

Town of Wake Forest

January 2022

SunTrust Site Redevelopment

Public Information Sessions



SCHOOL OF GOVERNMENT

Development Finance Initiative



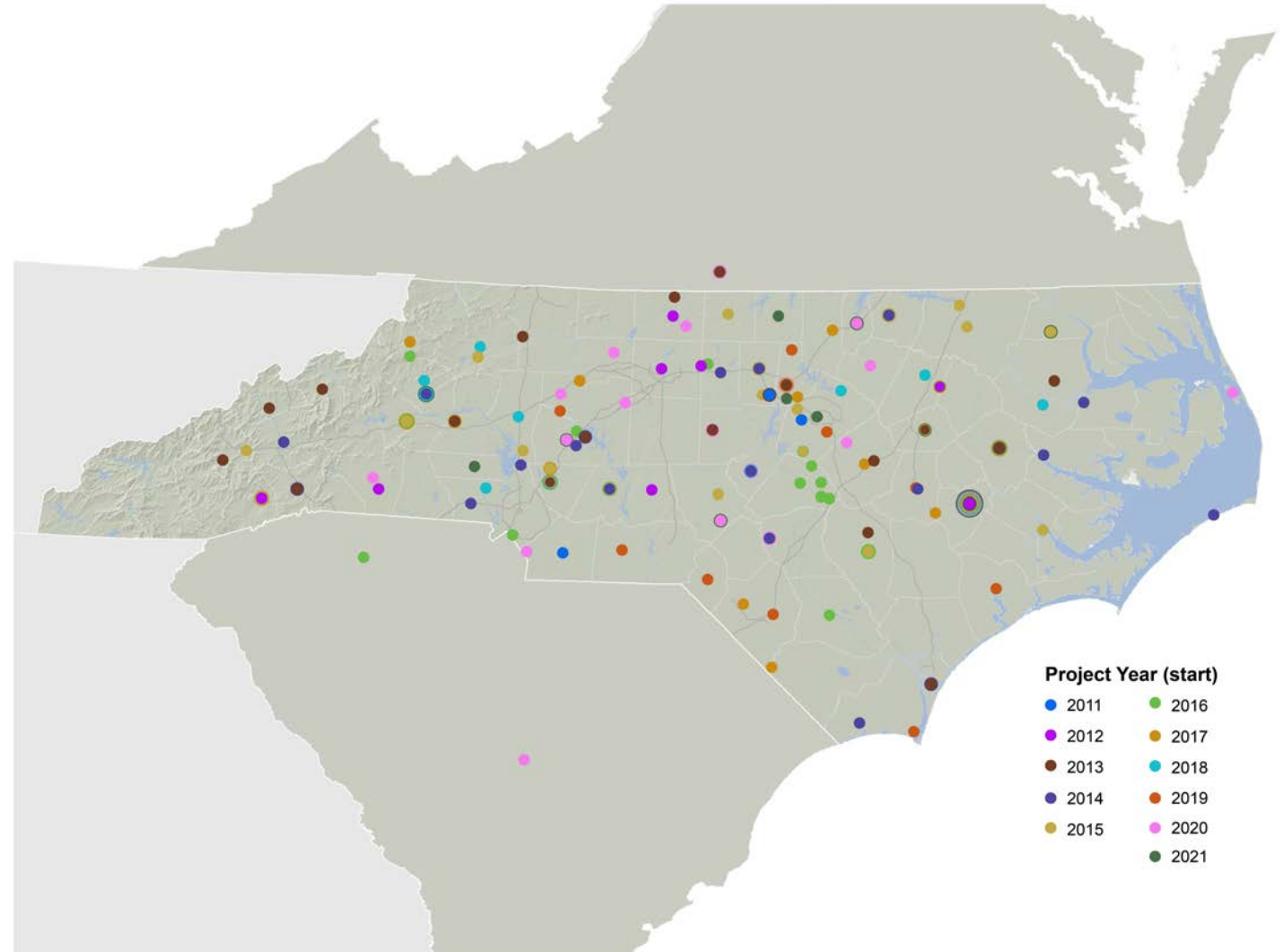
UNC School of Government



UNC Chapel Hill's School of Government is the largest university-based local government training, advisory, and research organization in the United States, and serves more than 12,000 public officials each year.

