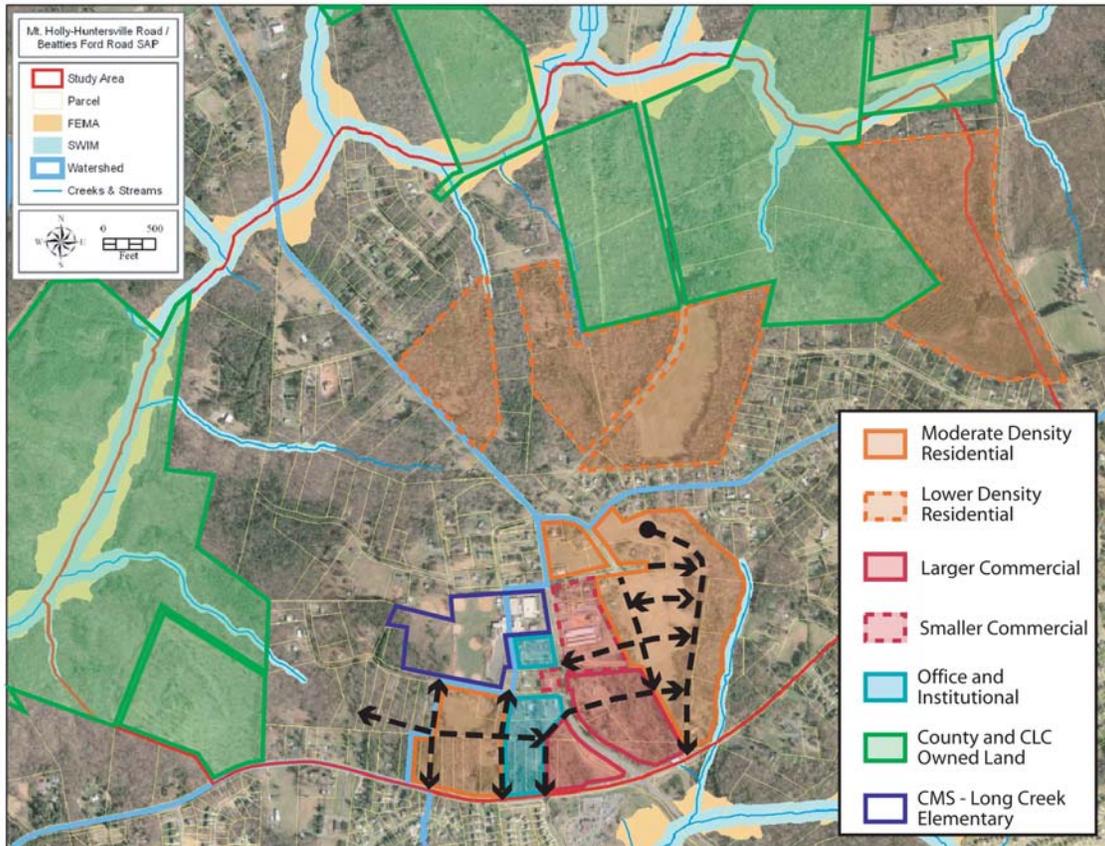


BEATTIES FORD ROAD & MT. HOLLY-HUNTERSVILLE ROAD SMALL AREA PLAN



**TOWN OF HUNTERSVILLE
OCTOBER 2005**

**TOWN OF HUNTERSVILLE
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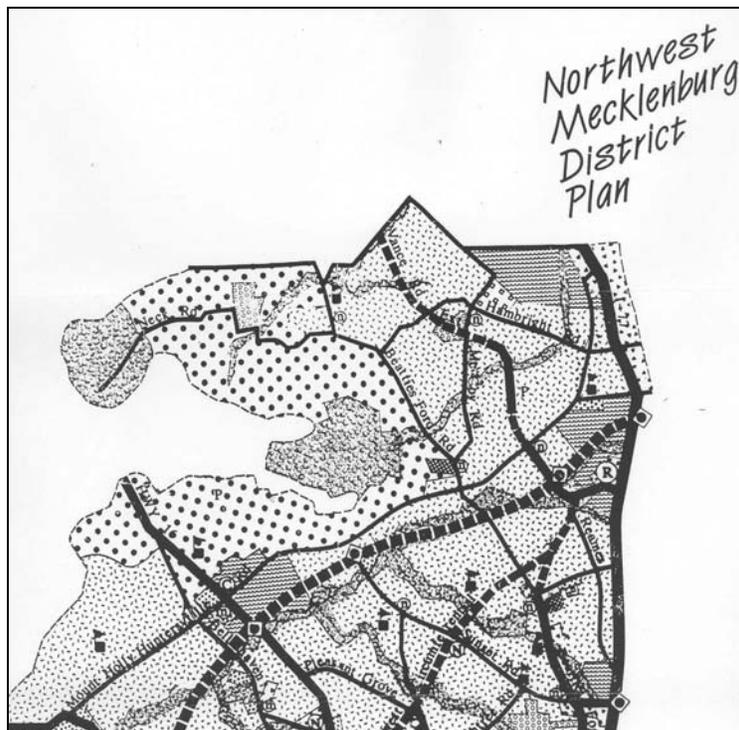
THE LITTLEJOHN GROUP

