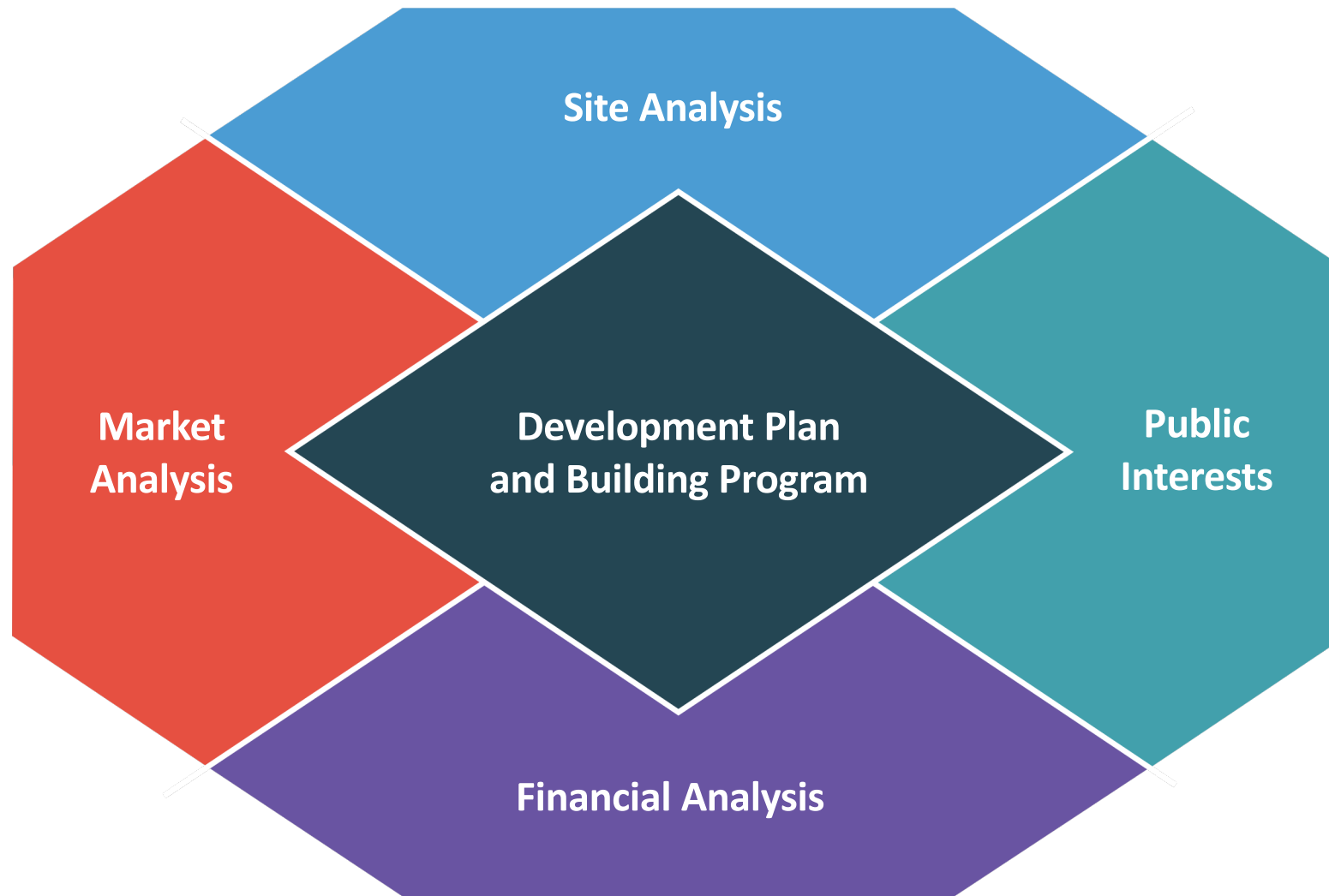# Outline
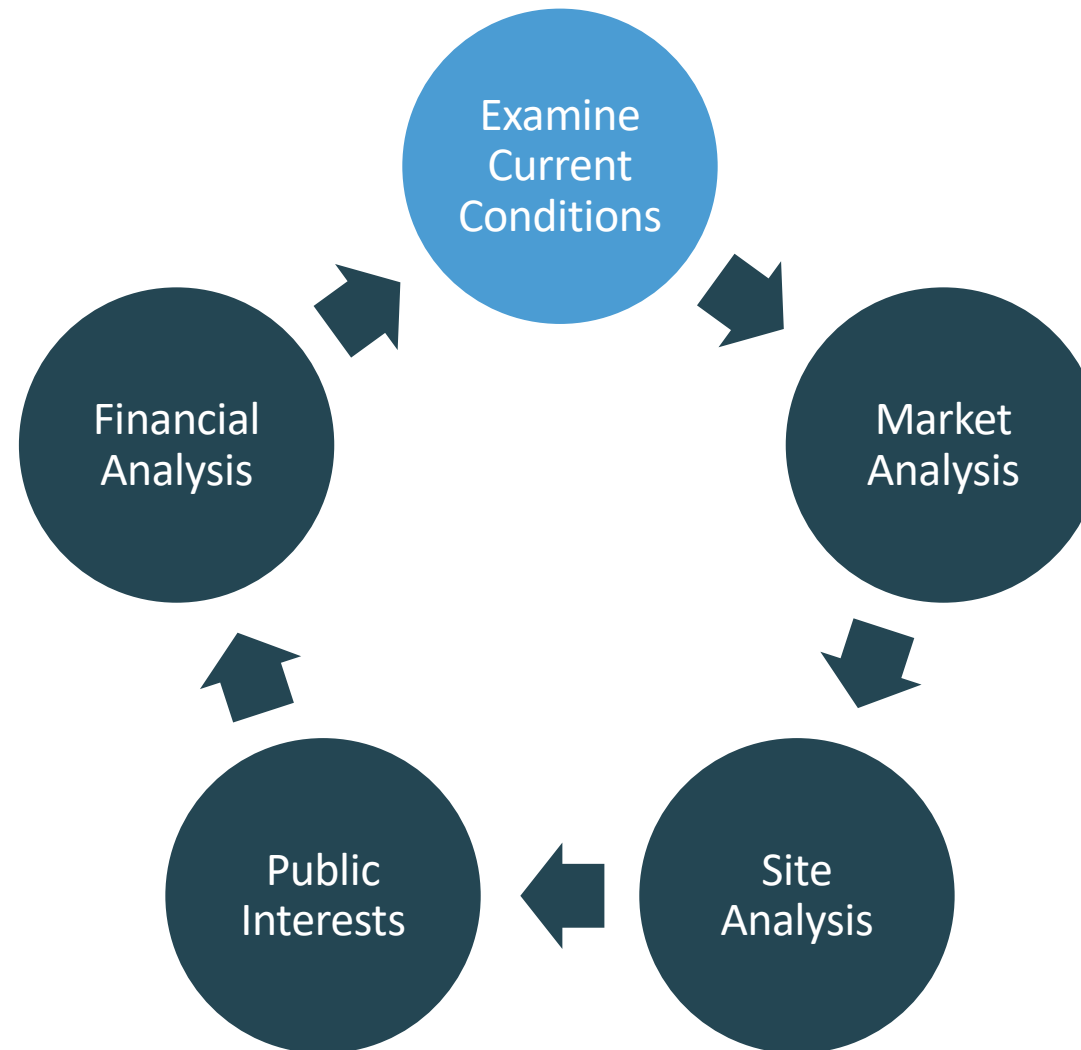
- DFI Pre-Development Process Overview

