

The Future of Dix Park



A Gift to Our Children

A VISION FOR THE FUTURE OF DIX CAMPUS

Raleigh, North Carolina

Prepared by

Greg Hummel

Jay Truty, Kalyna Procyk, Meg George
and his team at Bell, Boyd & Lloyd LLC
Chicago Illinois

Park Concept Designs by

John Hoal

H 3 Studio
St. Louis, MO

With the invaluable assistance of representatives of
The Friends of Dorothea Dix Park
and the Dix Visionaries

For

Friends of Dorothea Dix Park

An umbrella organization representing more than 30 organizations

and

Dix visionaries

A diversity of individuals, developers and companies.

October 10, 2006

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EXECUTIVE SUMMARY

This White Paper was commissioned by the Friends of Dorothea Dix Park, which is an umbrella organization representing more than 30 organizations, and the Dix visionaries, a diversity of individuals, developers and companies. Their essential purpose is to provide a resource to those considering the future of Dix Campus: In the short term, the Urban Land Institute Advisory Panel, and in the longer term, the citizens and elected officials of Raleigh and North Carolina.

The General Assembly of the State of North Carolina created the Dorothea Dix Hospital Study Commission (the “Dix Study Commission”) and charged it with recommending a course of action to the NC Legislature regarding the fate of the Dix Campus if not transferred to another government entity. Dix Campus’ future is fluid since the Dix Study Commission is now faced with a number of competing considerations.

First, let’s consider a number of matters important to the State of North Carolina (hereinafter, the “state”):

- legacy of Dix Campus as the first mental health facility in North Carolina and constrained funding for the mental health needs of its citizens
- historic preservation challenges and opportunities
- desire to create one-time and/or on-going revenue streams for on-going mental health activities from the sale of the Dix Campus or portions thereof
- desire to maintain, the Department of Health and Human Services (DHHS) operation on Dix Campus
- desire to move other state office operations on to Dix Campus or its environs

Next , consider the competing proposals for the Dix Campus the Dix Study Commission has received:

- LandDesign – Alternative proposals for varying degrees of mixed use, retail, residential, health sciences, and open space ("City in the Park" and "Central Park").
- City of Raleigh – Proposal for residential, recreation, learning, retail, mental health, and open space ("The Garden of Lights").

- Friends of Dorothea Dix Park and the Dix Visionaries – the Vision expressed in this White Paper – namely, a great urban park anchoring a large redevelopment area linking by train or monorail Dix Park to both downtown Raleigh and the Centennial Campus of North Carolina State University.
- Wake County Botanical Gardens – Use all acreage for a botanic garden.
- NC National Alliance on Mental Illness – All proceeds from any disposition to be transferred to a new, independent, statewide entity for the purpose of creating an endowment for funding community mental health grants to support services for the severely mentally ill.
- Consortium of conservation and historic preservation organizations – Development of a public park on the existing open spaces, preservation of existing buildings that contribute to the designation of the National Register historic district status, office space for DHHS, provision of mental health services, and generation of revenue for Mental Health Trust Fund.

What the foregoing makes clear is the divergence of views regarding the use and reuse of the Dix Campus. The state’s desires and the various visions of these six proposers do share some overlap, but they conflict in a number of material ways:

The state is considering Dix Campus to:

- Create income streams
- Preserve historic structures
- Continue to provision the DHHS services on Dix Campus
- Consolidate other office services into or around Dix Campus

The proposals for the Dix Campus received by the Dix Study Commission fall into four categories grouped as follows:

- The LandDesign and City of Raleigh proposals use major portions of the Dix Campus for mixed use residential, retail and other development in varying degrees.
- The Wake County Botanical Gardens focuses on a gated, ticketed series of research gardens and facilities representing a wide range of habitats.
- The National Alliance and the consortium of conservation, park and historic preservation proposals aspire to rebuild the central section of the main hospital building, and restore the significant historic structures by attracting the private sector to invest in these projects with NC & Federal

historic tax credits; worthy goals, but at variance with realistic redevelopment around and reuse of Dix Campus.

- The Friends of Dorothea Dix Park and the Dix Visionaries encompasses a broad vision, not only a great urban park, but also a large redevelopment area surrounding it linked to downtown and Centennial Campus, and continued operations of DHHS in Dix until it can be relocated to another desirable location within the next twenty to thirty years.

What conclusions can we draw from the desires of the State and the visions of these proposers? Several.

First, Dix Campus must be set in a much broader context geographically and programmatically.

Second, the priorities are too narrowly focused by the state and most of the proposers. The scope of the use and reuse of Dix Campus needs to be expanded. It cannot be primarily a question of mental health or state office use. Moreover, it is not only the state that needs a broader vision. The LandDesign and Raleigh plans are right to focus on mixed use. But, that focus needs to be on the edge of Dix Campus and more importantly in the neighborhoods that surround Dix campus. Simply selling the Dix Campus to the highest bidder for real estate development will not raise sufficient funds to meet the state's objectives, much less the objectives of a number of proposers.

There is a better way. Namely, a large tax increment financing district (TIF district) that includes at its center Dix Campus and then extends beyond, first into the surrounding neighborhoods and then into downtown Raleigh and also over to and into Centennial Campus. Such a TIF district could become a platform that helps realize much of the composite vision for Dix Campus held by the state and the proposers. Moreover, tax increment financing attracts a long list of other public programs and private sector initiatives which will provide financial support for Dix Park and its surrounding neighborhoods. Also, the process of forming a large TIF district carries with it the opportunity to take the long view, since in North Carolina TIF districts can last 30 years.

By setting a broader context, many of the objectives of the state and most of the objectives of the various proposers can be addressed. A large tax increment financing district requires an eligibility study showing blight, and a redevelopment plan cataloguing existing conditions, both blighted and otherwise. Such a redevelopment plan would also describe how this blight will be eliminated and what projects will be undertaken to accomplish that end. It would also indicate how the projects will be financed using tax increment and other public and private revenue streams, and in what order sub-areas in the overall TIF district will be redeveloped, among several other things.

Such a TIF redevelopment plan arrayed with a number of other tools and strategies described below can be used to achieve a number of the goals embodied in the state's and the proposers' visions. One central issue, however, looms over this and really most other strategies respecting the reuse of the Dix Campus. In the charge to the ULI panel, the Dix Study

Commission notes its long-standing position: The Dix Campus should remain an asset of the state's mental health system. This will be a real challenge. And, this challenge will be magnified if the driving considerations of the state are expanded use of Dix Campus as state office locations.

There is a disconnect between using Dix Campus to generate income from the private sector (especially one time income events) and using it as an anchor for neighborhood revitalization and regional economic development, At the same time respecting many of the state's objectives like historic preservation and use of parts of the Dix Campus for ongoing state programs and activities is important.

In essence, the debate may be more one of timing and relative degree. The state can realize some income from private sector activities respecting the Dix Campus. That income can flow out of the tax increment itself. It will also flow out of using the tax increment as a way to attract funding from a wide range of other sources, both public and private. By creating this large TIF district, Raleigh will also be showing its commitment to a number of shared objectives and in this vital sense, will join with the state in a common plan of development and redevelopment. By so doing, Raleigh and the state will be able to qualify for a number of federal programs and private sector initiatives which enable an array of funding from multiple sources not available to any one governmental entity or private entity working alone.

There is more in common between Friends of Dorothea Dix Park and the Dix Visionaries and mixed use development than might be apparent. The key is where the mixed use development occurs. And, if planned in a broader context, in combination with a wide array of tax increment and other financing tools, then the goals of those who want (i) a great urban park and historic preservation of significant structures and those who want (ii) economic revitalization and new or enhanced streams of both public and private revenue can be achieved.

As noted above, the keys to this result are development on the edge of Dix Campus and in its adjacent neighborhoods with transit and other links to downtown Raleigh and certain of its adjacent neighborhoods and also links to Centennial Campus, especially where it meets Dix Campus.

Several threads run through this strategy. One is train and/or monorail transit and transit-oriented development. A second is a series of retail/entertainment destinations proceeding from downtown Raleigh over to Dix Campus and beyond to Centennial Campus. These retail entertainment uses could include a museum campus portion of Dix Campus and related retail. A third thread is having concentrated mixed use real estate development in contiguous and adjacent areas overlooking Dix Park, initially close to transit and university operations. The portion of Centennial Campus contiguous to Dix Campus may be a good location for housing. Later, other housing could locate at other areas along the edge of Dix Park. This housing component needs to be woven into sub-area planning for a series of neighborhoods that encircle Dix Campus. And, the sequence in which neighborhoods are developed and redeveloped is an area which warrants concentrated focus. We'll discuss these neighborhoods and the order of this development and redevelopment in greater detail below.

In the charge to the ULI panel, the Dix Study Commission raised a host of questions typically answered in a redevelopment plan that creates a TIF District. In the balance of this White Paper, then, we'll take up these and other questions and in the process provide some of the content which would form a basis for a redevelopment plan for a greater Dix Park TIF District.

This effort is necessarily preliminary. In one critical sense, it assumes too much. Namely, consensus on two key features – **first**, (i) a large area surrounding Dix Campus as the study area extending to downtown Raleigh on the East and North and beyond Centennial Campus on the West and (ii) (a) first, understanding and then, integrating the business plans of the downtown alliance in a redevelopment planning effort and (b) similarly understanding and integrating relevant aspects of the Centennial Campus master plan and NCSU's strategic plan with this same redevelopment planning effort, and - **second**, consensus among the Dix Study Commission and the State of North Carolina and the City of Raleigh and the County of Wake respecting this approach. With this notable caveat made, we proceed. First, some history.

History



In 1739, William Smith received the first English land grant of 2,000 acres on Crabtree Creek just north of Dix Campus. An officer in the Revolutionary War became the first major land owner in 1771 when Theophilus Hunter, Sr., selected Spring Hill, which became Dix Hill, as the prime location for his plantation. His home, built in 1770s became known as the Spring Hill Plantation House and is still on the Centennial Campus at the edge of Dix Hill. The house eventually passed to Theophilus Jr. and then to his daughters. One of his daughters, Maria Louisa Hunter Hall sold the original acreage to the State Hospital Commissioners to establish the first State hospital for the Insane. Before coming to North Carolina in 1848, Dorothea Dix was instrumental in starting state institutions in Massachusetts and New Jersey. Dorothea Dix came to North Carolina to establish a state insane asylum. When she arrived in North Carolina, she surveyed 36 counties and identified approximately 1000 people with mental illness. She presented her findings, county by county and lobbied for an “asylum bill”. The “asylum bill” passed the House in 1848. Six appointed commissioners identified the property that Maria Louisa Hunter Hall had sold, and they officially established the Insane Hospital of North Carolina, as it in 1849.

After serving the State for over 150 years, Dorothea Dix Psychiatric Hospital (Dix Hospital) is scheduled to close early in 2008. The hospital sits on approximately 306 acres of largely undeveloped land near downtown Raleigh. In addition to the hospital, the State's Department of Health and Human Services (DHHS) relies on the Dix Campus as the headquarters for its operations. Despite the DHHS operations on the campus, Dix Hospital is the most intense use on the Dix Campus and its closure will significantly change the character of Dix Campus.



Current Context

Legislation to finance the construction of the psychiatric hospital to replace Dix Hospital included a provision creating the Dorothea Dix Hospital Property Study Commission (Dix Study Commission). The Dix Study Commission was specifically created by North Carolina Compiled Laws 2006-66, Sec. 23.10.(d) (hereinafter the “Study Enabling Legislation”). This Study Enabling Legislation directs the Dix Study Commission to contract for land use consultant services to review, analyze and make recommendations regarding the following in relation to the Dix Campus:

- (1) Funding options for compatible uses of open space, the adaptive re-use of existing facilities, and continued support for mental health services;
- (2) The financial feasibility of the uses referred to above;
- (3) An assessment of financial mechanisms for the implementation and maintenance of the uses referred to above; and
- (4) Administrative or governance structures to implement the uses referred to above.

The Study Enabling Legislation also provides that *if* any of the Dix Campus is no longer needed as a hospital and is not transferred to another State agency or agencies, *then* before the sale of any or all of the property to a nongovernmental entity, options for this sale shall be approved by the Legislature.

The Urban Land Institute (“ULI”) is the land use consultant the Dix Study Commission chose to fulfill its responsibilities under the Study Enabling Legislation. ULI is the pre-eminent, multidisciplinary real estate forum that facilitates the open exchange of ideas, information and experience among local, national, and international industry leaders and policy makers dedicated to creating better places. Founded in 1936, the institute now has more than 33,000 members worldwide representing every aspect of the real estate industry, including developers, owners,

investors, lenders, builders, architects, planners, lawyers, analysts, academics, public officials and students. The multidisciplinary teams assembled by ULI provide a panel sponsor with an unbiased set of recommendations for strategic actions respecting a particular set of land use and development challenges. The agreement between the Sponsor and ULI requires the ULI Dix Park Panel to evaluate the funding options, financial feasibility of uses and financial mechanisms and administrative and governance structures identified in the Study Enabling Legislation. The ULI Dix Panel will publicly present its conclusions and recommendations in oral form to be accompanied by a detailed Power Point presentation on Friday, October 27, 2006.



The Vision Part One - A Great Urban Park

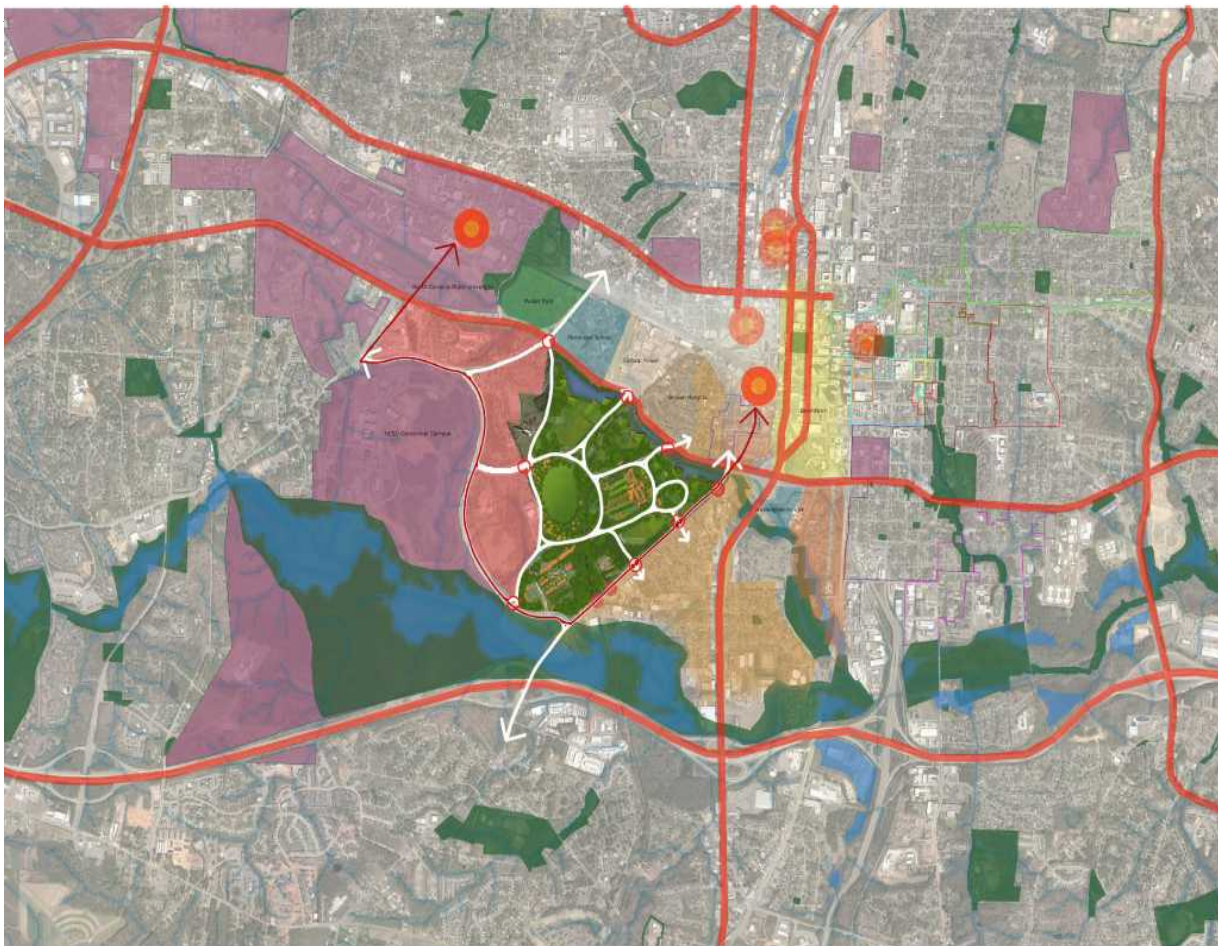
The remaining 306 acres of the Dix Campus is one of North Carolina's pre-Civil War historical treasures with significant vistas and natural attributes. As a public asset, the remaining property should be permanently preserved and enhanced for Raleigh's citizens now and in the future to enjoy. The Friends of Dorothea Dix Park and the Dix Visionaries' vision is dedicated to preserving the existing pastoral setting while at the same time integrating this remaining jewel into the larger urban growth opportunity envisioned by this White Paper. It is imperative that the Dix Campus not only remain a jewel of green in the heart of Raleigh, but also act as the driver for this larger metropolitan smart growth initiative.

Great cities have great public parks, which generate real and measurable economic benefits by significantly enhancing real estate values in and around a park's surrounding communities and the greater metropolitan areas as a whole (e.g., New York City's Central Park, Chicago's Millennium Park, etc.). The close proximity of a park would further enhance the quality of life in Raleigh. In addition to providing a destination in the soul of the city for cultural activities and recreational pursuits, entrepreneurial activities such as markets, fairs and festivals could thrive in the park. North Carolina has the only opportunity left in the nation to simply designate a 300 acre pastoral downtown jewel as a park district. It would otherwise be impossible to assemble an equally beautiful and suitable parcel of parkland in the downtown of any other capital city in the United States. Dix Campus as it sits today already contains countless amenities that many U.S. metropolitan area parks could only wish for in their existing park systems -- 150-year old trees, historical significance, great lawns, historic buildings and vistas of the capital.

A wide variety of natural features combine to create Dix Park's pastoral landscape. The property consists of open rolling meadows punctuated by large trees in groups or lining existing roads. A ridge line exists on the eastern half in a northwest-southeast orientation. The main

hospital facility itself is located along this ridge facing east. The hillside sloping down toward Rocky Branch Creek is highlighted by a grove of mature oaks and a meadow along the creek. Steep slopes which limit development but create a natural buffer exist along the creek at the northern edge of the eastern half adjacent to railroad tracks.

The western half of the property is less wooded and more open than the eastern half. A substantial grove of oaks exists on the knoll adjacent to the Pullen Park Terrace (Kirby Bilyeu) neighborhood. Two ridges are defined on this half. One ridge runs north to south close to the western boundary. Spring Hill (NCSU) is located on this ridge. The second ridge divides the western half into north and south drainage areas; one area drains toward the creek to the north while the other drains to the south and the Farmers Market. The topography and openness of the western half afford a commanding view of the City of Raleigh from the vicinity of the Council Building.



DOROTHEA DIX PARK

RALEIGH, NORTH CAROLINA



H 3 S T U D I O

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The main goals and objectives of the Friends of Dorothea Dix Park and the Dix Visionaries as it relates to the future use of the Dix Campus are as follows:

- Preservation of the existing footprint of open space.
- Promotion of the public use of the land and buildings for a museum, for art and for culture.
- State offices could be a compatible use.
- Preservation of historically significant structures and cemetery.
- Preservation and enhancement of the unique natural habitat contained within the Dix Campus boundaries.
- Enhanced water quality by protecting and restoring the riparian buffers and floodplains.
- Honor Dorothea Dix and her historic advocacy for individuals with serious mental illness.

These goals and objectives are not only in-line with the larger metropolitan economic development strategy contemplated by this White Paper, but they are the crux of such an initiative. By making the Dix Campus the centerpiece of a large sustainable development/smart growth strategy, the City of Raleigh is well positioned to create a model metropolitan smart growth success story that will be envied not only domestically, but also internationally. The components of the Friends of Dorothea Dix Park and the Dix Visionaries' vision for the future use of the Dix Campus are vital to capturing this rare economic opportunity. Some of the specific elements of this vision include, but are not limited to, the following project-specific initiatives:

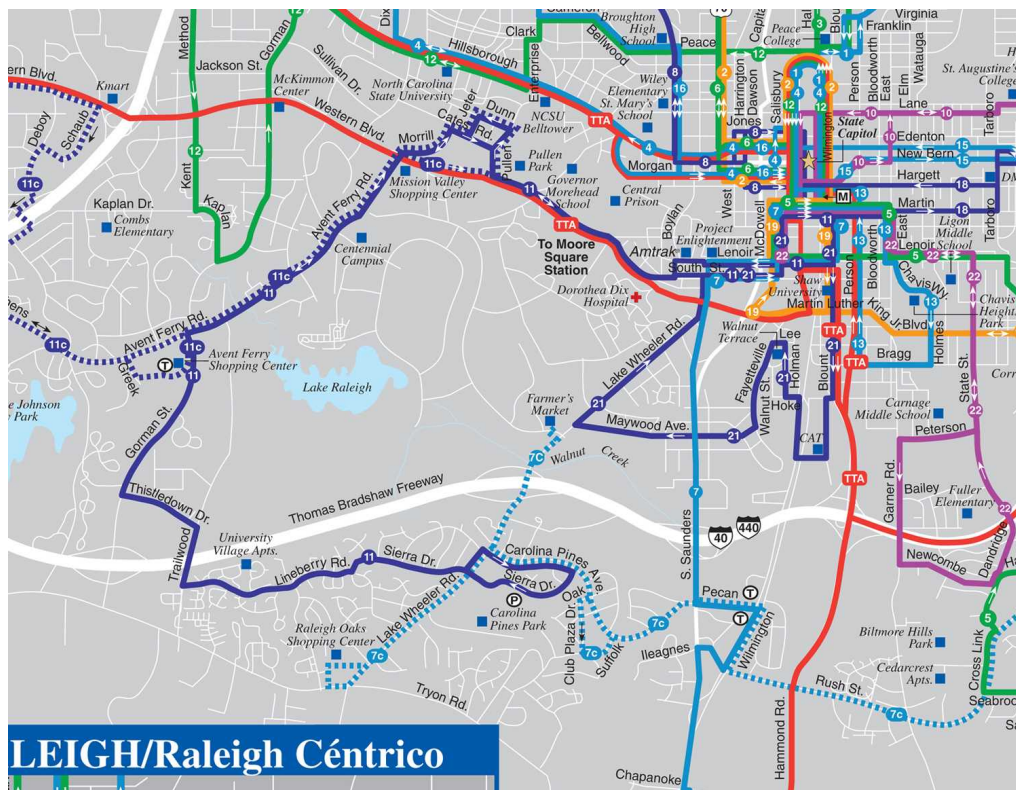
- Establishing greenway connectivity to existing cultural, civic, governmental, educational, and urban parks and open space destinations within Raleigh.
- Utilizing existing federal, state, local and private grants to fund the implementation of the natural resource and historic preservation vision of the Dix Campus (i.e., walking and biking trails, tree planting, wetland preservation and creation, etc.).
- Creating future revenue streams for North Carolina through preserving and enhancing the natural habitat of Dix Campus (e.g., wetland creation and mitigation banking, carbon sequestration, conservation banking, etc.).
- Integrating the preservation of the Dix Campus natural resource assets with adjacent environmental sustainability initiatives (e.g., Centennial Campus).
- Promoting and integrating private educational, entertainment, and recreational establishments into the Dix Campus vision while at the same time preserving the natural and historic attributes of the Dix Campus.
- Expanding the existing Raleigh public transportation infrastructure and systems to allow all of Raleigh's citizens to take advantage of the public resource.
- Increasing the Raleigh's tourism industry by integrating the open space and heritage components of the Dix Campus.

Creation of this great urban park is the most responsible decision. Once any part of this wonderful unique land in the heart of the capital is developed, it is lost forever. North Carolina state leaders have a once-in-a-lifetime opportunity to leave a legacy. The serenity of this property

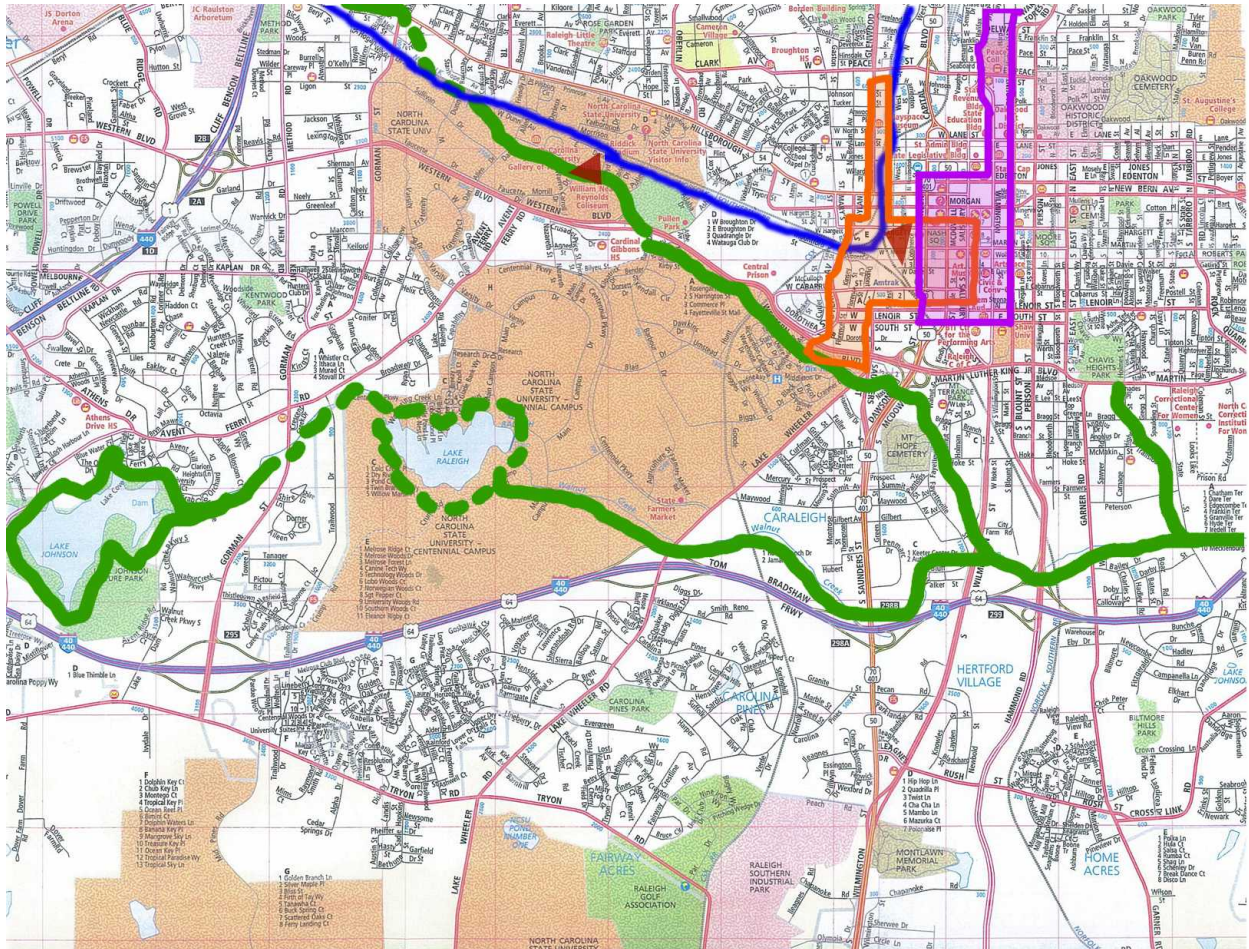
should be preserved and this historic site transformed in honor of Dorothea Dix into a place for reflection, learning, culture and physical activity. This natural progression will incorporate preservation of the historic structures and landscape features used in treatment of mental illness while expanding upon Dorothea Dix’s visionary ideas to include wellness of the human body, mind and spirit. Preservation of the great lawn, historic groves, the skyline, beautiful vistas, stands of mature trees, and rolling hills is the highest and best use of the land. North Carolina leaders have the opportunity to leave an enduring testament. They will touch the future in a profound way.

The Vision Part Two - A Connection to Downtown Raleigh and NCSU.

The Dorothea Dix property is located within a few blocks from downtown Raleigh and the new convention center (under construction) and adjacent to Pullen Park and North Carolina State University (NCSU). The creation of a park in this location will greatly benefit the city of Raleigh by providing a nexus between the downtown area and the NCSU campus. It will connect the State Capital, the capital greenway system, the Museums of Art, History, and Natural Sciences, Lake Raleigh and Lake Raleigh woods, the Walnut Creek wetlands, Pullen Park, the Farmers Market, four colleges and NCSU, the government center and the warehouse and various historic districts. These attractions are now all within a two mile walk of the Dix property. Through greenways, pedestrian bridges and public transportation, all of these locations will be accessible from the Dix Park. Multi-modal loop and other new circulation patterns such as walking, biking, driving etc. will create connections to Centennial Campus Greenway, the Walnut Creek greenway, and downtown. There will be improved pedestrian access to Boylan Heights and neighborhoods to the east as well as an interconnected network of paths linking NCSU on-campus and off-campus elements.



Currently, Raleigh has a bus and trolley system as its sole means of public transportation. A regional rail system was planned but federal funding was denied. Thus the TTA is developing a new plan that could include creating a stop at Dix Park to attract riders by creating a safe and efficient route from downtown to Dix Park and on to Centennial Campus and from Centennial Campus to points beyond. These riders will also experience the extraordinary beauty of the Dix Campus.



The Opportunity – Tax Increment Financing and a Large Redevelopment Area

By creating a station at Dix Park , riders from the Research Triangle, the downtown, or even places as far away as Durham or Cary, will be able to stop and experience Dix Park, not only as a great urban park, but also as a retail entertainment destination flourishing amidst a series of revitalizing neighborhoods surrounding Dix Park. Tax increment financing provides the means to realize both parts of the foregoing vision.

Tax increment financing is a tool which uses growth in real estate taxes to finance the very improvements that will create that growth in real estate taxes. A new project, like the Dix Park, will cause an increase in the property value of the surrounding real estate and spur new development and redevelopment. This increased value and new investment generates greater assessed value and hence increased real estate taxes. These increased real estate tax revenues are the “tax increment”. Tax increment financing dedicates the increased real estate taxes to redevelopment project costs. North Carolina was the 49th state to pass tax increment financing legislation. It did so in 2005. This legislation presents an ideal tool to help create Dix Park. It also provides a framework to create a large district around Dix Park which will foster major development and re-development opportunities around Dix Park.

The North Carolina TIF statute combines TIFs with special district financing and is named “The Project Development Financing Act”. This Act enables each unit of local government to issue project development financing debt instruments and use those proceeds therefrom for specific purposes. In order for these units of local government to issue these instruments, they must receive the approval of the Local Government Commission. This approval is attained by filing an application with the secretary of this Commission.

Once the financing is approved by the Local Government Commission, the unit shall immediately notify the tax assessor of the county in which the development financing district is located of the existence of the development financing district. Upon receiving this notice, the tax assessor shall determine the base valuation of the district, which is the assessed value of all taxable property located in the district on the January 1 immediately preceding the effective date of the district.

A Development Financing District may contain all or portions of one or more redevelopment areas. However, the total land area within development financing districts in a city may not exceed five percent (5%) of the total land area of the city. A redevelopment area may be established by a redevelopment commission or, if a municipality does not have a redevelopment commission, by the governing body of the municipality. A redevelopment area must exhibit certain blighting conditions. Blight is broadly defined to included areas which are:

- Blighted, deteriorated, deteriorating, undeveloped, or inappropriately developed from the standpoint of sound community development and growth;
- Appropriate for rehabilitation or conservation activities; or
- Appropriate for the economic development of the community.

Under both statutory creation regimes, the unit of local government must create a “Development Financing Plan”. In both instances, the Development Financing Plan must address the following elements:

- A description of the boundaries of the development financing district
- A description of the proposed development of the district, both public and private
- The costs of the proposed public activities
- The sources and amounts of funds to pay for the proposed public activities
- The base valuation of the development financing district
- The projected incremental valuation of the development financing district
- The estimated duration of the development financing district
- A description of how the proposed development of the district, both public and private, will benefit the residents and business owners of the district in terms of jobs, affordable housing, or services
- A description of the appropriate ameliorative activities which will be undertaken if the proposed projects have a negative impact on residents or business owners of the district in terms of jobs, affordable housing, services, or displacement
- A requirement that the initial users of any new manufacturing facilities that will be located in the district and that are included in the plan will comply with certain wage requirements

In the event the entity seeking establishment of a Development Financing District is not a county, the entity seeking establishment is required to send notice of the plan to the county or counties in which the district is proposed. In the event the county board does not adopt a resolution disapproving of the Development Financing Plan within 28 days after the date notice is mailed, the entity seeking establishment may proceed to adopt the plan.

The entity seeking establishment of the district must first hold a public hearing on the development financing plan (with published notice of the meeting occurring no more than 30 and no less than 14 days prior to the date of the hearing and mailed notice to all property owners and mailing addresses within the proposed district no less than 30 days prior to the date of the hearing; notice must also be mailed to all the governing bodies of all affected special districts as well). At the public hearing the governing body of the entity seeking establishment shall hear anyone who wishes to speak with respect to the proposed district and proposed plan. If the neither the county board nor Secretary of Environment and Natural Resources have objected to the plan, the entity may then adopt the plan, with or without amendment, at any time after the public hearing. However, the plan and the district will not become effective until the entity applies to the Local Government Commission (“LGC”) to issue project development financing instruments and receives the approval of the LGC.

After a local governmental entity has established a Development Financing Project and Plan the entity must then apply to, and receive the approval of, the Local Government Commission for the issuance of project development financing instruments before the Development Financing Project and Plan will become effective. The LGC process is governed by Chapter 159, Article 6 of the North Carolina Statutes.

Section 159-103 provides that a unit of local government may issue project development financing debt instruments for the following types of projects: (1) Utilities, (2) Water Resources, (3) Drainage and Control, (4) Streets, Streetscape and Sidewalks, (5) Transportation and Parking, (6) Health Care, (7) Civic, Cultural and Entertainment, (8) Low, Moderate Income Housing, (9) Industrial Development, (10) Historic Preservation and (11) General Redevelopment and Rehabilitation. Please note item (6) Health Care. Accordingly, some portion of the tax increment generated by the Greater Dix Park Development Area could be devoted to mental health purposes.

In order for a unit of local government to issue project development financing debt instruments, it must first seek the approval of the LGC. The process for approval by the LGC is as follows:

- 1) The entity seeking issuance of debt obligations shall file an application with the secretary of the LGC. At the same time the entity shall publish notice of its application and, if required by the secretary shall publish statements of facts and documents concerning the proposed debt instruments, the development financing district, the development financing plan, and the financial condition of the entity making application. Upon submission of the application, the secretary shall provide written notice to the entity that its application has been properly submitted.
- 2) The LGC shall then consider the application. In so considering the LGC may consider any of the following:
 - a. Whether the projects to be financed from the proceeds of the project development financing debt instrument issue are necessary to secure significant new project development for a development financing district.
 - b. Whether the proposed projects are feasible. In making this determination, the LGC may consider any additional security such as credit enhancement, insurance, or guaranties.
 - c. The unit of local government's debt management procedures and policies.
 - d. Whether the unit is in default in any of its debt service obligations.
 - e. Whether the private development forecast in the development financing plan would likely occur without the public project or projects to be financed by the project development financing debt instruments.

