



# Request for Information (RFI) Former DMV Site Redevelopment



Raleigh

[raleighnc.gov](http://raleighnc.gov)



## Purpose and Background

The City of Raleigh ("City") is issuing this Request for Information (RFI) to gather information, ideas, and insights for the redevelopment of the City-owned former DMV site at 1100 New Bern Avenue and associated parcels at 205 and 207 South State Street.

This purpose of this RFI is to collect ideas and feedback which will inform a future Request for Proposal (RFP) and does not constitute a solicitation for bids or proposals. The City seeks to better understand development feasibility, appropriate uses, and community-aligned design approaches for both the Main Site and nearby smaller parcels.

**Parties responding to this RFI can address either the Main Site, State Street Parcels, or both, and should aim to:**



Contribute **innovative ideas** for financially feasible development approaches and design concepts



Share **information** relevant to future redevelopment, including risks, constraints, and opportunities



Offer **input** to shape the redevelopment process

# Site Overview and City Goals

In June 2024, the City acquired the former DMV headquarters site for \$20 million from the State of North Carolina. The property acquired and now under consideration in this RFI consists of the "Main Site" and "State Street Parcels."

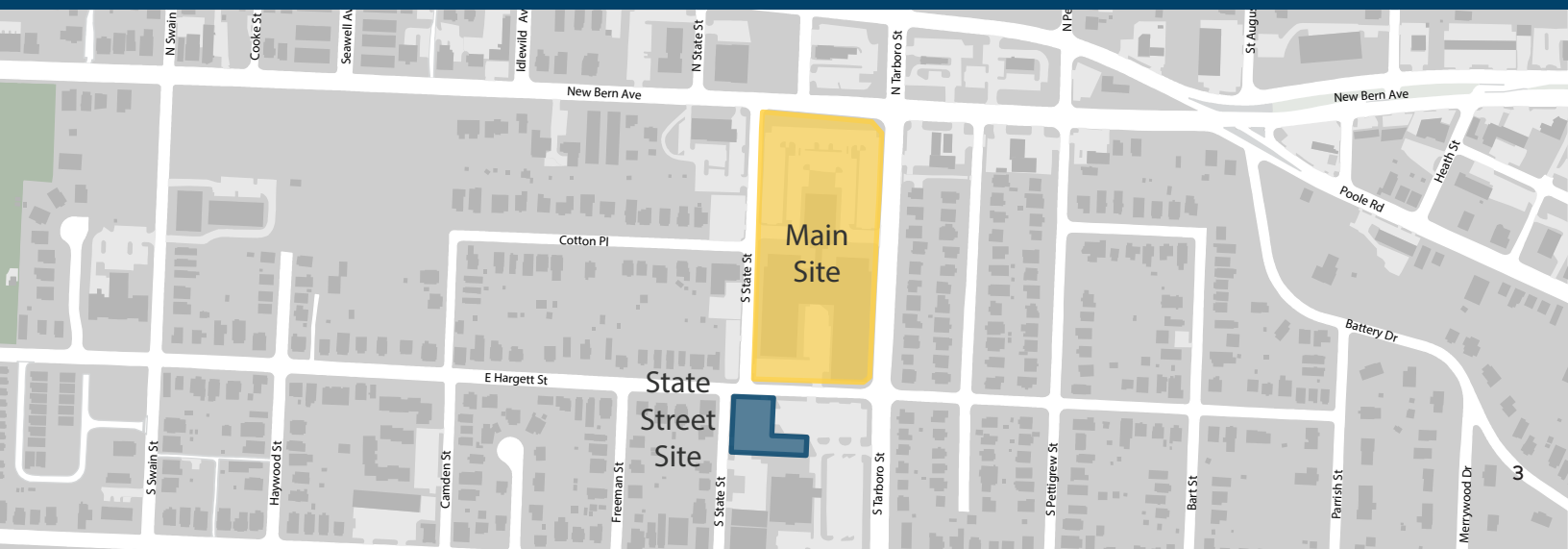
## Main Site

The Main Site spans 5.88 acres with OX-4-UL zoning and is currently occupied by the former DMV building and associated surface parking. A change in zoning to NX or CX with a 5-story height limit has been contemplated but not yet initiated. Demolition and abatement of the site is underway and will be completed by Fall 2026, leaving the site vacant and ready for redevelopment.

