

MAYOR COMMENTS FOR COUNCIL COMMITTEE ON ECONOMIC DEVELOPMENT:

In 2006, the Town Council desired a structural change in Chapel Hill's Tax Base and appointed a Council Committee to consider hiring an Economic Development professional. In 2007 the position was filled and a Council Committee on Economic Development began the task of creating an Economic Development Strategy. In 2008 Town Council adopted a Strategy to "grow the non-residential tax base" and "create jobs" and four other strategy statements.

Since then we have:

- created a Small Art Business Loan Program which helped fund the startup of FRANK,
- Worked on improving the Internal components of the Development Review Process,
- Coordinated a Parking Study and recommendations to Council,
- Developed a plan for replacement parking for Lot 5,
- Increased the public management of parking in downtown,
- Coordinated new parking signs for downtown,
- Coordinated a study on the Barriers to Small Business development which led to the recent LUMOTA for Ground Signs and we presented a LUMOTA for Medical Office uses to help grow our office market.

We have seen the number of inquiries that come through our economic development office grow over the last few years to 29 in the previous physical year. We have also received direct and referred inquiries that include the relocation of companies outside of the US to relocate to Chapel Hill as their corporate headquarters. We have seen the number of request for development review assistance decline over the last few years. We have a inventory of office and retail space that also helps us understand the current square footages in each category.

We have completed a

- Retail Market Analysis,
- Office Market Study and
- Housing Market study to help us better understand the market conditions for our community.

These studies helped to inform our planning efforts for Downtown and the Ephesus Church-Fordham Small Area Plans. All of this work helps us to better understand how we can move forward with development which can help to grow our non-residential market to better balance our need in the future.

The Ephesus Church-Fordham Plan recognized several opportunities for redevelopment and since the beginning of the plan; all of the sites have been sold or are under option for a future purchase. We believe

that by guiding these processes we help to market and encourage redevelopment of these sites. We now need to work to continue these redevelopment opportunities by planning for the public and road improvements to encourage re-investment. Once Council gives further direction for the Plan, we can begin to work on engineering of roadways and intersections and planning improvements to accommodate these new uses.

We are currently working on the creation of a Retail Development Strategy to share with the full Council. We will be ready to share a draft of this strategy on June 10, 2011 at 8:30am. This strategy takes available opportunities of building and expanding retail opportunities, as a land use and then looks at economics, specifically on market capacity and to basically explore the best sites for growing or expanding retail in Chapel Hill. This uses the realities of land-use and market economics to help in showing Council where future retail might be developed and well supported for best success.

We have arrived at a place that offered the opportunity to coordinate a new development on Eubanks Road to significantly grow the non-residential tax base. The property had an option secured on it and our Economic Development Officer came to the committee and asked for dollars to support the creation of a joint concept plan that attempts to balance the interests of the developer with the Town's interests. This concept plan was presented to the Council Committee and we wanted to share this work with you tonight. It will return as a formal Concept Plan on June 20th, 2011. This concept plan can add as much as 450,000 SF in new non-residential uses and 3-400 new residential units. (Share picture of concept plan and a few highlights: new park-and-ride, mix of uses, other)

The Design Process included:

1. Reviewing the Northern Area Task Force Report for guidance
2. Reviewed Scope of Park and Ride Feasibility Study – which is on our agenda tonight
3. Review Stream and Highway Buffer requirements – map no build restrictions
4. First round of separate meetings – one staff, one development team
5. Developed Design principles, confirm development program and design two alternative concepts
6. Second round of meetings – both groups together react to the precedents and the two alternatives
7. Selected a preferred alternative
8. Refined the Concept – conference call with ED Office and Development Team

The Design Principles include:

1. Maximize the development potential by vertically stacking uses where economically feasible to maximize tax base growth

2. Use the new diagonal as the main axis of the concept. Orient big boxes to a shared field of parking on Eubanks
3. Create a pedestrian friendly public commons anchored by food and the park & ride hub
4. Align streets to allow for connections to streets across Eubanks Rd and to the northwest for future redevelopment opportunities
5. Plan Eubanks Rd. as a four lane section with a median, sidewalks, bike lanes (+/-100 ft. ROW), and a multipurpose path/greenway separated from the street.
6. Create a hierarchy of streets – segregate the pedestrian vs. the bus-way
7. Create a concept that can adapt to future redevelopment opportunities on the site by redeveloping surface parking lots
8. We targeted approximately 12% shared parking
 - Hotel and office peak at opposite times from park and ride – they could share spaces
9. Create an alley system to allow easy servicing and separation from other uses
10. Locate auto dominated uses towards the I-40 side of the site
11. Locate fast food outlets internal to the site to promote foot traffic. Turn the out-parcels into in-parcels, orient them away from Eubanks – but still visible from it.
12. Explore creating alternative exits from I-40 to improve access and relieve traffic congestion on MLK/Eubanks Rd
13. Create a buffer to screen parking and transition into the neighborhood south of Eubanks
14. Employ innovative stormwater alternatives to detention ponds to meet requirements
15. Use vertical architectural elements to punctuate key vistas and intersections
16. Protect old growth trees on the north side of slopes by the creek

All of the work this committee has completed and is working on falls within the parameters of the adopted Economic Development Strategy which has served as a great guide in this work.

Questions or comments?