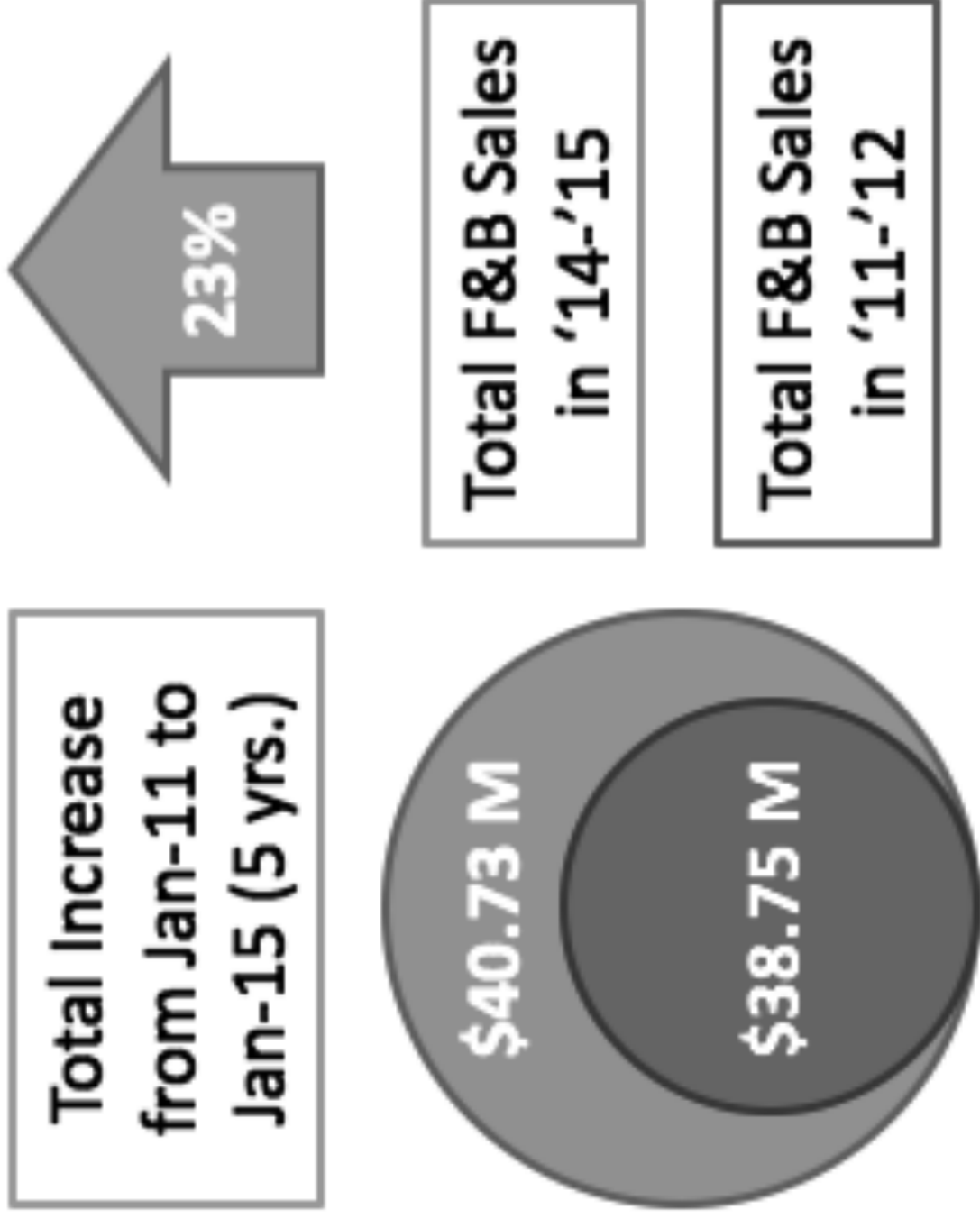


Food and Beverage Sales

Percentage Change (Year over Year) in Food & Beverage Sales from the Previous Year



Food and Beverage Sales





Clean and Safe Program

- 7 Days a week
- Clean sidewalks, curbs and public spaces
- Ambassador and hospitality program
- Maintenance, reporting and fixing issues on the street
- Security presence and a connection with Raleigh and N.C. State University Police
- Maintain the new LED street lights
- Maintain banners and decorations



