



**2018 EXTRATERRITORIAL JURISDICTION EXPANSION REQUEST
TOWN OF FUQUAY-VARINA**

August 6, 2018

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Table of Contents

Introduction	4
Growth Management	4
Growth of Fuquay-Varina in Current ETJ and USA.....	4
Fuquay-Varina Population	5
Compliance with Municipal Expansion Criteria	5
ETJ Expansion Request	6
Area 1: 42 West PGA	7
Area 2: Needmore PGA and 55 North PGA	8
Area 3: 401 North PGA.....	9
Area 4: Hilltop-Rowland PGA	10
Area 5: 55 South-42 East PGA, Purfoy-Holland Road PGA, and 401 South-Angier Road PGA.....	11
Compliance with Wake County ETJ Review Criteria.....	12
Criterion 1. Classification as Urban Service Area:	12
Criterion 2. Commitment to Comprehensive Planning:	13
Land Use Planning	13
Transportation Planning.....	14
Land Development Ordinance (LDO)	16
Pedestrian Master Plan / Open Space Network	16
Capital Improvement Program (CIP), Bonds and Fiscal Conservancy	17
Criterion 3. Adoption of Special Regulations:	20
Transportation Corridor Protection	20
Historic Preservation.....	21
Watershed Supply Protection	21
Criterion 4. Municipal Water and Sewer Services:	23
Water Supply and Distribution	23
Wastewater Collection and Treatment	24
Criterion 5. Evidence of Feasibility for Urban Development:.....	26
Growth in Fuquay-Varina and Wake County	26
Land Use Planning and Classification	27
Infrastructure Investment and Fiscal Commitments	29
Criterion 6. Annexation within Ten (10) Years:.....	31
Annexation History.....	31
ETJ Expansion History	32
Development in Proposed ETJ Expansion Area	33
Building Permits and Value	34
Population History.....	34

Criterion 7. Existing ETJs: 36
Annexations in the Town of Fuquay-Varina's ETJ..... 36
Water and Sewer Availability in ETJ and USA 37
Harnett County Water Service District..... 38
Conclusion 39
Appendix..... 40

Introduction

The Town of Fuquay-Varina (Town) is requesting approval by the Wake County Board of Commissioners to expand the Town's extraterritorial jurisdiction (ETJ) to three (3) miles from the Town's contiguous corporate limits. This request is founded in: the Town's desire to affect growth and development patterns in a constructive manner, as development interest increases in southern Wake County; growth occurring in the Town's current ETJ and urban service area (USA); the 2017 US Census population estimate for Fuquay-Varina; as well as demonstrated compliance with Wake County's criteria for municipal ETJ expansion.

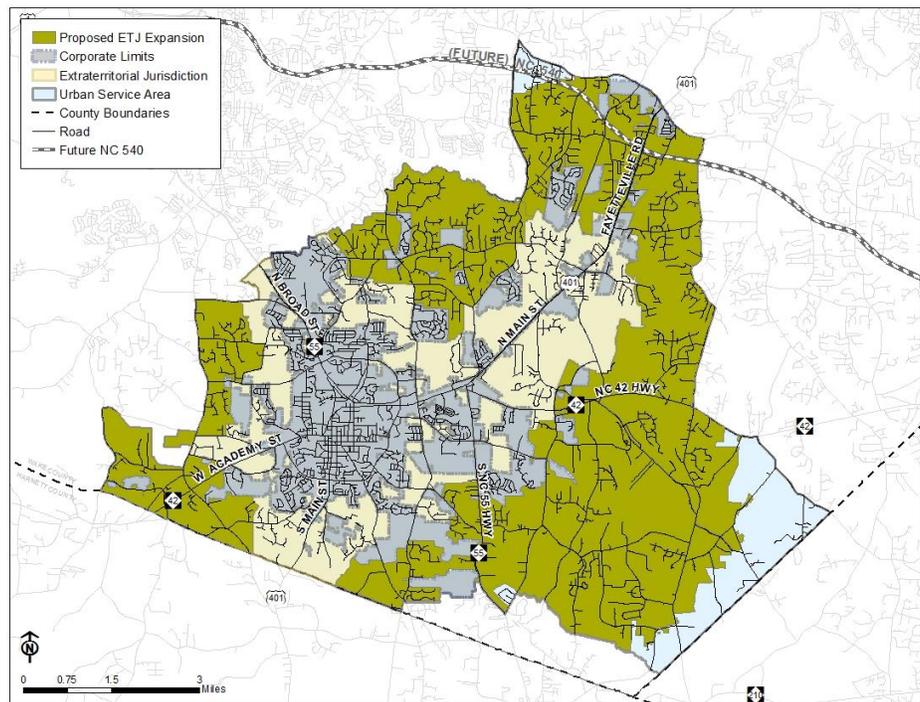
Growth Management

The ETJ expansion request is a growth management tool that benefits both Wake County and the Town of Fuquay-Varina, as well as residents. As municipalities are the primary providers of water and sewer infrastructure and services, it is important that they are able to coordinate with the County regarding land uses and infrastructure needs. The County uses the USAs, which are generated by municipal annexation agreements, as a development tool to facilitate municipal growth in a cost-effective and reasonable manner. These areas allow services to be optimally coordinated, which aids in shaping development in thoughtful pattern, while providing a measure of predictability in infrastructure and land use.

The approval of this proposed expansion of the Town's ETJ is of vital importance for effective planning and strategic placement of services and to allow responsible growth in these areas. As such, the Town of Fuquay-Varina offers the following with respect to Wake County's ETJ review criteria demonstrating its ability to manage the ETJ expansion herein requested.

Growth of Fuquay-Varina in Current ETJ and USA

In fiscal year (FY) 2016–2017, the Town annexed 554.2 acres into both its contiguous and satellite jurisdiction. The total annexations more than doubled in FY 2017-2018, to 1,267.03 acres. The following map identifies the existing contiguous and satellite corporate limits, the ETJ, and the ETJ expansion request within the Town's USA



boundary. *A larger version is available in the Appendix.* As a reminder, involuntary annexations are not statutorily feasible in North Carolina, and all annexations have been the result of voluntary petitions submitted by the property owner.

Fuquay-Varina Population

Wake County, as a whole, has been experiencing steady growth for some time. For the past two (2) decades, Wake County has been one of the fastest growing communities in the United States. Municipalities in western and southwest Wake County, the Town of Fuquay-Varina included, have seen notable growth and population increases as a result of County and, at a broader scale, regional growth. Fuquay-Varina’s population more than doubled between the 2000 and 2010 US Census and has more than tripled from 2000 to today.

The US Census estimate for the Town’s 2017 population is 27,906. Based on that number, the Wake County average household size, and certificates of occupancy issued, Town staff estimates that the population of Fuquay-Varina reached 30,000 people in July 2018. The US Census Bureau estimate reflects population growth of 1,957 from 2016 to 2017, which translates to 5.4 people per day. The table below provides population estimates from the US Census Bureau, published July 1, 2018.

Table – Town of Fuquay-Varina Total Population Estimates

	US Census	Estimate Base	Annual Estimates							
	2010	2010	2010	2011	2012	2013	2014	2015	2016	2017
Fuquay-Varina Population	17,937	17,996	18,200	19,167	20,003	21,303	22,674	23,972	25,949	27,906

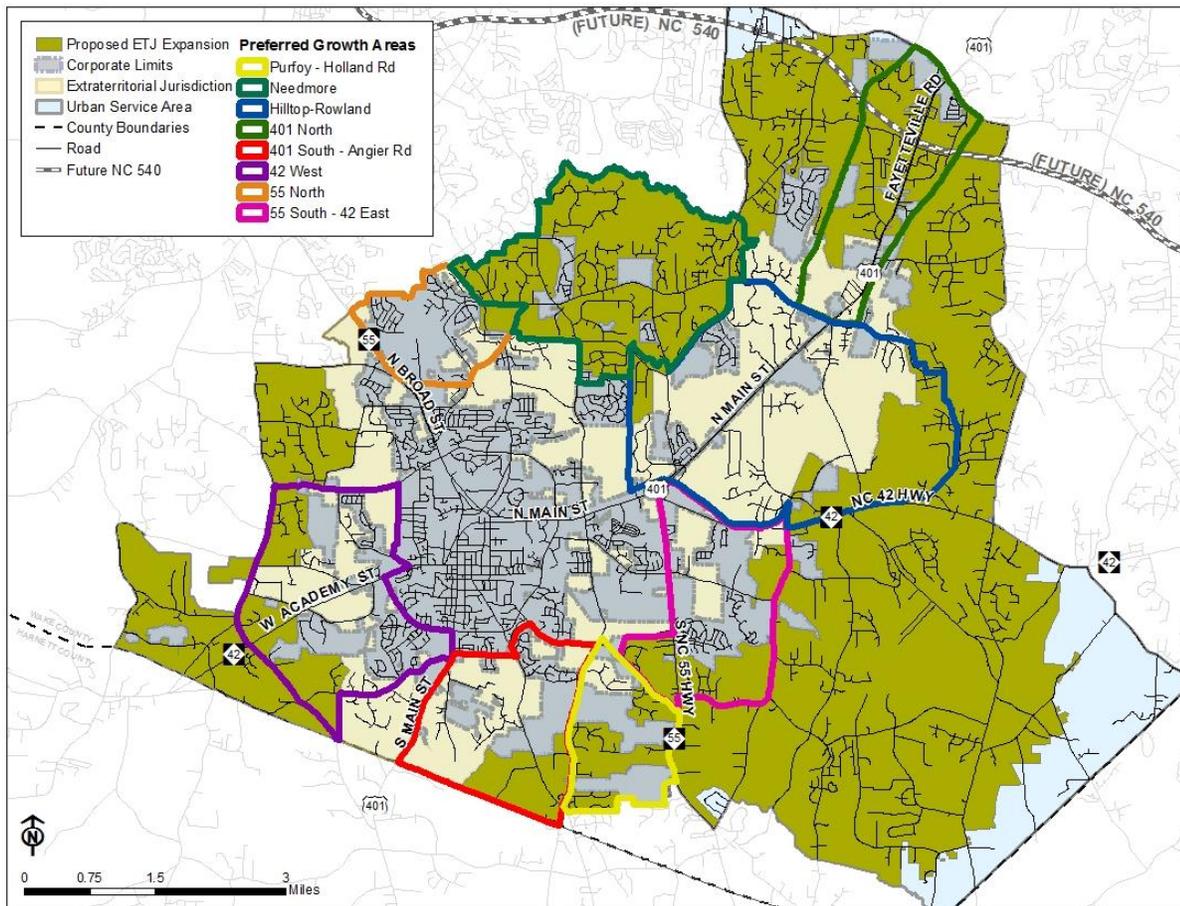
Compliance with Municipal Expansion Criteria

The information contained throughout this document will demonstrate the Town’s compliance with Wake County’s criteria for municipal expansion of extraterritorial jurisdiction (ETJ). It will further demonstrate Fuquay-Varina’s commitment toward strategic planning for the benefit of its current and future residents, as well as the residents of unincorporated southern Wake County. Fuquay-Varina has traditionally ensured that local planning efforts are performed in conjunction with not only Wake County, but also neighboring municipalities and regional and state-wide agencies. The Town has made tremendous effort in the past several years to ensure that both development regulations and long-range plans are updated and relevant to today’s market and account for anticipated future needs.

ETJ Expansion Request

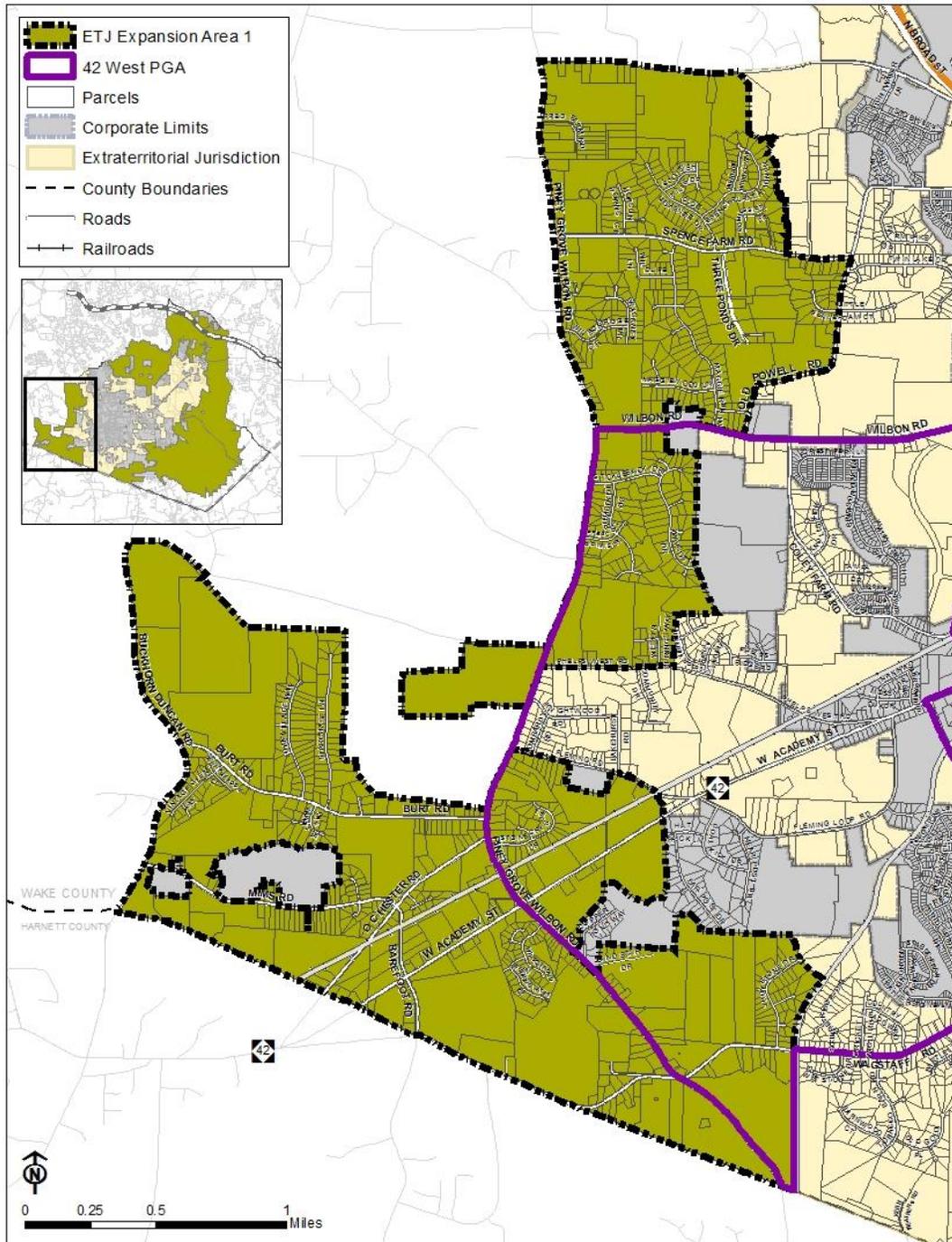
The Town's ETJ expansion request totals 22,049 acres or 34.5 square miles. Due to this large geographic area, the ETJ expansion request is divided into five (5) areas, which are derived from locations bounded by and including the Town's preferred growth areas (PGAs) (the Town identified these PGAs in 2013). *Additional information pertaining to this reference can be found in the Appendix.* The PGAs have historically been used to identify areas of planned or anticipated growth, and to steer capital improvement plan (CIP) projects specifically for water and sewer infrastructure expansions, as well as to inform likely areas for development. The ETJ expansion areas are identified by PGAs for two (2) reasons: they function as points of reference in order to provide geographic context; and they are a form of growth management, similar to an ETJ expansion, applied by the Town for future development. The areas identified as listed below, with more detailed descriptions and evaluation of each area to follow. *A larger version is available in the Appendix.*

- Area 1: 42 West PGA
- Area 2: Needmore PGA and 55 North PGA
- Area 3: 401 North PGA
- Area 4: Hilltop-Rowland PGA
- Area 5: 55 South-42 East PGA, Purfoy-Holland Road PGA, and 401 South-Angier Road PGA



Area 1: 42 West PGA

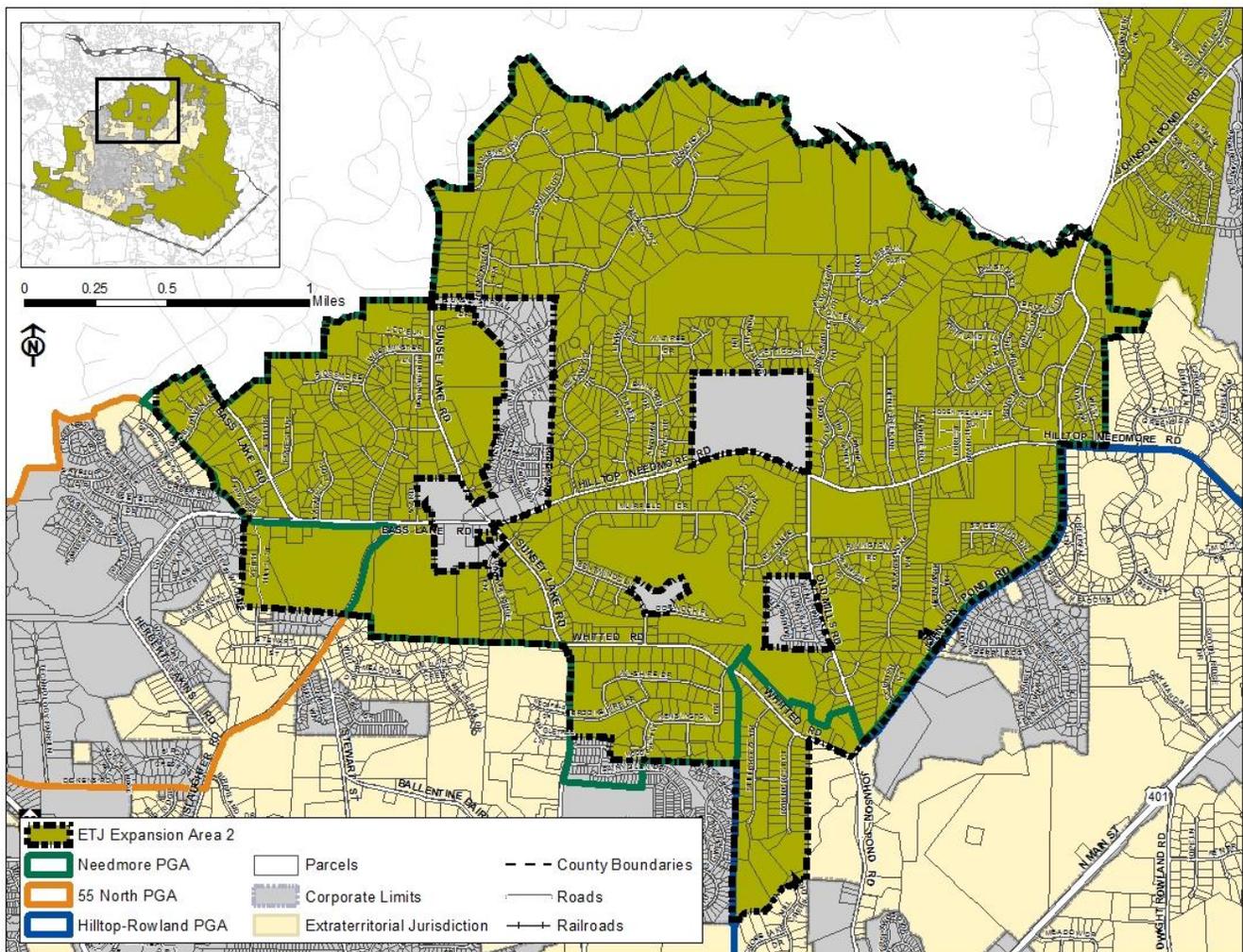
Area 1: 42 West PGA, approximately 2,829 acres, consists of the 42 West preferred growth area (PGA) and is the westernmost portion of the Town's urban service area (USA). While this area has the smallest geography of the five (5) areas included in the total extraterritorial jurisdiction (ETJ) expansion request, its importance lies in its proximity to the Town's downtowns and contiguous corporate limits, as well as development pressure occurring in Holly Springs nearby (e.g., Buckhorn Creek Elementary School, Honeycutt Farm Subdivision, and Bridgeberry Subdivision, all currently in development).



Area 1 is bounded on the west and north by the Town's urban service area (USA) perimeter, created by an annexation agreement with the Town of Holly Springs. The southern perimeter of Area 1 is bounded by the Wake and Harnett County line. The eastern perimeter of Area 1 is bounded by the Town's existing westernmost jurisdictional boundary, Old Powell Road, Fleming Road, and US Hwy 401 (South Main Street). A larger version is available in the Appendix.

