

COUSINS PROPERTIES & UNC CHAPEL HILL FOUNDATION

Chapel Hill, NC

UNC Chapel Hill Foundation and Cousins Properties, Inc. retained RCLCO in 2009 to evaluate the market-based opportunity for a new mixed-use development adjacent to the UNC campus. The redevelopment will take place on well-located and highly visible site on West Franklin Street, the main street through downtown Chapel Hill. University Square and Granville Towers currently occupy the site.

University Square is an older retail and office complex and Granville Towers is a privately owned dorm-style apartment complex that provides off-campus housing for undergraduates. This redevelopment presents a unique and exciting opportunity that will enhance the vitality of Franklin Street and downtown Chapel Hill and help create a link between the UNC campus and downtown.

RCLCO began with a “blank slate” when considering this redevelopment opportunity and as such performed thorough analyses for a variety of potential land uses and product types. Recognizing that an urban format mixed-use development would be a new development typology for Chapel Hill, we conducted case studies of other similar university-oriented projects nationwide. As a complement to the national case studies, we conducted additional case studies of similar projects in the Raleigh-Durham-Chapel Hill metropolitan region. The best practices and lessons learned from these case studies became part of our recommendations regarding the development opportunity at 123 West Franklin in Chapel Hill.

The end product for the client was a menu of potential product types with recommendations as to total market supportable footprint (total square feet or unit count), necessary parking allotment for each product, pricing and achievable lease rates/rents, and phasing suggestions based on market timing.

Commercial recommendations included an analysis of likely target tenants while the residential recommendations included a detailed survey of target market audiences. This was a key part of the analysis given that market potential emanates from a variety of market audiences in a college town environment.

RCLCO suggested including University office and institutional uses and even private dormitory housing as a way to integrate University uses with the private sector development on site. Combining these uses will help stitch the private sector found downtown together with the functions of the University. A set of place-making recommendations and execution strategies were also included. These recognize the fact that mixed-use developments are a unique and complicated product type whose success rests on its ability to create a unique built environment and set of experiences for its end users.

