

GoTriangle's 40-story tower in downtown Raleigh could get more affordable housing

The Herald-Sun By Anna Johnson October 1, 2019

RALEIGH – The latest planned 40-story tower in downtown Raleigh will combine public transit, shopping and office space in the Warehouse District.

And it will have more, or at least longer-lasting, affordable housing units than originally proposed.

GoTriangle's RUS Bus — a station for local buses called Raleigh Union Station Bus — is being called a "transformational project."

It cleared a significant hurdle Tuesday with a rezoning approval allowing up to 40 stories instead of the previously allowed 12.

Come talk to us on Oct. 14 about growth in the Raleigh region.

The station and surrounding housing and shopping will be built at 200 S. West St. The station will connect the city's Bus Rapid Transit lines and have six to 10 bays for local buses to pick-up and drop-off passengers.

The City Council approved the rezoning by a unanimous vote.

"We are really excited that they worked with us and we were able to get this done," said Shelley Blake Curran, GoTriangle's interim CEO and president. "We think it will be a transformational project for downtown Raleigh and provide a multi-modal transportation hub with it being connected to the rail at Raleigh Union Station."

Office buildings, including the former headquarters of the Dillon Supply Co, and a two-story brick warehouse are at the site now. The rezoning allows the project to rise 40 stories, though the tower may not actually be that tall.

In addition to the bus station, the project will also include retail, housing, office space and, possibly, a hotel above and next to the bus station. GoTriangle is selecting a developer for the project.

AFFORDABLE HOUSING

The project originally had 20 units for affordable housing for people making 80% or less of the area median income with a guarantee they'd stay affordable for 10 years.

But after concerns by the Raleigh City Council, the project will include 20 affordable units or 10% of all units, whichever is greater. And those units will remain affordable for at least 15 years.

Other concessions made by GoTriangle include making sure the ground floor has active uses like retail, commercial, office and civic space, and for the preservation of the existing building and reusing the bricks, if possible.

It's been important to city leaders that as the Warehouse District continues to develop that the area maintain its "brick" character.

"It's a key part of us moving forward, connecting bus and rail and everything else," Mayor Nancy McFarlane said. "I am really glad they understood the need to activate the ground floor, that they want to maintain as much of the character of the building as we can. They were very responsive to our requests."

The project was funded, in part, by a \$20 million federal grant, but the full cost isn't known. Raleigh Union Station cost \$111.4 million, according to the city. RUS Bus could open in 2022.

Once the station is open, people will be able to take an Amtrak train to the new station and then take a bus to their final location. And the station will also be connected to the future 37-mile commuter rail system that was approved by voters in 2016 as part of the Wake County Transit Plan.

"Whenever we can put transit connections together with housing and jobs, the community wins," Curran said in a news release. "It's going to be exciting to see all of the ways RUSBus contributes to improving the quality of life we enjoy in the Triangle."

Exclusive: 'Completely unworkable' - RDU and execs clash over parking

Triangle Business Journal By Lauren Ohnesorge, Senior Staff Writer September 23, 2019

As passenger numbers rise, Raleigh-Durham International Airport may take back a parking lot near its General Aviation Terminal to use for general public parking, but the proposed plan faces harsh criticism from some of the companies operating out of the airfield.

"There has to be a solution," says Ashley Smith, president of RDU tenant Jet Logistics. "But what's frustrating is, no one is willing to discuss it."

Fixed-Based Operators – both Signature Air and TAC Air -- will get a two-weeks' notice from RDU before it becomes official. But FBOs say via a letter to their tenants obtained by the Triangle Business Journal that they've been given a "tentative" move out date of Oct. 1.

If the change happens, most employees whose firms rely on General Aviation - including Jet Logistics - will move to an offsite parking lot where, for \$11 per month, they'll be shuttled to the terminal.

For Jet Logistics, which contracts with UNC Air Care on emergency air-ambulance services, it's added time that its patients can't always afford, Smith says.