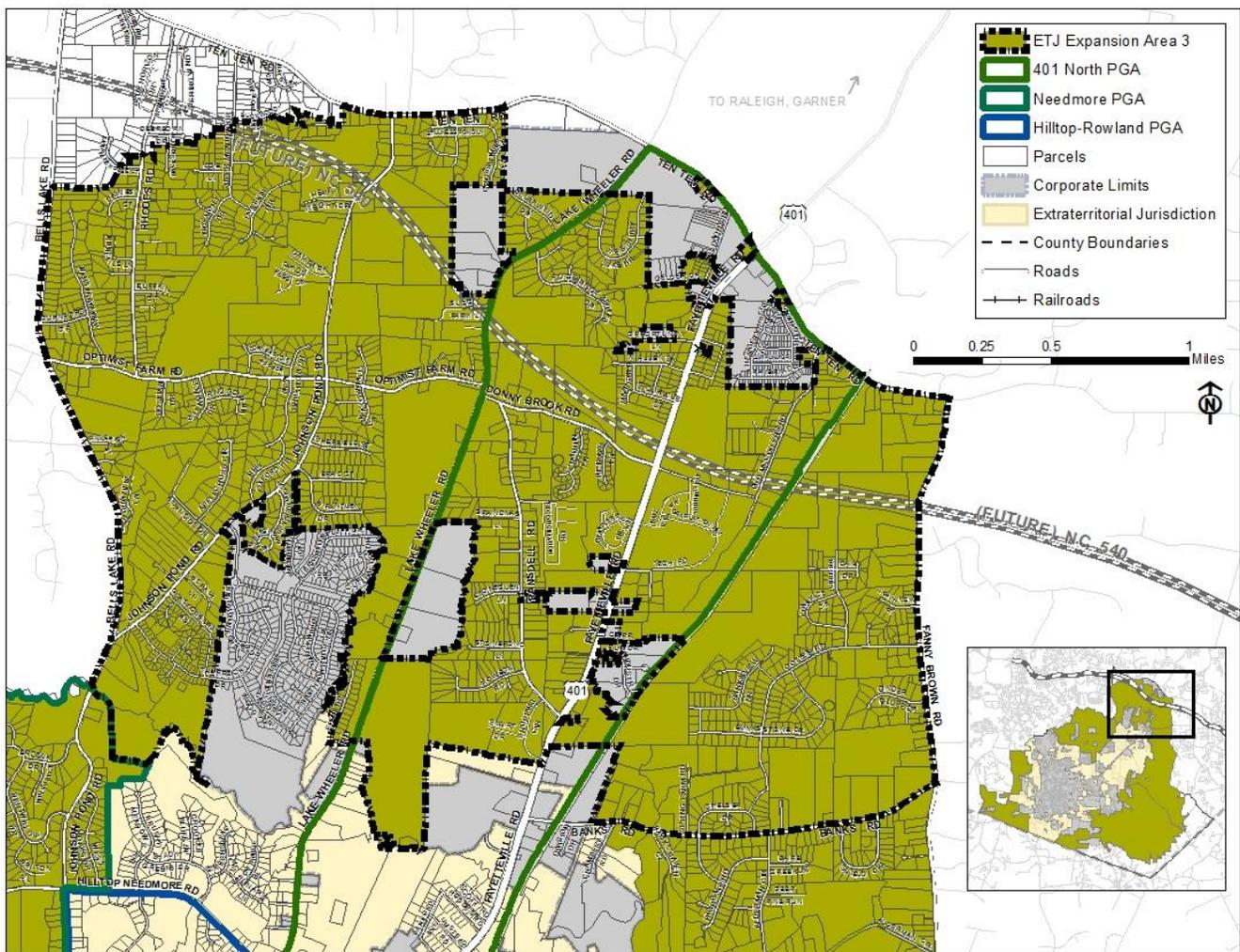
Area 2: Needmore PGA and 55 North PGA

Area 2: Needmore PGA and 55 North PGA, approximately 3,078 acres, is comprised of the Needmore and 55 North Preferred Growth Areas (PGAs) and is north of the Town's contiguous corporate limits. Its importance lies in thoroughfare connections to both Holly Springs and Cary, which is underscored by the significant opportunities for development that this area contains. Major arteries such as Bass Lake Road, Sunset Lake Road, and Hilltop Needmore Road continue to facilitate growth throughout southern Wake County, including in Fuquay-Varina. Area 2 is bounded on the north by the Town's urban service area (USA) perimeter, created by an annexation agreement with the Town of Holly Springs and an annexation letter of understanding with the Town of Cary, along Middle Creek. The eastern, western, and southern perimeters of Area 2 are bounded by the Town's existing jurisdictional boundaries. A larger version is available in the Appendix.



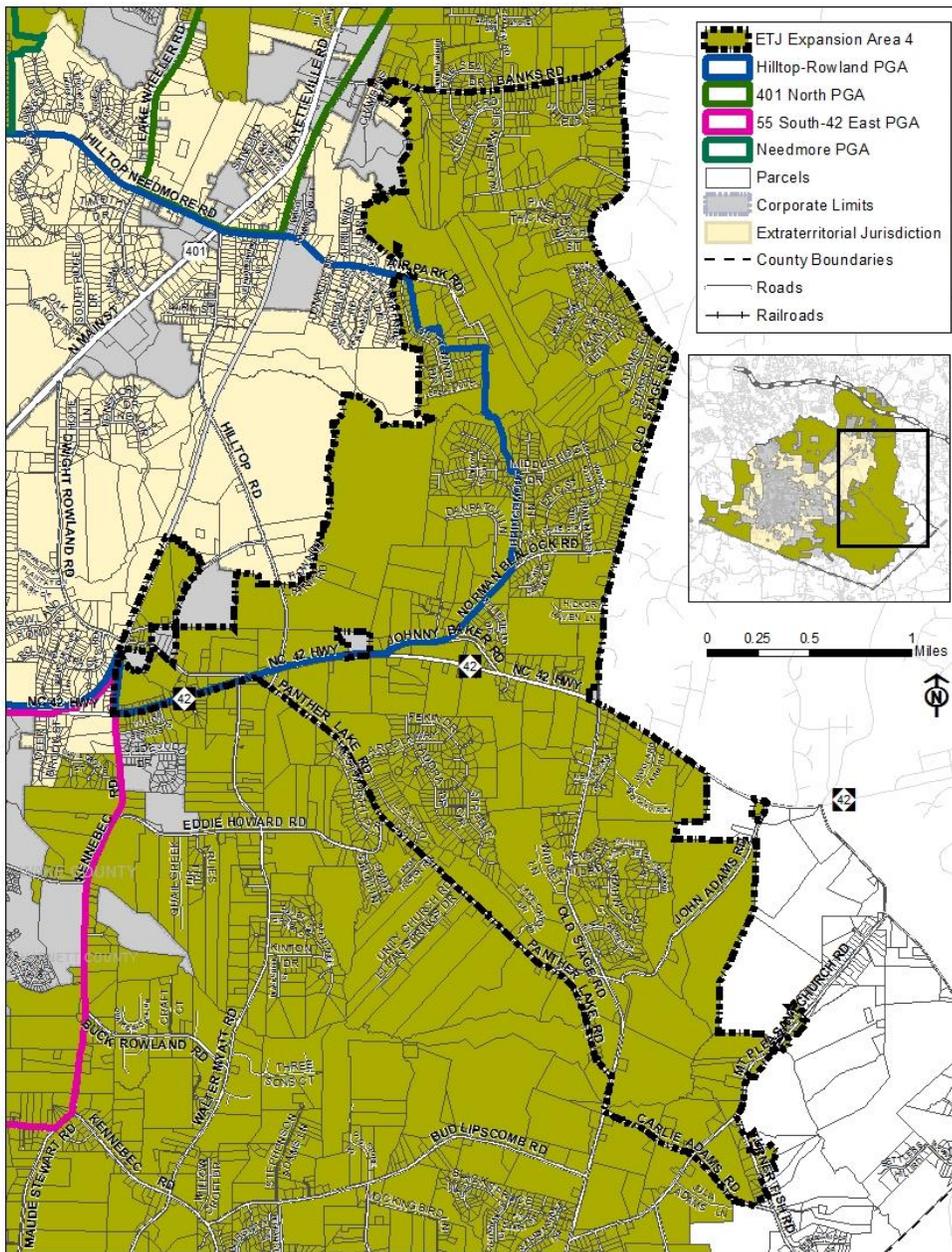
Area 3: 401 North PGA

Area 3: 401 North PGA, approximately 3,662 acres, contains the 401 North Preferred Growth Area (PGA) and is the northernmost portion of the Town's urban service area (USA). This area is the most vital area of the Town's USA in terms of regional connectivity. Area 3 contains the US Hwy 401 corridor, connecting Raleigh to Fayetteville and Fort Bragg, and is primed for another major highway as the next segment of NC 540 begins to take shape. The next segment of NC 540, from NC 55 Hwy in Holly Springs to Interstate 40 in Garner, has an anticipated opening of 2023. This segment, also known as the Southeast Extension, is expected to become a future expressway. The Town has made significant public utility infrastructure investments in this area over the past several fiscal years. Area 3 is bounded on the north and east by the Town's USA perimeter, created by an annexation agreement with the Town of Garner, following Ten Ten Road and Fanny Brown Road. Similarly, it is bounded on the west by the Town's USA perimeter, created by an annexation letter of understanding with the Town of Cary, following Bells Lake Road. The southern perimeter of Area 3 is bounded by the Town's existing northernmost jurisdictional boundary and Banks Road. A larger version is available in the Appendix.



Area 4: Hilltop-Rowland PGA

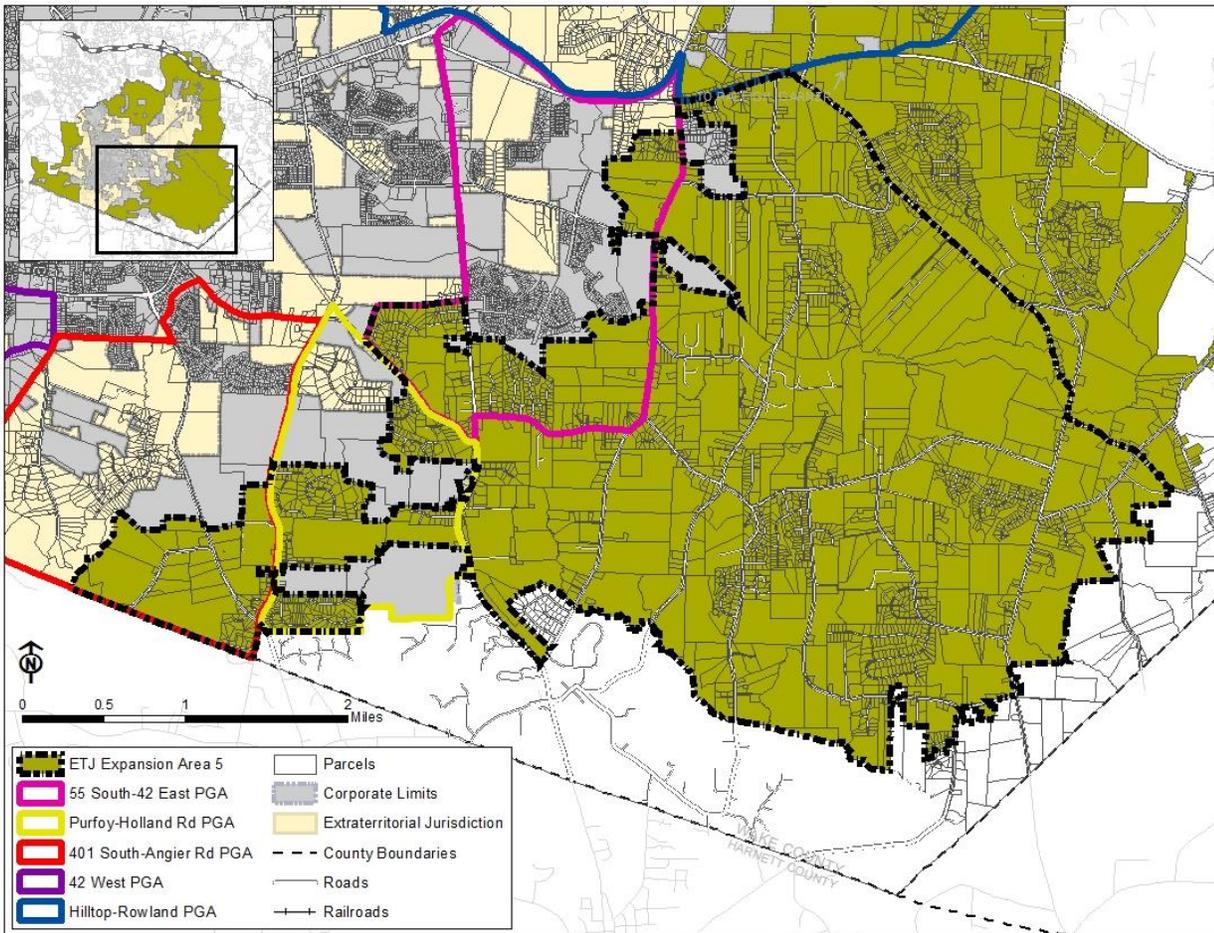
Area 4: Hilltop-Rowland PGA, approximately 4,435 acres, consists of the Hilltop-Rowland Preferred Growth Area (PGA) in the eastern portion of the Town's urban service area (USA). The importance of Area 4 lies in its proximity to growth occurring in both Fuquay-Varina and Garner, and in the tremendous impact that the future NC 540 interchange with Old Stage Road, bounding this area, is expected to have on growth and commuting patterns. Additionally, the growth pressure experience by the "McGee's Crossroads" and "Cleveland" areas of Johnston County (accessed from NC 42 Hwy) is expected to continue west along NC 42 Hwy towards Fuquay-Varina, which bisects this area. Area 4 is bounded on the north by Banks Road, and on the west by the Town's existing eastern most jurisdictional boundary. The



northeastern perimeter of the area is bounded by the Town's urban service area (USA) perimeter, created by an annexation agreement with the Town of Garner, along Fanny Brown Road, Old Stage Road and NC 42 Hwy. The southeastern perimeter of Area 4 includes property fronting John Adams Road, Mt Pleasant Church Road, and Turner Fish Road, to the intersection with Carlie Adams Road. The southern perimeter of Area 4 is bounded by NC 42 Hwy (from Town jurisdiction to Panther Lake Road), Panther Lake Road, Old Stage Road, and Carlie Adams Road. A larger version is available in the Appendix.

Area 5: 55 South-42 East PGA, Purfoy-Holland Road PGA, and 401 South-Angier Road PGA

Area 5: 55 South-42 East PGA, Purfoy-Holland Road PGA, and 401 South-Angier Road PGA, approximately 8,044 acres, is the southernmost portion of the Town’s urban service area (USA), is the largest of the five (5) areas included in the Town’s extraterritorial jurisdiction (ETJ) expansion request and includes the referenced preferred growth areas (PGAs). The importance of Area 5 lies in the availability and volume of developable land, in conjunction with growth pressures experienced from all directions in this area. The Town of Angier and northern Harnett County, to the south, have seen significant increases in development requests. Old Stage Road, which will serve as a significant driver of growth and commuting patterns when future NC 540 opens, bisects this area, and western Johnston County, to the east, has seen substantial increases in growth. The western and northwestern perimeters of Area 5 are bounded by the Town’s existing jurisdictional boundary. Area 5 is bounded on the north by NC 42 Hwy, from the Town’s jurisdiction to Panther Lake Road, and along the northeast by Panther Lake Road, Old Stage Road, and Carlie Adams Road. The eastern perimeter of the area includes property fronting Mt Pleasant Church Road, Old Stage Road (from Mt Pleasant Church Road to Wimberly Road), Wimberly Road (from Old Stage Road to just south of James Austin Road), James Austin Road, and from there following the Town’s USA boundary, created by a now-expired annexation agreement with the Town of Angier. A larger version is available in the Appendix.



Compliance with Wake County ETJ Review Criteria

Criterion 1. Classification as Urban Service Area:

The area proposed for ETJ expansion should be classified as the Urban Services Area associated with the municipality.

All requested areas are located within the Town of Fuquay-Varina's short-range urban service area (SRUSA) and long-range urban service area (LRUSA). Urban services areas are fashioned by the County's Land Use Plan, as well as municipal annexation agreements, and these USAs are reflected in the County's Land Use Plan. The annexation agreements and resulting urban service areas of the municipalities in Wake County have served the County and its residents in a meaningful manner, shaping growth patterns to reduce impacts on the environment, best serving municipal infrastructure systems, and ensuring present and future municipal boundaries are reasonable and understandable to the public. The boundaries have also largely prevented preemptive land growth and redundant extension of municipal utilities in an area.

In June 2018, with support of Wake County staff, the Town submitted a Land Use Plan amendment request to the County. The request proposes to reclassify all areas within the Town's USA as SRUSA. The request demonstrates the Town's compliance with SRUSA standards and works to ensure growth supports the intent of the urban service areas. Town and County staff expect consideration by the Wake County Board of Commissioners in September 2018. *Additional information pertaining to this reference can be found in the Appendix.*

While the Town's requested ETJ expansion of approximately 22,049 acres is substantial in size, it does not encompass Fuquay-Varina's entire USA—approximately 2,705 acres of the USA are outside of this request. More specifically, the ETJ expansion includes approximately 16,655 acres within the SRUSA's 18,101 total acres (92% of the SRUSA) and approximately 5,337 acres within the LRUSA's 7,588 total acres (70% of the LRUSA). In consideration of the size of the ETJ expansion request, it should be noted that the Town of Fuquay-Varina has the third largest urban service area in Wake County, after the City of Raleigh and Town of Cary.

Criterion 2. Commitment to Comprehensive Planning:

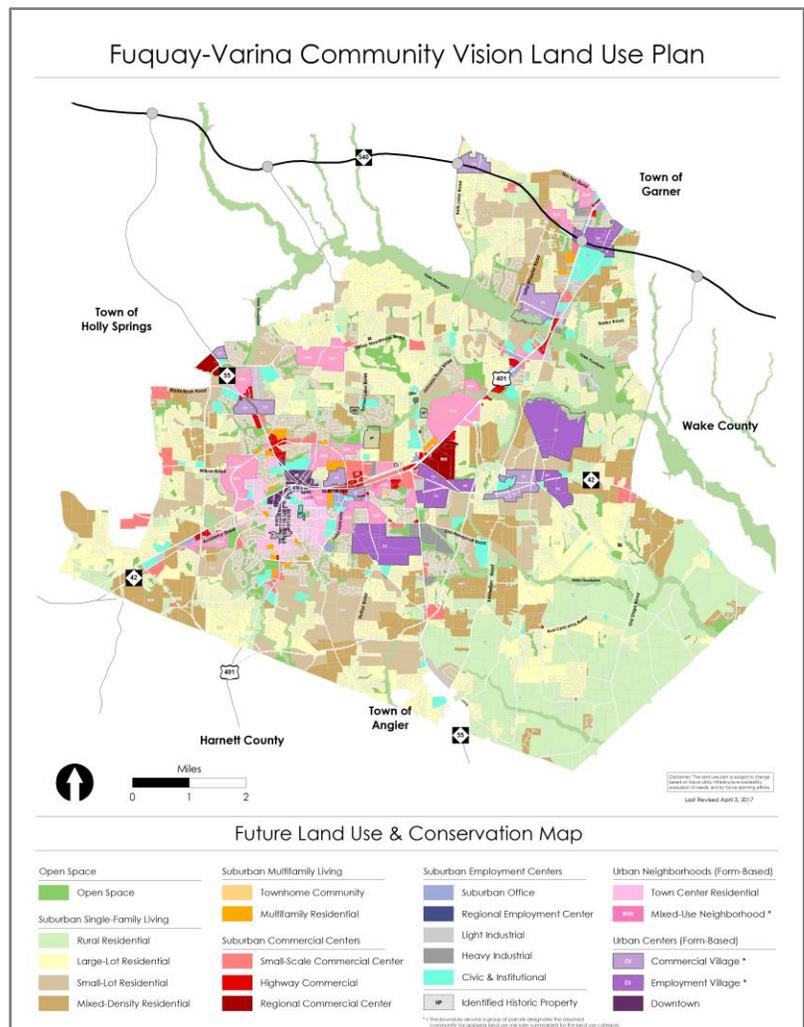
The municipality should demonstrate a commitment to comprehensive planning, preferably including adopted land use, public facilities and transportation plans, engineering studies, and a capital improvement program (CIP) including funding to implement the CIP. This commitment must be demonstrated through official actions by the governing body.

The Town of Fuquay-Varina has prepared itself and is well positioned to accommodate urban growth. As described herein, the Town’s combination of the 2035 Community Vision Land Use Plan (2035 LUP), 2035 Community Transportation Plan (2035 CTP), and Land Development Ordinance (LDO), as well as comprehensive revision of the Town’s Standard Specification & Construction Details work in unison to create the “sense of place” that is Fuquay-Varina, a commitment to comprehensive planning, and underscores the importance of this ETJ expansion request.

Land Use Planning

The Town of Fuquay-Varina’s long-standing history and commitment to comprehensive planning extends back to the 1970s. Over the course of several decades, the Town has partnered with adjacent and neighboring jurisdictions on a number of planning efforts.

Most recently, the Town developed the 2035 Community Vision Land Use Plan (LUP), encompassing its corporate limits, current ETJ, and entire USA. While this is a local plan, Wake County staff, along with representatives from the development community, community interest groups, and local residents participated in development of the plan through a project steering committee. A draft of the plan’s executive summary was presented to the Wake County Planning Board in March 2017, ahead of adoption by the Town Board in June 2017.



