

# IMAGE BUTNER 2040: Butner Suitability Analyses

## Summary

The foundation of the Imagine Butner 2040 Comprehensive Plan is the Mapping and Suitability Analysis which is a GIS-based build-out model that estimates potential future growth in the Butner. There are three components to the Suitability Analysis:

- 1.) **Suitability for Development.** This includes testing a variety of options against specific listed below.
- 2.) **Land Supply.** How much land is available for development, including vacant parcels, underutilized parcels and unavailable, or utilized, parcels?
- 3.) **Tax Yield.** A combination of Suitability and Land Supply. What is the potential impact on revenue of developing using our existing development standards and what revenues could be based on an alternative?

### SUITABILITY FOR DEVELOPMENT

Urban Suitability was a blend of many inputs of the types of suitability below and was measured utilizing the following inputs:

- Lands not environmentally constrained (slopes, riparian buffers, wetlands, etc.)
- Lands close to major intersections
- Lands near interchanges
- Lands close to parks, schools, and concentrations of residences
- Potential for lakefront development
- Lands either served or feasible to be served by sewer
- Proximity to water lines

Residential Suitability was measured utilizing the following inputs:

- Lands near existing single-family development, schools, and parks
- Lands near commercial areas and other services
- Lands away from industrial uses, including quarry
- Lands near employment centers
- Lands not constrained by generally unbuildable environmental issues (slopes, riparian buffers, wetlands, etc.)
- Large parcels
- Soil appropriate for septic tanks
- Lands away from military buffers
- Lands either served or feasible to be served by sewer
- Proximity to water lines
- Parcels served by paved roads built, and maintained to NCDOT standards

Commercial Suitability was measured utilizing the following inputs:

- Lands near concentrations of existing single-family development
- Lands near commercial areas and other services
- Lands adjacent to accessible high-traffic roadways
- Lands near major intersections and interchanges
- Lands near sewer infrastructure
- Lands not environmentally constrained (slopes, riparian buffers, wetlands, etc.)

Industrial Suitability was measured utilizing the following inputs:

- Lands away from/to incompatible residential uses
- Lands near existing industrial land uses including the quarry
- Lands near rail lines
- Lands near utilities (water and sewer)
- Lands not environmentally constrained (slopes, riparian buffers, wetlands, etc.)
- Large parcels

Conservation Suitability (Primary and Secondary) was measured utilizing the following inputs:

- Lands with a high biodiversity and wildlife habitat value
- Lands that contain and are immediately adjacent to Natural Heritage Element Occurrences and Natural Heritage Natural Areas
- Lands that buffer blue line streams
- Lands immediately adjacent to managed areas
- Lands that contain and are immediately adjacent to environmental constraints such as floodplains and wetlands
- Lands that are mixed/deciduous forest

### 1. LAND SUPPLY

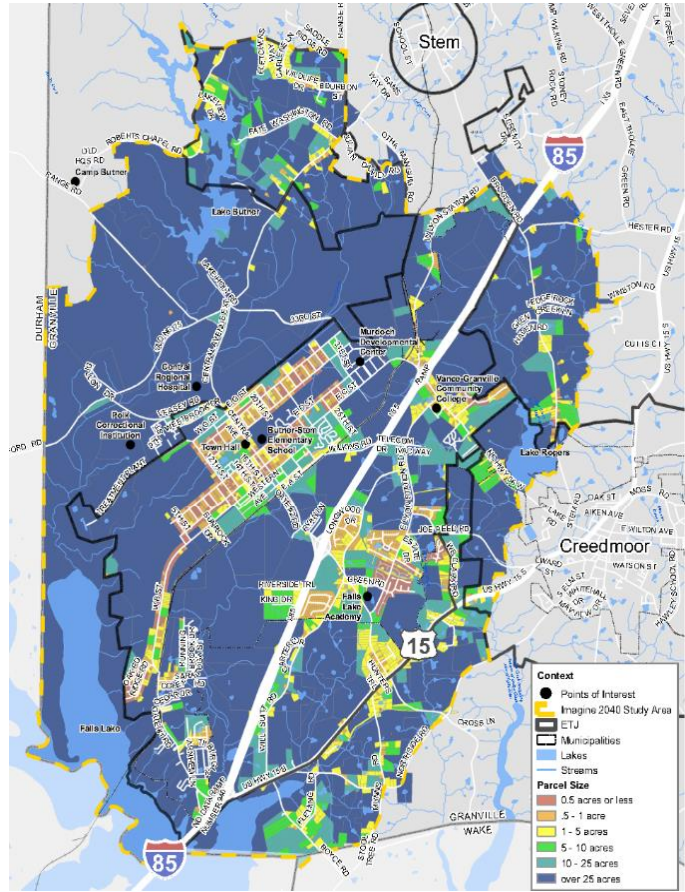
The Imagine Butner 2040 Model (Model) was created based on analyzing existing land use and land supply in the Study Area, removing development constraints and assigning Generalized Future Land Use categories based on adopted zoning. The Generalized Future Land Use categories included assumptions regarding future uses and densities. Using data derived from County tax records, a land supply analysis was conducted to divide land into three categories; “available”, “underutilized”, and “utilized”.

Available land is typically vacant land and may be, for example, currently used for farming purposes with no significant structure onsite.