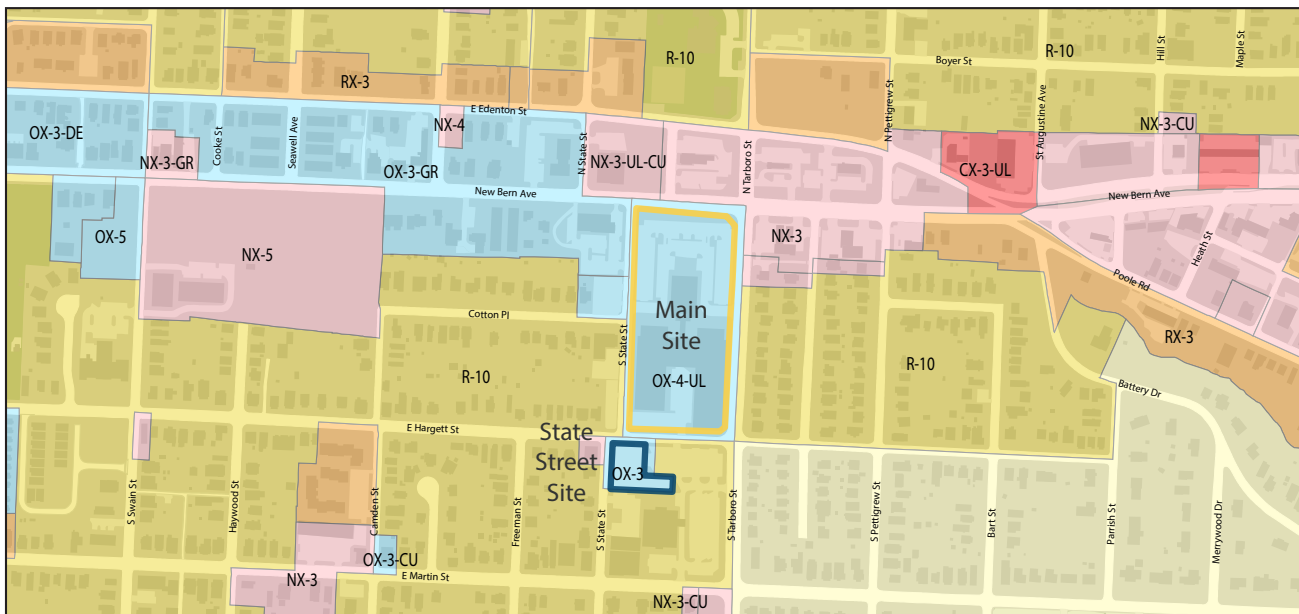
City goals for the site include: (a) accommodating both affordable and market-rate housing on the site to provide a diversity of housing opportunities in the neighborhood; (b) providing transit-supportive density to complement the upcoming New Bern Bus Rapid Transit line; (c) minimizing additional City subsidy into the project in a constrained budget environment; and (d) delivering on the community priorities established by the DMV Site Project Working Group (see pg. 8).

## State Street Parcels

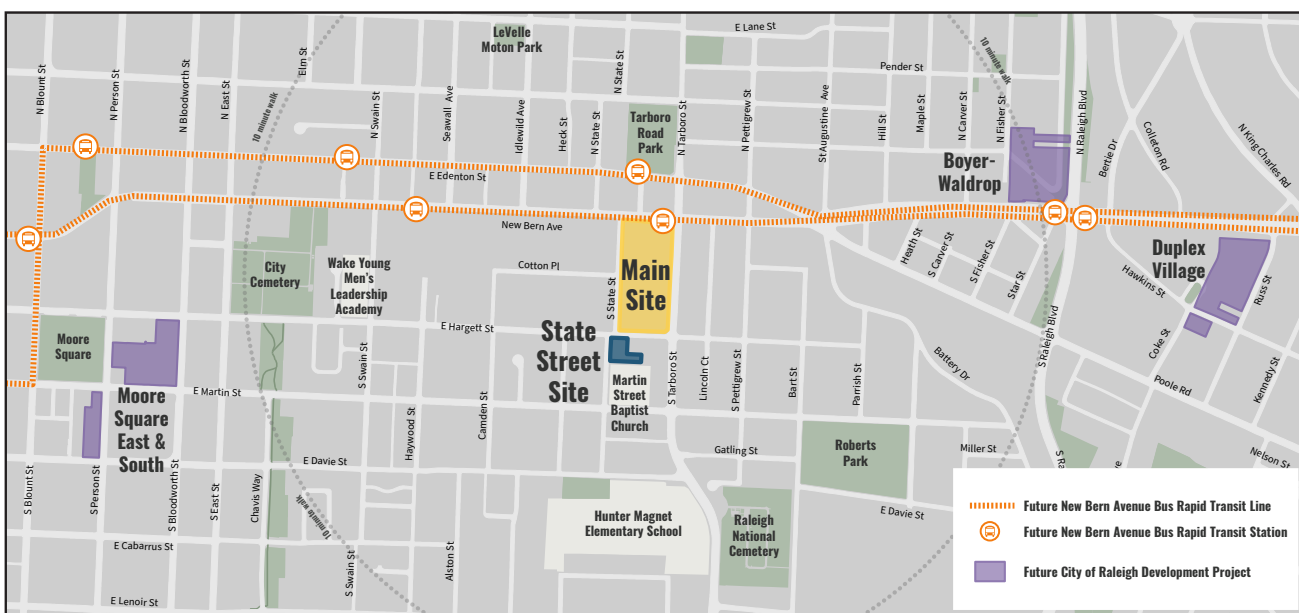
Previously used for overflow parking for the DMV headquarters, the two smaller parcels along State Street totaling 0.51 acres and zoned OX-3 are also under consideration. As of now the City plans to redevelop these parcels independently of the Main Site. This is in part to provide a potential opportunity for local, emerging developers to be more directly involved in shaping the area's future. City and community goals for these parcels are less defined since the Main Site has been the primary focus of studies and community engagement to-date.



# Parcel Maps



Zoning



Points of Interest

# Planning and Community Context



## Corridor History and Demographics

Communities surrounding New Bern Avenue have been thriving since at least the 1940s, and have seen significant change, including street cars, WWII, and development of the WakeMed campus, just to name a few. The New Bern Avenue corridor was once a 'front door' to Raleigh from Interstate 95 and the tobacco fields of Eastern North Carolina. Vehicle travel has largely been diverted to parallel highways since the early 2000's, and some of the surrounding land uses have been slowly changing while others are relatively unchanged.

The area around the DMV site<sup>1</sup> is racially diverse, containing more than double the share of Black/African American residents as the citywide average.

The median household income of the area around the site is \$20,000 less than the citywide median and has a significantly higher share of renters (64%) than Raleigh as a whole (48%). While these statistics reflect the neighborhood's history, they do not capture a significant shift in racial composition and income that is well underway. New-build houses in the area sell for prices ranging from \$600,000 to over \$900,000. The incoming households tend to have higher incomes and differ racially from the community's longstanding residents.

---

*Communities surrounding New Bern Avenue have been thriving since at least the 1940s.*

---

<sup>1</sup> As defined by the "Western Stations" study area of the **City's 2022 New Bern Station Area Planning Study**.