- Parcel Analysis Process

- Key Findings

- Next Steps

DFI Pre-development Process

Site Analysis

Market Analysis

Development Plan and Building Program

Public Interests

Financial Analysis
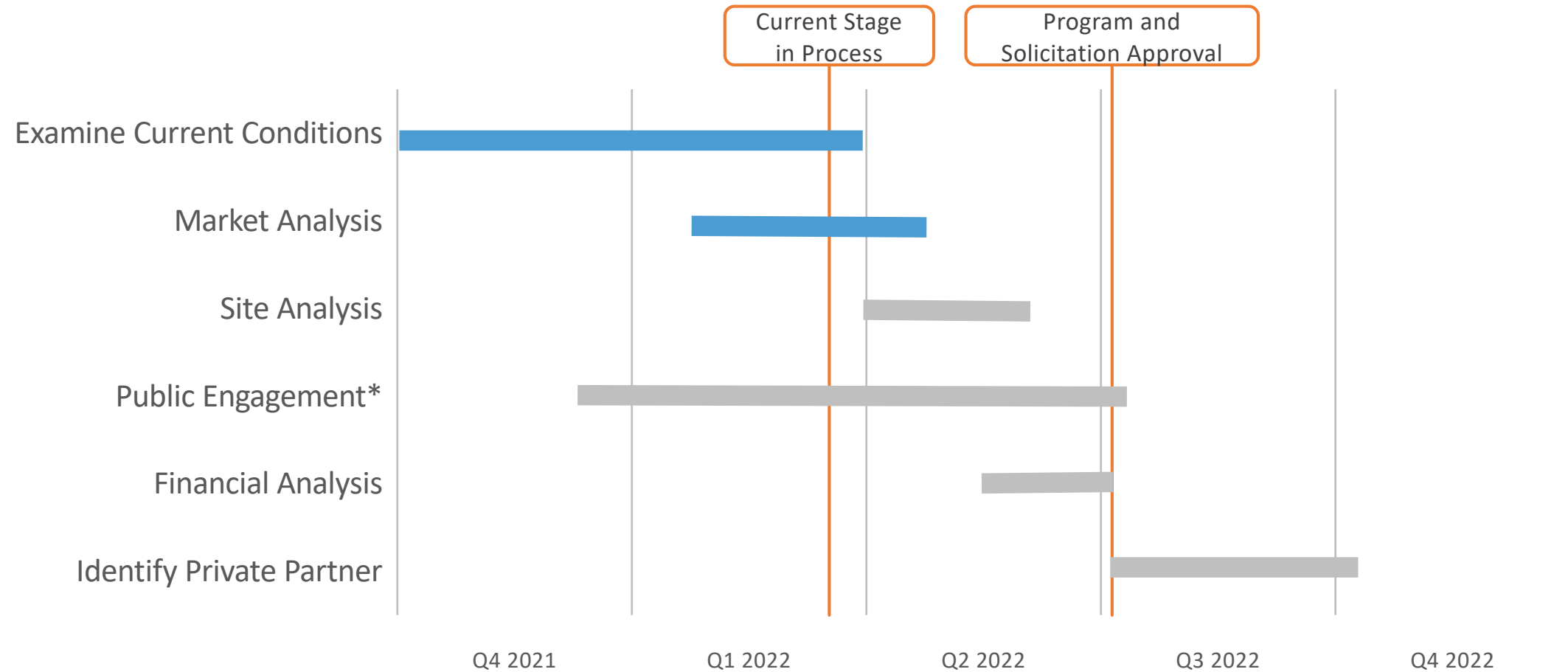
Current Stage in Our Process

Pre-development Timeline

*Timing of public engagement to be determined following completion of early phase analysis and discussions with City staff.

Note: Timeline subject to change based on site control, timing, type and scale of public interest process, as well as response during private partner outreach.

Parcel Analysis Process

Parcel Analysis Process

The purpose of parcel analysis is to clean, manipulate, and transform rich, granular tax parcel data into a narrative on current conditions, assets, and opportunities within a local study area. This will help determine where public investment would be most beneficial.