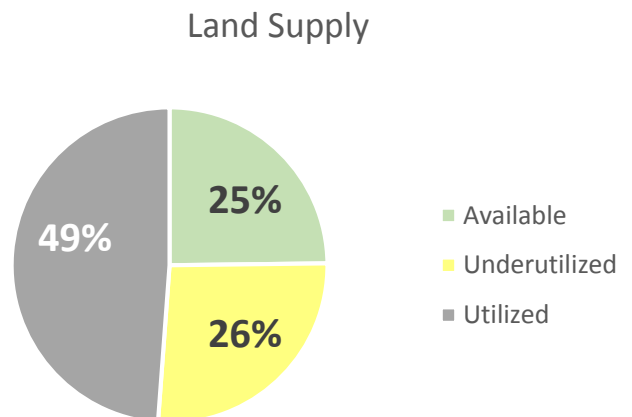
Underutilized parcels are those that have a low structure value to land value ratio. Although some land identified as underutilized might already be developed, it provides insight into land that could conceivably be redeveloped if development pressures are experienced.

Utilized or “built” lands are those that have homes, businesses, churches or schools on them.

This exercise showed that approximately 49 percent of the land in in Butner is utilized, with the remainder (51 percent; 12,948 acres) classified as available or underutilized. Much of the available and underutilized land is located along the town’s southern and eastern periphery. The town core is also pockmarked with available and underutilized land. Large tracts of institutional land are within the study area, including a 750-acre tract that follows along the northern border of W. B St., and around 35 acres at the abandoned school site. There are numerous underutilized and vacant parcels in the town core either privately owned or owned by the town.



The map above shows the Outline of the Study Area (yellow-dashed line); Extra-Territorial Jurisdiction (ETJ) (dark grey solid line); and, corporate limits (hashed black line).



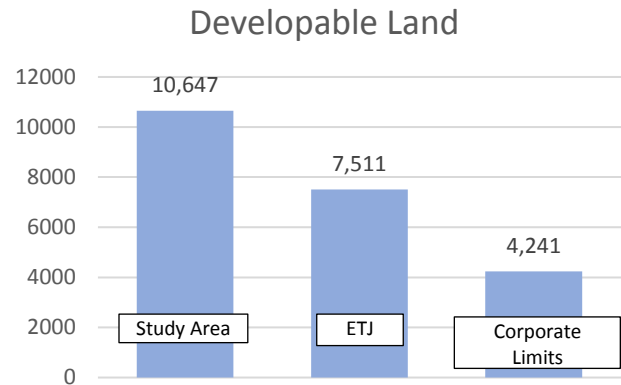
### Developable Area

Environmental constraints were removed from the Land Supply (available and underutilized lands) to determine developable area. Environmental constraints included surface waters, stream buffers, wetlands and floodplains. Total, developable land within City Limits amounts to 4,241 acres, 7,511 acres in the ETJ and just over 10,000 acres for the Study Area.

## 2. Tax Yield

### *Fiscal Analysis*

Ad Valorem tax revenue amounted to \$2.2 million in tax collections in FY 2018-2019. A scenario planning model was created using CommunityViz and ArcGIS that estimated build-out under two different land use scenarios. Build-out estimates for dwelling units and non-residential square footage by use were created. These build-out estimates represented an amount of development that is unlikely in the next 20 years. Housing unit growth projections were created based on annual growth rates of 1.58% between 2017 and 2020, 1.98% between 2021 and 2030, and 2.47% between 2031 and 2040. This amounted to a 1,751 increase in housing units, or roughly 20% of total potential housing units in the ETJ. Potential for new tax revenue in 2040 was estimated by assuming a 20% build-out to be in line with this figure. Key findings from the fiscal analysis include:



- Based on a 20% build-out of the land use pattern called for in the Business As Usual Scenario it was estimated that new tax revenue from development between 2017 and 2040 could result in \$1.5 million in new tax revenue.
- Based on the Alternative Scenario it was estimated that new tax revenue from development between 2017 and 2040 could result in \$2.7 million in new tax revenue.
- The Alternative Scenario resulted in a 74% increase in tax revenue from the Business As Usual Scenario. This amounts to \$1.2 million increase in property tax revenue.
- Significant increases in tax revenue may result from considering opportunities to do the following:
  - o Increase residential density within a defined utility service area in order to increase tax yield
  - o Encourage Traditional Neighborhood Development as infill in Downtown Butner and in key other locations that are suitable for medium to higher density residential development.
  - o Encourage commercial mixed-use areas at interchange locations. Many of these areas are zoned for Commercial, Suburban Residential or Industrial character areas. Having land use policies that support Community Centers and mixed-use development similar to that allowed in the South Interchange Gateway zoning district could substantially increase the tax base in the long-term if there is market demand that exceeds the current extent of this zoning district.

Key findings from the Character Area Tax Yield Study include the following:

- Significant tax yield differences exist between land use character areas that are currently present in Butner and those that could be encouraged through alternative policies.
- Character areas that currently exist in the Town of Butner include Rural Residential, Suburban Residential, Medium Density Residential, Medium/High Density Residential and Highway Commercial. These land use character areas have a range of tax values between \$240,000 per acre (Rural Residential) and \$7-800,000 (Medium to Medium/High Density Residential).
- Character areas that are present in peer communities that have different land use policies include Traditional Neighborhood Development (TND), Community Centers (a type of Commercial Mixed Use) and a Town Center Mixed Use typology. These types of land uses typically include a mix of land uses (including a mix of housing types) at comparatively higher densities. These character areas have tax yields that range from \$1,200,000-\$1,800,000 per acre.

- Based on the Alternative Scenario it was estimated that new tax revenue from development between 2017 and 2040 could result in \$2.7 million in new tax revenue. The Alternative Scenario resulted in a 74% increase in tax revenue from the Business As Usual Scenario. This amounts to \$1.2 million increase in property tax revenue over the Business As Usual Scenario which is based on current zoning.