



PROJECT 'NOT JUST A BIG GRAY BOX'



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This is the retail/office building in Southborough. Townhomes next to it extend along Magnolia Avenue.

Southborough, Charlotte's most unusual condo development, could become a model for how retailers build big boxes in urban neighborhoods.

Its 69 townhomes and flats wrap a new Lowe's in an effort to blend with neighbors between Dilworth and South End and hide the home improvement store from nearby single-family homeowners.

Lowe's got the two blocks on South Boulevard between Magnolia Avenue and Iverson Way rezoned in 2005 and requested proposals for residential and mixed-use on the site.

Conformity Corp. of Charlotte won the job and bought about 2.8 acres two years later.

Lowe's opened its 145,000-square-foot warehouse store Saturday, drawing attention to the 11-acre site and the potential Next Big Thing in mixed-use development.

"It's not just a big gray box," said UNC Charlotte's David Walters, an architect, urban planner and Dilworth resident. "It sets a precedent that developers and town planners can use, and it helps raise expectations in other communities."

As the market becomes saturated, home improvement chains are paying closer attention to the high concentrations of potential shoppers in urban markets. That strategy typically requires more creativity and greater expense in designing stores on smaller sites near heavily populated areas.

On South Boulevard, Walters spoke in favor of the Lowe's rezoning, a contentious issue that divided neighbors and led to numerous meetings with the planning staff and Lowe's design team.

The Dilworth Community Development Association board initially supported the

plan but voted 8-7 to oppose it just before the City Council's decision in favor of rezoning.

Neighbors worried that the massive two-block development would be out of character for the neighborhood and create traffic problems.

After Lowe's won the city's approval, the DCDA decided it should be involved in negotiations with store representatives and planners to mitigate the effect on neighbors, said John Fryday, a past president.

"The store's traffic impact is yet to be determined," he said, "but we felt the housing was the key to reducing the impact on the neighborhood."

Lowe's initially planned to put the main entrance on the Magnolia Avenue side of the development, which, Fryday said, would have been more intrusive than the DCDA's negotiated design putting it on Iverson Way.

"We got it to where they could be part of the commercial side of South Boulevard," he said. "They've tried hard with the materials, and all the things they said they would do, they have done."

Fryday said Monte Ritchey, president of Conformity Corp., "did a wonderful job designing the housing and getting it done."

Ritchey describes the technique of concealing the store behind housing as "veneering" versus the standard practice in larger metropolitan markets of creating higher density by stacking.

Pedestrians can walk past the townhomes and flats on the Magnolia Avenue and Lyndhurst Avenue sides of Southborough without ever noticing the Lowe's store.

"Southborough is totally integrated into the neighborhood with walkability between its components - it doesn't turn in on itself," Ritchey said.

The \$27 million project, between two light-rail transit stations, also includes a four-story, 28,000-square-foot office-retail building with views of the uptown skyline on the South Boulevard side.

Five Guys Burgers & Fries

and Noodles & Company are open at street level and Sam Kalitybi plans to open the Wine Loft wine bar Friday.

Dwayne Chambers, Noodles & Company's chief branding officer, said proximity to the light-rail line and numerous South End businesses attracted the restaurant chain.

"We've typically had a lot of success in urban environments and transitional areas in particular," he said.

All of the retail tenants have outdoor seating to help animate the street and pull neighbors into Southborough.

An architectural and engi-

neering firm has signed a letter of intent on 5,000 square feet on the third floor. That lease and others being negotiated would fill about 75 percent of the building's 21,000 square feet of office space.

Walters said good timing and neighborhood participation made a difference in how the project turned out.

"The housing originally was going to come on as the market demanded, but the neighborhood insisted and got the support of the planning staff to build the housing hand in hand with the store," he said.

Without that provision, the

condos probably wouldn't have been started in today's ailing market, Walters said.

Conformity's Ritchey said financing for Southborough is secure, and he's "pushing hard" to complete construction and sell units despite the housing slowdown.

