



DowntownRaleigh  
Alliance

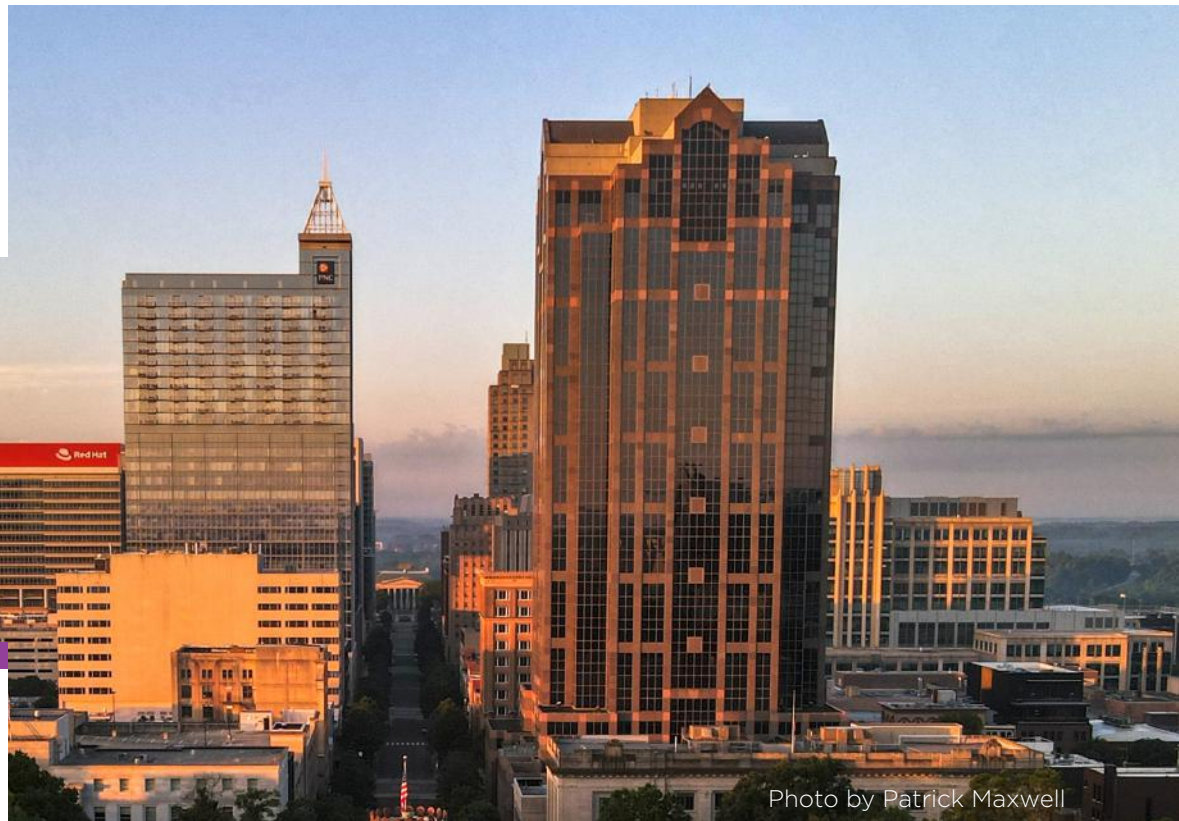


Photo by Patrick Maxwell

## Q2 2022 MARKET REPORT

### DOWNTOWN RALEIGH SUMMARY AND HIGHLIGHTS:

Downtown Raleigh had a strong second quarter across market segments and continues to recover from the economic challenges of the pandemic, even as that recovery has been uneven across downtown. Project momentum accelerated in the second quarter with increasing development activity and interest in downtown. There are currently **17 projects under construction or in site preparation** with several others still planning to break ground this year.

The downtown residential market continues to experience robust interest and multifamily occupancy remains high this quarter at **95.1%**.<sup>1</sup> The increasing demand for downtown units has spurred new residential projects. Site preparation work for three new residential developments started this quarter at 320 West South Street, RUS BUS, and City Gateway Apartments. Including these new projects, there are now **2,451 total residential units under construction or in site preparation** in downtown and **5,385 additional planned or proposed units**.

Downtown Raleigh's office market performed well in the second quarter with **+166,489 SF of Class A net absorption**.<sup>2</sup> Year-to-date Class A net absorption is **+347,781 SF for 2022**, indicating continued demand for high quality office space in downtown.<sup>2</sup> Currently, **144,410 SF of new Class A office space is under construction at 400H** and approximately **1.9 million SF of additional office space is planned or proposed** in the downtown market.

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**17**  
DEVELOPMENT  
PROJECTS UNDER  
CONSTRUCTION  
OR IN SITE PREP  
as of Q2

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**95.1%**  
RESIDENTIAL  
OCCUPANCY<sup>1</sup>  
as of Q2

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**+347,781**  
SF OF CLASS A  
OFFICE NET  
ABSORPTION<sup>2</sup>  
2022 YTD

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<sup>1</sup>CoStar  
<sup>2</sup>JLL

Downtown’s storefront economy grew in the second quarter with **10 openings and expansions** and **three storefront business closings** for a **net gain of five new storefront businesses**. Notable storefront openings in the second quarter include **Vault Craft Beer, Unorthodox Vintage, Copperline Plants, 9Round, and The Bath Place at Pop-Up Shops at Martin Street**. There are **18 businesses publicly announced as “coming soon”** to downtown. The full list of business openings, closings, and coming soon can be found on page 11.

Downtown food & beverage sales increased in the second quarter with sales in April 2022 breaking a record for the most food & beverage sales ever in downtown. Some districts have recovered beyond their pre-pandemic sales, while others are showing positive momentum but still not fully recovering to pre-pandemic levels. In Q2 for downtown overall, there was a **+15% increase** in sales from Q1 2022 and a **+29% increase** in sales from Q2 2021.<sup>1</sup>

Across DRA’s six downtown pedestrian counter locations, there was a **+15% increase** in average daily pedestrian traffic from Q1 2022 to Q2 2022. There has been a **+42% increase** in pedestrian traffic from Q2 2021, signaling continued recovery in foot traffic from the pandemic.