Before



After



Before



After



Before



After





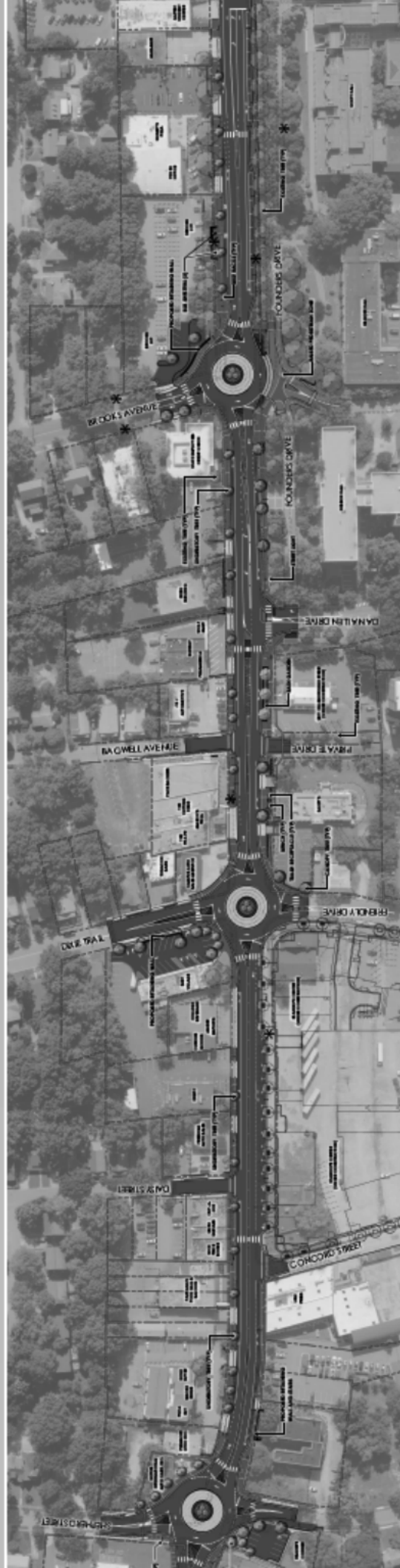
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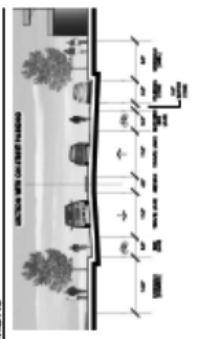
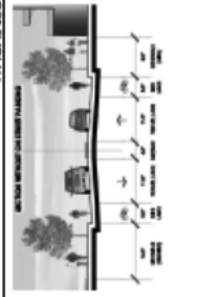


Looking Forward: 2016

Phase II of the Hillsborough Street Streetscape



PROPOSED LANDSCAPING
 PROPOSED CONCRETE SIDEWALK
 PROPOSED BRICK PAVERS
 PROPOSED/EXISTING BUS STOP
 PRIORITY LINES
 EXISTING PROPERTY LINES
 EXISTING TRAFFIC SIGNAL TO REMAIN



HILLSBOROUGH STREET REVITALIZATION, PHASE 2
 ROSEMARY STREET/SHEPHERD STREET TO GARDNER STREET
 MARCH 17, 2015
Kimley-Horn
 PRELIMINARY PLANS



PROPOSED ROAD
 PROPOSED LANDSCAPING
 PROPOSED CONCRETE SIDEWALK
 PROPOSED BRICK PAVERS
 PROPOSED/EXISTING BUS STOP
 EXISTING PROPERTY LINES
 EXISTING TRAFFIC SIGNAL TO REMAIN

updated Amendment
8/27



Attachment 3

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT Bill

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

AST-144 [v.6]

Page 1 of 3

Amends Title [NO]

Date _____, 2015

Senator _____

1 moves to amend the bill on page , lines, by inserting the following between those lines:

2
3 "SECTION XX.(a) G.S. 160A-536 reads as rewritten:
4 "§ 160A-536. Purposes for which districts may be established.

5 ...
6 (d) Contracts. – A city may provide services, facilities, functions, or promotional and
7 developmental activities in a service district with its own forces, through a contract with
8 another governmental agency, through a contract with a private agency, or by any combination
9 thereof. Any contracts entered into pursuant to this ~~paragraph~~ subsection shall comply with all
10 of the following criteria:

11 (1) ~~specify~~ The contract shall specify the purposes for which city moneys are to
12 be ~~used~~ used for that service district.

13 (2) ~~and~~ The contract shall require an appropriate accounting for those moneys
14 at the end of each fiscal year or other appropriate period.

15 (d1) In addition to the requirements of subsection (d) of this section, if the city enters
16 into a contract with a private agency for a service district under subdivision (a)(1a), (2), or (2a)
17 of this section, the city shall comply with all of the following:

18 (1) The city shall solicit input from the residents and property owners as to the
19 needs of the service district prior to entering into the contract.

20 (2) Prior to entering into, or the renewal of, any contract under this section, the
21 city shall use a bid process to determine which private agency is best suited
22 to achieving the needs of the service district. The city shall determine criteria
23 for selection of the private agency, and shall select a private agency in
24 accordance with those criteria. If the city determines that a multi-year
25 contract with a private agency is in the best interest of the city and the
26 service district, the city may enter into a multi-year contract not to exceed
27 five (5) years in length.

28 (3) The city shall hold a public hearing prior to entering into the contract, which
29 shall be noticed by publication in a newspaper of general circulation, for at
30 least two successive weeks prior to the public hearing, in the service district.

31 (4) The city shall require the private agency report annually to the city, by
32 presentation in a city council meeting and in written report, regarding the



* U N K N O W N - A S T - 1 4 4 - V - 6 *

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Bill _____

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

_____AST-144 [v.6]

Page 2 of 3

1 needs of the service district, completed projects, and pending projects. Prior
2 to the annual report, the private agency shall seek input of the property
3 owners and residents of the service district regarding needs for the upcoming
4 year.

5 (5) The contract shall specify the projects, and the moneys to be allocated to
6 those projects, for the contract period. After entering into the contract, no
7 changes to the projects or the moneys allocated to each project may be
8 changed without approval of the city council.

9 ..."

10 SECTION XX.(b) G.S. 160A-542 reads as rewritten:

11 "§ 160A-542. Taxes authorized; rate limitation.

12 (a) A city may levy property taxes within defined service districts in addition to those
13 levied throughout the city, in order to finance, provide or maintain for the district services
14 provided therein in addition to or to a greater extent than those financed, provided or
15 maintained for the entire city. In addition, a city may allocate to a service district any other
16 revenues whose use is not otherwise restricted by law.