## Previous Plans, Studies, and Implementation

The New Bern Avenue corridor, including the DMV site, has been the focus of plans and studies going back for more than a decade. The City adopted the **New Bern Avenue Corridor Study** in 2012 to establish a long-term vision for the area. In November of 2016, Wake County voters approved a dedicated public transit investment which triggered the implementation of the Wake County Transit Plan. That plan calls for the construction of close to 20 miles of transit lanes along four (4) Bus Rapid Transit (BRT) corridors within Wake County, starting with the Eastern BRT along New Bern Avenue. The Eastern BRT corridor is approximately five miles in length and connects two of the city's largest employment hubs, Downtown Raleigh and WakeMed, with frequent and reliable transit. **Station area planning** for the BRT stops along New Bern was completed in 2022.



*The Eastern BRT is currently under construction with an estimated completion at the end of 2027.*

The New Bern BRT line will provide high-quality bus service that offers riders a viable alternative to automobile independence. The selected route destinations will serve a variety of daily and life-stage needs. The BRT will also feature dedicated travel lanes, enhanced stations, off-board fare collections, frequent on-time service and enhanced connections to Raleigh's existing transit network. The future Tarboro Road Station will be directly adjacent to the DMV site. Construction is underway now and is anticipated to complete by the end of 2027, with revenue service beginning in early- to mid-2028.

## Community Engagement and the Project Working Group

This site has provided the City an opportunity to show a commitment to community restoration, intentional engagement, and collaborative planning. From September 2023 to June 2025, the City of Raleigh undertook community engagement for the redevelopment of the former DMV site.

To ensure meaningful participation, the City established a Project Working Group (PWG) comprised of 12 community members, to shape engagement strategies and serve as authentic ambassadors to the broader community.

Over the past year, the PWG focused on these primary activities:

- 1 Identifying opportunities to highlight Raleigh's community and cultural history within the project.
- 2 Determining which community priorities should be reflected in the future redevelopment.
- 3 Actively participating in engagement efforts with the community.



## PWG Priorities

Following all engagement activities, the PWG ranked their “must haves” (top priorities) and “like to haves” (secondary priorities) for the future redevelopment of the DMV site.

Priority	Key Goal	Focus Area
<b>Top Priorities</b>		
<b>Affordable Housing</b>	Housing options for 30%-60% AMI	Various family sizes, incomes, and employment types
<b>Retail Space</b>	Space for local, small businesses that reflect the historic New Bern Avenue corridor community	Provide access to essential goods
<b>Community Space</b>	Multipurpose indoor space with variety and flexibility in room size and state-of-the-art technology	Workforce development, educational classes, performances, etc.
<b>Food Incubator and Co-op Space</b>	Space that provides fresh, healthy, and affordable food access	Commissary Kitchen for food services to access a commercial kitchen
<b>Cultural Recognition</b>	Cultural destination reflective of the historic community	Art, wayfinding, historical markers, and sculpture recognition
<b>Universal Site Design</b>	Design that’s accessible to all	Beyond Americans with Disabilities Act (ADA) minimum
<b>Secondary Priorities</b>		
<b>Sustainability and Innovation</b>	Varied architectural style, project creativity, and sustainability	
<b>Childcare Options</b>	Drop-in childcare	

# Market and Design Study

This RFI builds on a recently completed **market and design study** conducted on behalf of the City by real estate consulting firm RCLCO in partnership with design firm LS3P. The primary conclusions of that study indicated the following:

## 1. Challenging Market Dynamics

Current market conditions are extremely challenging for new mid-/high-rise multi-family projects in Raleigh, due to falling rents, a glut of supply, increasing construction and financing costs, and heightened global risk. These challenges are amplified on the New Bern corridor by the risk resulting from a lack of comparable precedent projects.

## 2. Impact on Goals

Under these conditions, it would be extremely difficult at present to fully achieve the City's goals for the site (outlined above).

## 3. Strategic Alternatives

In light of these challenges, the City's options are to:

- a. Wait to advance the project in the hope that market conditions will eventually improve and make development more feasible;
- b. Develop the site at a lower overall density that includes higher-priced housing types that generate positive land value;
- c. Move forward with a 4% Low-Income Housing Tax Credit (LIHTC) affordable project on a portion of the site in the near term, leaving the market-rate components for later phases;
- d. Explore potential alternative financing options such as a mixed-income, non-LIHTC model to deliver the project; and/or
- e. Pursue short-term opportunities such as issuing an RFI and pursuing redevelopment of the State St parcels.

