



Community and Economic Development in North Carolina and Beyond Blog: Downtown Revitalization Achieved through Transit Development: Raleigh's Union Station and the Warehouse District

By CED Program Interns & Students

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In October 2017, travel, entertainment, and food website Thrillist ranked Raleigh's

Warehouse District among "12 neighborhoods across America that are about to get crazy popular." Matt Meltzer wrote, "Next year, the \$80 million Union Station opens up, turning the warehouse district into Raleigh's transportation hub. As it becomes more accessible, look for even more creative spaces and businesses to open up, and more of the city's transplants to end up here."

Raleigh's Warehouse District, with its six blocks of spacious red-brick buildings west of downtown, has historically served as an industrial zone due to its proximity to rail lines. Warehouses, factories, and depots fell into disrepair in the mid-1950s but were later repurposed for artists, designers, and performers in the late 1970s and early 1980s. These spaces soon gave way to a diverse arts, restaurant, nightlife, and entrepreneurial district, now known for its craft beer establishments, Citrix headquarters, HQ Raleigh, Contemporary Art Museum, and public art space. The Warehouse District will soon see another facelift in the form of Raleigh's Union Station, a multimodal facility which will accommodate inter-city and intra-state rail services, regional commuter rail, local and regional buses, bicycles, and other forms of transportation.

Currently in Phase 1 construction, Union Station will support current and future demand for rail and transit services in Raleigh, while also capitalizing on the arts and entrepreneurial spirit of the Warehouse District. The commitment to Union Station and larger Warehouse District is clear in the wide range of partnerships, stakeholders, and funding mechanisms utilized to realize the vision of Raleigh Union Station. Phase 1 will relocate passenger rail services from the current Amtrak station, located at Cabarrus Street, to the historic Dillon Supply Viaduct building. Renovation and expansion of the 26,000-square-foot building will provide a variety of passenger and community amenities, including a daylit, enclosed concourse; large public plaza; Civil Hall for public events; and commercial rental space.

Phase 1 of the Raleigh Union Station was enabled and encouraged through partnerships and a wide variety of stakeholders, including the Federal Railroad Administration, the North Carolina Department of Transportation (NCDOT) Rail Division, GoTriangle, and numerous stakeholders across the arts, restaurant, nightlife, and entrepreneurial sectors. The City of Raleigh utilized the U.S. Department of Transportation's Transportation Investment Generating Economic Recovery Grants (TIGER 2012 and 2013); an American Recovery and Reinvestment Act (ARRA) grant; and state and City contributions to fund Phase 1 construction. Phase 1 construction for the Raleigh Union Station is nearly complete, with work focused on the building and adjacent station area. Train service at the new station is expected to begin in late 2018, with track work continuing after the station building is finished.

Raleigh Union Station is expected to generate a range of direct and indirect economic benefits to the region, currently experienced through the contract value of approximately \$61 million of the total funding. It is estimated that the project has created 143 short-term jobs and generated over \$4 million in short-term salaries. Based on previous studies regarding economic impacts due to construction or private transit-oriented development (TOD), Raleigh Union Station is projected to generate a total of 44,500 short-term and indirect jobs over a 10-year period. Additionally, the development is expected to



create a “multiplier effect” of an additional \$5.53 million in indirect benefits resulting from household expenditures captured from the region. This multiplier effect will likely be enhanced by the “entrepreneurial reputation” recently experienced in the district, including the Citrix headquarters, with 550-employees, and HQ Raleigh, a coworking space with 45 businesses.

What are the lessons to be learned from Raleigh Union Station, Warehouse District, and downtown revitalization? Only time will tell, but the economic impact, and larger value, of multimodal TOD will likely be felt by all stakeholders with a stake in the project. By utilizing and enhancing the existing assets of the Warehouse District, Raleigh is undoubtedly demonstrating the value of this transit development as an instrument towards the revitalization of the district and larger downtown area. This desire to revitalize the historically-industrial district into a more vibrant, walkable, and holistic district is clear in the public resources and private investment dedicated to the project, and will serve as a demonstration of value to residents and visitors alike.

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