OVERVIEW

The intersection of Beatties Ford Road-Mt. Holly-Huntersville Road is located in the southwest quadrant of Huntersville's zoning jurisdiction immediately north of the City of Charlotte. This area is located within the Long Creek community. Properties around the Long Creek area are undergoing significant changes that will have a profound impact on the community in the near future. These changes include construction of the I-485 outer beltline, scheduled to open in 2007, and the opening of the Northlake Mall at the interchange of I-77 and I-485, in September 2005. The cumulative effect of these changes has highlighted the need for a long-range plan to guide future development in this area.

Mecklenburg County Commissioners and the Charlotte City Council, prior to Huntersville zoning jurisdiction being extended to the area, adopted the most recent long-range plan for the area in 1990 (see Northwest Mecklenburg District Plan map below). That plan called for residential development at a density less than 4 units per acre at the intersection of Beatties Ford Road and Mt. Holly-Huntersville Road; neighborhood convenience commercial (approximately 50,000 sq. ft) on the east side of Beatties Ford Road and McCoy Road and institutional use at Long Creek Elementary School.

Map 1



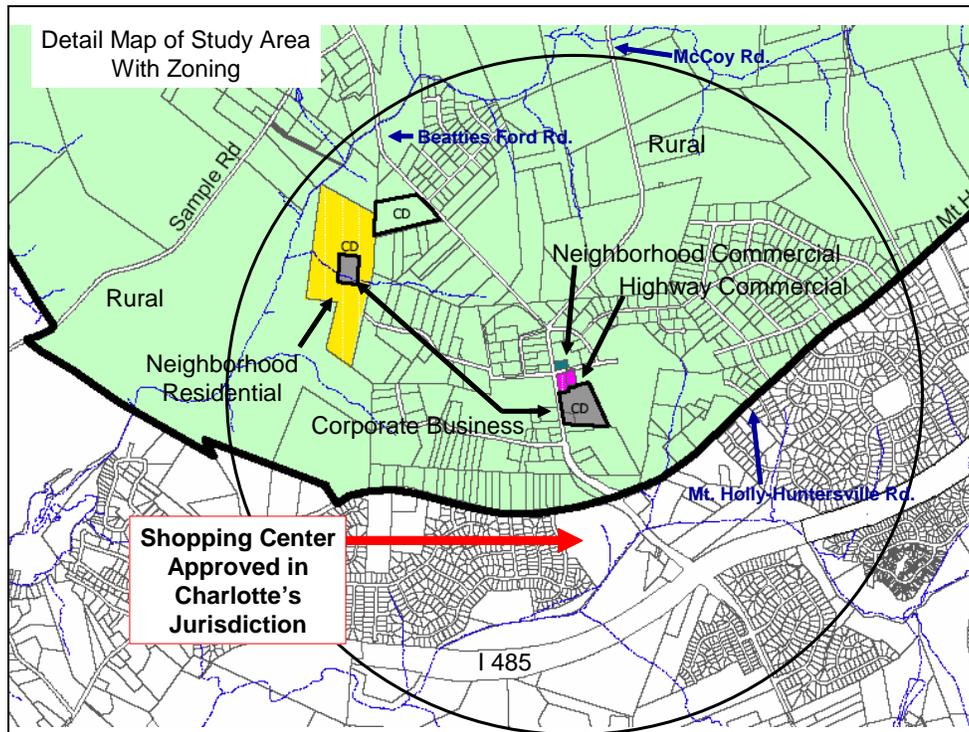
1990 Northwest District Plan adopted by Charlotte and Mecklenburg County

When Huntersville initially took over zoning jurisdiction in the area in the late 1990's, the intersection was zoned Open Space (OPS), a zoning designation allowing residential development at a density of 2.5 units per acre. In February 2003, the Town of Huntersville zoned properties surrounding the intersection Rural, a residential zoning designation with a maximum density of 1.2 units an acre after accounting for

environmental constraints (i.e. wetlands, steep slopes, etc.) and providing 45% open space.

Over the years, the Town of Huntersville has been approached numerous times by people inquiring about rezoning the intersection of Beatties Ford Rd.-Mt. Holly-Huntersville Rd. to commercial use. Since the 1990 long-range plan for the area recommended residential at that intersection, those requests were not greeted with enthusiasm.