1. Identify a **study area** that has relevant impact on the project site.

2. Pull tax parcel information and conduct field work to **collect and ground truth parcel data**.

3. Create **maps to visualize** land use, building value PSF, ownership trends, vacancies, deferred maintenance, recent sales, etc.

4. Interpret trends in the context of the community to **identify key takeaways** relevant to the project.

Study Areas (SA)

- Primary Study Area
  - Downtown Core
  - 163 parcels / 36.5 acres
  - Includes retail area behind courthouse
- Secondary Study Area
 - Buffering streets & major inroads
  - Largely residential

Legend:
- Building Footprints
- Downtown Lincoln Parcels
- Primary Study Area
- Secondary Study Area Parcels
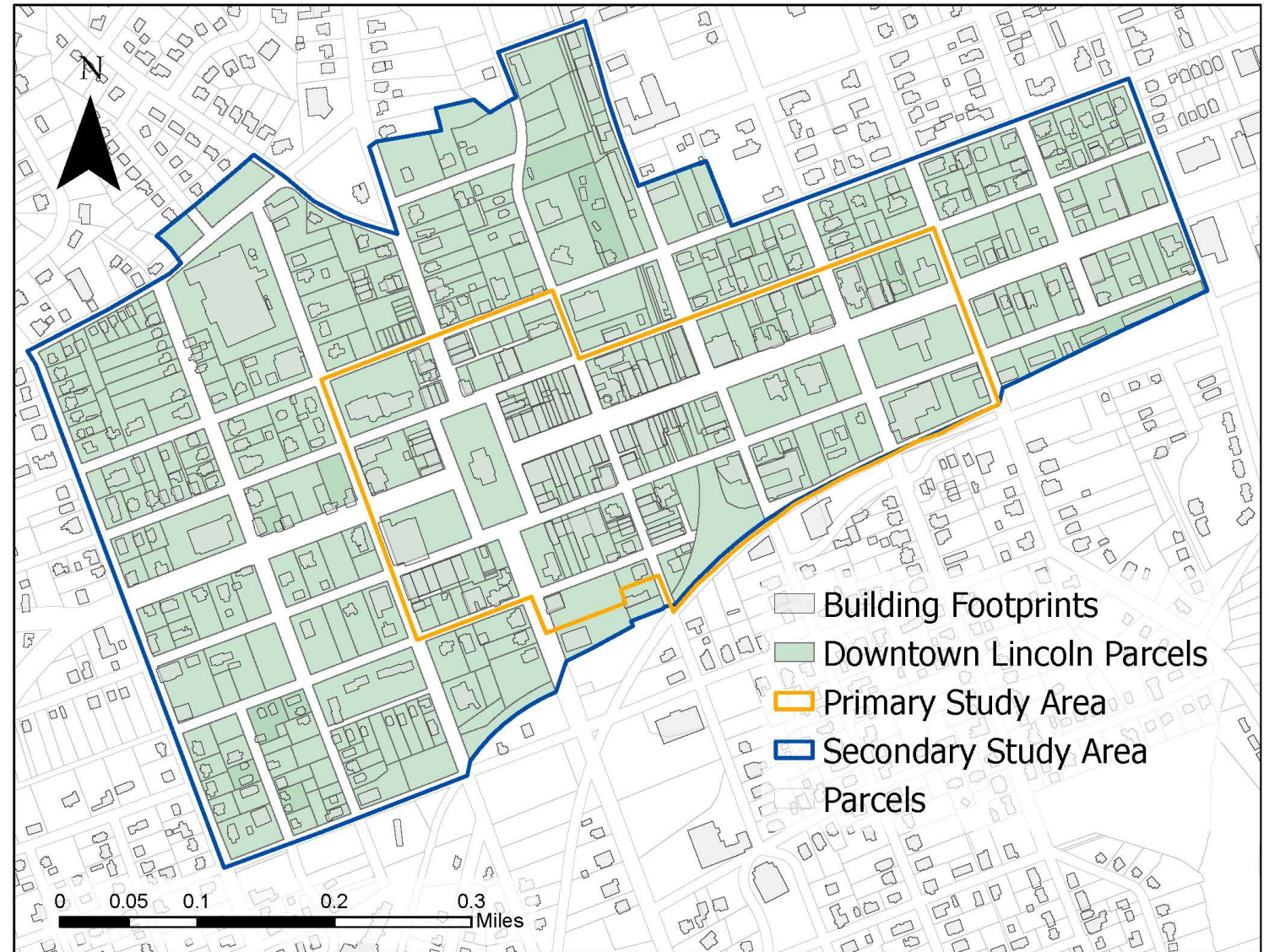
Key Findings

Summary of Findings

Key Metrics	Key Themes Found in Primary Study Area
Land Use	• Commercial uses make up 39% of built SF, followed by 21% institutional. • Roughly 14% of total acreage in Primary SA dedicated to parking lots, especially concentrated along Sycamore St. and Water St.
Building Value	• Banking sector holds 17% of total building value, with average of $216 PSF in Primary SA • 42% of total built SF in Primary SA is dedicated to tax-exempt property types, half of which are institutional.
Recent Sales	• Bulk of recent sales around periphery of Secondary SA and adjacent to Courthouse. • Sale value PSF has grown for residential and commercial over time. • 20% of Built SF is vacant in Primary SA.
Ownership	• Lincolnton and Lincoln Co are both in the Top 10 owners by parcel count and Built SF, or collectively 7.4% of parcels and 24% of built SF in Primary SA. • There is some common ownership of distressed properties.