Development Finance Initiative (DFI)

DFI is a program of UNC Chapel Hill's School of Government that advises communities in NC to attract private investment for transformative projects by providing specialized real estate development and finance expertise.

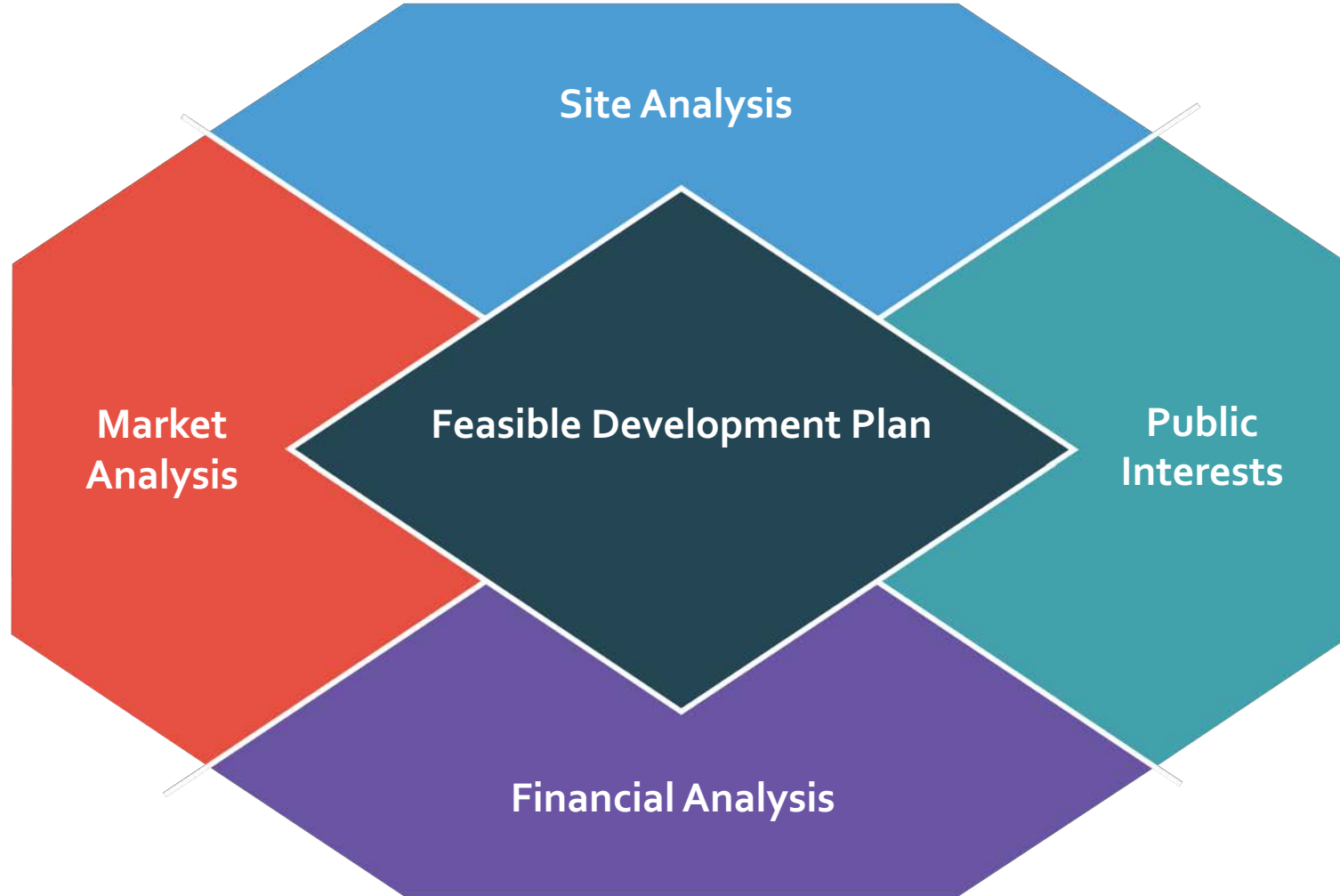


DFI Engagement

In December 2018, the Town engaged the Development Finance Initiative (DFI) to assist with attracting private investment for redevelopment of the former SunTrust building site in downtown. The scope of work includes:

1. DFI pre-development process
2. Solicitation of private development partner
3. Assistance to Town with negotiation of a development agreement with selected partner

DFI Pre-development Process



Guiding Public Interests

On June 18th, 2019, the Board of Commissioners endorsed the following public interests:

Redevelopment of the SunTrust building site should:

- Connect the downtown historic core and Renaissance Plaza and serve as a gateway to downtown.
- Incorporate engaging street-level uses to increase pedestrian activity along White, Elm and Brooks Street.
- Provide sufficient parking to meet needs of development and other downtown uses.
- Minimize public investment and maximize private investment.

What We Have Learned: Downtown Market

- Powerhouse Row – a “First mover” increasing downtown rents
- New development projects along S. White St. create momentum
- COVID-19 impacts: Slower absorption of new ground floor retail spaces in downtown



Downtown Wake Forest, NC

Project Challenge: Site Constraints

- Small parcel: 1 acre
- Significant grade change
- Height restriction along S. White Street
- What this means:
 - Lower density
 - Structured parking



SunTrust Redevelopment: Options

Three development options were developed in partnership with DFI, JDavis, and Town Staff

- Integrated guiding public interests into design
 - Ground floor retail
 - Public plaza at Elm and White Streets
 - Maximum density within site constraints
- Key differences between scenarios: density and parking
- Lower density developments are typically (1) less financially feasible and (2) less attractive to developers. Challenges with lower density developments:
 - Higher development costs per unit
 - Lower operating efficiencies
- Town staff and DFI explored an option to increase density through additional acquisition



Former SunTrust Branch

Program Recommendation



Commercial SF	13,500
Residential Units	110
Public Parking	360
<i>Private Use</i>	180

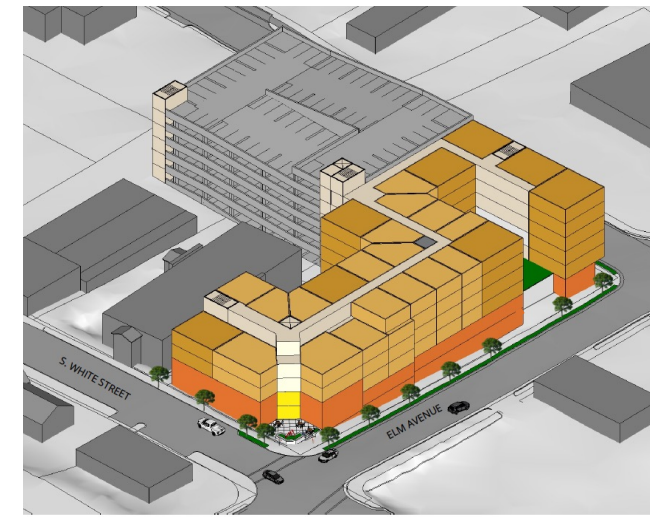
Alignment with Guiding Public Interests



Guiding Public Interests	
Connects downtown historic core and Renaissance Plaza	✓
Serves as a gateway to downtown	✓
Offers engaging street level uses	White, Elm, Brooks Streets
Provides parking to meet development + other downtown uses	360 Total (180 Private)

Design Considerations

Facade



Parking Deck

Additional Site Acquisition

On Tuesday, December 7, 2021, the Town of Wake Forest Board of Commissioners approved purchase and sale agreements for portions of James Warren and Moss and Panciera sites:

- Allows for increased density in SunTrust site
- Provides additional space for structured parking