- f. Whether taxes on the incremental valuation accruing to the development financing district, together with any other revenues available under G.S. 159-110, will be sufficient to service the proposed project development financing debt instruments.
 - g. The ability of the LGC to market the proposed project development financing debt instruments at reasonable rates of interest.
- 3) The LGC shall approve the application if, upon the information and evidence it receives, it finds all of the following:
- a. The proposed project development financing debt instrument issue is necessary to secure significant new economic development for a development financing district.
 - b. The amount of the proposed project development financing debt is adequate and not excessive for the proposed purpose of the issue.
 - c. The proposed projects are feasible. In making this determination, the LGC may consider any additional security such as credit enhancement, insurance, or guaranties.
 - d. The unit of local government's debt management procedures and policies are good, or that reasonable assurances have been given that its debt will henceforth be managed in strict compliance with law.
 - e. The private development forecast in the development financing plan would not be likely to occur without the public projects to be financed by the project development financing debt instruments.
 - f. The proposed project development financing debt instruments can be marketed at reasonable interest cost to the issuing unit.
 - g. The issuing unit has adopted a development financing plan for the development financing district for which the instruments are to be issued.
- 4) The LGC shall then enter its order either approving or denying the application. If the LGC enters an order approving the application, the Development Financing District and Plan shall be effective as of the date of approval.

Once the Dix Park Tax Increment Financing District, there are many sources of public and private funding available to supplement tax increment financing.

Other Sources of Public and Private Support

Many of the programs and/or grants listed below could be used in conjunction with the Dix Park Tax Increment Financing District. Moreover, the existence of such a district would in many cases provide the matching funds many of these programs or grants require.

I. Open Space/Conservation/Greenway Linkage Vision and Potentially Applicable Incentives

a. Open Space/Conservation/Greenway Linkage State Incentives

- i. **Urban Park and Recreation Recovery Grants** - The USDA provides small grants of up to \$10,000 to purchase trees for planting along streets and within parks or greenways. Grants are used to develop contracts with local businesses for the plantings.
- ii. **Recreational Trails Program Grants** - Funds paid into the Highway Trust Fund from fees on non-highway recreation fuel used by off-road vehicles and camping equipment provide money for this project. States can grant funds to private and public sector organizations.
- iii. **Community Development Block Grants** - Community Development Block Grant (CDBG), administered by the Department of Housing and Urban Development gives grants to local governments (over a certain population) and funds help communities carry out a wide range of community development activities directed toward revitalizing neighborhoods, economic development, and providing improved community facilities and services.
- iv. **Economic Development Initiative (EDI) Grants** - Special purpose EDI grant funds, administered by the Department of Housing and Urban Development to local governments, are congressionally earmarked for economic development projects chosen by Congress.
- v. **Public Works and Economic Development Initiative** - Grants from this program, administered by the Economic Development Administration, help communities, through states and local governments, to revitalize, expand, and upgrade their physical infrastructure to attract new industry, encourage business expansion, diversify local economies, and support the generation or retention of jobs and investments.
- vi. **Economic Adjustment Program** - Under this program, administered by the Economic Development Administration, grants support states, local governments, and communities that have experienced or are under threat of serious damage to their economic base.
- vii. **The Renewed Emphasis Now on an Environment for Wildlife Program** - The program is run by the Wildlife Resources Commission. It

offers technical assistance, in-kind assistance in the form of wildlife planting seed mixtures, and hunting enforcement officers for forest land owners interested in protecting wildlife.

- viii. **Wildlife Action Plan** - Working with a diversity of partners, state fish and wildlife agencies have the opportunity to address the full array of fish and wildlife issues across the landscape through state wildlife action plans.
- ix. **The Natural Heritage Program** - The program is run by the Division of Parks and Recreation. It offers landowners heritage designation and technical assistance if they agree to enter into conservation agreements with the state. N.C. GEN. STAT. § 9A, 113A-164.1-11 (1985). This program focuses on natural areas, habitat for threatened and endangered species, and high quality communities. Areas to be included must be nominated based on quality of features, diversity of flora and fauna, and absence of damaging land uses.
- x. **The Habitat Conservation Program** - The program is offered by the Wildlife Resources Commission, Fish Division. Landowners are required to place a restoration site with an appropriate buffer under a permanent conservation easement in order to participate. The funding for the program comes from fishing and hunting licenses, the Fish Restoration Fund, and grants from various sponsors.
- xi. **Conservation Easements** - Conservation easements are authorized by statute
- xii. **The Conservation Tax Credit Program** - The program provides an income tax credit for the donation of an easement or fee simple title on land useful for fish or wildlife conservation or other similar land by private landowners and corporations. The amount of the tax credit is limited to \$250,000 for individuals, and \$500,000 for corporations.
- xiii. **Parks and Recreation Trust Fund** - This fund primarily supports state and local parks and recreation projects (e.g., recreational trails, greenways, community centers). A maximum of \$500,000 can be awarded to a single project.
- xiv. **General Fund Appropriations** - Annual allocations support the Clean Water Management Trust Fund and the Farmland Preservation Trust Fund. Also, for a specified, large purchaser there may be a one-time, General Fund appropriation. The Farmland Preservation Trust Fund has not received funding for the past 2 years.
- xv. **Nongame Tax Check-off** - Revenues go to the NC Wildlife Resources commission for nongame programs.

- xvi. **Personalized License Plate Sales** - The sale of these license plates generates approximately \$1.7 million annually for the Natural Heritage Trust Fund and the Parks and Recreation Trust Fund. Efforts are underway to get authorization for the P&R and Natural Heritage trust funds to use certificates of participation to borrow against their dedicated income stream.
- xvii. **Conservation Tax Credit** - A credit is allowed against individual or corporate income taxes when real property is donated for conservation purposes.
- xviii. **Real Estate Transfer Tax** - Of every two dollars generated from the real estate transfer tax, one-dollar goes to conservation, the other to local governments. Most of the Natural Heritage Trust Fund supports protection of natural areas (threatened lands with outstanding natural and cultural values); a small portion is used for cultural preservation.

b. Open Space/Conservation/Greenway Linkage Federal Incentives

- i. **North American Wetlands Conservation Act Grants Program** - Grants available for the restoration, management or enhancement of wetlands from the U.S. Fish and Wildlife Service for Private or public organizations.
- ii. **Land and Water Conservation Fund Grants** - Administered by the National Park Service, grants are available for the acquisition and development of public outdoor recreation areas and facilities.
- iii. **National Trust and Endowment Association** - Potential grant funding source for green space and public use phases. Grants available for planning, design and construction. City can apply for planning and designing grants totaling \$75,000.00.
- iv. **Block Grant Program** - The U.S. Department of Housing and Urban Development (HUD) offers financial grants to communities for neighborhood revitalization, economic development, and improvements to community facilities and services, especially in low and moderate-income areas. These funds have been used by several communities to develop parks and greenways.
- v. **Conservation Reserve Program** - The U.S. Department of Agriculture, provides payments to operators to place highly erodible or environmentally sensitive landscapes into a 10-15 year conservation contract. The participant, in return for annual payments during this period, agrees to implement a conservation plan approved by the local conservation district for converting sensitive lands to less intensive uses. Funds from this program can be used to fund the maintenance of open space and non-public- use greenways, along bodies of water and ridge lines.

- vi. **Wetlands Reserve Program** - The U.S. Department of Agriculture provides direct payments to private landowners who agree to place sensitive wetlands under permanent easements. This program can be used to fund the protection of open space and greenways within riparian corridors.
- vii. **U.S. Army Corps of Engineers** - Wetland delineation program services for purposes of delineating, banking and restoring wetland areas.
- viii. **U.S. Dept. of Fish and Wildlife** - Grants relative to the enhancement and creation of habitat for endangered species.
- ix. **FEMA Flood Mitigation Assistance (FMA)** - To implement measures to reduce or eliminate the long-term risk of flood damage to buildings, manufactured homes, and other structures insurable under the National Flood Insurance Program (NFIP).
- x. **USEPA Watershed Protection and Flood Prevention Program** - Provides technical and financial assistance to address water resource and related economic problems on a watershed basis. Typical amount awarded - \$400,000.
- xi. **USEPA Watershed Assistance Grants** - The USDA Natural Resource Conservation Service provides funding to state and local agencies or nonprofit organizations authorized to carry out, maintain and operate watershed improvements involving less than 250,000 acres. The NRCS requires a 50 percent local match for public recreation, and fish and wildlife projects.

c. Open Space/Conservation/Greenway Linkage Programs/Grants

- i. **Design Arts Program** - The National Endowment for the Arts provides grants to states and local agencies, individuals and nonprofit organizations for projects that incorporate urban design, historic preservation, planning, architecture, landscape architecture and other community improvement activities, including greenway development. Grants to organizations and agencies must be matched by a 50 percent local contribution. Agencies can receive up to \$50,000.
- ii. **American Greenways DuPont Awards** - Small grants (\$250 - \$2000) are awarded through a joint program of the Conservation Fund's American Greenways Program, the DuPont Corporation and the National Geographic Society. These grants are intended to stimulate the planning, design and development of greenways.
- iii. **Recreational Equipment Incorporated (REI) Environmental Grants** - REI provides grants to organizations interested in protecting and enhancing natural resources for outdoor recreation.

- iv. **Coors Pure Water 2000 Grants** - Coors Brewing Company and its affiliated distributors provide grants up to \$50,000 to grassroots organizations that are working to solve local, regional and national water-related problems. This would include river cleanups, aquatic habitat improvements, water quality monitoring, wetlands protection, pollution prevention, among others.
- v. **World Wildlife Fund Innovative Grants Program** - The organization funds non-profit organizations at the local, regional and state levels to help implement innovative strategies for the conservation of natural resources.

II. Transit-Oriented Vision and Potentially Applicable Incentives

a. Transit Oriented State Incentives

- i. **STP Transportation Enhancements Program** - A designated percentage of North Carolina’s STP funds are available for transportation “enhancements”, which includes projects such as scenic byways, historic transportation preservation, landscaping and the development of bicycle and pedestrian facilities.
- ii. **Transportation Enhancement Act-21** - The Transportation enhancement program is a federal-aid reimbursement program that is a part of the Surface Transportation Program outlined in the Transportation Equity Act. North Carolina has made funding available for the following programs: Pedestrian and Bicycle Facilities, Acquisition of Scenic Easements and Scenic or Historic Sites, Historic Preservation, Rehabilitation/Restoration of Historic Transportation Structures/Facilities, Landscape and Other Scenic Beautification
- iii. **Symms National Recreational Trails Act (NRTFA)** - This funding source is designed to assist with the development of nonmotorized and motorized trails. A specified percentage of the appropriation must be spent on projects that accommodate both user groups. States can grant funds to private and public sector organizations.

b. Transit Oriented Federal Incentives

- i. **USDOT grants and programs**
 - 1. **Section 5303 Metropolitan Planning Program for local governments** - Administered by the Federal Transit Administration, Section 5303 Metropolitan Planning Program funds provide assistance to local governments for conducting transportation planning activities in urban areas with populations greater than 50,000.

2. **Section 5307 Urbanized Area Formula Program (for areas with populations greater than 50,000)** - The Section 5307 Urbanized Area Formula program grant is administered by the Federal Transit Administration, or FTA, for urbanized areas, providing capital, operating, and planning assistance for mass transportation. The program was initiated by the Surface Transportation Act of 1982 and became FTA's major transit assistance program in Fiscal Year 1984.
3. **Section 5309 Capital Program for fixed-guideway transit projects** - Administered by the Federal Transit Administration, Section 5309 Capital Program funds provide assistance for the establishment of new rail transit projects, improvement and maintenance of existing rail transit and other fixed-guideway systems, buses and other bus-related capital projects. The bus-funding portion of Section 5309 is a discretionary allocation program.
4. **Section 5310 Elderly and Persons with Disabilities Program** - Administered by the Federal Transit Administration, Section 5310 Elderly and Persons with Disabilities Program funds ensure the right that elderly citizens and people with disabilities have to utilize public transportation facilities and services.
5. **Federal Transportation Act of 2005** – The Federal Transportation Act is part of the larger Transportation Equity Act. The Secretary of Transportation may provide assistance for: the development of transportation plans and programs; planning, engineering, designing, and evaluating a public transportation project; and for other technical studies.
6. **Surface Transportation Research and Development Act of 2005** - Funding for overall transportation programs increased by about 40 percent in the Transportation Equity Act for the 21st Century, however funding for transportation research and development has remained stagnate. This act allocates funding for surface transportation research and development.

c. Transit Oriented Programs/Links

- i. **CMAQ (Congestion Mitigation and Air Quality Improvement Program)** – The CMAQ Program was designed to expand substantially the focus and purpose of federal transportation funding assistance to include air quality improvement as a specific objective. These funds are to assist areas designated as nonattainment or maintenance to achieve healthful levels of air quality by funding transportation projects and programs that improve air quality.

- ii. **Bridge Program** - Bridge improvement projects represent an opportunity to include bicycle and pedestrian facilities. Wider shoulders and sidewalks on bridges are eligible through the bridge improvement program.
- iii. **SMAP (State Maintenance Assistance Program)** - Administered by the North Carolina Department of Transportation, State Maintenance Assistance Program, or SMAP, funds provide assistance to urban and small urban areas with operating costs for fixed-route and dial-a-ride public transportation that are not covered by federal shares.
- iv. **Human Service Transportation Management Program** - Administered by the North Carolina Department of Transportation, Human Service Transportation Management, or HSTM, Program funds help provide safe and reliable transportation for human-service agency clients.

III. Other

a. Brownfield applicable incentives

i. State

- 1. **NC Brownfields Incentives** - Under the brownfields property tax incentive (N.C.G.S. §105-277.13), an owner of land is entitled to the partial exclusion provided by this section for the first five taxable years beginning after completion of qualifying improvements made after the later of July 1, 2000, or the date of the brownfields agreement. The five-year period begins the first January following the completion of the improvements

ii. Federal

- 1. **USEPA Brownfield Assessment Grant** – This grant provides up to \$200K per site with one time waiver up to \$350K, not to exceed \$700K per applicant for inventory, characterization, assessment, planning and SRP costs.
- 2. **USEPA Revolving Loan Fund Grant** - This grant provides up to \$1M/applicant and includes funds to capitalize RLF that will provide low-interest loans for cleanup, removal or treatment of contaminated soil or groundwater and construction of engineered barriers, and all other costs needed for cleanup.
- 3. **USEPA Greenspace Development Grant** – An additional \$50,000 related to Brownfield Cleanup Grant, if developing greenspace can be provided from this grant.

4. **HUD Brownfield Economic Development Initiative (BEDI)** - To be used with Section 108 loan funds to finance projects at Brownfields sites that will provide near-term and measurable economic benefits, through the return of such sites to productive use. This can be used for land write-downs, remediation, funding reserves, and 108 Loan security.

b. Historic applicable incentives

i. State

1. **State Historic Preservation Programs and Grants** - In some years, the North Carolina General Assembly has made funds for preservation projects available to local governments and nonprofit groups through one-time discretionary appropriations. Such appropriations may or may not be repeated in coming years.
2. **Preservation North Carolina** - Preservation North Carolina (PNC) is a statewide nonprofit preservation membership organization. Among its programs and activities, PNC operates a revolving fund to market historic properties for sale to new owners who are able and willing to preserve them. Several local revolving funds also work cooperatively with PNC.
3. **Local Historic Preservation Commissions** – Some local preservation provide rehabilitation design assistance, operate local revolving funds, and offer other services and activities.
4. **The National Trust for Historic Preservation** - The National Trust is a national, private nonprofit preservation advocacy organization. The Trust publishes a monthly newspaper and bimonthly magazine, publishes a variety of books on historic preservation topics, owns and operates museum properties, and operates a program of incentive grants to local preservation organizations for non-construction activities.
5. **The North Carolina Main Street Center** - The North Carolina Main Street Center (NCMSC) is an outgrowth of a pilot project begun by the National Trust in 1977. NCMSC provides technical assistance to participating communities to encourage economic development within a historic preservation context.