Revenue from downtown hotel rooms has also continued to trend upward this quarter with a **+14% increase** from Q1 2022.<sup>1</sup> The hotel market has seen significant increases from last year with a **+82% increase** in hotel room revenue from Q2 2021.<sup>1</sup>

There were two major commercial real estate transactions in the second quarter, accounting for **\$52.4 million** in downtown real estate investment. Pyramid Hotel Group purchased Hotel 83 (formerly the Origin Hotel) for **\$31.5 million**.<sup>3</sup> The 126-room hotel will be rebranded to a Marriott hotel. Tidal Real Estate Partners purchased five parcels on South Harrington and West Davie streets near the Contemporary Art Museum (CAM Raleigh) for **\$20.9 million**.<sup>3</sup>

**2,451**  
**RESIDENTIAL**  
**UNITS**  
Under Construction  
or in Site Prep in Q2

**+166,489**  
**OFFICE SF**  
Class A net  
Absorption in Q2<sup>2</sup>

**+42%**  
**INCREASE**  
In pedestrian traffic  
from Q2 2021

**+29%**  
**INCREASE**  
In Food & Beverage  
sales from Q2 2021<sup>1</sup>

**\$52.4+**  
**MILLION**  
In commercial real  
estate sales in Q2

<sup>1</sup>Wake County Tax Administration, DRA  
<sup>2</sup>JLL  
<sup>3</sup>Triangle Business Journal

DEVELOPMENT UPDATES:

Overall, there is **\$5.5 billion** of investment in the current Downtown Raleigh development pipeline. This includes **\$765 million** in projects completed since 2020, **\$1.1 billion** in projects under construction or in site preparation, and **\$3.6 billion** in proposed or planned developments.

**\$765**  
**MILLION**  
Completed  
(since 2020)

**\$1.1**  
**BILLION**  
Under Construction  
or in Site Prep

**\$3.6**  
**BILLION**  
in Proposed/Planned  
Developments

**\$5.5**  
**BILLION**  
in Completed, Under Construction,  
and Planned Developments



Development in downtown is accelerating with **17 projects now under construction or in site preparation**. The next two projects set to deliver are the condos at **615 Peace** and **The Signal apartments**, the first phase of the new **Seaboard Station** development. Both of these residential projects are expected to deliver this year. Construction progresses on several other downtown residential projects including **The Platform, 400H, Dukes at Cityview, The Acorn on Person Street, Row 12, and Park City South**.



615 Peace under construction  
Photo by Leo Suarez



Rendering of RUS BUS development that is in the early stages of development and located next to Raleigh Union Station.

Source: GoTriangle and Hoffman & Associates

This quarter, site preparation work started on new residential developments including **320 West South Street, City Gateway Apartments**, and **RUS BUS**. **320 West South Street** will have **297 multifamily units** in the Warehouse District. **City Gateway Apartments** is located in the southern end of the Fayetteville Street District and will have **286 multifamily units**. **RUS BUS** is the **Raleigh Union Station Phase II** project that includes a bus facility and a mixed-use development comprised of multifamily units, hotel rooms, and retail space. The development will have **over 400 multifamily units** with 10% of those being affordable units at 80% AMI. These residential projects are in the early stages of development, but will add over 1,000 new units, which makes **2,451 total units under construction or in site preparation in downtown**.

## CONSTRUCTION HIGHLIGHT: HILTON GARDEN INN / HOMEWOOD SUITES

Construction continues at the dual-brand **Hilton Garden Inn / Homewood Suites** hotel in the Fayetteville Street District which will add **259 hotel rooms** in close walking distance to the Raleigh Convention Center.

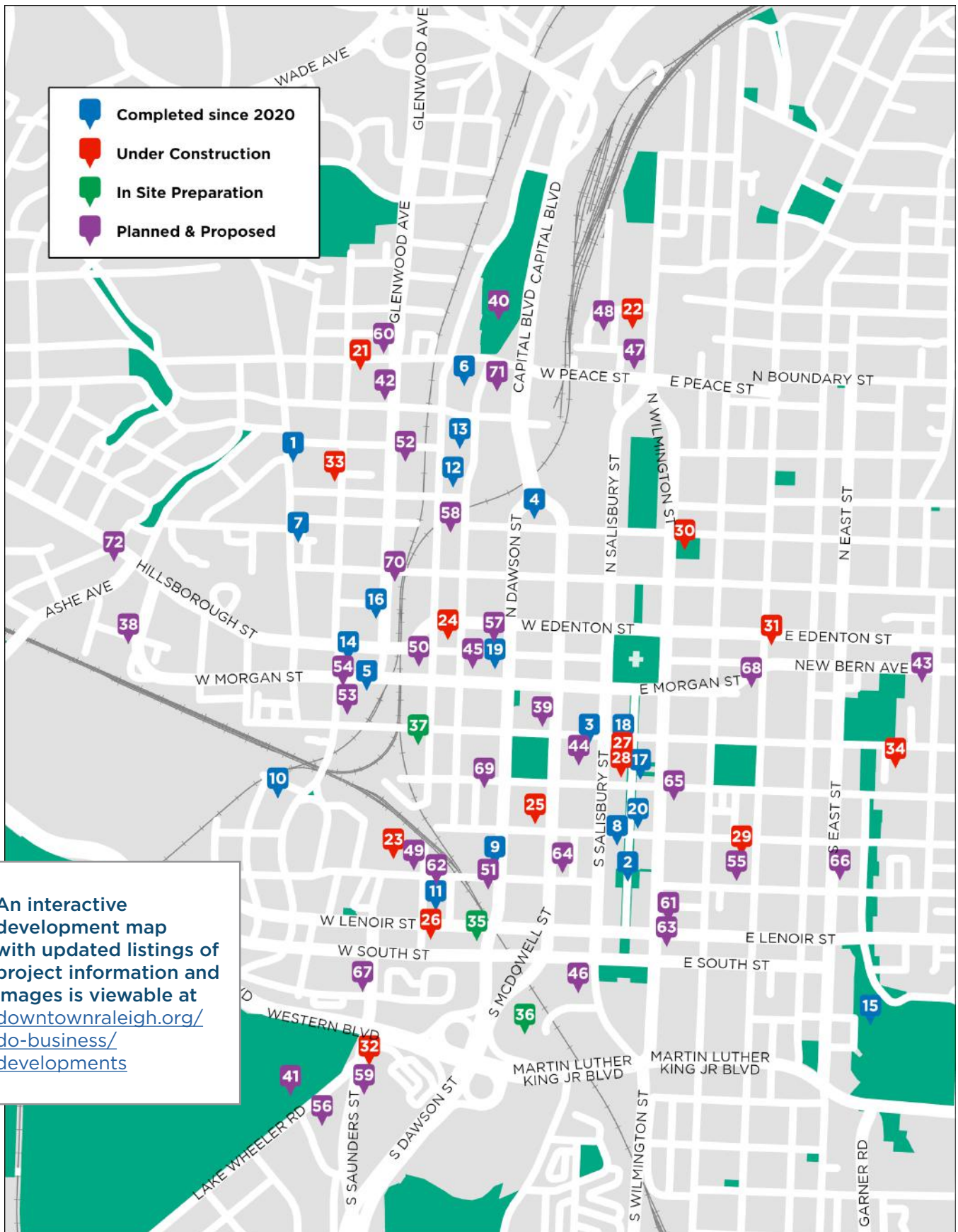


The Hilton Garden Inn / Homewood Suites under construction on McDowell and Davie streets



