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CENTRE CITY BUSINESS PARK A MARKET FEASIBILITY ANALYSIS

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NCGROWTH is an EDA University Center housed at UNC Chapel Hill's Kenan Institute for Private Enterprise that helps businesses and communities create good jobs and equitable opportunities through applied research and technical assistance. With a passionate staff and a dynamic pool of graduate student analysts, we partner with businesses, communities, governments and other organizations to tackle outcome-based economic development and entrepreneurship projects. NCGrowth is funded by the Frank Hawkins Kenan Institute of Private Enterprise, US Economic Development Administration, US Department of Agriculture, Z Smith Reynolds Foundation, and the SunTrust Foundation.

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INTRODUCTION

The Centre City Business Park (CCBP) site is owned by the City of Fayetteville, located at the intersection of Gillespie and Blount Streets, just south of the downtown area. The city acquired the site over several years, and over this time developed multiple plans for the site. More recently, the downtown area has seen a significant increase in private investment. Given this new investment, the city saw a need to revisit the existing plans to ensure that they are still relevant, and that the development of the CCBP site spurs economic development for its surrounding neighborhoods. In this analysis, NCGrowth reviewed the existing planning documents for the park and conducted a market analysis to explore the highest and best use of the property, taking into consideration the new investment downtown and the city's broader economic development goals.

SUMMARY OF RECOMMENDATIONS

- Develop Centre City Business Park as flex industrial space.
- Adopt covenants to protect the integrity of the business park.
- Rezone the property with the compatible zoning designation.
- Acquire additional adjacent properties to site.
- Provide façade grants to Gillespie corridor businesses to make cosmetic improvements to building sides visible from the street; in combination, increase enforcement of city community appearance and nuisance ordinances.
- Maintain and enrich the community connection to the onsite historic EE Smith House in future development through community partnerships.
- Actively explore programming opportunities with Fayetteville State University and highlight the campus's historic connection to the EE Smith Home.
- Connect economic development, workforce development, and community development

EVALUATED STUDIES

This work made use of previously completed research of Fayetteville and the study area. Reviewed reports for this work include:

1. Market Analysis of Hope VI Business Center | MKSK Thomas Point Associates, Inc.
2. Deed Restrictions and Protective Covenants – City Centre Business Park | City of Fayetteville Office of Economic & Business Development
3. Project Briefing Sheet – Old Wilmington Road HOPE VI Revitalization Project
4. EE Smith House US Register of Deeds Application

5. 2030 Growth Vision Plan – Policies and Actions¹
6. A Blueprint for Success: A Holistic Economic Development Strategy for Fayetteville and Cumberland County, NC
7. Downtown Renaissance Plan Update
8. ULI Technical Assistance Panel Downtown Fayetteville

Previous reports commissioned by the City of Fayetteville on the Centre City Business Park provided a variety of salient recommendations. The ULI Downtown Fayetteville report concluded a need to build on place making activities and to partner with community institutions such as Fayetteville State University and Fayetteville Technical Community College to grow the entrepreneurial community. Due to Centre City Business Park's close proximity to downtown, implementation of these recommendations has the potential to enhance the character of Gillespie Street. The Downtown Renaissance Plan noted similar observations. Other reviewed reports such as Garner Economics' "A Blueprint for Success" shared strategic economic development recommendations such as developing shovel ready sites, improving community aesthetics, enhancing the talent pipeline, and growing entrepreneurship education. These efforts will not only help recruit tenants to Centre City Business Park but will also improve the business climate and enhance citywide recruitment.

SITE ANALYSIS

The development of Centre City Business Park (CCBP) is outlined in the City of Fayetteville's Hope VI action plan as part of an overall community redevelopment effort east of downtown Fayetteville (see Map Appendix, "Location of Centre City Business Park, Fayetteville NC"). The Park is strategically located at the intersection of Gillespie and Blount Streets—two blocks from the center of downtown Fayetteville (Hay Street) and less than three-quarters of a mile from Martin Luther King Freeway (NC 87) with proximate access to Business 401 and Interstate 95. At present, the Park represents approximately nine acres with a mix of city acquired and privately-held land (see Map Appendix, "Property Ownership at Centre City Business Park"). Fayetteville is interested in the highest and best use development and has cleared the majority of blighted homes and overgrown vegetation on the acreage as part of its site readiness effort.

The neighborhood is characterized by low density housing, small-scale commercial establishments, and is largely industrial in nature. Gillespie Street serves as the site's eastern edge and is a major thoroughfare to downtown Fayetteville and provides highway access via Martin Luther King Freeway. The northern perimeter of the park is outlined by Blount Street and is immediately adjacent to distressed housing stock. Less than a mile away from the site via Blount Street (which becomes Campbell Avenue after crossing Gillespie Street) is the Hope VI multifamily redevelopment of Delonas Gardens, Azalea Manor, and Oak Run Apartments along Old Wilmington Road. The southern edge of Centre City Business Park is defined by Chase Road, Mattock Memorial AME Church, and Blounts Creek. Consistent with the industrial nature of the southern area, a rail line runs west parallel to Chase Road bordering—OmniSource Corporation—a metal recycler.

¹<https://fayettevillenc.gov/home/showdocument?id=3141>

Zoning

The site is comprised of 26 parcels with varied zoning within the defined park boundary, as well as immediately surrounding it. The usages include: commercial, residential, office and institutional, and heavy industrial (See Map Appendix, "Property Ownership at Centre City Business Park" and "Zoning in Vicinity of Centre City Business Park")

Historic Site

Located at the corner of Blount and Chase Streets (135 Blount Street) is the home of Dr. Ezekiel Ezra (E.E.) Smith the first president of Fayetteville State University (then known as the Howard School). Dr. Smith led Fayetteville State University for 50 years until his death in 1933. His residence, built in 1903, is a Queen Anne-style Victorian. Recognized as a historic and cultural site, the City of Fayetteville submitted the property for consideration on the National Register of Historic Places. The property earned the designation in May 2015 and has since been renovated and restored.