Ritchey said buyers have signed contracts on 33 of the 69 townhomes and flats for prices ranging from the \$180,000s to the \$400,000s.

That includes four of the first six completed townhomes - known as the Deck Towns. Owners have moved into two units.

Ritchey said eight to 10 people a week visit the sales center, but many are wary of committing.

"People are paralyzed," he said. "We look at it as a fear and financing issue. The market has changed, but there is still money out there."

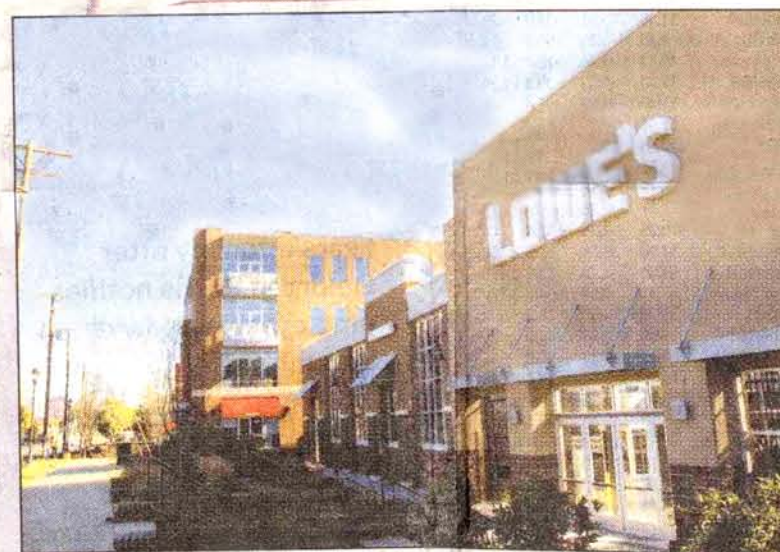
At Conformity, he said, "Our mantra is: It's not about granite countertops anymore - it's about educating the client."

Southborough contractors expect to complete the residences by summer 2009.

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This is one of the completed townhomes - known as Deck Towns - in the Southborough mixed-use development off of South Boulevard

A parking deck is on top of the Lowe's on South Boulevard. The store opened Saturday.



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Southborough

SIZE: Village of 33 condo flats and 36 townhome-style condos with a four-story office/retail building on 2.8 acres off South Boulevard.

RESIDENTIAL UNITS: One- and two-bedroom, 651 to 2,000 square feet; prices, \$180,000s to \$400,000s.

RESIDENTIAL FEATURES: One- and two-car garages, balconies, large porches, rooftop terraces, courtyards, green space.

OFFICE/RETAIL BUILDING: 7000 square feet of street-level shops leased by The Carolina Group for average of \$33 a square foot annually; 21,000 square feet of offices leased by Lincoln Harris for an average \$27 a square foot annually.

DEVELOPER: Conformity Corp. Portfolio includes Elizabeth Village, The Rutzler, The Williamson, SteelHaus.

CONSTRUCTION: Started in summer 2007, to be completed by summer 2009.

ARCHITECT: BB+M Architecture.

BUILDERS: The McAllister Group, Accord Construction.

LAND PLANNER: LandDesign Inc.

INFORMATION: www.livein-southborough.com. Model townhome open. Hard-hat site tours available.

Lowe's store

SIZE: 145,000 square feet plus garden center and 4,200-square-foot outdoor living center.

FEATURES: 16,000-square-foot rooftop garden with landscaping, terraced beds and trees; rooftop parking.

DESIGN: Red brick and tan stucco facade, iron fencing, decorative lighting with exterior designed to mesh with industrial heritage of South End.

ARCHITECT: Scott & Goble Architects, Tulsa, Okla.

LAND PLANNER: LandDesign Inc.

CIVIL ENGINEER: Freeland-Kauffman, Greenville, S.C.

CONTRACTOR: Carmel Contractors.