17 (b) Property subject to taxation in a newly established district or in an area annexed to
18 an existing district is that subject to taxation by the city as of the preceding January 1.

19 (c) Property taxes may not be levied within any district established pursuant to this
20 Article in excess of a rate on each one hundred dollar (\$100.00) value of property subject to
21 taxation which, when added to the rate levied city wide for purposes subject to the rate
22 limitation, would exceed the rate limitation established in G.S. 160A-209(d), unless that portion
23 of the rate in excess of this limitation is submitted to and approved by a majority of the
24 qualified voters residing within the district. Any referendum held pursuant to this paragraph
25 subsection shall be held and conducted as provided in G.S. 160A-209.

26 (d) Prior to setting the tax rate, the city council shall determine the long range plans and
27 goals for the service district, and shall set the tax rate so that moneys collected are sufficient to
28 meet the needs of the long range plans and goals without accruing excess moneys. The moneys
29 collected shall be used for meeting the needs of that service district as determined by the city
30 council.

31 (e) This Article does not impair the authority of a city to levy special assessments
32 pursuant to Article 10 of this Chapter for works authorized by G.S. 160A-491, and may be used
33 in addition to that authority."

34 SECTION XX.(c) The Legislative Research Commission may study the feasibility
35 of authorizing property owners within a municipal service district to petition for removal from
36 that municipal service district. The Legislative Research Commission may consider any issues
37 relevant to this study.

38 SECTION 2. The Legislative Research Commission shall report its findings and
39 recommendations, including any proposed legislation, to the 2015 General Assembly when it
40 reconvenes in 2016.

41 SECTION XX.(d) Section XX(a) of this section becomes effective October 1,
42 2015, and applies to contracts entered into on or after that date. Section XX(b) of this section



City of Raleigh North Carolina

December 17, 2015

MEMORANDUM

TO: Ruffin Hall, City Manager

FROM: Todd Delk, PE, Senior Planning Engineer

RE: Comments on NC 540 Draft Environmental Impact Statement

In early November, the Federal Highway Administration (FHWA) approved the Draft Environmental Impact Statement (EIS) prepared for the "Complete 540" Outer Loop project. NCDOT's Transportation Improvement Plan (TIP) proposes to complete the Outer Loop in three segments; the Eastern Wake Expressway (TIP Project R-2829) from I-40 to I-495/US 64/264 Bypass, represents the third and final extension of the loop, which will be designated as NC 540 and operated as a tollway. The current funding plan would extend the loop east from NC 55 Bypass in Holly Springs to US 401 by 2021 and to I-40 by 2025. The Eastern Wake Expressway portion of the Outer Loop is not fully funded in the TIP at this time and would likely be completed by 2029 or 2030 under current funding assumptions.

The Draft EIS summarizes the field work and technical studies completed for 17 Detailed Study Alternatives, based on different combinations of 10 color-coded study segments¹ shown in **Figure 1**. The document details the potential impacts to the human and natural environment within the study area for each alternative. With FHWA's approval of the draft EIS, NCDOT opened the public review and comment period and conducted three public meetings in the project area on December 7-9, 2015, including a public hearing. The NCDOT is soliciting official comments from citizens, state and local governments, agencies, and other interested parties by January 8, 2016, at which time they will begin the process to revise the document, select a preferred or recommended alternative, and prepare the final EIS for approval.

Staff from multiple City departments have coordinated to review the document and its supporting technical reports in order to better understand the findings and potential impacts associated with each study alternative. The major impacts to City facilities and interests were identified during an interdepartmental meeting and are outlined in **Table 1**.

¹ Note that the Orange segment west of I-40 and the Green segment east of I-40 are the original alignments planned for the freeway project, and the Orange segment has been protected under the NC Transportation Corridor Official Map Act since the mid-1990's.