"When they get that child with massive burns out in Cape Hatteras, the jet scrambles to go out and pick them up, bring them back to the burn center," Smith says in an interview. "When we have an issue, we're trying to get the patient as quick as we can. That extra 10 to 15 minutes waiting on a bus makes a huge difference."

And he says he's not alone, pointing to other firms such as Koury Aviation and Causey Aviation, which contract with Duke University to transplant organs. Jet Logistics occasionally subcontracts with those companies, too, he says.

"They've got four hours of what we call cold time," he says of organ transplant teams. "They don't have time to wait on a bus."

Trey Walters, CEO of tenant flight school Blue Line Aviation, says complications like this are why he's moving the headquarters of his operation out of RDU and to Johnston County.

"I would have loved to build our facility at RDU, but it was clearly not an option any time soon," he says. "Thankfully, we saw early on that it would become increasingly challenging to grow our business at RDU and took the appropriate steps to safeguard our future elsewhere."

This past year, his company saw its office space reduced by about a fifth, even as its rent nearly doubled, he says.

The added inconvenience of shuttling "is unreasonable and makes it even more difficult to do business at RDU."

"Making it difficult and more expensive for flight schools to operate only worsens the already historic pilot shortage," he adds.

Right now, Blue Aviation pilots go back and forth between the airfield and an offsite training center off Aviation Parkway. Walters calls it "completely unworkable" to drive in and take a shuttle multiple times a day.

"It would require us to completely reschedule everything we have on our calendar after Oct. 1," Walters says. "This is a huge operational nightmare for us."

And one that could force it out of RDU completely when the new headquarters building, under construction at Johnston County Airport, is complete.

"General aviation, we have a belief that Raleigh doesn't want us at the airport," Walters says. "Actions like this seem to make that more apparent, more factual if you will. This definitely contributes to us leaning more toward not staying in Raleigh."

Smith says the plan also impacts some of the executives of RTP companies whose jets park on the tarmac.

"Why do they buy an executive jet? It's a time machine," he says. "It allows you to get more stuff done in a day... so when somebody says, oh, it's an extra 30 minute-drive up from Johnston County... if 30 minutes didn't matter, they wouldn't have bought the airplane."

And Smith fears an economic development impact, saying that, if executives can't take off in close proximity to their offices, "they're not going to put their business there."

Executives at companies regularly using RDU's General Aviation facilities say they have sent multiple complaints to RDU and its FBOs.

And they're hoping to talk the RDU Airport Authority out of the plan.

But RDU claims rising traffic numbers have left them with few options.

"RDU has allowed tenants and employees of TAC Air and Signature to park in the lot... because those spaces were not needed for commercial parking operations," a spokeswoman writes. "General aviation staff and customers who park in these spaces pay significantly less than the market rate, which contributes to the approximately \$2.5 million annual subsidy RDU pays for general aviation operations."

But RDU has not yet made moves to reclaim the spaces, the spokeswoman says, noting that, as it has communicated with tenants, "the spaces would only be

"At that time, the Authority estimated the parking changes would go into effect around Oct. 1 as a result of commercial parking overflow from the garage paint and repair project, yet the need to implement the change has not yet occurred," the spokeswoman added.

The airport provided FBOs with a one-page fact sheet on its plans earlier this month, noting the \$2 billion funding shortfall it faces for capital projects across the campus. The sheet also notes that, of the airport's total \$165.9 million in revenue, General Aviation contributes just \$1.7 million, or 1 percent.

If the change happens, other options will be will be a \$12-per-day lot space or a leased space in the airport public lot for \$200 per month. A limited number of spots will be available for \$75 per month – but for most, it's likely to be the shuttle option, executives say. Smith says contract terms were agreed to months ago -- without taking extra parking fees into account. He also says the spaces available via RDU's other options are extremely limited. In some cases, spaces might be available only to those who already had dedicated spaces -- which doesn't help in the case of new contracts, he adds.

Signature declined to comment, referring TBJ to RDU. TAC Air didn't immediately respond with a comment for this story.