The City has elected to pursue option (e) while exploring the pros and cons of (c) and (d).

**The goal of this RFI is not to question the findings of the market and design study, but rather to ensure the City has conducted comprehensive due diligence and provided an open opportunity for interested parties to contribute to the City's understanding of and approach to the site. The findings resulting from the RFI will be used in combination with the findings from the market and design study to inform the City's next steps in redeveloping the site.**

# Key Questions for Respondents

The following questions and considerations are intended as prompts to guide responses. Responses can address any single item from this list, any combination of items, and/or include additional items not featured here.

## **Main Site: Program and Financial Feasibility**

1. Provide a conceptual development program for multifamily housing. Any proposed housing program should include a substantial affordable component of at least 100 units. The affordable units can be incorporated into one or more dedicated affordable buildings or within one or more mixed-income buildings. It can be assumed that the typical City tools (nominal ground lease, gap financing) would be available to support affordable housing on the site.
2. Include parking ratios and other assumptions (e.g. surface or deck, podium or wrapped).
3. Submit evidence of financial feasibility, including:
  - a. Preliminary pro forma
  - b. Estimated development costs and revenues
  - c. Financing assumptions (debt/equity structures)
  - d. Sensitivity to interest rates, rents, and construction costs
  - e. Identify any public participation required to achieve feasibility that is legally allowable in the State of North Carolina.
4. Discuss phasing strategies, if applicable.

## **Main Site: Design and Land Use**

1. What unit mix, density, and building typology are most viable?
2. What ground-floor uses would best activate the site?
3. What is an ideal relationship of the building to the surrounding streets?
4. What circulation patterns internal to the site should be considered?
5. What open space strategies might enhance the long-term experience of future residents and the surrounding community?

## **State Street Parcels: Concepts and Community Input**

1. Provide conceptual uses for the smaller parcels on State Street (e.g., missing middle housing, retail, public space, live-work).
2. Describe how these parcels could complement the Main Site development.
3. Identify community priorities and concerns specifically related to these parcels (e.g., scale, affordability, traffic, public space).

## **Process and Implementation**

1. What RFQ/RFP structure would best attract qualified developers?
2. What risks might prevent project delivery and how might they be mitigated?
3. What terms and conditions are reasonable to attach to a development agreement in order to ensure timely performance from a development partner?

## Submittal Guidance

There are no strict submittal requirements for this RFI. Respondents may provide as much or as little detail as they deem appropriate. Eligible respondents are not required to be developers and developers who have interest in responding to a future RFP for this site are not required to respond to this RFI.

### Responses may include:

- o Narrative descriptions of development concepts (no strict format)
- o Concept plans or diagrams
- o Financial strategies or pro formas
- o General feedback to inform either or both redevelopment sites.

All responses should be submitted via email to [Urban.Projects@raleighnc.gov](mailto:Urban.Projects@raleighnc.gov) by **July 15, 2026**. Any questions about this RFI should be submitted via email to the same address. The City may issue one or more public addenda to this RFI via the electronic Vendor Portal (eVP) prior to the above deadline in order to provide clarifying information or responses to questions.

### DISCLAIMER

This RFI is issued solely for information-gathering and market-sounding purposes. It is informal and non-binding. The City of Raleigh does not intend to, and shall not be deemed to, enter into any contractual, procurement, or other legal obligation of any kind by virtue of issuing this RFI or receiving any response. Responses to this RFI are subject to North Carolina public records laws and any material submitted where confidentiality is being sought under N.C.G.S. § 132-1.2 must be marked in the manner required by law to receive such protection. The City will release any materials associated with this RFI to the extent required by law, as determined by the City in its sole judgment.