Figure 1. NC 540 Detailed Study Alternatives

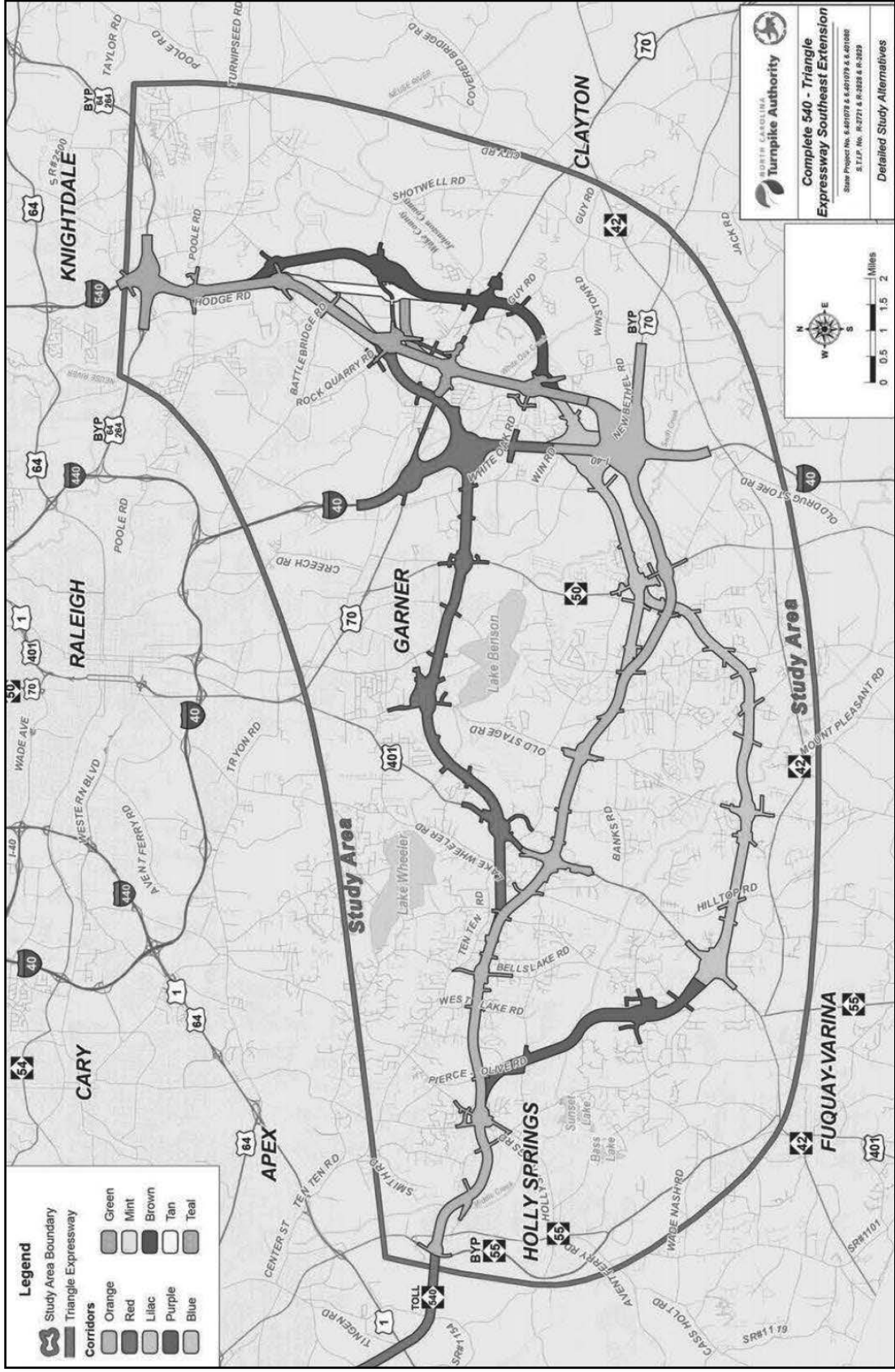


Table 1. Major Impacts for NC 540 to City Interests

Potential Impact	Segment	Alternatives	Description
Water Supply Infrastructure	Red	6, 7	Directly impacts a large but undefined number of potable water transmission /distribution mains, particularly for Garner service area & near Dempsey Benton Treatment Plant; not accounted for in DEIS or Utility Impact Report
Swift Creek Watershed Area	Red	6, 7	Directly impacts 6.7 acres under-NCDEQ management plan adopted by General Assembly in 1998 to limit development and protect water quality; would require extensive coordination with NCDEQ & USEPA officials to reach agreement for protection; increases risk of pollutant spill into water supply
Wrenn Road Facility Water Treatment Sprayfields & Ponds	Orange	1, 2, 3, 4, 5	Directly impacts 10.8 acres of water treatment sprayfields on 600-acre site
	Lilac	8, 9, 10, 11, 12, 13, 14, 15, 16, 17	Directly impacts 88.7 acres including water treatment sprayfields & at least one of two 25-acre holding ponds
Sewer Infrastructure	All eastern segments	All alternatives	Crosses and impacts two existing 72" & planned 96" sewer mains near Neuse River; not accounted for in DEIS or Utility Impact Report; will require design revisions/provisions for access
Randleigh Farm property	Green	1, 6, 8, 13	Bisects property and directly impacts 62.1 of 415-acre site, including 2 proposed WCPSS school sites
	Mint	2, 7, 9, 14	Both directly impact ~30 acres on eastern side of site, with little or no impact to proposed school sites
	Tan	3, 10, 15	
City/County Law Enforcement Training Facility	Brown	4, 5, 11, 12, 16, 17	Directly impacts 9.14 acres of campus, including shooting range facility
Neuse River Waste-water Treatment Plant Sprayfields & Biosolids Fields	Teal/Brown	4, 5, 11, 12, 16, 17	Directly impacts 81.5 (Teal/Brown) or 87.2 (Brown) acres of wastewater treatment sprayfields & permitted biosolids application fields, as well as facility guardhouse and agricultural activities on fields
Neuse River Greenway Trail	Green	1, 6, 8, 13	Retained as is under new Neuse River Bridge
	Mint/Tan	2, 7, 9, 14	Routed under NC 540 via culvert near present location; should be co-located in easements needed to accommodate sewer mains (above)
	Brown	3, 10, 15	Rerouted from east side of Brownfield Rd. with new culvert and trail to east side of NC 540
Hodge Road Extension	All eastern segments	All alternatives	Not incorporated into roadway design plans at/near Auburn-Knightdale Rd. interchange, as shown in Raleigh and CAMPO Plans; request interchange be redesigned to facilitate proposed street connection

In addition to the impacts outlined in Table 1, the Public Utilities Department has expressed concerns that the draft EIS and Utilities Impact technical report do not account for the numerous water and sewer lines serving Garner, Wendell, and Raleigh that cross the corridor. While major lines are noted in the table, the City will need to retain access in the project corridor to maintain and repair those lines in their current locations. Comments should include a request for NCDOT to update the Utility Impact Report to (a) identify impacts to water and sewer infrastructure on all routes and (b) revise or account for those impacts in future designs for the expressway.