Land Use

- Primary Study Area

  - **39%** of SF is commercial

  - **21%** of SF is institutional

  - **16%** of SF is mixed-use

  - **1%** of SF is residential

  - **14%** of acreage is parking (typically between 5-10%)

- Secondary Study Area

  - **27%** single family residential
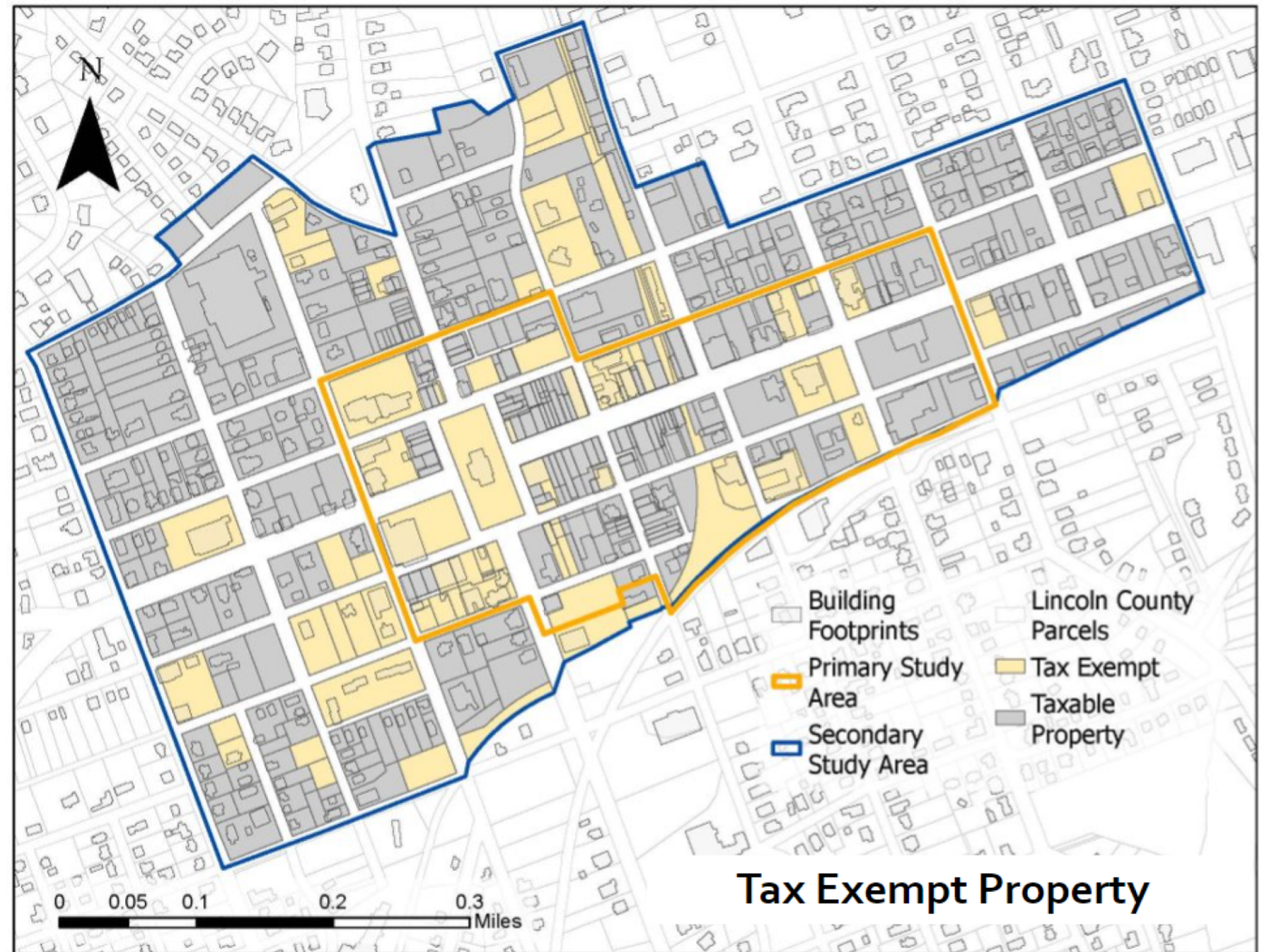
  - **23%** commercial