Rendering of the Hilton Garden Inn / Homewood Suites

# Q2 2022 DEVELOPMENT MAP





RECENTLY COMPLETED (SINCE 2020)					
#	NAME	Investment	SF	Units/Rooms	Type
2020					
1	CAMERON CREST	\$4,207,192	16,200 SF	6 units	Townhome
2	CITY PLAZA RENOVATION	\$3,100,000	N/A	N/A	Public Space
3	HARGETT WEST	\$4,000,000	25,500 SF	N/A	Office/Retail
4	LONGLEAF HOTEL	\$6,500,000	20,812 SF	56 rooms	Hotel/Retail
5	ORIGIN RALEIGH	\$22,702,726	71,794 SF	126 rooms	Hotel/Retail
6	PEACE (SMOKY HOLLOW PHASE I)	\$150,000,000	652,500 SF	417 units	Apartment/Retail
7	THE SAINT	\$23,000,000	53,199 SF	17 units	Townhome
8	SIR WALTER APARTMENTS (RENOVATION)	\$15,000,000	20,000 SF	18 new units	Apartment
9	SOUTH DAWSON RETAIL RENOVATIONS	\$471,857	9,746 SF	N/A	Retail
2021					
10	HEIGHTS HOUSE HOTEL	Not available	10,000 SF	9 rooms	Hotel
11	THE FAIRWEATHER	\$28,000,000	103,250 SF	45 units	Condo/Retail
12	THE LINE APARTMENTS (SMOKY HOLLOW PHASE II)	\$95,000,000	271,589 Residential SF / 30,000 Retail SF	283 units	Apartment/Retail
13	421 N. HARRINGTON ST (SMOKY HOLLOW PHASE II)	\$95,000,000	225,000 Office SF / 20,000 Retail SF	N/A	Office/Retail
14	TOWER TWO AT BLOC[83]	\$108,000,000	241,750 Office SF / 30,000 Retail SF	N/A	Office/Retail
15	JOHN CHAVIS MEMORIAL PARK IMPROVEMENTS	\$12,000,000	N/A	N/A	Public Space
16	AC HOTEL RALEIGH DOWNTOWN	\$25,000,000	88,454 Hotel SF / 3,860 SF Retail	147 rooms	Hotel
17	FIRST CITIZENS BANK BUILDING (RENOVATION)	\$9,000,000	N/A	N/A	Public Space
18	208 FAYETTEVILLE (RENOVATION)	Not available	18,000 Office SF / 9,000 Retail SF	N/A	Office/Retail
19	RALEIGH CROSSING PHASE I	\$160,000,000	287,252 Office SF / 12,100 Retail SF	N/A	Office/Retail
20	333 FAYETTEVILLE (RENOVATION)	\$750,000	N/A	N/A	Office
<b>TOTALS:</b>		<b>\$764,631,775</b>	<b>840,948 Office SF 196,838 Retail SF</b>	<b>786 units / 338 rooms</b>	
UNDER CONSTRUCTION & IN SITE PREPARATION					
UNDER CONSTRUCTION					
21	615 PEACE	\$7,000,000	30,300 Residential SF / 2,200 Retail SF	24 units	Condo/Retail
22	SEABOARD STATION BLOCK B	\$95,000,000	345,662 Residential SF / 30,000 Retail SF	298 units	Apartment/Retail
23	PLATFORM	Not announced	353,472 Residential SF / 26,740 Retail SF	442 units	Apartment
24	400H	\$175,000,000	144,410 Office SF / 16,935 Retail SF	242 units	Office/Apartment/Retail
25	HILTON GARDEN INN/HOMEWOOD SUITES	Not announced	260,890 SF	259 rooms	Hotel
26	DUKES AT CITYVIEW	Not announced	N/A	8 units	Townhome
27	214 FAYETTEVILLE (RENOVATION)	Not announced	31,206 Total SF	N/A	Retail
28	216 FAYETTEVILLE (RENOVATION)	Not announced	8,000 Retail SF / 17,000 Office SF	N/A	Retail
29	THE ACORN ON PERSON STREET	Not announced	N/A	106 units	Apartment
30	NC FREEDOM PARK	Not announced	N/A	N/A	Park
31	LONGLEAF SWINE (RENOVATION)	Not announced	1,879 SF	N/A	Retail
32	PARK CITY SOUTH PHASE I	\$110,000,000	343,140 Residential SF / 28,500 Retail SF	336 units	Apartment/Retail
33	GLENWOOD SOUTH TOWNS	Not announced	30,993 SF	16 units	Townhome
34	ROW 12	Not announced	N/A	12 units	Townhome
IN SITE PREPARATION					
35	320 WEST SOUTH STREET	Not announced	351,394 Residential SF	296 units	Apartment/Retail
36	CITY GATEWAY APARTMENTS	Not announced	221,608 SF	286 units	Apartment/Retail
37	RUS BUS (RALEIGH UNION STATION PHASE II)	\$200,000,000	50,000 Retail SF	400 units / 200 rooms	Transit/Apartment/Hotel/Retail
<b>TOTALS:</b>		<b>\$1,111,900,000*</b>	<b>161,410 Office SF 177,654 Retail SF</b>	<b>2,451 units / 459 rooms</b>	
PLANNED & PROPOSED					
38	865 MORGAN APARTMENTS	Not announced	438,856 SF	401 units	Apartment/Retail
39	CIVIC CAMPUS PHASE I & II	Not announced	600,000 SF	N/A	Government
40	DEVEREUX MEADOW PARK	Est. \$16,000,000	N/A	N/A	Park
41	GIPSON PLAY PLAZA	Est. \$50,000,000	N/A	N/A	Park
42	THE MADISON & 603 GLENWOOD	Not announced	114,000 Office SF / 12,000 Retail SF	200 units	Office/Apartment/Retail
43	NEW BERN AND SWAIN APARTMENTS	Not announced	47,518 SF	28 units	Residential
44	THE NEXUS	Not announced	1,500,000 SF	400 units / 264 rooms	Office/Apartment/Condo/Hotel/Retail
45	RALEIGH CROSSING PHASE 2	Not announced	Not announced	275 units	Apartment/Retail
46	SALISBURY SQUARE (PHASE I & II)	\$300,000,000	175,000 SF	587 units	Office/Apartment/Retail
47	SEABOARD STATION BLOCK A	\$50,000,000	11,400 Retail SF	75 units / 149 rooms	Apartment/Hotel/Retail
48	SEABOARD STATION BLOCK C	\$125,000,000	56,000 Retail SF	220 units	Apartment/Retail
49	WEST CABARRUS WAREHOUSES PHASE II	Not announced	289,261 Office SF / 14,306 Retail SF	N/A	Office/Retail
50	501 HILLSBOROUGH	Not announced	166,166 SF	233 units	Apartment/Retail
51	CABARRUS AND DAWSON RESIDENCES	Not announced	N/A	261 units	Apartment
52	THE CREAMERY	Not announced	976,000 SF across 3 buildings	261 units	Office/Apartment/Retail
53	BLOOMSBURY MIXED USE	Not announced	3,700 Retail SF / 132,132 Residential SF	135 units	Apartment/Retail
54	TOWER THREE AT BLOC[83]	Not announced	277,500 Office SF / 7,500 Retail SF	N/A	Office/Retail
55	MARIOTT TOWNEPLACE SUITES	Not announced	N/A	138 rooms	Hotel
56	HAMMELL DR. DIX PARK DEVELOPMENT	\$600,000,000	Not announced	670 units	Apartment
57	KIMPTON	Not announced	7,698 Retail SF	350 units/179 rooms	Apartment/Hotel/Retail
58	ALEXAN GLENWOOD SOUTH	Not announced	N/A	187 units	Apartment
59	PARK CITY SOUTH PHASE II	Not announced	1,500 Retail SF	375 units	Apartment/Retail
60	THE YARD	\$1,100,000	14,000 Retail SF	N/A	Retail
61	WILMINGTON STREET MIXED USE	Not announced	18,650 Retail SF	387 units	Apartment/Retail
62	401 CABARRUS APARTMENTS	Not announced	389,229 Residential SF	298 units	Apartment/Retail