Based on these impacts, Staff is in agreement that the **Orange Route is the least impactful to City interests and therefore recommends its endorsement as the preferred route for the portion of the Outer Loop west of I-40.** Staff recommends opposition to the Red Route due to significant impacts to the Swift Creek watershed as well as the public utilities infrastructure managed by the City in the area. The Lilac Route has significant impacts on the City's investments in sprayfields and holding ponds associated with the City's water and wastewater treatment facilities. While the more southerly Purple and Blue routes do not affect or impact the City directly, Planning staff concurs with the EIS and Indirect and Cumulative Impacts Report that these routes have greater impacts to the human environment and would discourage sustainable regional development.

Staff is in agreement that the impacts to the City's wastewater treatment operations and the Law Enforcement Training Center (Brown Route) are much greater than those impacts to the Randleigh Farms property (Green, Mint, and Tan segments), all other items being essentially equal. The Mint and Tan Routes in turn minimize the impacts to the Randleigh property and proposed school sites. The Council has taken previous action in January 2011 to communicate opposition to the Tan Route due to community impacts, and the Wake County Board of Commissioners provided NCDOT a similar letter of opposition to the Tan Route in Winter 2010/2011. **Therefore Staff recommends use of the Mint Route as the preferred route for NC 540 east of I-40.** Staff recommend opposing the Brown Route north of US 70 due to the significant impacts outlined above. While not preferred, use of the Green Route across the Randleigh property is viable if the greater impacts to City property and the proposed school sites are outweighed by other human or environmental impacts associated with the Mint or Tan Routes.

Based on those preferred routes/segments, **Staff recommends that the City Council authorize the Mayor to submit comments to NCDOT reflecting the City's concerns addressed in this report and endorsing Detail Study Alternative 2 as the City's preferred alternative** (see Attachment 1). Alternative 2 (see Figure 2) comprises the Orange Route from NC 55 Bypass to I-40 and the Green/Mint Route from I-40 to I-495. In addition to City Council's response, Staff will be providing technical comments on the EIS and the supporting documents to NCDOT by the January 8, 2016 deadline.

If you have additional questions about this item, please advise.

Cc: Tansy Hayward – Assistant City Manager
Ken Bowers – City Planning Director
Robert Massengill – Public Utilities
Director

Diane Sauer – PRCR Director
Cassandra Deck-Brown – Police Chief
Eric Lamb – Transportation Planning Manager
Mike Kennon – Traffic Operations Manager

Figure 2. Detailed Study Alternative 2 (Orange → Green → Mint → Green)