Land Use
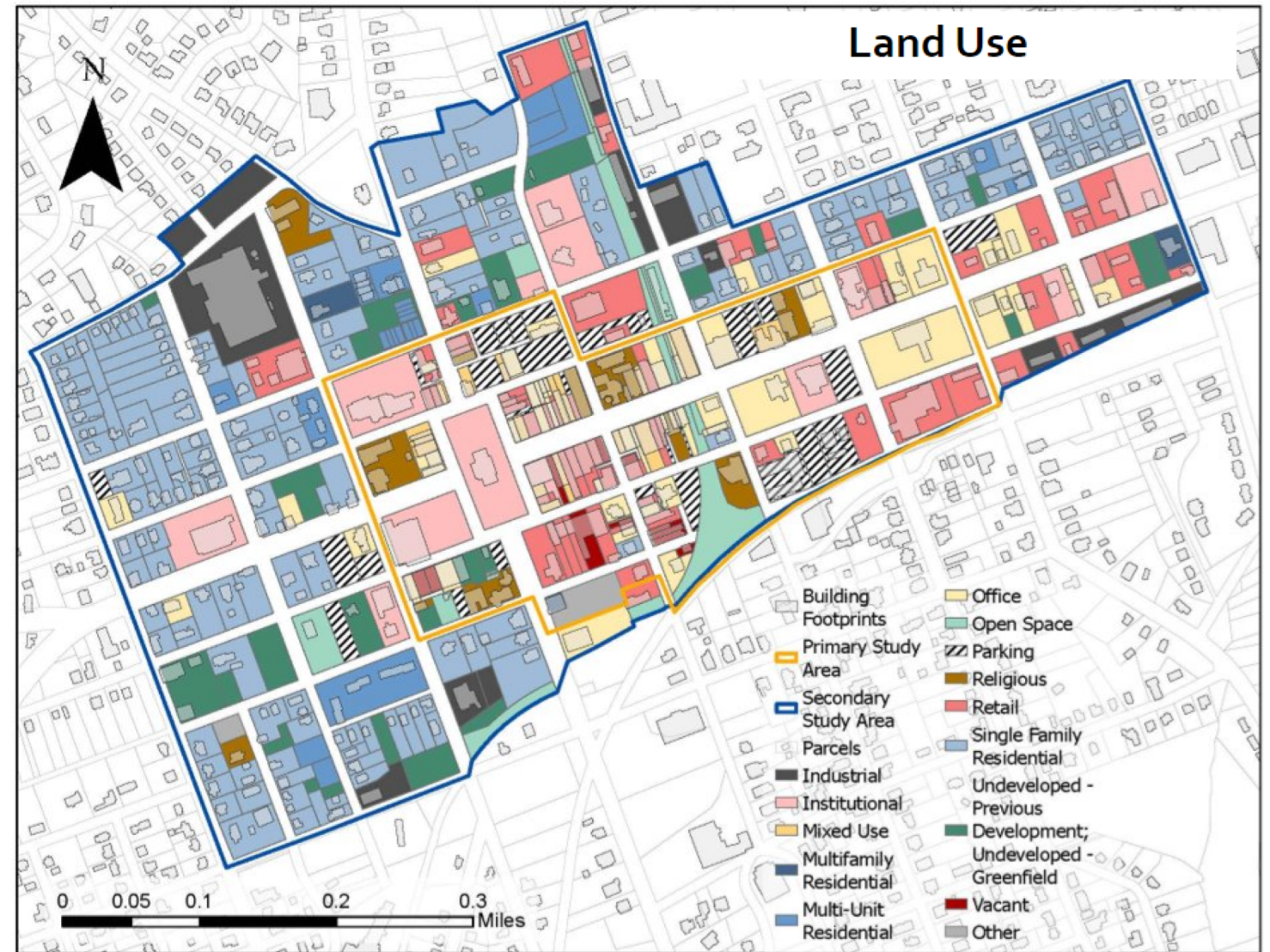
Food & Bev

- **Limited Food and Beverage options** in Primary SA

- **14 parcels out of 163 (8.6%)** have food and beverage on site

- **13%** of the total 332,000 SF of commercial space in Primary SA has food and beverage

  - This is low, considering the traffic levels through Main St.

  - Retail Market Analysis will inform demand gap.

3 parcels, 2 restaurants (grill and ice cream parlor)

Permanently Closed

0.3 Miles

BrickTree Brewing

Building Footprints
Primary Study Area Centerline
Secondary Study Area

Lincoln County Parcels
Food/Beverage On Site
No Food/Beverage
No Data

Food/Bev Downtown

Tax Exempt Properties

- **44 parcels** or **42% of Built SF** are tax exempt in Primary SA

- Most of these parcels are dedicated to **institutional** and **religious uses**, or for **parking**

- Typical for a county seat to have higher ratio of institutional uses

Building Footprints
Primary Study Area
Secondary Study Area
Lincoln County Parcels
Tax Exempt
Taxable Property

0   0.05   0.1   0.2   0.3
Miles

Tax Exempt Property

Building Values

- Building values are **lowest east of the Courthouse** building along Main and Water Street.

- **4 Banks** average **$162 per building SF**, far exceeding other commercial space in corridor.