63-72 ADDITIONAL PLANNED & PROPOSED PROJECTS CAN BE FOUND AT [downtownraleigh.org/do-business/developments](https://downtownraleigh.org/do-business/developments)

**TOTALS: \*\*** **\$3,602,976,737\*** **1,701,136 Office SF / 232,355 Retail SF** **5,385 units / 1,289 rooms**  
**7,765,125 Total SF**

\*Totals based on investment estimates  
\*\*Totals for Planned & Proposed projects include projects not listed in table. See website for full list of these projects.

# MARKET HIGHLIGHTS OFFICE

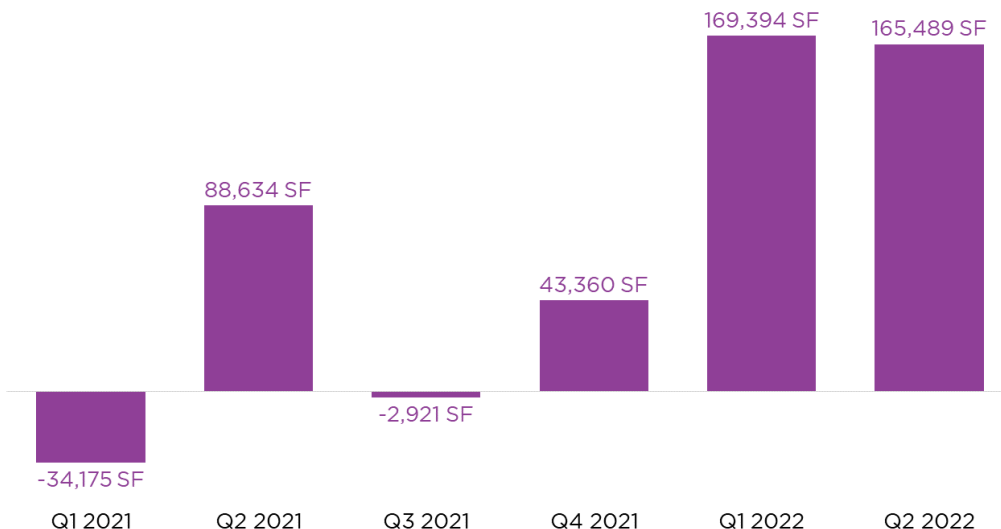


Yoga class in the courtyard at Bloc[83] between the two office towers at the site.

Downtown Raleigh's office market has continued to perform well in the second quarter with **+166,489 SF Class A net absorption**.<sup>1</sup> This makes the year-to-date Class A net absorption **+347,781 SF for 2022**.<sup>1</sup> The positive net absorption in demonstrates the sustained interest in downtown's high quality office spaces. Downtown had major office deliveries in 2021 with the most recent delivery of **287,252 SF at 301 Hillsbrough at Raleigh Crossing**. While absorption is strong, these recent deliveries significantly increased the amount of Class A office space in the downtown market, contributing to vacancies and a **88.4% occupancy**<sup>3</sup> this quarter.

## + PERFORMANCE INDICATOR: CLASS A OFFICE SF NET ABSORPTION<sup>1</sup>

Net Absorption is the change in total occupied space over a period of time.



## OFFICE MARKET Q2 2022

Average Rent PSF (Class A)<sup>1</sup>

**\$39.05**

Average Rent PSF (Total)<sup>1</sup>

**\$37.46**

Class A Office SF delivered in 2021<sup>2</sup>

**754,002 SF**

**#3 BEST JOB MARKET IN THE U.S.**

Raleigh

Wall Street

Journal

April 2022

<sup>1</sup>JLL

<sup>2</sup>DRA

<sup>3</sup>Costar

**+347,781 SF**

Class A Office Net Absorption 2022 YTD<sup>1</sup>

# MARKET HIGHLIGHTS RESIDENTIAL



Rendering of 400H, a mixed-use development under construction with 242 multifamily units.

The downtown residential market is booming with 12 development projects underway that include residential units. Across these 12 developments, there are currently **2,451 units under construction or in site preparation** and there are an additional **5,385 units planned or proposed** for downtown. The next two projects slated to deliver are **615 Peace** and **The Signal**, the 298-unit apartment complex in **Seaboard Station Block B**. The 24 units at 615 Peace have all been pre-sold, indicating a demand for more for-sale housing products. Apartment occupancy remains high in the second quarter at **95.1% occupancy**.<sup>1</sup>

Construction and site work progresses on the residential projects at **400H, The Platform, Acorn on Person Street, Dukes at Cityview, Glenwood South Towns, Row 12, Capital Square, City Gateway Apartments**, and **RUS BUS**.

## RESIDENTIAL MARKET Q2 2022

Occupancy<sup>1</sup>  
**95.1%**

Effective rent  
per SF<sup>1</sup>  
**\$2.36**

Units under  
construction or  
in site prep<sup>2</sup>  
**2,451**

Units planned or  
proposed<sup>2</sup>  
**5,385**

Increase in  
downtown housing  
units since 2015<sup>2</sup>  
**101%**

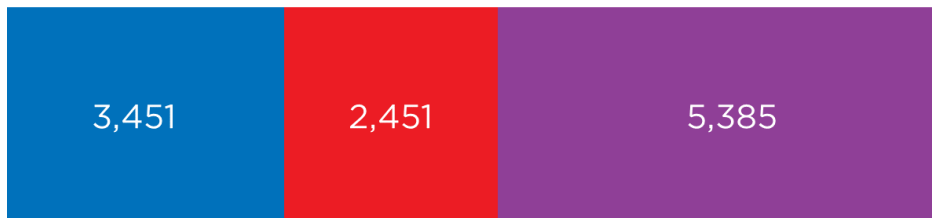
<sup>1</sup>CoStar

<sup>2</sup>DRA

## DOWNTOWN RESIDENTIAL PIPELINE: HOUSING UNITS

Completed since 2015

Planned & Proposed



Under Construction  
or in Site Preparation

## #2 BEST PLACE TO LIVE 2021

(Raleigh-Durham)

US News & World Report

## #2 TOP REAL ESTATE MARKET IN THE U.S.

Raleigh Metro

Urban Land Institute and  
PricewaterhouseCoopers  
2022



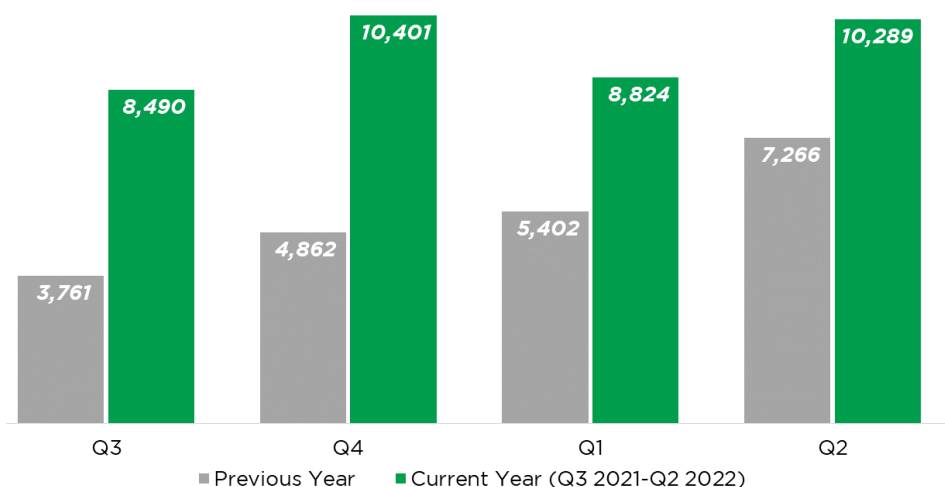
# MARKET HIGHLIGHTS STOREFRONT



The owners of Unorthodox Vintage at their ribbon cutting in May

In Q2, the retail market continued its momentum with **ten new storefront openings and expansions**. There were three business closings in Q2, resulting in **five net new storefront businesses for the quarter**. The storefront economy is continuing to grow with 18 new businesses publicly announced as coming soon to downtown. Many of those businesses are filling spaces at new developments Smoky Hollow and Bloc83. There is currently **177,654 SF of retail space** under construction, which includes renovation projects as well, like the renovation of the historic storefronts of 214 and 216 Fayetteville Street.

## + PERFORMANCE INDICATOR: PEDESTRIAN DATA AVERAGE DAILY COMBINED COUNT ACROSS SIX COUNTER SITES IN DOWNTOWN<sup>1</sup>



DOWNTOWN RALEIGH Q2 2022 MARKET REPORT

## RETAIL MARKET Q2 2022

Retail SF  
under construction  
or in site prep<sup>1</sup>

**177,654 SF**

New storefront  
business  
openings &  
expansions (Q2)<sup>1</sup>

**10**

Total net new  
businesses in Q2<sup>1</sup>

**+5**

**#1** BEST CITY  
TO START A  
BUSINESS  
Raleigh  
*LendingTree 2021*

<sup>1</sup>DRA

**+42%  
INCREASE**

FROM  
Q2 2021

**+15%  
INCREASE**

FROM  
Q1 2022



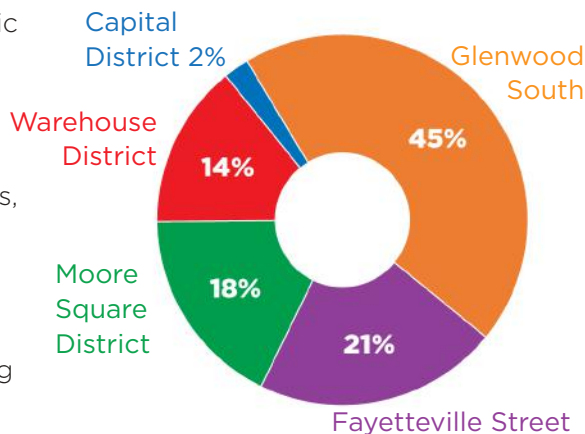
# MARKET HIGHLIGHTS STOREFRONT



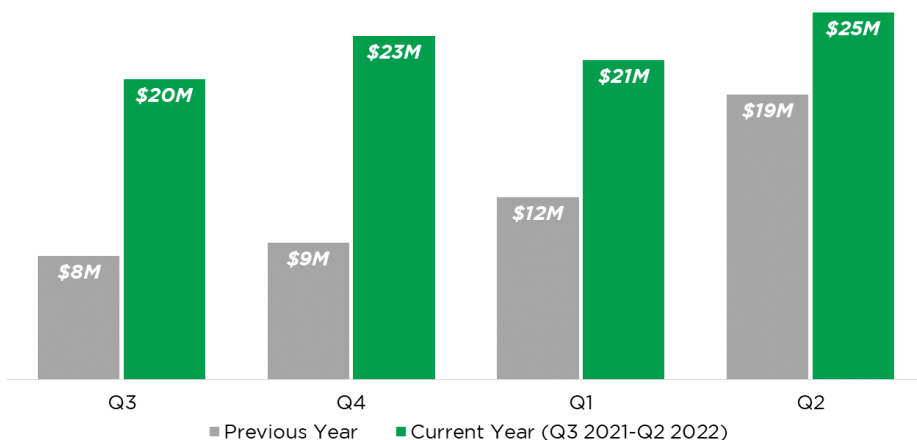
Unlikely Professionals in Seaboard Station/Person Street District  
Photo by Patrick Maxwell

Downtown food & beverage sales are increasing and reaching pre-pandemic levels of sales in some areas. There has been a **+29% increase in sales from Q2 2021** and a **+15% increase from Q1**. Some districts have recovered beyond their pre-pandemic sales, while others are showing positive momentum but still not fully recovering to pre-pandemic levels. Glenwood South made up 45% of sales this quarter, but all districts are seeing increasing sales from last year.

## FOOD AND BEVERAGE SALES BY DISTRICT IN Q2<sup>1</sup>



## + PERFORMANCE INDICATOR: AVERAGE MONTHLY FOOD AND BEVERAGE SALES BY QUARTER<sup>1</sup>



## RETAIL MARKET Q2 2022

Average monthly food & beverage sales in Q2<sup>1</sup>

**\$25 MILLION**

\$19 Million in Q2 2021

Restaurants & bars in downtown with outdoor seating

**160+**

Craft breweries & distilleries in downtown

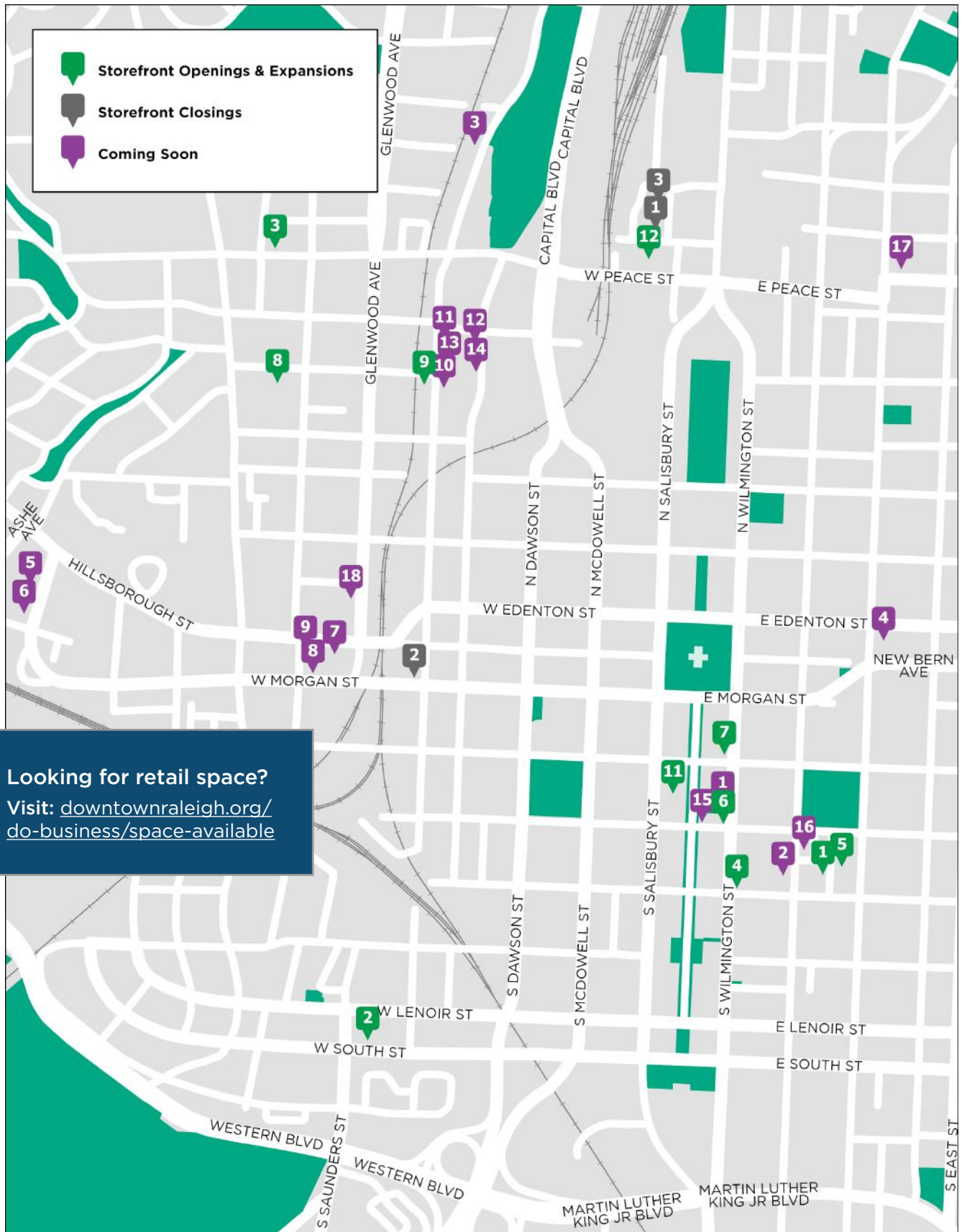
**10**

<sup>1</sup>Wake County Tax Administration, DRA

**+29% INCREASE FROM Q2 2021**

**+15% INCREASE FROM Q1 2022**

# Q2 2022 STOREFRONT ACTIVITY



# Q2 2022 STOREFRONT BUSINESS ACTIVITY

#	Business Openings in Q2	Type	Date
1	Copperline Plants	Retail	April 2022
2	Vault Craft Beer	Bar/Taproom	April 2022
3	Urban Pothos (Expansion)	Retail	April 2022
4	9Round	Service	April 2022
5	Reign Luxury Beauty Lounge	Service	May 2022
6	The Bath Place at Pop-Up Shops at Martin Street	Retail	May 2022
7	Unorthodox Vintage	Retail	May 2022
8	Marigold Parlour (Relocation/Expansion)	Service	May 2022
9	Whiskey Rose	Bar	May 2022
10	The Parlor at Heights House Hotel	Bar	June 2022
<b>Early Q3 Openings</b>			
11	Original Selfie Museum	Experiential	July 2022
12	Tacos El Patron 323	Restaurant	July 2022
<b>Business Closings in Q2</b>			
1	Night Kitchen	Restaurant	April 2022
2	Wilson's Outdoor Equipment	Retail	May 2022
3	2 Girls Antiques & Estate Decor	Retail	May 2022
<b>Coming Soon</b>			
1	Amitie Macarons	Restaurant/Retail	2022
2	El Toro Loco Taqueria	Restaurant	2022
3	Rainbow Luncheonette	Restaurant	2022
4	Longleaf Swine	Restaurant	2022
5	Soul Taco	Restaurant	2022
6	Jew Fro	Restaurant	2022
7	321 Coffee	Restaurant	2022
8	YogaSix	Service	2022
9	First Watch	Restaurant	2022
10	Raleigh Midwood Smokehouse	Restaurant	2022
11	J Lights Market & Cafe	Restaurant	2022
12	Madre	Restaurant	2022
13	Milklab	Restaurant	2022
14	The Crunkleton	Bar	2022
15	CrossFit Serve (Second Location)	Service	2022
16	Sky Cafe	Restaurant	2022
17	Sugar Euphoria	Retail	2022
18	Anthony's LaPiazza Italian Restaurant & Bar	Restaurant	Early 2023





# MARKET HIGHLIGHTS

## HOTEL & TOURISM



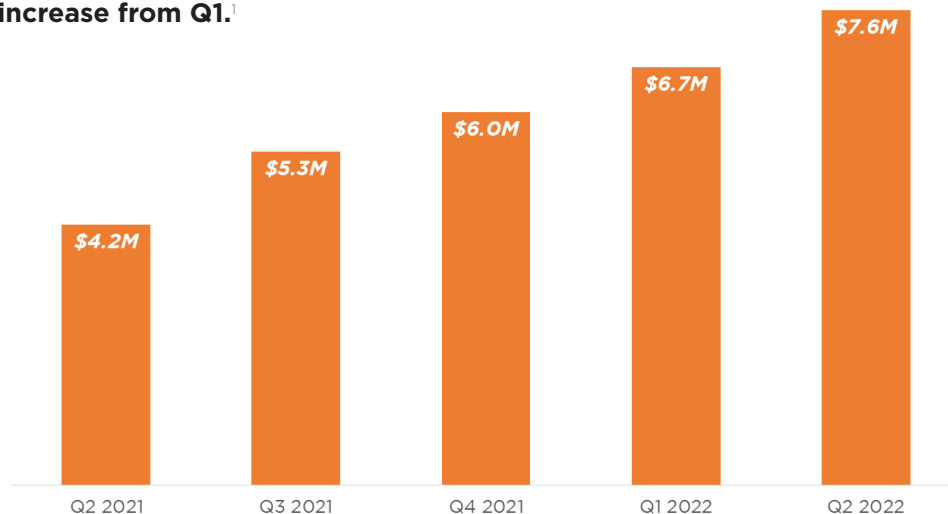
Artsplosure on Fayetteville Street. Photo by Dustin Hair.

