STATE OF DOWNTOWN RALEIGH
The past few years in Downtown Raleigh have been memorable to say the least. Challenged with crises in 2020 that deeply affected our storefront business community, office population, business travel, events and virtually every aspect of daily life here, our downtown has seen plenty of unprecedented days. We are navigating a world where some things have changed and some have returned to what we considered normal. Many new work differently than before, as we adjust to a new normal of hybrid work models and increased flexibility in how we do our jobs. But for many other aspects of life, we have seen an increasing return to normal. Events at Fayetteville Street and concerts at Red Hat Amphitheater have been full of people looking to gather together and enjoy new experiences. Our museums have seen families return, conventions are bringing more visitors to our hotels, and our residential buildings have high demand with the desire to live in a vibrant, urban center still strong.

Underpinning our recovery always has been a very close knit and strong community of businesses, residents, leaders and other stakeholders with a clear interest in making sure our city’s heart remained healthy. People have supported our businesses however they could and every opportunity to come back downtown has been met with great support. Our downtown provides memorable and unique experiences in this region that cannot be diminished by the crises of the past few years.

So, despite all of the challenges of a lengthy pandemic, we have seen high residential occupancy, new leases being signed, cranes on our skyline, and a rush of new businesses coming back to our storefronts. Downtown Raleigh has truly shown itself to be not only the heart of our city, but a resilient and strong community that already is seeing new growth and opportunity. As the data and analysis in this report shows, Downtown Raleigh was not only one of the strongest submarkets in the entire region prior to the onset of the COVID-19 crisis, but is already re-emerging as a place where people want to come back together and re-engage as a community.

Since 2015, downtown has seen a staggering 3,451 residential units built and delivered in just the past six years. Not only are those units full, at nearly 95% occupancy, but that residential growth helped deliver downtown two grocery stores opening in the past two years and build the largest collection of locally-owned retailers in the region. With a recent and future development pipeline of more than $6.7 billion, a number that has grown by nearly $2 billion since just last year, including $1.9 billion in projects completed since 2015 and $4.6 billion in under construction and planned projects. Downtown Raleigh has seen extraordinary growth over the past few years with more still coming. Prior to the recent COVID-19 crisis, Downtown Raleigh hotels were setting new records in occupancy rates while over 3.5 million visitors came to downtown each year to visit our many cultural institutions. Additionally, while Raleigh is a rapidly growing city, we are making major investments as a community into our greenspace with the purchase of the 308-acre Dix Park, located near downtown, as well as the recent renovation of nearby historic Chavis Park. Our community also is preparing for a multimodal future by building a Bus Rapid Transit system that will have four lines all intersecting in Downtown Raleigh.

As we move into a new future with a flight towards quality among office tenants and residents, an even stronger hunger for unique experiences, and a continued need for sustainable and multi-modal districts, we feel confident that Downtown Raleigh actually is the best positioned part of this entire region. Our storefront experience, transit connectivity, walkability, innovative companies, rapidly growing residential base, and our emphasis on urban greenspace all position us to not only absorb more growth but also to do so in a durable and sustainable way. But what also distinguishes us is our innovative and thoughtful community. Throughout the past couple of years, we quickly have pivoted, tried new policies and programs, and been willing to make bold changes and investments to make sure our downtown continues to be competitive through an uncertain time.

The affect and impact of the COVID-19 crisis continues to demand a strong response from our community to help Downtown Raleigh, and the work is not done. But time and again, this community has shown an ability to support and elevate its center city through bold action and investment. The same energy that revitalized this downtown will position this place to quickly rebound again. And our hope is that we not only come back, but do so stronger and more equitably than before, to make sure all members of our community still see themselves in the heart of this city.

Raleigh’s current success would not be possible without civic engagement from our business community and residents and financial support from private investors. I am proud of this city and the work that has gone into helping Raleigh and its downtown grow to its full potential. And, I look forward to the next chapter of our ongoing story of rebirth and rising to new heights.

Sincerely,

Bill King, DRA President & CEO

© Monica Slaney
RETAIL & DINING

- Retailers: 115+
- Restaurants: 165+
- James Beard Nominations Since 2010: 22

ARTS, CULTURE & ENTERTAINMENT

- Arts and Cultural Establishments: 72
- Visitors to Top Attractions in 2021: 1.2 million

TALENT & LIVING

- Percentage of Residents with Bachelor’s Degree or Higher: 66%
- Enrollment in Raleigh Universities: 42,757
- Housing Units: 7,914
- Population within one mile: 21,000+
- Average Rent: $1,883

OFFICE & EMPLOYEES

- Total Number of Employees: 48,000+
- Office Occupancy: 88.4% (Q2 2022)
- Square Feet of Private Office Space: 9 million SF

HOTEL

- Hotel Rooms: 1,652
- Hotel Occupancy: 67.4% (June 2022)
- Average Hotel Daily Room Rate: $172.55 (January-June 2022)

SUSTAINABILITY & GREENSPACE

- High Walk Score: 97
- Acres of Parks Near Downtown: 491
- LEED Certified buildings: 14
DOWNTOWN DISTRICTS

Warehouse District:
Characterized by its red brick warehouses, the Warehouse District has transformed into a vibrant mix of art museums, restaurants, destination retail, technology firms, and a transportation hub with Raleigh Union Station. The second phase of Raleigh Union Station, known as RUS Bus, is now underway. Plans for RUS Bus will create a true multi-modal hub, including multiple high-rise multifamily mixed-use towers with street-level retail and a bus terminal.
• Home to Citrix, Raleigh Founded, and newer projects such as The Dillon, Raleigh Union Station, and Morgan Street Food Hall
• 20+ stores and art galleries
• 35+ dining establishments (including Morgan Street Food Hall vendors)
• 45 condos recently delivered
• Largest apartment building in downtown currently under construction with 442 units

Moore Square District:
Moore Square is primed to change dramatically with major public investment helping stimulate large private development. The park underwent a $12.6 million renovation and reopened in fall 2019 and has since become a popular downtown attraction with events like farmers markets, festivals, concerts, and outdoor movies. The park is adjacent to the historic City Market, which has popular downtown dining and shopping. Residential developments such as SkyHouse, Edison, and The Lincoln help make this district one of the densest neighborhoods in Raleigh. There are plenty of entertainment options like Marbles Kids Museum and live music venues like The Lincoln Theatre and Pour House Music Hall.
• 800+ new residential units opened since 2015
• Over $20 million in public investment since 2016
• 45+ dining & nightlife establishments
• 30+ retailers
• Home of Transfer Co. Food Hall which has 10+ food vendors and Burial Beer

Glenwood South:
The civic spine of the city and state, iconic Fayetteville Street has something for everyone. Skyscrapers of Class A office space and condos are mixed with award-winning restaurants, a major performing arts center, large outdoor event space and amphitheater, independent retailers, galleries, the convention center, and exciting nightlife. Home to modern and historic buildings, many storefronts, and a wide array of restaurants, the district is also the location of Raleigh’s first ‘social district,’ an area allowing public consumption of alcoholic beverages.
• 45+ restaurants and bars and 15+ retailers
• The multi-phased Salisbury Square development will add new office, retail, multifamily, and hotel product south of the convention center
• An underway request for information (RFI) process for two city-owned sites on the south end of Fayetteville Street will add a new 500-room convention hotel and residential mixed-use tower

Fayetteville Street:
One of downtown’s signature streets anchors this eclectic mix of restaurants, nightlife, stores, art galleries, and residences. New restaurants blend in with established favorites, while the exploding population of young workers find plenty to do in the active nightlife scene, which includes the world record holding Raleigh Beer Garden. Glenwood South is the densest residential area in the Triangle with 1,900+ units recently delivered or under construction.
• Smoky Hollow development recently added over 1 million SF of retail, office, and residential space
• The Bloc[83] development added 450+ of Class A office space across two towers, One Glenwood and Tower Two
• A future 14-acre urban park planned for the district
• 70+ dining and nightlife establishments
• 40+ retailers

Capital District:
The Capital District is the power center of North Carolina and home to some of the state’s biggest tourist attractions. With the State Capitol, Legislative Building, Governor’s Mansion, and 3.5 million square feet of government office space, many of the most important decisions in the state are made in this district. The Capital District is also home to the NC History Museum and NC Museum of Natural Sciences, which attracted a combined 1.5+ million visitors in 2019—more than any other attractions in the state.
• Home to the recently renovated Longleaf Hotel
• Future home to a new, $180-million, consolidated Downtown Education Campus
INTRODUCTION TO DOWNTOWN

Downtown Raleigh has experienced exceptional growth over the past decade and is poised for more growth coming out of the pandemic as an even more attractive residential, office, retail, and tourism market. Downtown Raleigh’s high quality of life and its many amenities are attracting new residents, office tenants, business owners, and visitors, making it one of the fastest growing downtowns in the country right now.

Since 2005, Downtown Raleigh has seen $4.4 billion in development completed and under construction, adding new residences and office space and even more amenities including new restaurants, hotels, retail, and entertainment venues. The development pipeline continues to grow, adding many new exciting projects as Downtown Raleigh is gaining increasing national and regional interest.

Emerging from the pandemic, Downtown Raleigh has seen positive indicators of economic recovery across all market segments. Since the beginning of 2021, there have already been 78 new business openings or expansions, which is a net gain of +35 new businesses in less than two years.

Downtown remains a popular residential market with residential occupancy at 94.9% this summer and 6,840 new units planned or proposed for downtown currently.

The office market is also growing and receiving increasing interest from companies looking for a talented workforce and thriving downtown environment. The downtown office market continues to see positive net absorption, with +348K+ SF of Class A net absorption in the first two quarters of 2022, indicating increasing interest in the new Class A spaces with high quality amenities.

While Downtown Raleigh has seen monumental investment and development, it has also emerged and grown into its own as a national destination and vibrant cultural center. Entrepreneurs, artists, musicians, innovative tech companies, award-winning chefs, and cutting-edge makers all find a home and support for their creations in the Downtown Raleigh community.

WHAT DOES THIS GROWTH MEAN FOR THE FUTURE?

<table>
<thead>
<tr>
<th>COMPLETED SINCE 2015, UNDER CONSTRUCTION, PLANNED DEVELOPMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>11,760 = 17.8K</td>
</tr>
<tr>
<td>3.5M = 15.5K</td>
</tr>
<tr>
<td>852K = 240+</td>
</tr>
<tr>
<td>2,229 = 613K+</td>
</tr>
<tr>
<td>new residential units</td>
</tr>
<tr>
<td>new residents</td>
</tr>
<tr>
<td>square feet of new office space</td>
</tr>
<tr>
<td>new office employees</td>
</tr>
<tr>
<td>square feet of new retail space</td>
</tr>
<tr>
<td>new stores and restaurants</td>
</tr>
<tr>
<td>new hotel rooms</td>
</tr>
<tr>
<td>more overnight stays per year</td>
</tr>
</tbody>
</table>
### DEVELOPMENT

**$6.7B** in development pipeline of projects planned, under construction, or completed since 2015

- **11,760** residential units planned, under construction, or delivered since the start of 2015
- **3,451** units completed since start of 2015
- **12K+** residents live in downtown
- **94.9%** residential occupancy in downtown overall

### RETAIL

- **323** Acres of new park space being added in downtown
- **20+** miles of Bus Rapid Transit (BRT) planned
- **300+** bikeshare cycles with 20 bikeshare stations in downtown
- **2** food halls with 29 vendors

### OFFICE & EMPLOYEES

- **+35** net new storefront businesses opened since January 2021
- **+83%** growth in downtown’s retail base since 2011
- **90%+** of downtown stores are locally-owned and independent
- **2** downtown grocery stores
- **2** food halls

### Tourism

- **1.2 million visitors** to downtown attractions in 2021
- **+145.6%** increase in downtown revenue per room from 2021 to 2022
- **$172.55** average daily room rate 2022 YTD

### ARTS & CULTURE

- **72** Art galleries, museums, performing arts groups, venues, and entertainment and cultural institutions in downtown
- **150+** Pieces of public art in downtown
- **+60** Public art installations added since the start of 2020
- **560K+** Attendees to outdoor events in downtown from July 2021 to June 2022

### LIVING

- **100+** bars, breweries, music venues, and nightclubs in Downtown Raleigh
- **165+** restaurants and bars with outdoor seating

### RESTAURANTS & NIGHTLIFE

- **104** lunch spots in downtown, more than any other submarket in the Triangle

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**Sources:**
- JLL, DRA
- U.S. Census, ESRI Business Analyst
- DRA, Integra Realty Resources
- Walkscore.com, City of Raleigh, Cardinal Bikeshare
- GRCVB
- STR Research, GRCVB
- COR

**Notes:**
- ¹DRA
- ²US Census, ESRI Business Analyst
- ³Integra Realty Resources
- ⁴Walkscore.com
- ⁵City of Raleigh
- ⁶Cardinal Bikeshare
$6.7B
IN DEVELOPMENT
PIPELINE OF PROJECTS
PLANNED, UNDER
CONSTRUCTION, OR
COMPLETED SINCE 2015

RALEIGH'S FUTURE SKYLINE

COMPLETED SINCE 2015
• $1,944,804,161 investment
• 1,828,479 SF office space
• 3,451 residential units
• 521 hotel rooms
• 406,522 SF retail

UNDER CONSTRUCTION
• $597,400,000 investment
• 1,441,140 SF office space
• 1,469 residential units
• 259 hotel rooms
• 93,745 SF retail

IN SITE PREPARATION
• $870,000,000 investment
• 1,740,000 SF office space
• 2,044 residential units
• 149 hotel rooms
• 90,300 SF retail

PLANNED & PROPOSED
• $3,286,950,000 investment
• 1,535,447 SF office space
• 4,796 residential units
• 1,300 hotel rooms
• 171,025 SF retail
<table>
<thead>
<tr>
<th>NAME</th>
<th>INVESTMENT</th>
<th>SQUARE FEET</th>
<th>UNITS/ROOMS</th>
<th>TYPE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cameron Crest</td>
<td>$4,000,000</td>
<td>16,200 SF</td>
<td>6 units</td>
<td>TransHotel</td>
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<tr>
<td>City Place (Renovation)</td>
<td>$1,700,000</td>
<td>N/A</td>
<td>N/A</td>
<td>Office/Retail</td>
</tr>
<tr>
<td>Warette West</td>
<td>$4,000,000</td>
<td>25,000 SF</td>
<td>N/A</td>
<td>Office/Retail</td>
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<tr>
<td>Longleaf East</td>
<td>$6,000,000</td>
<td>28,600 SF</td>
<td>16 rooms</td>
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<tr>
<td>The Cases (Formerly Origin Raleigh)</td>
<td>$425,000</td>
<td>196,000 SF</td>
<td>126 rooms</td>
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<tr>
<td>Peace (Smoky Hollow Phase I)</td>
<td>$50,000</td>
<td>400 SF</td>
<td>40 units</td>
<td>Apartment/Retail</td>
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<tr>
<td>The Jail</td>
<td>$40,000</td>
<td>50,000 SF</td>
<td>17 units</td>
<td>TransHotel</td>
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<tr>
<td>S&amp;V Walker Apartments (Renovation)</td>
<td>$55,000</td>
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<td>South Dawson Retail (Renovation)</td>
<td>$415,000</td>
<td>9,750 SF</td>
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<tr>
<td>Leigh House Hotel</td>
<td>Not announced</td>
<td>10,000 SF</td>
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<td>The Fairweather</td>
<td>$25,000</td>
<td>105,210 SF</td>
<td>55 units</td>
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<td>The Line Apartments (Smoky Hollow Phase II)</td>
<td>$95,000</td>
<td>30,000 SF</td>
<td>255 units</td>
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<td>42 L Hargrave Street (Smoky Hollow Phase II)</td>
<td>$90,000</td>
<td>245,000 SF</td>
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<tr>
<td>Tower Two at Bloc</td>
<td>$97,000</td>
<td>27,750 SF</td>
<td>N/A</td>
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<td>John Chavis Memorial Park Improvements</td>
<td>$52,000</td>
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<td>N/A</td>
<td>Park</td>
</tr>
<tr>
<td>AC Hotel by Marriott Raleigh Downtown</td>
<td>$125,000</td>
<td>9,300 SF</td>
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<td>First Citizens Bank Building (Renovation)</td>
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<td>N/A</td>
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<tr>
<td>U孚's Department Store - 286 Fayetteville (Renovation)</td>
<td>Not announced</td>
<td>27,000 SF</td>
<td>N/A</td>
<td>Office/Retail</td>
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<tr>
<td>286 Fayetteville (London Riverstone)</td>
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<td>N/A</td>
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<tr>
<td>200 Hilborn at Raleigh Crossing</td>
<td>$560,000</td>
<td>269,300 SF</td>
<td>N/A</td>
<td>Office/Retail</td>
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</table>