- Residential showing higher values, with multiplex housing comparable with single family at $64 PSF and $66 PSF respectively.
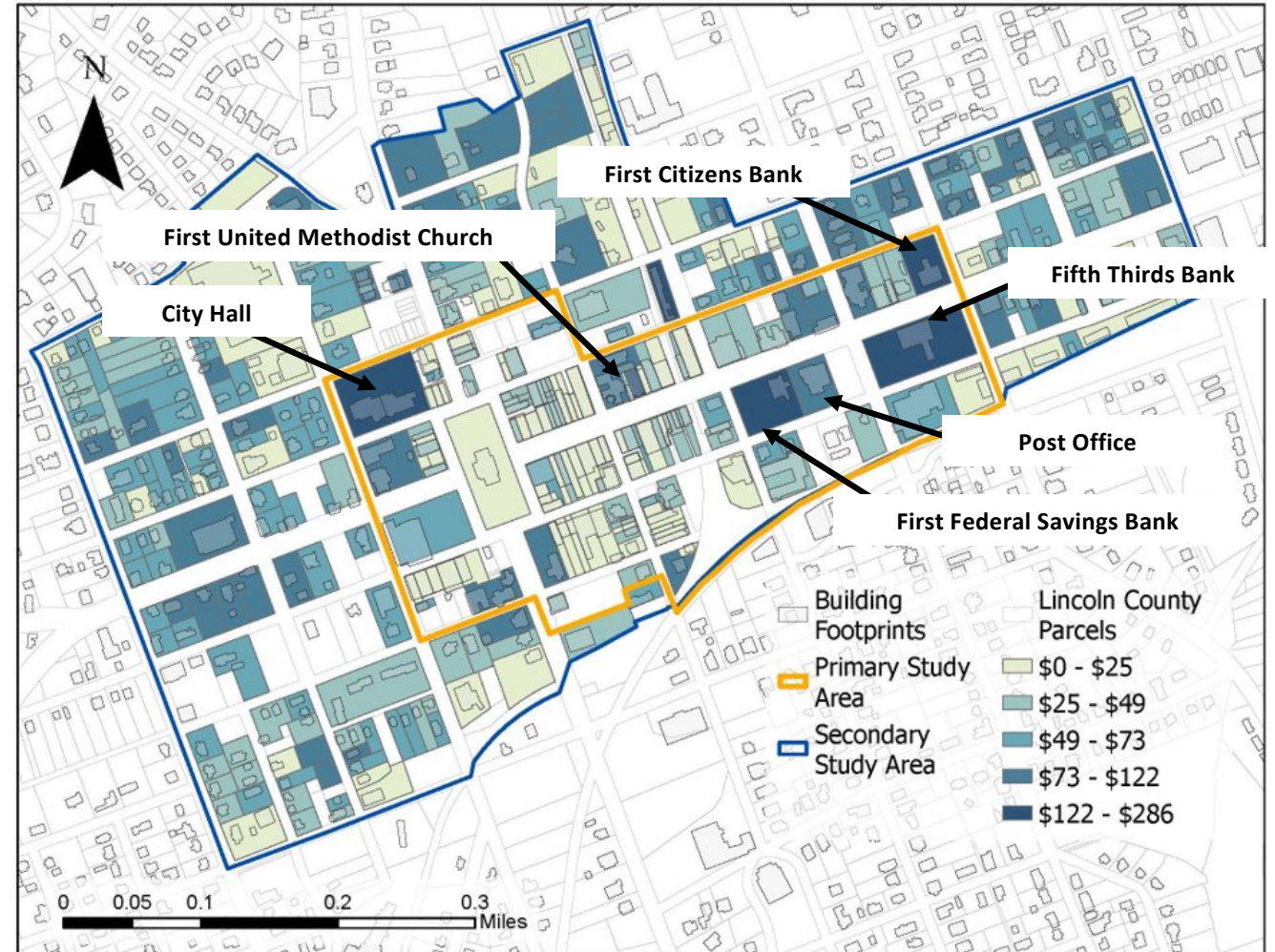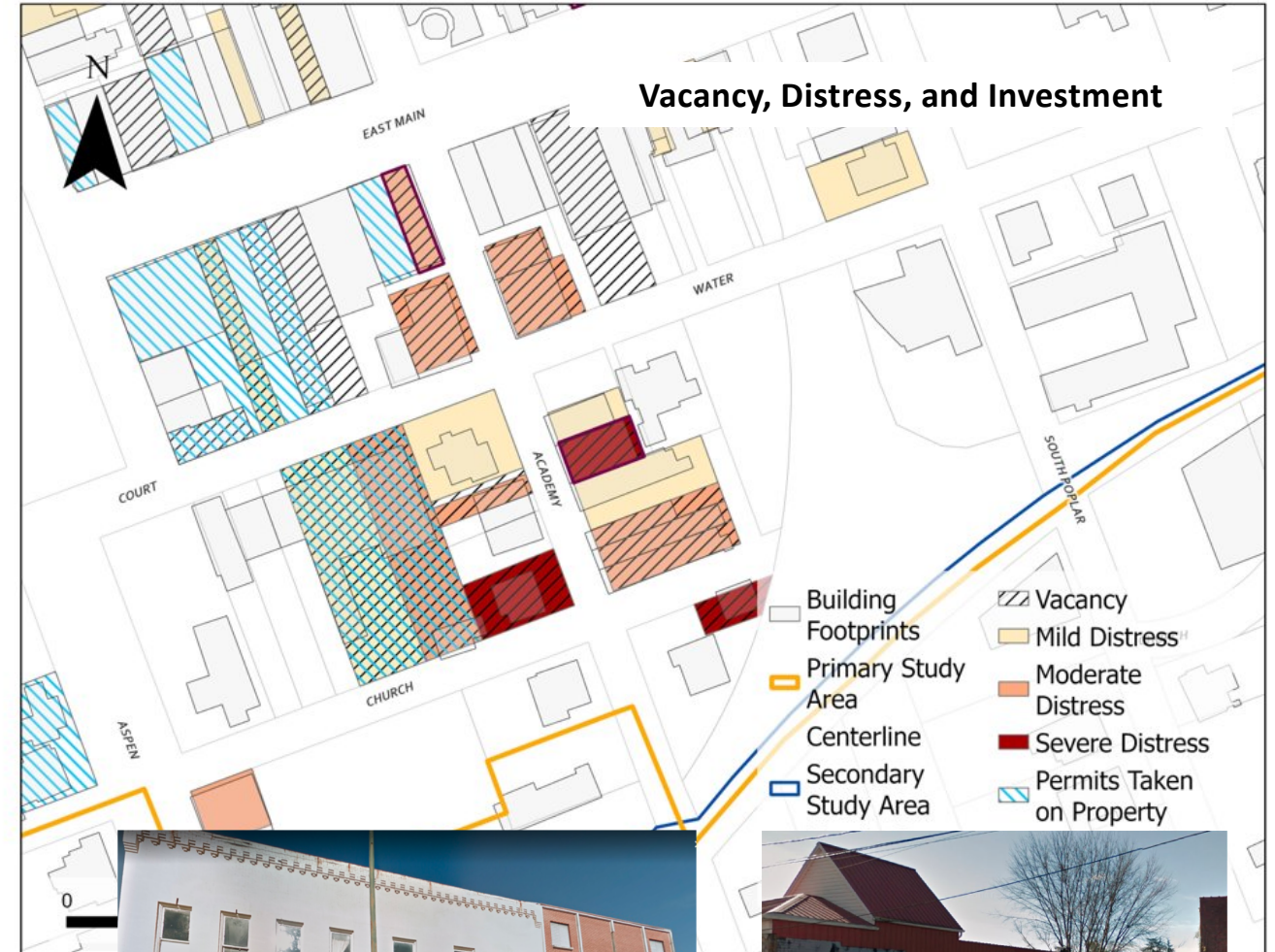
Vacancies

- **20%** of built SF is **vacant**

  - Roughly 115k SF of upper story vacancies above ground floor office or retail, many along Main Street.