Site Topography

The presence of wetland on the Centre City property presents a small development constraint, concentrated in the SW corner of the site. This natural element can be incorporated into development via landscaping or storm water management. The natural vegetation should remain minimally disturbed, representing environmental stewardship. Overall, according to the FEMA map identification of the site, the area is considered to have "minimum flood hazard" (see Map Appendix, "Flood Risk at Centre City Business Park Site")

Utilities

The proposed site of Centre City Business Park was formerly occupied by single dwelling residential units. As such, existing water, sewerage, and electrical connections are at site. Depending on the scale of future operations, these infrastructure connections may warrant an upgrade to accommodate greater ingress/egress of water and sewerage and electrical demand. This will require further technical study from the City of Fayetteville's Planning and Public Utility departments based on site plans and tenant needs.

Transportation Linkages and Traffic

The site runs parallel to Gillespie Street, a major thoroughfare to downtown Fayetteville with connection to Martin Luther King Freeway (NC 87) and Eastern Boulevard (US 301). Gillespie Street is a five-lane road with two lanes of traffic flowing north and south and a center turning lane. This road design continues from downtown to US 301. This should provide adequate traffic capacity to accommodate development traffic such as employee, customer, and general business traffic. It will also allow for truck access to the site with minimum to no road improvements and disruption to general traffic flow. Further analysis of area traffic counts is provided on page 10 in the commercial section of the sector analysis.

Parking

Reflecting the site's acreage limitations, attention should be given to parking to maximize the conceptual building footprint of the development. Parking and loading should be renegaded along Chase Street, adjacent to the railroad tracks. With respect to the wetlands that abut the property, "green features" such as permeable parking and ecological sensitive landscaping should be considered.

Site Demographics

The demographic profile surrounding the proposed Park was analyzed in a three-mile radius. The 2010 U.S. Census was used as a benchmark to compare 2017 demographic characteristics. In general, population and number of households has decreased within the three-mile zone over the 2010 to 2017 time period. Modest fluctuation was observed in household size and owner-occupied housing; however, the trend of greater renter occupied housing continues across the selected geography.

The immediate area of the Park also suffers from lower median and average household income in comparison to Fayetteville as a whole. In the half-mile to one-mile distance from the site, the median household income is \$20,037 annually. In comparison, Fayetteville, NC has a collective median household income of \$44,357. The higher median and average household incomes illustrated in the three-mile radius reflects income overlap from more affluent areas in the established circumference.

These data points further illustrate the need to connect residents in this district, particularly Oak Run Apartments, Delonas Gardens, and Azalea Manor, to the workforce ecosystem. Partnering with companies locating in the Park is a potential conduit to initiating such a goal. Geographically, the Hope VI residential redevelopment properties are located fully within the half to one-mile radius, of which more than 60% of the population is working age (20 – 54 years old).

This site is unique in being surrounded by a community with a high percentage of working age people, offering an opportunity to provide economic mobility for the neighborhood and a strong workforce for companies in the park.

2010 Household Summary | Fayetteville, NC²

	Radius from Centre City Business Park		
	1/2 Mile	1 mile	3 miles
Population	1,027	3,166	34,252
Households	144	1,163	14,720
Families	63	573	8,158
Average Household Size	3.4	2.1	2.2
Owner Occupied Housing Units	57	470	7,119
Renter Occupied Housing Units	87	693	7,601
Median Age	36.5	38.2	38.1

Source: U.S. Census Bureau and ESRI Business Analyst

2017 Household Summary | Fayetteville, NC

	Radius from Centre City Business Park		
	1/2 Mile	1 mile	3 miles
Population	937	3,108	33,342
Households	173	1,213	14,613
Families	78	590	7,945
Average Household Size	3.1	2.1	2.2
Owner Occupied Housing Units	68	451	6,482
Renter Occupied Housing Units	105	763	8,131
Median Age	37.4	39	39.2
Median Household Income	\$20,037	\$25,754	\$37,525
Average Household Income	\$32,471	\$39,066	\$57,272

Source: ESRI Business Analyst

2017 Household Income Distribution in Relation to Centre City Business Park | Fayetteville, NC

Income Groups	Radius from Centre City Business Park					
	1/2 Mile		1 mile		3 mile	
	Number	Percentage	Number	Percentage	Number	Percentage
<\$25,000	100	57.8%	591	48.7%	5010	34.3%
\$25,000 - \$49,999	42	24.3%	333	27.4%	3924	26.9%
\$50,000 - \$99,999	23	13.2%	200	16.5%	3464	23.7%
100,000+	8	4.7%	90	7.3%	2214	15.1%

Source: ESRI Business Analyst

²2010 Household Income data was not available for these specific geographies

2017 Age Distribution in Relation to Centre City Business Park | Fayetteville, NC

Radius from Centre City Business Park						
	1/2 Mile		1 mile		3 miles	
Age Range	Number	Percentage	Number	Percentage	Number	Percentage
0 - 14	84	8.1%	466	14.7%	6096	17.8%
15 - 19	86	8.4%	238	7.5%	2,692	7.9%
20 - 24	130	12.7%	291	9.2%	2,864	8.4%
25 - 54	531	51.7%	1397	44.0%	12973	37.9%
55 - 74	137	13.3%	569	18.0%	6804	19.9%
75+	58	5.6%	207	6.5%	2823	8.3%

Source: ESRI Business Analyst

2017 Race and Ethnicity in Relation to Centre City Business Park | Fayetteville, NC

Radius from Centre City Business Park						
	1/2 Mile		1 mile		3 miles	
Race and Ethnicity	Number	Percentage	Number	Percentage	Number	Percentage
White Alone	253	27.0%	851	27.4%	15,164	45.5%
Black Alone	619	66.1%	2,035	65.5%	15,050	45.1%
American Indian Alone	23	2.5%	62	2.0%	663	2.0%
Asian Alone	12	1.3%	44	1.4%	665	2.0%
Pacific Islander Alone	0	0.0%	2	0.1%	53	0.2%
Some Other Race Alone	7	0.7%	27	0.9%	596	1.8%
Two or More Races	22	2.4%	87	2.8%	1,151	3.5%
Hispanic Origin (Any Race)	30	3.2%	1188	3.8%	1,984	6.0%

Source: ESRI Business Analyst

FAYETTEVILLE ECONOMIC AND DEMOGRAPHIC ANALYSIS

Population Growth

The City of Fayetteville, NC has experienced modest population growth between 2010 and 2016.