**TOTAL**: $3,286,850,000

<table>
<thead>
<tr>
<th>TYPE</th>
<th>SQUARE FEET</th>
<th>UNITS/ROOMS</th>
<th>TYPE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apartment/Retail</td>
<td>4,756 units / 1,300 rooms</td>
<td>N/A</td>
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<tr>
<td>Office/Retail</td>
<td>303,567 SF</td>
<td>1,500 units</td>
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<tr>
<td>Hotel</td>
<td>8,200 SF</td>
<td>300 units</td>
<td>Hotel</td>
</tr>
<tr>
<td>Resdential Mixed Use</td>
<td>285,000 SF</td>
<td>670 units</td>
<td>Apartment/Retail</td>
</tr>
<tr>
<td>Hotel (TBA)</td>
<td>26,650 SF</td>
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<td>Hotel</td>
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<tr>
<td>Apartment/Retail</td>
<td>27,000 SF</td>
<td>372 units</td>
<td>Apartment/Retail</td>
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<tr>
<td>Office/Mixed Use</td>
<td>11,400 SF</td>
<td>N/A</td>
<td>Office/Retail</td>
</tr>
<tr>
<td>Office/Retail</td>
<td>2,168,500 SF</td>
<td>2,044 units / 149 rooms</td>
<td>Office/Retail</td>
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<tr>
<td>Hotel</td>
<td>366 units</td>
<td>366 units</td>
<td>Hotel/Retail</td>
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<tr>
<td>Residential Mixed Use</td>
<td>587 units*</td>
<td>670 units</td>
<td>Apartment/Retail</td>
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<tr>
<td>Hotel</td>
<td>336 units</td>
<td>336 units</td>
<td>Hotel</td>
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<td>Resdential Mixed Use</td>
<td>300 units</td>
<td>300 units</td>
<td>Apartment/Retail</td>
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<tr>
<td>Hotel</td>
<td>259 rooms</td>
<td>259 rooms</td>
<td>Hotel</td>
</tr>
<tr>
<td>Residential Mixed Use</td>
<td>221 units</td>
<td>221 units</td>
<td>Apartment/Retail</td>
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<tr>
<td>Hotel/Retail</td>
<td>203 units</td>
<td>203 units</td>
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<tr>
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<td>196,000 SF</td>
<td>Hotel</td>
</tr>
<tr>
<td>Retail</td>
<td>53,200 SF</td>
<td>53,200 SF</td>
<td>Retail</td>
</tr>
<tr>
<td>Townhomes</td>
<td>196,000 SF</td>
<td>196,000 SF</td>
<td>Townhome</td>
</tr>
<tr>
<td>Hotel/Retail</td>
<td>191,000 SF</td>
<td>191,000 SF</td>
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</tr>
<tr>
<td>Office/Retail</td>
<td>186,000 SF</td>
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</tr>
<tr>
<td>Hotel</td>
<td>175,864 SF</td>
<td>175,864 SF</td>
<td>Hotel</td>
</tr>
<tr>
<td>Retail</td>
<td>166,166 SF</td>
<td>166,166 SF</td>
<td>Retail</td>
</tr>
<tr>
<td>Townhomes</td>
<td>166,166 SF</td>
<td>166,166 SF</td>
<td>Townhome</td>
</tr>
<tr>
<td>Hotel/Retail</td>
<td>150,000 SF</td>
<td>150,000 SF</td>
<td>Hotel/Retail</td>
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<tr>
<td>Retail</td>
<td>126 rooms</td>
<td>126 rooms</td>
<td>Retail</td>
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<tr>
<td>Townhomes</td>
<td>126 rooms</td>
<td>126 rooms</td>
<td>Townhome</td>
</tr>
<tr>
<td>Hotel/Retail</td>
<td>103,250 SF</td>
<td>103,250 SF</td>
<td>Hotel/Retail</td>
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<tr>
<td>Retail</td>
<td>103,250 SF</td>
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</tr>
<tr>
<td>Townhomes</td>
<td>126 rooms</td>
<td>126 rooms</td>
<td>Townhome</td>
</tr>
<tr>
<td>Hotel/Retail</td>
<td>103,250 SF</td>
<td>103,250 SF</td>
<td>Hotel/Retail</td>
</tr>
</tbody>
</table>

**TOTAL**: $3,286,850,000

Note: Totals include investment estimates for projects that have not announced investment totals.
Downtown Raleigh’s population has grown by **112% since 2000** and is growing at a faster rate than the rest of the city and the state.

**POPULATION | PERCENTAGE INCREASE SINCE 2000**

- Downtown Raleigh: 112%
- City of Raleigh: 40%
- Wake County: 20%

**DOWNTOWN DEVELOPMENT PIPELINE SINCE THE START OF 2015**

Downtown has seen over **$6.7 billion in development completed, under construction, or planned since 2015.**

**DEVELOPMENT AND INVESTMENT**

$6.7 BILLION DEVELOPMENT PIPELINE of recently completed, under construction, in site preparation, or planned development
- $5.9 billion completed since 2015
- $597 million under construction
- $870 million in site preparation
- $3.3 billion planned

**DENSITY | PEOPLE PER SQUARE MILE**

- Downtown Raleigh: 8,278/SM
- City of Raleigh: 3,317/SM
- Wake County: 1,331/SM

**DOWNTOWN PIPELINE**

- Fayetteville Street: $1,498,430,000
- Glenwood South: $1,719,236,352
- Moore Square District: $1,319,503,873
- Moore Square Station: $422,955,800
- Seaboard & Person Street: $273,060,000
- Morris Place District: $1,319,503,873
- Capital District: $161,149,736
- Warehouse District: $1,319,503,873

**OFFICE SQUARE FEET**

- Completed (since 2015): 1,535,447
- Under Construction: 13,720
- Site Preparation: 144,410
- Planned: 2,044

**RETAIL SQUARE FEET**

- Completed (since 2015): 171,025
- Under Construction: 93,745
- Site Preparation: 4,796
- Planned: 17,129

**RESIDENTIAL UNITS**

- Completed (since 2015): 4,796
- Under Construction: 2,044
- Site Preparation: 1,669
- Planned: 3,631

**HOTEL ROOMS**

- Completed (since 2015): 1,300
- Under Construction: 299
- Site Preparation: 521

**SOURCES:**
- U.S. Census
- ESRI Business Analyst
- City of Raleigh
- Wake County
**TAX REVENUE: AVERAGE PROPERTY TAX YIELD PER ACRE (CITY AND COUNTY) BY DEVELOPMENT TYPE**

Denser development in downtown results in more efficient use of land and much higher value per acre than low-rise commercial development. For example, a downtown office tower pays an average of $1,134,522 in property taxes per acre, per year, while a big box retailer in Raleigh pays an average of $6,104 per acre annually. Downtown multifamily apartment buildings also yield more efficient tax revenue per acre, as they average $399,028 per acre in property taxes to the city and county governments versus just over $13,335 per acre for large apartment complexes throughout the rest of the city.1

**DOWNTOWN: VALUABLE AND RISING**

Downtown is Raleigh’s most valuable area, as shown below, with downtown in the center of the map. The additional tax revenue generated by dense, downtown development can provide needed funds for new or additional government services from police and fire protection to affordable housing or new infrastructure such as sidewalks, bike lanes, green space, and a bike share system for Raleigh. This additional tax revenue is generated on far less land than development outside the CBD.

**MAJOR REAL ESTATE SALES**

With increasing interest in downtown property, Downtown Raleigh has had **$805.5 million in commercial real estate sales** since January 2021. This includes Downtown Raleigh’s biggest sale to date, which was the $330 million sale of Bloc[83] in December 2021.

**BLOC[83]: ONE GLENWOOD AND TOWER TWO @ BLOC[83] 1 GLENWOOD AND 621 HILLSBOROUGH ST**

Bloc[83] consists of two office towers: One Glenwood and Tower Two @ Bloc[83]. One Glenwood, a 10-story tower completed in 2019, has 227,500 total square feet, which includes 212,500 square feet of Class A office space and 15,000 square feet of first floor retail space. Tower Two, another 10-story tower completed in April 2021, has 271,750 total square feet, including 241,750 square feet of Class A office space, 30,000 square feet of retail space, and a 665-space parking garage. Both towers have had success in leasing with major tenants such as Envestnet and McAdams. The combined $194 million investment sold for $330 million in December 2021—a +70% return on investment.

**THE DILLON (223 S WEST STREET)**

The Dillon, a 875,216 SF mixed-use development in the Warehouse District delivered in 2018 and was sold in November 2020 for $236 million.1 This was a 57% return on investment. The development has 210,000 SF of Class A office space, 52,000 SF of retail space, and 271 residential units. The sale price per residential unit for the apartment component is estimated at $334,000 per unit. The total price per SF of the sale is $486.22 per SF.
IN 2015, THE CITY OF RALEIGH AND DOWNTOWN RALEIGH ALLIANCE partnered to create a 10-year plan for Downtown Raleigh, which builds upon the successes downtown experienced in recent years and provides a new map for guiding growth and development in downtown while addressing both opportunities and challenges facing downtown over the next decade. This plan seeks to improve park spaces, provide more transportation options, maintain authenticity and character, create a robust retail environment, improve affordable housing options, and establish stronger partnerships for downtown’s future. Many of these initiatives such as new parks, transit, development, retail, streetscaping, and other projects are well underway.

**RETAIL STRATEGY**
A major initiative of the Downtown Plan and DRA is a robust retail strategy. Improving the retail environment is one of the most important goals for the downtown community and the Downtown Plan highlights this need by building off of DRA’s existing retail efforts (outlined in the Shopping section). Actions include targeting authentic retailers, identifying a toolkit for retail, and improving wayfinding, art, pop-ups, and parklets.

**BREATHE | IMPROVE, EXPAND, AND CONNECT DOWNTOWN’S GREEN SPACE**
The goal of “Breathe” is to transform downtown Raleigh into a center for innovative urban parks and appealing green spaces, as well as improve existing parks and expand park access to underserved areas of downtown. Actions include renovation of historic squares, addition of new parks at Dix and Devereux Meadow, extending the greenway, and creating sustainable funding and governance structure for these parks.

**MOVE | MAKE WALKING, BIKING, AND TRANSIT THE PREFERRED WAYS TO GET IN AND AROUND DOWNTOWN**
The goal of “Move” is to enhance street character and uses along key streets to make walking, biking, and transit the preferred ways to get in and around downtown, while still accommodating automobile traffic. Actions include creating a complete pedestrian and bike network, enhancing transit, and reviewing parking and street grid enhancements.

**STAY | REALIZE DOWNTOWN’S POTENTIAL AS A DYNAMIC REGIONAL CENTER ANCHORING TOURISM, ENTERTAINMENT, AND CULTURE**
The goal of “Stay” is to provide a balance to downtown, where all are welcomed through strategic new growth and redevelopment. Actions include:

- Maintaining downtown character and authenticity through historic preservation and adaptive reuse, public art, and high-quality new construction
- Ensuring downtown remains clean and hospitable
- Encourage the development of vacant and underbuilt sites to fill the entire downtown with active uses
- Create a robust retail environment in downtown to include a combination of local and destination retail
- Ensure downtown has a diversity of housing opportunities at different price points
- Partner with non-profits and Wake County to address homelessness and work to secure housing for the homeless population

**CATALYTIC PROJECT AREAS | FIVE AREAS OF DOWNTOWN HAVE BEEN IDENTIFIED TO SERVE AS EXAMPLES OF HOW THE THEMES AND ACTIONS TRANSLATE INTO PHYSICAL FORM**

**SEABOARD/PERSON STREET:**
This project focuses on improving connectivity through renovations of Peace Street and streetscape improvements to Blount and Person streets with better bicycle and pedestrian access providing connections between urban neighborhoods like Glenwood South.

**GATEWAY CENTER:**
On downtown’s southern edge, the opportunity exists to extend downtown several city blocks, facilitated by large parcels, consolidated ownership, and city-owned property.

**GLENWOOD GREEN:**
This project focuses on creating a new urban park at Devereux Meadow, an improved block pattern created by the Peace Street Bridge replacement, and a greenway connecting Glenwood South with areas to the north and south.

**MOORE SQUARE:**
More than any other catalytic project area, this one focuses on large public investment in the park and transit center renovation, along with redevelopment of key, publicly owned parcels near the square to help revitalize this historic district.

**NASH SQUARE-RALEIGH UNION STATION:**
A renovation of Nash Square, improved streetscaping and programming for the Hargrett and Martin street corridors toward more pedestrian and retail-oriented uses, and connecting Raleigh Union Station to the rest of downtown are all a part of this project area’s vision.
2003: LIVABLE STREETS PLAN
Five transformative projects in five years:
1. Fayetteville Street reopened to vehicular traffic.
2. Build new Raleigh Convention Center.
3. Pedestrian environment improvement.
4. Upgrade business climate through regulatory reform.
5. Expand downtown management and marketing.

2004: TWO PROGRESS PLAZA (NOW RED HAT TOWER) OPENS
• Red Hat Tower completed—the $100 million project added over 350,000 SF of office space.

2005: $60 MILLION IN DEVELOPMENT COMPLETED
• The Hudson, The Paramount, and The Dawson give new residential options.

2008: RALEIGH CONVENTION CENTER AND MARRIOTT CITY CENTER OPEN
• Provides over 500,000 SF of exhibition and meeting space, along with 390 rooms in the heart of downtown.
• Raleigh’s tallest building at 538 feet, RBC Plaza (now PNC Plaza) completed.
• 426 luxury condo units completed this year alone at 222 Glenwood, West at North, and RBC Plaza (now PNC Plaza).

2009: CITY PLAZA OPENS
• Premier outdoor event location, now hosts thousands of visitors for major events and festivals.

2010: RED HAT AMPHITHEATER OPENS
• Provides a unique outdoor entertainment venue for the region with the downtown skyline as a backdrop.

2011: CAM RAILEIGH OPENS
• Modern Art Museum opens anchoring the Warehouse District.

