

CHEROKEE

Master Developer Roles

November 2, 2007

Cherokee

Corporate Headquarters

111 E. Hargett Street, Suite 300 Raleigh, NC 27601

Telephone: (919) 743-2500

Fax: (919) 743-2501

Role of the Master Developer

The Master Developer increases transit *system* value by strategically integrating transit uses with mixed-use development across stations yielding the following results:

- Increased ridership, creating more revenue for operating expenses
- Increased incremental tax revenue that is directly linked to transit
- Value enhancement of transit agency real estate assets
- Creates positive political feedback from often controversial public infrastructure expenditures



Master Developer Facilitates Market-Based Development and Creation of Opportunities for Local Interests

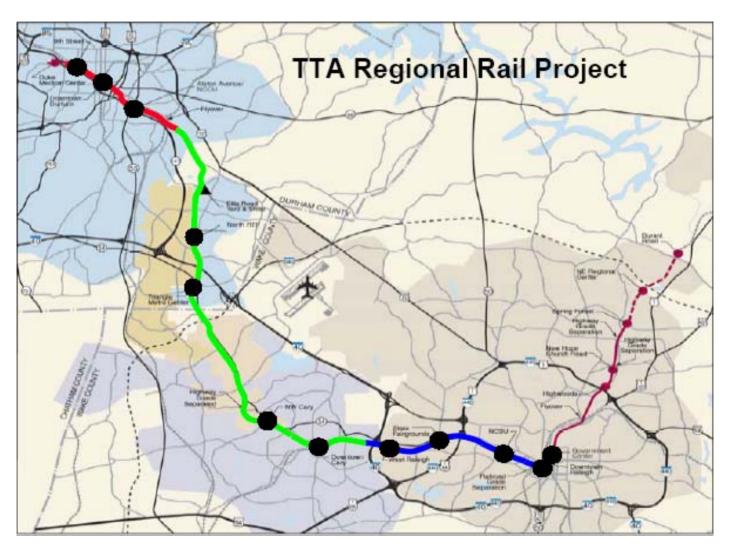
- Smart growth land use planning
- Balance of needs for public and private interests "complementary development"
- Restore cultural richness of neglected urban neighborhoods
- Large scale community revitalization for long term vision
- Public-private partnerships enhance investment opportunities



Cherokee's Role Differs According To System Needs

- Triangle Transit Authority (TTA) Research Triangle Park, NC
- Charlotte Area Transit System (CATS) Charlotte, NC
- Dallas Area Rapid Transit (DART) Dallas, TX

Triangle Transit Authority (TTA)



TTA

Issue: Federal Funding shortfall prevented the implementation of the first corridor

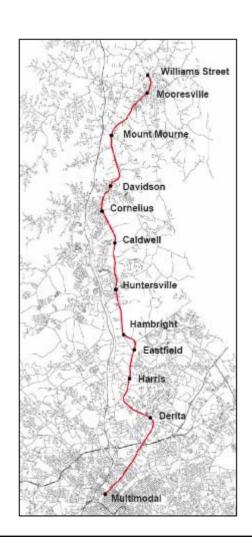
Solution:

Utilize significant TTA land holdings to do the following:

- Catalyze TOD prior to transit system construction to improve federal funding potential
- Capitalize on TTA-owned real estate appreciation to help fund future capital needs
- Minimize TTA station area expenditures by partnering with private developers

CHEROKEE

Charlotte Area Transit System (CATS)





CATS

Issue: \$76+ million funding gap preventing start of North Corridor

Solution:

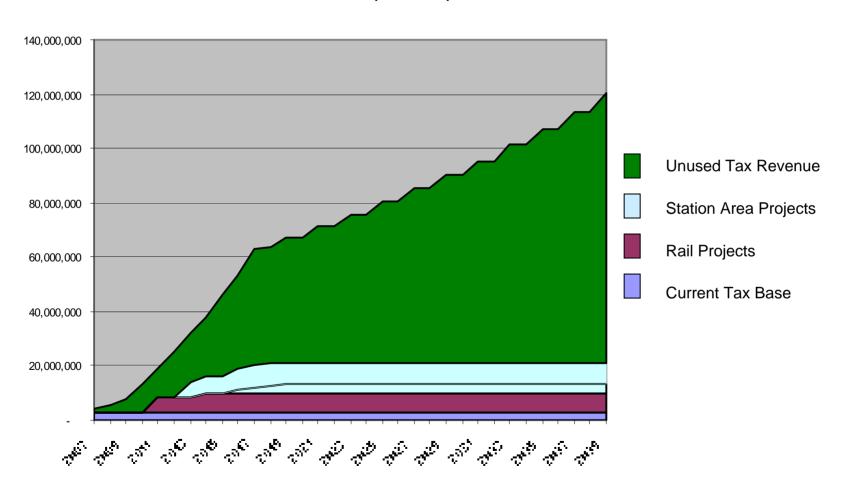
Coordinate 4 municipalities and Mecklenburg County towards jointly funding the gap through incremental property tax growth

- Analyzed the revenue potential by station area
- Helped allocate the funding responsibility among jurisdictions
- Gained consensus from all stakeholders
- Facilitated implementation of the financial plan

CHEROKEE

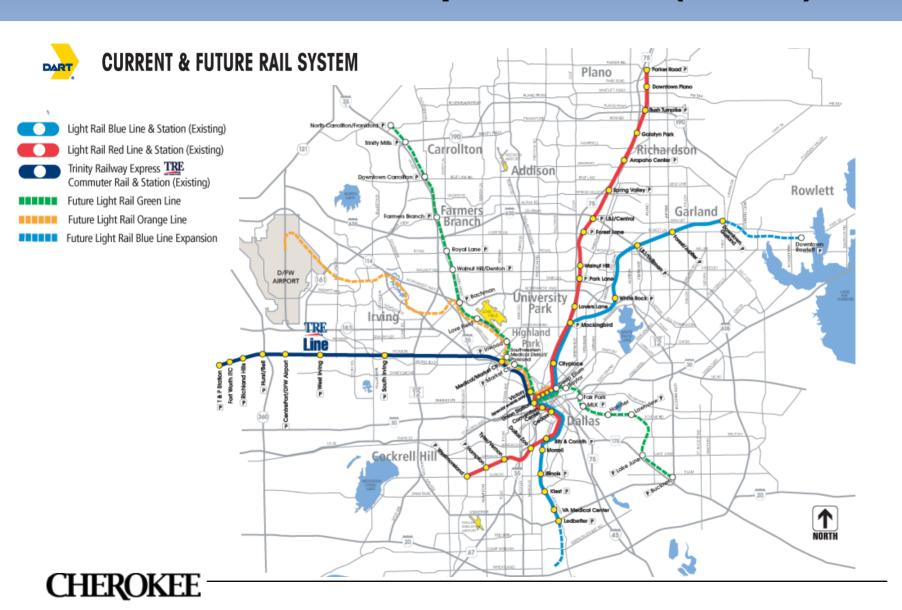
Most incremental property tax revenue remains available for local services & needs

Incremental Property Tax Revenue Generated in North Corridor Station Areas (current \$)





Dallas Area Rapid Transit (DART)



DART

Issue: Varying development patterns throughout system impacting success

Solution:

- Create a system-wide Master Development plan
- Serve as a catalyst for well-coordinated, optimized mixed-use development throughout system
- Control and buildout at least four TODs as examples

CHEROKEE