

AFFORDABLE KNIGHTDALE

TOWN OF KNIGHTDALE

Inclusive Growth and Housing Affordability Plan



Adopted March 20, 2024



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Mayor & Council:

Jessica Day, Mayor
Latatious Morris, Mayor Pro Tem
Steve Evans
Ben McDonald
Stephen Morgan
Mark Swan

Land Use Review Board:

Chris Parker – Chair
Darryl Blevins – Vice Chair
Ron Cole
Angèle Dixon
Tabitha Hagen
Steven Hopper
Alan Smith

Housing Advisory Committee:

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Jason Brown, Development Services Director
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Donna Goodman, Senior Planner – Long Range

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Lawrence Capps, Police Chief
Loren Cone, Fire Chief
Rachel Morris, Community Relations Director
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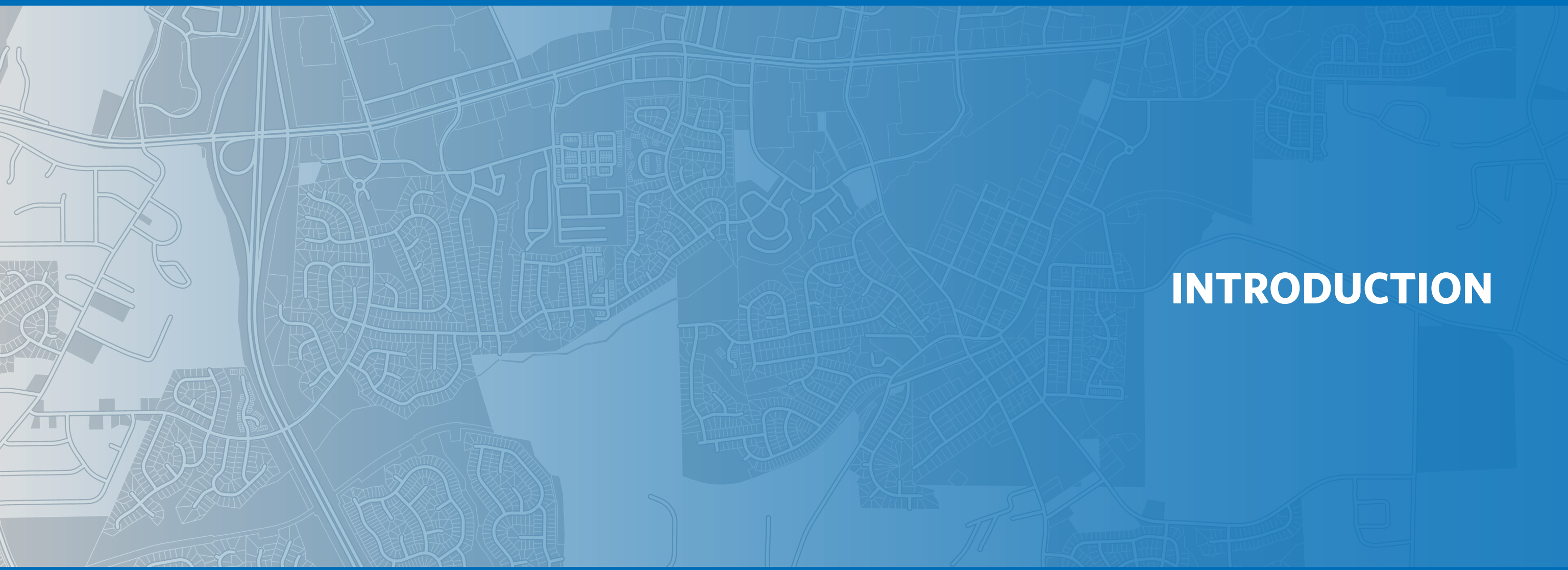
Representatives of these organizations also generously contributed their time:

ABC11
Town of Apex
CASA
Community Helpers Service Center
Dream Coat Ministries
DHIC
Faith Baptist Church
GoWake SmartRide
Habitat for Humanity of Wake County
Home Builders Association of Raleigh-Wake County
Knightdale Chamber of Commerce
McDonalds
NC State University
Northside Community Church
Raleigh Raised Development
Wake County Housing Affordability and Community Revitalization
Wake County Schools
WakeUp Wake County