2012: TECH COMPANIES MOVE DOWNTOWN PLUS NEW OFFICE SPACE OPENS
• IPO relocates to One City Plaza and brings over 250 jobs to downtown.
• Red Hat moves into Red Hat Tower after a $30 million renovation, bringing 900+ jobs.
• Justice Center: $153 million investment and LEED Silver certified.
• SECU: $45 million, 12-story, 240,000 SF, LEED Gold certified.

2013: TECH COMPANIES MOVE INTO THE WAREHOUSE DISTRICT
• Occupies a 170,000 SF modern office building in a restored warehouse, joining other tech companies to help make downtown a destination for innovative and cutting edge firms.

2014: DOWNTOWN EXPERIENCE PLAN APPROVED
• 10-year plan that calls for more green space, retail, density, connectivity, and strategic development.

2015: DOWNTOWN CONDO COMEBACK
• 45 new downtown condos added at The Fairweather in the Warehouse District, the first downtown condo project since the 2008 recession. There are currently 24 condos under construction at 615 Peace in Glenwood South.

2016: RESIDENTIAL GROWTH
• Over 1,800 units delivered in 2015 and 2016, adding a substantial number of new residents.
• New residential buildings including SkyHouse, The Lincoln, Elan City Center, Edison Lofts, Link Apartments, The Gramarcy, and The L.

2018: WAREHOUSE DISTRICT EXPLODES WITH NEW DEVELOPMENT
• Raleigh Union Station opens continuing as a new transit center.
• The Dillon opens with fully-leased office tower, residential, and retail space.

2019-2020
TWO NEW GROCERY STORES
• Weaver Street Market, a worker-and consumer-owned cooperative, sells natural and organic food with a focus on local and fair-trade products. The new 12,600 SF store opened in September of 2019 at The Dillon.
• Publix is an employee-owned American supermarket chain that opened in September of 2020 as part of approximately 50,000 SF of retail space at the new mixed-use development, Peace, part of Smokey Hollow Phase I.

2020-2021
DOWNTOWN CONDO COMEBACK
• 45 new downtown condos added at The Fairweather in the Warehouse District, the first downtown condo project since the 2008 recession. There are currently 24 condos under construction at 615 Peace in Glenwood South.

2021-2022
MAJOR GREEN SPACE AND TRANSPORTATION PLANS UNDERWAY INCLUDING DIX PARK AND RUS BUS
• Master Plan implementation continues at Dorothea Dix Park, transforming the 308-acre park into a central, urban greenspace with world-class amenities.
• Future 14-acre downtown park plans for much needed greenspace near Glenwood South and the north side of downtown.
• John Chavis Memorial Park finished renovations in 2021, adding 28 acres of improved urban greenspace on the east side of downtown.
• Enhanced Bus Service makes downtown a center for mass transit.
• N-S Greenway connector, an ‘urban greenspace’ added to connect Glenwood South and Warehouse District.

BUS RAPID TRANSIT EN ROUTE
• The New Bern Avenue BRT design phase is underway. The project will use dedicated transit lanes connecting the GoRaleigh Station in Downtown Raleigh with the WakeMed Raleigh Campus and New Hope Road.

NEW OFFICE TOWERS
• Three major office towers delivered in 2021: Tower Two at Bloc[3], 421 N. Harrison at Smokey Hollow, and 101 Hillsborough at Raleigh Crossing. These three developments added over 750,000 SF of Class A office space to the popular downtown office market.
Downtown Raleigh is poised for tremendous growth over the next few years as construction on residential units is increasing momentum. Over the past year, construction or site preparation started on over 3,500 units across 15 new residential projects. Downtown currently has a total of 1,469 units under construction, 2,044 units in site preparation, and 4,796 units planned or proposed.

There are 3,513 residential units under construction or in site preparation with 4,796 planned or proposed. This pipeline will add 8,309 new residential units to downtown over the next decade, which equates to over 12,500 new residents, more than doubling the current downtown population.
### Downtown Residential Developments Since 2015

<table>
<thead>
<tr>
<th>Development Name</th>
<th>Address</th>
<th>Type</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Devon Four25</td>
<td>425 S Boylan St</td>
<td>Apartment</td>
<td>261</td>
</tr>
<tr>
<td>The Lincoln</td>
<td>205 W Davie St</td>
<td>Apartment</td>
<td>16</td>
</tr>
<tr>
<td>Silkhouse</td>
<td>408 E Hargett St</td>
<td>Apartment</td>
<td>222</td>
</tr>
<tr>
<td>Ten at South Person</td>
<td>520 S Person St</td>
<td>Apartment</td>
<td>213</td>
</tr>
<tr>
<td>Biscuit Street Commons</td>
<td>500 John Haywood Ln</td>
<td>Townhome</td>
<td>23</td>
</tr>
<tr>
<td>The Edison Lofts</td>
<td>131 E Davie St</td>
<td>Apartment</td>
<td>213</td>
</tr>
<tr>
<td>Elan City Center</td>
<td>501 N Wilmington St</td>
<td>Apartment</td>
<td>213</td>
</tr>
<tr>
<td>The Gramercy</td>
<td>401 Glenwood Ave</td>
<td>Apartment</td>
<td>213</td>
</tr>
<tr>
<td>Link Apartments</td>
<td>207 N West St</td>
<td>Apartment</td>
<td>213</td>
</tr>
<tr>
<td>Peace Street Towns</td>
<td>200 William Drummond Way</td>
<td>Townhome</td>
<td>5</td>
</tr>
<tr>
<td>Harpeth Place</td>
<td>4215 East St</td>
<td>Townhome</td>
<td>5</td>
</tr>
<tr>
<td>West + Lenoir Phase I</td>
<td>501 W Lenoir St</td>
<td>Townhome</td>
<td>5</td>
</tr>
<tr>
<td>St. Anne</td>
<td>522 New Bern Ave</td>
<td>Apartment</td>
<td>5</td>
</tr>
<tr>
<td>The Dillon</td>
<td>401 W Hargett St</td>
<td>Apartment</td>
<td>5</td>
</tr>
<tr>
<td>Revsin</td>
<td>615 N Boylan Ave</td>
<td>Apartment</td>
<td>5</td>
</tr>
<tr>
<td>The Ware</td>
<td>400 E Hargett St</td>
<td>Apartment</td>
<td>5</td>
</tr>
<tr>
<td>STI Pave (FNB Tower)</td>
<td>511 Fayetteville St</td>
<td>Apartment</td>
<td>5</td>
</tr>
<tr>
<td>The Metropolitan</td>
<td>314 W Jones St</td>
<td>Apartment</td>
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<tr>
<td>West + Lenoir Phase II</td>
<td>501 W Lenoir St</td>
<td>Townhome</td>
<td>5</td>
</tr>
<tr>
<td>Cameron Crest</td>
<td>492 S Mary’s St</td>
<td>Townhome</td>
<td>5</td>
</tr>
<tr>
<td>Peace (Smoky Hollow Phase I)</td>
<td>417 W Peace St</td>
<td>Townhome</td>
<td>5</td>
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<tr>
<td>The Saint</td>
<td>210 S Mary’s St</td>
<td>Townhome</td>
<td>5</td>
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<tr>
<td>Six Walter Apartments (Renovation)</td>
<td>400 Fayetteville St</td>
<td>Apartment</td>
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<tr>
<td>The Fairweather</td>
<td>535 S West St</td>
<td>Condominium</td>
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</tr>
<tr>
<td>The Line (Smoky Hollow Phase II)</td>
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<td>Apartment</td>
<td>5</td>
</tr>
<tr>
<td>400M</td>
<td>400 Hargett St</td>
<td>Apartment</td>
<td>5</td>
</tr>
<tr>
<td>615 Peace</td>
<td>415 Peace St</td>
<td>Condominium</td>
<td>5</td>
</tr>
<tr>
<td>The Acorn on Person Street</td>
<td>501 S Blount St</td>
<td>Apartment</td>
<td>5</td>
</tr>
<tr>
<td>Duke at City View</td>
<td>637 S West St</td>
<td>Apartment</td>
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<tr>
<td>Park City South Phase I</td>
<td>927 S Saunders St</td>
<td>Apartment</td>
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</tr>
<tr>
<td>Platform</td>
<td>610 W Cabarrus St</td>
<td>Apartment</td>
<td>5</td>
</tr>
<tr>
<td>Rose L.</td>
<td>540 E Hargett St</td>
<td>Apartment</td>
<td>5</td>
</tr>
<tr>
<td>Seaboard Station Block B</td>
<td>1000 Seaboard Ave</td>
<td>Apartment</td>
<td>5</td>
</tr>
<tr>
<td>320 West South</td>
<td>320 W South St</td>
<td>Apartment</td>
<td>5</td>
</tr>
<tr>
<td>865 Morgan Apartments</td>
<td>865 W Morgan St</td>
<td>Apartment</td>
<td>5</td>
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<tr>
<td>City Gateway Apartments</td>
<td>320 Kinston St</td>
<td>Apartment</td>
<td>5</td>
</tr>
<tr>
<td>RUS Bus (Raleigh Union Station Phase II)</td>
<td>2000 S West St</td>
<td>Apartment</td>
<td>5</td>
</tr>
<tr>
<td>Salisbury Square Phase I</td>
<td>700 S Salisbury St</td>
<td>Apartment</td>
<td>5</td>
</tr>
<tr>
<td>Seaboard Station Block A</td>
<td>11 W Peace St</td>
<td>Apartment</td>
<td>5</td>
</tr>
<tr>
<td>Seaboard Station Block C</td>
<td>10 W Franklin St</td>
<td>Apartment</td>
<td>5</td>
</tr>
<tr>
<td>1013 Hilsborough</td>
<td>1313 Hilsborough</td>
<td>Apartment</td>
<td>5</td>
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<tr>
<td>320 W Hargett</td>
<td>330 W Hargett St</td>
<td>Apartment</td>
<td>5</td>
</tr>
<tr>
<td>401 Cabarrus</td>
<td>401 Cabarrus St</td>
<td>Apartment</td>
<td>5</td>
</tr>
<tr>
<td>501 Hilsborough</td>
<td>501 Hilsborough</td>
<td>Apartment</td>
<td>5</td>
</tr>
<tr>
<td>Alexan Glenwood South</td>
<td>230 N Harrington St</td>
<td>Apartment</td>
<td>5</td>
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<tr>
<td>Bloombury Mixed Use</td>
<td>331 S Boylan Ave</td>
<td>Apartment</td>
<td>5</td>
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<tr>
<td>Cabarrus &amp; Deason Residences</td>
<td>301 W Cabarrus St</td>
<td>Apartment</td>
<td>5</td>
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<tr>
<td>The Creamery Mixed-Use</td>
<td>410 Glenwood Ave</td>
<td>Apartment</td>
<td>5</td>
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<td>Glenwood South Towns</td>
<td>405 S Boylan St</td>
<td>Apartment</td>
<td>5</td>
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<tr>
<td>Hammel Drive Mixed-Use Development</td>
<td>1040 S Saunders St</td>
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<tr>
<td>Kimpton Mixed-Use</td>
<td>300 Hilsborough St</td>
<td>Apartment</td>
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<td>Midtown Mixed-Use</td>
<td>603 Glenwood Ave</td>
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<tr>
<td>New Bern &amp; Swain</td>
<td>574 New Bern Ave</td>
<td>Apartment</td>
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<td>The Nexus Apartments</td>
<td>205 S McDowell St</td>
<td>Apartment</td>
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<td>The Nash (part of the Nexus)</td>
<td>215 S McDowell St</td>
<td>Condominium</td>
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<td>Park City Signature Phase 2</td>
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<td>Raleigh Crossing Phase III</td>
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<td>Salisbury Square Phase II</td>
<td>700 S Salisbury St</td>
<td>Apartment</td>
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<td>Smoky Hollow Phase III</td>
<td>405 W Peace St</td>
<td>Apartment</td>
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<tr>
<td>Wilmington Street Mixed-Use</td>
<td>521 S Wilmington St</td>
<td>Apartment</td>
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</tr>
</tbody>
</table>

*Newly submitted plans increase the unit count to 587. The previous unit count of 400 is used in totals and calculations throughout the report.*
DOWNTOWN HOUSING PIPELINE

Downtown Raleigh’s housing pipeline has significantly increased over the past year with a 66% increase in the number of units planned or under construction. With 7,914 existing housing units in downtown, the 8,309 units planned or under construction would more than double the number of downtown housing units.

PEER DOWNTOWN HOUSING PIPELINE

Downtown is keeping up with the fast paced residential growth in other peer downtowns across the country.

MEDIAN RENT PER SQUARE FOOT AMONG PEER DOWNTOWNS

While rent prices have increased nationally, Downtown Raleigh continues to be more affordable than many of its peer downtowns.

RESIDENTIAL PIPELINE BY DISTRICT

While there is residential growth in all downtown districts, Glenwood South continues to be downtown’s largest and densest residential district and it currently makes up 35% of downtown’s residential pipeline.

66% of Downtown Raleigh residents 25 years and older have a bachelor’s degree or higher, compared to 34% of North Carolinians, and 35% of Americans. Raleigh-Durham is the fourth top market in the country for educational attainment and behind only Washington DC, SF Bay area, and Boston.

Downtown Raleigh is growing 2.4X faster than the Raleigh metro area.
Demand has persisted for affordable units in Downtown Raleigh as indicated by low vacancy and increasing rents. The City of Raleigh has committed to support this need and recently released a request for proposals for a new affordable housing development near Moore Square. The site, currently known as Moore Square East, was recently rezoned by the city for 20 stories. Development proposals will include a mix of affordable and market-rate units and a proposal will tentatively be chosen in late 2022.

Affordable housing currently under construction or planned for downtown:

- **Raleigh Union Station Phase II**, also known as RUS Bus, is underway with a 30+ story mixed-use tower that will include 200 affordable housing units adjacent to Raleigh Union Station.
- The Cottages at Idlewild will add 17 affordable units on the east side of downtown.
- **Heritage Park**, an existing affordable housing development, will be rebuilt to add new affordable units in this development on the southern end of downtown.

The upcoming Salisbury Square development will have almost 600 residential units across two phases and this will include 62 workforce housing units.

Moore Square East will have up to 20 stories and the number of units will depend on the development proposal that is accepted.

- **98% occupancy** for Class B and C apartments
- **+24% growth** in rent for Class B and C units since 2016
- **279+ affordable units** planned for downtown currently

### THE NEED FOR MORE FOR SALE HOUSING IN DOWNTOWN

Demand for downtown housing for sale persists as indicated by the success of the latest two condo projects as well as by increasing home prices. The Fairweather delivered 45 units last year in the Warehouse District, and all units have sold. 615 Peace is finishing up construction in Glenwood South, and all 24 units have pre-sold. There are currently 20 townhomes under construction, and there is continued interest in downtown townhomes and single family homes. There are few other condo or townhome developments planned in the immediate future despite the demand for this type of product.
Despite the pandemic, strong market demand buoyed new leasing activity in 2021 holding overall occupancy around 95% and continuing the trend of year over year rent appreciation. Average rent for Class A apartment properties in downtown grew by 8% in the past year.