City of Fayetteville, NC Population 2010 - 2016			
Year	Population	Change	% Change
2010	198,875		
2011	200,105	1,230	0.62%
2012	200,439	334	0.17%
2013	201,755	1,316	0.66%
2014	202,421	666	0.33%
2015	202,521	100	0.05%
2016	203,670	1,149	0.57%
Source: U.S. Census Bureau American Community Survey			

Employment by Industry

More than a quarter of the city's employed population works in educational services, healthcare, and social assistance (28%). This is followed by the retail trade (13%); arts, entertainment, and recreation; and accommodation and food services (12%). The collective percentage of these two categories illustrates more than 25% of Fayetteville's population works in service industries traditionally reflected as low wage occupations.

2012-2016 Employment by Industry Fayetteville, NC		
Industry	Employment	Percentage
Agriculture, forestry, fishing and hunting, & mining	170	0.2%
Construction	3,311	4.5%
Manufacturing	4,867	6.6%
Wholesale trade	1,063	1.4%
Retail trade	9,930	13.5%
Transportation and warehousing, and utilities	2,415	3.3%
Information	1,327	1.8%
Finance and insurance, and real estate and rental and leasing	3,090	4.2%
Professional, scientific, and management, and administrative and waste management services	5,898	8.0%
Educational services, and health care and social assistance	20,938	28.4%
Arts, entertainment, and recreation, and accommodation and food services	9,174	12.4%
Other services, except public administration	3,997	5.4%
Public administration	7,639	10.4%
Total	73,819	100%
Source: U.S. Census Bureau American Community Survey 2016		

An educated and skilled workforce is vital to sustaining a robust economy. More than 90% of Fayetteville's overall population possess a high school diploma or higher and more than 25% have obtained a bachelor's degree or greater.

2016 Educational Attainment Fayetteville, NC		
Population 18 to 24 years	28,528	
Less than high school graduate	2,610	9%
High school graduate	10,111	35%
Some college or associates degree	14,208	50%
Bachelor's degree or higher	1,599	6%
Population 25 years and over	126,011	
Less than 9th grade	3,515	3%
9th to 12th grade, no diploma	7,538	6%
High school graduate	30,051	24%
Some college, no degree	38,487	31%
Associate degree	14,244	11%
Bachelor's degree	20,884	17%
Graduate or professional degree	11,292	9%
Percent of overall population: high school graduate or higher		91%
Percent of overall population: bachelor's degree or higher		26%
Source: U.S. Census Bureau American Community Survey 2016		

Wage Trends by Industry

Although modest, 2017 annual average weekly wages (AAW) for Fayetteville show an increase in each industry sector in comparison to 2013 wages. The highest percentage growth was experienced in Finance and Insurance (25%), Construction (15%), Wholesale Trade (15%). Key industries such as Manufacturing (3%) and Transportation and Warehousing (3%) as a whole experienced less than 5% annual average weekly wage growth.

Industry Sector (NAICS code)	2013 Annual Average Weekly Wages	2017 Annual Average Weekly Wages	% Change Annual Average Weekly Wages
Utilities 22	\$ 1,094	\$ 1,215	11%
Construction 23	\$ 825	\$ 952	15%
Manufacturing 31-33	\$ 1,051	\$ 1,078	3%
Wholesale trade 42	\$ 876	\$ 1,008	15%
Retail trade 44-55	\$ 474	\$ 501	6%
Transportation and warehousing 48-49	\$ 758	\$ 784	3%
Information 51	\$ 852	\$ 864	1%
Finance and insurance 52	\$ 917	\$ 1,146	25%
Real estate and rental and leasing 53	\$ 689	\$ 732	6%
Administrative and waste services 56	\$ 562	\$ 586	4%
Educational services 61	\$ 701	\$ 758	8%
Health care and social assistance 62	\$ 672	\$ 737	10%
Arts, entertainment, and recreation 71	\$ 294	\$ 296	1%
Accommodation and food services 72	\$ 261	\$ 282	8%
Other services, except public administration 81	\$ 544	\$ 622	14%

Source: US Bureau of Labor Statistics, Quarterly Census of Employment and Wages

ECONOMIC SECTOR ANALYSIS

This section analyses Fayetteville's residential, commercial, and industrial sectors to better understand the city's market dynamics. Most importantly, this data provides an understanding of potential development opportunities for Centre City Business Park based on market opportunity in each of these sectors.

Residential

Market data reveals that housing vacancy in Fayetteville, NC has increased since 2000. Vacancy was at 8.7% at that time. In 2017, the percentage rose to 13.7% with a projection of 15.7% in 2022. This trend has continued even as the number of housing units in Fayetteville has increased from 77,631 (2000) to 93,291 (2017) with a projected total of 97,468 units in 2022.

The percentage of owner occupied housing units versus the percentage of renter occupied housing units has also continued to decrease. In 2000, the 49.4% of units were owner occupied versus 41.9% renter occupied. In 2010, the numbers reflected as 45.2% owned and 44.7% rented. Last year (2017), the residential dynamic changed with 40.2% owned and 46.1% rented.

The increase in residential property Fayetteville despite increasing vacancy rates, could be explained by the transition of residents to new multifamily housing options and abandonment

of substandard housing units. This can also account for the greater percentage of renter occupied units in comparison to owned.

It is recommended to allow the market to absorb some of the vacancy of new inventory. Officials should be mindful of affordable housing units.

Commercial

The commercial market of Fayetteville was analyzed using ESRI Retail MarketPlace analysis of North American Industry Classification System (NAICS) codes for the retail trade and food and drink industries; Fayetteville claims 1,661 respective establishments in these industries. The aggregate data has been used to highlight the market demand (or retail potential) and market supply (or retail sales) for the city's overall retail sector. The city currently possesses a surplus in supply of establishments in the retail trade and food and drink categories—netting a surplus of 25% or greater in each. This indicates that Fayetteville draws consumers into the area for spending in these categories.

A total of 14 industry groups and 26 related subgroups were categorized and aggregated under the retail trade and food and drink NAICS codes. These categories were:

Commercial Sectors Reviewed
Motor Vehicle & Parts Dealer
Furniture & Home Furnishing Stores
Electronics & Appliance Stores
Building Materials, Garden Equipment, & Supply Stores
Food & Beverage Stores
Health & Personal Care Stores
Gasoline Stations
Clothing & Accessories Stores
Sporting Goods, Hobby, Book & Music Stores
General Merchandise Stores
Miscellaneous Store Retailers
Nonstore Retailers
Food Services & Drinking Places
Restaurants/Other Eating Places

Out of these industry groups there were only eight instances of market leakage.