Downtown events, festivals, and conferences are returning to their regular schedules and are bringing more visitors and increasing hotel occupancy. Several major events, including Artsplosure, Raleigh Pride, Brewgaloo, Cuegrass and others, brought crowds and visitors from across the country to Downtown Raleigh. In the second quarter, the average monthly room sales were **14% higher than Q1** and **82% higher than Q2 2021**.

There are **459 rooms currently under construction or in site preparation**. This includes 259 rooms under construction at the dual-brand Hilton Garden Inn / Homewood Suites hotel. It also includes 200 hotel rooms planned for RUS BUS, the Raleigh Union Station phase two project, which is now in site preparation.

### + PERFORMANCE INDICATOR: DOWNTOWN RALEIGH HOTEL ROOM SALES<sup>1</sup>

In Q2, the average monthly hotel room sales revenue was **\$7.6 million** for Downtown Raleigh which is a **+82% increase from Q2 2021** and a **+14% increase from Q1**.<sup>1</sup>



DOWNTOWN RALEIGH Q2 2022 MARKET REPORT

## HOTEL + TOURISM MARKET Q2 2022

**459**  
hotel rooms under construction or in site prep

**1,600+**  
existing hotel rooms in downtown

**156**  
new hotel rooms added in 2021

**+82%**  
Increase in average monthly hotel room sales revenue  
**Q2 2021 TO Q2 2022<sup>1</sup>**

<sup>1</sup>Wake County Tax Administration, DRA

**#2** BEST STATE CAPITAL IN THE U.S.  
*WalletHub 2022*

# NEWS & EVENTS

## DOWNTOWN FESTIVALS MAKE SUCCESSFUL RETURN

Major events and outdoor festivals returned in full form to downtown this past quarter with annual events like **Artsplosure** resuming their regular schedule and festivities. Artsplosure is an annual arts and cultural event that brought **50,000 people** to downtown this May.<sup>1</sup> The festival included art installations on Fayetteville Street, musical performances, kids activities at Kidsplosure, and an art market with **175+ artists and vendors**.

**Raleigh Pride** also resumed its regular festivities again with the Out Raleigh Pride Festival in June. This drew tens of thousands to Fayetteville Street with people attending to celebrate the LGBTQ+ community. There was also a Raleigh Pride Fest in the Warehouse District. Both events included musical performances, drag, comedy, and family-friendly events.

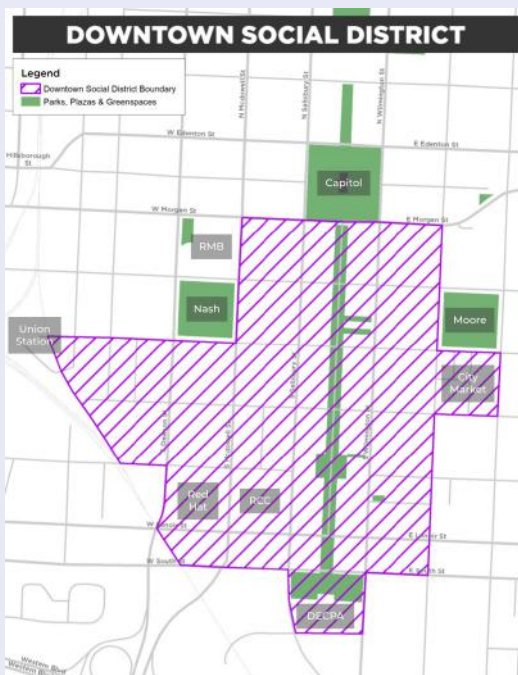
Other major events that returned this quarter and drew crowds to downtown include **Cuegrass** and **Brewgaloo**. There is also a growing number of smaller-scale events. Recent events included lunch mini-markets in City Plaza, the downtown employee appreciation event series, and **Moore Square Market**.



Artsplosure Installation on City Plaza  
Photo by Three Region Photography



Raleigh Pride 2022. Photo by Trey Roberts



Map of Downtown's Social District, centered around on Fayetteville Street and the downtown core

## DOWNTOWN RALEIGH TO PILOT SOCIAL DISTRICT

At the July 5th City Council Meeting, Council approved staff recommendations to implement a pilot social district in Downtown Raleigh. The social district will allow people to **sip beer, wine, or cocktails as they stroll through a defined area of downtown**. Social districts have been implemented in various towns and cities across the state since the North Carolina General Assembly enacted legislation in 2021 allowing municipalities to designate areas where alcoholic beverages can be purchased from a licensed ABC permittee, and then taken outdoors.

The area to be piloted in Downtown Raleigh includes the majority of the **Fayetteville Street District** with portions of the Moore Square District and Warehouse District also included. The pilot program will begin on August 15th, 2022 and the hours of operation will be 11am to 10pm daily, with an exception during special events. Downtown Raleigh's pilot program will go through 2023 when the Council will review the program. The goal of the district is to support economic activity and vibrancy in Downtown Raleigh.

<sup>1</sup>City of Raleigh Special Events



# DOWNTOWN DEMOGRAPHICS<sup>1</sup>



**12,000+**  
Resident  
Population

**48,000**  
Downtown  
Employees

**32.9**  
Median Age

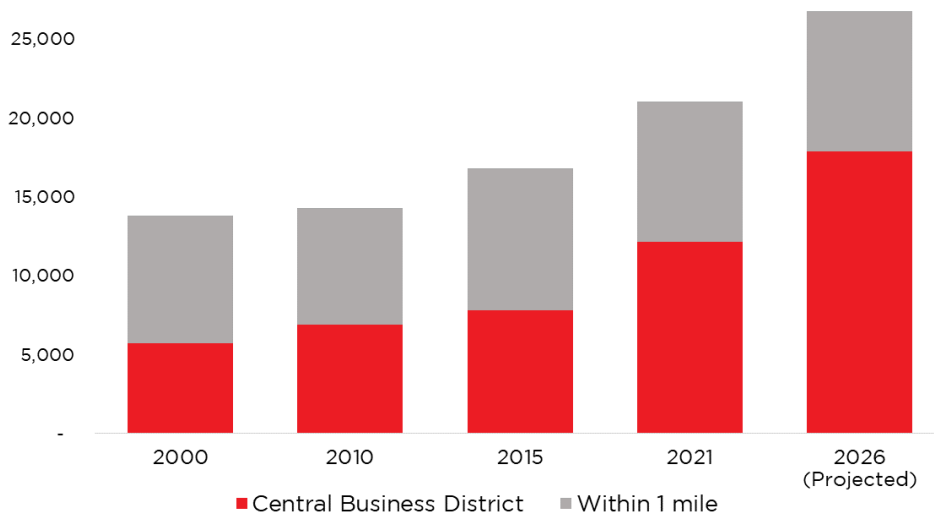
**\$85,871**  
Average  
Household  
Income