- **101 Court Square** currently vacant

  - Potential development opportunity
  - Previous tenants were 3 law firms

Construction on Site

Building Footprints
Primary Study Area
Secondary Study Area

Lincoln County Parcels
100% Vacant
No Vacancy
Partial Vacancy

0.22 Miles

Downtown Vacancy

Distress

- **Recent investments** have avoided moderate/severely distressed buildings (18 total)

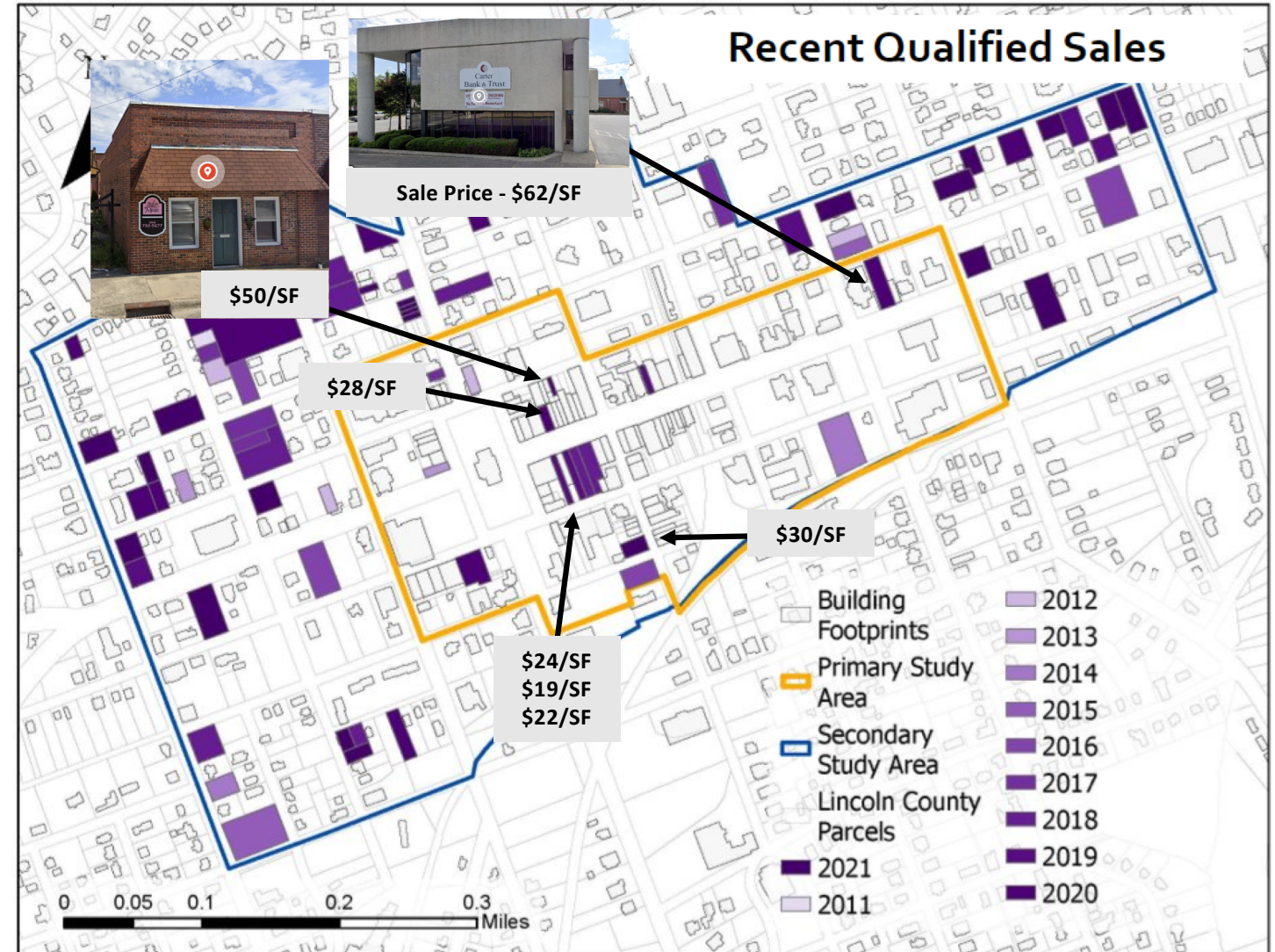- Some concentration in ownership of distressed properties

Level of Distress	Total Parcels	Parcels with Permits	Share with Permits
No Distress	115	17	15%
Mild Distress	20	3	15%
Moderate Distress	14	1	7%
Severe Distress	4	0	0%

Vacancy, Distress, and Investment

Legend:
- Building Footprints
- Primary Study Area
- Centerline
- Secondary Study Area
- Vacancy
- Mild Distress
- Moderate Distress
- Severe Distress
- Permits Taken on Property

Recent Sales

- Most sales have been along **periphery** of downtown (with exception of cluster just east of courthouse)

- **30 of 37 sales** in the last five years have been to **local owners**, showing strong involvement of local community.

Recent Qualified Sales

Sale Price - $62/SF

$50/SF

$28/SF

$30/SF

$24/SF
$19/SF
$22/SF

Building Footprints
Primary Study Area
Secondary Study Area
Lincoln County Parcels
2021
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020

0   0.05   0.1   0.2   0.3 Miles

Downtown Summary

- The downtown corridor has a strong commercial presence but could benefit from more tax-revenue producing properties.
  - Office tenants could transition to second-story vacancies in mixed-use developments along Main Street to make room for ground floor retail—especially for food and beverage.
- Building value PSF has shown an upward trend overall in the past 15 years, especially for multiplex residential properties.
  - This supports the recent investment in developing townhomes in downtown.
- Parking lots are highly concentrated and mostly private, owned by churches and offices
- Courthouse redevelopment provides opportunity for private ownership and/or generation of further investment on west side of CBD

# Next Steps

Market Analysis Process

The purpose of market analysis is to determine what types and how much real estate the market can absorb, based on supply/demand, lease rates, and other market trends. These findings will support development assumptions and program decisions, incorporated in the financial analysis.