Project Team:

Under the direction of the Town staff and the Housing Advisory Committee, the staff of the Center for Housing and Community Studies of the University of North Carolina at Greensboro led the work on this Plan:

Bruce Rich, Center Director and Project Director
Davin Hall, GIS Specialist
Xiadani Avila, Housing Researcher
Maggie Hogan, Research Assistant
Troy Moss, Research Assistant
John Kamaal Sunjata, Research Assistant



INTRODUCTION





A Place of Good Fortune. Knightdale is a place of good fortune. Its people are a vibrant mix of long-time residents and new arrivals. Together, they have built a strong community and contributed to the regional development of one of the most important global centers of advanced manufacturing, high technology and university research and commercialization. The benefits of growth have been great. The population has doubled in ten years, and household income is well above the North Carolina median.

Growing Pains. Rapid growth can be destabilizing. In Knightdale, thousands of new homes have been built. Newcomers seeking a small-town way of life, open spaces, and more affordable housing have been welcomed. But now, Knightdale’s housing prices are rising. Providers of municipal services are racing to catch up with development. Some residents worry the Town’s character might change, and lower-income workers and residents may feel left out of the benefits of growth.

New Approaches. Knightdale elected officials, leaders, and residents recognized the growing concern of housing insecurity and decided to act. With this action-oriented plan, the people of Knightdale will take meaningful action toward realization of their ambitious vision for an inclusive, livable, and affordable future.

The Guiding Principles of the Plan. The guiding principles of this plan are those put forward by KnightdaleNext, the comprehensive plan adopted in 2018.



Encourage the development of **unique activity centers** that include a mix of uses and activities.



Promote and expand opportunities for people to experience the **natural environment**.



Promote **infill development and redevelopment** activities for vacant and under-utilized areas of Knightdale.



Promote and expand opportunities where people can be more involved in **parks and recreation**.



Provide a safe, reliable, and integrated **transportation** system that balances all modes of transportation.



Guide future growth into more efficient and **compact development patterns**.



Celebrate a distinct brand and **community design** that is uniquely Knightdale.



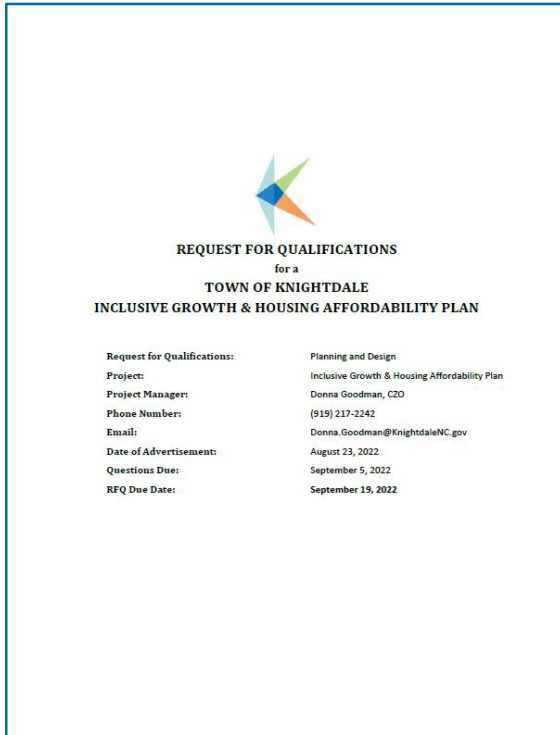
Promote **economic vitality** with a healthy and sustainable business environment.



Continue to improve quality-of-life for all residents of Knightdale by maintaining **community facilities and services**.



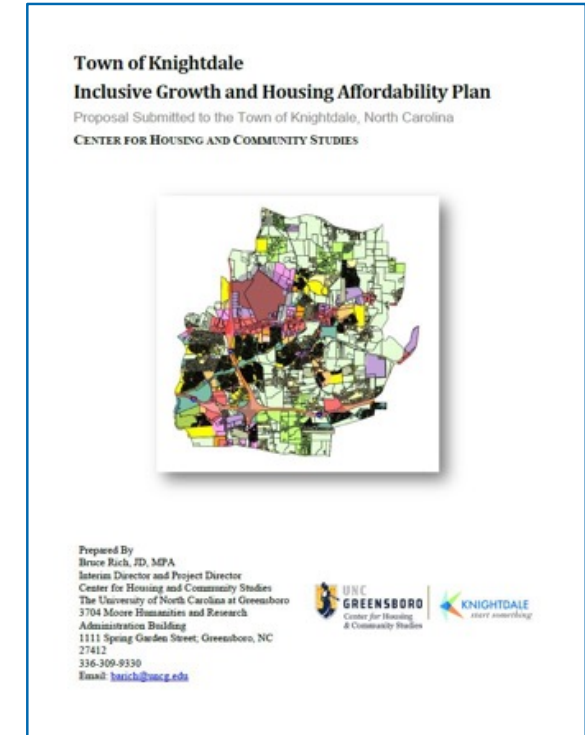
Promote distinct, safe, and **great neighborhoods and expanded home choices** throughout Knightdale.



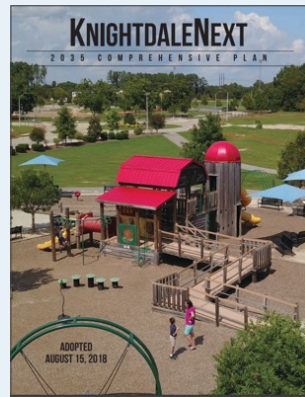
Request for Qualifications. On August 23, 2022, the Town of Knightdale issued a Request for Qualifications, seeking the services of a qualified firm, or team of firms, to provide professional services for the development of a comprehensive Inclusive Growth & Housing Affordability Plan that identifies community housing gaps, needs, and recommendations of specific strategies that result in inclusionary growth within the Town of Knightdale, while increasing housing options and affordability. In response, on September 19 the Center for Housing and Community Studies of the University of North Carolina at Greensboro submitted its proposal.

Selection Process. After a rigorous selection process, on November 16, 2022 the Town Council authorized Town staff to negotiate a scope and fee with UNCG, and on January 18, 2023, an agreement was signed calling for work to begin at once and continue for one year, with an Affordable Housing Plan to be delivered at the conclusion of the plan period.

Development of the Plan. The Plan process began with the convening of senior staff of the Town of Knightdale Development Services Department and an Advisory Committee consisting of additional senior staff and members of the Town Council.



Why Plan? The Affordable Knightdale Plan is just the most recent step in a planning process reaching back decades. The KnightdaleNext 2035 Comprehensive Plan – adopted in 2018 and in the process of being updated in 2024 – asks the question, “Why plan?” and offers this answer: “Knightdale is one of the fastest growing towns in the fastest growing county in the state – and the growth keeps coming. Residents love the small-town feel that is at the heart of Knightdale, and there is concern that as growth continues, the Town will begin to look ‘just like everywhere else.’ It is important for Knightdale to understand how it wants to grow: What will it look like? What will it feel like? What will make Knightdale unique?” On this page, several of the Town’s current plans that are most relevant to issues of affordable housing are described:



KnightdaleNext Comprehensive Plan.

The foundational document for long-term planning in the Town of Knightdale. Through text, images, and maps, it sets forth goals and principles for guiding future land use and development in Knightdale and surrounding areas of the County.



Wake County Affordable Housing Plan.

This 2017 plan for all of Wake County presented a comprehensive account of the county’s affordable housing need and offered wide-ranging, actionable recommendations. Since then, several Wake County municipalities, including now Knightdale, have developed their own plans in partnership with Wake County.



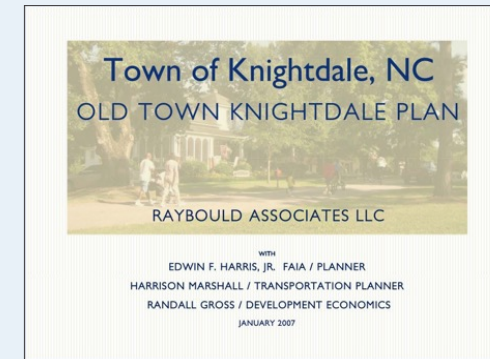
Comprehensive Transportation Plan.

A guide for enhancement of the Town of Knightdale transportation system, addressing all modes of travel and informing subsequent development, aligning Knightdale’s future growth with phased transportation investments.



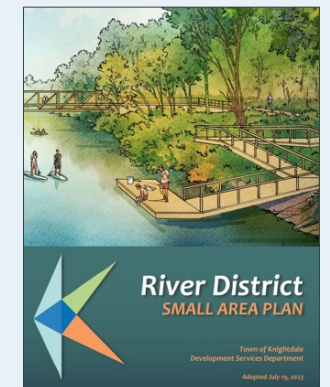
Comprehensive Pedestrian Plan.

A plan to improve the quality and connectivity of Knightdale’s pedestrian environment by focusing on both on-street sidewalks and off-street pedestrian paths to create a safe, accessible, and functional pedestrian system.



Old Town Knightdale Plan.

A small area plan covering the three hundred acre Old Town district of central Knightdale, to determine its future path for developing a unique identity as the historic heart of Knightdale.



River District Small Area Plan.

A plan and vision for future growth on the western side of Knightdale along the Neuse River corridor, guiding future growth in a thoughtful, and environmentally and socially responsible way and ensuring that our neighborhoods and our diverse community continue to thrive.

What Does “Affordable Housing” Mean? The term “Affordable Housing” sounds straightforward – it’s housing people can afford – but there are widespread misconceptions about affordable housing. Some people think it means rundown apartment buildings where poverty is concentrated and crime is rampant. Others think of the big-city projects of the 1960s and 1970s that were inadequately funded and poorly managed. This has created an undeserved stigma which unnecessarily reduces public support for affordable housing policies.

The HUD Definition. The U.S. Department of Housing and Urban Development (HUD) uses a definition that is actually straightforward: “Affordable Housing is generally defined as housing on which the occupant is paying no more than 30 percent of gross income for housing costs, including utilities.” Another way of saying this is that everyone should have safe, affordable housing for themselves and their families without suffering financial hardship as a result.

MYTH AND REALITY

Myth: Affordable housing drives down property values.

Reality: Affordable housing built according to basic quality standards with good materials and design, as it has been in Knightdale over the years, has no negative effect on the value of neighboring properties, according to many research studies.

Myth: Affordable housing brings in increased crime.

Reality: Affordable housing developed according to a thoughtful plan improves neighborhood stability and quality of life and reverses the concentration of poverty that people associate with substandard housing.

Myth: Affordable housing looks cheap and undesirable.

Reality: Old, failed subsidized housing projects and substandard housing look cheap and undesirable. That’s not what this Plan has in mind. Rather, affordable housing under the Plan will be attractive and built to standards of quality.

Myth: Affordable housing is just another government handout.

Reality: Most federal housing subsidies go to homeowners in the form of mortgage and property tax deductions. Most affordable housing subsidies go to landlords participating in the Section 8 program. The small amount going to other subsidies help revitalize neighborhoods and build up the tax base to the benefit of all.

Myth: Affordable housing hurts the quality of local schools.

Reality: Overbuilding in any location can lead to overcrowding in the schools. That’s not unique to lower-cost housing. Actually, greater housing stability of low- to moderate-income families gives kids a chance to perform better in school.

Myth: Affordable housing benefits only the very poor.

Reality: Today we see a new face of housing need: schoolteachers, firefighters, factory workers and other moderate-income people might experience a precarious housing situation.

Some housing is affordable already, with no subsidy needed to make it that way; some housing is affordable through large-scale federal housing subsidy programs; and some is affordable because a local government provided assistance to an individual or family to help them buy a house or to help them keep one. This page describes each of these.



NOAH. “Naturally Occurring Affordable Housing” is already affordable, without the need for government subsidies, because the rent or purchase price is moderate, or the mortgage payment is affordable. With rising prices, NOAH is disappearing from Knightdale.



Homebuyer Assistance. Local governments can intervene to assist individual households to achieve housing affordability, for example by offering grants and loans to help pay the down payment for homebuyers who are otherwise ready to become owners.



Public Housing. A relic of a past era when the federal government made major investments in the creation of publicly-owned affordable housing for low-income families, seniors, and persons with disabilities. These never made up a substantial part of Knightdale housing, and are gradually disappearing from the region.



Repair and Rehabilitation. Repair and rehabilitation loans and grants are another form of direct assistance to homeowners. These programs can help homeowners hang onto the affordable homes they already have, which could otherwise be threatened by repair costs owners can't shoulder on their own.



Section 8. The federal Housing Choice Voucher program, often referred to as “Section 8,” replaced public-owned housing as the federal government’s biggest program for low-income housing assistance. It pays a voucher-holder’s rent above 30% of household income, but funds are limited.



Rental Assistance. Emergency assistance also helps people stay in their homes, rather than face eviction over a temporary financial crunch caused by a layoff, or medical or car repair expenses. Rental assistance proved very effective during the pandemic and could one day again take a leading role in preserving housing affordability.



LIHTC. Low Income Housing Tax Credits provide subsidies in the form of federal tax credits to encourage construction and rehabilitation of affordable multifamily rental housing. Knightdale has several LIHTC communities, including Laurel Crossing, pictured at left.



Land Development. Local governments own or can acquire parcels of land suitable for affordable housing development, helping to defray the cost of development and making projects more financially feasible.

Detached single-family housing is the norm in Knightdale as in most other American cities and towns. Even with that, however, the Town enjoys a diversity of other housing types that offer evidence that alternatives to the traditional single-family approach, with gentle additions to density, offering options to match different family sizes and lifestyles, can enrich the life of the Town.



MARKET RATE APARTMENTS
View at Legacy Oaks



OLDER TOWNHOMES
Mingo Creek



NEW TOWNHOMES
Parkstone Village



LIHTC AFFORDABLE MULTIFAMILY
Laurel Crossing



CONSTRUCTION CONTINUES!
Forestville Village



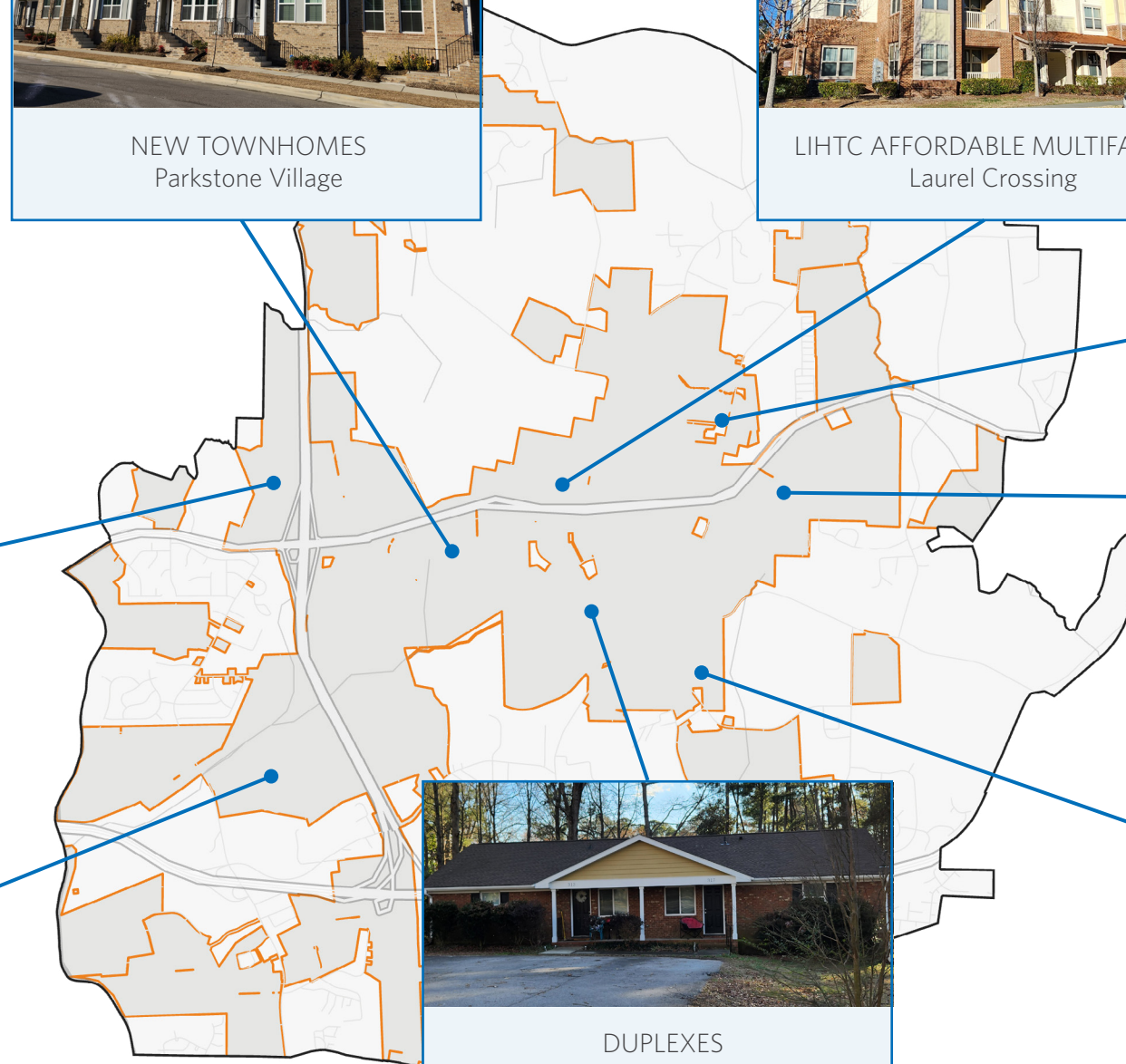
LARGE SINGLE-FAMILY HOUSE
Knightdale Station



DUPLEXES
Main Street



AFFORDABLE MULTIFAMILY
Knightdale Manor East Apartments



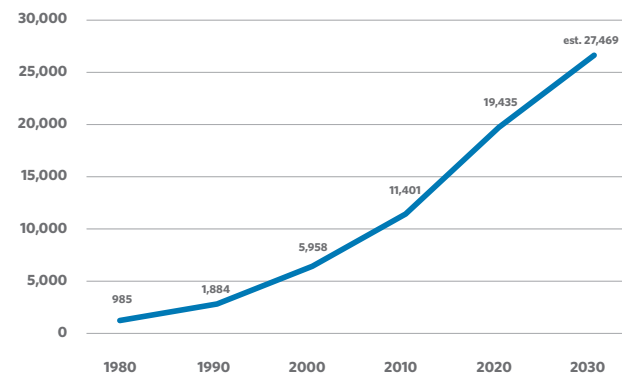
Explosive Growth. Rapid population growth in Knightdale is the driving force behind rising housing prices and the growing sense of housing insecurity among many Knightdale workers and residents. A wave of newcomers who work in the Research Triangle but moved eastward into Wake County in search of more affordable home prices, and migrants from the north and other places, created a wave of demand that drove prices higher – still more affordable than in some other parts of Wake County and other big cities, but far pricier than a decade or even five years ago.

Incomes Haven't Kept Pace. The \$79,000 median income of Knightdale (Census Bureau 2022) is comfortably above the North Carolina median income of \$66,000 and roughly in line with the median income of the United States as a whole. Yet, Knightdale incomes haven't seen much net growth over the last decade, and they haven't kept pace with the rise in rents and home prices. If housing cost data for 2022-2023 are taken into account, the gap between income trends and home price trends is big and apparently getting worse.

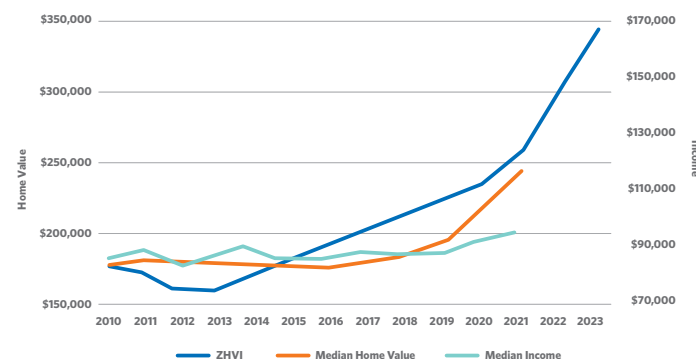
Cost Burden. As a result, many households find themselves “cost burdened,” meaning they have to spend more than 30% of their household income on rent or mortgage payments plus utilities. The number of cost-burdened households is a rough measure of the shortfall in supply of affordable housing units. Estimates of the size of the shortfall range from the hundreds to over a thousand. Certainly, the need is great. This purpose of this Plan is to help close the gap.

These graphs are taken from “The Housing Economy” section of the plan, where the data displayed are explained in more detail. For the purposes of this Introduction, these four graphs illustrate the rapid growth of the Knightdale population, the gap between incomes and home prices, the number of cost burdened households in each income bracket, and an estimate of the shortfall in the number of affordable housing units needed in Knightdale.

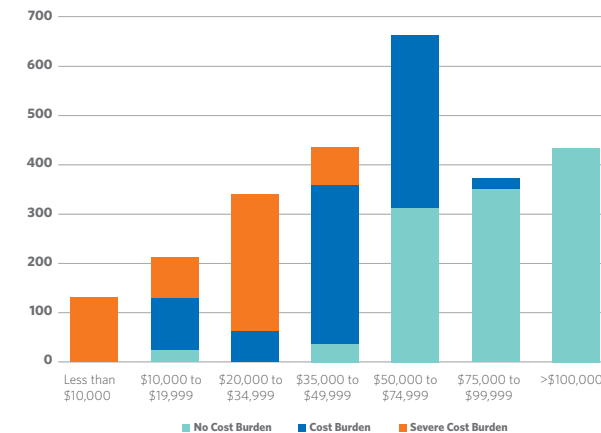
Knightdale Population Growth 1980-2030



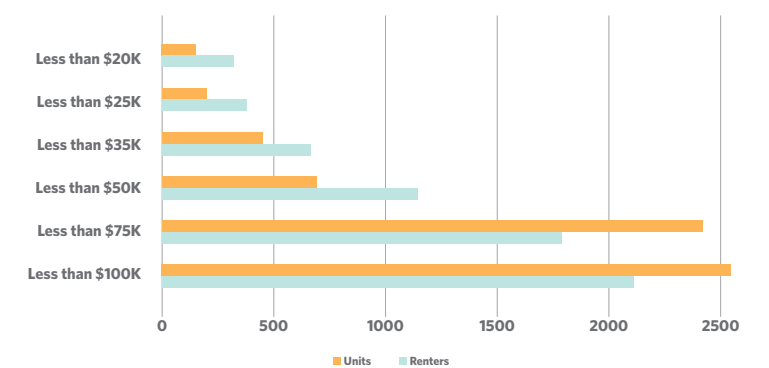
Knightdale Home Value and Income by Year



Knightdale Renter Cost Burden by Income Bracket



Knightdale Cumulative Rental Housing Gap, 2022



The Affordable Knightdale Plan. Addressing the affordable housing challenges will require an unleashing of ingenuity by the people of Knightdale – and the dedication of resources. With this Plan, the Town will have a roadmap for the work ahead. The Plan incorporates six interrelated tasks:

Explores the social, economic, and demographic forces that contribute to housing challenges.	Describes the meetings with experts and gathering of neighborhood residents to talk about housing needs and solutions.	Sets the goals and articulates the guiding principles for affordable housing action.	Makes recommendations for action based on the data and information gathered.	Sets forth a plan for implementing the recommendations over the next ten years and measuring success.	Clarifies the housing challenges for the Town, promotes outreach and education, and informs public opinion to support change.
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This Plan will put forward twelve recommendations for action in the following cross-cutting areas of interest and concern:

Affordable Housing Trust Fund. A pool of resources especially dedicated to the creation and preservation of affordable housing. The foundation and centerpiece of the Affordable Knightdale Plan.

Development Partnerships. Partnerships between the Town of Knightdale and nonprofit developers to preserve and create affordable rental housing and homeownership opportunities.

Land Acquisition Policy. A policy allowing for the strategic acquisition of land parcels to be dedicated to affordable housing development.