### DOWNTOWN APARTMENT MARKET

**Average Rent**

<table>
<thead>
<tr>
<th>Year</th>
<th>Downtown Overall</th>
<th>Downtown Class A</th>
<th>Downtown Class B+C</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$1,883</td>
<td>$1,947</td>
<td>$1,279</td>
</tr>
<tr>
<td>2020</td>
<td>$1,967</td>
<td>$2,000</td>
<td>$1,500</td>
</tr>
<tr>
<td>2021</td>
<td>$2,000</td>
<td>$2,028</td>
<td>$1,500</td>
</tr>
<tr>
<td>2022</td>
<td>$2,000</td>
<td>$2,044</td>
<td>$1,500</td>
</tr>
</tbody>
</table>

**Medians**

- Median rent per square foot for all apartment properties in downtown: $2.32
- Median rent per square foot for Class A apartment properties in downtown: $2.36

**Occupancy**

- Overall: 94.9%
- Class A: 94.5%
- Overall: 94.7%
- Class A: 94.6%

### Downtown Class A

- Median unit size: 812 SF
- Average rent: $1,905
- Median rent per square foot: $2.47
- Average occupancy: 94.9%

### Downtown Class B/C

- Median unit size: 770 SF
- Average rent: $1,350
- Median rent per square foot: $2.36
- Average occupancy: 90.1%

- **Note:** Average figures are per property; statistical outliers are not included in the above graphic. Source: Integra Realty Resources

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**Source:** Integra Realty Resources

*Occupancy statistics do not include properties in lease-up phase.
OFFICE, EMPLOYMENT, INNOVATION & TALENT

Downtown Raleigh is attracting **new employers, tech companies, Class A office projects**, ultra-fast internet service, and is home to an increasingly **talented workforce**. Downtown Raleigh is the **d densest office market in the Triangle** with more office space, amenities, and employees per acre than any other submarket.

**OFFICE MARKET**

Downtown Raleigh’s office market remains resilient and strong and has come out of the pandemic well-positioned to meet the needs of hybrid and remote work trends. There has been a continual office development pipeline, new and expanding office tenants, and continued return of workers in 2022. Since the beginning of 2021, downtown has only had two quarters with negative Class A absorption and has had **+386K square feet of Class A office net absorption** since Q1 2020. The new, high-quality office space has attracted new and expanding local companies who are also attracted to this submarket’s talent, affordability, and quality of life.

**WHAT DOWNTOWN EMPLOYEES LIKE MOST ABOUT DOWNTOWN RALEIGH:**

#1

**RESTAURANTS**

1.8 Million

square feet of Class A office space delivered or renovated since 2015

85

employees per acre in the downtown core: more than any other Triangle office submarket

+348K

square feet of Class A office net absorption since Q1 2020

#2

**WALKABILITY**

1.7 Million

square feet of Class A office space under construction or planned

18

companies have publicly announced moves or expansions in downtown since the beginning of 2021

88.4%

occupancy rate in Q2 2022

© Monica Slaney

1JLL, DRA  2DRA  3U.S. Census, DRA  4JLL  5Costar
**Completed since 2015**
- Martin Building (Renovation & Expansion)
- Charter Square
- 518 West Jones (Renovation)
- 500 West Peace (Renovation)
- Dr. Pepper Warehouse (Renovation)
- 227 Fayetteville (Renovation)
- 707 North West (Renovation)
- The Dillon
- The Topps Building (Renovation)
- FNB Tower
- One Glenwood
- Rainbow Upholstery Building (Renovation)
- 150 Fayetteville (Lobby Renovation)

**Completed since 2020**
- Hargett West (Renovation & Expansion)
- Tower Two at Bloc[83]
- 421 N. Harrington (Smoky Hollow Phase II)
- 333 Fayetteville (Lobby Renovation)
- First Citizens Bank Building (Renovation)
- 208 Fayetteville (Renovation)
- 301 Hillsborough at Raleigh Crossing

**Under Construction**
- 400H
- 216 Fayetteville (Renovation)

**In Site Preparation**
- Salisbury Square Phase I

**Planned and Proposed**
- 122 Glenwood (Renovation & Addition)
- 618 W Jones St
- 500 W Peace St
- 416 S Dawson St
- 227 Fayetteville St
- 707 N West St
- 401 W Hargett St
- 303 N West St
- 500 Fayetteville St
- 1 Glenwood Ave
- 911 N West St
- 150 Fayetteville St
- 518 W Hargett St
- 821 Hillsborough St
- 421 N Harrington St
- 225 Fayetteville St
- 235 Fayetteville St
- 239 Fayetteville St
- 208 Fayetteville St
- 201 Hillsborough St
- 400 Hillsborough St
- 216 Fayetteville St
- 700 S Salisbury
- 122 Glenwood Ave
- 603 Glenwood Ave
- 120 Kindley St
- 400 Glenwood Ave
- 210 S Wilmington St
- 215 S McDowell St
- 405 W Peace St
- 618 W Morgan St
- 419 S East St
- 518 W Cabarrus St

---

**Development Name** | **Address** | **Office SF** | **Stories**
---|---|---|---
1. Martin Building (Renovation & Expansion) | 911 W Hargett St | 21,575 SF | 2
2. Charter Square | 535 Fayetteville St | 224,106 SF | 11
3. 518 West Jones (Renovation) | 518 W Jones St | 9,826 SF | 2
4. 500 West Peace (Renovation) | 500 W Peace St | 13,016 SF | 2
5. Dr. Pepper Warehouse (Renovation) | 416 S Dawson St | 18,096 SF | 1
6. 227 Fayetteville (Renovation) | 227 Fayetteville St | 101,435 SF | 11
7. 707 North West (Renovation) | 707 N West St | 10,649 SF | 1
8. The Dillon | 401 W Hargett St | 210,000 SF | 17
9. The Topps Building (Renovation) | 303 N West St | 14,000 SF | 1
10. FNB Tower | 500 Fayetteville St | 152,000 SF | 22
11. One Glenwood | 1 Glenwood Ave | 213,500 SF | 10
12. Rainbow Upholstery Building (Renovation) | 911 N West St | 19,300 SF | 2
13. 150 Fayetteville (Lobby Renovation) | 150 Fayetteville St | - | -
14. Hargett West (Renovation & Expansion) | 107 W Hargett St | 25,500 SF | 5
15. Tower Two at Bloc[83] | 821 Hillsborough St | 241,750 SF | 10
16. 421 N. Harrington (Smoky Hollow Phase II) | 421 N Harrington St | 225,000 SF | 10
17. 333 Fayetteville (Lobby Renovation) | 333 Fayetteville St | - | -
18. First Citizens Bank Building (Renovation) | 239 Fayetteville St | 32,491 SF | 5
19. 208 Fayetteville (Renovation) | 208 Fayetteville St | 18,000 SF | -
20. 301 Hillsborough at Raleigh Crossing | 301 Hillsborough St | 287,252 SF | 19
Subtotal: | | 1,936,800 SF | -

**Under Construction**
- 400H | 400 Hillsborough St | 144,410 SF | 20
- 216 Fayetteville (Renovation) | 216 Fayetteville St | 17,000 SF | -
Subtotal: | | 161,410 SF | -

**In Site Preparation**
- Salisbury Square Phase I | 700 S Salisbury | 15,710 SF | 20

**Planned and Proposed**
- 122 Glenwood (Renovation & Addition) | 122 Glenwood Ave | 20,000 SF | 3
- 603 Glenwood | 603 Glenwood Ave | 112,416 SF | 12
- City Gateway Phase II | 120 Kindley St | TBA | TBA
- The Creamery | 400 Glenwood Ave | 242,711 SF | 32
- The Edge | 210 S Wilmington St | 242,000 SF | 19
- The Nexus | 215 S McDowell St | 327,375 SF | 20
- Smoky Hollow Phase III | 405 W Peace St | TBA | TBA
- Tower Three at Bloc[83] | 618 W Morgan St | 295,684 SF | 18
- Transfer Co. Phase II | 419 S East St | 6,000 SF | 3
- West Cabarrus Warehouses | 518 W Cabarrus St | 289,261 SF | 7
Subtotal: | | 1,353,447 SF | -

**TOTAL:** | | 3,701,346 SF | -
OFFICE, EMPLOYMENT, INNOVATION & TALENT

RECENTLY COMPLETED

**Tower Two at Bloc[83]**
- 241,750 SF of office space
- 30,000 SF of retail space
- 665 parking spaces
- 10 stories
- $108M estimated investment
- Delivered in Q2 2021
- Large urban courtyard in downtown
- 2nd phase of the Bloc[83] project; completed after One Glenwood

**421 N. Harrington (Smoky Hollow Phase II)**
- 225,000 SF of Class A office space
- 10 stories
- 283 apartment units (total across Phase II)
- 50,000 SF of retail space (total across Phase II)
- $190M estimated investment (total across Phase II)
- Delivered in Q3 2021
- Includes a large, outdoor, pedestrian promenade, the “Hollow,” surrounded by restaurant and retail space

**301 Hillsborough at Raleigh Crossing**
- 287,250 SF of office space
- 12,000 SF of retail space
- 19 stories
- Located at the intersection of four downtown districts
- Delivered in Q4 2021
- $160M estimated investment
- HQ location for Pendo

**First Citizens Bank Building**
- 32,500 SF of renovated office space
- 4,500 SF retail space
- Five-story building on Fayetteville Street
- Delivered in Q3 2021
- $94M estimated investment

**West Cabarrus Warehouses**
- 289,261 SF of office space
- 14,306 SF of retail space
- 7 stories
- Phase I is 442 residential units at The Platform

**Salisbury Square Phase I**
- 13,720 SF of office space
- 365 residential units
- 20 stories

**Tower Three at Bloc[83]**
- 277,500 SF of office space
- 7,500 SF of retail space
- 18 stories
- Third phase of Bloc[83] project that included Tower Two at Bloc[83] and One Glenwood

UNDER CONSTRUCTION

**400H**
- 144,410 SF of Class A office space
- 242 residential units
- 16,925 SF of ground floor retail space
- 20 stories

PLANNED & PROPOSED

**603 Glenwood**
- 114,000 SF of office space
- 296 apartment units (The Madison)
- 12,000 SF of retail space
- 12 stories

**The Creamery**
- 250,000 SF of office and retail space
- Two-tower development with a 32-story residential tower and 20-story office tower
- 261 residential units

RECENT & UPCOMING OFFICE PROJECTS

Over 1.3 million square feet of new Class A office space has been delivered since 2018 with an additional 144,410 square feet of Class A office space under construction and 1.5 million square feet proposed.1

1DRA Imprint Award Winners 2022
CLASS A AND OVERALL RENT PER SQUARE FOOT IN LOCAL OFFICE SUBMARKETS

Despite changing office trends, there is strong and increasing demand from the technology and innovation sector that keeps Class A rental rates higher in Downtown Raleigh relative to many other submarkets in the Triangle.

NATIONAL CLASS A AND OVERALL OFFICE RENT PER SQUARE FOOT IN CBDs

Downtown Raleigh Class A rents fall in between rents in the CBDs of Atlanta and Charlotte. These competitive rates have encouraged new development in downtown, but Downtown Raleigh still has lower rates than many peer downtowns on the east coast and in other parts of the U.S.
Downtown Raleigh is seeing increasing leasing activity with positive net absorption through the pandemic; there has been +386K square feet of Class A office net absorption since Q1 2020. Since 2010, over 1.4M square feet of Class A office space has been absorbed in Downtown Raleigh. The downtown office market is emerging strong from the pandemic as seen by new deliveries, expansions, and market relocations. Office absorption has returned to strong positive levels in 2022, starting with +335K square feet of Class A absorption in the first two quarters of 2022.

### NET ABSORPTION

<table>
<thead>
<tr>
<th>Year</th>
<th>Overall Net Absorption</th>
<th>Class A Net Absorption</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>250,000</td>
<td>250,000</td>
</tr>
<tr>
<td>2020</td>
<td>200,000</td>
<td>200,000</td>
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<tr>
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<td>150,000</td>
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<td>2018</td>
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<td>0</td>
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<tr>
<td>2011</td>
<td>-100,000</td>
<td>-100,000</td>
</tr>
<tr>
<td>2010</td>
<td>-150,000</td>
<td>-150,000</td>
</tr>
</tbody>
</table>

Source: CBRE, JLL

### OCCUPANCY & NET ABSORPTION

- **Educated and Talented Workforce**
- **New Companies Starting in or Relocating to Raleigh**
- **Increasing Demand for New Office Space**

Source: CBRE
EMPLOYEES & EMPLOYERS

In addition to the large government workforce, Downtown Raleigh is an attractive office market for a variety of industries, including tech, engineering, and professional and financial services. Tech companies like Pendo have chosen to locate and expand in Downtown Raleigh because of the talented workforce, tech-friendly environment, and numerous amenities that downtown has to offer.

RECENT MOVES & EXPANSIONS IN DOWNTOWN

Downtown Raleigh’s office market continues to attract new companies while supporting existing downtown companies that are expanding. The largest expansion in the past year was tech company Pendo moving into its new headquarters at 301 Hillsborough at Raleigh Crossing where they occupy the top five floors.

NOTABLE MOVES & EXPANSIONS

- Nelson Mullins
- mpro5 Inc.
- Boon Edam
- SingleStore
- Ava Security
- Interior Elements
- Clark Nexsen
- Clancy & Theys
- Pendo
- McAdams Company
- RapidScale
- Nexus Strategies

18 companies have publicly announced moves or expansions in downtown since the beginning of 2021 accounting for 1,500 new jobs.

DOWNTOWN’S LARGEST EMPLOYERS

- State of North Carolina
- Duke Energy
- Wake County Government
- City of Raleigh
- Red Hat
- Citrix

- PNC Bank
- McClatchy/News & Observer
- Empire Eats/Empire Properties
- Shaw University
- Pendo

PROJECTED EMPLOYMENT GROWTH

Downtown is home to over 48,000 employees across all sectors and is projected to add over 14,000 new employees if the existing downtown development pipeline is fully built out (including recent deliveries). With potential new investments that make downtown even more attractive, such as mass transit, downtown’s employment growth could exceed these projections.

EMPLOYMENT PROJECTION OF DEVELOPMENT PIPELINE BUILD-OUT

0
10,000
20,000
30,000
40,000
50,000
60,000
70,000

Downtown Raleigh
North Hills
Downtown Durham
 RTP Area
Raleigh (City)

STATE GOVERNMENT CAMPUS CONSOLIDATION AND REINVESTMENT

The state’s most recent budget allocates funding and provides direction to consolidate, renovate, demolish and develop multiple state government complex sites and buildings. A total of $180 million was allocated for the “Downtown Education Campus,” a consolidated site to house offices for the UNC system, Community Colleges System, Department of Public Instruction and the Department of Commerce. The potential site of which is identified as 116 W. Jones Street, the current site of the state’s Department of Administration. The budget directs the Department of Administration to plan and design a new state government executive headquarters to house the governor’s staff, state agency personnel and Council of State meetings, with the potential site identified as the surface parking lot adjacent to the NC Museum of History. The budget also calls for the demolition of the undeniably Bath Building as well as other transfers, consolidations, modernizations and renovations of state government complex facilities.

PENDO: A DOWNTOWN STARTUP SUCCESS STORY

Pendo started out as two employees in a downtown coworking space, and has since become a company with 800+ employees. Now, valued at over $1 billion, Pendo is the third largest valued startup in North Carolina.

1 Triangle Business Journal 2022  2 U.S. Census Bureau, DRA  3 DRA  4 WRAL, November 2020  5 WRAL, September 2018
Downtown Raleigh’s innovation ecosystem has supported entrepreneurs at all levels through its many coworking spaces, tech-driven workforce, and the regional ecosystem in the Triangle.