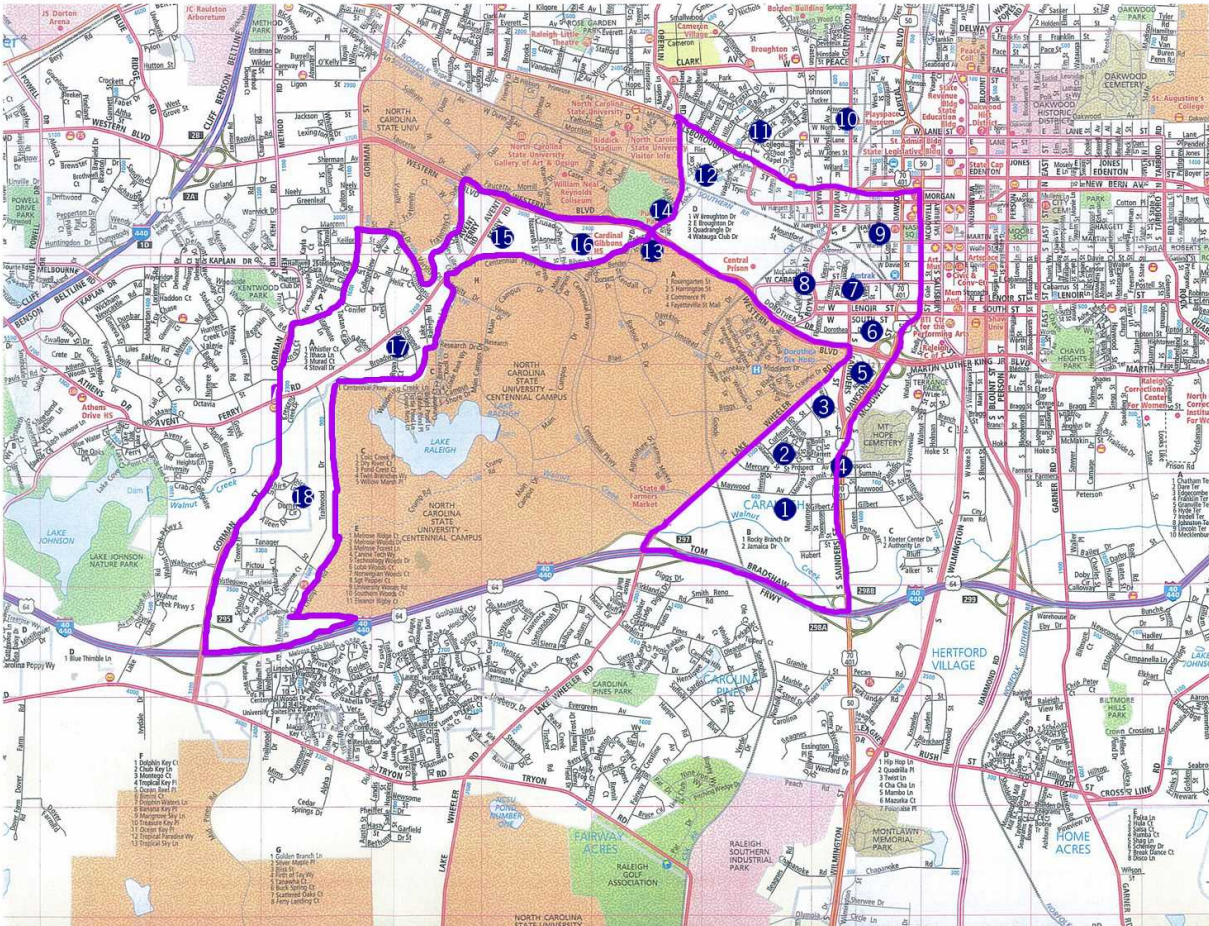
ii. Federal

1. **Save America's Treasures Grants** - Historic properties receiving funds must be nationally significant and be threatened, endangered, or otherwise demonstrate an urgent preservation need.

2. **National Heritage Areas Grants** - As directed by Congress, the National Park Service (NPS) provides technical assistance and matching grant funds for the development and implementation of a management plan for each designated area.
3. **Section 108 Loan Guarantee Program** - Section 108, the loan guarantee provision of the CDBG program administered by the Department of Housing and Urban Development, allows communities, through local governments, to transform a small portion of their CDBG funds into federally guaranteed loans.
4. **Federal and State Investment Tax Credits (Private individuals and businesses)** - The federal tax code provides an attractive 20% investment tax credit for the rehabilitation of privately-owned, income-producing historic buildings, including residential rental buildings, that are listed in the [National Register of Historic Places](#) or that are contributing historic buildings within National Register Historic Districts. There is also a 20% state investment tax credit for projects certified under the federal program. The combined credits in effect can reduce the costs of a qualifying rehabilitation of an income-producing property by 40%.
5. **Historic Preservation Tax Credits** - The Federal Government offers a variety of tax credits that assist preservation projects, notably a credit that is available only for rehabilitation of income-producing historic properties. Under this historic preservation tax credit, property owners who rehabilitate historic buildings for commercial, industrial, agricultural, or rental residential purposes can receive a tax credit equal to 20 percent of the rehabilitation costs.
6. **Tax Deductions for Preservation Easements** - Donation of a conservation easement on property generally qualifies as a charitable contribution for Federal tax purposes, and thus would result in income and estate tax deductions. This provision of Federal tax law thus provides a cash incentive to owners of historic properties to protect them through donations of easements.

Proposed Dix Park Tax Increment Financing District

We propose the creation of a greater Dix Park Project Development Area outlined on the following map:



This development area would be comprised of the following neighborhoods:

Caraleigh, Wheeler Crossing and Fuller Heights

Residential stock consists of a tenth to a third of an acre privately owned single family houses of about 1000 sq ft. at \$70/sq.ft. The area is racially diverse. Caraleigh has some larger industrial sites incompatible with residential uses. It was originally a mill village owned by Fred Whitker Co. and supported the cotton mill located on Maywood Drive. The housing was rented to mill workers and consisted of small houses on lots with renovations. The houses were sold over the years, and many are now rented. The Mill made cotton into thread until the late 1990's, and was redeveloped recently into a gated community of condos selling for \$185 /sq.ft. Along Maywood Drive there are several industrial businesses on 3-4 acre plots. Much development potential exists; but, few large parcels are present. On the extreme south east

corner of Penmarc/Caraleigh Neighborhood, accessible only by the east entry driveway, is the Earnest Battle Bain water treatment facility. This is a little known treasure to Raleigh. The original 1887 building remains, adjacent to the new building. The pump station pumped water from the site at Walnut Creek to the water tower that still remains on south side of West Morgan Street. In 1938 it became clear that this old facility would not provide for the city's needs. So, in 1938, the then and long time superintendent, Ernest Battle Bain, had this structure built. It is the foremost Art Deco buildings, certainly in Wake County, or even perhaps the state. It opened in the mid-1940s, with no interruption of water service to the Raleigh community. It pumped 10 million gallons of water a day from that site up until it was taken out of commission in 1987, and reduced to a storage facility for the public works department of Raleigh. The interior of this historic building is quite astounding. The main entryway is a three story space with a wonderful mezzanine, and charming wrought iron railings, the wings are of a comfortable scale, and in true deco style, have decorative, ornate plaster moldings and square clearstory, antique glass windows, at the 13 bays. The original quarry tile floor is still in great shape. The waterworks building has been purchased by a consortium of private developers, led by Greg Hatam, a steward of historic properties in Raleigh. The plans for this building include an adaptive reuse as retail, restaurant or both.

South Saunders Street is primarily a commercial development in mainly older one story block buildings. Ray Price Harley Davidson Motorcycles anchors the street, but otherwise most of the businesses are in older block buildings, including several auto body shops. Earps Seafood Market has been selling excellent fresh seafood since the 1940's. This area is also a strong candidate for redevelopment.

Gateway Park is a new North Carolina public housing financed project containing partially subsidized rental apartments on 5.8 acres. Before the construction of Western Blvd/MLK Blvd, there was a tight knit community of older folks who lived in this area in small dilapidated houses.

Heritage Park is a Federally funded low income project built in 1975 on 8.22 acres. It consists of a series of ranch and two story apartments. There were serious crime-related problems until they put in a police sub-station and community center to help students after school. On the corner of South Saunders and South Street, lots of people loiter at the labor corner, and the businesses turn over regularly.

Saunders North Street includes a series of derelict housing and commercial buildings planned for federally funded redevelopment. Lots and homes are small and not owner occupied. Many houses in the area were built before 1920 and did not have heat or air conditioning. There is a continuing problem with drug sales that spill out of the neighborhood. The city recently finished a redevelopment plan, and there is an effort to improve the area with the opening of the new convention center.

Boylan Heights was the first planned suburb of Raleigh. The neighborhood was carved out of a plantation in the 1920's. After WWII the neighborhood fell into disrepair; the houses were cut up into small apartments and rooming houses. Then in the mid 1970's the zoning was amended and neighbors began buying and renovating the houses. Boylan Heights acquired historic status and is now mostly single family restored houses with only a few houses in need of

rehabilitation remaining. Mayor Meeker, Representative Ross and Joseph Huberman are on the Dix Property Commission and live in Boylan Heights. In 1818, William Montfort, Boylan's father purchased Joel Lane's Wakefield Plantation, much of the land south, and west of the current Joel Lane House, on Hargett. In 1855, he deeded 100 acres of the original Wakefield to his son, who, three years later, engaged William Percival, an English architect to construct a building. The resulting structure sits behind a wrought iron fence at 308 Boylan Ave. It is called Montfort Hall. Built in 1858, the Italianate structure is centered around a rotunda, which is lit by a stained glass cupola. After William's death, in 1899, Boylan Heights was developed, Raleigh's first planned "suburb". Plat maps for Boylan Heights date to 1907, as do plat maps for the Glenwood Land Development project, which became the Glenwood Brooklyn neighborhood later that year.

Warehouse District is formerly an industrial area owned by Dillon Supply Co. that is renovating itself into an area with bars and restaurants. The area consists of large brick 1940's buildings on fairly large blocks of land. The Amtrak station and the Wye are in this district. This was planned as the commuter rail station until the funding was not forthcoming. It is currently planned as part of the high speed rail from Boston to Miami and Raleigh to Charlotte. The city is also considering a multi modal station here to integrate the various commuter transportation modes. A connection to Dix Park is an important part of the Dix connectivity plan. Currently it is being used as a sand and gravel distribution lot and towing service. Empire Properties has purchased much of this land and is currently holding it. The Contemporary Art Museum is developing high end condos in this area.

Glenwood South is a renovated Commercial District, with trendy restaurants and condo developments. It is the new hot spot for Raleigh's young adults. Much of this land was owned by the Pine State Creamery. The city recently put in new sidewalks and street lights. Two large high rise condo buildings are finished and seven more will break ground in the next three years. \$200-\$350/sq.ft. The blocks just to the east of Glenwood Avenue are still unrenovated and consist of large undeveloped lots owned by a few development companies. This area is waiting for the right moment to develop and will form an important link to downtown.

Cameron Park is a neighborhood of stately renovated large traditional single family homes with a strong neighborhood association and some historic renovations. Property here commands over \$200 sq.ft. This neighborhood was developed around a linear park beginning in 1910, by many of the staff at St. Mary's college. This is an affluent inner city neighborhood, and many of the houses are historically significant. St. Mary's College for women was used to protect many influential women during the civil war.

Pullen Park Neighborhood contains a mix of student and rental housing. It has excellent connectivity to both Pullen Park and NCSU north campus. Homeowners are attempting to purchase and renovate some of the substandard housing. It is racially diverse. The commercial development along the Hillsborough Street, and West Morgan Street corridor is concentrated in a few owners. The neighborhood has worked to protect Pullen Park, contain threatening developments, and obtain traffic calming structures. Redevelopment potential exists here. Real estate values in this neighborhood are large.

Pullen Park Terrace (Kirby-Bilyeu) is a small tight-knit eight acre neighborhood between the Spring Hill Centennial Campus, the Arch Diocese property and Western Blvd. It has a very strong neighborhood group of mostly single family homes and some apartments, mostly owner occupied. The Diocese, Mission Valley & WRAL are in the wedge between Western Boulevard and Dix/Centennial Campus. The Arch Diocese property consists of an unused high school, diocese headquarters, some apartments and undeveloped land adjacent to Spring Hill on Centennial Campus.

Pullen Park consists of 80 acres of land donated to the city by Richard Stanhope Pullen in 1887. The original use of this land was a park. It currently has been redeveloped as an amusement park. The features that currently occupy the park are a lake, with peddle style paddle boats, a miniature train ride around the Park, a playground of concrete animals designed by the design school at adjacent NCSU, a boat ride consisting of a pool of water in which 6 “toy boats” in which children can sit, go around on turning axis, several swing sets, a full sized decommissioned train caboose, open space, and a historically significant carousel. The southeast corner of the park housed a public swimming pool until a few years ago, when the aquatic center was built at the north east corner of the park at Ashe Avenue. At that time, the area that housed the pool was returned to the stream-bed that houses Walnut Creek, which is culvert under Western Blvd to emerge on the north west end of Dix Campus. The Carousel on Pullen Park was originally purchased by CP&L before 1912, for a park that was on the land at the north end of the trolley track at Glenwood Ave. on Bloomsbury Circle. In 1915, the city purchased and moved the carousel to its present location on Pullen Park grounds. It was originally created by Gustav Dentzel. The artisan, Salvatore Cernigliaro, who carved the 52 stationary animals and the 24 moving horses, was famous for carving unusually ornate Carousel animals. It has been declared a historic landmark. The original music was provided by a Wurlitzer band organ, and continues to play today.

Mission Valley consists of a shopping center that was recently upgraded, and new buildings including apartments added this year. It is owned by Catholic Diocese and subject to a long term ground lease. WRAL- TV studios, parking and gardens are located between Diocese & Mission Valley

Irongate is south of Avent Ferry. The land is comprised largely single family ranch rentals and student housing. North of Avent Ferry Rd is mostly multi-family and fraternity housing and apartment complexes.

East of Gorman & South of Avent Ferry is mostly newer apartment complexes and condo developments associated with student housing.

Centennial Campus Overview

Centennial Campus (“Centennial”) is North Carolina State University’s (“NCSU”) vision of the future. This “technopolis” consists of multi-disciplinary R&D neighborhoods, with university, corporate, and government facilities intertwined within one large tract of land. A middle school, residential housing, executive conference center and hotel, golf course, town center and recreational amenities will weave the campus into a true interactive community.

Centennial is conveniently located just south of Interstate 40 / 440 in Raleigh, NC and is directly adjacent to the Dix Campus to the southwest. Centennial is home to over 100 small and large companies, government agencies and NCSU’s research and academic units. Just 5 minutes from Downtown Raleigh, 15 minutes from RDU International airport and a short walk from NCSU’s main campus, the campus provides easy access for visitors, employees and students. Centennial is an ideal location for companies desiring to locate to Raleigh to reside.

The larger smart growth strategy envisioned by this White Paper offers a unique opportunity for Raleigh to integrate the Dix Campus vision with the Centennial “technopolis,” thereby further enhancing both areas, while at the same time reconnecting the ecological and historic assets of these two local treasures.

Centennial Campus Facts

Campus Area

- 1,334 acres (1,120 Centennial + 214 Centennial Biomedical Campus)
- Office/lab space leases available
- Wet lab and office incubator space available
- Building sites available through land lease for build-to-suit options

Population

- 1,600 corporate and government employees
- 1,350 university faculty, staff and post-docs
- 3,400 university students
- 600 middle school students
- 60 housing residents

Projected Population (at build-out)

- 12,500 corporate and government employees
- 12,500 university faculty, staff, post-docs and students
- 7,000 housing residents
- 600 middle school students
- 2,400 support services personnel

Campus Partnerships

- 61 corporate and government partners
- 73 NC State research centers, institutes, laboratories and department units
- 250 students and 200 faculty involved with Centennial partners

Development Activities

- \$620 million invested in facilities and infrastructure to date
- 2.7 million sq. ft. of space constructed in 25 major buildings
- Three additional buildings under construction, totaling 500,000 square feet
- Five more projects approved for construction totaling 660,000 square feet
- First sustainable “green” building opened in 2005
- Proposed executive conference center, hotel and golf course

Centennial Campus Origin and History

The area on which Centennial stands today originally belonged to the Dorothea Dix Hospital. In 1848, the Memorial Bill was passed to establish land for a mental asylum in North Carolina. By 1849, state money was appropriated and construction began in 1850. A site was selected in west Raleigh and the State Asylum built there became known as “Dix Hill” in honor of Dorothea’s grandfather Elijah. The mental asylum project was completed in 1856.

The area of Centennial and the Dix hospital are known as the Lake Raleigh Basin. In 1865, large portions of the land were used for the encampments of 60,000 Union soldiers. During the nineteenth and twentieth centuries, the Dix property gradually swelled as more land was acquired through purchases from Raleigh residents. During the period of 1907-1972, the hospital used portions of the property for a group of 100 farmers called the Oak Colony. Growing fruits and vegetables and raising livestock was seen as an important form of therapy for these Dix residents

By 1974, the State of North Carolina transferred the property (which would later become Centennial) to the Department of Agriculture, which used it to grow animal feed until 1985. Precursors to Centennial existed on NCSU’s main campus as early as the 1970s. Faculty and administrators actively recruited industry clients interested in research. Grants from groups such as the National Science Foundation helped fund scholarship in numerous departments. Until that time, the undeveloped land was used by local residents for a variety of activities including dog walking, jogging, four-wheel driving, cycling, hunting, picnicking, and horseback riding.

The land on which Centennial has been developed is prime real estate in the heart of the city of Raleigh. It was clear in the early 1980s that NCSU’s main campus had run out of space for future expansion. On December 19, 1984, Governor James B. Hunt, Jr., in a public ceremony at the State Capitol, allotted the initial parcel of land totaling approximately 355 acres to NCSU. By February 1985, the parcel was enlarged by an additional 450 acres by Governor James G. Martin. This land, when totaled with later acquisitions by the university, equal more area than the original campus (approximately 1,000 acres). Today, NCSU is the largest university in the state system and the Centennial, which has evolved from the second land grant to the school, is the major component of the school’s future expansion.

In the 1980s, Raleigh’s population and businesses boomed causing residents, especially those on the western side of the city and close to downtown to resist Centennial. They argued that development stemming from the university was changing residential areas into urbanized

places filled with traffic, pollution, parking zones, and construction. It was estimated that Centennial could potentially house and employ two-thirds the number of individuals who worked downtown in the late 1980s, pump hundreds of millions of dollars annually into the local economy, enlarge the tax base of the area, all in a space ten times larger than Crabtree Valley Mall. The biggest problem involved with the campus was traffic. City planners estimated that once a critical mass was reached on Centennial, potentially 100,000 cars a day would go in and out of the campus.



One method of doing this would be to focus on building road networks and alternative transportation to alleviate damage to residential areas. A people mover or monorail system could be used to connect the main campus to Centennial as well as to RDU International Airport and even downtown Durham and the Research Triangle Park. To date, a mass transit system, other than main campus Wolfline and CAT bus routes, has not been built [Need to confirm with Greg and client].

Arguments for monorail systems are that they: (1) take up very little ground space; (2) are more ecologically responsible; and (3) have larger capacities than buses. A system in Raleigh could potentially handle approximately 15,000 passengers a day. In 1997, the estimated cost was \$60 billion for construction and infrastructure. A maintenance cost of 3-5% of the capital cost would be approximately \$3 million per year. A feasibility study completed in 1989 determined that the year 2000 would have been the ideal time to implement the plan. However, university and city planners continue to discuss options.

Centennial Campus Master Plan

Once NCSU acquired the two tracts of land totaling 780 acres the task before the university now was development. Many ideas focused on the concept of NCSU building a “technopolis” where a combination of the university, corporations, and government agencies worked together. These included the following:

- graduate research centers which would explore topics such as biotechnology or public policy
- academic support facilities such as libraries, computational centers or video classrooms
- faculty/staff/student support facilities
- public access uses that could include a visitors’ center or a center for the performing arts
- natural and recreational projects like parks or athletic fields

The Centennial Campus Master Plan (“CCMP”) for development and design began in 1985 when an interdisciplinary team of both internal and external professionals was assembled by the NCSU Board of Trustees. The resulting land-use plan was supported by the NCSU Board of Trustees, the North Carolina University System Board of Governors, the State Capital Municipal Government, and the North Carolina Council of State. All of these diverse entities worked together to ensure that the land acquired by NCSU and later developed into the Centennial would first and foremost support the academic mission of the university and serve the people of North Carolina.

Carley Capital Group, a Washington based firm, was selected as the master developer for Centennial in April 1986. Carley Capital Group and its associates were monitored by the University’s Board of Trustees (until the firm ended its association with the university in the late 1990s), the UNC Board of Governors, the City of Raleigh, and the State of North Carolina.

Four basic principals guided the development of Centennial. One, all projects would be mission-driven to reflect the research and teaching capabilities of university faculty. Two, the university would promote good environmental stewardship. Three, Centennial would exemplify high design standards. Standards so high and innovative that the campus won a design award from the North Carolina chapter of the American Society of Landscape Architects in 1987. Moreover, four, the new campus would have to be economically self-sustaining through a financially sound business model.

The CCMP was organized around seven planning strategies with eight goals for implementation. The concepts evolving from a vision of a blend of private development, investment, and academic research. The strategies include the following:

- To plan the campus through the approach of mixed-use clusters/academic neighborhoods and to structure and focus activity with an arrangement of buildings and open courtyards.
- To base the planning of various networks of the campus on the natural characteristics of the site.
- To establish character areas by matching prominent site features or well-defined land units with particular mixtures of users.
- To emphasize accessible linkages and connectedness across the campus by giving special attention to the relationships between pedestrian, bicycle, vehicular networks, and their nodal intersections.
- To promote the understanding that individual building projects are to respond to the context of the campus as a whole as expressed by the natural systems, circulation networks, academic neighborhoods, clusters, and character areas.
- To relate the campus to the larger community through access, transportation, amenities, recreation, retail, and other uses.
- To implement project design according to the specific Project Brief that will be prepared for each project and area development.

The goals of the CCMP are as follows:

- To proactively assist the consultant architects and development partners in the design and development process.
- To support the mission of the University.
- To direct the establishment of an academic community which encourages communication, interaction, and collaboration between the University, private industry, and government.
- To ensure that this community is integrated into the physical and social context of the City of Raleigh.
- To establish a long-term commitment by the community to responsible stewardship of the land, of the built environment, and of the management of the design, and development process.
- To provide a high-quality environment that supports communication among the campus participants.
- To plan, build, and support campus development to encourage a high quality of life.
- To fulfill the Physical Master Planning Goals approved by the University Trustees.
- To provide a strong focus on the interrelationship between architecture and the environment. This sustainable development focus serves as a model for other parks and a learning opportunity for NC State students.

The campus developed as a series of clusters with a mix of academic and private research buildings. Twelve academic clusters of approximately 25-30 acres each have been proposed. Planners also envisioned that the cluster concept would promote “cross-fertilization” between academic departments that was lacking on the main campus. Each cluster would contain

laboratories, classrooms, offices, public and private buildings, residences, plazas, courtyards, etc. Over forty percent of the land has been set aside for open space and green areas. On Centennial, trees purify the air by removing carbon dioxide, reduce noise, provide shade, and cool the city by radiating water through their branches and leaves.

The CCMP serves as a prime example of a smart growth community that fosters interaction among its residents, employees and students and the natural landscape. The CCMP is the foundation for which the NC State campus will grow and expand over the next 100 years. The plan specifically includes:

- A complementary mixture of university faculty, students and academic research centers
- Clusters of buildings in multidisciplinary R&D neighborhoods strengthened by the University's cutting-edge research in:
 - Advanced Materials
 - Biosciences/Biotechnology
 - Information and Communication Technologies
 - Education
- A future transit corridor linking Centennial to NC State's main campus
- Easy pedestrian access to community courtyards, restaurants and shops
- Residential neighborhoods within walking distance of the R&D neighborhoods
- An advanced technology infrastructure for network communications
- A proposed executive conference center with hotel for meetings, training and entertaining
- Recreational amenities, including an 18-hole championship golf course and miles of jogging and biking trails.
- A proposed town center, consisting of shops, restaurants and leisure areas.

Centennial company tenants and their employees can access university affiliate privileges, contact with university faculty and students, play on the future golf course, and live in contemporary townhomes and condominiums and commute to a superb Raleigh location. The intangible benefits make Centennial an ideal location for combining work and pleasure.

The unique master plan for this environmentally sensitive, smart growth, mixed-use, academic village responds to the professional, educational and recreational needs of NC State University's faculty, staff and student body, as well as those of corporate and government affiliates whose presence on Centennial adds to its vigor and effectiveness.

Centennial is providing a new dimension of excellence for the 21st century in the performance of NC State University's land-grant mission of teaching, research and service to the people of North Carolina.

Integration of Dix Campus Open Space Vision With Centennial Campus Master Plan

Sustainable Components

The Centennial Campus prides itself as a model of environmental stewardship for the state of North Carolina, developed in a way that sustains the natural environment. The natural systems and topography of the campus provide learning experiences for students and enrich the campus. Centennial streams are being preserved as natural wildlife corridors with flood plains and buffers. Storm water management elements at Centennial are developed as attractive features of the landscape and are visible for teaching purposes. Hardscapes provide access to natural areas with pedestrian pathways and stairs. Tree canopies are maintained to provide continuous cover for birds and wildlife at Centennial. The Centennial Campus Master Plan incorporates the lay of the land for inspiration and arrangement of buildings, keeping hilltops and high promontories for viewing the natural landscape at the campus.

The larger smart/economic growth strategy contemplated by this White Paper envisions reconnecting the historic and ecological assets of Dix Campus and Centennial through a series of sustainability initiatives currently on-going at Centennial and envisioned for Dix Campus. The natural resource/open space vision and enhancements contemplated by the Friends of Dorothea Dix Park and the Dix Visionaries would mesh seamlessly with Centennial's sustainable development focus and current initiatives. Furthermore, the public, private and institutional entities with expertise in this area currently located on Centennial Campus would be ideal partners in realizing the ecological goals and objectives contemplated by the Friends of Dorothea Dix Park and the Dix Visionaries for the Dix Campus.

Vast potential exists for partnering opportunities between Centennial and Dix Campus on joint sustainability initiatives, allowing both areas to further promote and realize the environmental stewardship themes embedded within the proposed concepts of Dix Campus and Centennial Campus. These include:

- **Greenway Linkages** – Centennial currently has over 7 miles of walking paths (which includes a fitness course) within its boundaries. By connecting these trail systems with the Dix Campus trail/greenway system, the geographic scope and intrinsic value of this integrated greenway system is further established and the “missing link” (i.e., Dix Campus) is connected to existing Raleigh parks/open spaces (Lake Johnson, Walnut Creek Urban Wetlands, Lake Raleigh, Pullen Park), museums (NC Museum of Art), civic buildings (State Capital Building, New Convention Center), and educational institutions (NCSU, Meredith College).
- **Sustainability Partnering Opportunities** -- Various public and private entities are currently located on Centennial that could assist from a technical standpoint in implementing the ecological initiatives (wetland mitigation, stream restoration, urban wildlife enhancement, etc.). The following public, educational, and private entities are located on Centennial that could assist in implementing Dix Campus' vision:
 - **GreenVest, LLC** provides strategic environmental planning and real estate services to federal and state governments, municipalities, corporations,

industry, engineering firms, developers and private individuals. The firm also acquires and redevelops environmentally impaired properties.

- **Centennial Campus Center for Wildlife Education** (N.C. Wildlife Commission Headquarters) offers a variety of educational classes, presentations, workshops, and outdoor skills experiences for both general audiences and specific groups. Approximately two acres surrounding the building will demonstrate how to enhance habitats for wildlife and apply sustainable technology – site techniques that work to control pollution and conserve environmental resources. The area is adjacent to North Creek and will connect to the campus greenway system, which provides a short walking trail to Lake Raleigh and the locations of other science partners on Centennial Campus.
- **NCSU Environmental Sustainability Task Force** has been created and tasked with carrying out NCSU’s vision of “protecting and enhancing the environment for future generations through its educational mission.” Some of the highlights of the Task Force’s accomplishments include:
 - An on-going Campus Environmental Sustainability Team was created, including representatives from administrative units conducting sustainability-related operations, faculty, and students.
 - A grassroots North Carolina State Sustainability Coalition has formed, engaging more than 180 faculty, staff and students in a campus-wide dialog, planning and actions regarding environmental sustainability.
 - Restoration of Rocky Branch Creek, a severely degraded stream that runs through the central NCSU campus. In 1978, the state Division of Water Quality classified Rocky Branch as the state’s most polluted urban stream. In 1995, a campus team set out to rectify this problem. Through their efforts, more than \$4 million was raised from various state and federal programs to restore the creek in three phases. Phase I was completed in 2003, phase II in 2006 and has made significant progress toward total stream restoration. Rocky Branch Creek will become a nationally acclaimed model of ecological restoration and be converted into a healthy stream system and attractive greenway from Gorman Street to Pullen Park by 2010.
 - Restoration of North Creek. North Creek runs through Centennial Campus, draining a substantial area north of campus and flowing into Lake Raleigh on the campus. Restoration of North Creek is proceeding now through a \$287,000 grant from the U.S. Department of Agriculture. This restoration will not only improve the functioning of the stream, but will also serve as a site for teaching, research, and demonstration regarding watershed and stream management. Work began in spring 2003.

- Establishment of The Solar Center, a leading state and national program which continues to bring education and information about renewable energy sources to communities and individuals.
- Establishment of the Park Scholars Program Sustainability Symposium, which focuses the campus' attention on the practices and philosophies needed to achieve sustainability.

NEXT STEPS

In Appendix C of this White Paper, we outline a number of next steps. We do not provide a narrative there since the caveat we issued at the end of our Executive Summary needs to be heeded. Once common ground is found among the key stakeholders, then these next steps can be taken. It is our fervent hope that Dix Campus will become the great urban Park and center of economic development and regional vitality this White Paper describes.

APPENDIX A

Funding Sources

I. Transportation

A. Federal Transportation Incentives

1. USDOT grants and programs

The NCDOT Public Transportation Division is the agency responsible for administering state and federal grant programs in North Carolina. There currently are eight major state and federal grant programs available to local governments and public transportation agencies in North Carolina. Major federal programs include the Section 5303 Metropolitan Planning Program for local governments; Section 5307 Urbanized Area Formula Program for areas with populations greater than 50,000; Section 5309 Capital Program for fixed-guideway transit projects; and Section 5310 Elderly and Persons with Disabilities Program. The section number for each federal grant refers to its respective authoring legislation within the Intermodal Surface Transportation Efficiency Act, or ISTEA.

(a) Section 5303 Metropolitan Planning Program for local governments

Administered by the Federal Transit Administration, Section 5303 Metropolitan Planning Program funds provide assistance to local governments for conducting transportation planning activities in urban areas with populations greater than 50,000. The Section 5303 program helps develop transportation systems that embrace all modes of transportation and efficiently maximize the mobility of people and goods throughout the urbanized area.

Metropolitan Planning Organizations (MPOs) serve as applicants for Section 5303 program funding. Funding tasks must be identified in the locally adopted Planning Work Program (PWP), which identifies transportation tasks -- highway and transit-oriented -- that need to be addressed. Tasks identified in the PWP are consistent with the particular items in individual MPO transportation planning prospectuses. In 1996, 14 MPOs in North Carolina received Section 5303 funding.

Section 5303 funds must be matched by state and local funds. Local matching funds can be cash or cash-equivalent, depending upon the expenditure. Non-cash shares, such as donations, volunteered services or in-kind contributions, are eligible to be counted toward the local match only if the value of each share is documented formally.

(b) Section 5307 Urbanized Area Formula Program (for areas with populations greater than 50,000)

The Section 5307 Urbanized Area Formula program grant is administered by the Federal Transit Administration, or FTA, for urbanized areas, providing capital, operating, and planning

assistance for mass transportation. The program was initiated by the Surface Transportation Act of 1982 and became FTA's major transit assistance program in Fiscal Year 1984.

Nationwide, Section 5307 funds are available for transit improvements for 34 urbanized areas with populations greater than one million, 91 urbanized areas with populations between 200,000 and one million, and 280 urbanized areas with populations between 50,000 and 200,000. For urbanized areas with populations greater than 200,000, the funds are distributed directly to the designated recipients. For areas with populations less than 200,000, the funds are apportioned to the recipient state's governor for distribution.

Section 5307 funds must be matched by state and local funds. Local matching funds can be cash or cash-equivalent, depending upon the expenditure. Non-cash shares, such as donations, volunteered services or in-kind contributions, are eligible to be counted toward the local match only if the value of each share is documented formally. Refer to 49 CFR, part 18 for more information.

The Section 5307 program provides funding for capital and planning at 80 percent of costs and for operating at up to 50 percent of costs. Funds are apportioned to urbanized areas utilizing a formula based on population, population density and other factors associated with transit service and ridership. The program is funded from general federal revenues and federal trust funds.

Nationwide, in federal Fiscal Year 1995, a total of \$3.2 billion of Section 5307 funds were obligated, the highest amount ever recorded. Of this amount, \$2.3 billion, or 74.3 percent, was used for capital projects; \$763.9 million, or 24.2 percent, was used for operations; and \$45.8 million, or 1.5 percent, was used for planning assistance. With the increase in obligations, the total number of vehicles budgeted with Section 5307 funds reached an unprecedented amount of 4,825 in federal FY95. Also, 313 buses were rehabilitated for the cost of \$9.8 million. Obligations for operations have remained at about the same level for the past eight years.

Flexible funds transferred from the Federal Highway Administration had an impact on the availability of funds for national obligation. In federal FY95, a total of \$677.3 million was transferred to Section 5307. As a group, urbanized areas with populations greater than one million were the largest recipients. These areas received a total of \$2.5 billion, or 79 percent of the Section 5307 funds, an amount that was \$733.9 million more than the previous year's obligations for this population group. The total amount of flexible funds that were obligated in federal FY95 was \$759 million, some of which was drawn from flexible carryover funds.

Of the total obligations for capital projects (planning included), about 32 percent represents flexible funds. The program sources of these obligations are the Congestion Mitigation and Air Quality program at \$488.2 million, representing 64.3 percent of the total; and the Surface Transportation Program, at \$270 million, representing 35.6 percent.

(c) Section 5309 Capital Program for fixed-guideway transit projects

Administered by the Federal Transit Administration, Section 5309 Capital Program funds provide assistance for the establishment of new rail transit projects, improvement and

maintenance of existing rail transit and other fixed-guideway systems, buses and other bus-related capital projects. The bus-funding portion of Section 5309 is a discretionary allocation program.

Urbanized areas with populations greater than 50,000 are eligible to submit applications for Section 5309 funds. Requests must be consistent with the local Transportation Improvement Plan and the State Transportation Improvement Plan. In 1996, 12 urban areas in North Carolina received Section 5309 funding.

Section 5309 funds must be matched by state and local funds. Local matching funds can be cash or cash-equivalent, depending upon the expenditure. Non-cash shares, such as donations, volunteered services or in-kind contributions, are eligible to be counted toward the local match only if the value of each share is documented formally. Refer to 49 CFR, part 18 for more information.

The U.S. Congress reserves specific amounts of funding for the Section 5309 program. If requested amounts in North Carolina are greater than the amount of funding reserved for the state, the North Carolina Department of Transportation's Public Transportation Division determines the projects to be funded, giving priority to the following categories of projects: (1) completion of facilities; (2) replacement of existing bus fleets; (3) expansion of bus fleets to meet requirements set by the Americans with Disabilities Act; and (4) associated capital maintenance items.

Section 5309 Capital Program grants are governed by CFR 20.500, Title 49, United States Code 5309. The enactment of the Intermodal Surface Transportation Efficiency Act, or ISTEA, in 1991 significantly changed the allocation method for fixed guideway modernization funds. Capital assistance grants made to states and local agencies are funded at up to 80 percent of net project costs, unless the grant recipient requests a lower federal grant percentage. Section 5309 funds are provided solely from the federal motor fuels tax, at a rate of one and one-half cents per gallon, deposited in the mass transit account of the Highway Trust Fund.

Nationally in federal Fiscal Year 1995, Section 5309 obligations totaled \$2.6 billion, representing an increase of \$1.1 billion compared to the previous fiscal year. The total number of vehicles budgeted in federal FY95 increased to 1,532 in federal FY95. By the provisions of ISTEA legislation, 40 percent of Section 5309 funds must be made available for fixed guideway modernization; 40 percent must be made available for the construction of new fixed guideway systems or extensions to fixed guideway systems; and 20 percent must be made available for the replacement, rehabilitation or purchase of buses and bus-related equipment and construction of bus-related facilities.

In federal FY95, the bus and bus-related allocations totaled \$350.7 million, of which about 78 percent was earmarked by Congress for specific projects. At least 5.5 percent of Section 5309 funds must be used in nonurbanized areas. In federal FY95, Section 5309 obligations for buses and bus-related projects were \$549.3 million, representing an increase of \$230.6 million more than the previous year's obligations.