1. Define **market areas** for each product type (residential, retail, & office)

2. Collect and analyze data on **demand drivers** and **supply trends**

3. Identify **comparable** and **competing projects**

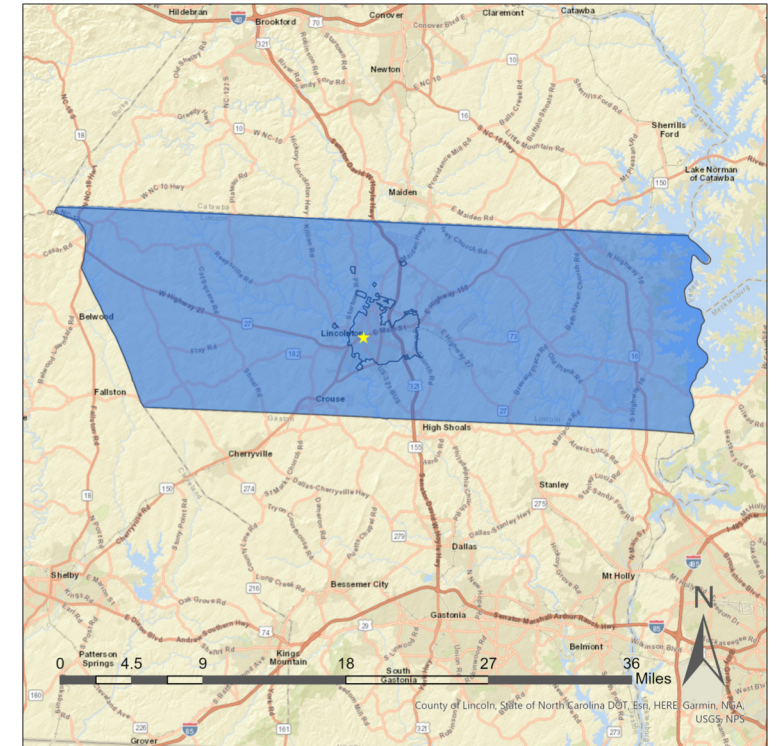4. Collect and analyze data on **property transactions**

Market Areas
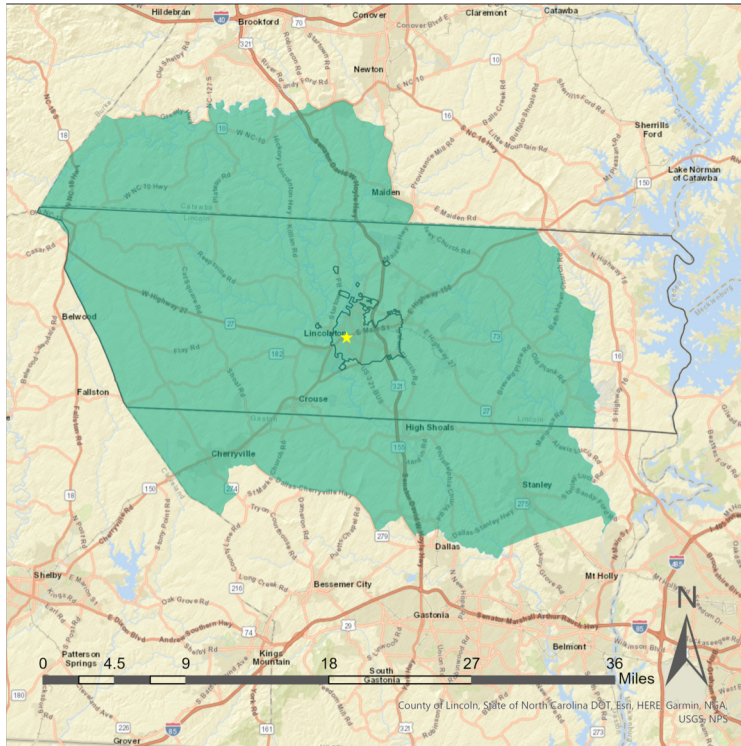
Multifamily

Market Area
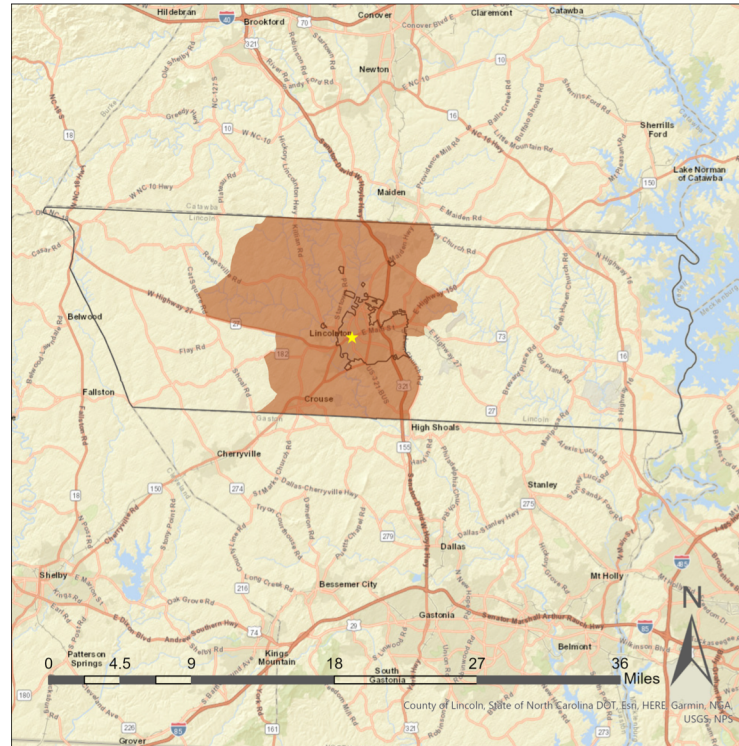
Retail

Market Area

Office

Market Area