Fayetteville, NC Retail Market Leakage	
Industry Group & Subgroup	Leakage Value
Motor Vehicle & Parts Dealers: Other Motor Vehicle Dealers	\$17,989,886
Building Materials, Garden Equipment & Supply Stores: Lawn & Garden Equipment and Supply Stores	\$4,498,530
Food & Beverage Stores: Specialty Food Stores	\$4,325,980
Food & Beverage Stores: Beer, Wine, & Liquor Stores	\$2,269,275
Miscellaneous Store Retailers	\$5,566,006
Miscellaneous Store Retailers: Other Miscellaneous Retailers	\$17,625,156
Nonstore Retailers: Electronic Shopping & Mail-Order Houses	\$14,172,070
Food Services & Drinking Places: Special Food Services	\$1,166,639
Source: ESRI Retail MarketPlace	

While the NAICS code analysis of the commercial market does indicate market leakage, it does not demonstrate the potential for retail development to serve as a catalyst for development of Centre City Business Park or the surrounding community. In context of this project, investments to support a robust and diversified retail sector provide the greatest economic multiplier when invested in downtown less than a mile north of the site. As the strength of downtown Fayetteville grows, the area may be better positioned to absorb residual growth in years to come.

Traffic Count

Strong vehicular and foot traffic is a top site location criterion for traditional retail. For commercial establishments, while traffic does not guarantee a transaction, it does represent a potential sale thus underscoring the desire of retailers to locate along high traffic corridors.

Gillespie Street serves as the primary thoroughfare in the study area and lacks this defining retail characteristic. As illustrated in the chart below, there has not been a significant uptick in traffic between 2008 and 2016. As concluded in previous reports such as MKSK Thomas Point Associates' "Market Analysis of Hope VI Business Center", the corridor's traffic volume is too low to support traditional retail.

Centre City Business Park Area Traffic Count

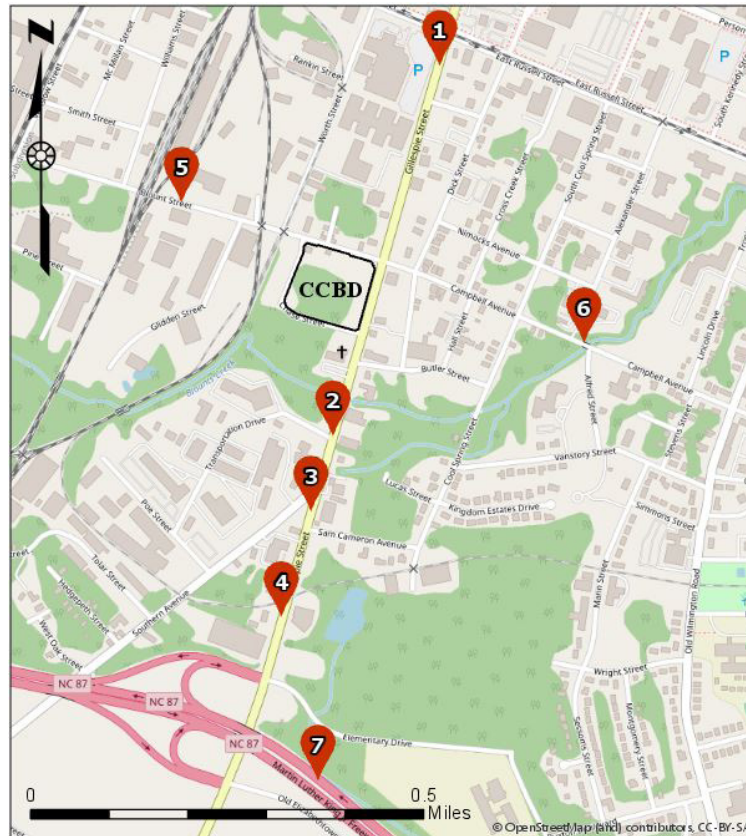
Map	Location	2008	2010	2012	2014	2016	# Growth	% Growth
1	Gillespie @ Halliday St	9,600	9,900	11,000	9,800	9,800	200	2%
2	Gillespie @ Transportation Dr	9,700	11,000	12,000	10,000	11,000	1,300	13%
3	Gillespie @ Southern Ave and Sam Cameron Ave	5,700	5,900	6,500	5,600	5,800	100	2%
4	Gillespie @ Hinsdale St	6,100	5,900	5,800	5,200	6,100	0	0%
5	Blount St	N/A	N/A	N/A	3,100	3,700	600	19%
6	Campbell Ave	N/A	N/A	N/A	2,700	3,600	900	33%
7	NC 87 – MLK Jr Freeway	18,000	22,000	21,000	20,000	25,000	7,000	39%

Source: NC DOT - Urban-Area Traffic Volume Maps - Fayetteville

<https://connect.ncdot.gov/resources/State-Mapping/Pages/Urban-Area-Traffic-Volume-Maps.aspx>,

Accessed August, 2018

Centre City Business Park Area Traffic Count - Reference Map



Additionally, the demographic profile encompassing the site demonstrates low residential density and low spending profiles (see Site Demographics section for more detail). This low density limits the number of “potential customers” within a given mile radius. In contrast, Fayetteville’s more established shopping corridor locations coincide with throughfares with high/medium traffic counts and varying demographic profiles (see Map Appendix, “Major Shopping Areas in Relation to Center City Business Park”).

Industrial

The Fayetteville Economic Development Corporation’s (FEDC) Buildings & Sites Inventory website was used to evaluate the market supply of industrial property. Twenty-three vacant properties were identified with a range of operational uses including: manufacturing, warehouse, distribution & logistics, flex space, etc. These properties provide the Fayetteville industrial market with 1,513,224 SF of vacant space.

See Appendix I: Tables for detail on available industrial spaces.

Different operations have various requirements such as ceiling heights (high, medium, or low), air-conditioning, and floor thickness, among other characteristics. Others may necessitate different floor plan configurations which can be supported by the ability to subdivide based on the scale of the operation (start-up, established, expanding). While industrial users prefer existing buildings to reduce costs and operational lead time, retrofitting is not always feasible. Recognizing these factors, the industrial inventory was further categorized by ceiling height and year built.