Fixed-guideway modernization funding is allocated by a formula consisting of four tiers. Statutory percentages are established to allocate the initial \$497.7 million, representing the first and second tiers, to 11 federal-legislatively specified fixed-guideway areas. The remaining \$70 million is allocated by the Urbanized Formula Program's fixed-guideway tier factors, with 50 percent, or \$35 million in federal FY95, distributed to the 11 legislatively specified urbanized areas and the remaining 50 percent, or \$35 million in federal FY95, distributed to all other urbanized areas with fixed guideway systems that are at least seven years old. Any remaining funds are allocated to all urbanized areas as a group using the urbanized formula fixed guideway tier factors. In federal FY95, Section 5309 obligations for fixed-guideway modernization totaled \$797.6 million, an amount that was \$12.3 million less than the previous fiscal year.

Funding for new systems is earmarked annually by Congress. In federal FY95, the obligations for Section 5309 new systems totaled \$1.3 billion, representing an increase of \$843.1 million more than the previous year's obligations.

Three categories comprise the Section 5309 program: (1) bus and bus-related; (2) fixed guideway modernization; and (3) new systems. The "bus and bus-related" category includes the acquisition of bus and rolling stock and ancillary equipment and the construction of bus facilities, such as maintenance facilities, garages, storage areas and bus terminals. New systems funding is allocated on a discretionary basis, and projects must compete for funding using specific criteria, including alternative analysis, to justify the federal level of investment involved with starting a new fixed- guideway system.

Infrastructure improvements such as track and right of way rehabilitation, station modernization, rolling stock renewal, safety-related improvements, signal and power modernization typically are funded through the Section 5309 program.

(d) Section 5310 Elderly and Persons with Disabilities Program

Administered by the Federal Transit Administration, Section 5310 Elderly and Persons with Disabilities Program funds ensure the right that elderly citizens and people with disabilities have to utilize public transportation facilities and services. Since its inception in 1975, it has enabled thousands of Americans to achieve greater mobility and independence.

The program also ensures that efforts are made in the planning and design of these facilities and services to guarantee their accessibility and effectiveness for elderly citizens and people with disabilities, and it guarantees that all federal programs offering assistance to public transportation contain provisions to implement these policies.

Applicants for Section 5310 funding must be lead agencies identified by the locally adopted transportation development plan, which also shows local needs, resources and opportunities for coordination. Lead agencies play an important role in coordinating services, implementing plans and submitting grant applications on behalf of other participating local agencies. The number of 5310 recipients varies, but averages about 27 each year in North Carolina.

Applicants that are eligible to receive Section 5310 funding include private nonprofit agencies, public bodies approved by the state to coordinate services for elderly citizens and

people with disabilities and public bodies which certify to the governor that no nonprofit corporations or associations are readily available in their area to provide these services.

Section 5310 funds must be matched by state and local funds. Local matching funds must be cash. There may be certain cases where specific legislation allows some federal or state funds to be treated as local funds -- or unrestricted funds -- for the purpose of matching shares for other federal programs. Non-cash shares, such as donations, volunteered services or in-kind contributions, are eligible to be counted toward the local match only if the value of each share is documented formally. Refer to 49 CFR, part 18 for more information.

The program is administered through the states and specific funding decisions are made at the state level. Funds are apportioned to states each year by a formula that is based on the estimated number of elderly citizens and people with disabilities who reside in each state.

Nationally, in federal Fiscal Year 1995, \$59 million was appropriated for the Section 5310 program, and an additional \$600,000 in flexible funds was transferred into the program. Capital assistance is provided at a ratio of 80 percent federal funds and 20 percent local matching funds, except for vehicle-related equipment that is needed in order to meet requirements of the Americans with Disabilities Act or Clean Air Act Amendment, which is funded at ratio of 90 percent federal funds and 10 percent local matching funds.

The period of availability for Section 5310 funds is one year. Any amount of the state's apportionment remaining unobligated may be transferred to the Section 5311 or the Section 5307 program during the fourth quarter of the federal fiscal year. Nationwide in FY95, \$2 million was transferred from the Section 5310 program to the Section 5311 program. Section 5310 funds that remain unobligated or not transferred at the end of the fiscal year are reapportioned among all the states in a subsequent year's apportionment.

Section 5310 Elderly and Persons with Disabilities program is governed by CFR 20.513, Title 49, United States Code 5310. Since federal Fiscal Year 1975, state agencies have obligated more than \$600 million for the purchase of vehicles, equipment, or service designed to meet the needs of elderly citizens and people with disabilities.

Section 5310 capital assistance grants may be used to purchase buses, vans, radios, wheelchair lifts, computers and other equipment that is necessary to transport elderly citizens and people with disabilities.

(e) Federal Transportation Act of 2005

The Federal Transportation Act is part of the larger Transportation Equity Act. The goal of this act is to foster development and revitalization of public transportation systems that (1) maximize the safe, secure and efficient mobility of individuals, (2) minimize environmental impact and (3) minimize transportation related to fuel consumption and reliance on foreign oil.

The Secretary of Transportation may provide assistance for:

- A. the development of transportation plans and programs;

- B. planning, engineering, designing, and evaluating a public transportation project; and
- C. for other technical studies.

The Secretary can provide assistance:

- A. by making grants to States, authorities of States, metropolitan planning organizations, and local governmental authorities; or
- B. by making agreements with other departments, agencies, and instrumentalities of the Government.

Activities eligible for assistance under paragraph (1) include the following:

- A. Studies related to management, planning, operations, capital requirements, and economic feasibility.
- B. Evaluating previously financed projects.
- C. Peer reviews and exchanges of technical data, information, assistance, and related activities in support of planning and environmental analyses among metropolitan planning organizations and other transportation planners.
- D. Other similar and related activities preliminary to and in preparation for constructing, acquiring, or improving the operation of facilities and equipment.

To the extent practicable, the Secretary shall ensure that amounts appropriated or made available to carry out this section are used to support balanced and comprehensive transportation planning that considers the relationships among land use and all transportation modes, without regard to the programmatic source of the planning amounts.

The allocation of Funds should be as follows:

Of the funds made available by or appropriated to carry out this section under section 5338(c) for fiscal years 2004 through 2009--

- 1) 82.72 percent shall be available for the metropolitan planning program under subsection (d); and
- 2) 17.28 percent shall be available to carry out the planning and development section

Availability of Funds. Funds apportioned under this section in a State shall remain available for obligation in that State for a period of 3 years after the last day of the fiscal year for which the funds are authorized. Any amounts so apportioned that remain unobligated at the end of that period shall be reapportioned among the States.

(f) Surface Transportation Research and Development Act of 2005

Funding for overall transportation programs increased by about 40 percent in the Transportation Equity Act for the 21st Century, however funding for transportation research and development has remained stagnate. This act allocates funding for surface transportation research and development.

There is authorization to appropriate for each of fiscal years 2005-2010, to carry out this act, 1.08 percent of the amounts made available in each fiscal year from the Highway Trust Fund; or \$500,000,000. This can be broken down so that not less \$20,000,000 is reserved for the Surface Transportation Environment and Planning Cooperative Research Program, not less than \$10,000,000 shall be for advanced exploratory research and not less \$5,000,000 shall be for the National Multitmodal Trends Policy Research.

The goal of the act is to support surface transportation research and development to promote economic vitality, improving safety and security, increasing mobility, protecting and enhancing the environment, improving integration between modes of transportation, promoting efficiency and emphasizing the preservation of the existing transportation system.

The federal government is responsible for the funding of activities that are of national significance; support research and development of which there is a clear public benefit, and private sector investment is less than optimal due to market failure; support research and development that the Secretary determines is critical that is not otherwise being conducted by the public or private sector, or support a Federal stewardship role in ensuring that State and local governments use national security resources effectively.

The Secretary of Transportation shall award all grants, contracts, and cooperative agreements for research and development under this Act. Contents of the research and development program shall include the following areas:

- (1) Research and development on materials and structures to improve the durability of surface transportation infrastructure and extend the life of pavements and bridges, including, as appropriate--
 - (A) development of nondestructive evaluation equipment for use with existing infrastructure facilities and with next-generation infrastructure facilities that use advanced materials;
 - (B) standardized estimates, developed in conjunction with the National Institute of Standards and Technology and other appropriate organizations, of useful life under various conditions for advanced materials of use in surface transportation ;
 - (C) research on the effects of climate conditions (such as freezing, thawing, and precipitation) on highway construction materials, and development of materials that can withstand climatic conditions; and

- (D) economic highway geometrics, structures, and desirable weight and size standards for vehicles using the public highways and the feasibility of uniformity in State regulations with respect to such standards.
- (2) Research and development on the operation and management of the surface transportation system to improve efficiency, productivity, and safety, including, as appropriate--
- (A) technologies and practices that reduce costs and minimize disruptions associated with the construction, rehabilitation, and maintenance of surface transportation systems, including responses to natural disasters;
 - (B) research and system analysis to facilitate and integrate bicycle and pedestrian travel in the transportation system, including within National Parks and in areas adjacent to National Park land;
 - (C) development of dynamic simulation models of surface transportation systems for--
 - (i) predicting capacity, safety, and infrastructure durability problems;
 - (ii) evaluating the extent to which projects are likely to achieve their stated objectives; and
 - (iii) testing the strengths and weaknesses of proposed revisions to surface transportation operations and management programs;
 - (D) improvement of life cycle cost analysis, including--
 - (i) establishing the appropriate analysis period and discount rates;
 - (ii) learning how to value and properly consider use costs;
 - (iii) determining tradeoffs between reconstruction and rehabilitation; and
 - (iv) establishing methodologies for balancing higher initial costs of new technologies and improved or advanced materials against lower maintenance costs;
 - (E) research on the effects of climatic conditions (such as freezing, thawing, and precipitation) on the costs of highway construction materials and maintenance;
 - (F) research, development, and technology transfer related to asset management; and

- (G) evaluation of traffic calming measures that promote community preservation, transportation mode choice, and safety.
3. Research, development, and technology transfer to improve safety.
 4. Research and development to support the evaluation of how the surface transportation system and individual surface transportation projects meet the goals of the surface transportation system stated in section 102(a) of the Surface Transportation Research and Development Act of 2005, including, as appropriate--
 - (A) development, use, and dissemination of indicators, including appropriate computer programs for collecting and analyzing data on the status of infrastructure facilities, to measure the performance of the surface transportation systems of the United States, including productivity, efficiency, energy use, air quality, congestion, safety, maintenance, and other factors that reflect system performance; and
 - (B) research on, and dissemination of recommendations and best practices aimed at addressing, nontechnical barriers to technology deployment (such as fragmented local authority, rigid procurement rules, and privacy and liability considerations).
 5. To assess how the surface transportation system affects and is affected by social systems, including, as appropriate--
 - (A) research aimed at understanding how emerging trends (including demographic, economic, and social trends) will affect surface transportation usage and needs;
 - (B) research on how land use affects and is affected by surface transportation investments; and
 - (C) telecommuting and the linkages between transportation , information technology, and community development, and the impact of technological change and economic restructuring on travel demand.
 6. Environmental research and development, including research described in the Transportation Research Board Special Report 268, entitled 'Surface Transportation Environmental Research: A Long-Term Strategy' published in 2002.
 7. Exploratory advanced research in any of the preceding areas.
 8. Any other surface transportation research and development topics that the Secretary determines, in accordance with the strategic planning process under section 508, to be critical.

2. Design Arts Program

The National Endowment for the Arts provides grants to states and local agencies, individuals and nonprofit organizations for projects that incorporate urban design, historic preservation, planning, architecture, landscape architecture and other community improvement activities, including greenway development. Grants to organizations and agencies must be matched by a 50 percent local contribution. Agencies can receive up to \$50,000.

(B) State Transportation Incentives

1. STP Transportation Enhancements Program

A designated percentage of North Carolina's STP funds are available for transportation "enhancements", which includes projects such as scenic byways, historic transportation preservation, landscaping and the development of bicycle and pedestrian facilities. Certain specified requirements must be met in order to be eligible to receive these funds.

2. Transportation Enhancement Act-21

The Transportation enhancement program is a federal-aid reimbursement program that is a part of the Surface Transportation Program outlined in the Transportation Equity Act. The federal government pays 80% of the project and the project sponsor pays the balance. The federal statute describes eligible categories for the transportation enhancement program, however state agencies have most of the responsibility for the enhancement program. Each state devises its own application and selection process, establishes, selects, and adopts methods to streamline the development and management of projects. North Carolina has made funding available for the following programs:

a. Pedestrian and Bicycle Facilities

Eligible Transportation Enhancement projects in this category include providing bicycle and pedestrian facilities for safe accommodation, either through construction of new facilities or modifications to existing facilities. The facility must comply with American Association of State Highway Transportation Officials (AASHTO), Americans with Disabilities Act (ADA) and DOT standards. Bicycle facilities must be transportation-oriented (not solely for recreational purposes), can be located within or outside of the highway ROW and could include riding or walking surfaces and related amenities.

b. Acquisition of Scenic Easements and Scenic or Historic Sites

The primary purpose of this category is to preserve and protect scenic views and scenic or historic sites in the viewsheds of State- or Federal-designated scenic byways as well as designated historic highways or rivers with the Wild and Scenic River designation in historic sites. This activity is intended to create an obvious improvement to the use of a transportation corridor by the traveling public, and to add to their enjoyment of the area.

There must be an independent confirmation that the land and scenic or historic sites possess the values presented by the project applicant, such as being listed on the National Register of Historic Places for all proposed historic sites as concurred in by the State Historic Preservation Office (HPO). The sponsor must also guarantee the preservation of the scenic or historic value of the acquisition by placing the property or easement in public ownership.

c. Historic Preservation

Projects in this category should enhance the transportation experience by improving the ability of the public to appreciate the significance of a transportation-related historical feature through a contemporary transportation-related function. All historic preservation projects must clearly demonstrate a contemporary relationship to the surface transportation system. Furthermore, all proposed projects must either be listed on, or eligible for listing on the National Register of Historic Places. Applicants must include documentation of National Register eligibility as concurred in by the State Historic Preservation Office (HPO) with their application in order to be considered for TE funds.

d. Rehabilitation/Restoration of Historic Transportation Structures/Facilities

This category is intended to preserve historic transportation buildings, structures, or facilities that are part of the surface transportation system. Rehabilitation and restoration of these types of historic properties can be accomplished by returning the property to a condition that makes a contemporary use possible, while preserving the significant historic features of the property. Furthermore, all proposed projects must either be listed on, or eligible for listing on the National Register of Historic Places. Applicants must include documentation of National Register listing/eligibility as concurred in by the State Historic Preservation Office (HPO) with their application in order to be eligible for funding.

e. Landscape and Other Scenic Beautification

This category includes landscape planning, design, and construction projects that enhance the aesthetic or ecological resources along highways, other transportation corridors (railways, bike paths, sidewalks, etc.), points of access, and lands qualifying for other categories of TE activities. For example, projects that enhance the aesthetic resources or restore the ecological balance of the transportation system may include scenic overlooks as well as restoration of historic landscapes. TE funds cannot be used for routine, incidental, or maintenance activities.

3. Symms National Recreational Trails Act (NRTFA)

This funding source is designed to assist with the development of nonmotorized and motorized trails. The Act uses funds paid into the Highway Trust Fund from fees on non-highway recreation fuel used by off-road vehicles and camping equipment. A specified percentage of the appropriation must be spent on projects that accommodate both user groups. States can grant funds to private and public sector organizations.

(C) Programs or Grants

1. CMAQ

Congestion Mitigation and Air Quality Improvement Program (CMAQ)
CMAQ was created by the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 and reauthorized by TEA-21 and now SAFETEA-LU

The CMAQ Program was designed to expand substantially the focus and purpose of federal transportation funding assistance to include air quality improvement as a specific objective. These funds are to assist areas designated as nonattainment or maintenance to achieve healthful levels of air quality by funding transportation projects and programs that improve air quality.

2. Bridge Program

Bridge improvement projects represent an opportunity to include bicycle and pedestrian facilities. Wider shoulders and sidewalks on bridges are eligible through the bridge improvement program.

3. SMAP

Administered by the North Carolina Department of Transportation, State Maintenance Assistance Program, or SMAP, funds provide assistance to urban and small urban areas with operating costs for fixed-route and dial-a-ride public transportation that are not covered by federal shares. The allocation of SMAP funds cannot be used to match federal funds or as local matching funds for other state funds.

Urban and small urban areas, as defined by the U.S. Census Bureau, that operate fixed-route transit systems are eligible to apply.

SMAP funds are allocated to eligible counties in North Carolina based on a formula approved by the state Board of Transportation. By the current formula, 60 percent of the allocation is based on performance, 30 percent is based on local commitment, determined by each transit system's share of total local revenues, and the remaining 10 percent is an equity share that is the same amount for all systems. Eighteen transit systems across the state received SMAP funding in 1996.

A local funding match of 10 percent is required for capital-project uses of SMAP funds. For the matching requirement, local government support to the transit system must equal or exceed the state fiscal year 1993 - I Level for each year the SMAP allocation will be used. Due to municipal cutbacks, if the local government will not receive at least the same amount of funding as it received in FY93, NCDOT will consider dispersing the allocation, except for the portion calculated on the basis of local commitment.

SMAP allocations cannot be used to match federal funds or as local matching funds for other state allocations. All Section 5303 planning funds that are available to the urbanized area must be programmed for use before any of SMAP funds can be used.

The State Maintenance Assistance Program is funded 100 percent by the state and is governed by Article 2B of Chapter 136, North Carolina General Statutes.

4. Human Service Transportation Management Program

Administered by the North Carolina Department of Transportation, Human Service Transportation Management, or HSTM, Program funds help provide safe and reliable transportation for human-service agency clients. They provide for staff support to help human service transportation systems coordinate transportation services. By using the highest possible levels of coordination between the local transportation systems and human service agencies, the HSTM funds help ensure that human service transportation throughout North Carolina is operated in an efficient and cost-effective manner.

Lead transportation agencies for each county that are identified by the locally adopted transportation development plan are the designated recipients for HSTM funds. Transportation development plans show local needs, resources and opportunities for coordination. Lead agencies play an important role in coordinating services, implementing plans and submitting grant applications on behalf of other participating local agencies.