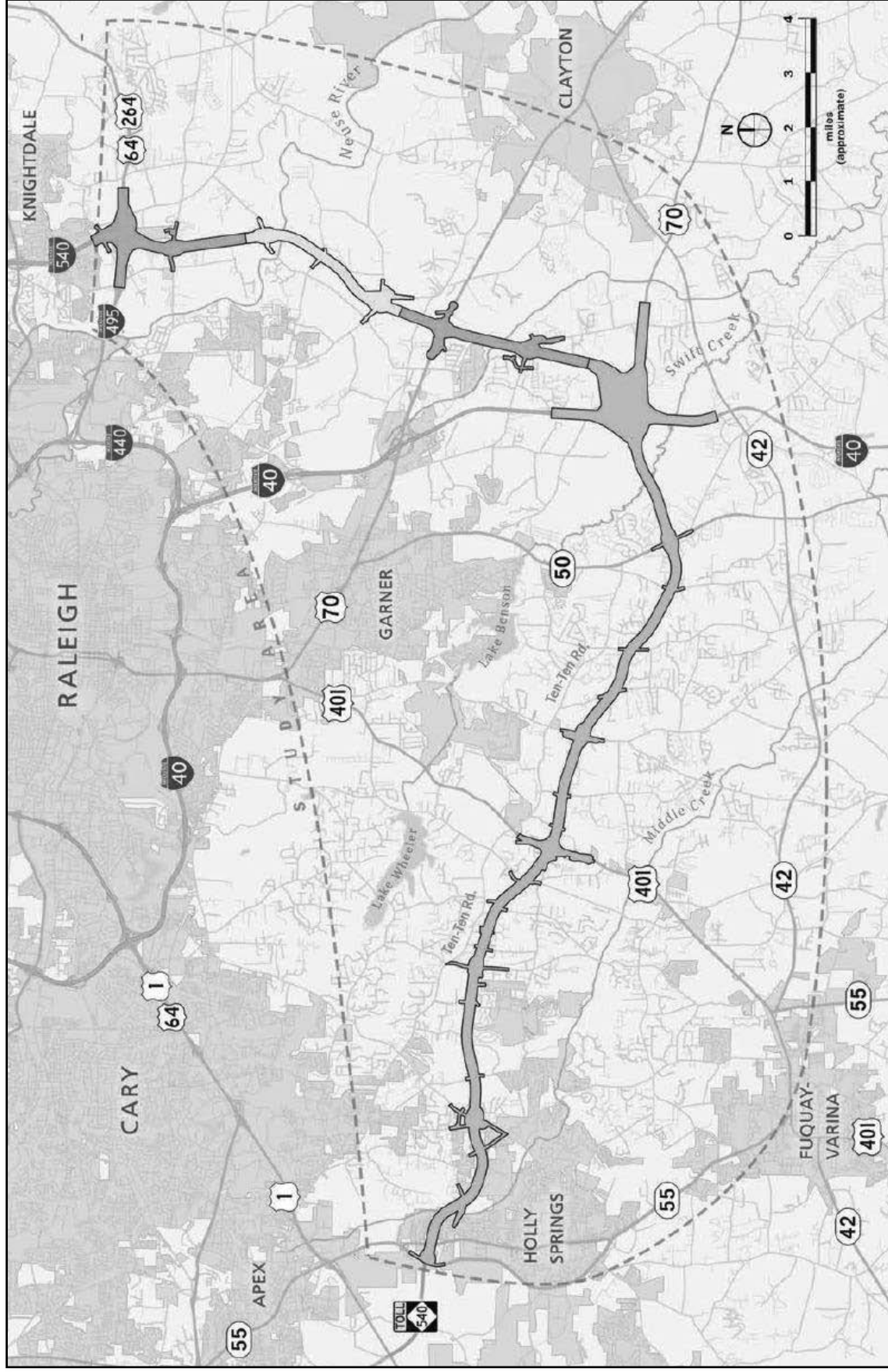


Figure 4. Major Impacts with Red Route

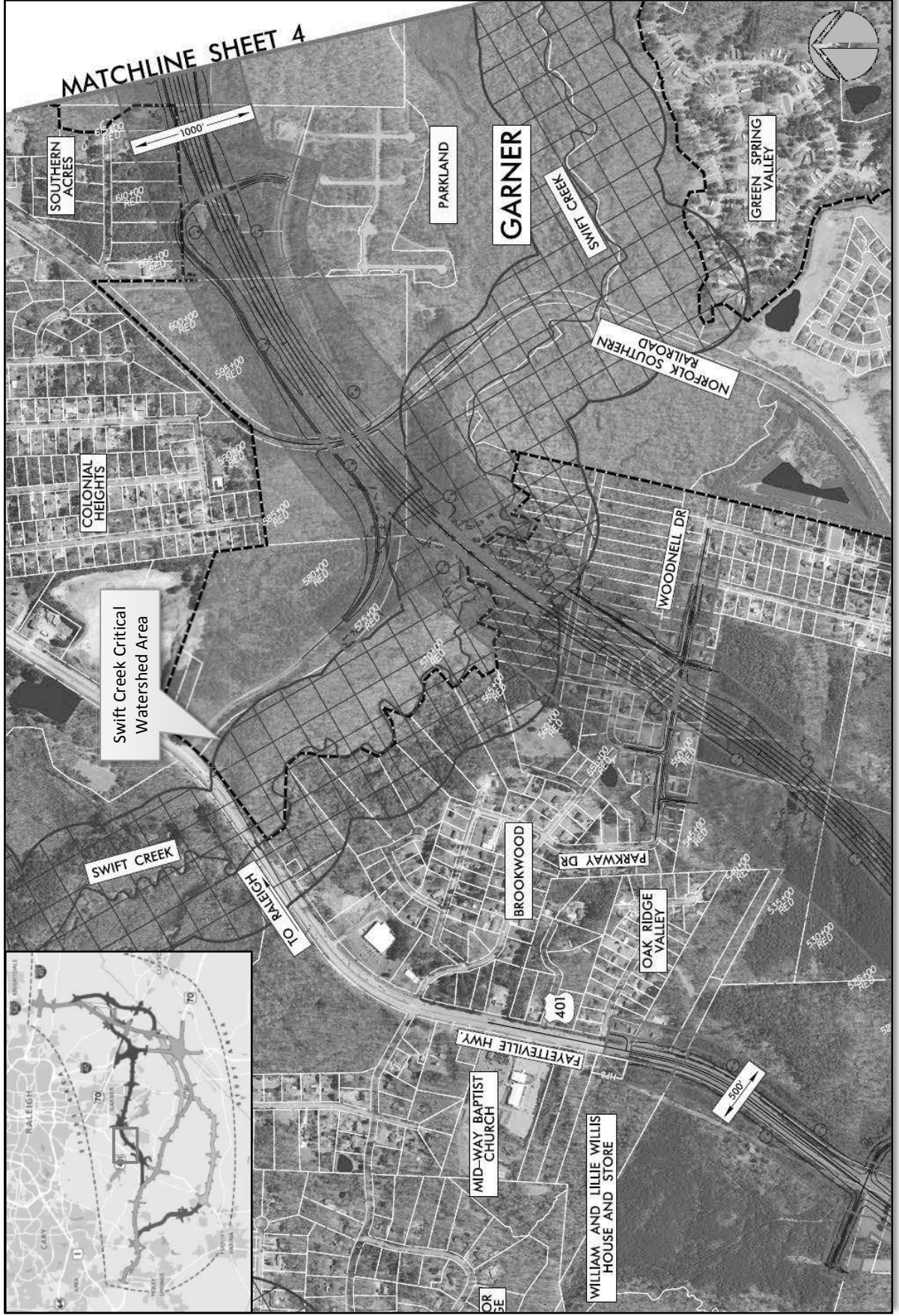


Figure 5. Major Impacts with Lilac Route

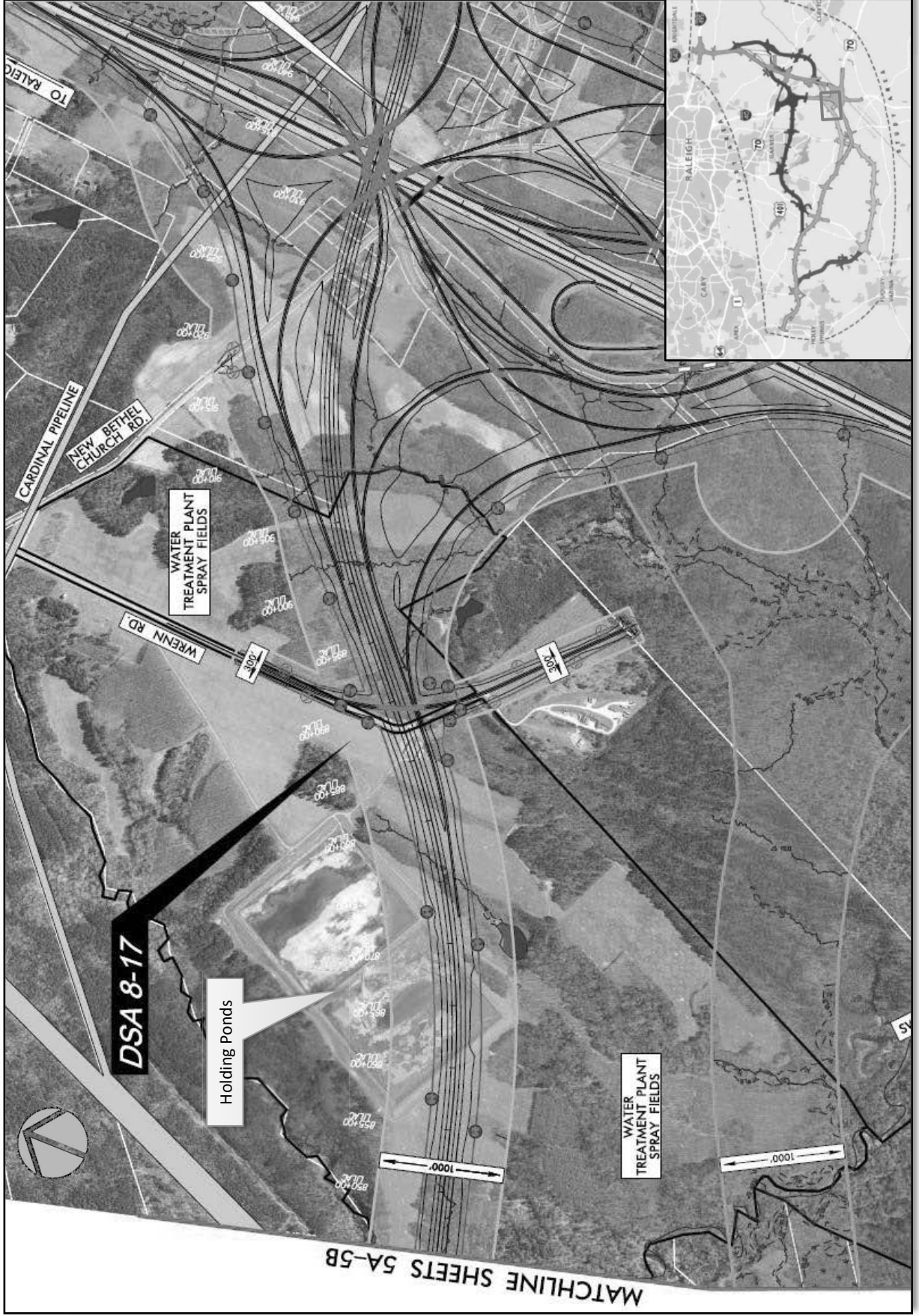


Figure 6. Major Impacts with Eastern Routes (Green, Mint, Tan, Brown)



**ATTACHMENT 1 – Mayor’s Letter
to NCDOT with City Comments**

January 5, 2016

Mr. Jamille Robbins
NC Department of Transportation
1598 Mail Service Center
Raleigh, NC 27699-1598.

SUBJECT: Comments on Draft EIS, Complete 540 Triangle Expressway Southeast Extension

Mr. Robbins,

Transportation options are of utmost importance to the continued success and growth of the Triangle region. The City’s Strategic Plan not only focuses on “Transportation & Transit” as one of six key focus areas, but highlights the need for resilient and sustainable public infrastructure in objectives under the “Growth & Natural Resources” and “Economic Development & Innovation” areas. It is with this strategic emphasis on mobility that the City of Raleigh continues to strongly support and encourage the Complete 540 effort by NCDOT and the future construction of the southern and eastern segments of the NC 540 Triangle Expressway. Our City Council reaffirmed the Eastern Wake Expressway (TIP Project R-2829) as its top priority request to NCDOT in your Transportation Improvement Program at our March 17, 2015 meeting.

City staff has reviewed the draft Environmental Impact Statement and its supporting technical reports to better understand the potential impacts associated with each study alternative. The City of Raleigh has concerns over potential impacts highlighted in the document and would like to submit comments on the following color-coded segments evaluated for the freeway corridor:

- **Red Route:** The City is concerned that the Red Route directly impacts the Swift Creek Watershed Area, a critical water source for Raleigh and Wake County residents, as well as the treatment and distribution infrastructure operated by the City in the Garner area. Based on these impacts, the City opposes all alternatives that utilize the Red Route.
- **Lilac Route:** The Lilac Route directly impacts 88.7 acres at our public utilities facility located off Wrenn Road, including water treatment sprayfields & at least one of two 25-acre holding ponds. The City opposes all alternatives that use the Lilac route.
- **Green Route:** The Randleigh Farm property represents a significant investment in the future by the City and Wake County as a site for proposed schools and potential development. The Green Route impacts those school sites and twice as much land area on the property, therefore the City opposes alternatives that use this route across the property, unless compelling evidence to the contrary is presented for this alignment.
- **Brown Route:** The Brown Route represents significant impacts to the City’s operations at the Neuse River Wastewater Treatment Plant (NRWWTP), including more than 80 acres of sprayfields and biosolids application fields and the facility guardhouse. The route would also require the relocation of the City/County Law Enforcement Training Center shooting range where officers train to serve and protect the city’s and county’s residents. Based on

these impacts and potential impact to the City's solar array located near Brownfield Road, the City opposes alternatives that use the Brown Route north of Old Baucom Road.

The City would also like to express concern that the draft EIS and Utilities Impact technical report do not account for numerous water and sewer lines serving Garner, Wendell, and Raleigh that cross the corridor. These include a 30" force main along Raynor and Auburn-Knightdale Road and two 72" mains along the Neuse River serving the NRWTP, as well as a planned 96" line to the plant. The City will need to retain access in the project corridor to maintain and repair those lines in their current locations. The City requests NCDOT to update the Utility Impact Report and draft EIS to (a) identify impacts to water and sewer infrastructure on all routes and (b) revise or account for those impacts in future designs for the expressway.

The City also requests NCDOT consider alternative designs for the Auburn-Knightdale Road interchange. The existing designs do not account for the Hodge Road extension as shown in Raleigh and CAMPO transportation plans. The City requests NCDOT investigate interchange options that would facilitate the proposed Hodge Road extension to Auburn-Knightdale Road.

In light of these concerns, the City views the Orange Route as the least impactful to City interests and therefore recommends its endorsement as the preferred route for the portion of the Outer Loop west of I-40. East of I-40, the impacts to the City's wastewater treatment operations and the Law Enforcement Training Center (Brown Route) outweigh those impacts to the Randleigh Farms property (Green, Mint, and Tan segments). The Council has taken previous action in January 2011 opposing the Tan Route due to community impacts (see attached). The Mint Route minimizes the impacts to the Randleigh property and proposed school sites, and therefore is the City's preferred route for the Eastern Wake Expressway. Based on these preferred routes and segments, the City endorses Detail Study Alternative 2 as the preferred alternative for this project.

The City would like to thank NCDOT for the opportunity to submit our comments and endorsements based on review of the draft EIS. City staff will be providing additional technical comments on the document and the supporting reports. If you have questions about this letter or the City's comments, please contact Todd Delk at 919-996-2661 or todd.delk@raleighnc.gov.

Sincerely,

Nancy McFarlane
Mayor

Attachment

NM/td

Cc: Nick Tennyson, NC Secretary of Transportation
Beau Memory, NC Turnpike Authority Executive Director
Joey Hopkins, NCDOT Division 5 Engineer
Jim Hartmann, Wake County Manager
Chris Lukasina, CAMPO Executive Director



City Of Raleigh
North Carolina

Charles Meeker
Mayor

January 11, 2011

David W. Joyner, Executive Director
NC Turnpike Authority
1578 Mail Service Center
Raleigh, NC 27699-1578

SUBJECT: Comments on TIP Project R-2829, Eastern Wake Expressway

Dear Mr. Joyner:

At our January 4, 2011 meeting, the Raleigh City Council received comments from the general public regarding alternatives under consideration for the Southeast Extension of the Triangle Expressway. The portion of your project within the City's jurisdiction falls under TIP Project R-2829 (Eastern Wake Expressway). These residents spoke out specifically in opposition to the Tan Corridor that has been developed by the NC Turnpike Authority for this segment of the project.

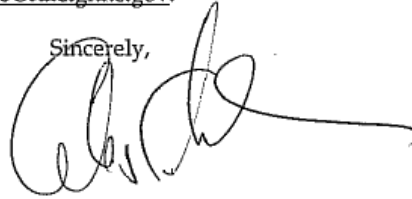
I understand that your project team has met with City staff from multiple departments on several occasions to discuss alignment issues along the Eastern Wake Expressway. Working out the details on a final alignment for this corridor has been a priority for the City for many years, especially with regards to getting out ahead of growth in this area and providing County residents with improved predictability.

The City Council voted unanimously to oppose the Tan Corridor as it is currently proposed, and we have requested that City staff continue to work with your project team to develop viable alternatives for consideration in your Environmental Impact Statement (EIS). We understand that the EIS process is technical in nature, but we urge you continue to take the concerns of area residents into account as you proceed with your study. The completion of the Eastern Wake Expressway as part of the larger Raleigh Outer Loop is important to the continued growth of the City and its neighboring communities. We appreciate the efforts of the Turnpike Authority to move this project forward.

Mr. David W. Joyner – Comments on TIP Project R-2829, Eastern Wake Expressway
January 11, 2011 - Page 2

If you have additional questions about our comments, please contact Eric Lamb
at (919) 516-2161 or by email at eric.lamb@raleighnc.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Meeker', with a long horizontal flourish extending to the right.

Charles C. Meeker
Mayor

CCM/ejl

Cc: City Councilors
J. Russell Allen – Raleigh City Manager
David Cooke – Wake County Manager
Mitchell Silver, AICP – Raleigh Planning Director
Carl R. Dawson, Jr., PE – Raleigh Public Works Director
Brad Bass, AICP –Garner Planning Director