More than half of Fayetteville’s vacant inventory was constructed prior to 1990. Twenty nine percent of its inventory has a ceiling height less than 18 feet—the recommended minimum height for industrial projects. Of the nine subdividable properties available (965,944 SF), seven were built before 1990, five have low ceiling heights (below 18 feet), six had square footage in excess of 20,000 SF. This provides a market opportunity to provide new construction industrial space with a ceiling height of 18’ or higher and smaller footprints (20,000 SF or less). This would provide start-up space for companies and best utilize the smaller acreage of the Centre City Business Park.

Available Square Footage by Ceiling Height	
Ceiling Height in Feet	Available SF
8'	38,593
10'	8,472
10' - 16' (variable height property)	14,000
12'	16,720
13'	80,500
14'	70,447
16'	203,536
18'	94,714
20'	35,847
22'	18,339
24'	484,960
26'	447,096
Total SF	1,513,224

Available Square Footage by Construction Year	
Construction Year	Available SF
2011 – present	30,516
2001-2010	35,020
1991-2000	371,400
1981-1990	16,720
1970-1980	672,410
Prior to 1969	373,158
Year Unknown	14,000
Total SF	1,513,224

A business park consisting of flex space is a compatible fit with the industrial nature of the Centre City Business Park area. Although there is surplus industrial inventory in Fayetteville, this development will represent newer construction with protective covenants to ensure the integrity of the development and compatible future uses. This construction type will also serve as a more integrated transition between the commercial, residential, and heavy industrial zones on the Gillespie Street corridor. The tenant mix within Centre City Business Park should be cluster-based to encourage synergy among locating firms.

CASE STUDY

Union Square Campus | Greensboro, NC



Source: <http://www.unionsquarecampus.org/>

Union Square Campus represents a remarkable partnership between the City of Greensboro, Cone Health, Guilford Technical Community College, NC A&T, and UNC Greensboro. This public-private partnership has proven to be an innovative way for Greensboro leaders to strengthen the workforce of one of the city's prominent economic sectors, healthcare. Leaders also encapsulated the workforce development concept of career ladders via offering coursework supporting degree attainment from an associate's – doctorate degree. The state-of-the-art training facility now provides instructional space for the universities' respective health field programs and for Cone Health functions. All three universities and Cone Health are tenants of the complex.

The inception of the Union Square Campus emerged from community leaders' recognition that the area would face a shortage of qualified healthcare professionals in the near future. Cone Health, one of Greensboro's largest employers and health systems, began connecting with area universities to explore curriculum opportunities. The City of Greensboro further facilitated the process by offering land to construct the training facility. The site had previously been submitted through an EPA brownfield remediation process. The City has also completed a streetscape project further adding to the attractiveness of the area.

The redevelopment of the site to accomplish workforce and economic development goals was strategic. Union Square Campus sits at: an ending node of downtown; a transitioning and prominent commercial corridor; and a vital gateway into the city. The infill project has spurred redevelopment of the area and has better connected the area to downtown Greensboro. Its central location has also contributed to new construction startups and renovations along the corridor to the east and west. This project complements and furthers the Gate City Boulevard Corridor Redevelopment Plan.

This endeavor has transferable elements for the Centre City Business Park property as well. In collaboration with Fayetteville Technical Community College and Fayetteville State University, the City of Fayetteville has an opportunity to adopt this concept to a cluster specific industry—enhancing Fayetteville’s talent pipeline—and reinforcing workforce development.

RECOMMENDATIONS

Centre City Business Park holds redevelopment potential for the City of Fayetteville. Essential to unleashing the site’s potential will be developing partnerships with community stakeholders such as: institutions of higher education, the Fayetteville Cumberland County Economic Development Corporation, elected officials, local industry, and neighborhood residents. Reflecting on the value of such partnerships, city officials should host public feedback sessions to share its plan with the community and identify opportunities to incorporate feedback in the development process. The following recommendations for the site are offered based on the analysis within this report and review of existing planning documents.

1. Develop Centre City Business Park as flex industrial space.

Flex space provides greater opportunity for diversity in tenant mix. Additionally, it positions the portfolio to more readily adapt to market changes. An opportunity exists to nurture emerging businesses and to strengthen business activity among Fayetteville’s industry cluster: defense contractor support; innovative manufacturing; food processing; logistics; and business and financial services.

2. Adopt covenants to protect the integrity of the business park.

The built environment and existing land use regulations surrounding Centre City Business Park permits a variety of uses with varying degrees of compatibility with the proposed development. The City of Fayetteville should adopt covenants on the property to signal to potential investors their investment will be secured with compatible uses and uniform building features. Covenants should be drawn with input from potential investors and stakeholders such as the Fayetteville Cumberland County Economic Development Corporation to ensure the final guidelines are pro-business in intent and adoption.

3. Rezone the property with the compatible zoning designation

Zoning is a foundational site selection criterion. While a standard process, rezoning can provide uncertainty to a project with regard to political feasibility, the jurisdictional process and timeframe, and project timeline to name a few. All of these considerations can negatively impact a development by adding additional financial and time considerations to the project.

“Business permitting procedures and costs” and “zoning policies” were negatively cited by Garner Economics in its 2012 “A Blueprint for Success: A Holistic Economic Development Strategy for Fayetteville and Cumberland County, NC” as a government impact on business. The City of Fayetteville should move forward with rezoning the property for uniform usage, adopting a use compatible with its intent to develop the property as a business park. Such action removes barriers of entry and signals the city’s readiness to move forward with redevelopment of the Hope VI site.

Given the site constraints (presence of wetlands and small parcel size), officials should advocate for greater zoning density (3 or more stories) to maximize the city's dividend for site investment. The Park's close proximity to downtown is a logical justification for greater density. While multi-stories do not work for traditional industrial users, the greater density provides outside storage space traditionally excluded from downtown zoning districts. Office operations can utilize the upper floors, preserving the ground floor for light manufacturing or distribution.

4. Acquire additional adjacent properties to site

While adopted covenants within the Park will maintain the integrity of the development, redevelopment of the site represents an opportunity for greater corridor improvement; such investment represents a prudent step to not only protect investment, but to also encourage economic growth in the surrounding neighborhood.

Additionally, acquisition of key parcels provides Fayetteville with greater control over proposed neighborhood development and increases its ability to maintain compatible land usage over the traditional rezoning process. Key parcels include property along Blount Street across from the EE Smith House and along Gillespie Street across from the park.

5. Provide façade grants to Gillespie corridor businesses to make cosmetic improvements to building sides visible from the street; in combination, increase enforcement of city community appearance and nuisance ordinances.

Private investment alone will not reinvigorate the Centre City Park vicinity. This is evidenced twofold. First, public and private investment in downtown merely 2 blocks away has created a renaissance in the center city. As a result of direct investment, market rates in the general area traditionally increase, encouraging developers to identify proximate undervalued parcels for redevelopment opportunities. However, these market activities have not translated to sustainable investment in the area surrounding Centre City Business Park. This is evidenced by the vacant commercial building at the corner of Gillespie Street and Campbell Avenue. The individual who built this complex did so to reinvest in this part of the community; however, the market has not sustained the investment. It has been vacant since its construction.

Fayetteville can take incremental action to change perception of the neighborhood and build market interest. An example, would be to provide facade grants for storefront improvements to existing commercial establishments along the Gillespie corridor. The city should also explore establishing official boundaries for a community improvement district protected by a zoning overlay. Combined with changes in market forces, improvements in neighborhood demographics, these actions signal to prospective developers a strategic growth opportunity in an undervalued market. Such actions to promote "Community Appearance and Image" are also referenced in the "2030 Growth Vision Plan: Policies and Actions." Streetscaping and other placemaking activities will serve to better integrate Centre City Business Park with a younger workforce and millennial residents downtown which prefer walkable amenities as opposed to traditional isolated business parks.

6. Maintain and enrich the community connection to the onsite historic EE Smith House in future development through community partnerships

As planning for site development progresses, it is important for city leaders to recognize and honor the historic significance of the E.E. Smith home and its cultural ties to the greater community. Usage of the property should complement the activities of Centre City Business Park and maintain the property as accessible to the public. The “Historic Tours of Old Fayetteville by Horse and Carriage” featuring the E.E. Smith home with onsite commentary by city historian Bruce Daws is a great example of community accessibility. Consider allowing the City’s Parks & Recreation Department to manage the property and its associated reservation process can removed perceived barriers of access by local citizenry. Parks and Recreation departments are perceived as ambassadors for access and inclusion.

The home is a conduit to build community capacity long-term. First, the property has potential to serve as a workforce training facility for companies located within the Park through partnerships with Fayetteville Technical Community College (FTCC) and Fayetteville State University (FSU). Further strengthening the “town-gown” relationship, these partners could use the property as a base to begin a hybrid apprenticeship program connecting the Hope VI housing residents to the workforce development ecosystem and Park companies. This provides a sustainable talent pipeline for companies located in the park and offers skills and credentials to unemployed or underemployed neighbors.

7. Actively explore programming opportunities with Fayetteville State University and highlight the campus’s historic connection to the EE Smith Home.

The Downtown Renaissance Plan recognizes “institutions” as a Vision Component. The Plan also called for greater interaction with Fayetteville State University and its students in downtown activities and development. Two such references were for “adaptive reuse of downtown buildings” and for “curricula-related startup opportunities.” Conversations with staff at Fayetteville State University have identified a strong willingness to partner with the City of Fayetteville to provide programming to the surrounding Hope VI community and to utilize the EE Smith Home to offer entrepreneurial courses to citizens. Such economic and educational opportunity may resonate more readily with certain community members than traditional certificate or associate’s and bachelor’s programs.

8. Connect economic development, workforce development, and community development.

The shepherding of Fayetteville’s Hope VI redevelopment initiative by the city’s Community and Economic Development Department positions the project uniquely to capitalize on economic development, workforce development, and community development resources. Honoring these linkages provides a sustainable redevelopment opportunity to create a pathway to economic mobility for residents in the Oak Run, Delonas Gardens, and Azalea Manor Apartment communities and surrounding neighborhoods.

APPENDIX I: TABLES

Available Industrial Spaces						
Building	Address	Building Type	Square Footage	Subdivide	Year Built	Ceiling Height*
I-95 Distribution Center	107 Tom Starling Rd	Industrial	435,096	Yes	1974	26'
Maidenform Distribution Center	800 Technology Dr	Industrial, Warehouse & Distribution	259, 960	No	1992	24'
Fayetteville Business Park	3036 Gillespie St	Industrial	225,000	Yes	1967	24'
Rock Hill Road Building	159 Rock Hill Rd	Industrial	81,314	Unknown	1978	18'
Great American Market Place	4909 Raeford Rd	Flex Tech, Other, Retail, Commercial	79,000	Yes	1975	16'
Fayetteville Manufacturing Building	100 Ivan Dr	Industrial	75,000	Yes	1964	13'
NFI Flex Building	4525 Campground Rd	Commercial (Office, warehouse, flex space)	51,000: 14,895 - Office 21,000 – Warehouse 15,000 – Flex	Yes	1974	14'
Bordeaux Medical Center	1738 Owen Dr	Commercial, Office, Flex Tech	38,593	Yes	1998	8'
Hope Harbor Building	222 Dedication Dr	Industrial, Warehouse & Distribution	37,000	No	1992	16'
Vic West Building	810 Tom Starling Rd	Industrial	35,847	No	1998	20'
Harrelson Building	2810 Procurement Cir	Warehouse & Distribution, Industrial, Flex Tech, R & D, Office, Retail	30, 516	Yes	2017	16'
USA Tires Building		Warehouse & Distribution, Commercial, Office	26,000	No	1972	16'
Southern Ave Fayetteville Warehouse Storage	902 Southern Ave	Warehouse & Distribution	20,000	Unknown	1900	16'
Owen Drive Warehouse	2858 Owen Dr	Warehouse & Distribution	16,720	No	1981	12'
McPherson Church Flex	504 N. McPherson Church Rd	Commercial	14,000	Unknown	Unknown	10-16'
Hondros Building	641 Gillespie St	Industrial	13,400	Yes	1955	18'

Matthews Warehouse	201 Reilly Rd	Industrial	12,000	No	2005	26'
Buie Ct Flex	325 Buie Ct	Commercial, Office	12,000	No	2010	14'
Mid South Warehouse Building	826 Shannon Dr	Warehouse & Distribution	18,339	Yes	1966	22'
Day & Night Building	552 E. Russell St	Warehouse & Distribution	11,020	Unknown	2005	16'
Harrell's Warehouse	1122 Gillespie St	Warehouse & Distribution	8,472	No	1940	10'
Coble Dairy Building	1234 Ramsey St	Industrial	7,447	No	1961	14'
R Sweeney Warehouse	2236 Southern Ave	Warehouse & Distribution	5,500	No	1969	13'
Total SF			1,513,224			

*Utilized building eaves height, and classified building type opposed to zoning type

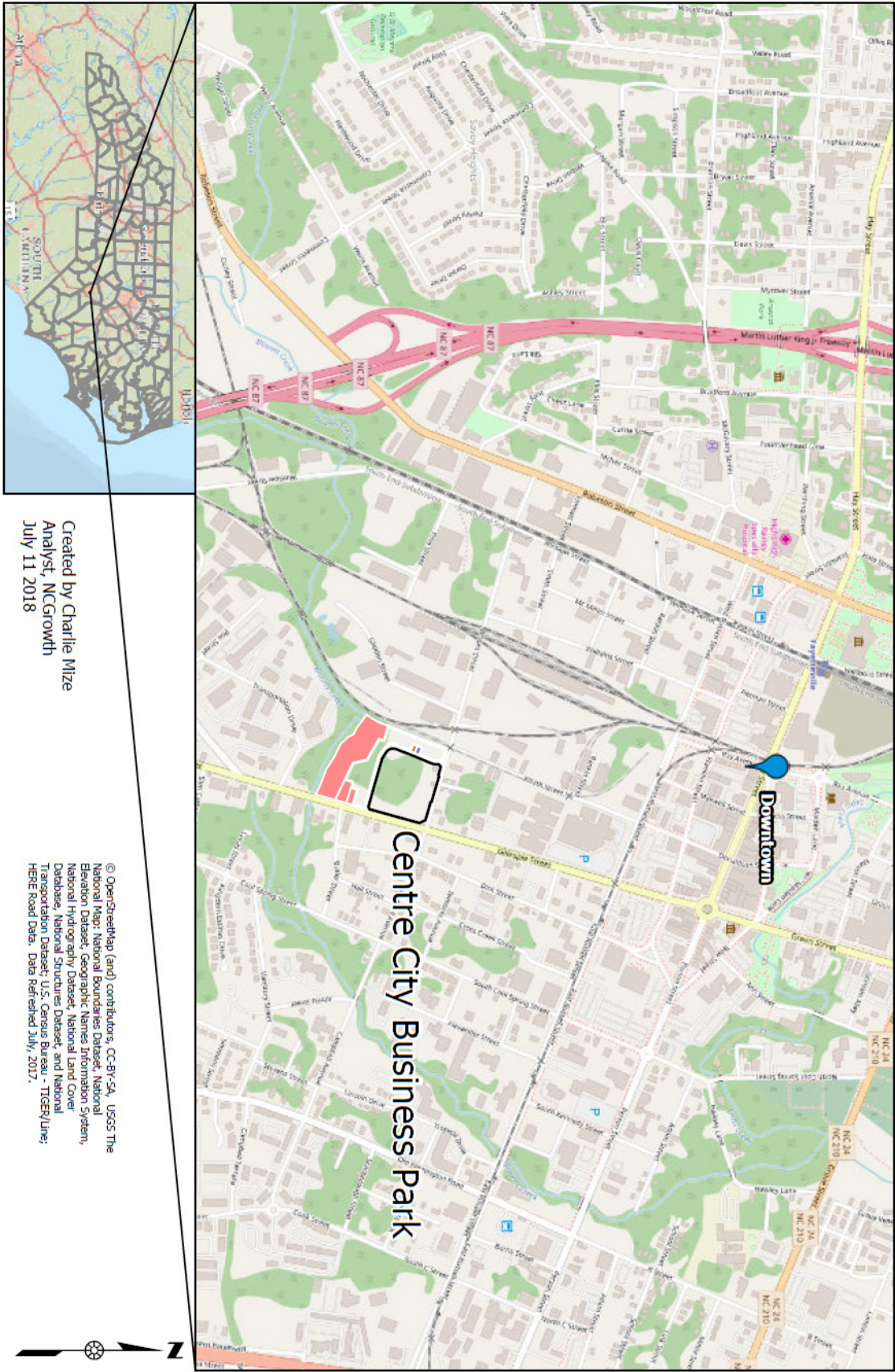
Source: Fayetteville Economic Development Corporation,

<http://www.fayedc.com/sites-buildings/industrial-buildings/>,

Accessed August, 2018

APPENDIX II: MAPS

Location of Centre City Business Park,
Fayetteville, NC



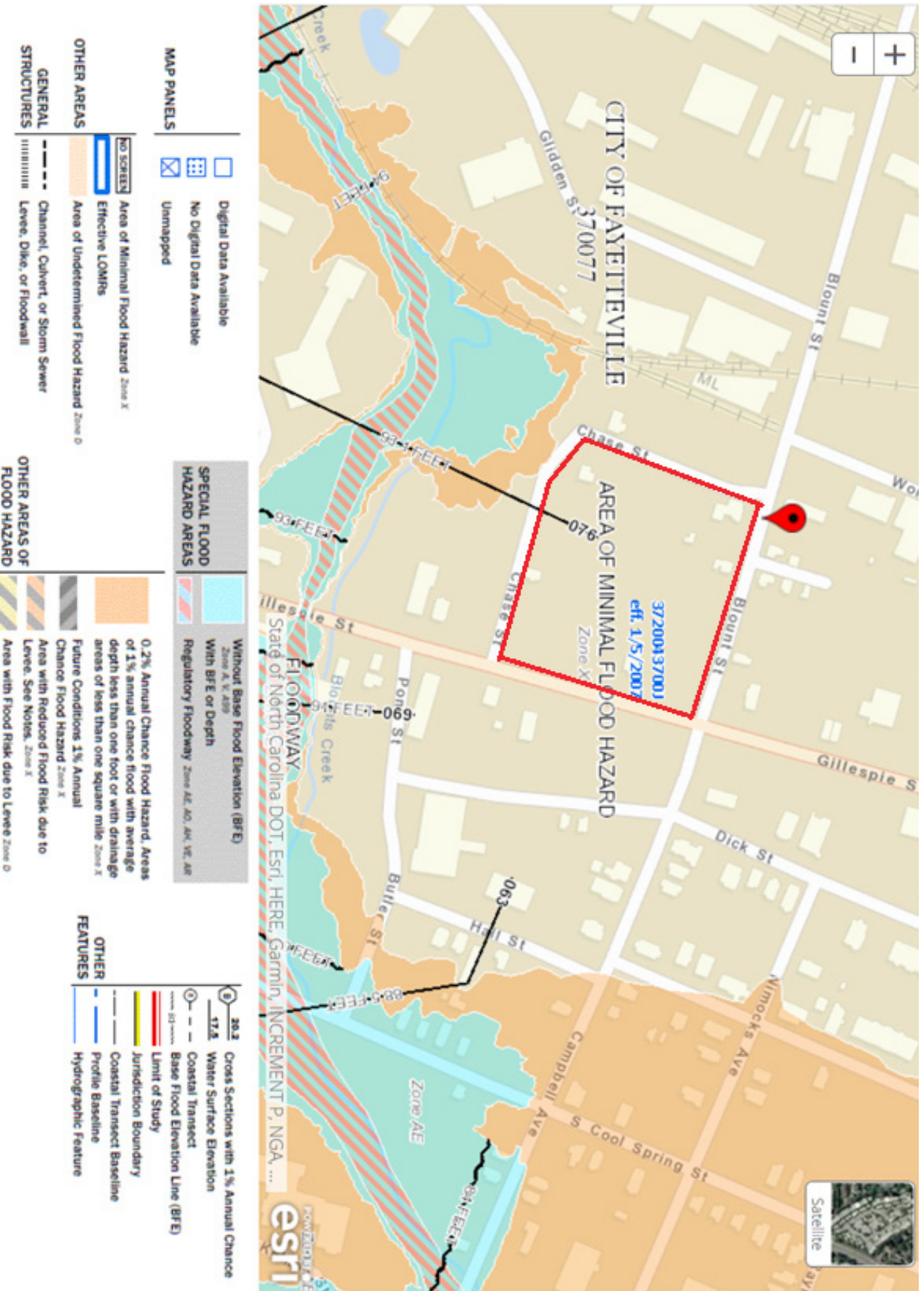
Non-City Property Owners

- ## E. F. Smith House

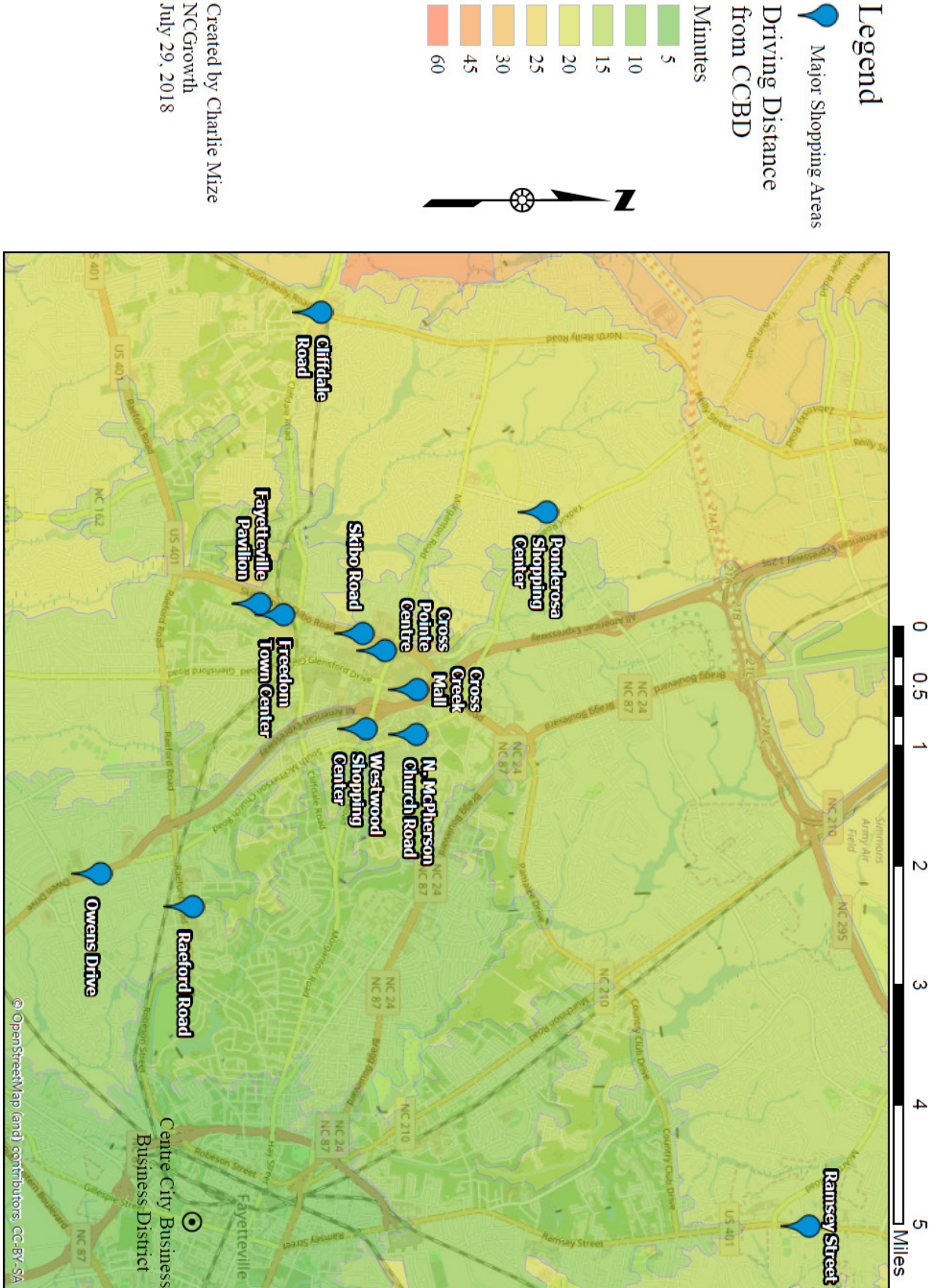




Flood Risk at Centre City Business Park Site Fayetteville, NC



Major Shopping Areas in Relation to Centre City Business District



Created by Charlie Mize
NCGrowth
July 29, 2018



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