**STARTUP SPOTLIGHT**

Located in Loading Dock - Prince Hall, Tango Technology is a software company that specializes in enterprise conversational artificial intelligence (AI) technologies for the public sector. The company has been recognized by organizations such as the NC TECH association, LexisNexis and most recently, Google, for their success in the public sector supporting communications throughout the COVID-19 pandemic. Tango is a minority-owned company and holds national certification through the NMSDC. For more information about Tango Technology, visit tangotechnology.io.

“AS A PUBLIC SECTOR TECH COMPANY, THE LOADING DOCK’S PRINCE HALL WAS THE PERFECT CHOICE OF LOCATION. WE CAN WALK JUST ABOUT ANYWHERE, WHETHER THAT BE TO AN IN-PERSON MEETING WITH OUR CUSTOMERS, BRAINSTORMING OVER COFFEE OR HOSTING A TEAM LUNCH AT TRANSFER CO. FOOD HALL. DOWNTOWN RALEIGH HOSTS A THRIVING STARTUP COMMUNITY THAT WAS PARAMOUNT TO OUR COMPANY’S SUCCESS. AS OUR COMPANY GROWS, WE HAVE ACCESS TO SOME OF THE NATION’S TOP YOUNG TALENT THROUGH AREA UNIVERSITIES AND COMMUNITY COLLEGES. OUR EXPERIENCE BUILDING A COMPANY IN DOWNTOWN RALEIGH HAS BEEN WONDERFUL.”

SAM TATE, CO-FOUNDER AND PRESIDENT, TANGO TECHNOLOGY
DOWNTOWN WORKFORCE/INDUSTRY COMPARED TO THE U.S. WORKFORCE/INDUSTRY (LQS)

Downtown Raleigh has 2.7x more employees in Architecture/Engineering occupations.

Downtown Raleigh workforce has 3.4x more employees in Computer/Mathematical occupations.

Downtown Raleigh workforce has 2.1x more employees in Arts/Design/Entertainment occupations.

Source: ESRI Business Analyst, U.S. Census

DOWNTOWN EMPLOYMENT BY SECTOR

Downtown Raleigh has a strong government sector anchoring its workforce, though growth in private firms, particularly tech companies, is changing that dynamic and making downtown’s workforce more diverse.

SECTORS

- Government
- Professional, Scientific & Tech Services
- Misc.
- Other Services
- Information
- Accommodation & Food Services
- Educational Services
- Health Care & Social Assistance
- Finance & Insurance
- Admin, Support, Waste Management

Source: ESRI Business Analyst, U.S. Census

GROWTH IN TECH EMPLOYMENT

Raleigh is a leader for tech employment in North Carolina with Downtown Raleigh tech companies driving a lot of that growth such as BitSight, Envestnet, Pendo, LogMeIn, WalkMe, Personify, Second Nature, SingleStore, and Spectraforce which are all in expansion mode.

GROWTH IN TECH SECTOR EMPLOYMENT (2015-2019)

- Raleigh-Cary MSA: 4.2%
- Durham-Chapel Hill MSA: 2.1%
- Charlotte MSA: 1.1%

Source: Brookings Institution

ALL R&D CONDUCTED AT UNIVERSITIES PER $1,000 OF GDP

Source: Brookings Institution

OFFICE, EMPLOYMENT, INNOVATION & TALENT

#1
Best Cities To Live in for Young Professionals
GOBankingRates 2022

#1
Best City for Working Women
Apartment List and Fishbowl 2022

#1
Top City to Start a Small Business in the U.S.

#3
Best Job Market in the U.S.
Wall Street Journal and Moody's Analytics 2022

#3
“Opportunity City” for Job Hunters
LinkedIn 2022
DOWNTOWN RALEIGH'S STRONG TALENT and employment base plays a major role in its rising profile as a tech hub and site for new office development. The Triangle region includes three Tier-1 research universities: Duke University, University of North Carolina-Chapel Hill, and North Carolina State University in Raleigh. Approximately 100,000 students attend Triangle universities, providing cutting edge research and a well-trained workforce. Raleigh’s universities and colleges, along with the region’s other major research universities, help drive more jobs and companies to downtown.

There are two Historically Black Colleges and Universities (HBCU) in Raleigh, Shaw University and Saint Augustine’s University. Both institutions lead the way in innovation and equity, recently partnering with Apple’s Community Education Initiative to bring coding and creativity opportunities to the local community.

DOWNTOWN RALEIGH SCHOOLS & UNIVERSITIES

Within the Downtown Boundary:

**CAMPBELL LAW SCHOOL**
- 16th highest bar passage rate of law schools in the country (American Bar Association).
- 16th Best Law School for Trial Advocacy, the only school in N.C. in the top 25 (U.S. News & World Report 2022).

**SHAW UNIVERSITY**
- First historically Black institution of higher learning in the south and among the oldest in the nation.
- First historically Black college in the nation to open its doors to women.
- Opened Innovation and Entrepreneurship Center in Downtown Raleigh in 2021.

**WILLIAM PEACE UNIVERSITY**
- Launched a new Bachelor’s program in 2021 for Esports and Gaming Administration and opened an Esports and gaming lab in 2022. The BLS predicts the Esports industry will grow by 22 percent by 2030.

**SAINT AUGUSTINE’S UNIVERSITY**
- HBCU with 20+ undergraduate majors.
- First nursing school in NC for African-American students.
- Recently awarded a $400K grant from the US Economic Development Administration to study preservation of the historic St. Agnes Hospital and for workforce training.

**OTHER TRIANGLE UNIVERSITIES:**
- **DUKE UNIVERSITY**
- **N.C. CENTRAL UNIVERSITY**
- **UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL**

**HIGHER EDUCATION INSTITUTIONS**

<table>
<thead>
<tr>
<th>Institution</th>
<th>Total Enrollment</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Carolina State University</td>
<td>37,556</td>
</tr>
<tr>
<td>Meredith College</td>
<td>1,700</td>
</tr>
<tr>
<td>Shaw University</td>
<td>1,141</td>
</tr>
<tr>
<td>Saint Augustine’s University</td>
<td>1,000</td>
</tr>
<tr>
<td>William Peace University</td>
<td>830</td>
</tr>
<tr>
<td>Campbell University School of Law</td>
<td>530</td>
</tr>
</tbody>
</table>

TOTAL 42,757

Schools Within Three Miles of Downtown:

**MEREDITH COLLEGE**
- Ranked among the top 20% of colleges in the country by Forbes.
- One of the “Best Colleges in the Southeast” in the Princeton Review.
- #2 Best Liberal Arts College in N.C.

**NORTH CAROLINA STATE UNIVERSITY**
- 300+ undergraduate and graduate programs.
- #1 Best Public College in North Carolina (Money).
- #2 Public University for Tech Transfer & Commercialization in the U.S., making it a top school for turning research to economic output.
- 190+ startups and spinoffs based on NC State research, attracting a total of $1.7 billion in venture capital.
- High-ranking engineering programs for undergraduate and graduate programs.

**SAINT AUGUSTINE’S UNIVERSITY**
- HBCU with 20+ undergraduate majors.
- First nursing school in NC for African-American students.
- Recently awarded a $400K grant from the US Economic Development Administration to study preservation of the historic St. Agnes Hospital and for workforce training.

The Triangle is one of seven metropolitan areas in the country to have three Tier-1 Research Universities in the region with NC State, UNC-Chapel Hill, and Duke located here. These institutions spent more than $2.8 billion in combined research and development expenditures in FY 2019. Only the Triangle, Atlanta, Boston, NYC, Los Angeles, Chicago, and Washington D.C. have three Tier-1 Research Universities in one metropolitan region.
Downtown Raleigh’s storefront economy includes a diverse selection of retail and service businesses that serve as amenities to downtown residents, office workers, and visitors. Downtown’s retail base has grown 83% in the last decade with 115+ retailers currently in downtown selling locally made crafts, books, records, clothing, art, and unique gifts reflecting Raleigh and North Carolina.

**SHOPPING**

<table>
<thead>
<tr>
<th>GAIN IN STOREFRONT BUSINESSES BY TYPE</th>
<th>SINCE 2011, THERE HAS BEEN:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ArtGallery</strong></td>
<td>+83% increase in retail stores</td>
</tr>
<tr>
<td><strong>Bars/Nightclubs</strong></td>
<td>+60% increase in service businesses</td>
</tr>
<tr>
<td><strong>Retail</strong></td>
<td>+48% increase in restaurants</td>
</tr>
<tr>
<td><strong>Service</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Dining</strong></td>
<td></td>
</tr>
</tbody>
</table>

90%+ of downtown stores are locally-owned and independent

54 net gain in total retail stores since 2011

6 of INDY Week’s Best of the Triangle Shopping

176,838 SF of retail space* delivered since 2020

29 stores awarded grants by DRA to uplift storefronts in downtown since 2015

9 stores received DRA grants in 2021 for over $60,000 in grant funds invested in retail storefronts in 2021

© Monica Slaney
<table>
<thead>
<tr>
<th>Planned &amp; Proposed</th>
<th>Under Construction</th>
<th>In Site Preparation</th>
<th>Recently Completed since 2015</th>
<th>Completed since 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Case (formerly Origin Hotel)</td>
<td>4,000 SF of retail space in a boutique hotel in the Warehouse District</td>
<td></td>
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</tr>
<tr>
<td>Peace (Smoky Hollow Phase I)</td>
<td>31,800 SF of retail space on the first floor of the residential development Peace-Raleigh</td>
<td></td>
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<tr>
<td>South Dawson Street Retail (Renovation)</td>
<td>Almost 10,000 SF of retail space renovated in the Warehouse District</td>
<td></td>
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<tr>
<td>The Fairweather</td>
<td>1,406 SF of retail space included in a recently delivered condo development</td>
<td></td>
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</tr>
<tr>
<td>Tower Two at Bloc[83]</td>
<td>3,000 SF of first floor retail space in a recently delivered office tower in Glenwood South</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Smoky Hollow Phase II</td>
<td>50,500 SF of new retail space, which includes The Love Apartments and the office building 421 N. Harrington</td>
<td></td>
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<tr>
<td>First Citizens Bank Building (Renovation)</td>
<td>Over 4,000 SF of renovated retail space on Fayetteville Street</td>
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<tr>
<td>AC Hotel Raleigh Downtown</td>
<td>3,860 SF of retail space in the new AC Marriott Hotel on Glenwood South</td>
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<tr>
<td>208 Fayetteville (Renovation)</td>
<td>9,000 SF of renovated retail space in the historic Stirr's building on Fayetteville Street</td>
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<tr>
<td>301 Hillsborough at Raleigh Crossing</td>
<td>12,030 SF of retail space on the first floor of the recently delivered 19-story office tower</td>
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<tr>
<td>210 Fayetteville St (Renovation)</td>
<td>30,000 SF of retail space under renovation at the historic Kimmel's building on Fayetteville Street</td>
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<tr>
<td>216 Fayetteville St (Renovation)</td>
<td>8,000 SF of retail space under renovation at the historic Boylan-Pierce building on Fayetteville Street</td>
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<tr>
<td>400H</td>
<td>16,515 SF of retail space in a 20-story mixed-use tower under construction in Glenwood South</td>
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<tr>
<td>615 Peace</td>
<td>2,200 SF of first floor retail space in a new condo development in Glenwood South</td>
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</tr>
<tr>
<td>Hilton Garden Inn/Homewood Suites</td>
<td>1,600 SF of planned retail space in a new hotel currently under construction in the Fayetteville Street District</td>
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<tr>
<td>Longleaf Swine BBQ (Renovation &amp; Expansion)</td>
<td>1,600 SF of retail under renovation at the former Oakwood Cafe</td>
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<tr>
<td>Park City South Phase I</td>
<td>26,500 SF of retail space planned in the first phase of a mixed-use development by Ox Park</td>
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<tr>
<td>Platform</td>
<td>26,760 SF of retail space on the first floor of a 442-unit residential development in the Warehouse District</td>
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</tr>
<tr>
<td>Seaboard Station Block B</td>
<td>30,000 SF of first floor retail space in the first phase of the mixed-use Seaboard Station development 6,000</td>
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<tr>
<td>320 West South Street</td>
<td>6,500 SF of planned retail space in a mixed-use development</td>
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<tr>
<td>865 Morgan Apartments</td>
<td>900 SF of retail space planned in a residential development</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City Gateway Apartments</td>
<td>4,000 SF of retail space planned in a residential development</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>RUS Bus (Raleigh Union Station Phase II)</td>
<td>16,000 SF of retail planned for the new 30-story tower at Raleigh Union Station</td>
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<tr>
<td>Salisbury Square</td>
<td>A two building mixed-use development will include first-floor retail space</td>
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<tr>
<td>Seaboard Station Block A</td>
<td>14,000 SF of retail planned for the phase of the mixed-use Seaboard Station development</td>
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<tr>
<td>Seaboard Station Block B</td>
<td>44,240 SF of retail space planned for the phase of the mixed-use Seaboard Station development</td>
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<tr>
<td>322 Glenwood Ave (Renovation &amp; Expansion)</td>
<td>10,000 SF of retail space to be renovated or added at 322 Glenwood</td>
<td></td>
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<tr>
<td>501 Hillsborough</td>
<td>6,500 SF planned in a mixed-use project in the Warehouse District</td>
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</tr>
<tr>
<td>601 Glenwood</td>
<td>12,000 SF of retail space planned for the 19-story office tower in Glenwood South</td>
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<tr>
<td>The Bend</td>
<td>Retail space planned for three houses on 19 Morgan Street</td>
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<td>Bloombery Mixed-Use</td>
<td>3,700 SF of retail space planned for a residential tower in the Warehouse District</td>
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<tr>
<td>The Creamery</td>
<td>Plans for two tower development will include retail space on the ground floor of both towers</td>
<td></td>
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<tr>
<td>The Edge</td>
<td>8,300 SF of first floor retail planned for a 19-story office tower in the Fayetteville Street District</td>
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<tr>
<td>Kimpton</td>
<td>7,986 SF of retail space planned as part of the Kimpton hotel and residential development</td>
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<td>The Nexus</td>
<td>48,000 SF of retail space proposed as part of a 20-story mixed-use development on Nash Square</td>
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<tr>
<td>Park City South Phase II</td>
<td>1,300 SF of retail space planned as part of the second phase of the Park City South development</td>
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<tr>
<td>Raleigh Crossing Phase 2</td>
<td>Plans for the second phase of Raleigh Crossing include additional first-floor retail space</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Smoky Hollow Phase III</td>
<td>Plans for the third phase of the Smoky Hollow development include additional retail space</td>
<td></td>
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</tr>
<tr>
<td>Tower Three at Bloc[83]</td>
<td>13,000 SF of retail space planned for the third phase of the Bloc[83] development</td>
<td></td>
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<tr>
<td>Transfer Co. Food Hall Phase II</td>
<td>2,200 SF of retail space planned for the second phase of Transfer Co. Food Hall</td>
<td></td>
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<tr>
<td>West Cabarrus Warehouses</td>
<td>14,306 SF of retail space as part of a mixed-use development in the Warehouse District</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>The Yard</td>
<td>14,000 SF of retail space planned as part of a new shipping container development at the intersection of Peace and Glenwood</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
SHOPPING & SERVICE CLUSTERS

DOWNTOWN RETAIL CLUSTERS

Record Shops
For the vinyl enthusiast, collector, and general music lover, these record stores have something for everyone.
• The Four House Music Hall & Record Shop, Hunky Dory, Record Krates, Sorry State Records, Sound Off Records & Hi-Fi

Tailor Made
With bespoke pieces, impeccable tailoring, and an eye for design, dressing well has never been easier at these downtown businesses:
• Ealdwine, Glenwood South Tailors & Men’s Shop, Raleigh Denim

Sneakerhead Haven
Sneaker aficionados will find limited release shoes, one-of-a-kind designs, and endless customization options at these shoe retailers.
• Siscastlesees, One of One, Social Status

Vintage Finds
Sustainably focused and thoughtfully curated, Downtown Raleigh offers designer vintage, consignment, and thrift stores.
• Raleigh Vintage, Revolver Consignment Boutique, Father and Son, Unorthodox Vintage, and more.