In November 2009 the Town adopted its Town Center Overlay District Plan. The Town Center Overlay District Plan was developed with the intent of retaining the history and character contained in Fuquay-Varina's two (2) downtowns, as well as ensuring infill development occurs in consideration of said history and character. This document served as the foundation for later adoption of downtown specific development regulations, still effective to this day.

Prior to the 2035 LUP, the Town of Fuquay-Varina adopted its 2005 Land Use Plan. This plan incorporated not only the Town's corporate limits and ETJ, but also anticipated future use of the Town's entire USA.

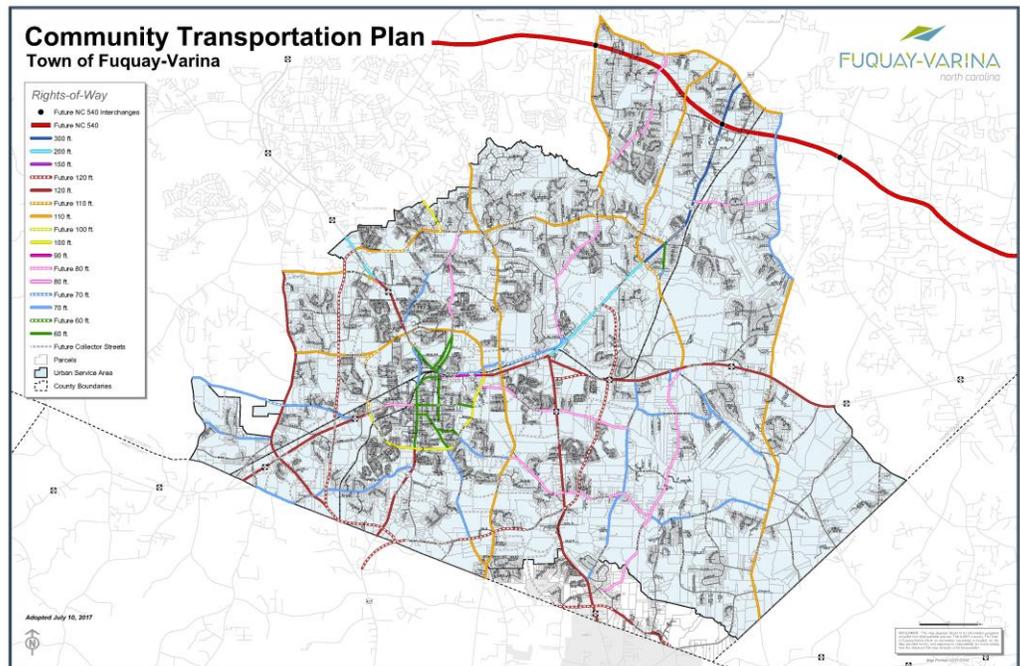
In November 2003 the Fuquay-Varina/Garner Area Land Use Plan was adopted. This joint planning effort was developed in conjunction with Wake County, the Towns of Garner, Angier and Fuquay-Varina, as well as NCDOT. In continued coordination and cooperation, Fuquay-Varina intends to be a partner through development of PlanWake, the County's new land use plan, currently in early stages of development.

Transportation Planning

Proper transportation planning supports and coordinates with land use planning, and Fuquay-Varina made a conscious effort to do so since the 1980s. The Town has a long history of coordination and collaboration with the North Carolina Department of Transportation (NCDOT) and the Capital Area Metropolitan Planning Organization (CAMPO) in both transportation planning and project implementation.

The most recently completed transportation planning process locally is the 2035 Community

Transportation Plan (CTP), which was adopted by the Town Board of Commissioners in July 2017. The 2035 CTP was developed in close coordination with Wake County, CAMPO, and NCDOT staff, as well as other interested parties and community members who participated on the steering committee. This plan anticipates current and future



needs for all modes of transportation in the Town's corporate limits, ETJ, and USA. Similar to the LUP, a draft of the 2035 CTP was presented to the Wake County Planning Board in 2017.

The Community Transportation Plan provides for sufficient access, and capacity for varying modes of transportation, as well as transportation connectivity, to provide for save travel in, around, and through Fuquay-Varina.

The Southwest Area Study (SWAS) was commissioned by CAMPO to coordinate transportation at a sub-regional level and was adopted in 2012, intended to layout a long-term transportation vision for the area. This plan was the culmination of a partnership that included Wake and Harnett Counties, Holly Springs, Garner, Apex, and Angier, as well as transportation partners. In early 2018, the Southwest Area Study Update was commissioned and will undertake a similar joint-planning process to update existing and create new transportation initiatives for southwestern Wake and northern Harnett Counties. CAMPO staff expects the SWAS Update to be adopted sometime in 2019.

Preceding the 2035 CTP, the Town adopted transportation plans in 1989, 1994, and 2006.

The public generally cites transportation as the primary concern for any potential or proposed development as it directly affects them on a daily basis. However, development within the proposed ETJ expansion area currently is not required to construct transportation improvements under the County's Unified Development Ordinance (UDO). If approved, the requested ETJ expansion would create a more comprehensive and viable transportation network by expanding the Town's development jurisdiction and application of 2035 CTP, used in conjunction with the Town's Land Development Ordinance (LDO). The Town's provisions require construction of improvements included in the 2035 CTP as development occurs. These improvements would serve not only residents of Fuquay-Varina and its ETJ, but also those of Wake, Harnett, and Johnston Counties.

In addition to the public right-of-way (road) network maintained and operated by Fuquay-Varina within the Town's contiguous corporate limits, satellite annexations located throughout the ETJ and USA also include Town-owned and -operated public right-of-way. As voluntary annexation requests are received and development occurs in these areas, the Town's network has and will continue to expand. That said, the vast majority of the road network in the area included in the ETJ expansion request (within the Town's urban service area) is primarily maintained by NCDOT, as the network was developed in the County's jurisdiction. Additionally, in limited cases there are private rights-of-way or "orphan" public rights-of-way, developed through practices no longer permissible. The ETJ expansion, if proposed, would require compliance with Fuquay-Varina development provisions, including pedestrian amenities, minimum standards for public and private rights-of-way, improvements to existing NCDOT right-of-way, and greenway construction (where applicable).

Land Development Ordinance (LDO)

The Town adopted a Land Development Ordinance (LDO) in October 2016, which became effective on December 30, 2016. The LDO replace previous development regulations originally adopted in 1965. While amendments occurred regularly over time, no comprehensive evaluation was performed until the introduction of the LDO project. The LDO modernizes, streamlines, and clarifies the Town's development standards to maintain its attractive character and to ensure that development maintains adequate service for current and future needs. There are several notable provisions of the Town's LDO that serve to support Fuquay-Varina's ETJ expansion request.

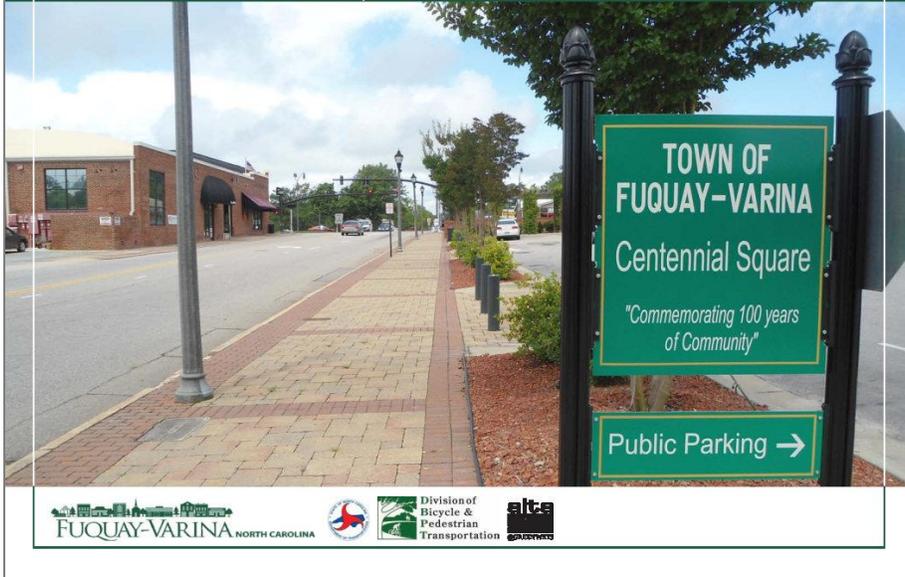
As previously indicated, right-of-way dedication and construction of road improvements, in compliance with the 2035 CTP, is required with development. These improvements include not only traditionally referenced travel lanes, but also pedestrian and bicycle facilities. While CTP improvements are meant to steadily form the fabric of the transportation network need to serve anticipated 2035 needs, these improvements also aid in serving current transportation needs. To support both long-term and current transportation needs, the Town's LDO also requires that a traffic impact analysis (TIA) be performed, and recommended improvements made, when warranted. These improvements are necessary to mitigate traffic and congestion generated as development occurs, and in support of long-term needs. As such, areas developed within the Town's jurisdiction are required to provide a level of private investment in vehicle, bicycle and pedestrian amenities above that which exists in the County's jurisdiction.

Further, if a proposed development is within 2,500 feet of the Town's municipal water and/or sewer infrastructure, the LDO requires the development occur with connect to said utility or utilities. This mirrors the Wake County Unified Development Ordinance (UDO) standard requiring connections to municipal services based on proximity. Additionally, the Town has similar provisions for connection to municipal infrastructure based on usage and generation for nonresidential development. These requirements ensure that adequate water and wastewater (sewer) resources are available to serve current and future residents. Connection to and development in consideration of municipal infrastructure aids in reducing potential environmental externalities (in addition to a financial and health burden for households) created by private well and septic systems that may fail in the future and provides a certain level of reliability not necessarily offered by private utility service.

Pedestrian Master Plan / Open Space Network

The Town has and continues to take a proactive approach to enhance multi-modal transportation options throughout its corporate limits, ETJ, and USA. The previously referenced 2035 Community Transportation Plan (CTP) took a variety of transportation modes into consideration, and evaluated previous planning efforts, described herein, to provide a comprehensive approach to transportation planning. However, the relevance of the Pedestrian Master Plan, Greenway Master Plan, and Open Space Plan is also worth mentioning.

Town of Fuquay-Varina, NC 2013 Community Pedestrian Master Plan



In 2013 the Town adopted a Pedestrian Master Plan, developed through a matching grant received from NCDOT in 2012. This plan was developed in consideration of the Town's corporate limits and ETJ at the time of development, and was vetted through a committee of industry professionals, interested community members, and special interest groups.

The Town adopted its Greenway Master Plan in 1999 and its Open Space Plan three years later, in 2002. The latter was

developed with funding assistance from Wake County. These planning efforts set the stage for development of the Town's commitment to alternative means of transportation and development in consideration of environmental features.

Capital Improvement Program (CIP), Bonds and Fiscal Conservancy

The Town has been proactive in developing Community Improvement Programs (CIPs) and 5-Year Plans (including future staffing and operations costs) for a number of years. These plans taken into consideration all services provided by the Town and allow for the Town Board to anticipate future needs in a fiscally responsible manner. Special attention is given to infrastructure, street improvements, fire and police services, and recreation facilities. The CIPs are designed to provide funding for most infrastructure-related facilities and services.

Table – Capital Improvement Programs

Fund Type	Services Provided
Capital Reserve Fund	Recreation Fees Youth Programs Other Recreational Programs Equipment Purchases
Water and Sewer Capital Projects Fund	Water and Sewer Line Oversizing Water Line Replacement Water and Sewer Extensions
Water and Sewer Capital Reserve Fund	Water and Sewer System Development

The Town's capital improvement projects have been supported by other efforts, most notably bond referendums. For the second time in less than a decade, in 2015 the Town citizens supported a bond referendum for transportation, water and sewer improvements. The bond referendum passed by an impressive 83% of the Town's voters, in a clear demonstration of the community's desire to ensure adequate facilities are available into the future. The transportation bond was advertised as requiring a 6.75-cent property tax increase need to advance three (3) major road improvement projects. Following is a breakdown of the 2015 bond by type and value:

- Transportation Bond: \$21 million
- Water Bond: \$3 million
- Sewer Bond: \$2 million

In 2007, the Town put forth a bond referendum to its citizens for water, sewer, streets, sidewalks, parks, and downtown improvements, which passed by an overwhelming majority as well. These bonds were utilized to extend water and sewer infrastructure, construct a regional pump station and force main, and improve Judd Parkway. A portion of these funds were also used to leverage other grants and funding sources designed to add additional infrastructure. Following is a breakdown of the 2007 bond by type and value:

- Water Bond: \$2 million
- Sewer Bond: \$4.5 million
- Street Bond: \$8 million
- Sidewalk Bond: \$500,000
- Park Bond: \$2 million
- Downtown Bond: \$2 million

The Town's conservative approach to major expenditures, as well as a program of leveraging funding sources to allow local dollars to go further than they would alone, has served as a safeguard to maintaining the Town's solid financial standing. In particular, Fuquay-Varina's partnerships with the North Carolina Department of Transportation (NCDOT) and the Capital Area Metropolitan Planning Organization (CAMPO) have strengthened the Town's ability to administer transportation projects through support of those larger organizations.

In fact, the Town's ability to leverage these bonds toward other funding sources and favorable revenue growth has kept the Town's tax rate two (2) cents lower than advertised and approved in the 2015 bond referendum, as referenced above. In essence, the Town is delivering more with less and over-delivering to serve the needs of both Fuquay-Varina residents and those in the surrounding community.

The Town's notable financial standing is a result of a years-long, continuous effort to ensure stability and sustainability of the Town. As provided in the Town's *Fiscal Year 2016–2017 Comprehensive Annual Financial Report*, the Town experienced a 24% increase in ad valorem taxes, 6% increase in sales tax. Over the past 10 years, the Town of Fuquay-Varina's tax base has grown from \$1,098,420,960 to \$2,995,350,457 in 2017, with an 11% increase over 2016.

The following table identifies the Town's overall financial picture. This table is meant to demonstrate the Town's long-standing financial security. In recognition of this, the Town has received Standard and Poor's AAA credit rating and Moody's Investor Services' Aa1 rating. This, and additional information related to the Town can be found in the *Fuquay-Varina 2018 Community Profile*. Further, the Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reports to the Town of Fuquay-Varina for its comprehensive annual financial report for Fiscal Year 2016–2017, previously referenced. *Additional information pertaining to this reference can be found in the Appendix.*

Table – Overall Fund Balance

Fiscal Year	General Fund	Capital Projects Fund	Capital Reserve Fund	Debt Service Fund	Overall Fund Balance
2010-11	\$14,594,697	\$3,060,054	\$1,815,082	\$1,673,155	\$21,143,388
2011-12	\$16,748,723	\$1,850,066	\$1,911,442	\$1,673,993	\$22,184,224
2012-13	\$17,243,659	\$5,701,741	\$2,204,121	\$1,739,695	\$26,889,216
2013-14	\$18,760,238	\$5,333,973	\$2,009,284	\$1,739,958	\$27,843,453
2014-15	\$20,403,550	\$5,640,898	\$1,212,143	\$1,740,179	\$28,996,770
2015-16	\$22,281,176	\$5,520,790	\$1,298,929	\$1,743,258	\$30,844,153
2016-17	\$22,584,039	\$8,161,987	\$1,488,088	\$1,687,661	\$33,921,775

Criterion 3. Adoption of Special Regulations:

(a) *Where the municipality proposes ETJ expansions along major transportation corridors designated by the County as Special Transportation Corridors, the municipality should have adopted, and be willing to apply, regulations comparable to those for Special Transportation Corridors.*

(b) *Where the municipality proposes ETJ expansions within a water supply watershed the municipality should have adopted, and be willing to apply, water supply protection policies and provisions that meet or exceed the applicable State water supply watershed regulations or an adopted plan for the water supply watershed.*

(c) *For evaluating an ETJ expansion request, the municipality's application of such special regulations to its existing ETJ should be considered as evidence of its willingness to apply these special regulations.*

Transportation Corridor Protection

There are no special transportation corridors designated by Wake County in Fuquay-Varina's ETJ or USA. That information considered, a series of regulations contained in the Town's Land Development Ordinance (LDO) ensure important transportation corridors are protected and that land adjacent thereto is developed in consideration of the corridors. Additional information and detail related to the Town's LDO and its impact on sustainable growth and efficiency of infrastructure was previously referenced in this document.

To enhance aesthetic, provide tree cover and frame the transportation corridors, the Town's regulations require landscape buffers of ranging types, and encourage protection of existing vegetation and supplemental landscaping where necessary. These regulations further enhance compatibility and provide visual separation between uses and thoroughfares.

Use standards require that developments with greater transportation impact are located in proximity to major transportation corridors that can adequately support them. For example, the permitted size and/or density of shopping centers, multifamily developments and form-based developments is increased based on access to corridors of significant planned size and capacity. This serves to ensure investments in the public road network are best supported by development and to mitigate impacts of larger developments on the larger community by steering such developments toward major transportation corridors.

With regards to NC 540 (Southeast Connector / Triangle Expressway), if Wake County does apply a special transportation corridor to this thoroughfare the Town is committed to application of similar standards. Whether or not a special transportation corridor is applied, the Town's regulations, referenced herein, will apply.

The Town of Fuquay-Varina's citizens, elected officials, and staff believe in the value of investment and improvement to the transportation network and protection of vital transportation corridors. This is evidenced in additional detail further in this document, pertaining specifically to capital projects and fiscal investments on major transportation corridors.

Historic Preservation

The Town has a long and storied association with the Wake County Historic Preservation Commission, by way of the many historic buildings and site that the Town and Wake County have partnered to preserve. These historic landmark sites and buildings add value to the community, whether they are within the Town's corporate limits, extraterritorial jurisdiction (ETJ), or urban service area (USA).

Identified historical sites, structures and landmarks were identified and considered as part of the Town's 2035 Community Vision Land Use Plan (LUP) and are included on the LUP map for ease of identification and to honor the Town's built heritage. The information below is provided, as described in the LUP.

The Fuquay Springs Historic District is a national historic district encompassing 36 contributing buildings and one contributing site. The predominantly residential district was developed between about 1899 and 1946. Located in this district are the separately listed Ben-Wiley Hotel and Fuquay Mineral Spring. The district was listed on the National Register of Historic Places in 1996, with a boundary increase in 2014.

The Varina Commercial Historic District is a national historic district encompassing 12 contributing buildings in the central business district. The district developed between about 1899 and 1926. It was listed on the National Register of Historic Places in 1990.

In addition to the two (2) national historic districts, there are also many significant historic structures within and outside of the downtown areas that have been designated and added to local registers by both Wake County and Fuquay-Varina, including schools, churches, and residential buildings.

It is the Town's intent to continue its efforts to partner with Wake County to preserve and protect additional historic sites and buildings in the Fuquay-Varina community, including the area within requested ETJ expansion, to preserve the Town's history and heritage.

Watershed Supply Protection

The Town originally adopted a Watershed Protection Ordinance in 1993. This adoption was based on North Carolina Watershed Protection Rules in effect at that time.

In 1998, the NC Watershed Protection Rules changed, ultimately altering the boundary of the watershed so that it was no longer in the Town's jurisdiction. In particular, the watershed area protecting the Kenneth Creek/Neil's Creek channel to the Cape Fear River was no longer within the Town's jurisdiction. Further, the watershed boundary was altered to no longer include related area within the Town's extraterritorial jurisdiction (ETJ) or urban service area (USA). The Town coordinated with the North Carolina Department of Environmental Quality

(DEQ), formerly known as Department of Environment and Natural Resources (DENR), to accommodate necessary steps following that change.

Upon completion of those coordination efforts, it was determined that despite the watershed boundary no longer being within the Town's jurisdiction, Fuquay-Varina would voluntarily maintain watershed protection regulations within the Town's development provisions. This retention of watershed protection regulation was, and is, intended to facilitate the ability for swift application and enforcement should the boundary of the watershed be amended in the future such that it became necessary for the Town. This commitment was upheld with the drafting and adoption of the Town's Land Development Ordinance, adopted in 2016, and the watershed protection regulations are still contained in the Town's LDO.

Criterion 4. Municipal Water and Sewer Services:

The municipality should show how the area proposed for ETJ expansion will be served by water and sewer service within five (5) years of the effective date of the ETJ extension. The systems should be designed with adequate treatment capacity and adequately sized major trunk line extensions to service the area proposed for ETJ expansion. The municipality should include needed improvements in its capital improvements program.

Since the 1990s, Fuquay-Varina has promoted and incorporated funding for municipal utility infrastructure expansions through the annual budgeting process. The Town has traditionally taken, and continues to take, a proactive approach to providing a well-planned and strategically located utility system throughout the corporate limits and specifically into preferred growth areas (PGAs) but also beyond, including broader areas throughout both the extraterritorial jurisdiction (ETJ) and urban service area (USA).

The Town is located along a ridgeline that places the northern jurisdiction in the Neuse River Basin and the southern jurisdiction in the Cape Fear River Basin. Each of the basins is a drainage area attributed to the river for which it's named. The ridgeline effectively enters into the Town's USA from Piney Grove Wilbon Road south, turning east at Wilbon Road, tracking south again at Broad Street (NC 55 Hwy) and following easterly through "Town proper". At Purfoy Road the ridgeline turns south, then to Holland Road, and finally back onto South NC 55 Hwy into Harnett County. There are only 17 major river basins in North Carolina, so ridgeline is notable generally because not many municipalities are located such that they are divided by a basin. The basins are specifically important in this discussion for they essentially dictate how Fuquay-Varina's water and sewer utility infrastructure is laid out, services are provided, and treatment is completed.

