



June 2, 2013

To: Marty Roupe, Town of Carrboro Zoning Administrator
From: Main Street Properties of Chapel Hill, LLC

Re: 300 East Main CUP modifications

Main Street Properties (“MSP”) seeks four minor modifications to the 300 East Main Conditional Use Permit (“CUP”):

1. Reductions to the size, footprint and total square footage of building A (adjacent to the railroad tracks) to accommodate the needs of an anchor tenant.
2. Addition of the 1.331 multi-family use as a permitted use for the upper floors of buildings B, C and E.
3. Approval of a hard cover over the outdoor dining space for 370 E. Main St., Suite 110 (the Hickory Tavern space).
4. Limited authority for future tenant-specific, non-structural facade changes (such as awnings) to not be considered deviations or modifications from the 300 East Main CUP.

The following is a narrative describing the need for each modification and referencing the attached drawings and supplemental information.

1. Building A changes.

Subject to certain contingencies of which the Town is aware, Fleet Feet, Inc., has selected 300 East Main as the preferred site on which to consolidate its corporate headquarters and develop a new retail space. Specifically, upon the resolution of all contingencies, Fleet Feet would lease both retail and office space in Building A (using the parlance of the 300 East Main CUP) on the 300 East Main site. Building A is to be built on the west side of the 300 East Main project adjacent to the railroad tracks.

The smaller building conforms with the town's downtown architectural standards, with the exception of ground-floor glazing, where it falls short of the 60-percent standard. We request a meeting of the Appearance Commission as soon as possible to seek a waiver.

A schematic design of the proposed smaller building is attached for your review and approval. We appreciate your prompt review as MSP must begin full scale design efforts immediately in order to meet Fleet Feet's needs and to realize this opportunity for downtown Carrboro.

2. Multi-family use.

You will recall that during 300 East Main's CUP approval process, Carrboro's land-use ordinance required suburban-style open space and ball fields as part of any development with a residential component. Those requirements made it impractical to include residential uses in our original CUP.

Since that time, the Town has replaced the open-space requirement with the Downtown Livability Area and Urban Amenities provisions, making it practical to develop multi-family residential as a part of downtown mixed-use projects. Further, given the slow pace of office absorption in the area, the space currently planned to begin construction soon (including MSP's new building discussed above), and the more limited demand at the price points required with new construction, adding a multi-family component for buildings B, C and E would allow completion of 300 East Main in a much shorter period of time than if the upper stories of buildings B, C and E were limited to office use. If MSP is permitted to include multi-family units on the upper stories of buildings B, C and E, then Main Street expects such buildings will be completed in a single phase beginning in approximately 16 to 18 months and taking a 12 to 16 months thereafter to complete. Absent approval of the multi-family use on the upper stories of buildings B, C and E, MSP expects that, even with good fortune in pre-leasing each building as a separate phase, it would take ten to twelve years to complete all three buildings.

In addition, MSP recently has acquired control of the "Butler" property (adjacent to the south), which has an approved CUP including multi-family residential use. Adding the multi-family residential use to 300 East Main would create significant efficiencies in

building out both properties together, and would better integrate the two properties with each other and contribute to the vibrant environment of downtown Carrboro.

Final details about the number of units and how the two properties and uses would share parking, recreation facilities and other attributes will require more detailed modifications of both CUPs in the near future once MSP has secured financing pre-qualification and thereafter begun development of detailed design and construction drawings. In the meantime, MSP seeks this minor modification to add the residential use at this time because having such approval will substantially improve MSP's effort to secure pre-qualification for financing to construct buildings B, C and E (and to construct multi-family units over commercial space in the building on the "Butler" property) as a single phase planned to begin in 16 to 18 months. The financing MSP seeks would allow it to maintain a local controlling interest in the multi-family component, rather than selling a large percentage interest to an institutional equity partner.

With this modification, 300 East Main will realize its potential as a true mixed-use development, where people can live, work, shop and dine. Upon completion, less than one third of the total constructed square footage would be for multi-family residential use, with the balance devoted to retail, office and cultural uses.

In summary, this modification would open the door to completing the build out of 300 East Main in the near term, better integrate our development with the Butler property and bring more residents and customers to downtown Carrboro.

3. Hickory Tavern outdoor dining cover.

Hickory Tavern is the lessee of 370 E. Main St., Suite 110, the west-facing retail space immediately adjacent to the Hampton Inn & Suites main entrance. Hickory Tavern plans to erect a hard covering over approximately 500 square feet of patio space containing approximately 48 seats. The cover will have an attractive standing seam metal roof and attractive metal support structures, all in a form and color complementary to the design of the hotel/retail building in which Hickory Tavern is to be located. The cover will not be structurally attached to the hotel/retail building. The covered dining area also would be surrounded by a rail or other decorative and functional feature to delineate the dining area from the surrounding sidewalk.

The outdoor-dining area will add a desired level of liveliness to 300 East Main and downtown in general. Covering the space with a hard top will allow the outdoor area to be used in more weather conditions, for longer hours, and will reduce the amount of noise that could affect the hotel rooms above. This space has one of the widest sidewalks of all the 370 E. Main St. storefronts, so it is the best place for this larger, covered outdoor-seating area.

We will include the covered-seating area in our parking calculations.

4. Facade changes. As tenants move in and out of 300 East Main retail spaces over the years, we hope the spaces will evolve and resemble distinct city street storefronts more than a uniform shopping center. To this end, some tenants will want to add awnings, patio covers, low patio fences or planters, roll-up or garage-door openings, NanaWall windows or other changes to individualize their spaces.

Because these changes will not have discernible effects on neighboring tenants or downtown Carrboro as a whole, MSP seeks official instruction that any such non-structural changes will not constitute a deviation or modification to the 300 East Main CUP and will need only building-inspections and fire-code approval, when necessary per State building codes or Carrboro's Town Code, prior to their construction.

Hickory Tavern outdoor dining cover

The actual cover will be slightly smaller than this. A sidewalk width of approximately 8 feet will remain on all sides of the cover, including the north side obscured by the angle of this drawing. Hickory Tavern's main entrance will be at the smaller awning shown between the outdoor dining cover and the hotel-entrance porté-cochere.