Urban Green Thumb
Every office and apartment window needs a little greenery. At these plant stores visitors will find succulents, potted plants, flower arrangements, and more.

DOWNTOWN SERVICE CLUSTERS

Fitness Focused - 20 fitness facilities
An active lifestyle is supported with a variety of fitness options whether the interest is yoga, kickboxing, CrossFit, or rowing.
• Poyner YMCA, 9Round, Heat, Total Row Fitness, Dose Yoga + Smoothie Bar, CrossFit SERVE, MADabolic, YogaSix, and more.

Medical & Personal Care - 16 medical & personal care establishments:
Personal health care takes many forms in downtown with access to urgent care, physical therapy, dental offices, eye care services, and primary care facilities.
• FastMed Urgent Care, WakeMed Physician Practices, UNC Family Medicine, The Brightening Co., Downtown Dental, eyecarecenter, and more.

Hair & Beauty - 37 hair & beauty establishments
There are an array of salons, barbershops, and specialty hair and beauty boutiques in Downtown Raleigh.
• ArroW Haircuts & Shaves, Alter Ego Salon & Blow Dry Bar, Marigold Parlour, Blalock’s Barber Shop, Reign Luxury Beauty Lounge, Nail Yeah!, Arch & Edge, TrellisLife, and more.

NEW BUSINESS HIGHLIGHTS

• Rail & Stile is a vintage and heirloom furniture business that provides custom lacquer and design services.
• Hartwell is a gathering space for makers markets that features a highly curated retail store of locally sourced goods.
• Gathering Gallery is an art and gift shop employing adults with intellectual and developmental disabilities.
• Copperline Plant Co. is the plant store that feels like home - offering a wide variety of indoor plants, classes, and plant consultations.
• TG Floristry is a floral design studio prioritizing modern design, community wellness, and training the imagination through floral arrangements, workshops, and events.

DOWNTOWN RALEIGH RETAIL PROFILE

Art & Framing Shops 16%
Clothing & Accessories 14%
Specialty Beer & Wine 11%
Jewelry Stores & Makers 6%
Bridal Boutiques 2%
Home Furnishing & Antiques 3%
Grocery Stores 2%
Book Stores 3%
Chocolate Shops 2%
Convenience & General Stores 6%
Hardware & Equipment Stores 2%
Convenience & General Stores 6%
Grocery Stores 2%
Pet Supply Stores 2%

Source: 2014
Downtown Raleigh is increasingly emerging as a local-and-state leading cluster of minority and female small business ownership.

**STOREFRONT BUSINESS OWNERSHIP**

Source: U.S. Census, DRA

<table>
<thead>
<tr>
<th></th>
<th>Downtown Raleigh</th>
<th>North Carolina</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minority Owned</td>
<td>27.4%</td>
<td>30.0%</td>
<td>15%</td>
</tr>
<tr>
<td>Woman Owned</td>
<td>46.6%</td>
<td>35.0%</td>
<td>45%</td>
</tr>
</tbody>
</table>

Pop-Up Shops at Martin Street is a pop-up retail store program for minority-and-Women-owned retail businesses. The program is presented by Lenovo and is a partnership between Downtown Raleigh Alliance, StartUp at Wake Tech, and LM Restaurants. The program supports up-and-coming retailers by providing an affordable storefront location as well as counseling to grow their business. Three entrepreneurs have participated in the program since it launched in 2021: Sir Chance’s Vintage, TresLife, and The Bath Place.

**POP-UP SHOPS AT MARTIN STREET**

- Sir Chance’s Vintage
- TresLife
- The Bath Place

**CELEBRATING BLACK-OWNED BUSINESSES IN DOWNTOWN**

**Black-Owned Retail Highlights**
- Nashona: Women’s clothing and accessories from Tanzania
- Unorthodox Vintage: Vintage/second hand clothing and accessories
- TG Floristry: Flower bouquets, workshops, and design services
- Black Friday Market: Clothing, accessories, art, and gifts
- TresLife: All natural hair care and hair services
- The Bath Place: All natural soaps, candles, and body care

**Black-Owned Service Highlights**
- Good Trip Tattoo + Art Studio: Tattoo and art gallery
- The Brightening Co.: Boutique teeth whitening services
- Evette’s Beauty Salon: Hair salon
- Nail Yeah!: Nail salon
- Adaara Spa: Massage, facial, hair, and nail salon
- Smiles at Glenwood - Dental office

---

"THE DIVERSITY OF DOWNTOWN RALEIGH BRINGS A GREAT MIX OF CUSTOMERS! I GET TO MEET INTERESTING PEOPLE ALL DAY LONG, AND I LOVE IT! I ALSO LOVE BEING ABLE TO DISPLAY MY CULTURE TO THE PEOPLE OF THIS TOWN, ESPECIALLY SINCE THEY MAY NOT HAVE COME INTO CONTACT WITH IT BEFORE OR KNOW VERY LITTLE ABOUT THE REALITIES OF MY TANZANIAN CULTURE."

LILIAN DANIELI | OWNER, NASHONA

Nashona, which means “to sew” in Swahili, features clothing and accessories produced in Danieli’s native country of Tanzania using vibrant African fabrics. A portion of all sales benefits the Shalom Children’s Orphanage in Karatu, Tanzania.

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DOWNTOWN PEDESTRIAN TRAFFIC

DRA has six pedestrian counters across downtown, which collect real-time data and are helpful for retail prospects to determine where to locate in downtown and how much visibility their location will have. Downtown has seen increases in foot traffic since last year as recovery from the pandemic continues.

AVERAGE DAILY PEDESTRIAN COUNTS BY HOUR ACROSS SIX COUNTERS

DOWNTOWN SINCE 2015

UPFIT STOREFRONTS IN GRANTS BY DRA TO STORES AWARDED RETAIL

IF THE 2022 DEVELOPMENT PIPELINE IS FULLY BUILT OUT, AN ESTIMATED

$246M IN POTENTIAL FUTURE RETAIL SALES

COULD BE PROVIDED BY FUTURE RESIDENTS, OFFICE WORKERS, AND HOTEL GUESTS.

DOWNTOWN GROCERY STORES*

Publix: Publix is an employee-owned American supermarket chain. Downtown’s 50,000 SF Publix store opened in 2020 as part of the first phases of the Smoky Hollow development in Glenwood South.

Weaver Street Market: Weaver Street Market is a worker and consumer-owned cooperative that sells natural and organic food with a focus on local and fair-trade products. The 12,600 SF store opened in 2019 in The Dillon, a mixed-use development in the Warehouse District.

FARMERS MARKET

Moore Square Market is held on Sundays from May through October (excluding July) and provides downtown with a place to get local produce and other locally made products. The market features vendors selling fresh, seasonal goods including fruits, vegetables, meats, seafood, eggs, dairy, artisanal goods, pastries and much more.

OPPORTUNITY IN THE GROCERY MARKET

With downtown’s two grocery stores on the western side of downtown, there is an opportunity to fill the gap in the eastern side of downtown. Downtown currently has $12.4 million leakage in grocery sales, meaning the current downtown population is spending $12.4 million on groceries outside of downtown because the demand for groceries is higher than the current supply in downtown.2 The downtown population is growing and the demand will only increase as downtown would add more than 12,000 new residents if the current development pipeline is fully built out. This grocery retail gap is particularly noticeable in the east side of downtown which has 15 residential communities with more than a 10-minute walk from a grocery store. To the east of downtown, there are no supermarkets for over two miles.

*Fayetteville and Davie is a combined count of the east and west sides of Fayetteville Street.

+42% increase in pedestrian traffic from Q2 2021 to Q2 2022

+18% increase in pedestrian traffic from June 2021 to June 2022

DOWNTOWN RALEIGH RETAIL MARKET PROFILE

The Median Disposable income in downtown is 21% higher than the North Carolina average and 6% higher than the U.S. average.

DOWNTOWN RALEIGH. A strong storefront economy in downtown, there are no supermarkets for over two miles. Downtown currently has 15 residential communities within a 5-minute walk of a grocery store.

DOWNTOWN RALEIGH ALLIANCE offers the Storefront Upfit Grant program to incentivize and attract retail, restaurant, and service businesses, better support Minority-and-Women-owned businesses, and ultimately drive a healthy and strong storefront economy in Downtown Raleigh.

DRA has 6 pedestrian counters across downtown, which collect real-time data and are helpful for retail prospects to determine where to locate in downtown and how much visibility their location will have. Downtown has seen increases in foot traffic since last year as recovery from the pandemic continues.
Downtown Raleigh has become a major food destination regionally and nationally with over **165 dining establishments** and over **100 nightlife establishments** providing a broad range of cuisines and experiences.

- **87%** of downtown restaurants are locally-owned and independent
- **165+** restaurants and bars with outdoor seating
- **9** craft breweries and **1 distillery** in Downtown Raleigh
- **107%** growth in food and beverage sales from 2010 to 2019
- **18 BREWERIES within 2 miles of downtown**
- **+107%** increase in food and beverage sales from Q4 2020 to Q4 2021
- **100+** bars, breweries, music venues, and nightlife in Downtown Raleigh

### JAMES BEARD AWARD NOMINEES

Downtown Raleigh chefs have earned **22 James Beard Award nominations** since 2010, including three semifinalists in 2022:

- **SUNNY GERHART**, St. Roch Fine Oysters + Bar
  - 2022 Best Chef Southeast Semifinalist - James Beard Award
- **OSCAR DIAZ**, The Cortez
  - 2019, 2022 Best Chef Southeast Semifinalist - James Beard Award
- **CHEETIE KUMAR**, Garland
  - 2017, 2018, 2019, 2020, 2022 Best Chef Southeast Semifinalist - James Beard Award
- **ASHLEY CHRISTENSEN**, Poole’s Diner, Death & Taxes, Beasley’s Chicken & Honey, Fox Liquor Bar, Poole’side Pizza:
  - • 2014 Best Chef in Southeast Winner - James Beard Award
  - • 2016, 2017 Outstanding Chef in US Semifinalist - James Beard Award
  - • 2018 Outstanding Chef in US Finalist - James Beard Award
  - • 2019 Outstanding Chef in US Winner - James Beard Award
- **SCOTT CRAWFORD**, Crawford and Son, Jolie:
  - • 2016 Best Chef Southeast Semifinalist - James Beard Award
  - • 2017 Best Restaurant in the Triangle - The News & Observer
- **SAIF RAHMAN**, Vidrio Raleigh:
  - • 2021 North Carolina Chef of the Year - NC Restaurant & Lodging Association

### OTHER CHEF ACCOLADES

- **ASHLEY CHRISTENSEN**, Poole’s Diner, Death & Taxes, Beasley’s Chicken & Honey, Fox Liquor Bar, Poole’side Pizza:
  - • 2014 Best Chef in Southeast Winner - James Beard Award
  - • 2016, 2017 Outstanding Chef in US Semifinalist - James Beard Award
  - • 2018 Outstanding Chef in US Finalist - James Beard Award
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  - • 2017 Best Restaurant in the Triangle - The News & Observer
- **SAIF RAHMAN**, Vidrio Raleigh:
  - • 2021 North Carolina Chef of the Year - NC Restaurant & Lodging Association
Downtown Raleigh has more dining and lunch options than any other office submarket in the Triangle. The multitude of dining options within the concentrated and walkable downtown area is one of the many amenities that makes Downtown Raleigh an attractive environment for office tenants and employees.

LUNCH SPOTS WITHIN FIVE-MINUTE WALK OF NEW CLASS A OFFICE SPACE

LUNCH SPOTS WITHIN FIVE-MINUTE WALK OF 301 HILLBOROUGH AT RALEIGH CROSSING

LUNCH SPOTS WITHIN FIVE-MINUTE WALK OF THE FIRST CITIZENS BANK BUILDING

LUNCH SPOTS WITHIN FIVE-MINUTE WALK OF TOWER TWO @ BLOC(83)

DOWNTOWN RALEIGH HAS MORE DINING AND LUNCH OPTIONS THAN ANY OTHER OFFICE SUBMARKET IN THE TRIANGLE.

321 Coffee now serving at the Bloc(83) Office Development & Pendo HQ at 301 Hillsborough at Raleigh Crossing

321 Coffee, a coffee shop and roaster that employs individuals with intellectual and developmental disabilities (IDD), has expanded its inclusive workforce to a new location in the Pendo office, and another location in Downtown Raleigh recently opened. Launched in 2017, the company is on a mission to reduce unemployment for adults with disabilities.
DOWNTOWN FOOD & BEVERAGE SALES

Downtown Raleigh food and beverage sales more than doubled between 2010 and 2019 with an average annual growth rate of +8.4% during that period. In 2020, downtown sales saw a significant impact from the pandemic but have since shown signs of recovery. Through June 2022 monthly sales have exceeded pre-pandemic sales in five out of the six months of 2022. April 2022 had the highest amount of food and beverage sales ever in Downtown Raleigh, which indicates 2022 will return to its pre-pandemic growth.¹

DOWNTOWN LIBATIONS: BREWERIES, DISTILLERIES & CRAFT BEER

North Carolina has the largest number of craft breweries in the South, with more than 370 breweries and brewpubs in the state.¹ Thus as the capital city, Raleigh has an impressive craft brewery scene with nine craft breweries within Downtown Raleigh and 18 craft breweries total within two miles of Downtown Raleigh. There are also 15 craft beer and wine shops within Downtown Raleigh as well as two wine bars and one distillery. The craft drinking scene in Downtown Raleigh contributes to the unique culture and quality of life in Downtown Raleigh for residents, employees, and visitors.

DOWNTOWN RALEIGH ANNUAL FOOD & BEVERAGE SALES (IN MILLIONS) 2010-2021

Since the pandemic, each quarter has shown recovery and there was a +75% increase in sales from Q3 2020 to Q2 2022.

DOWNTOWN RALEIGH FOOD & BEVERAGE SALES BY QUARTER

Vault Craft Beer: Originally one of the first ‘drive-thru’ banks built in 1957, Vault Craft Beer is now a gathering space to enjoy NC’s craft beer scene. The mid-century modern bank-turned-taproom is beautifully restored to honor the historic architecture.

Crank Arm Brewery: Opened in 2013 with a focus on craft beer and cultivating an active lifestyle, Crank Arm Brewery is a Downtown Raleigh staple. Crank Arm Brewery is known for their delicious beer, cycling meet-ups, official race team, and charitable work.

Young Hearts Distilling: Young Hearts Distilling is Downtown Raleigh’s first distillery offering house-made spirits, the pursuit of perfect cocktails, and farm-to-table dining. Visit to admire the distilling process and stay for remarkable drinks and dinner afterwards.

The Raleigh Wine Shop: After over 10 years of serving the Downtown Raleigh community, The Raleigh Wine Shop has expanded and moved to a new location. The new space features retail wine and provisions as well as expanded space for indoor and outdoor gatherings.

increase in food and beverage sales from Q4 2020 to Q4 2021 +151%

+8.4%

ANNUAL GROWTH rate in sales from 2010-2019

+26%

INCREASE IN SALES from April 2019 to April 2022

1Wake County Tax Administration, DRA

¹NC Craft Brewers Guild
Downtown Raleigh is home to a diverse mix of restaurant ownership, adding flavor and culture to the Downtown Raleigh food scene with restaurants such as:

**The Venue** is a Black-owned, Woman-owned restaurant, bar, and lounge in the Warehouse District. Ambria Cotten is the visionary behind the event space, bringing people together with food and music.

**Centro Mexican Restaurant** opened in 2007 by Colombian chef and owner Angela Salamanca. As a Woman-owned business, Centro takes pride in food, community, and fostering diversity.

**Raleigh Raw** is a juice bar and cafe founded by Egyptian-born Sherif Fouad. Raleigh Raw produces natural, unprocessed grab-and-go meals, juices, and smoothies to nourish and promote a healthy lifestyle.

**Heirloom Brewshop** is the union of Laos, Taiwan, and Japan. Owners Chuan Tsay and Anna Phommavong bring together cultures to craft genuinely inspired food and beverages. Heirloom is the “pursuit of harmony among differences.”

Sip n’ Stroll Downtown, Raleigh’s pilot social district allows people to sip beer, wine, or cocktails as they stroll through a defined area of downtown. Social districts have been implemented in various towns and cities across the state since the North Carolina General Assembly enacted legislation in 2021 allowing municipalities to designate areas where alcoholic beverages can be purchased from a licensed ABC permittee and then taken outdoors.

The social district area includes the majority of the Fayetteville Street District along with portions of the Moore Square District and Warehouse District. The pilot program began in August 2022 and will go through 2023 when City Council will review the program. The goal of the district is to support economic activity and vibrancy in Downtown Raleigh.

DINING & NIGHTLIFE

The number of Downtown Raleigh rooftop destinations is growing. Downtown Raleigh boasts **14 rooftop experiences** that range from intimate patios to picturesque skyline views.

- **The Willard Rooftop Lounge** at the AC Hotel Raleigh Downtown offers premium cocktails and bites with a view.
- **Jolie** is a modern French bistro from the James Beard Foundation semifinalist, Scott Crawford.
- **The Raleigh Times** is a historic establishment in the heart of Downtown Raleigh with a bar serving both lunch and dinner.
- **Gallo Pelón Mezcaleria** offers a lush patio oasis to complement their mezcal, cocktails, and Mexican menu.

**DOWNTOWN ROOFTOPS EXPERIENCES**

CELEBRATING FOOD, CULTURE, AND DIVERSITY

**SIP N’ STROLL: DOWNTOWN RALEIGH’S PILOT SOCIAL DISTRICT**

The social district area includes the majority of the Fayetteville Street District along with portions of the Moore Square District and Warehouse District. The pilot program began in August 2022 and will go through 2023 when City Council will review the program. The goal of the district is to support economic activity and vibrancy in Downtown Raleigh.

**14 ROOFTOP experiences in Downtown Raleigh**

- **HIGHGARDEN**
- **THE WILLARD ROOFTOP LOUNGE**
- **GALLO PELÓN MEZCALERIA**
- **RALEIGH BEER GARDEN**
- **10TH AND TERRACE**
- **HARTWELL**
- **YOUNG HEARTS DISTILLING**
- **HIBERIAN RESTAURANT AND PUB**
- **TAVERNA AGORA**
- **TIN ROOF**
- **CAROLINA ALE HOUSE**
- **THE RALEIGH TIMES**
- **JOLIE**
- **THE ROCKFORD**
Downtown Raleigh is a **center of creative activity**, arts, museums, events, and a diverse range of experiences.

World-class North Carolina state museums, state capital attractions, and historical points of interest combine with a diverse mix of regional attractors and local arts and performance venues to create a density and caliber of cultural attractions that is unparalleled in the Triangle and state. An arts and culture hotspot, Downtown Raleigh has something for everyone: kids activities and play, visual and performing arts, architecture and history, and a broad range of indoor and outdoor venues—all with a relaxed atmosphere and inviting southern charm.

| VISITORS to downtown’s top 11 attractions in 2021 | 1.2M |
| PUBLIC ART installations added since the start of 2020 | +60 |
| HOTEL ROOMS in Downtown Raleigh | 1,652 |
| INCREASE IN THE NUMBER OF HOTEL ROOMS since 2021 | +10% |
| NEW HOTEL ROOMS completed since 2020 | 338 |
| PERFORMING ARTS AND CONCERT venues | 18 |
| PUBLIC ART INSTALLATIONS per square mile in downtown | 105 |
| OUTDOOR EVENTS in Downtown Raleigh from July 2021 to June 2022 | 145+ |

**RECOVERY DATA POINTS**

| INCREASE IN DOWNTOWN REVENUE PER ROOM FROM 2021 TO 2022 | +146% |
| INCREASE IN DEMAND FOR HOTEL ROOMS IN DOWNTOWN FROM 2021 TO 2022 | +91.3% |

1City of Raleigh, DRA
3City of Raleigh, DRA
4City of Raleigh, DRA
5GRCVB; “GRCVB 2020 Newsletter”, Raleigh, NC, June 2020
6City of Raleigh, DRA
7City of Raleigh, DRA
8GRCVB; “GRCVB 2020 Newsletter”, Raleigh, NC, June 2020
9City of Raleigh, DRA
10City of Raleigh, DRA
11City of Raleigh, DRA
12GRCVB; “GRCVB 2020 Newsletter”, Raleigh, NC, June 2020
13City of Raleigh, DRA
14City of Raleigh, DRA
15City of Raleigh, DRA
16City of Raleigh, DRA
17City of Raleigh, DRA
18City of Raleigh, DRA
19City of Raleigh, DRA
72 art galleries, museums, entertainment venues, cultural institutions, and performing arts groups in Downtown Raleigh.

### TOP DOWNTOWN ATTRACTIONS 2021

1.2 MILLION VISITORS to downtown’s top 11 attractions in 2021

**TOP DOWNTOWN ATTRACTIONS IN 2021**

<table>
<thead>
<tr>
<th>Attraction</th>
<th>Visitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>NC MUSEUM OF NATURAL SCIENCES + NATURE RESEARCH CENTER</td>
<td>436,428</td>
</tr>
<tr>
<td>MARBLES KIDS MUSEUM/MARBLES IMAX® THEATRE</td>
<td>215,092</td>
</tr>
<tr>
<td>NC MUSEUM OF HISTORY</td>
<td>172,794</td>
</tr>
<tr>
<td>DUKE ENERGY CENTER FOR THE PERFORMING ARTS</td>
<td>104,676</td>
</tr>
<tr>
<td>RALEIGH CONVENTION CENTER</td>
<td>96,442</td>
</tr>
<tr>
<td>RED HAT AMPHITHEATER</td>
<td>96,837</td>
</tr>
<tr>
<td>NC STATE CAPITOL</td>
<td>77,229</td>
</tr>
<tr>
<td>CITY OF RALEIGH MUSEUM</td>
<td>71,034</td>
</tr>
<tr>
<td>NC LEGISLATIVE BUILDING</td>
<td>10,415</td>
</tr>
<tr>
<td>CONTEMPORARY ART MUSEUM (CAM)</td>
<td>1,862</td>
</tr>
<tr>
<td>THE POPE HOUSE</td>
<td>1,701</td>
</tr>
</tbody>
</table>

**TOTAL VISITORS:** 1,187,111

### TOURISM GROWTH TRENDS IN DOWNTOWN RALEIGH

The global pandemic slowed down tourism the past two years, however, before the pandemic, downtown saw sustained increases in the number of visitors and hotel revenue.

**GROWTH IN DOWNTOWN TOURISM FROM 2007 TO 2019**

+7.1% INCREASE IN VISITORS TO DOWNTOWN IN THE PAST DECADE (2010-2019)

+40% INCREASE IN REVENUE PER ROOM FROM 2013 TO 2019, OR AN AVERAGE ANNUAL GROWTH RATE OF +7.4%
Downtown Raleigh is known for its robust and diverse schedule of events that bring many different populations downtown. After being put on hold in 2020 due to the pandemic, major events and festivals returned to downtown in 2021.

**IBMA WORLD OF BLUEGRASS**
After missing a year in 2020, the popular, annual bluegrass festival returned to downtown in the fall of 2021 with over 100,000 attendees. While this is about half of the attendance to the festival in 2019, it shows a return to in-person events in downtown. The 2021 festival generated more than $5.7 million in direct economic impact within Wake County.

**100,000+ attendees**
$5.7 million in direct economic impact in Wake County

**ARTSPLOSURE**
Artsplosure is another popular annual event that returned to downtown this past year and was held in October 2021 and May 2022. The festival brought 65,000 people to downtown in October and 50,000 people this May. The festival included art installations on Fayetteville Street, musical performances, kids activities at Kidsplosure, and an art market with 175+ artists and vendors.

**115,000+ attendees across the two Artsplosure festivals in 2021 and 2022**

**DREAMVILLE**
Dreamville returned in 2022 with 80,000 attendees at the two-day music festival in Dix Park. Hip-hop artist and North Carolina native J. Cole started this festival in Raleigh in 2019 and brought it back this past year with famous artists like Lil Baby, Kehlani, Wiz Khalifa, Lil Wayne, WizKid, and T-Pain. There were attendees from all 50 states and the festival brought $6.7 million in direct economic impact to Wake County.

**80,000 total attendees**
$6.7 million in direct economic impact to Wake County

**MAJOR ANNUAL EVENTS & FESTIVALS**
- **AFRICAN AMERICAN CULTURAL FESTIVAL**
- **ARTSPLOSURE**
- **BREWGAOOL**
- **BUGFEST**
- **CAPITAL CITY BIKEFEST**
- **DOWNTOWN RALEIGH FOOD TRUCK RODEO SERIES**
- **FIRST NIGHT RALEIGH**
- **HOPSCOTCH MUSIC FESTIVAL**
- **IBMA WIDE OPEN BLUEGRASS**
- **LA FIESTA DEL PUEBLO**
- **OUT! RALEIGH PRIDE**
- **RALEIGH CHRISTMAS PARADE BY SHOP LOCAL RALEIGH**
- **RALEIGH ST. PATRICK’S DAY PARADE**
Already the Triangle leader in public art, Downtown Raleigh has seen a rapid increase in the number and density of public art installations in the last five years. This densification and access to art for all has contributed to the creation of a unique and welcoming downtown character.
ON THE MAP: HOTEL DEVELOPMENT

1,652 existing hotel rooms
259 hotel rooms under construction
149 hotel rooms in site preparation
1,300 hotel rooms planned or proposed

338 Rooms Completed Since 2020

1,708 Rooms Under Construction, In Site Preparation, Planned or Proposed*

*Totals do not include the Future Convention Hotel (City of Raleigh RFI), but do include rooms at the proposed Nexus site (not listed in table above). **Combines elements of an extended stay hotel with short-term apartment rental; room total not included in overall total number of rooms in downtown.
## HOTEL DEVELOPMENTS

Downtown Raleigh has 1,652 existing hotel rooms and there are currently 1,708 additional rooms under construction or planned in downtown. Those additional rooms translate to 472K+ additional overnight stays per year and $255M+ in additional hotel guest spending. Before 2008, there were only three hotels in Downtown Raleigh with around 600 rooms; there are now 11 hotels in downtown with four hotels completed since 2020.

### HOTEL MARKET PERFORMANCE 2022

Directly impacted by the pandemic in 2020 and 2021, the downtown hotel market has made significant recovery over the past year with revenue per room now approaching pre-pandemic levels and average daily rates now surpassing pre-pandemic levels.

<table>
<thead>
<tr>
<th>Location</th>
<th>Average Daily Rate</th>
<th>Revenue Per Room</th>
</tr>
</thead>
<tbody>
<tr>
<td>Downtown</td>
<td>$172.55</td>
<td></td>
</tr>
<tr>
<td>Wake County</td>
<td>$103.97</td>
<td>$114.94</td>
</tr>
<tr>
<td>North Carolina</td>
<td>$70.15</td>
<td>$89.37</td>
</tr>
<tr>
<td>U.S.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## HIGHLIGHTS OF THE HOTEL DEVELOPMENT PIPELINE

### RECENTLY COMPLETED:
- **AC Hotel Raleigh Downtown**
  - 147 hotel rooms
  - 3,860 SF of retail space
  - Rooftop bar, The Willard
  - 7 stories
  - Glenwood South
  - Delivered in 2021

### UNDER CONSTRUCTION:
- **Hilton Garden Inn/Homewood Suites**
  - 259 hotel rooms
  - 13 stories
  - Fayetteville Street District
  - Expected delivery in 2023

### PLANNED OR PROPOSED:
- **Kimpton Hotel**
  - 179 hotel rooms
  - Will replace the existing Holiday Inn at the site
  - Mixed-use development including 350 multifamily units and +7,500 SF of retail space
  - Glenwood South

- **Marriott TownePlace Suites**
  - 138 hotel rooms
  - Second phase of project that includes The Acorn at Person Street, a multifamily development with 106 units
  - Moore Square District

The City of Raleigh has released an RFI for a developer to build a hotel with 500 rooms or more by the Raleigh Convention Center and Duke Energy Center for Performing Arts. The site is zoned for 40 stories and the City plans for this to be a two tower development with a hotel tower and a mixed-use, residential tower. The City owns the 2.5 acre site and is also offering $30 million as an incentive to the developer. The site is also in an Opportunity Zone. The hotel will help better support the Convention Center as downtown continues to grow as a tourist destination.

INTERNATIONALLY AND NATIONALLY RECOGNIZED HOTELS

Downtown Raleigh hotels are gaining national recognition for their unique and high-quality features.

- Heights House: Named One of Travel + Leisure's Best New Hotels in the World 2022
- Longleaf Hotel: Named “The Coolest Hotel” in North Carolina by Thrillist 2022

## OPPORTUNITY ZONE

- **TOTAL OF 2.5 ACRES**
  - **BELOW-GRADE PARKING SPANNING BOTH SITES**
  - **IS EXPECTED WITH PROJECT DEVELOPMENT**

**CONTACT:**
- Tony Peterman
  - tony.peterman@am.jll.com
  - RALEIGHNC.GOV/ HOTELCC
Downtown Raleigh is the most walkable part of the Triangle, is becoming a national leader in downtown greenspace, is investing in new transit for increased regional connectivity, and is home to energy efficient buildings and other urban sustainability initiatives.

**CONNECTIVITY & GREENSPACE**

Downtown Raleigh is the most walkable part of the Triangle, is becoming a national leader in downtown greenspace, is investing in new transit for increased regional connectivity, and is home to energy efficient buildings and other urban sustainability initiatives.