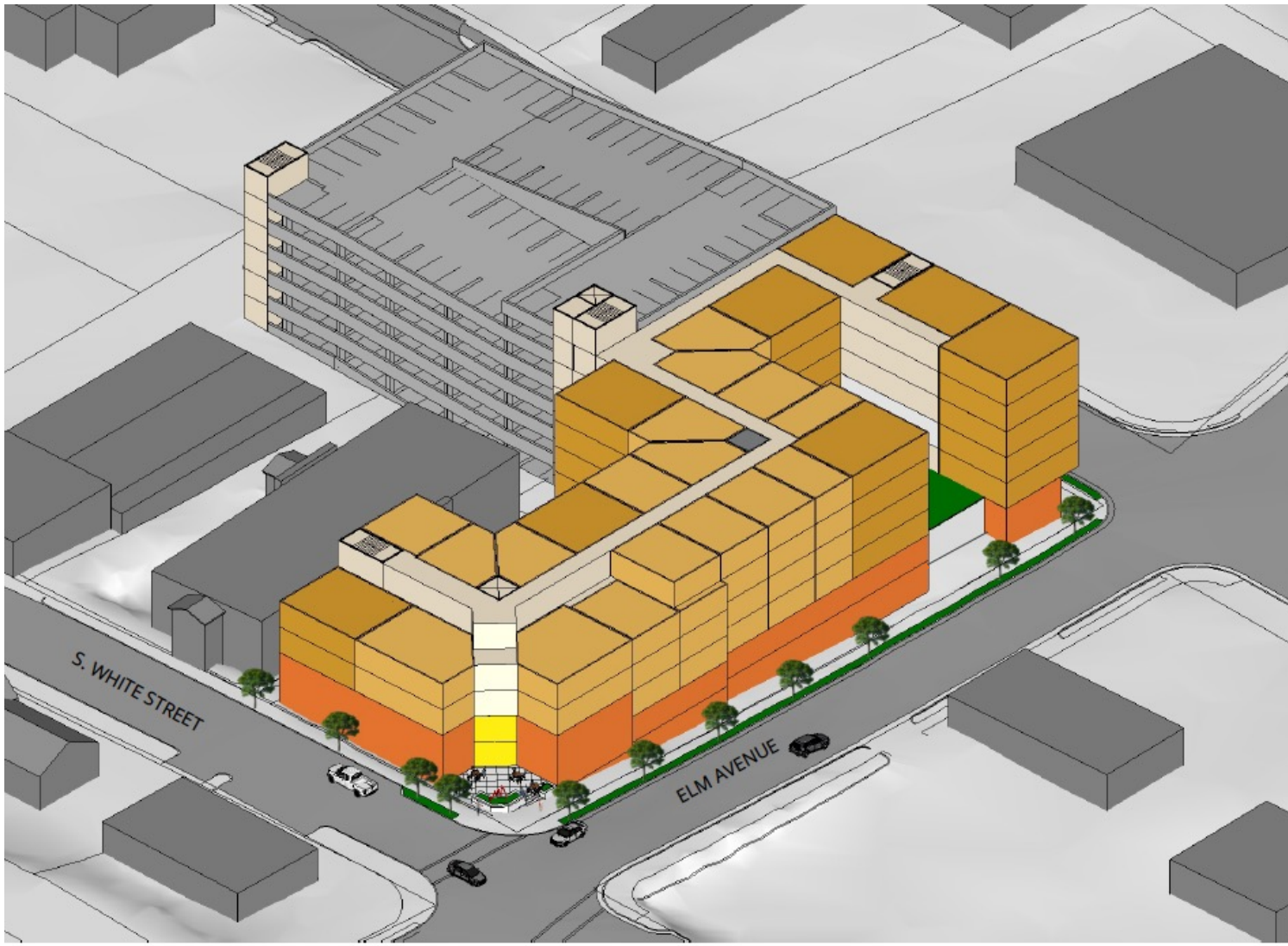
Project's Financial Feasibility

- Site constraints limit density and require project to develop structured parking
- Higher density program required to pay for structured parking
- Project cannot “afford” to build structured parking, and will need to lease spaces
- Development will require estimated public participation of \$9M-\$11M to be feasible
 - Parking (will generate annual revenue)
 - Public Plaza
- Instability of pricing and labor/ supply challenges due to the pandemic could change amount of public investment required

Next Steps

- Host public information sessions: January 2022
- Board to vote on predevelopment plan: January 18, 2022
- Solicitation released: February 2022
- Responses due: End of April 2022

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THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL