

UNEMPLOYMENT

North Carolina's jobless rate dips down for the fourth month in a row, to 5.2 percent. But the state's rate is still higher than the nation's, which is 5 percent.

PAGE 2D

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BUSINESS**North Hills****could double**

Kane files request for tract to east

By JACK HAGEL
STAFF WRITER

RALEIGH — Kane Realty, which has spent the past five years overhauling the former North Hills mall area into a community of shops, homes and offices, filed a zoning request Friday that details plans to build more of the same on an adjacent 45 acres.

It's the first official move by Kane to essentially double the size of its North Hills empire, which straddles Six Forks

Road and Interstate 440.

The development, called North Hills East, would be built east of Six Forks, north of

Interstate 440 and touching Camelot Drive and Dartmouth Road.

Kane wants to tear down several weathered buildings fronting Six Forks to build up to:

- Five office buildings totaling 950,000 square feet
- 1,400 condominiums, apartments and townhouses
- 280,000 square feet of shops
- 210 hotel rooms
- 300 units at a continuing-care retirement community.

Kane also is planning open space the size of two football fields, and a pedestrian bridge spanning Six Forks to connect the existing portion of North Hills and its proposed eastern cousin.

On the 45-acre western portion, Kane has built 730,000 square feet of retail and 100,000 square feet of offices. An apartment complex also has been built. Kane plans to begin construction on 51 condominiums late next year and a hotel in March. The western portion is to be completed in 2007.



North Hills has been excellent for us," said CEO John Kane.

NORTH HILLS

CONTINUED FROM PAGE 1D

been excellent for us," said John Kane, the chief executive. "We think there's a lot of demand for more mixed-use in this district."

It's unlikely that the eastern space will be developed to Kane's plans. Developers often ask permission to build more than they intend, which allows them to alter the scale of plans according to market demands.

Kane is asking the city to convert the zoning of the land to a "planned development conditional use overlay district," a classification that would allow him to tweak the project's mix within the approved parameters.

Kane said he'll build more housing and fewer offices if office demand slackens, or vice versa if demand for offices surges.

The first phase of North Hills East could include a 10- to 14-story office building with up to 250,000 square feet. Kane plans a

10- to 12-story building with about 200 apartments or condominiums. The first phase would include 120,000 square feet of retail space, with about 100 residences on top.

Kane, who does not have any preleasing for the space, is gauging market demand to determine what he'll build in later phases. The second phase would include the retirement community.

The plan must be approved by the Planning Commission and the City Council. Kane wants to begin construction late next year.

"I'm sure he's got a lot of obstacles there are with any project of this size," said Councilman Tommy Craven, whose district includes some of the land Kane wants rezoned. "... [But] how could you not be pleased with what he's already done?"

Kane is planning condominiums and townhouses southwest of I-440 and Six Forks.

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