Map 2



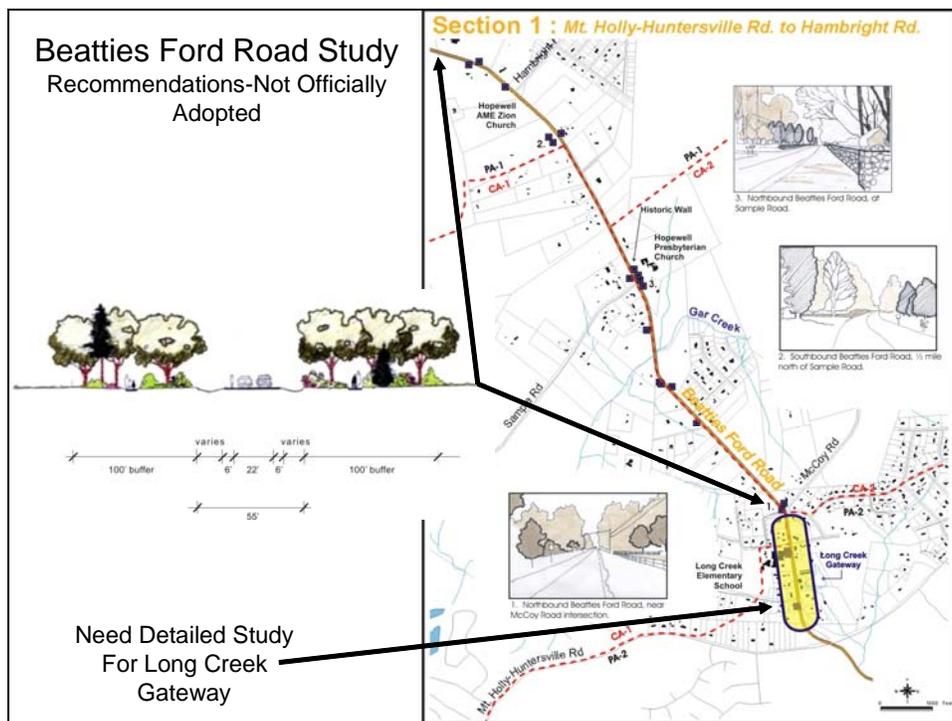
In 2002, the Town of Huntersville started both the Vance Road Alignment Study and the Beatties Ford Road Protection/Enhancement Strategy Plan. Vance Road is intended to provide the major north-south movement on the western side of Huntersville thereby allowing Beatties Ford Road to be preserved, protecting its historic character. It is essential the Town of Huntersville pursue the extension of Vance Road in order preserve the quality of life for those living near Beatties Ford Road and to protect its character Below is a map of the Mecklenburg-Union MPO Thoroughfare Map showing the relationship of the proposed extension of Vance Road and Beatties Ford Road. The map also shows Mt. Holly-Huntersville Road is designated as a major thoroughfare (heavy dark line) and Beatties Ford Road is designated as a minor thoroughfare (smaller dark line).

Map 3



Although the Beatties Ford Road Protection/Enhancement Strategy Plan has not been officially adopted, the study recognized a need for a detailed plan for the area near the intersection of Beatties Ford Road and Mt. Holly-Huntersville Road with significant involvement of landowners and residents of the area. Below is a map from the Beatties Ford Road Preservation Study containing the recommendation for a more detailed study in the Long Creek community.

Map 4



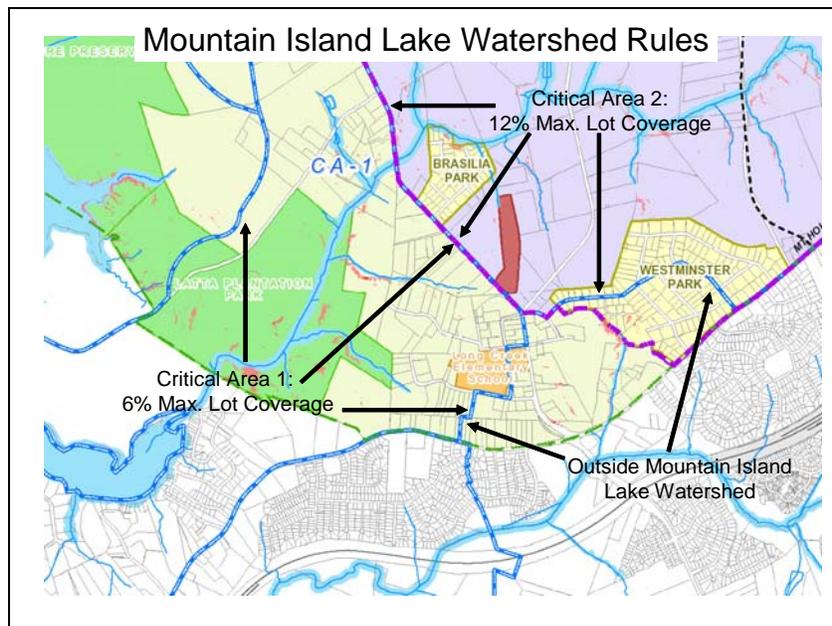
Given the growing pressures in Huntersville and Charlotte to rezone property at the intersection of Beatties Ford Road and Mt. Holly-Huntersville Road to commercial, both communities began to investigate a joint planning effort to update the 1990 Northwest District Plan in order to provide guidance when considering rezoning requests. The City of Charlotte decided not to pursue a joint planning effort in 2003 when they rezoned the southwest corner of Beatties Ford Road and Mt. Holly-Huntersville Road to a conditional use shopping center zone (see Map 2).

Though Charlotte decided not to pursue a joint study of the area, the Town of Huntersville still needed to undertake a study of the Long Creek community in order to update the 1990 Northwest Mecklenburg District Plan. However, since Charlotte was no longer a financial partner in the study, the Town of Huntersville faced a shortfall in funding the project. Shortly after the City of Charlotte dropped out, Charis Properties, a private sector firm with property interests in the area, provided the Town of Huntersville with the additional funds to prepare the Beatties Ford Road-Mt. Holly-Huntersville Road Small Area Plan. On June 7, 2004 the Town of Huntersville Board of Commissioners authorized the preparation of the small area plan.

EXISTING ENVIRONMENTAL CONSTRAINTS

A significant environmental constraint exists in the Long Creek community in that a large portion of the area is located in the Critical Watershed Area 1 and 2. Map 5 below shows the location of Critical Watershed 1 (CA-1 with 6% maximum lot coverage) and Critical Watershed 2 (CA-2 with 12% maximum lot coverage). The area immediately around the intersection of Beatties Ford Road and Mt. Holly-Huntersville Road is not located within a critical watershed and therefore is not constrained by the Mountain Island Lake Watershed lot coverage limitations.

Map 5



THE PROJECT PROCESS

The Town of Huntersville contracted with Warren and Associates to prepare a market study of the area in order to ensure the long-range land use recommendations were viable given market conditions. The Executive Summary of the market analysis is available in the appendix of this report. Major findings of the market study include:

- Zoning and watershed regulations will limit the number of residential rooftops.
- Apartments are feasible by the year 2015 (approximately 150-200+/-).
- Long Creek Elementary needs to be the focal point to build for-sale residential value and mixed use.
- There is an opportunity for large lot single family homes in the study area (45-60+/- by the year 2015).
- New school design needs to have high visibility crosswalks connecting to planned development.
- Future retail should focus on Mt. Holly-Huntersville Road to capitalize on regional retail centers (approximately 25,000-50,000 sq. ft. without a major anchor by the year 2015).
- There is office potential for small business owners & entrepreneurs (approximately 25,000-50,000 sq. ft. by the year 2015).

Gemini Studios (David Walters and Warren Burgess) was hired by the town to work with landowners and town officials in creating a realistic long-range vision of the area given market conditions. After reviewing results of the market study and being provided an analysis of existing conditions, Gemini Studios provided several alternatives for development that were presented at a public meeting on October 25, 2004. Approximately 90 landowners and interested citizens attended the meeting where they were given an overview of the market study, a review of existing conditions, and an



October 25, 2004 Citizen Meeting at Long Creek Elementary School

explanation of development alternatives. Those in attendance provided feedback on the various development alternatives presented. Based on citizen input from that meeting, Gemini Studios made refinements to the recommendations, which were presented at a second public meeting held on February 17, 2005. Approximately 88 landowners and interested citizens attended the second meeting at Long Creek Elementary School. Results from the second public meeting were presented to the Huntersville Board of

Commissioners at a pre-meeting work-session on May 2, 2005. At that meeting, the Board expressed a desire for the plan to reflect lower residential development intensity in the village portion of the study area across from Long Creek Elementary School in keeping with the historic low-density residential development of Long Creek.

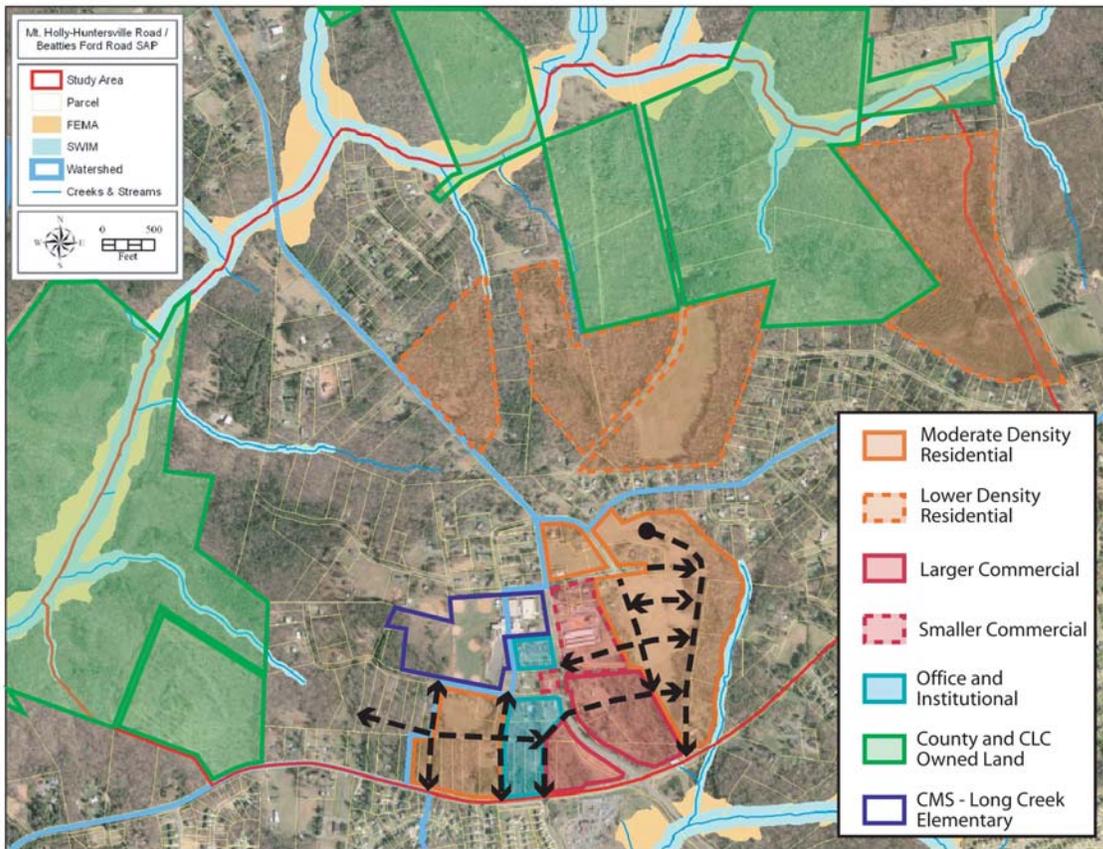
RECOMMENDATIONS

The concept of this Small Area Plan is to create a new low intensity “urban village” focused around the Long Creek Elementary School, which is slated for major reconstruction over the next few years. The school site is largely constrained by Mountain Island Lake Watershed regulations (CA-1) which means that the enlarged and rebuilt school will most likely need to occupy a two-story building on that part of school land not included in the watershed and nearest to Beatties Ford Road.

Similarly, the portion of the study area occupied by the MIL-O Critical Areas 1 and 2 should be developed as very low density, single-family residential uses that will respect the goals of the watershed regulation. Very low-density residential development of less than one unit per acre is consistent with the sensitive environmental nature of the area. Further, development must avoid promoting high-speed cut-through traffic in existing and proposed residential neighborhoods. This residential development will also help to establish market demand for the commercial uses focused at the “Long Creek Village” portion of the study area.

Development pressure at the intersection of Beatties Ford Road and Mt. Holly-Huntersville Road is mounting. The northeast quadrant of this intersection is under active consideration by a developer for a retail development anchored by a grocery store. A conditional rezoning petition (R to Highway Commercial-Conditional District) has been filed with the Town of Huntersville for the northeast quadrant project site but has been put on hold pending notification of the developer. The land on the east of Beatties Ford Road near the intersection with Mt. Holly-Huntersville Road has great development potential, and is held by only a few owners, most of whom have expressed interest in developing their land in conjunction with a well-organized development plan. There is a pending conditional rezoning request for several parcels in this quadrant from R to Highway Commercial-Conditional District for a convenience store with gas sales and offices.

A key design element of this Small Area Plan is the extended street network. This network is intended in part to mitigate the congestion along Beatties Ford Road during peak travel and school operation hours by creating multiple north-south routes paralleling Beatties Ford Road on the west and east. These new streets radiate from a new traffic roundabout at the junction of McCoy and Beatties Ford Roads, utilizing existing and upgraded streets (Broadway and Overhill) for one block, and then creating new streets to continue south to meet Mt. Holly-Huntersville Road. On the west, a new private road for school use only links Midas Springs and Hedrick to create improved circulation for school traffic. This new road can be extended south to Mt. Holly-Huntersville Road through property that can be usefully developed as a mixture of residential and office uses.



On the east side, Overhill is extended through the potential new residential development along the line of an existing sewer line, making a jog to reduce traffic speeds and continuing to Mt. Holly-Huntersville Road through residential development that capitalizes on its proximity to the main road and the proposed retail development. These north-south routes are connected by multiple east-west streets to create a new, walkable block structure with multiple choices of vehicle routes.

Beatties Ford Road itself is proposed to transform into a four lane boulevard cross-section between the new roundabout at the intersection with McCoy Road, south to Mt. Holly-Huntersville Road, with a median wherever possible (left-turn lanes permitting) plus street trees and sidewalks. New shop front buildings fronting the boulevard with minimal build-to lines will help to create a safe and attractive pedestrian environment.

The land immediately north of the proposed retail site is a key piece to this plan and is currently used for mini-storage warehouses. This plan calls for the mini-storage warehouse to remain but be buffered from Beatties Ford Road with commercial buildings lining the street. When the market changes, the mini-storage warehouses should convert to uses that provide a mixture of medium-density residential and commercial buildings with medium to lower density residential development to the east

The creation of a walkable urban village featuring a range of housing types around the newly refurbished school provides a real opportunity for people with a variety of incomes to live in a location where it would be genuinely possible to walk their children to school.

To this end, great care should be taken to create safe crossing points across Beatties Ford Road from the new development. In response to this environment, the new school buildings should create a welcoming façade with an entry fronting on Beatties Ford Road, establishing the building as a civic landmark. The urban village also provides an excellent setting for retirement housing where goods and services such as grocery stores, restaurants and medical offices are in close proximity to residential housing units.



 **Beatties Ford/Mt. Holly-Huntersville Small Area Plan**
Aerial Perspective of Long Creek Elementary and Residential Courtyard

POTENTIAL DEVELOPMENT TOTALS

Although the market study indicates attached housing units could be accommodated in the area by the year 2015, the historical development of Long Creek has been at low intensity. Therefore, at this time the Plan does not recommend attached housing units in the area. However, given changes in the market and future development of surrounding areas, it may be appropriate to incorporate some attached housing units in the area provided there is a high level of design quality and the intensity of adjoining development is respected. Elderly housing may provide an excellent opportunity for attached housing in the community. With respect to non-residential development, it is recommended that the area can accommodate between 25,000 to 50,000 sq. ft of office and between 25,000 to 50,000 sq. ft. of commercial (not including an anchor).

Implementation

Gradual implementation of this Small Area Plan is intended to occur through market-based actions between willing landowners and prospective developers. A “willing seller, willing buyer” approach will assure that the wishes of property owners and local stakeholders are respected. The Town of Huntersville Board of Commissioners, Planning Board, and Planning Staff will consider rezoning requests on a case-by-case basis for their interpretation of and adherence to the Small Area Plan and its objectives.

This SAP does not assume that development and uses will occur in the exact locations specified on the master plan, but the overall structure and development totals should generally correspond to those outlined in the plan. General demand for uses in the study area are outlined in the market analysis conducted for this SAP, and should be used as a guideline for achieving development totals.

The street network and land use patterns are also established as general guidelines, reflecting the intent and regulation of the Town of Huntersville Zoning Ordinance. Buildings are intended to enclose the public space of the street, and to create inviting pedestrian spaces. In consideration of future rezoning petitions and development projects in the study area, the criteria established in the Zoning Ordinance governing building and lot types, and street and street network types should be observed to maintain the integrity of the ordinance.

EXECUTIVE SUMMARY

Study Area Description

Watershed/Zoning

The majority of the Study Area is located within the Mountain Island Lake Critical Area Watersheds 1 and 2, which limits impervious coverage to 6% and 12% respectively. Town of Huntersville zoning regulations covering the same watershed allow residential densities ranging from one unit per three developable acres to 1.2 units per developable acres.

Transportation

There will be no I-485 interchange with Beatties Ford Road, focusing commercial development at the two closest interchanges at Vance Road one mile east and, to a lesser extent, Oakdale Road two miles west. Without I-485 access, the Beatties Ford Road corridor will remain slower-growing with limited commercial potential. As a result, it is not planned for widening north of Lakeview Road. There is also no mass transit proposed for the Beatties Ford Road corridor.

The proposed Vance Road extension between Mt. Holly-Huntersville Road and NC-73 is currently unfunded and unscheduled. However, it will eventually become the primary north-south arterial between Lake Norman and I-77/Northlake Mall.

The widening of Mt. Holly-Huntersville Road through the study area is tentatively scheduled for post-2025. The pending surge in traffic after the opening of NorthLake Mall could accelerate these plans. The increasing volume will make parcels with Mt. Holly-Huntersville Road frontage the most competitive for any commercial development in the Study Area. The 2002 traffic count for the Beatties Ford Road/Mt. Holly-Huntersville Road intersection is approximately 22,000 cars per day.

Current Development

The only development noted in the Study Area is the six-lot Lynn Estates subdivision on the east side of Beatties Ford Road north of McCoy Road.

Rental Housing

Six comparable apartment communities in the North submarket contain a total 1,595 units. Approximately 42% of the inventory has been completed over the last 18 months.

North Mecklenburg Comparable Apartment Communities

Map Key	Community	Year Comp.	Total Units	Unit Mix			Vacancy Rate				Avg. Sq. Ft.	Avg. Rent	Avg. Rent/ Sq. Ft.	
				1BR	2BR	3BR	1BR	2BR	3BR	Total				
1	Auston Woods	2003	288	35%	55%	9%	0%	1%	23%	2%	937	\$752	\$0.80	
2	Bexley Commons at Rosedale	2001	328	30%	50%	11%	3%	14%	11%	6%	1,101	\$745	\$0.68	
3	Birkdale Village	2003	320	53%	40%	7%	10%	17%	50%	16%	1,137	\$1,069	\$0.94	
4	Davidson Gateway Place	2003	185	51%	44%	5%	12%	38%	20%	24%	934	\$739	\$0.79	
5	Redcliffe at Kanton Place	2002	314	42%	40%	9%	6%	8%	21%	8%	995	\$784	\$0.81	
6	Residences at Braemar	2004	160	N/A	45%	55%	N/A	3%	63%	36%	1,052	\$746	\$0.71	
Totals/Averages			1,595		39%	48%	13%	10%	14%	36%	16%	1,026	\$806	\$0.79

Source: Real Data

The 16% comparable vacancy rate is well above the 8% market equilibrium rate, and reflects two communities remaining in lease-up (Davidson Gateway and Braemar). Excluding these two communities,

the vacancy rate would be 10.1%.

The overall unit mix is 39% one bedrooms, 48% two bedrooms and 13% three bedrooms. The three bedroom share is slightly higher than Mecklenburg County overall, indicative of a more family-oriented market. The average rent is \$806 per month, boosted by \$1,069 at Birkdale Village. All other communities have average rents between \$745 and \$784 per month. The average apartment contains 1,026 square feet.

There are no apartment communities under construction in the Study Area.

One apartment community is proposed in the southwest quadrant of Mt. Holly-Huntersville and the future Northlake Boulevard approximately two miles northeast of the study area. State Street Partners is seeking a rezoning to construct 473 units.

For-Sale Housing

The majority of the product available in the study area is single family and attached homes by production builders. Prices range from under \$100,000 in town home communities to larger single family homes priced just over \$150,000. Typically, homes and communities in this price range are very basic, with little offered in terms of customization and are oriented to the value based buyer. The target buyer is the first time home buyer, more concerned with price and size than quality and finishes.

One major limitation for the area is the amount of land in watershed protection districts that allows for very limited development. With regulations limiting development to one dwelling unit per acre it is unlikely that this land will be attractive for residential development. There is some opportunity for large lot single family development, but the value oriented character of the neighboring communities may make this type of development difficult to market.

Retail

Demographics

The trade area for the Mt. Holly-Huntersville/Beatties Ford Road intersection extends for approximately two miles. Claritas estimates 3,239 households reside within the two-mile radius, representing 75% growth since 2000. The 2004 median household income of \$76,873 is significantly higher than approximately \$45,000-\$50,000 for Mecklenburg County.

Competitive Centers

Four centers totaling 196,365 square feet currently serve the two-mile trade area. There is no vacancy, indicative of an underserved market, for neighborhood and small-shop retail. Anchors include Harris Teeter (one store) and Food Lion (two stores). Callibridge Commons has no supermarket or drug store anchors, but is located across from Harris Teeter. Small shop rents range from \$15 to \$20 per square foot.

Trade Area Completed Shopping Centers, 2004

Center	Location	GLA	Aval		Quoted Rent
			SF	Anchors	
Pecan Ridge	SE quadrant M-H & Vance rds	51,000	0	Food Lion	N/A
Mountain Island Marketplace	SW quadrant of M-H & NC-16	73,230	0	Harris Teeter, Eckerd	\$15
Sunset Corners	NW quadrant of Beatties Ford and Sunset rds	46,135	0	Food Lion, Family Dollar	N/A
Callibridge Commons	NW quadrant of M-H & NC-16	26,000	0	Midtown Sunshires, Allen Tate	\$20
Total		196,365	0		

The only shopping center located inside the two-mile trade area is Pecan Ridge. This Food-Lion anchored center was completed in 2001 in the southeast quadrant of Mt. Holly-Huntersville and Vance roads 1.2 miles northeast of the Mt. Holly Huntersville/Beatties Ford Road intersection.

Under Construction/Proposed

Three centers that will serve the trade area are currently under construction, containing a total of 1.47 million square feet. NorthLake Mall will offer a range of department stores and shoppers goods stores at I-77 and Reames Road, and Callibridge Landing has a 200,000-square foot Wal-Mart Supercenter underway at NC-16 and Mt. Holly-Huntersville Road. Both of these centers are outside the two-mile trade area radius.

Hopewell Village is a 70,000-square foot specialty retail/office center on Beatties Ford Road at the entrance to Tanner's Creek. Footings are in place for the first buildings, but no vertical construction has occurred to date.

Another two centers are proposed, including an 89,400-square foot project in the southwest quadrant of Mt. Holly-Huntersville and Beatties Ford roads by JDH Capital. A 52,000-square foot supermarket and a freestanding pharmacy will anchor the unnamed development. A 325,000-square foot power center including Target is also proposed by Lincoln Harris on Vance Road next to NorthLake Mall.

Mixed-Use Retail Comparables

Three mixed-use comparables in Chapel Hill and Columbia offer insight into the study area's retail potential. Summary findings include:

- A significant residential component is required to support retail; the projects contain an average of 2,235 for-sale and rental units.
- Anchors are imperative; Meadowmont Village has a Harris Teeter and Southern Village's developer subsidized a movie theater. Lake Carolina is struggling without an anchor.
- Office space is an important component, and supports retail.
- Location at a key 4-way intersection is important to generate visibility and maximize access.

Office

Except for Huntersville Business Park and NorthPointe Executive Park, the north Mecklenburg office market is dominated by smaller developments. The primary tenant base consists of professional service firms targeting the area's rapidly growing household base. In some cases, retail uses occupy office building ground levels.

Eight multi-tenant office comparables were identified, containing a total of 155,370 square feet. The average project size is 19,421 square feet.

Comparable North Mecklenburg Buildings for Lease

Name	Address	Year Built	Total SF	Avail SF	Quoted Rent
Colony at Peninsula-I	19460 Old Jetton Rd	1998	18,295	1,230	\$19
Colony at Peninsula-II	19401 Old Jetton Rd	1999	6,979	2,796	\$19
Colony at Peninsula-III	19410 Old Jetton Rd	2001	17,976	2,123	\$18
Davidson South Main	402 Main St South	1999	40,000	4,350	\$15
445 South Main	445 South Main	2003	21,000	10,000	\$21
455 South Main	455 South Main	2003	10,500	3,380	\$21
The Village at Oakhurst	Bailey Rd	U/C	17,820	16,352	\$15
Oakhurst Professional Center	17810 Hwy 21	2001-04	22,800	3,800	\$18
Total			155,370	44,031	
Average			19,421	5,504	\$18

Sources: Real Index, Warren & Associates

The current composite vacancy rate of 15.8% reflects two buildings in lease-up (445 and 455 South Main) and The Village at Oakhurst under construction. Without these projects, the 9% vacancy rate would be well below 17% for the overall Charlotte market.

Three for-sale office comparables were also identified, containing an average of 23,517 square feet. The current 34% availability rate is excessively high, but includes a recently completed building at Jameson Square that remains vacant. The most successful project is Rosedale, with only 1,400 of 30,000 square feet available. Rosedale also has the highest average price of \$142 per square foot.

Buildings/ Condos for Sale

Name	Address	Year Built	Total SF	Avail SF	Price/ SF
Rosedale Commons Prof Center	Gilead Rd	2004	30,000	1,400	\$142
Jameson Square	18805 Catawba Ave, W	2004	12,000	12,000	\$140
Harbour Park	19810 Catawba Ave, W	1999	28,551	10,600	\$118
Total			70,551	24,000	
Average			23,517	8,000	\$133

Sources: Real Index, Warren & Associates

Development Recommendation Summary

- Zoning and watershed regulations will severely limit rooftop expansion in the Study Area.
- Apartments should be feasible by 2015, focusing on the northwest quadrant of the Beatties Ford Road/Mt. Holly-Huntersville Road intersection. A total of 150 to 200 could be supportable.
- The Area needs to be “framed and punctuated” near Long Creek Elementary in order to build for-sale residential value and mixed use development.
- Eliminating the radio tower and mini storage would improve the area’s image among prospective homebuyers.
- There is opportunity for large lot single-family homes in the northeast quadrant of Beatties Ford Road/Mt. Holly-Huntersville Road. A total of 45 to 60 homes could be supportable by 2015.
- Single-family community features should include connectivity to existing residential neighborhoods and access to the planned Long Creek Greenway.
- New school design should include traffic calming devices and/ or cross walks that are highly visible and connect the planned community to the school.

- There are no proposed transportation improvements that will accelerate the retail potential of the Mt. Holly-Huntersville Road/Beatties Ford Road intersection over the next five to ten years.
- Without significant household growth, Hopewell Village and the proposed JDH center will adequately serve the Study Area's retail needs for the next five to ten years.
- Any future retail development in the study area should be focused on Mt. Holly-Huntersville Road to capitalize on increased traffic volumes from NorthLake Mall to the east and Callibridge Landing to the west. Without an anchor, there could be demand for 25,000-50,000 square feet by 2015. The northeast quadrant of the Beatties Ford Road intersection would be most competitive.
- Office demand could be created by small business owners and entrepreneurs residing along and near Lake Norman and in Huntersville. A total of 25,000-50,000 square feet could be supportable by 2015, focusing on the northeast quadrant of the Beatties Ford Road/ Mt. Holly-Huntersville intersection. This space would target professional service firms serving the Study Area's expanding household base.