**60%**  
Bachelor's  
Degree or  
Higher

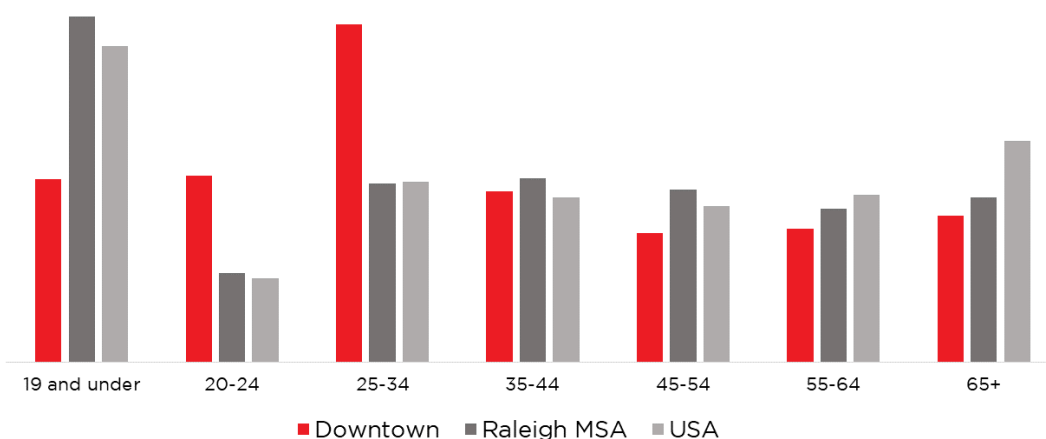
**40%**  
Of population  
between ages  
20-34

<sup>1</sup>ESRI, DRA

## DOWNTOWN POPULATION GROWTH [2000-2026]



## DOWNTOWN POPULATION BY AGE







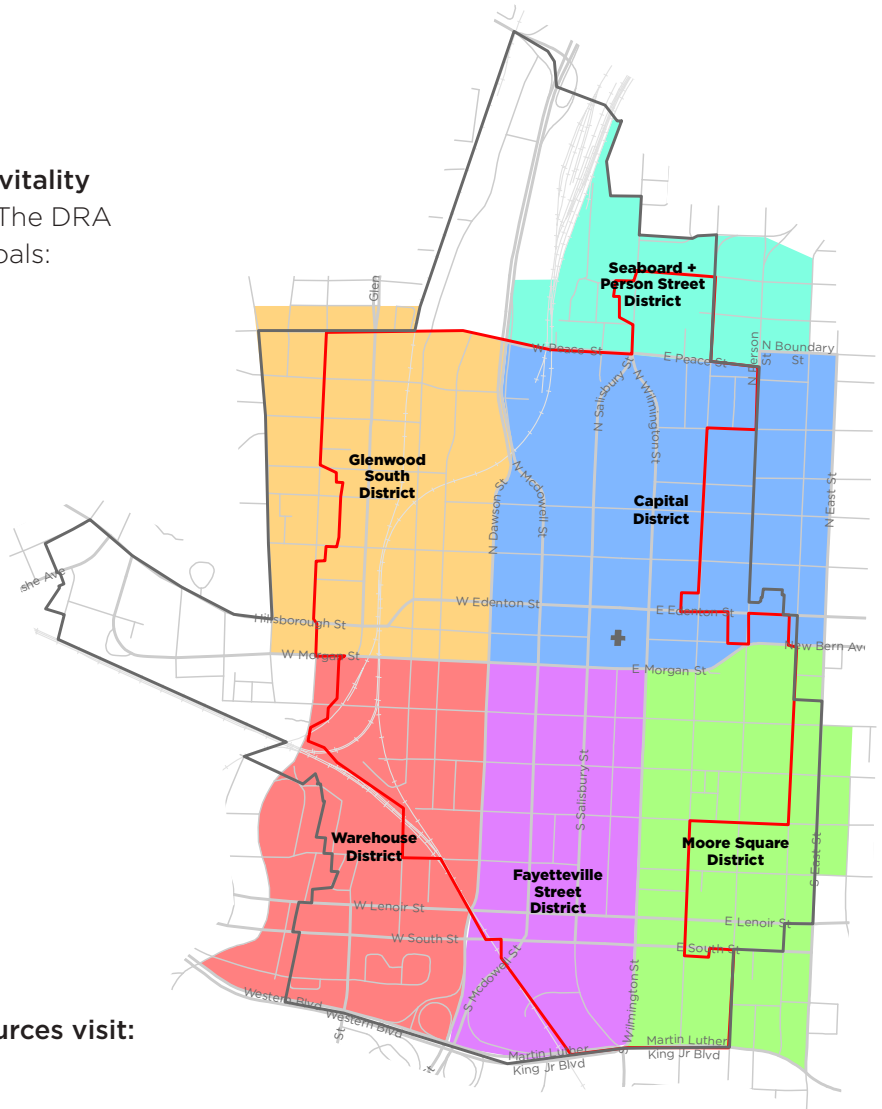
## DowntownRaleigh Alliance

### ABOUT DOWNTOWN RALEIGH ALLIANCE (DRA)

DRA has a mission of **advancing the vitality of Downtown Raleigh for everyone**. The DRA facilitates this mission through five goals:

- 1 Building a culture of authentic engagement and inclusion with Downtown's diverse community;
- 2 Fostering a thriving and diverse storefront economy;
- 3 Facilitating strategic partnerships to produce positive, balanced activations across Downtown;
- 4 Improving physical connectivity and accessibility within and around Downtown;
- 5 Positioning DRA as a reliable, responsive, representative, and mission-directed.

For additional information and resources visit:  
[downtownraleigh.org/do-business](https://downtownraleigh.org/do-business)



### CONTACT FOR ANY DATA QUESTIONS:

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### DOWNTOWN BOUNDARY AND DISTRICT MAP

#### LEGEND

- Downtown Boundary
- Downtown Municipal Service District (MSD)





Photo by Patrick Maxwell



DowntownRaleigh  
Alliance