Of the lead agencies, human service transportation systems that do not receive administrative assistance through the Section 5311 program and that demonstrate a high level of coordination with the human service agencies in their counties are eligible to receive HSTM funds.

HSTM funds may be used to pay up to 75 percent of the cost, but not exceeding \$18,750 annually, for the salary and employee benefits of a full-time transportation coordinator. For counties where a full-time coordinator is not needed -- such as those with smaller transportation systems or a limited number of human-service agencies -- the program will provide for a part-time coordinator instead. Local transportation systems must fund the remaining 25 percent of cost, which can be derived from operating fees charged to human-service agencies or local revenue.

The HSTM program is funded completely using state funds and is governed by Chapter 136-44.27 of the North Carolina General Statutes.

HSTM program funds may be used to provide state assistance for administrative costs associated with human service transportation where no federal funds are available for this purpose.

I. Historic Preservation

A. Federal Incentives

1. National Historic Preservation Act

The [National Historic Preservation Act of 1966](#) authorizes a grant program for properties listed in the National Register of Historic Places, including privately owned properties, but federal grant funds have generally not been available for restoration projects since 1980. Federal

law requires that 10% of the state's apportionment from the federal Historic Preservation Fund be made available on a matching basis to local governments that are designated Certified Local Governments by the National Park Service. This has amounted to about \$65,000 annually for CLG projects in the state in recent years. Until the recent past, the HPO was able to offer additional grants out of the state's Historic Preservation Fund apportionment for projects within jurisdictions that were not Certified Local Governments, though these projects were limited to non-construction activities such as comprehensive county surveys and nominations of properties to the National Register of Historic Places. Grants to localities that are not CLGs are not currently available.

2. Save America's Treasures Grants

Since its creation in 1999 in recognition of the approaching new millennium, the Save America's Treasures program has provided \$188 million for preservation of historic properties and cultural artifacts. Historic properties receiving funds must be nationally significant and be threatened, endangered, or otherwise demonstrate an urgent preservation need. The need continues to outpace available dollars, however. In FY 2001, the program could only fund about 15 percent of the applications received. Funded by the Federal Historic Preservation Fund and administered by the National Park Service (NPS) in partnership with the National Endowment for the Arts funding State and local governments, the grants require a dollar-for-dollar non-Federal match. The maximum grant is \$1 million, and the minimum is \$250,000 for historic property projects and \$50,000 for cultural artifact projects. In FY 2004, the program was funded

3. National Heritage Areas Grants

Since 1984, Congress has created 24 national heritage areas. Heritage area designation recognizes the distinct history and geography of a region and the desire of residents to collaborate in preserving their cultural and natural resources and capitalizing on them to promote economic development, particularly through heritage tourism.

Each heritage area has a local management entity which works regionally to promote and coordinate historic preservation, heritage tourism, economic development, recreation, and public education initiatives.

As directed by Congress, the National Park Service (NPS) provides technical assistance and matching grant funds for the development and implementation of a management plan for each designated area. Such grants are funded through the Heritage Partnership Program in the NPS National Recreation and Preservation account. In FY 2004, \$14.275 million is available

4. Section 108 Loan Guarantee Program

Section 108, the loan guarantee provision of the CDBG program administered by the Department of Housing and Urban Development, allows communities, through local governments, to transform a small portion of their CDBG funds into federally guaranteed loans. This provides a source of financing for activities such as: property acquisition; rehabilitation of

publicly owned property; housing rehabilitation; economic development activities; and acquisition, construction, reconstruction, or installation of public facilities.

5. Federal and State Investment Tax Credits (Private individuals and businesses)

The federal tax code provides an attractive 20% investment tax credit for the rehabilitation of privately-owned, income-producing historic buildings, including residential rental buildings, that are listed in the [National Register of Historic Places](#) or that are contributing historic buildings within National Register Historic Districts. There is also a 20% state investment tax credit for projects certified under the federal program. The combined credits in effect can reduce the costs of a qualifying rehabilitation of an income-producing property by 40%.

6. Historic Preservation Tax Credits

The Federal Government offers a variety of tax credits that assist preservation projects, notably a credit that is available only for rehabilitation of income-producing historic properties. Under this historic preservation tax credit, property owners who rehabilitate historic buildings for commercial, industrial, agricultural, or rental residential purposes can receive a tax credit equal to 20 percent of the rehabilitation costs. The National Park Service must certify that the rehabilitation work meets the Secretary of the Interior's Standards for Rehabilitation. Between 2001 and 2005, the tax credit leveraged over \$11.14 billion in private investment.

Other Federal tax credits can also be used in preservation projects and can be combined with the historic preservation tax credit. For example, there is a Federal tax credit for acquisition, construction, or rehabilitation of low-income housing. From 2001 to 2005, 43,566 low and moderate income housing units were created in historic properties using the low-income housing tax credit in conjunction with the historic preservation tax credit. A new Federal tax credit that has just become available, the New Markets Tax Credit, may also offer similar opportunities. The credit is targeted at drawing investment to businesses and commercial projects in distressed urban, rural, and suburban communities.

7. Tax Deductions for Preservation Easements

Donation of a conservation easement on property generally qualifies as a charitable contribution for Federal tax purposes, and thus would result in income and estate tax deductions. This provision of Federal tax law thus provides a cash incentive to owners of historic properties to protect them through donations of easements.

Beginning January 1, 1998, new North Carolina tax credits provide a 30% credit for certified rehabilitations of non-income-producing historic buildings listed in the National Register or located within National Register districts, including private residences. There is no equivalent federal credit for non-income-producing historic structures.

North Carolina preservation state tax credits, effective January 1, 1998, have made rehabilitations of historic buildings in the Tar Heel state more attractive than ever before.

The law provides:

- A 20% state tax credit for rehabilitations of income-producing historic properties that also qualify for the 20% federal investment tax credit. In effect, the combined federal-state credits reduce the cost of a certified rehabilitation of an income-producing historic structure by 40%.

A new state tax credit of 30% for qualifying rehabilitations of non-income-producing historic structures, including owner-occupied personal residences. There is no equivalent federal credit for such rehabilitations.

B. State Historic Preservation Incentives

1. State Historic Preservation Programs and Grants

In some years, the North Carolina General Assembly has made funds for preservation projects available to local governments and nonprofit groups through one-time discretionary appropriations. Such appropriations may or may not be repeated in coming years. Appropriations have assisted historic property and archaeological surveys, survey publications, and National Register nominations, but the primary focus of state grants has been restorations of historic buildings owned by local governments and local non-profit organizations. State appropriations have never been made for restorations of historic properties owned by private individuals. The State Historic Preservation Office has no role in the appropriation process, though staff is available on request to provide technical assistance to projects receiving appropriations.

2. Preservation North Carolina

Preservation North Carolina (PNC) is a statewide nonprofit preservation membership organization. Membership in PNC supports a wide range of preservation advocacy, education, and restoration programs. Members receive a quarterly newsletter and periodic updates on historic preservation news and events in North Carolina.

Buying or selling historic property: Among its programs and activities, PNC operates a revolving fund to market historic properties for sale to new owners who are able and willing to preserve them. Several local revolving funds also work cooperatively with PNC. Protective covenants are appended to the deeds of properties revolved through PNC, and PNC retains the right of first refusal in future sales of the properties. PNC also accepts easement donations from owners who desire that their properties be preserved in perpetuity.

3. Local Historic Preservation Commissions

Over eighty of North Carolina's local governments have established historic preservation commissions to operate historic preservation programs at the local level. Local preservation commissions recommend historic districts or landmarks for designation by the local governing board and review alterations and additions to landmarks and properties within designated historic districts. Some commissions provide rehabilitation design assistance, operate local revolving funds, and offer other services and activities.

4. The National Trust for Historic Preservation

The National Trust is a national, private nonprofit preservation advocacy organization. The Trust publishes a monthly newspaper and bimonthly magazine, publishes a variety of books on historic preservation topics, owns and operates museum properties, and operates a program of incentive grants to local preservation organizations for non-construction activities.

5. The North Carolina Main Street Center

The North Carolina Main Street Center (NCMSC) is an outgrowth of a pilot project begun by the National Trust in 1977. North Carolina was among the six states that originally participated and is now one of thirty-two states with active programs. Over forty North Carolina towns and cities with populations under 50,000 have participated with locally staffed program managers. NCMSC provides technical assistance to participating communities to encourage economic development within a historic preservation context. NCMSC is part of the Division of Community Assistance of the North Carolina Department of Commerce.

6. HUD/Community Development Low-interest loans

Low-Income housing

C. Programs or Grants

1. Generally

Federal financial assistance programs that facilitate natural resource conservation and outdoor recreation can help to preserve historic properties. Battlefields, rural historic districts, trails, archeological sites, and other historic resources can benefit. A number of natural resource conservation programs can help fund acquisition of parcels or creation of protective easements. Several programs supporting outdoor recreation can fund land acquisition, easements, and rehabilitation activities.

2. North American Wetlands Conservation Act Grants Program

Grants are available for the acquisition, restoration, management or enhancement of wetlands in the United States, Mexico, and Canada from the U.S. Fish and Wildlife Service for Private or public organizations.

3. Land and Water Conservation Fund Grants

Through this program administered by the National Park Service, grants are available for the acquisition and development of public outdoor recreation areas and facilities.

4. Urban Park and Recreation Recovery Grants

This program provides matching grants and technical assistance to economically distressed urban communities for rehabilitation of critically needed recreation facilities,

including capital funding for renovation or redesign from the National Park Service for local governments. Some of these projects have included historic recreation facilities.

5. Recreational Trails Program Grants

These grants, administered by the Federal Highway Administration can be used to maintain, restore, and rehabilitate trails, including National Historic Trails, and rehabilitate trailside facilities. They can also support acquisition of easements or title to property for trails, including acquisition of old road or railroad bridges to be used as recreational trail bridges.

6. Community Development Block Grants—Entitlement Communities

Community Development Block Grant (CDBG), administered by the Department of Housing and Urban Development gives grants to local governments (over a certain population) and funds help communities carry out a wide range of community development activities directed toward revitalizing neighborhoods, economic development, and providing improved community facilities and services. Among the projects eligible for funding are: acquisition of real property; rehabilitation of residential and non-residential structures; construction of public facilities and improvements; provision of assistance to businesses to carry out economic development; and job creation/retention activities.

7. Community Development Block Grants—Non-Entitlement Communities

CDBG funding, administered by the Department of Housing and Urban Development, for non-entitlement communities (those under a certain population threshold) is granted to the States to administer, except in the case of Hawaii, where HUD still administers the funding directly. Among the projects eligible for funding are: acquisition of property; construction or reconstruction of streets, water and sewer facilities, neighborhood centers, recreation facilities, and other public works; rehabilitation of public and private buildings; planning activities; assistance to nonprofit entities for community development activities; and assistance to private, for-profit entities to carry out economic development activities.

8. Economic Development Initiative (EDI) Grants

Special purpose EDI grant funds, administered by the Department of Housing and Urban Development to local governments, are congressionally earmarked for economic development projects chosen by Congress.

9. Community Renewal Initiative for Renewal Communities, Urban Empowerment Zones, and Enterprise Communities (RC/EZ/EC) Initiative

Through grants and tax incentives, this program, administered by the Department of Housing and Urban Development, provides financial assistance to distressed communities to open new businesses, rehabilitate and build housing, and undertake other economic revitalization projects.

10. Public Works and Economic Development Initiative

Grants from this program, administered by the Economic Development Administration, help communities, through states and local governments, to revitalize, expand, and upgrade their physical infrastructure to attract new industry, encourage business expansion, diversify local economies, and support the generation or retention of jobs and investments. Rehabilitation of historic buildings is an eligible activity.

11. Economic Adjustment Program

Under this program, administered by the Economic Development Administration, grants support states, local governments, and communities that have experienced or are under threat of serious damage to their economic base. Implementation Grants can be used to rehabilitate buildings as part of a Comprehensive Economic Development Strategy.

III. Open Space/Conservation Vision and Potentially Applicable Incentives

A. Open Space/Conservation Vision

A wide variety of natural features combine to create Dix Park's pastoral landscape. The property consists of open rolling meadows punctuated by large trees in groups or lining existing roads. A ridge line exists on the eastern half in a northwest-southeast orientation. The main hospital facility itself is located along this ridge facing east. The hillside sloping down toward Rocky Branch Creek is highlighted by a grove of mature oaks and a meadow along the creek. Steep slopes which limit development but create a natural buffer exist along the creek at the northern edge of the eastern half adjacent to the tracks.

The western half of the property is less wooded and more open than the eastern half. A substantial grove of oaks exists on the knoll adjacent to the Kirby Bilyeu neighborhood. Two ridges are defined on this half. One ridge runs north to south close to the western boundary. Spring Hill is located on this ridge. The second ridge divides the western half into north and south drainage areas; one area drains toward the creek to the north while the other drains to the south and the Farmers Market. The topography and openness of the western half afford a commanding view of the City of Raleigh from the vicinity of the Council Building.

The property, as it is currently defined comprises approximately 400 acres. It is bordered on two sides by existing roads which currently provide access to the property. The existing railroad corridor splits the site into an eastern half, which is smaller and contains historic Dix Hill, and a western half, which is largely undeveloped except for seven significant buildings and supporting surface parking areas. Spring Hill is located on the high point of the western half.

Buildings on the western half are somewhat scattered along existing roads and do not presently contribute to any discernible common spaces aside from their undeveloped surroundings. This differs from the eastern half which contains the main hospital facility and other buildings which form more of a compact campus environment. The condition of buildings and their potential for renovation and reuse varies. There is a landfill area on the western half of the property that imposes severe limitations of future development.

B. Open Space/Conservation Federal and State Incentives

1. Federal Open Space Incentives

a. National Trust and Endowment Association

Potential grant funding source for green space and public use phases. Grants available for planning, design and construction. City will apply for planning and designing grants totaling \$75K.

b. Block Grant Program

The U.S. Department of Housing and Urban Development (HUD) offers financial grants to communities for neighborhood revitalization, economic development, and improvements to community facilities and services, especially in low and moderate-income areas. These funds have been used by several communities to develop parks and greenways.

c. Land and Water Conservation Fund (LWCF) Grants

This federal funding source was established to provide “close-to-home” park and recreation opportunities to residents throughout the United States. LWCF grants can be used by communities to build a variety of park and recreation facilities, including bicycle and pedestrian facilities. The grants are distributed by the National Park Service to the states annually. Communities must match LWCF grants with 50 percent of the local project costs through in-kind services or cash. All projects funded by LWCF grants must be used exclusively for recreation purposes, in perpetuity.

d. Conservation Reserve Program

The U.S. Department of Agriculture, through its Agricultural Stabilization and Conservation Service, provides payments to farm owners and operators to place highly erodible or environmentally sensitive landscapes into a 10-15 year conservation contract. The participant, in return for annual payments during this period, agrees to implement a conservation plan approved by the local conservation district for converting sensitive lands to less intensive uses. Funds from this program can be used to fund the maintenance of open space and non-public- use greenways, along bodies of water and ridge lines.

e. Wetlands Reserve Program

The U.S. Department of Agriculture provides direct payments to private landowners who agree to place sensitive wetlands under permanent easements. This program can be used to fund the protection of open space and greenways within riparian corridors.

f. U.S. Army Corps of Engineers

Wetland delineation program services for purposes of delineating, banking and restoring wetland areas

g. U.S. Dept. of Fish and Wildlife

Grant dollars relative to the enhancement and creation of habitat for endangered species

h. FEMA Flood Mitigation Assistance (FMA)

To implement measures to reduce or eliminate the long-term risk of flood damage to buildings, manufactured homes, and other structures insurable under the National Flood Insurance Program (NFIP). Includes activities such as land acquisition, elevation, floodplain reclamation, relocation, drainage improvements, stream restoration, flood control walls, storm sewers, and preparation of mitigation plans and to implement measures to reduce flood losses. FEMA may contribute federal grant funds up to 75% of the total eligible project cost, with the remaining 25% cost share coming from a non-federal entity. Of the 25%, no more than half can be provided as in-kind contributions

i. USEPA Watershed Protection and Flood Prevention Program

Provides technical and financial assistance to address water resource and related economic problems on a watershed basis. Projects related to watershed protection, flood mitigation, water supply, water quality, erosion and sediment control, wetland creation and restoration, fish and wildlife habitat enhancement, and public recreation are eligible for assistance. Typical amount awarded - \$400,000.

j. USEPA Watershed Assistance Grants

Building cooperative agreements with one or more non-profit organization(s) or other eligible entities to support watershed partnerships and long-term effectiveness. Funding then supports organizational development and capacity building for watershed partnerships with a diverse membership. Match desirable, but not a requirement.

k. Urban and Community Forestry Assistance Program

The USDA provides small grants of up to \$10,000 to purchase trees for planting along streets and within parks or greenways. Grants are used to develop contracts with local businesses for the plantings.

l. Design Arts Program

The National Endowment for the Arts provides grants to states and local agencies, individuals and nonprofit organizations for projects that incorporate urban design, historic preservation, planning, architecture, landscape architecture and other community improvement activities, including greenway development. Grants to organizations and agencies must be matched by a 50 percent local contribution. Agencies can receive up to \$50,000.

m. The Natural Heritage Program

The program (est. 1985) is run by the Division of Parks and Recreation. It offers landowners heritage designation and technical assistance if they agree to enter into conservation agreements with the state. N.C. GEN. STAT. § 9A, 113A-164.1-11 (1985). This program focuses on natural areas, habitat for threatened and endangered species, and high quality communities. Areas to be included must be nominated based on quality of features, diversity of flora and fauna, and absence of damaging land uses. 593,555 acres in 345 natural areas are currently registered in the program. 132 of these containing 47,945 acres are privately owned.

n. The Habitat Conservation Program

The program is offered by the Wildlife Resources Commission, Fish Division. It attempts to restore degraded aquatic, wetland and upland habitats by offering technical guidance to landowners and other governmental and private agencies. Landowners are required to place a restoration site with an appropriate buffer under a permanent conservation easement in order to participate. There are currently 8-10 landowners participating. The funding for the program comes from fishing and hunting licenses, the Fish Restoration Fund, and grants from various sponsors.

o. Conservation Easements

Conservation easements are authorized by statute. N.C. GEN. STAT. § 121-35.

p. The Conservation Tax Credit Program

The program (est. 1983) provides an income tax credit for the donation of an easement or fee simple title on land useful for fish or wildlife conservation or other similar land by private landowners and corporations. N.C. GEN. STAT. § 105-151.12, § 105-130.34. The amount of the tax credit is limited to \$250,000 for individuals, and \$500,000 for corporations. As of 1998, 33,000 acres of land were covered by the program.

q. Wildlife Action Plan

In 2001, Congress established the State Wildlife Grants Program. In order for state fish and wildlife agencies to receive these funds, Congress required the states to complete "comprehensive wildlife conservation strategies", now called "state wildlife action plans" by October, 2005. Every state and territory has submitted a plan to the US Fish and Wildlife Service for approval. North Carolina's plan has been approved. These plans provide the opportunity for states to identify threats, conservation actions, and target places for conservation. Working with a diversity of partners, state fish and wildlife agencies have the opportunity to address the full array of fish and wildlife issues across the landscape.