Water Supply and Distribution

Fuquay-Varina has several water sources available currently, with these and others potentially available for service of long-term future needs. The Town currently purchases water capacity from three (3) sources out of both basins; Harnett County, Johnston County, and the City of Raleigh. Water capacity purchased from these jurisdictions is as provided in the table to follow.

Table – Water Supply

Water Supply Source	Max Daily (million gallons/day)
Harnett County	2.00 mgd
Johnston County	1.50 mgd
City of Raleigh	0.75 mgd
Total Capacity	4.25 mgd

The Town’s current average peak water consumption is 3.10 million gallons per day (mgd). Based on the Town’s average peak usage, in consideration of total water capacity, there is 1.15 mgd available to serve future development. This is significant and adequate capacity to provide for water supply and distribution needs.

The Town recently completed a water capacity study to evaluate additional long-term water sources to accommodate more distant future needs. The study evaluated options including construction of a Town-owned and -operated water supply reservoir or purchase of additional water capacity from existing and/or other potential sources. The study concluded that purchasing capacity from other providers would be the most practical and cost-efficient path forward; however, that option depends on the interest and ability of existing or potential sources to sell water supply capacity. For that and other reasons, the Town has initiated discussions with possible future providers and continues to evaluate the possibility of a Town-owned and -operated facility as well.

Wastewater Collection and Treatment

The Town of Fuquay-Varina is located along a ridgeline, previously referenced, that necessitates wastewater (sewer) collection and treatment occurs in basins on either side of the ridgeline. As such, the Town provides wastewater collection and treatment at three (3) locations within both the Neuse and Cape Fear River Basins.

The Town’s current average peak collection and treatment totals 2.04 million gallons per day (mgd) distributed among its three wastewater treatment plants (WWTP): Terrible Creek WWTP, North Harnett Regional WWTP, and the Brighton Forest WWTP. With its treatment capacity at 5.717 mgd, the Town has the ability to more than double its current average peak collection.

Table – Wastewater Collection

Collection Source	Average Peak Collection	Capacity
Terrible Creek WWTP	0.8 mgd	3 mgd
North Harnett Regional WWTP	1.2 mgd	2.6 mgd
Brighton Forest WWTP	0.04 mgd	0.117 mgd
Total	2.04 mgd	5.717 mgd

The Town obtained authority from the State of North Carolina in the 1980s to permit up to six (6) mgd of treatment capacity in the Neuse River Basin and subsequently constructed the Terrible Creek Wastewater Treatment Plant on Hilltop Road in 1994. Originally designed as a package treatment plant to accommodate treatment of up to one (1) million gallons per day (mgd), it has served the Town’s wastewater collection and treatment needs for the past 24 years. In an effort to keep up with demand, in 2015 the Town initiated a capital improvement project to increase the plant’s capacity and to convert the facility from a package treatment plant to a fully operational wastewater treatment facility. Construction began the next year to increase collection and treatment capacity to three (3) mgd and was completed earlier this

year (2018). The added capacity will serve the needs of future development in the Neuse River Basin, including the proposed ETJ expansion area.

Furthermore, the Town's State-issued discharge permit at the Terrible Creek Wastewater Treatment Plant (WWTP) for six (6) mgd affords the Town the option to complete a future capital improvement project to expand the plant to double the current treatment capacity. The current plant has been designed to sport this future planned expansion.

The North Harnett Regional Wastewater Treatment Plant is located in the Town of Lillington within the Cape Fear River Basin and is the result of a joint agreement between the Town and Harnett County. The facility is supported by a 17-mile wastewater outfall line with a capacity of 6 mgd allocated to Fuquay-Varina. This capacity provides the Town with long-term viability given that, currently, it contractually treats 2.6 mgd. The Town invested \$17 million in this capital improvement project to increase capacity for large portions of its corporate limits and ETJ. A considerable portion of area within the proposed ETJ expansion is within the Cape Fear River Basin and could be served by this plant.

The Brighton Forest Package Treatment Plant is located in the Neuse River Basin and is Town-owned and -operated. The plant is the result of a partnership between the Town and the plant's developer. At the time of construction, in the late 1980s, the developer secured a State permit for the plant and, transferred ownership to the Town once construction was completed. Currently, the plant serves more than 400 single-family residential lots comprising the Brighton Forest Subdivision, with a small amount of excess capacity. While the Town has no plans to utilize this extra capacity, it is available should emergency conditions arise. Fuquay-Varina's long-term plan is to decommission this plant as sewer infrastructure is constructed so that collection and treatment at this facility can be diverted to the Terrible Creek WWTP.

Collectively, the allocations provide a total of 12 mgd treatment capacity for Fuquay-Varina's jurisdiction and urban service area to serve potential future needs. Because Fuquay-Varina is located along a ridgeline, which creates noteworthy topographical changes throughout the Town's jurisdiction, the ability to use gravity flow for all wastewater (sewer) collection is not possible. For that reason, pump stations are necessary to transfer wastewater to gravity lines and on to the treatment plants. Throughout its jurisdiction, the Town operates 25 pump stations for wastewater collection. In addition, one (1) pump station is under construction and six (6) more are proposed and designed to serve future development. Development to municipal standards, specifically infilling between contiguous and satellite corporate limits with future public utility easements, presents opportunities to decommission pump stations.

Criterion 5. Evidence of Feasibility for Urban Development:

Areas proposed for ETJ extension by a municipality should be capable of being developed to an average density feasible for municipal annexation. This criterion is closely related to the ability of a municipality to serve the area with water and sewer service in accordance with its plan for development.

As development interest continues (Wake County grows by more than 60 people per day), Fuquay-Varina's interest is in ensuring development occurs in a manner most conducive to responsible use of and improvement to public infrastructure, while maintaining the high-value quality of life that residents of Fuquay-Varina and Wake County have come to expect.

The Town's combined long-range plans and development standards have set the framework for Fuquay-Varina's orderly provision of services and accommodation of needs for current and future residents. The actions taken by the Town Board of Commissioners in 2016 and 2017 to adopt the Land Development Ordinance, Standard Specifications & Construction Details, 2035 Community Vision Land Use Plan, and 2035 Community Transportation have prepared the Town to adequately address expansion of both the corporate limits and extraterritorial jurisdiction (ETJ). Rather than updating existing documents through the referenced plan and document adoption efforts, the Town took the opportunity to create these anew by utilizing an extensive community engagement process and bringing expert field professionals into the development process. This allowed for nuanced approach that introduced new ideas and concepts, incorporated market trends and growth rates, and maintained the public welfare.

In addition to guiding documents, the Town's expansive utility network and transportation improvements, both by the Town and in partnership with NCDOT, ensure that suitable infrastructure is available to serve the area included in the ETJ expansion request either immediately or within the next five (5) years. Additionally, the Town has continually committed to capital projects that support and provide for services and needs of the growing community, done so through fiscal responsibility and stewardship.

Growth in Fuquay-Varina and Wake County

Wake County was the 20th fastest growing county in the nation between 2010 and 2017, with an average of 63 new residents each day, as provided by *Wake County by the Numbers*. With an average household size of 2.64 people, development pressure continues to increase to keep up with demand. Fuquay-Varina, much like many of the other suburban communities in Wake County, has seen meaningful and notable increases in housing stock to accommodate the County-wide demand.

The Town is experiencing unprecedented population growth for the past two (2) decades. The Town's population has more than tripled since the 2000 US Census, based on the 2017 Census population estimate, permit issuance, and the County's average household size.

Further, the Town’s estimation based on the previously referenced information indicates Fuquay-Varina reached a population of 30,000 in July 2018.

The total number of residential building permits issued from 2012-2017 was 3,389. This is an annual average of 565 residential permits over a six (6) year period. Building permits are issued for areas within contiguous and satellite corporate limits, as well as within the ETJ. This serves to establish the Town’s municipal expansion into areas formerly within the ETJ and USA. Building permit information is discussed in more detail further in this document. *Additional information pertaining to this reference can be found in the Appendix.*

Land Use Planning and Classification

The 2035 Community Vision Land Use Plan invites investment but does not overburden the Town, by establishing a strategy for wide-spread implementation of quality services and amenities meeting citizens’ expectations. It further envisions walkable and service-oriented urban centers and mixed-use developments at strategic locations, both of which offer opportunities a variety of residential, commercial, and office use types access from varying modes of transportation.

Potential municipal densities for residential uses, and floor area ratio (FAR) for nonresidential uses, applicable in the requested ETJ expansion area (and throughout the Town’s entire USA) are provided in the LUP. Information about land use classifications with feasible application within the ETJ expansion area are listed in the following table. This information is included to demonstrate Fuquay-Varina’s commitment to development with the requested ETJ expansion area occurring at a reasonable density expected in a municipality.

Table – 2035 Community Vision Land Use Plan Classifications

Classification	Density	Floor Area Ratio	Summary
Rural Living	≥ .33 du/ac	N/A	Large lot residential / agricultural
Large Lot Residential	≥ 2 du/ac	N/A	Single-family detached homes
Small Lot Residential	2-6 du/ac	N/A	Single-family detached homes
Townhome Community	6-10 du/ac	N/A	Single-family attached homes
Multifamily Residential	10-16 du/ac	N/A	Condos / apartments
Mixed-Density Residential	4-8 du/ac	N/A	Mixed housing types and densities
Small-Scale Commercial	N/A	Max. 0.30 FAR 1-story or .40 FAR 2-story	Serving adjacent neighborhoods
Highway Commercial	N/A	Max. 0.25 FAR 1-story	Serving surrounding neighborhoods
Regional Commercial Center	N/A	Max. 0.40 FAR 1-story plus 0.10 each added story	Serve regional commercial needs and services
Light Industrial	N/A	Max. 0.30 FAR 1-story plus 0.10 each added story	Employment and services
Heavy Industrial	N/A	.30 FAR 1-story	Large-scale manufacturing and production
Suburban Office	N/A	Max. 0.30 FAR 1-story plus 0.10 each added story	Mixed scale employment
Regional Employment Center	N/A	Max. 0.30 FAR 1-story + 0.10 each added story	Regional employment activities

Mixed-Use Neighborhood	4-80 du/ac	Avg. 0.40 FAR 1-story plus 0.10 each added story up to 5 stories	75% mixed density and housing residential / 25% commercial/office/retail
Employment Village	8-30 du/ac	Avg. 0.30 FAR 1-story plus 0.10 each added story up to 5 stories	75% office/retail/light industrial / 25% residential
Commercial Village	8-30 du/ac	Avg. 0.30 FAR 1-story plus 0.10 each added story up to 5 stories	75% commercial/office/retail / 25% residential

The LUP recognizes growth will continue well beyond the 2035 planning horizon year, and the programmed residential and nonresidential development potential in the plan assumes the ultimate build-out of Fuquay-Varina. Excess capacity reflected on the map allows for unanticipated growth, changing market conditions, and economic development opportunities not anticipated at the time of LUP adoption. The table below summarizes conditions in the year of plan development (2016), future planning horizon (2035), and potential build-out capacity of the projected land uses and types included in the Plan. All data included in the table, save the noted Census estimate, were included in the Town’s 2035 Community Vision Land Use Plan. It is important to note that these numbers reflect buildout potential based on land area and anticipated zoning, while actual growth will be shaped heavily by population demands, as well as economic and financial considerations. These numbers are subject to change if Town service standards or service areas change over time.

Table - 2035 LUP Projected Growth and Buildout Potential – Demographic Characteristics

Inside Town (Corporate) Limits			
	2016	2035	Build-Out Potential
Population (people)	25,865*	52,501	85,352
Employees (people)	8,377	16,754	63,126
Outside Town Limits (ETJ and USA) Demographic Characteristics			
	2016	2035	Build-Out Potential
Population (people)	30,942	44,507	196,858
Employees (people)	12,497	18,745	108,840
Total Proposed Jurisdictional Area			
Totals (people)	56,807	97,008	282,210
Totals (employees)	20,874	35,499	171,966

*US Census 2016 Population Estimate

In previous land-range planning efforts, the Town’s 2005 Comprehensive Land Use Plan addressed the urbanization of the Town’s ETJ and USA. The former plan identified three (3) major density categories: low density with a maximum of 3.9 units per acre; medium density with a maximum of 6.9 units per acre; and high density with a maximum of 12 units per acre. The Town also adopted its 2006 Comprehensive Transportation Plan, the year after adoption of the 2005 LUP, to accommodate transportation needs based on these same urban densities. As demonstrated through recently and previously adopted long-range plans, the Town has been anticipating expansion of the jurisdiction for some time.

Infrastructure Investment and Fiscal Commitments

The Town of Fuquay-Varina's fiscal responsibility has afforded the opportunity to continually reinvest in the community by way of capital projects to serve the Town's ever growing and expanding needs.

As referenced previously in this document, in conjunction with support from the citizens, the Town was able to provide for two (2) separate bond referendum efforts in 2007 and 2018. These referendums totaled \$45 million, towards water and sewer infrastructure expansion and improvements, transportation and street expansion and improvements, sidewalk network expansion, park improvements, and downtown improvements. Transportation projects associated with these funding efforts improve not only local public rights-of-way, but also NCDOT public rights-of-way, include:

- Construction of NE and SW Judd Parkway, which opened in 2010 and 2012 respectively
- Widening and congestion improvements at the intersections of Sunset Lake Road / Purfoy Road / Main Street (US Hwy 401) and Judd Parkway / Main St (US Hwy 401)
- Construction of NW Judd Parkway, completing a loop around Town

The Town has partnered with the Capital Area Metropolitan Planning Organization (CAMPO) on a number of occasions to cost-share for necessary transportation improvements through Locally Administered Project Program (LAPP) funding. In fact, Fuquay-Varina has a higher per capita allocation of this funding than any other CAMPO-member jurisdiction. Most recently, the Town was approved for allocation of LAPP funding to make improvements to the intersection of Old Honeycutt and Purfoy Roads.

In January of 2017, Fuquay-Varina agreed to participate in a funding agreement with NCDOT to help fund improvements to the intersection of Sunset Lake Road / Bass Lake Road / Hilltop Needmore Road. This intersection, where three (3) State-maintained roads converge, has become increasingly congested as southern Wake County's population has grown. This project is notable, especially as it relates to the Town's ETJ expansion request, as it is not located within "Fuquay-Varina proper" but is rather within an area in the Town's USA (Wake County's jurisdiction). The Town's financial commitment toward this project was to ensure its completion in serving the needs of the Town residents and broader Fuquay-Varina community passing through this intersection.

In order to secure the Town's sustained wastewater (sewer) capacity for the expanding jurisdiction, a \$34 million expansion of the Terrible Creek Wastewater Treatment Plant was recently completed through Town-secured financing.

As the Town's workforce and service needs expand, the Town has ensured facility expansion is made to deliver high-quality services. The Town recently completed construction of the Public Service Center (PSC) and anticipates completion of the Arts Center in August 2018, at a combined investment of approximately \$12.5 million. The Town's Public Works and Public Utilities Departments, as well as field staff of the Engineering and Parks, Recreation, & Cultural Resources Departments, are housed in PSC. The facility is strategically located so that staff can be quickly and efficiently deployed throughout the Town, to accommodate storage needs, improve logistical coordination, and in anticipation of future expansion. The Arts Center will provide for expansion of cultural and performing arts programming, previously limited due to

space demands for the multitude of programs offered at the Town's Community Center. The state-of-the-art facility, located in the heart of downtown Fuquay, includes a 400-seat theater that will expand offerings not only to citizens of Fuquay-Varina, but to those in the surrounding community.

Fuquay-Varina will begin \$8.5 million in investments in a newly purchased facility to be renovated for a future Town Hall, and renovation of the existing Town Hall for the location of the Town's Police Department. Both of the new facility locations will double the square footage of the current facilities and will allow for the Town's workforce to better serve the growing community and accessibility to government services. The Town Hall facility is on the same block as a mixed-use public-private development partnership project in downtown Fuquay and will aid in invigorating the area. The future Police Department facility (currently the Town Hall) will provide for improved response and efficiency in the services provided by the Town's rapidly growing Police Department.

The Town has traditionally allocated annual funding toward improving pedestrian amenities through projects to connect gaps in the sidewalk network. Over the past several years, including the current fiscal year, the Town has increased this commitment in order to provide larger improvements to Fuquay-Varina's pedestrian network, primarily through extensions of the sidewalk network. These extensions connect existing sidewalk locations to one another and serve to expand access to both Town- and privately-operated destinations. While smaller extensions typically occur in residential neighborhoods on Town-maintained streets, the vast majority of the larger extensions occur on NCDOT-maintained streets. Recent examples include about 1/4 mile of sidewalk on West Academy Street (NC 42 Hwy) and 1/10 mile on North Main Street (US Hwy 401); each of which filled in gaps in the pedestrian network to provide much long continuous sidewalk connection to Town parks and the downtowns. Over the course of the current fiscal year, the Town anticipates making substantial improvements to the sidewalk network in downtown Fuquay, in support of the other, notable capital improvement projects occurring in the heart of Fuquay-Varina.

Criterion 6. Annexation within Ten (10) Years:

ETJ extensions should only be granted for areas anticipated to be substantially developed and annexed within ten (10) years. The ten-year period projection should be used as a guideline and is adopted with the understanding that actual progress in development and annexation of a given ETJ area may vary from that originally projected at the time of ETJ extension. To determine the potential for annexation within ten (10) years the following should be considered: relevant County and municipal plans and policies, past development experiences, and previous projections.

Annexation History

The Town of Fuquay-Varina exercised its one (1) and only involuntary annexation in 1983. A second involuntary annexation was proposed in 2008 but was dismissed when Fuquay-Varina and Holly Springs agreed on an Annexation Agreement, resulting in a USA boundary. Since then, the Town has relied solely on voluntary annexations and focused on infrastructure improvements and expansions within the Town's ETJ and USA to encourage and incentivize annexation. This strategy has allowed developers and property owners to utilize the Town's existing public services and private expansions of Town infrastructure to serve property as it is voluntarily annexed.

North Carolina's annexation laws were revised in 2011 such that involuntary annexations are no longer a practical tool for municipal growth. Expansions of public utilities to serve existing subdivisions with functioning septic tanks and wells will require numerous statutory criteria and a majority vote for annexation.

The Town intends to continue the practice of voluntary annexations, Town-initiated utility infrastructure expansions, and annexation as a precondition for public utility services in order to encourage expansion of its corporate limits. As addressed earlier in this document, Fuquay-Varina has experienced a high volume of satellite annexations in the current ETJ and USA. This signifies the value and volume of interest in developing by utilizing public water and sewer infrastructure in compliance with Town standards.

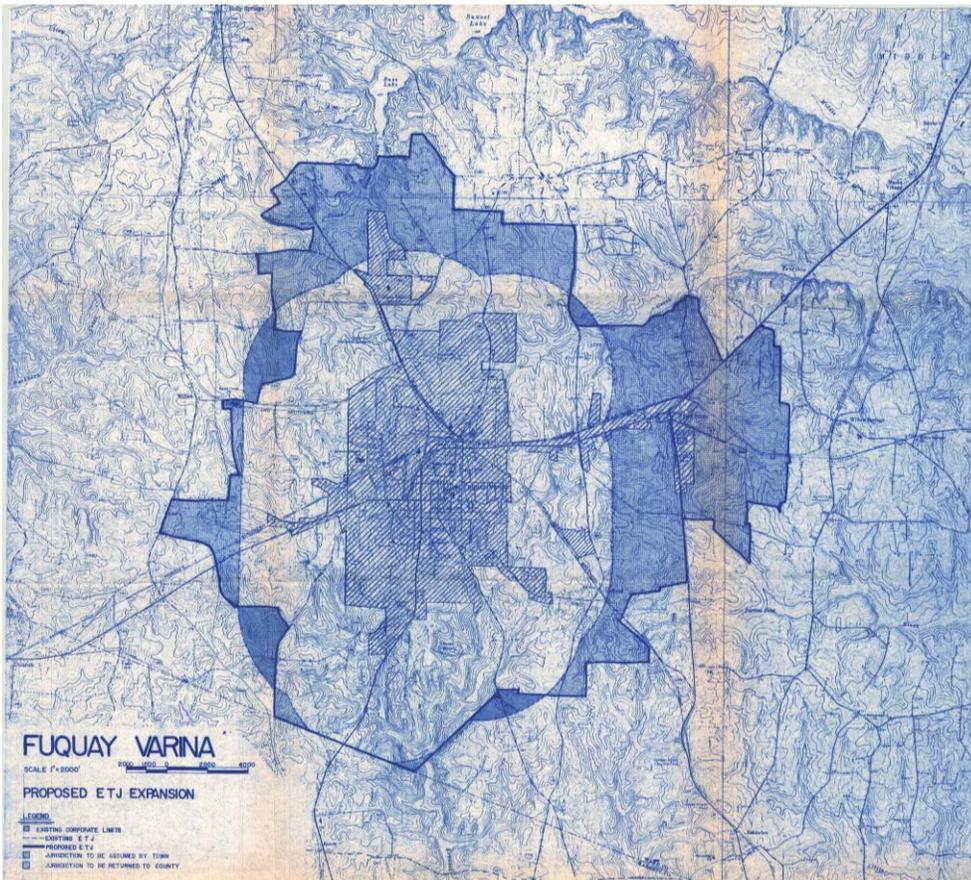
As indicated in *Wake County by the Numbers*, in 2017 Fuquay-Varina was among the top three (3) municipalities annexation acreage in Wake County, second only to the Town of Apex by fewer than 10 acres. Areas within the Town's existing corporate limits (jurisdiction) are listed below, all calculated as of July 2, 2018. As is demonstrated in the information listed, the volume of jurisdictional acreage within satellite annexations demonstrates the Town's continued expansion into designated extraterritorial jurisdiction (ETJ) and urban service area (USA).

- Contiguous corporate limits: 7,889.5 acres
- Satellite corporate limits: 2,546.3 acres

Annexation requests under consideration but not yet approved by the Town Board of Commissioners as of July 2, 2018 are provided as an addendum to this document. Information thereto is included in the Appendix and will be supplemented as appropriate.

ETJ Expansion History

For historical purposes, the Town's boundaries in 1983 are included herein. This is meant to serve as a visual demonstration of the overall growth that Fuquay-Varina has experienced. Below is a map from the Town's 1983 ETJ expansion request, indicating corporate limits, ETJ at the time of the request, as well as the requested ETJ expansion area.



When Wake County implemented the criteria for ETJ expansions in 1988, the Town's corporate limits and ETJ consisted of approximately 3,418 acres and 8,776 acres respectively. Since then, the Town has grown its planning jurisdiction by approximately 3,971 acres over the course of five (5) separate ETJ expansions, the largest of which occurring in 2002. The following table provides a breakdown of these expansions, as well as any subsequent annexations that occurred.

Table – ETJ Expansion History Since 1988

ETJ Expansion Request Name	Date	Acreage Included in Request	Acres Annexed Since Approval	Percent of Expansion Annexed
John Deere 1	January 1996	136	136	100%
John Deere 2	December 1999	48	0	0%
US 401 Corridor	February 2002	3,660	707.1	16.4%
Cozart Property	August 2002	55	0	0.0%
Holly Springs Swap	May 2013	48.9	34.2	70%
Wade Nash Road	June 2016	23.3	0	0%

As of July 2, 2018, an estimated 8,739 acres of land were included in Fuquay-Varina’s extraterritorial jurisdiction (ETJ).

Within the current ETJ, there is an estimated 768.38 acres (9% of ETJ area) of existing subdivisions that receive Town water and/or sanitary sewer but are not annexed into the Town’s corporate limits. These subdivisions executed annexation agreements between 1995-2010, but the Town no longer enters into these types of annexation agreements due to the 2011 North Carolina annexation law. Instead, the Town requires annexation with all requests for public water and/or sewer infrastructure.

Additionally, within the current ETJ, there is an estimated 1,328 acres (15% of the ETJ area) of existing subdivisions on private-individual or -community water and septic systems not served by public (Town) utility infrastructure.

Development in Proposed ETJ Expansion Area

Within the proposed ETJ expansion area there are 213.75 acres (<1% of the ETJ area), comprising residential subdivisions and other developed lots, that are not annexed but are receiving Town water and/or sewer. This area is receiving Town services without being in the Town’s development jurisdiction. Most notably, this includes Wake Technical Community College Main Campus and Willow Springs Elementary School. As previously referenced, former Fuquay-Varina policy and North Carolina General Statutes provided for this type of utility allocation agreement to occur without annexation. The Town no longer permits connection to public water and wastewater (sewer) infrastructure without annexation.

In all likelihood, existing subdivisions and developed properties in both the current and proposed ETJ will not annex into the Town unless either failing septic tanks and/or wells necessitate public utilities, or upon the subdivision of individual lots to be served by public utilities. As the Town continues to approve voluntary annexation requests, municipal services will expand, potentially affording advantages of annexation for these existing non-incorporated subdivisions to take advantage of recreational facilities and programming, open space and greenway networks, public utilities, and other Town provided infrastructure and services that enhance quality of life.

The ETJ expansion will also provide for transportation improvements to Town standards with new developments, a key area of concern for residents in the ETJ. Further, residents within the expansion will be eligible to serve as an ETJ representative on the Fuquay-Varina Planning Board. This, in turn, will provide transparency and predictability in signaling that new development in this area is likely to occur in a manner that is consistent with the Town’s Land Use Plan.

Building Permits and Value

Building permits were on the rise through 2007, but the 2008 recession saw a decline that showed a slower rate of construction until 2011-2012. Since 2012 building permits for residential and nonresidential permits has generally increased annually approaching pre-2008 numbers. County-wide, total residential building permits issued has remained relatively steady since 2013, fluctuating by no more than 700 permits annually cumulatively throughout all jurisdictions. Fuquay-Varina’s general annual increase speaks to the interest and growth the Town has experienced, at a rate that exceeds overall Wake County growth. Given the limited supply of homes on the market, it is likely that these numbers would be even higher if not for a shortage in the construction labor market. *Additional information pertaining to this reference can be found in the Appendix.* The following table identifies permits issued each calendar year and associated values:

Table – Building Permits

Calendar Year	Residential Permits*	Residential Value	Nonresidential Permits**	Nonresidential Value
2007	736	\$153,177,199	89	\$33,509,321
2008	347	\$75,717,285	67	\$20,019,512
2009	221	\$41,822,512	56	\$23,588,132
2010	289	\$54,289,566	67	\$6,592,363
2011	252	\$50,404,306	60	\$9,305,400
2012	390	\$83,512,679	91	\$26,773,647
2013	516	\$109,397,315	93	\$14,426,517
2014	499	\$115,004,388	110	\$20,414,954
2015	730	\$165,701,956	85	\$21,501,885
2016	621	\$152,054,376	119	\$50,156,094
2017	626	\$144,919,932	79	\$20,371,932

* Includes residential type-1 (single family detached) to type-5 (multi-family attached)

** Includes new, additions, alterations, and fit-ups

Population History

In 1963, the Town of Fuquay Springs and the unincorporated community of Varina combined to form the Town of Fuquay-Varina. The period from 1970 to 1990 experienced modest growth, at an average of 1.6% annually. The 2000 and 2010 Censuses demonstrated dramatic increase in the Town’s population of an average of 4.2% per year. Over a longer period, the Town’s population increased by 267% from 2000 to 2017, a substantial increase for any town.

Based on the volume of single-family and two-family residential subdivisions and multifamily residential projects approved over the past several years, and those currently in review, the Town expects that the considerable increase in growth will only escalate over the coming years.

Below is a table of US Census Bureau Population Data, beginning in 1970.

Table – Population History

Year	Census Population	Population Increase	Percentage Increase	Estimated Annual Percentage Increase
1970	2,882	-----	-----	-----
1980	3,110	228	7.9%	0.8%
1990	4,562	1,452	46.7%	4.7%
2000	7,898	3,336	73.1%	7.3%
2010	17,937	10,039	127.1%	12.7%
2017*	27,906*	9,969	55.6%	5.6%

* 2017 US Census Estimate (Released July 1, 2018)

Criterion 7. Existing ETJs:

When a municipality requests additional ETJ, the municipality must demonstrate its progress in annexing and supplying municipal services, especially water and sewer, throughout the entirety of its existing ETJ. For all areas of ETJ granted after May 2, 1988, the municipality must specifically address its progress in complying with the criteria under which that ETJ was originally granted. An ETJ expansion may be granted to a municipality only when it demonstrates substantial progress in meeting this criterion.

Annexations in the Town of Fuquay-Varina's ETJ

When Wake County implemented the criteria for ETJ expansions in 1988, the Town's corporate limits and ETJ consisted of approximately 3,418 acres and 8,776 acres respectively. Additional information related to Fuquay-Varina's population and corporate limits details can be found elsewhere throughout this document.

Since 1988, the Town has annexed 7,017 acres in total, approximately 3,811 acres or 43.4% of which having been annexed from the 1988 ETJ. The following table includes data that incrementally identifies the Town's annexation history. The columns "From ETJ" and "From USA" are meant to serve as supplementary to the "Acres Annexed" column but demonstrating whether the annexed acreage was originally in the Town's ETJ or USA, respectively. The "Percent Increase" column provides a figure reflecting growth since the previously indicated total.

Table – Annexation History

Year	Acres Annexed	From ETJ	From USA	Percent Increase	Total Corporate Limits
1988	-----	-----	-----	-----	3,374.9
1998	319.4	305.4	13.9	9.5%	3,694.3
2002*	1,146.1	882.1	264	31%	4,840.4
2012	3,104.4	2,049.5	1,054.9	64.1%	7,944.8
July 2, 2018	2,475	1,178.2	1,296.8	31.2%	10,419.8

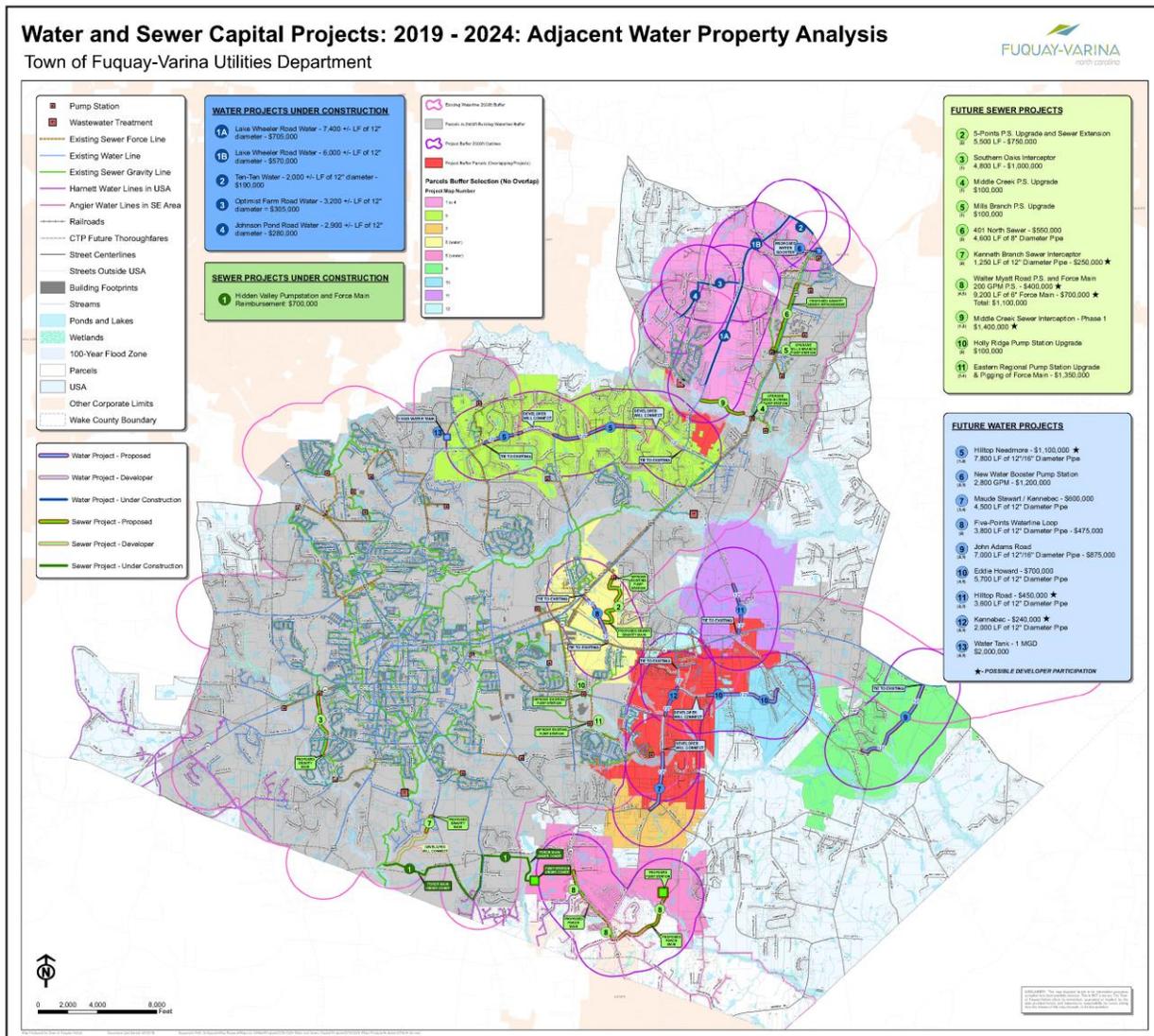
**Last major ETJ expansion*

Recognizing that North Carolina law is not supportive of involuntary annexation of property, the Town has demonstrated the ability and willingness to provide municipal services to property within its ETJ and USA, in conjunction with voluntary annexation requests, when desired by the property owner. It is also important to highlight that an increasing proportion of annexations have taken place from the USA (beyond current ETJ), which signifies the availability of utility infrastructure and volume of developable land in this area.

Water and Sewer Availability in ETJ and USA

Substantial detail has been provided to demonstrate the Town's history, development standards, investments, and future projects/plans related to water and sewer utility infrastructure. Coupled with Wake County's regulation for connection to municipal water and/or sewer based on proximity to existing utility infrastructure, many areas included in the request are already subject to utility connection. This utility connection is associated with annexation, thereby ensuring development occurs in compliance with Fuquay-Varina standards and at a municipal density. The following map illustrates areas within 2,500 feet of existing utility infrastructure or fiscally-constrained infrastructure extension projects.

The Town has, or will have in the next five (5) years, utility infrastructure available to serve a considerable land area in its USA. Merely the existing utility infrastructure and proximity of properties within 2,500 feet warrant expansion of the Town's extraterritorial jurisdiction (ETJ) to encompass these properties with access to public utility infrastructure existing today, or programmed in the fiscally-constrained 5-year CIP.



Harnett County Water Service District

Identified as *Area 1: 42 West PGA*, the area south of Duncan Cook Road and Fleming Road to the Wake County/Harnett County Line is located within the Harnett County Water District, established by the Wake County Board of Commissioners in 2007. The district establishment was subsequent to Harnett County extending water lines into Wake County, in violation of North Carolina General Statute 162A-87.3, which states that a county cannot extend utilities into an adjacent county without first obtaining approval and establishing a boundary for such utility district. Wake County's approval of the district required Harnett County to enter into an agreement with the Town of Fuquay-Varina for provision of water service. The resulting Fuquay-Varina and Harnett County agreement has been in place since 2003, with a revision occurring in 2007. The 2007 agreement between the Town and Harnett County is structured as follows:

- All new water lines, proposed by way of private development, are reviewed and approved by the Town and constructed to Fuquay-Varina standards. The Town conducts all inspections and approves installations.
- Upon completion of water line installation, the infrastructure is dedicated to Fuquay-Varina, following standard development practices. The Town then leases the infrastructure to Harnett County for operation and maintenance.
- The Town, based on structure outlined in the agreement, may purchase water infrastructure within the district from Harnett County. To date this option has not been exercised; however, the option is considered annually as part of the Town's capital improvement planning efforts.

As a result of this agreement, the Town considers this area as served with public water. Application of both Wake County and Fuquay-Varina's proximity to utility service connection requirement has resulted in development occurring by way of satellite annexation into the Town's jurisdiction from former ETJ and USA areas.

Conclusion

The Town of Fuquay-Varina respectfully submits this ETJ expansion request for consideration by Wake County. Fuquay-Varina has appropriate infrastructure in place to support expansion of the jurisdictional area, has anticipated development patterns and established a responsible framework to accommodate the increasing population in southern Wake County, and continues to demonstrate its commitment to fiscally-responsible and well-managed growth. Through a long-fostered relationship with Wake County, many planning processes resulted in mutually supported goals and results. Most recently, Fuquay-Varina adopted the 2035 Community Vision Land Use Plan (LUP) and 2035 Community Transportation Plan (CTP) with support from Wake County, which include long-range plans for the area included in the ETJ expansion request and beyond.

The area included in the ETJ expansion request is within the Town's USA and is within three (3) miles of its contiguous corporate limits. In June 2018 with the support of Wake County staff, the Town began a process to amend the County's Land Use Plan so that the entirety of the USA is designated as short-range urban service area (SRUSA). The Town's USA, the third largest in the County, is framed by annexation agreements with the Towns of Holly Springs and Garner, an expired agreement with the Town of Angier, and an annexation letter of understanding with the Town of Cary.

With support of the community, the Town issued two (2) bond referendums in recent history (2007 and 2015) to expedite improvements to and expansions of municipal utility, transportation, and recreational services. These efforts, in conjunction with sound financial management, leveraging of funding sources, coordination with regional and state-wide agencies, and a solid capital improvements project (CIP) program, establish Fuquay-Varina's fiscal health and ability to support a growing jurisdiction boundary, as included in this request.

Fuquay-Varina has an extensive municipal water and sewer utility network, which also include excess capacity to provide for continued expansion of its jurisdiction. The Town's network currently extends outside of the corporate limits through both the ETJ and USA. Coupled with a requirement for connection to municipal water and/or sewer based on by proximity found in both the Wake County Unified Development Ordinance (UDO) and Fuquay-Varina Land Development Ordinance (LDO), many areas included in the ETJ expansion request warrant inclusion in the Town's jurisdiction strictly based on current service ability. While the County's ETJ expansion criteria requires the Town to provide utility service to the entirety of the area included in the request within 10 years, the Town's approved CIP will make public utilities available to nearly all of the requested ETJ within five (5) years.

For the reasons included herein, the Town of Fuquay-Varina requests expansion of the Town's extraterritorial jurisdiction (ETJ) to three (3) miles from the contiguous corporate limits.

Appendix

Fuquay-Varina Town Board Resolution Requesting Expansion of ETJ

Fuquay-Varina 2018 Community Profile

Please note that the 2017 population estimate in this document was generated prior to the US Census releasing an official estimated population.

Fuquay-Varina Preferred Growth Area Map

ETJ Expansion Area Maps

Overall ETJ Expansion Map

Overall ETJ Expansion Map with Preferred Growth Areas

Area 1: 42 West PGA

Area 2: Needmore PGA and 55 North PGA

Area 3: 401 North PGA

Area 4: Hilltop-Rowland PGA

Area 5: 55 South-42 East PGA, Purfoy-Holland Road PGA, and 401 South-Angier Road PGA

Fuquay-Varina Annual Budgeting Data

Fuquay-Varina Comprehensive Annual Finance Report – Fiscal Year 2016-2017

<http://www.fuquay-varina.org/DocumentCenter/View/2798/Comprehensive-Annual-Financial-Report-PDF>

Wake County Land Use Plan – Chapter IV. Expansion of Municipal Planning Jurisdiction

Wake County Staff Report – Fuquay-Varina Land Use Plan / Urban Service Area Amendment Request

Inspection Reporting Data

Annexation Petitions Pending Fuquay-Varina Town Board Approval

ANX-2018-11 Christ Church NC (8316 & 8320 Lake Wheeler Road) – 7,887 acres – USA – Pub Hearing 9/4/2018

ANX-2018-12 Stancil-Vineyards LLC (3390 John Adams Road) – 43.9 acres – USA – Pub Hearing 9/4/2018



Town Commission Resolution

AUGUST 6, 2018

RESOLUTION NO. _____

**A RESOLUTION ADOPTED BY THE BOARD OF COMMISSIONERS
OF THE TOWN OF FUQUAY-VARINA, NC REQUESTING EXPANSION OF
EXTRATERRITORIAL JURISDICTION BY THREE (3) MILES**

WHEREAS, the Town of Fuquay-Varina is requesting to extend the extraterritorial jurisdiction, which lies within the Town of Fuquay-Varina's urban service area, as designated by the Wake County Land Use Plan; and,

WHEREAS, the Town of Fuquay-Varina has adopted annexation agreements which are currently in effect with the neighboring municipalities of the Town of Garner and the Town of Holly Springs; a memorandum of understanding with the Town of Cary; and recognized urban service area boundary with the Town of Angier; and,

WHEREAS, the Town's official certified population estimate from the US Census Bureau stands at 27,906 for July 2017; and,

WHEREAS, the area requested for ETJ expansion is within three (3) miles of Fuquay-Varina's contiguous corporate limits; and,

WHEREAS, the Town of Fuquay-Varina understands the importance of comprehensive planning, demonstrating said commitment in the 2035 Community Vision Land Use Plan and 2035 Community Transportation Plan, as well as in in past planning efforts, all coordinated with the Wake County. The timing of these plans is critical to ensure that the type and intensity of development will be served by the appropriate thoroughfare infrastructure demands; and,

WHEREAS, the Town of Fuquay-Varina further understands the importance of sufficient expansion and efficient management of the Town's public utility services to support current and future growth by expanding sewer and water infrastructure to serve as the area requested for ETJ expansion; and,

WHEREAS, future development within this area will be at municipal densities and voluntarily annexed into the Town of Fuquay-Varina's corporate limits with utility services; and,

WHEREAS, the Town of Fuquay-Varina continues to make steady progress in annexing and providing municipal utility services throughout its existing ETJ and the areas identified for ETJ expansion; and,

WHEREAS, the Town of Fuquay-Varina will ensure public engagement and coordination with Wake County throughout the extraterritorial jurisdiction expansion process by holding

community input meetings, posting notification of such meetings in the areas of ETJ expansion, publishing appropriate information on the Town’s website, and follow the North Carolina General Statutes related to ETJ expansion, specifically Article 19, Part 1, §160A-360, and;

WHEREAS, the Town of Fuquay-Varina will hold public hearings through the process of establishing and adopting zoning in the area including within the ETJ expansion request, upon the Wake County Board of Commissioners’ approval of the Town of Fuquay-Varina’s extraterritorial jurisdiction expansion request;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Town of Fuquay-Varina the following:

1. That the Town of Fuquay-Varina Board of Commissioners requests that the Wake County Board of Commissioners designate the requested area, as identified in the attached document, as Fuquay-Varina’s extraterritorial jurisdiction (ETJ); and,
2. That the Town of Fuquay-Varina Board of Commissioners requests that the Wake County Board of Commissioners consider imposing a moratorium on any new subdivisions utilizing well and septic systems in the proposed extraterritorial jurisdiction expansion areas while the Town of Fuquay-Varina goes through the process of requesting the ETJ expansion approval from Wake County.

BE IT FURTHER RESOLVED, by the Board of Commissioners of the Town of Fuquay-Varina that this resolution shall take effect immediately upon its adoption.

Adopted this the 6th day of August 2018 in Fuquay-Varina, North Carolina.

FUQUAY-VARINA, NORTH CAROLINA

John W. Byrne, Mayor

ATTEST:

(TOWN SEAL)

Rose H. Rich, Town Clerk



13.1 miles of developed community footprint and 9,430 households



Standard and Poor's AAA Bond Rating & Aa1 rating from Moody's Investor Services



One of North Carolina's fastest growing communities



2018 COMMUNITY PROFILE

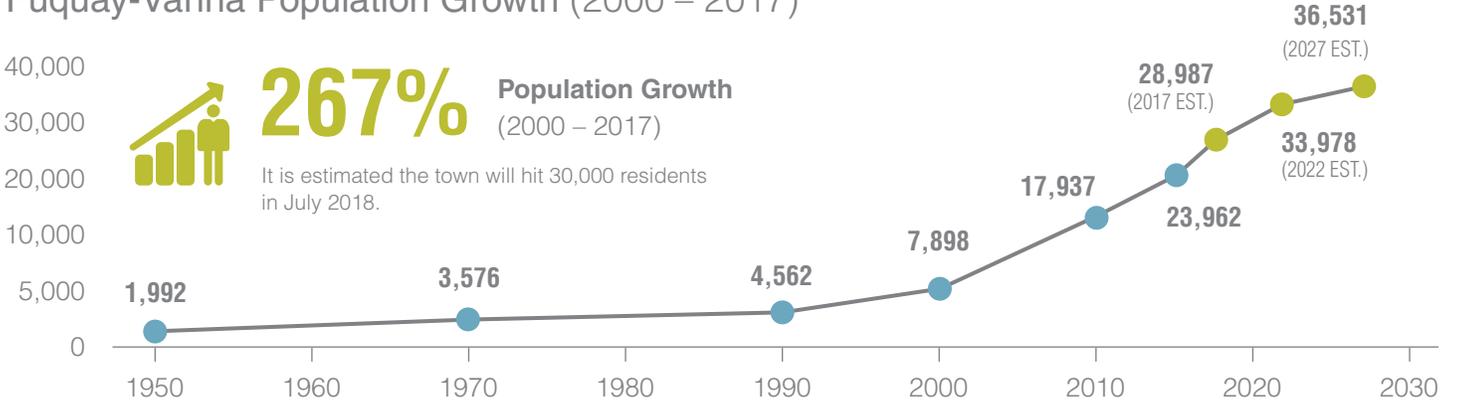
Fuquay-Varina is one of North Carolina's fastest growing communities that is well positioned for investment, growth and development. Strategically located nearby world famous Research Triangle Park, Raleigh, Durham and Chapel Hill, Fuquay-Varina is a prime location for businesses that are looking to locate/relocate or to expand. Our community offers companies access to a large pool of talented workforce; affordable, flexible, and attractive real estate options; strategic access via a multi-modal transportation network; and excellent education options.

With its strategic location, strong workforce base and lower cost of business relative to the other communities in Wake County and the Triangle Region, Fuquay-Varina offers a wide range of flexible commercial real estate options, solid infrastructure and other business advantages for companies and investors to thrive.



POPULATION CHARACTERISTICS

Fuquay-Varina Population Growth (2000 – 2017)



Age & Gender



36

Median Age

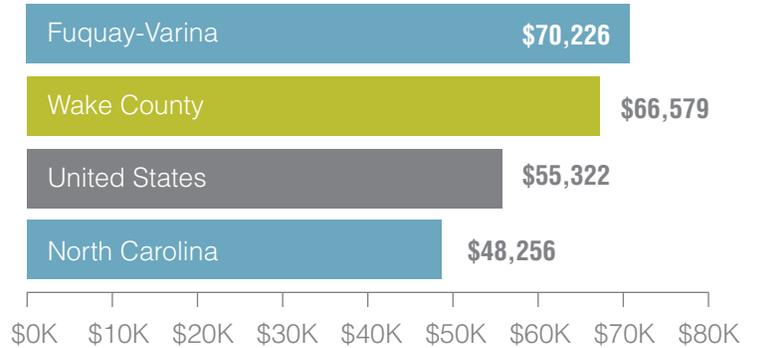


55%
Female



45%
Male

Median Household Income



TRANSPORTATION



28 MINUTES

Average daily commute to work



Bus

Fuquay-Varina/Raleigh Express Service (FRX)
Monday through Friday. www.gotriangle.org.



Air

29 MILES / 32 MINUTES

Drive time to RDU Airport from Fuquay-Varina



Rail

Freight service is provided by Norfolk Southern Corporation. www.nscorp.com. Amtrak offers passenger service at two stations in Wake County. www.ncbytrain.org.

Select Tech Hubs and International Flights Include:

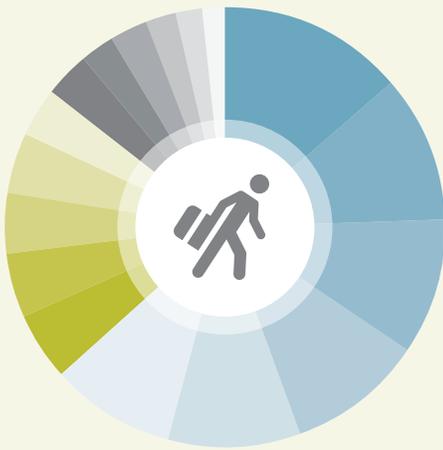
- Austin
- Boston
- Cancun
- Chicago
- Dallas
- Denver
- Houston
- London
- Los Angeles
- Miami
- New York
- Paris
- Philadelphia
- San Antonio
- San Diego
- San Francisco
- Seattle
- Toronto
- Washington, DC

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**FUQUAY-VARINA'S
BIG 4**

WORKFORCE

Fuquay-Varina Employment by Industry (age 16+)



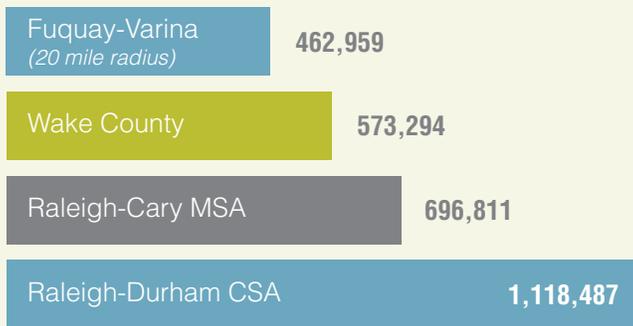
■ Retail Trade (13.8%)	■ Finance (4.5%)
■ Educational Services (10.7%)	■ Information (3.6%)
■ Professional, Scientific, Tech Services (10%)	■ Other Services, Except Public Admin (3.3%)
■ Manufacturing (10%)	■ Wholesale Trade (3.3%)
■ Healthcare & Social Assistance (9.7%)	■ Arts, Entertainment, Recreation (2.6%)
■ Accommodation & Food Service (9.3%)	■ Real Estate, Rental (2.6%)
■ Public Admin (4.9%)	■ Transportation & Warehousing (2%)
■ Construction (4.7%)	■ Utilities (1.4%)
■ Admin, Support, Waste Management (4.5%)	

70% of Fuquay-Varina's population is in the workforce

Highest Paying Industries in Fuquay-Varina

1. Utilities
2. Professional Services
3. Scientific, Technical Services
4. Manufacturing, Transportation & Warehousing

Labor Force



Educational Attainment



Fuquay-Varina's BIG 4 is comprised of four local industry leaders that have formed a public-private partnership with the Town to capitalize on the latest trends in manufacturing. BIG 4 Members: **John Deere Turf Care, TE Connectivity, Bob Barker Company and Southbend.**

The BIG 4 is collaborating to recruit common suppliers, enabling them to become more efficient and competitive in their respective industries – common suppliers: metal & machine manufacturing, plastic injection molding, electrical hardware components & instruments, advanced manufacturing, plastic and rubber manufacturing.

Notable Fuquay-Varina Corporations

- Apex Instruments
- Aviator Brewing Company
- Berk-Tek (A Nexans Company)
- Bob Barker Company
- Column & Post
- Freight Handlers Inc.
- Fidelity Bank
- InServ
- Integrated Industrial Services, Inc.
- John Deere Turf Care
- King Canopy
- Mason Jar Lager Company
- Southbend
- SuperDroid Robots
- TE Connectivity



EDUCATION

K-12 Education



160,429 students attend one of Wake County's 183 Public Schools.

17,547 students attend one of Wake County's 76 Private Schools.

Source: Wake County Public School System (www.wcpss.net) and North Carolina Department of Administration's Division of Non-Public Education (ncadmin.nc.gov)

Fuquay-Varina is part of the award-winning Wake County Public School System. Fuquay-Varina residents have easy access to:



- 8 Public Schools
- 2 Charter/Private Schools

Higher Education

As part of the Research Triangle Region, Fuquay-Varina residents and businesses have easy access to three Tier One research universities, eight four-year colleges & universities like Campbell University and several high-performing community college campuses, such as Wake Technical Community College.



NC State, UNC and Duke combine to conduct **\$2.5 BILLION** in research every year



Wake Tech is North Carolina's largest community college, serving over **74,000 adults** annually.

175,000

students enrolled at area colleges and universities

TAXES & UTILITIES

State and Local Taxes

5.49% Personal Income Tax

3.0% Corporate Tax

7.25% Sales Tax

Property Tax

\$0.432 Fuquay-Varina

\$0.654 Wake County

\$1.086 Total*

* Per \$100 of assessed value.

Utilities

Electric

Duke Energy

Gas

PSNC Energy

Water and Sewer

Town of Fuquay-Varina¹

Telecommunications

AT&T

CenturyLink

Spectrum

Ting

Verizon

1. Current water capacity = 4.25 million GPD.
Current sewer capacity = 4 million GPD.

DEVELOPMENT ACTIVITY

626 Residential Building Permits were issued in 2017

2017 Private Investment – \$153,535,214 2017

- Residential Investment – **\$144,919,932**
- Commercial Investment – **\$8,618,282**

Economic Development Incentive Program – \$400,000

awarded past two years to expand local manufacturing operations to leverage **\$10 million** in private sector, manufacturing expansion projects – resulted in **110 new full-time manufacturing jobs** created.



Jim Seymour, CEcD

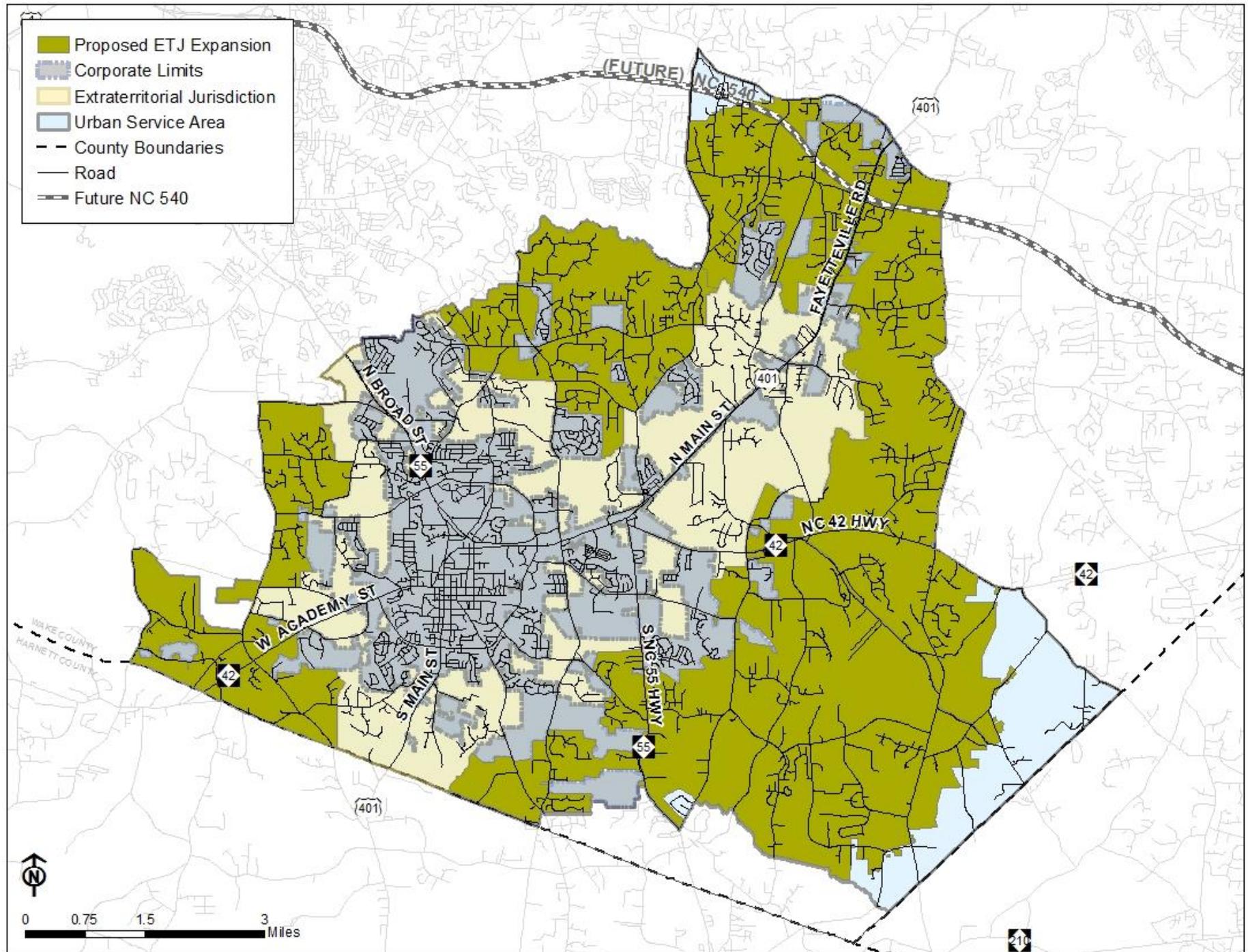
Economic Development Director
jseymour@fuquay-varina.org
919-753-1031

401 Old Honeycutt Road
Fuquay-Varina, NC 27526
www.buildfv.com

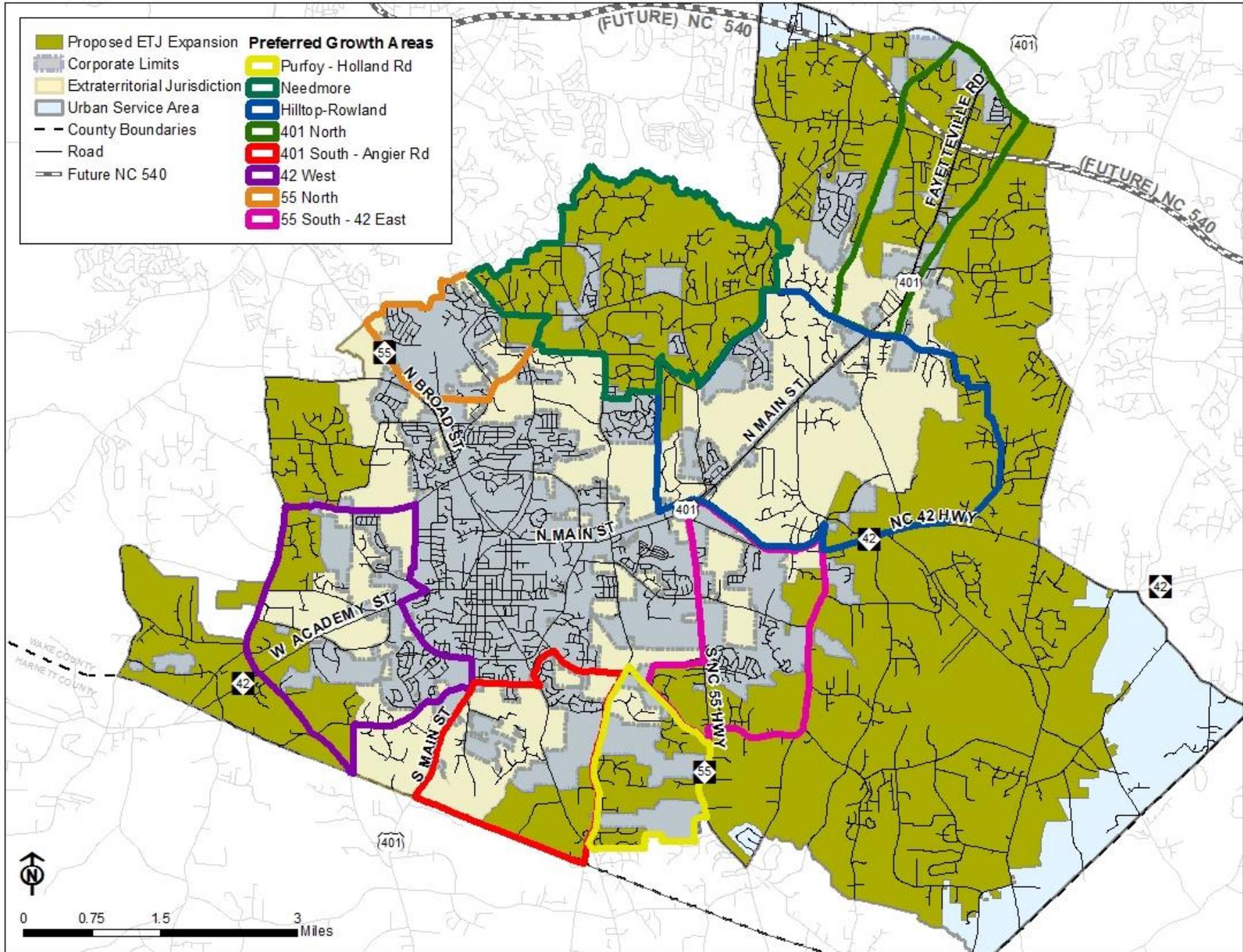
Fuquay-Varina Town Board

Mayor John W. Byrne
Mayor Pro Tem Blake Massengill
Commissioner Charlie Adcock
Commissioner Bill Harris
Commissioner Marilyn Gardner
Commissioner Jason Wunsch

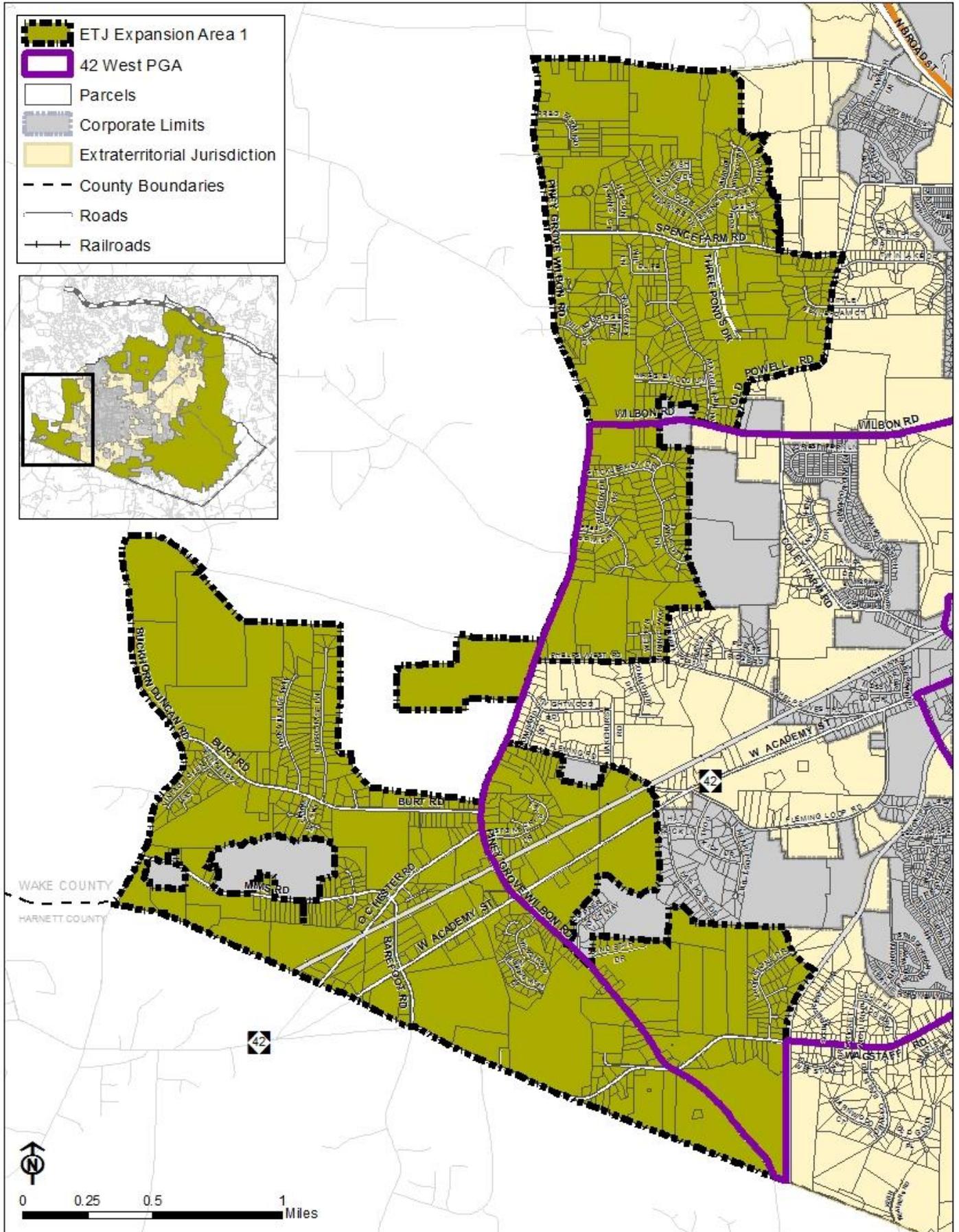
Overall ETJ Expansion



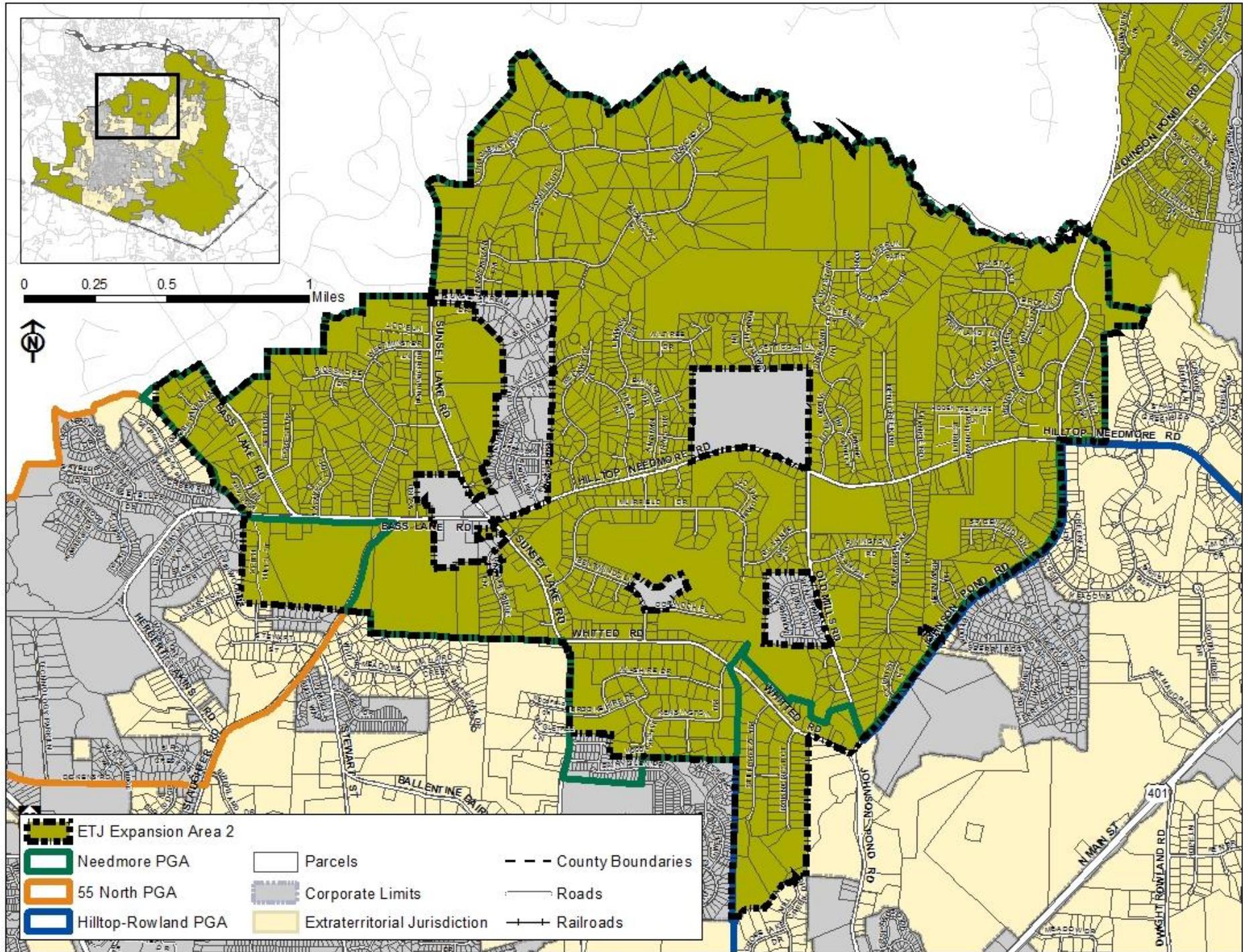
Overall Expansion Map with Preferred Growth Areas



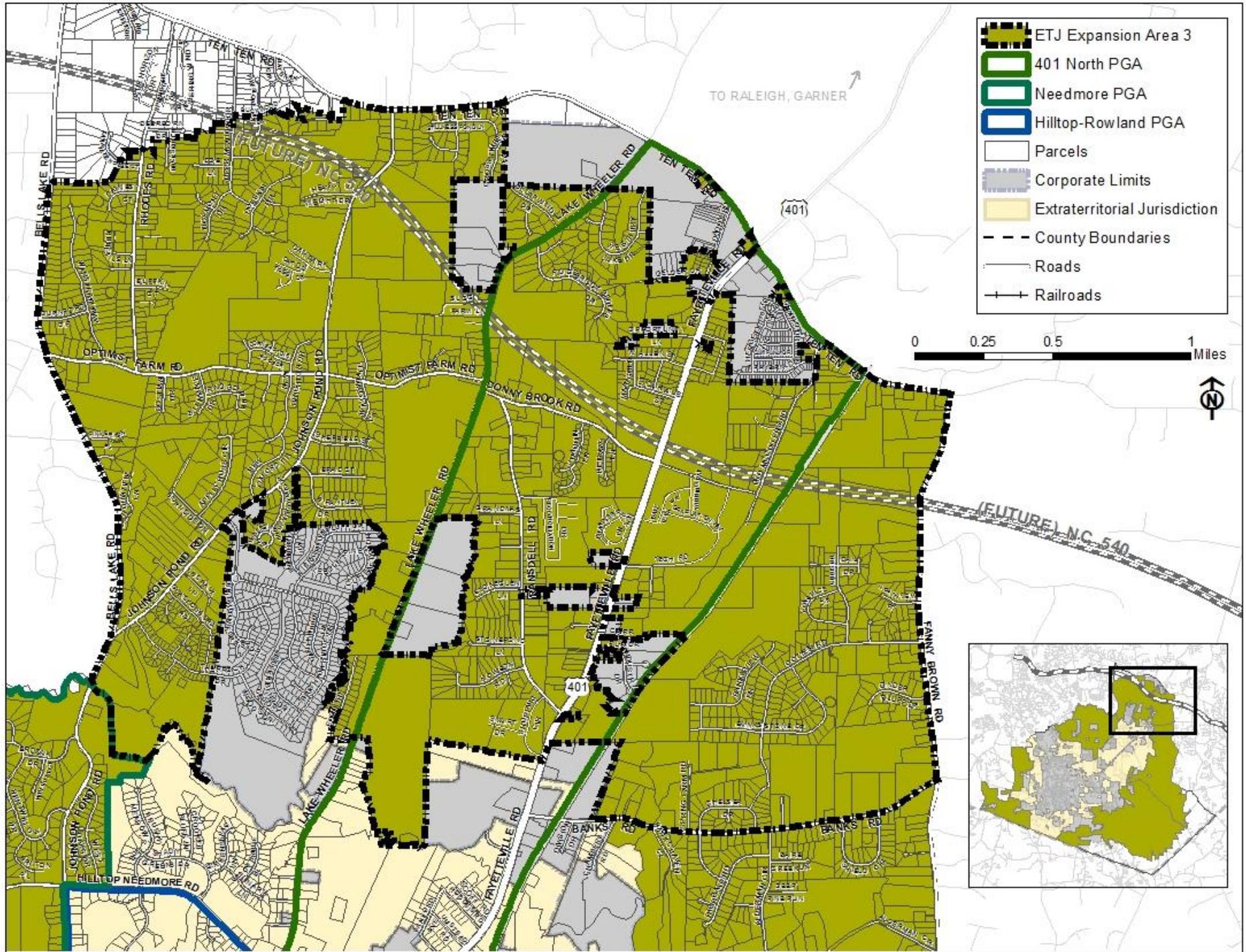
Area 1: 42 West PGA



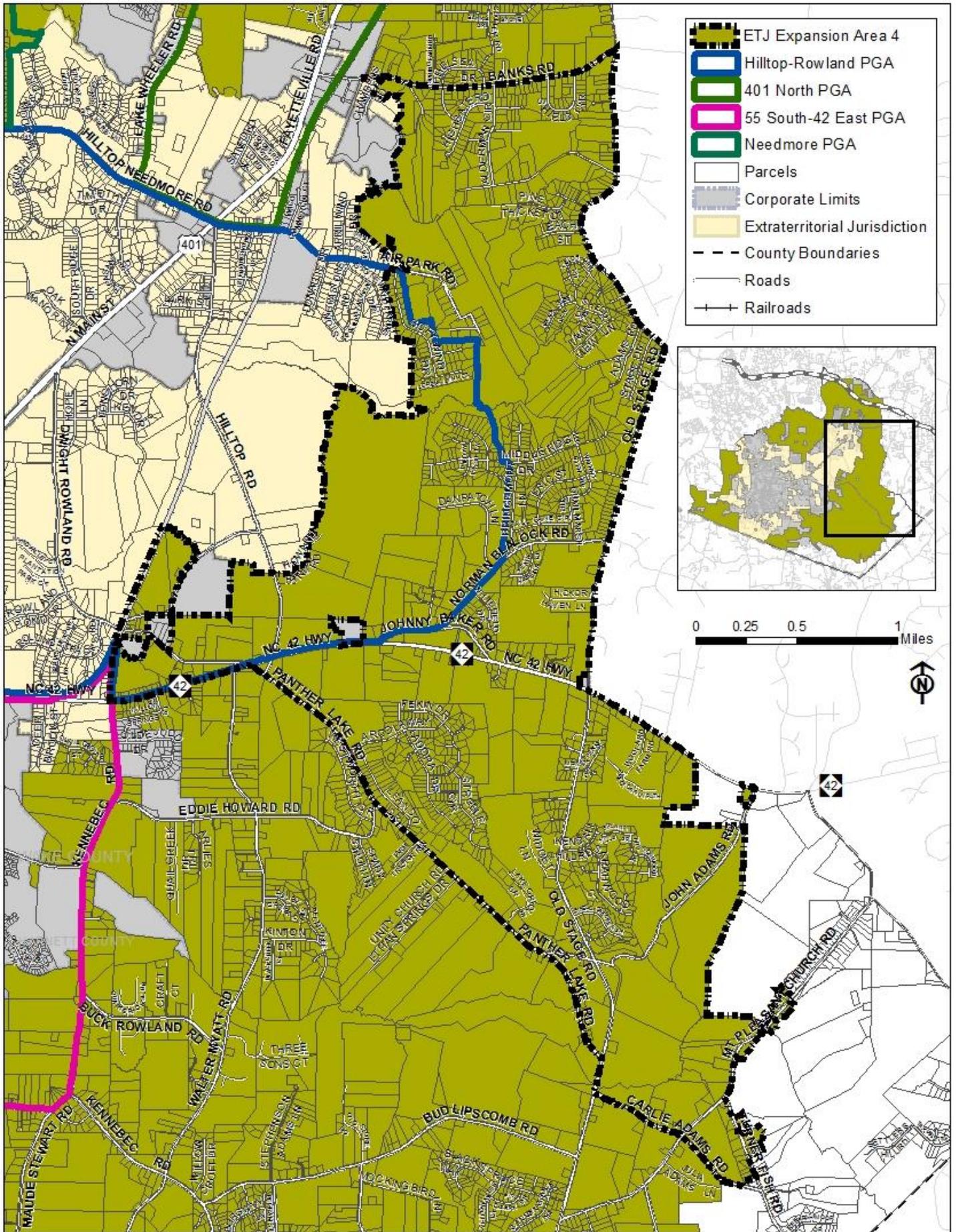
Area 2: Needmore PGA and 55 North PGA



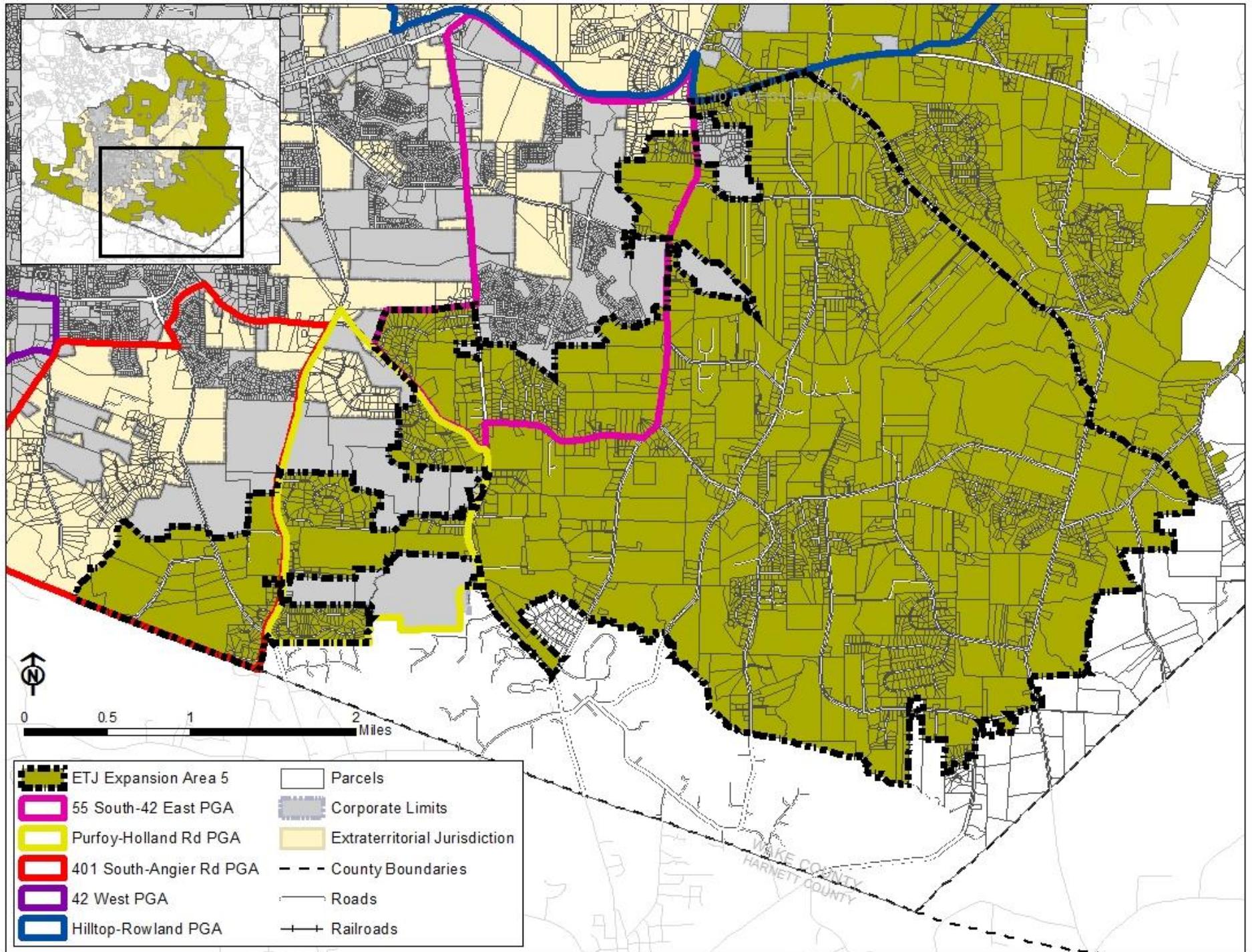
Area 3: 401 North PGA



Area 4: Hilltop-Rowland PGA



Area 5: 55 South-42 East PGA, Purfoy-Holland Road PGA, and 401 South-Angier Road PGA



IV. Expansion of Municipal Planning Jurisdictions

A. INTRODUCTION

A municipality's planning jurisdiction is the land that lies within its corporate limits plus its extraterritorial jurisdiction (ETJ). Since development occurring in municipal planning jurisdictions greatly affects what occurs in the County's planning jurisdiction, and vice versa, the Land Use Plan should be coordinated with municipal plans, goals, and objectives.

State law authorizes municipalities to have ETJ so they can control development in areas that are expected to come within their corporate limits in the near future. This enables municipalities to better ensure that development patterns and associated infrastructure will allow the efficient provision of urban services. In Wake County, the Board of Commissioners must agree to grant any extension of a municipality's ETJ, and may rescind the approval of an ETJ extension.

B. CRITERIA FOR REVIEWING MUNICIPAL ETJ EXPANSION PROPOSALS

Although State law provides a framework for evaluating ETJ and deciding whether or not the County should agree to municipal requests for ETJ extensions, it does not provide detailed criteria. For this reason, the Board of Commissioners has adopted criteria to evaluate the potential for an area's development, the municipality's ability to provide services, and its capability and commitment to good planning and managing of development.

In addition to conformance with the criteria, the Board of Commissioners will also consider the opinions of residents and property owners in the area requested for ETJ, and shall include those opinions in its consideration.

Conformity with the criteria does not automatically guarantee that an ETJ request will be granted. The criteria for evaluating requests for extension of ETJ, as well as proposals to rescind previous ETJ extensions, are as follows:

(1) Classification as Urban Services Area:
The area proposed for ETJ expansion should be classified as Urban Services Area associated with the municipality.

(2) Commitment to Comprehensive Planning:

The municipality should demonstrate a commitment to comprehensive planning, preferably including adopted land use, public facilities and transportation plans, engineering studies, and a capital improvements program (CIP) including funding to implement the CIP. This commitment must be demonstrated through official actions by the governing body.

(3) Adoption of Special Regulations:

(a) Where the municipality proposes ETJ expansions along major transportation corridors designated by the County as Special Transportation Corridors, the municipality should have adopted, and be willing to apply, regulations comparable to those for Special Transportation Corridors.

(b) Where the municipality proposes ETJ expansions within a water supply watershed, the municipality should have adopted, and be willing to apply, water supply protection policies and provisions that meet or exceed the applicable State water supply watershed regulations or an adopted Plan for the water supply watershed.

(c) For evaluating an ETJ expansion request, the municipality's application of such special regulations to its existing ETJ should be considered as evidence of its willingness to apply these special regulations.

(4) Municipal Water and Sewer Service:

The municipality should show how the area proposed for ETJ expansion will be served by water and sewer service within five (5) years of the effective date of ETJ extension. The systems should be designed with adequate treatment capacity and adequately sized major

trunk line extensions to service the area proposed for ETJ expansion. The municipality should include needed improvements in its capital improvements program.

(5) Evidence of Feasibility for Urban Density Development:

Areas proposed for ETJ extension by a municipality should be capable of being developed to an average density feasible for municipal annexation. This criterion is closely related to the ability of a municipality to serve the area with water and sewer service in accordance with its plan for development.

(6) Annexation Within Ten Years:

ETJ extensions should only be granted for areas anticipated to be substantially developed and annexed within ten (10) years. The ten year period projection should be used as a guideline, and is adopted with the understanding that actual progress in development and annexation of a given ETJ area may vary from that originally projected at the time of ETJ extension. To determine the potential for annexation within ten (10) years the following should be considered: relevant County and Municipal plans and policies, past development experiences, and previous projections.

(7) Existing ETJs:

When a municipality requests additional ETJ, the municipality must demonstrate its progress in annexing and supplying municipal services, especially water and sewer, throughout the entirety of its existing ETJ. For all areas of ETJ granted after May 2, 1988, the municipality must specifically address its progress in complying with the criteria under which that ETJ was originally granted. An ETJ expansion may be granted to a municipality only when it demonstrates substantial progress in meeting this criteria.