**PEDESTRIAN** 97

High walk score in the downtown core, highest walk score in the entire region. Most walkable part of the Triangle.¹

**TRANSIT** 20

20 miles of Bus Rapid Transit planned across 4 corridors, 30+ bus routes connecting downtown to the rest of the city and region.³

**RAIL** 43

43 miles of commuter rail planned, connecting downtown to the entire Triangle region.⁵

**BICYCLE** 190+

Bike racks in downtown with room for 600+ bicycles. 300+ bikeshare cycles with 20 of 32 bikeshare stations downtown.²

**GREENWAY** 121

121 miles of greenway in the City of Raleigh.⁴

**AIR** 300+

300+ daily flights from Raleigh-Durham International Airport, which is 20 minutes from downtown.⁶

**GREENSPACE**

491 ACRES OF PARKS WITHIN 1 MILE OF DOWNTOWN⁴

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¹Walk Score. ²City of Raleigh, Cardinal Bikeshare. ³City of Raleigh, GoRaleigh. ⁴City of Raleigh. ⁵GoRaleigh & GoTriangle. ⁶RDU International Airport.
Downtown Raleigh has the highest walk score in the region with a high score of 97 and an average of 92 across the downtown core. The city is continuing improvements in ADA compliant curb ramps and pedestrian signals throughout downtown.¹

Downtown Raleigh has over 18 miles of bike lanes and the city continues to make improvements and additions to those lanes. Some of downtown’s newest office developments, 301 Hillsborough at Raleigh Crossing and 421 N. Harrington, include bike storage as an amenity to office tenants, promoting more bike commuters.

Three scooter operators began serving Raleigh in 2021. Lime, Bolt, and Spin scooters are concentrated in downtown and several nearby neighborhoods. Between all three scooter operators:

- 281,260 trips taken between May 2021-December 2021.²
- An average of 761 scooters deployed every day.³

Recently rebranded as Cardinal Bikeshare, Raleigh’s bikeshare system has a total of 32 stations with 20 of those in downtown. In the past year, a new station was added downtown at the Longleaf Hotel.
**TRANSIT: REGIONAL, NATIONAL & GLOBAL CONNECTIVITY | CAR • BUS • TRAIN • PLANE**

**REGIONAL CONNECTIVITY:**

4

**BUS RAPID TRANSIT** corridors with downtown at the center

20

MILES of planned BRT routes

30+

**BUS ROUTES** connecting downtown to the rest of the city and region through GoRaleigh and GoTriangle Systems

43

MILES of planned commuter rail as part of the future Triangle Commuter Rail

12,000

**TRIPS PER DAY** at Raleigh Union Station with the future Triangle Commuter Rail

**R-HLINE:** Downtown Raleigh’s FREE bus circulator has a bi-directional route which serves many downtown destinations including the Convention Center, GoRaleigh Station, Raleigh Crossing, Raleigh Union Station, Red Hat Amphitheater, Seaboard Station, Shaw University, Smoky Hollow, and the State Capitol Building. The route is served by GoRaleigh 29-foot compressed natural gas buses, releasing near zero emissions. Buses run approximately every 15 minutes.

**BUS RAPID TRANSIT:** 20 miles of BRT planned with downtown serving as a central hub. Raleigh’s first bus rapid transit line is set to break ground in 2023 and will run along New Bern Avenue and Edenton Street between WakeMed and downtown, connecting downtown to eastern Raleigh. The next line to start will be the southern alignment running along South Wilmington Street followed by the western alignment running along Western Boulevard, connecting downtown to western Raleigh and Cary.

**NEW BERN AVENUE BRT:** Connecting East Raleigh to Downtown Raleigh, the New Bern Avenue route is the first of four BRT corridors coming to Raleigh. The project is a $72.5 million investment.

**RALEIGH UNION STATION (RUS) AND RUS BUS:**

Raleigh Union Station currently houses Raleigh’s Amtrak station and will be a hub for the future Triangle Commuter Rail. Raleigh Union Station Phase II (RUS Bus), a $275+ million investment adjacent to the existing train station, is currently in site preparation with construction to break ground in 2023. GoTriangle won a $20 million federal BUILD grant from the U.S. Department of Transportation for RUS Bus, which includes a 30+ story high-rise development above a bus terminal with 18,000 SF retail and over 585+ residential units with a portion of those being affordable housing units at 80% AMI. The bus facility and adjacent station will create a truly multi-modal hub, allowing connected service from Amtrak and commuter rail to GoTriangle and GoRaleigh buses. The bus facility is expected to deliver in 2025 with adjoining commercial development to follow in 2026.

**INCRESSING REGIONAL CONNECTIVITY**

**ALL ROUTES LEAD TO DOWNTOWN RALEIGH:** four lines of bus rapid transit (BRT) and multiple planned lines of passenger rail converge to make Downtown Raleigh the center of mass transit connectivity in the Triangle.

**TRIANGLE COMMUTER RAIL:** The Triangle Commuter Rail Line plans for up to 43 miles of commuter rail across the Triangle. This will connect Downtown Raleigh to communities to north like Wake Forest and to the south like Sanford. The Federal Railroad Administration awarded $58 million to North Carolina and Virginia to begin engineering work on the rail corridor connecting Raleigh and Petersburg, Virginia and study transit-oriented development opportunities along the corridor from Sanford to Norlina.

**S-LINE: PASSENGER RAIL FROM SANFORD TO VIRGINIA:** Plans are in motion for a new high-speed rail to connect Raleigh and Richmond with passenger trains capable of going 110 mph. The new line would be able to support passenger and commuter rail connecting Downtown Raleigh to communities to north like Wake Forest and to the south like Sanford. The Federal Railroad Administration awarded $58 million to North Carolina and Virginia to begin engineering work on the rail corridor connecting Raleigh and Petersburg, Virginia and study transit-oriented development opportunities along the corridor from Sanford to Norlina.

**BUS FACTS**

- **70K TOTAL SF**
- **585+ RESIDENTIAL UNITS**
- **80% AMI AFFORDABLE UNITS**
- **18K SF RETAIL**
- **6-10 BUS BAYS**
- **660+ PARKING SPACES**

**RDU BUS FACTS**

- **7K TOTAL SF**
- **565+ RESIDENTIAL UNITS**
- **80% AMI AFFORDABLE UNITS**
- **18K SF RETAIL**
- **6-10 BUS BAYS**
- **660+ PARKING SPACES**

**Source:** Hoffman & Associates, GoTriangle

53

**NATIONAL & GLOBAL CONNECTIVITY:**

**NON-STOP DESTINATIONS** including 5 international destinations

13 AIR CARRIERS fly in and out of RDU

300+

**FLIGHTS DAILY at RDU International Airport**

**BEST ‘LARGE AIRPORT’** in customer satisfaction by J.D. Power 2021

**RDU International Airport is located just 20 MINUTES from downtown and accessible via express bus**
MAJOR INFRASTRUCTURE INVESTMENTS

In addition to upcoming transit investments, Downtown Raleigh is seeing major investments in transportation infrastructure including two new transportation stations, reconfiguration of a major interchange, bike share, conversion of one-way streets, extension of a street underneath a rail line, bike lanes, and streetscaping.

CHAVIS-DIX STROLLWAY:
The Chavis-Dix Strollway is a plan to connect two of downtown’s major parks: Chavis Park and Dorothea Dix Park. This project will connect southwest and southeast Raleigh, allowing people to bike or walk the 1.3 miles between the two parks while learning about the historic significance of sites throughout Raleigh. North Carolina Congresswoman Deborah Ross recently announced $3 million in federal funding for the Chavis-Dix Strollway, which is expected to be completed within the next two years.

CONVERSION TO TWO-WAY STREETS:
Several streets in downtown are being converted from one-way to two-way traffic, which reduces confusion, increases pedestrian safety, and improves visibility and access for storefront businesses. Blount and Person Streets will begin conversion in the near future.

DOWNTOWN TRANSPORTATION PLAN:
A cross-departmental, multi-agency team contributed to the development of the final recommendations for a phased implementation plan of the proposed Bus Rapid Transit (BRT) corridors, as well as a proposed bicycle network and pedestrian enhancements for Downtown Raleigh.

PERCENTAGE OF POPULATION WITH COMMUTE TIME UNDER 15 OR 20 MINUTES (THOSE NOT WORKING FROM HOME)

<table>
<thead>
<tr>
<th></th>
<th>Downtown Raleigh</th>
<th>Raleigh Metro</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commute time of fewer than 15 minutes</td>
<td>50%</td>
<td>37%</td>
</tr>
<tr>
<td>Commute time of fewer than 20 minutes</td>
<td>63%</td>
<td>43%</td>
</tr>
</tbody>
</table>

ON THE MAP: MAJOR INFRASTRUCTURE IMPROVEMENTS

#1 Best City to Drive In WalletHub 2021

30,000 estimated parking spaces in downtown

10 major arterial streets connect downtown to the rest of Raleigh

$36.9M

Investment by the North Carolina DOT to redesign and improve the northern gateway to downtown with the replacement of bridges and interchanges along Capital Boulevard at Peace Street and Wade Avenue.
DOWNTOWN RALEIGH HAS A STRONG SYSTEM OF EXISTING PARKS AND GREENSPACE, including historic squares, an expansive mall, recreation fields, greenways, and a new destination park on the way. Dorothea Dix Park already draws in crowds to enjoy its sweeping city views and beautiful sunflower fields, but with the city’s major investments in the park’s design and master plan, the newly developed Dorothea Dix Park will solidify Downtown Raleigh as a leader in greenspace among its peer cities. The upcoming investments in Raleigh’s parks will greatly enhance downtown’s amenities for residents and employees.

NC FREEDOM PARK: Construction is currently underway for the new NC Freedom Park, which is dedicated to the African American experience and struggle for freedom in North Carolina. The $5.4 million park is on a one acre site on State property between the State Legislature and the Governor’s Mansion. The park’s design has already won an award from the American Institute of Architects Triangle Section. The park was designed by internationally recognized architect Phil Freelon, who led the design team for the recently dedicated $500M Smithsonian National Museum of African American History and Culture on the National Mall in Washington DC. The North Carolina Freedom Park is projected to be completed in 2023.5

FUTURE DOWNTOWN PARK: Plans for a 14-acre park in Glenwood South are underway at the corner of Capital Boulevard and Peace Street. The official name of the new park is still to be determined and the project will invest over $18 million in the urban park for the growing residential district. The park will also include a greenway connection from Crabtree Creek Greenway to Downtown Raleigh.

DOWNTOWN’S NEWEST PARKS

<table>
<thead>
<tr>
<th>Park Name</th>
<th>Acres of Green Space</th>
</tr>
</thead>
<tbody>
<tr>
<td>NC FREEDOM PARK</td>
<td>14 acres</td>
</tr>
<tr>
<td>FUTURE DOWNTOWN PARK</td>
<td>14 acres</td>
</tr>
</tbody>
</table>

Methodology used municipal GIS data in each city to measure acres of green space within two miles of the center of each downtown.

ON THE MAP: DOWNTOWN PARKS AND GREENSPACE

ACRES OF GREENSPACE WITHIN TWO MILES OF DOWNTOWN

Downtown Raleigh has an impressive 768 acres of greenspace within two miles of downtown, making it a leader in urban greenspace in the U.S.
DOWNTOWN PARKS

South development now under construction.

Dorothea Dix Park: Just south of Downtown Raleigh is a 309-acre public park that will serve as a significant amenity for the growing downtown area. The site has served as the headquarters for North Carolina DHHS for the past decade and is currently under transformation as a destination park. The park has already spurred new growth and development such as the new Park City South development now under construction.

Dorothea Dix Park sunflower field in 2022

THE GIPSON PLAY PLAZA: Part of the Dorothea Dix Park Master Plan includes the $50 million Gipson Play Plaza, which will serve as the park’s main entrance and is approximately 18 acres at the park’s southern end. Construction began in summer 2022 on the plaza that is described as an inviting and inspiring public space for all ages with one-of-a-kind play spaces; a civic plaza, fountains, gardens; and areas to cook out and relax. The play plaza will include a sensory maze, swing terrace, water play mountain and adventure playground.

MORE DOWNTOWN PARKS

MORE SQUARE: Completed in 2019, a $13 million renovation of one of Raleigh’s original, historic squares has created one of the most popular public spaces in downtown. Since August 2019, Moore Square has hosted over 850 programs and events, drawing in over 100,000 attendees. Moore Square hosts a weekly farmers market on Sundays, bringing fresh produce and food to downtown with 50+ vendors and an average market attendance of 1,400 people.

JOHN CHAVIS MEMORIAL PARK: Located just east of downtown, this 28-acre park underwent an $18 million renovation, which was completed in June 2021. This park is on the National Park Service’s National Register of Historic Places and includes a half-mile section of the Capital Area Greenway Trail as well as a historic carousel, water feature, large playground, new two-story community center with a full-size indoor gym, elevated walking track, and numerous meeting spaces. The new community center integrated sustainable design and is targeting LEED Silver certification with the U.S. Green Building Council.

URBAN SUSTAINABILITY

Raleigh is committed to sustainability as seen through various initiatives. In 2019, City Council established a climate goal to achieve an 80% reduction in greenhouse gas emissions by the year 2050. The City’s Community Climate Action Plan continues to move the city forward to a more sustainable future.

BEE CITY USA & SUNFLOWER FIELD AT DIX PARK

Raleigh has been an official member of Bee City USA for over five years and is one of more than 260 affiliates in 44 official Bee City USA states. As a Bee City, Raleigh educates the public and provides support for pollinators and habitats in the city. There are pollinator habitats at prominent downtown sites including Duke Energy Center for the Performing Arts and the Raleigh Convention Center. The sunflower field at Dix Park is a massive pollinator site, which serves as a habitat for bees and other species. In 2022, 198,000 sunflower seeds were planted. When the bloom is over, Raleigh Water harvests the sunflowers at Dix Park to process biodiesel for educational programs and demonstrations.

14 LEED CERTIFIED BUILDINGS IN DOWNTOWN RALEIGH, WITH MULTIPLE RECENTLY DELIVERED BUILDINGS CURRENTLY PURSUING CERTIFICATION

GREEN STORMWATER INFRASTRUCTURE & GREEN ROOFS

The City of Raleigh uses green stormwater infrastructure to help reduce water pollution to the streams and lakes. The goal is to move from using ‘gray’ infrastructure in the country to more ‘green’ features that mimic nature and use the natural landscape features to capture and soak up rainfall. One prime example of this is Raleigh Union Station. This green roof at Raleigh Union Station collects rain before it falls to the ground or evaporates into the air and reduces pollution to a stream called Rocky Branch.

RALEIGH CONVENTION CENTER

Raleigh Convention Center was one of the first two LEED Silver Certified convention centers in the country. At the time of its in 2012 installation, this was the second-largest convention center solar array in the nation, covering approximately 60 percent of the roof. It produces enough energy every year to power about 70 North Carolina homes.

RALEIGH CITY FARM & COMMUNITY GARDENS

Raleigh is a supportive environment for urban agriculture and community gardens, as seen at Raleigh City Farm, a one-acre urban farm in the Seaboard Station/Pension Street District. Raleigh City Farm is a nonprofit that turned a downtown vacant lot into a community garden that has been flourishing and bringing the community together for over 10 years.

Sustainable Energy Association
City of Raleigh Office of Sustainability
City of Raleigh Plug-in NC
City of Raleigh Department of Transportation
Costar
Local Government Clean Energy Report, North Carolina Sustainable Energy Association
City of Raleigh (at the time convention center was built in 2012)

Electric GoRaleigh Buses on the road this year

Compressed Natural Gas (CNG) buses on the road from the City’s Bio-energy Recovery Project

Public EV charging plugs in downtown

Hybrid or EV vehicles in Wake County, the highest number of hybrid vehicles in the state

Sunflower seeds were planted at Dorothea Dix Park sunflower field in 2022
Thank You to Our Annual Investors

LEADERS

Kane Realty Corporation

VISIONARIES

Citrix

Red Hat

UNC Health

Champions

Kane Realty Corporation

First National Bank

Kimley-Horn

For a full listing of our investors, please visit our website at www.DowntownRaleigh.org/investors