2. State Open Space/Conservation Incentives

a. The Renewed Emphasis Now on an Environment for Wildlife Program

The program is run by the Wildlife Resources Commission. It offers technical assistance, in-kind assistance in the form of wildlife planting seed mixtures, and hunting enforcement officers for forest land owners interested in protecting wildlife.

b. Parks and Recreation Trust Fund

This fund primarily supports state and local parks and recreation projects (e.g., recreational trails, greenways, community centers). In 2006, \$13.5 million in grants from the N.C. Parks and Recreation Trust Fund were awarded to 41 local governments for parks and recreation projects.

The matching grants, awarded by the Parks and Recreation Authority, help fund land acquisition, development and renovation of public park and recreation areas. A maximum of \$500,000 can be awarded to a single project.

The Parks and Recreation Trust Fund is administered through the Division of Parks and Recreation and was established in 1994 when the General Assembly dedicated 75 percent of the state's share of the excise tax on real estate deed transfers to the fund. The revenue is distributed to three programs: 65 percent to the state parks system for repairs, capital improvements and land acquisition; 30 percent for matching grants to local parks and recreation programs for development and land acquisition; and 5 percent to the coastal beach access program. Since 1995, the Parks and Recreation Authority has received 800 grant applications with requests totaling about \$148 million. The board has awarded 473 grants for \$88.3 million.

A. Rocky Branch Creek

Rocky Branch Creek, on of the waterways adjacent to Dix Park, has become a nationally acclaimed model of ecological restoration and be converted into a healthy stream system and attractive greenway from Gorman Street to Pullen Park by 2010.

Rocky Branch is a severely degraded creek that runs the length of the North Carolina State campus. Throughout its history, this creek has been subjected to mass development along its banks, flood plains have been filled, and large sections have been channelized. A project committee has already raised \$4.6 million towards the restoration project from such contributors as the Environmental Protection Agency, the Clean Water Management Trust Fund, the Department of Transportation, and North Carolina State University. Plans include the stabilization of the stream using natural channel design concepts; the installation of innovative storm water controls; expansion of the riparian buffer zone; and creation of a greenway pedestrian system for the full length of the stream corridor through campus. A significant remaining issue is the question of how to deal with the parking and related revenue issues associated with the parking spaces that will need to be removed from the project area. This issue will need to be resolved before the project can move forward.

The Environmental Sustainability Task Force recommends that the Chancellor support its recommendation concerning Rocky Branch Creek and appoint a small working group to develop a workable plan to deal with the issues associated with removal of parking spaces in the project area.

d. General Fund Appropriations

Annual allocations support the Clean Water Management Trust Fund and the Farmland Preservation Trust Fund. Also, for a specified, large purchaser there may be a one-time, General Fund appropriation. The CWMTF is controlled by an 18-member board (6 governor, 6 house, 6 senate). The Farmland Preservation Trust Fund does not have a state appointed board. The Farmland Preservation Trust Fund has not received funding for the past 2 years.

e. Nongame Tax Check-off

Revenues go to the NC Wildlife Resources commission for nongame programs.

f. Personalized License Plate Sales

The sale of these license plates generates approximately \$1.7 million annually for the Natural Heritage Trust Fund and the Parks and Recreation Trust Fund. Efforts are underway to get authorization for the P&R and Natural Heritage trust funds to use certificates of participation to borrow against their dedicated income stream.

g. Conservation Tax Credit

A credit is allowed against individual or corporate income taxes when real property is donated for conservation purposes.

h. Real Estate Transfer Tax

Of every two dollars generated from the real estate transfer tax, one-dollar goes to conservation, the other to local governments. Of the "conservation dollar", 75 cents goes to the Parks and Recreation Trust Fund for land acquisition and capital improvements (65%), local park projects (30%), and public beach access (5%); the remaining 25 cents goes to the Natural Heritage Trust Fund, used primarily for land acquisition. Most of the Natural Heritage Trust Fund supports protection of natural areas (threatened lands with outstanding natural and cultural values); a small portion is used for cultural preservation. The P&R Fund is administered by an 11 member board (3 appointed by the governor, 4 by the house speaker, and 4 by the senate president). A 9-member board (3,3, and 3) oversees the Natural Heritage Trust Fund.

3. Programs or Grants

a. Watershed Protection and Flood Prevention Grants

The USDA Natural Resource Conservation Service provides funding to state and local agencies or nonprofit organizations authorized to carry out, maintain and operate watershed improvements involving less than 250,000 acres. The NRCS provides financial and technical assistance to eligible projects to improve watershed protection, flood prevention, sedimentation control, public water-based fish and wildlife enhancements, and recreation planning. The NRCS requires a 50 percent local match for public recreation, and fish and wildlife projects.

IV. Brownfield Redevelopment Vision and Potentially Applicable Incentives

A. Brownfield Redevelopment Federal and State Incentives

1. Federal Brownfield Redevelopment Incentives

a. USEPA Brownfield Assessment Grant

Up to \$200K per site with one time waiver up to \$350K, not to exceed \$700K per applicant. For inventory, characterization, assessment, planning and SRP costs

b. USEPA Revolving Loan Fund Grant

Up to \$1M/applicant. Funds to capitalize RLF that will provide low-interest loans for cleanup. Removal or treatment of contaminated soil or groundwater and construction of engineered barriers, and all other costs needed for cleanup

c. USEPA Greenspace Development Grant

Additional \$50,000 related to Brownfield Cleanup Grant, if developing greenspace

d. HUD Brownfield Economic Development Initiative (BEDI)

To be used with Section 108 loan funds to finance projects at Brownfields sites that will provide near-term and measurable economic benefits, through the return of such sites to productive use. Addresses bricks and mortar aspects. Maximum of \$2.0 million per project per year. Can be used for land write-downs, remediation, funding reserves, 108 Loan security, etc

i. State Brownfield Redevelopment Incentives

State

NC Brownfields Incentives - Under the brownfields property tax incentive (N.C.G.S. §105-277.13), an owner of land is entitled to the partial exclusion provided by this section for the first five taxable years beginning after completion of qualifying improvements made after the later of July 1, 2000, or the date of the brownfields agreement. The five-year period begins the first January following the completion of the improvements

ii. Programs or Grants

a. American Greenways DuPont Awards

Small grants (\$250 - \$2000) are awarded through a joint program of the Conservation Fund's American Greenways Program, the DuPont Corporation and the National Geographic Society. These grants are intended to stimulate the planning, design and development of greenways. The awards may be applied to:

- Develop action-oriented greenway projects;
- Assist grassroots greenway organizations;
- Leverage other money for greenway development; and
- Recognize and encourage greenway organizations.

Grant recipients are selected according to the following criteria:

- The importance of the project to local greenway development efforts;
- The extent to which the grant will result in matching funds or other support for public or private sources;
- Demonstrated community support for the project;
- Likelihood of tangible results;
- Capacity of the organization to complete the project; and
- The degree to which the project serves as a model for planning and developing greenways.

b. Recreational Equipment Incorporated (REI) Environmental Grants

REI provides grants to organizations interested in protecting and enhancing natural resources for outdoor recreation. These small grants may be applied to:

- Preservation of wildlands and open space;
- Advocacy-oriented education for the general public on conservation issues;
- Building the membership base of a conservation organization;
- Direct citizen action (i.e., lobbying) campaigns for public land and water recreation issues; and
- Projects that serve to organize a trails constituency or enhance the effectiveness of a trail organization's work as an advocate.

a. Coors Pure Water 2000 Grants

Coors Brewing Company and its affiliated distributors provide grants up to \$50,000 to grassroots organizations that are working to solve local, regional and national water-related problems. This would include river cleanups, aquatic habitat improvements, water quality monitoring, wetlands protection, pollution prevention, among others.

d. World Wildlife Fund Innovative Grants Program

The organization funds non-profit organizations at the local, regional and state levels to help implement innovative strategies for the conservation of natural resources. Grants may be applied to projects which:

- Conserve wetlands;
- Protect endangered species;
- Preserve migratory birds;
- Conserve coastal resources; and

- Establish and sustain protected natural areas, such as greenways. The maximum award for a single grant is \$10,000, which may be used towards administrative costs for projects including planning, technical assistance, legal and other costs to facilitate the acquisition of critical lands; retaining consults or other experts; and preparing visual presentations and brochures or other conservation activities.

Funding is not the only resource available to assist in the development and implementation of greenways projects. Some organizations offer technical and planning assistance.

- National Park Service's Rivers, Trails and Conservation Assistance Program
 - The City of Huntsville was able to obtain assistance from the RTCA Program offered by the National Park Service to develop a community greenways plan. This program provides technical and planning assistance to state and local efforts to protect rivers and other sensitive resources and to provide trail opportunities on lands outside of national parks and forests.

North Carolina Department of Cultural Resources

The North Carolina Department of Cultural Resources was formed in 1971 to serve North Carolina's citizens across the state, to preserve history and culture and recognize cultural resources. The department is comprised of the Office of Archives and History and the Office of Arts and Libraries. Through these offices, the department addresses a wide range of interests and provides assistance to residents and visitors of the state.

The Department of Cultural Resources may enter into and carry out contracts with the federal government or any agency thereof under which the government or agency grants financial or other assistance to further the Department's purposes. The grants or other assistance can be accepted from the federal government or one of its agencies and expended either in conformity with a contract, or not if there is not a contract.

APPENDIX B

Chronology

Centennial Campus Milestones

1887 - NCSU founded as a land-grant college to improve the agricultural and industrial skills of the post-Civil War laboring classes.

1970s - NCSU develops research centers (precursors to Centennial project) to encourage government and private funding for university.

December 1984 - First 385 acres allocated to NCSU out of Dix property by Hunt administration.

February 1985 - Additional 450 acres allocated from State Farm Operations Commission by Martin administration.

July 1985 -- UNC Board of Governors approves request of NCSU Board of Trustees for permission to hire a firm to develop a Master Plan for the use of the Dix property.

October 1985 -- NCSU Board of Trustees selects Carley Capital Group as the Master Planner/Development Adviser to project.

April 1986 -- NCSU Board of Trustees approves Land Use Master Plan (which involved lands which had not yet been re-allocated or purchased). College of Textiles site selected.

June 1987 -- The Governor and Council of State conduct a formal review of the Master Plan for the Centennial. Both parties unanimously approve and adopt the plan.

1988 -- Additional 75 acres purchased by NCSU Endowment fund from the Catholic Diocese of Raleigh for \$7.5 million (other small purchases and land trades eventually raise total to 1,000 acres).

August – September 1988 -- Raleigh City Council and N.C. Council of State rezoned area as a “mixed-use thoroughfare district.” Phase I Master Plan and Open Space Recreation Plan submitted to city.

October 1988 -- NCSU Endowment Board of Trustees purchases 75 acres of land from the Catholic Diocese of Raleigh.

March 1990 -- Centennial Parkway is approved by NCSU, NC Department of Agriculture, NC Department of Transportation, DCH, and NC Department of Human Resources.

April 1990 -- Environmental Impact Assessment approved by the Department of Environment and Natural Resources.

September 1992 -- Chancellor Larry Monteith orders development of new Master Plan in the face of slower than expected growth.

May 1994 -- Centennial Parkway included in Governor Hunt's Transportation 2001 Plan.

Late 1990s -- Centennial begins to market to incubator companies.

Fall 2000 -- Centennial Magnet Middle School opens.

January 2005 -- College of Engineering Building I opens (Home to COE's Department of Chemical and Biomolecular Engineering and Department of Materials Science and Engineering)

January 2005 -- Partners Building III—Nanosciences Building opens (Home to the College of Physical and Mathematical Sciences' Nanotechnology unit and the College of Agricultural and Life Science's Genomics unit).

March 2005 -- Centennial Biomedical Campus Research Building (Research building located adjacent to the College of Veterinary Medicine. It is the first building on the Centennial Biomedical Campus.)

Summer 2005 -- NC Wildlife Commission Headquarters completed (The new headquarters of the commission and first "green" building on campus.)

August 2005 -- College of Engineering Building II opens (Home to COE's Department of Computer Science and Electrical and Computer Engineering).

Fall 2005 -- The William & Ida Friday Institute for Educational Innovation completed (A state-of-the-art teaching technology center dedicated to creating innovative teaching and learning solutions.) **[Need to determine if done –expected completion was Fall 2005]**

Spring 2006 -- Dorothy & Roy Park Alumni Center completed (A 56,000-square-foot office and meeting facility, the center will serve as a "home" for 150,000 NC State alumni.) **[Need to determine if done –expected completion was Spring 2006]**

APPENDIX C
Outline of Next Steps

- The next steps
 - ♦ Identify key stakeholders, including, among others:
 - Adjacent property owners,
 - Neighborhood associations
 - Hillsborough Street Partnership
 - NCSU
 - Central Prison Relocation
 - Mental Health
 - All Wake County communities
 - ♦ Apex
 - ♦ Cary
 - ♦ Wendell
 - ♦ Fuquay-Varina
 - ♦ Knightdale
 - ♦ Downtown
 - ♦ Clayton
 - Other Communities
 - ♦ Chapel Hill
 - ♦ Durham
 - ♦ Create alliances with, among others:
 - Blue Ribbon Committee
 - FDDP

- RBC
- Wachovia
- Progress Energy
- First Citizens
- St. Augustine's College
- Shaw University
- Peace college
- Steve Stroud/Carolantic
- Greg Hatem/Empire Properties
- Meredith College
- Bank of America
- N&O
- Capital Broadcasting (Jim& Barbara Goodmon)
- NCSU
- Catholic Diocese
- Gregory Poole Equipment Company
- Wake County
- State of NC
- City of Raleigh
- ◆ Determine priorities
 - Link to Downtown Alliance
 - ◆ Urban Planning center
 - Dan Douglas

- Mitchell Silver
- Link to NCSU Centennial Campus
 - ♦ Bob Frasier
 - ♦ Andy Willis
 - ♦ Wendel Murphy
 - ♦ Bill Padgett
- Link to Raleigh based North Carolina legislators lawmakers and other North Carolina legislators committed to sustaining mental health operations at Dix
 - ♦ Neal Hunt
 - ♦ Deborah Ross
 - ♦ Janet Cowell
 - ♦ Jennifer Weiss
 - ♦ Vernon Malone
 - ♦ Grier Martin
- Link to Raleigh elected officials and senior staff
 - ♦ City Manager
 - ♦ City Council
 - ♦ Mayor
 - ♦ Parks and Recreation
- Link to Wake County
 - ♦ County Manager
 - ♦ County Commissioners

- ♦ Facilities
 - Phil Stout
- ♦ Director of Human Services
 - Maria Spalding- outgoing
- Create joint **GOVERNING** authority **HEADED** by a board of designated State of North Carolina and City of Raleigh representatives, both public and private
- Create Development Authority to **DEVELOP** the park and manage the financial activities of the district. Authority to be made up of representatives from Stakeholders, State, County, & City. (use centennial area authority as model to create authority)
- On parallel tracks, undertake all of the following:
 - prepare a tax increment financing district redevelopment plan addressing, among other things:
 - Adjacent Neighborhood Economic Incentives
 - Small area retail/mixed use nodes, interior to park
 - Possible inclusion of elements of Centennial Campus
 - designate large tax increment financing district and sub-area development and redevelopment zones
 - formulate tax increment and other revenue plan of finance
 - formulate Transportation Plan
 - ♦ Market Demand
 - High Density

- ♦ Design Concepts
 - World class design opportunity
 - Regional plan to emerge
- ♦ Pedestrian Linkage
 - Greenways
- ♦ Vehicular Access
 - Re-design roadways in/around park
- ♦ Parking System
 - Concentrated parking area for
 - Commuters,
 - NCSU students,
 - Park use,
 - TTA riders- RTP
 - downtown commuter hub
 - weekend/evening park-users
- ♦ Transit Facilities
 - Connect NCSU monorail to downtown through Dix
Park
- Formulate Preservation and Development Strategy
 - Develop overall financial plan
 - Develop Phased master plan for District
 - Develop Phased master plan for Park
 - Develop a phased infrastructure plan

- Buildings to be preserved
 - Buildings to be torn down
 - Buildings to be adaptively reused
 - Phased Development Approach
 - Stabilization and Public Space Phase
- Formulate Sub-Area Development and Redevelopment Area Plans
 - Solicit Requests for Qualifications for Sub-Areas
 - Invite Responses to Request for Proposals for Redevelopment of one or more Sub-Areas from pre-qualified Developers
 - Negotiate term sheets with selected Developers
 - Enter into Development or Redevelopment Agreements with selected Developers based on agreed term sheets