**Planning
Department**

TEL 919 856 6310
FAX 919 856 6184

336 Fayetteville Street
P.O. Box 550 • WCOB 5th Floor • Raleigh, NC 27602
www.wakegov.com

To: Wake County Planning Board Land Use Committee

From: Bryan Coates, Planner III

Subj: Land Use Plan Amendment, LUPA 02-18

Date: July 18, 2018

Request:

Amend the General Classifications Map of the Wake County Land Use Plan as follows:

- **Reclassify the Town of Fuquay-Varina Long Range Urban Services Area (LRUSA) (7,581 acres) to Town of Fuquay-Varina Short Range Urban Services Area (SRUSA)**

Applicant:

- Town of Fuquay-Varina

Location:

The requested area is within Wake County's Planning jurisdiction. The area lies northeast and east of the Town of Fuquay-Varina and is located immediately east of Highway 401 and west of Old Stage Road, north of NC 42. The area south of NC 42 is east of Walter Myatt Road to the Wake County line with Johnston County.

Background:

Urban Services Areas (USAs), as defined in the Wake County Land Use Plan, identify where urban development will occur in the foreseeable future. USAs are associated with the municipality that is expected to extend urban services. To increase the probability that USAs can accommodate the demands of urban development, provision of water and sewer facilities is central to USAs classifications.

Current and anticipated growth trends, major urban service facilities, transportation corridors, and other factors are taken into account when designating the different types of USAs. The Short Range Urban Services Area (SRUSA) classification applies to land that is projected and intended to be urbanized in the next ten years. Long Range Urban Services Area (LRUSAs) are lands to be urbanized and served by municipal services in the future, extending beyond the next ten years.

As urban development and growth patterns change throughout the county, the Wake County Land Use Plan General Classifications Map is periodically revised. Boundary

changes between LRUSA and SRUSA should reflect urbanization and the extension of municipal water and sewer service.

Land Use Classification change from Long-Range Urban Services to Short-Range Urban Services **does not change planning jurisdiction** (Wake County) or current zoning.

Analysis:

The Short-Range Urban Services Area (SRUSA) classification applies to all land in the County's planning jurisdiction that: (a) is projected and intended to be urbanized and served by municipal services in the next 10 years; and (b) is not located within a water supply watershed, as designated by the State.

- ✓ The Area requested is not within a water supply watershed designated by the State of North Carolina
- ✓ The Town of Fuquay-Varina expects this area to have development and municipal water and sewer service within 10 years as defined within the Town's Capital Improvement Plan plan.

Wake County Land Use Plan Goals

Goal #1 of the Wake County Land Use Plan is to guide growth throughout the County in conjunction with affected local governments. To achieve consistency between the County and municipal plans, urban service area boundaries are periodically amended.

The Town of Fuquay-Varina is requesting that its existing LRUSA be reclassified as Fuquay-Varina SRUSA to accurately reflect recent municipal growth patterns.

Fuquay-Varina Growth Patterns

The Town of Fuquay-Varina has witnessed significant growth in the last two decades. The Town's population in 2010 was 17,937 residents up from the 7,898 residents recorded in 2000 by the US Census. The US Census Estimate for the Town of Fuquay-Varina as of July 1, 2017 was 27,906 residents.

The Town has annexed roughly 1,056 acres of its existing Short Range-Urban Services Area. The Town has experienced annexations in all parts of the Urban Services Area.

The chart below contains the number of acres annexed from 2010 to 2018.

Year	2018*	2017	2016	2015	2014	2013	2012	2011	2010
Acres Annexed	584	794	391	162	280	108	138	58	53

*2018 data is through June 2018.

The Town of Fuquay-Varina is expected to continue its growth rate and development. Below is a table showing the number of new residential and commercial permits from 2010 to 2018.

Year	2018*	2017	2016	2015	2014	2013	2012	2011	2010
New Residential Permits	337	630	614	728	497	523	397	256	296
New Commercial Permits	24	4	23	6	6	11	24	4	2
*Partial Year- Data through June 2018									

The Towns of Apex and Holly Springs are also seeing growth patterns pushing west of the NC 55 and NC 540 Corridors.

Goal #2 in the Wake County Land Use Plan states, *to encourage growth close to municipalities to take advantage of existing and planned infrastructure, such as transportation, water and sewer facilities.*

The Town of Fuquay-Varina is expected to have municipal water/sewer service within 10 years throughout its urban service areas as they have identified municipal and developer assisted projects in all portions of SRUSA and LRUSA.

- ✓ Municipal waterlines are operational along the entire length of NC Highway 42 in the request area currently classified as LRUSA.
- ✓ The Town plans to construct a 7,000 linear feet waterline on John Adams Road (2019-2021)
- ✓ 23,000 linear feet of waterlines along Old Stage and loop along Mt. Pleasant Road to NC 42
- ✓ 15,000 linear feet along Bud Lipscomb/Kennebec Roads
- ✓ New Black Creek Regional Pump Station and force main and sewer interceptor

The Town has created a map with all utility projects identified from 2019-2024 and a spreadsheet that contains projects from 2019-2028.

The County's Transitional Urban Development Policies (TUDs), which are incorporated within the Land Use Plan, address urban intensity development within the SRUSA. New development in the SRUSA may have to connect municipal water or sewer systems whenever extension of municipal water and sewer service to the development is available (within 2,500' or 50' per dwelling unit).

Findings:

1. The Town of Fuquay-Varina has infrastructure and major investments planned within the requested area.
2. The Town of Fuquay-Varina has various water and sewer projects identified and portions funded within the requested area.
3. The reclassification of the area will reflect the Town of Fuquay-Varina's current and anticipated growth patterns.
4. The request to amend the Wake County Land Use Plan General Classifications Map to reclassify the Town of Fuquay-Varina LRUSA to Fuquay-Varina SRUSA is consistent with policies and goals set forth within the Land Use Plan.

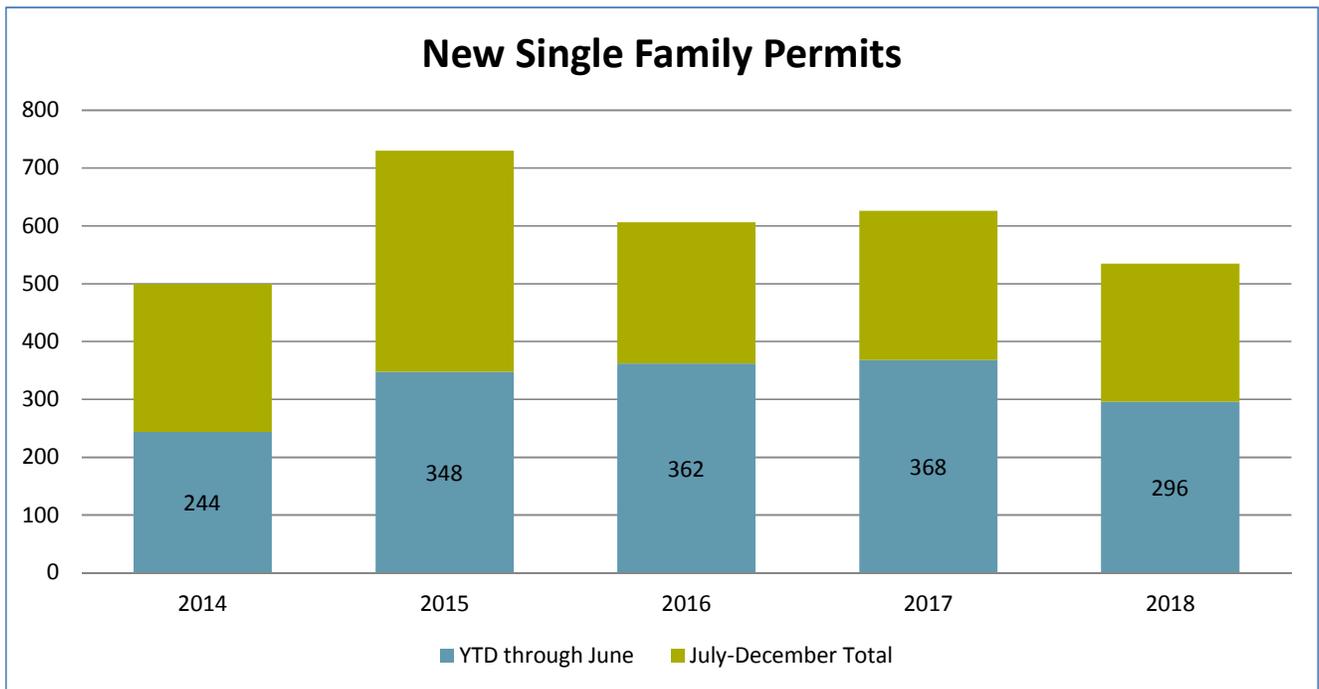
Attachments:

- LUPA 02-18 SRUSA Map
- Town of Fuquay Varina Request
- Wake County Land Use Plan Vision Statement, Goals and Strategies
- Fuquay-Varina Water-Sewer Capital Projects 2019-2024 Map
- Fuquay-Varina Water-Sewer Capital Projects Spreadsheet 2019-2028

New Single Family Permits

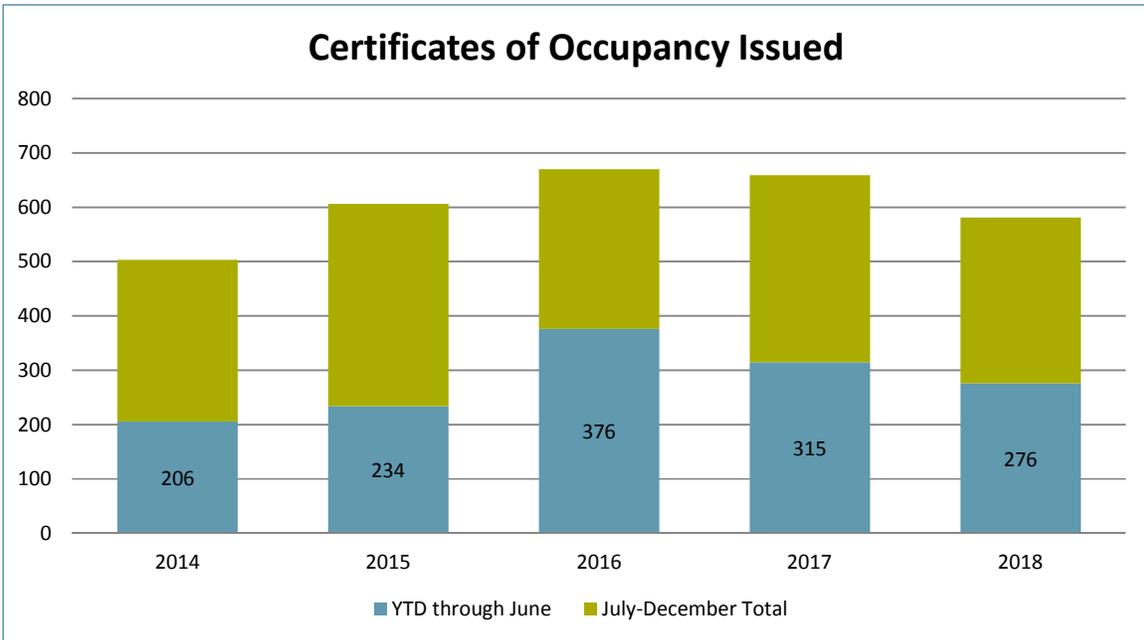
	2013	2014	2015	2016	2017	2018
January	31	24	57	50	59	37
February	38	31	24	68	70	39
March	52	36	62	65	59	73
April	41	48	73	68	44	72
May	46	38	78	60	61	29
June	53	67	54	51	75	46
July	70	51	65	34	44	
August	60	43	64	38	37	
September	36	63	71	49	30	
October	34	36	73	40	59	
November	33	20	48	46	38	
December	22	42	61	37	50	
Calendar Year Total	516	499	730	606	626	296

	2013	2014	2015	2016	2017	2018
YTD through June	261	244	348	362	368	296
July-December Total	255	255	382	244	258	238
Calendar Year Total	516	499	730	606	626	534



New Single Family Certificate of Occupancies (COs) Issued

	2013	2014	2015	2016	2017	2018
January	35	39	42	43	43	38
February	34	42	28	62	58	52
March	41	51	46	73	56	38
April	38	27	35	62	45	46
May	30	25	39	67	52	45
June	36	22	44	69	61	57
July	37	42	68	67	64	
August	52	56	55	53	51	
September	45	39	68	49	63	
October	56	52	56	45	57	
November	45	51	51	39	56	
December	54	57	74	41	53	
Calendar Year Total	503	503	606	670	659	276
	2013	2014	2015	2016	2017	2018
YTD through June	214	206	234	376	315	276
July-December Total	289	297	372	294	344	305
Calendar Year Total	503	503	606	670	659	581



Inspections Performed

	2013	2014	2015	2016	2017	2018
January	934	842	1035	1696	1419	1317
February	884	661	822	1705	1656	1497
March	989	832	1300	2163	1812	1502
April	1127	960	1592	1786	1486	1636
May	1163	1066	1621	1902	2037	1922
June	1066	1235	1814	1779	2076	1775
July	1216	1315	1862	1610	1893	
August	1446	1276	1719	1720	2117	
September	1250	1302	1674	1501	1762	
October	1359	1466	1745	1481	1804	
November	1168	1011	1653	1492	1547	
December	1031	947	1848	1318	1247	
Calendar Year Total	13,633	12,913	18,685	20,153	20,856	9,649

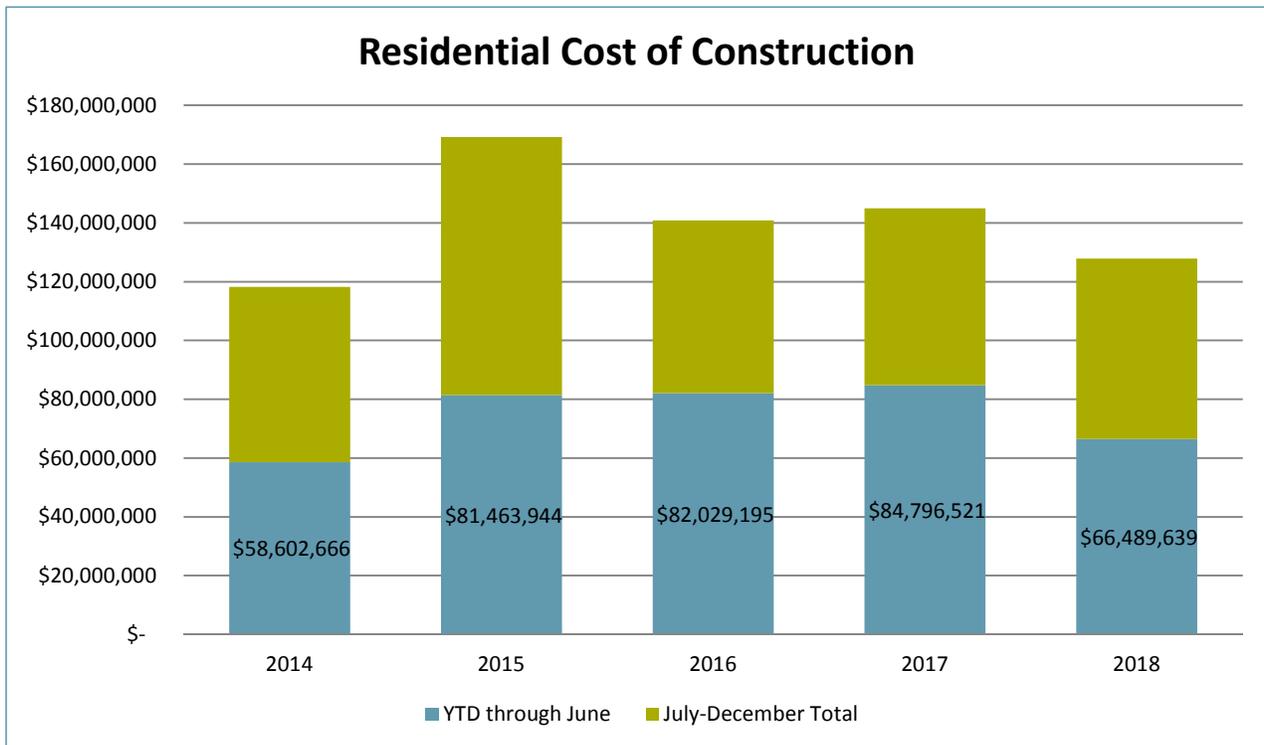
	2013	2014	2015	2016	2017	2018
YTD through June	6,163	5,596	8,184	11,031	10,486	9,649
July-December Total	7,470	7,317	10,501	9,122	10,370	9,803
Calendar Year Total	13,633	12,913	18,685	20,153	20,856	19,452



Residential Cost of Construction

	2013	2014	2015	2016	2017	2018
January	\$ 6,680,677	\$ 6,024,879	\$ 14,240,506	\$ 11,530,792	\$ 13,859,863	\$ 8,197,400
February	\$ 8,322,697	\$ 6,664,245	\$ 5,178,366	\$ 15,190,086	\$ 15,323,357	\$ 8,600,145
March	\$ 11,839,965	\$ 9,080,151	\$ 14,020,777	\$ 14,283,636	\$ 13,628,143	\$ 15,670,785
April	\$ 8,746,230	\$ 11,657,723	\$ 16,963,483	\$ 15,613,160	\$ 10,408,182	\$ 16,221,524
May	\$ 9,320,994	\$ 8,996,852	\$ 17,886,152	\$ 13,721,751	\$ 14,090,438	\$ 6,549,295
June	\$ 11,469,017	\$ 16,178,816	\$ 13,174,660	\$ 11,689,770	\$ 17,486,538	\$ 11,250,490
July	\$ 15,996,230	\$ 11,731,936	\$ 15,135,066	\$ 8,033,725	\$ 10,342,666	
August	\$ 11,943,251	\$ 10,440,828	\$ 14,126,146	\$ 9,167,730	\$ 8,268,220	
September	\$ 7,373,406	\$ 14,310,558	\$ 15,368,269	\$ 12,158,445	\$ 6,973,690	
October	\$ 8,152,905	\$ 8,561,262	\$ 17,149,169	\$ 9,076,660	\$ 13,773,250	
November	\$ 7,575,700	\$ 4,861,535	\$ 11,842,529	\$ 11,440,557	\$ 8,741,375	
December	\$ 5,477,091	\$ 9,709,041	\$ 14,115,393	\$ 8,970,743	\$ 12,021,210	
Calendar Year Total	\$ 112,898,163	\$ 118,217,826	\$ 169,200,516	\$ 140,877,055	\$ 144,916,932	\$ 66,489,639

	2013	2014	2015	2016	2017	2018
YTD through June	\$ 56,379,580	\$ 58,602,666	\$ 81,463,944	\$ 82,029,195	\$ 84,796,521	\$ 66,489,639
July-December Total	\$ 56,518,583	\$ 59,615,160	\$ 87,736,572	\$ 58,847,860	\$ 60,120,411	\$ 61,419,602
Calendar Year Total	\$ 112,898,163	\$ 118,217,826	\$ 169,200,516	\$ 140,877,055	\$ 144,916,932	\$ 127,909,241



Nonresidential Cost of Construction

	2013	2014	2015	2016	2017	2018
January	\$ 911,000	\$ 284,317	\$ 487,081	\$ 456,223	\$ 890,004	\$ 15,980
February	\$ 1,545,397	\$ 722,100	\$ 1,400,100	\$ 1,181,201	\$ 1,239,428	\$ -
March	\$ 3,589,473	\$ 422,067	\$ 1,927,852	\$ 2,384,137	\$ 6,550	\$ 52,000
April	\$ 675,683	\$ 582,535	\$ 639,999	\$ 840,160	\$ -	\$ 75,695
May	\$ 618,579	\$ 2,966,608	\$ 2,219,335	\$ 30,821,970	\$ 506,900	\$ 6,399,250
June	\$ 2,149,600	\$ 503,145	\$ 949,267	\$ 190,339	\$ 3,100,000	\$ 24,170
July	\$ 3,408,036	\$ 1,518,898	\$ 7,068,850	\$ 14,448,190	\$ 1,735,400	
August	\$ 844,949	\$ 5,873,615	\$ 397,500	\$ 2,400,000	\$ 790,000	
September	\$ 21,000	\$ 888,541	\$ 3,907,400	\$ 634,110	\$ -	
October	\$ 3,877,000	\$ 2,830,297	\$ 1,504,773	\$ 3,463,171	\$ 350,000	
November	\$ 34,500	\$ 68,880	\$ 736,608	\$ 750,000	\$ -	
December	\$ 294,600	\$ 3,753,951	\$ 263,120	\$ 10,000	\$ -	
Calendar Year Total	\$ 17,969,817	\$ 20,414,954	\$ 21,501,885	\$ 57,579,501	\$ 8,618,282	\$ 6,567,095

	2013	2014	2015	2016	2017	2018
YTD through June	\$ 9,489,732	\$ 5,480,772	\$ 7,623,634	\$ 35,874,030	\$ 5,742,882	\$ 6,567,095
July-December Total	\$ 8,480,085	\$ 14,934,182	\$ 13,878,251	\$ 21,705,471	\$ 2,875,400	\$ 9,243,772
Calendar Year Total	\$ 17,969,817	\$ 20,414,954	\$ 21,501,885	\$ 57,579,501	\$ 8,618,282	\$ 15,810,867