Direct Assistance. Assistance directly to eligible homeowners and renters, subsidizing homeownership, repairs, supportive housing, and assistance to seniors and people with disabilities.

Capacity Building & Community Engagement. Hiring a dedicated staff member to oversee the implementation of the plan, and the establishment of the housing resource center.

Expand Housing Options. Promote the development of housing types the market alone can't provide, including starter homes, accessory dwelling units, and cottage court concepts.

Housing Advisory Board. An advisory panel made up of community representatives that will assist with Plan implementation and make recommendations about affordable housing development to the Town Council and Town staff.

Mixed-Income Focus. Build mixed-income neighborhoods by incorporating affordable homes or lots into market-rate neighborhoods or subdivisions.

Zoning Incentives. Modifications to the Zoning Ordinance that would permit added residential density and streamlined procedures and create incentives to create affordable housing.

Permanent Affordability. Community land trusts and other ownership structures that offer ownership opportunities to lower-income homebuyers.

Gap Financing. The use of Affordable Housing Trust Fund resources to provide low-cost financing to developers of affordable multi-family rental housing.

Inclusive, Livable Environment. Ensure that housing planning will incorporate principles of walkability, bikeability, transit-oriented design, and proximity to schools, jobs, shops, and services.

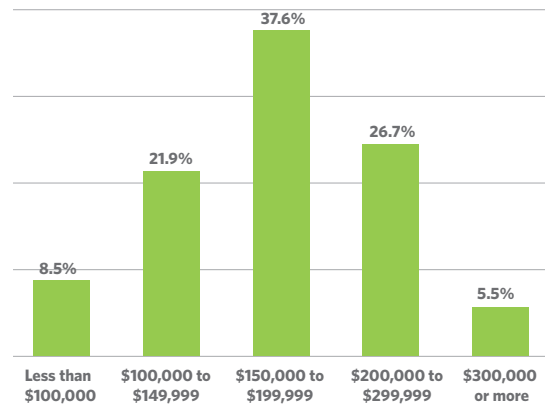


THE HOUSING ECONOMY

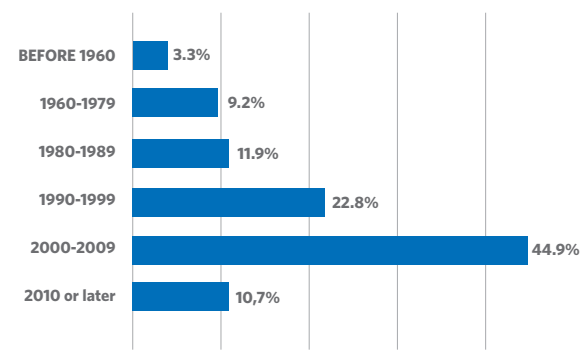


2018

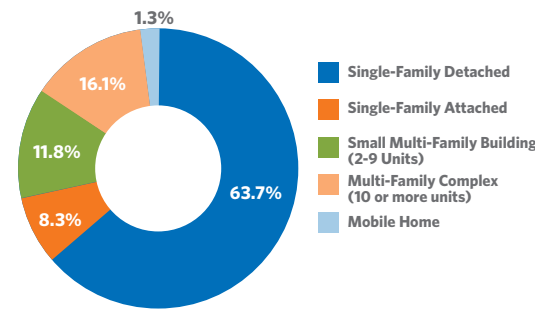
Home Value - Owner Occupied Units



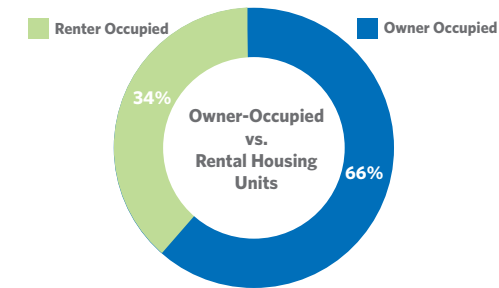
Year Structure Built



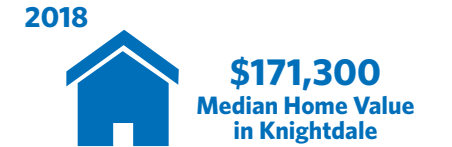
Housing Types



Owner-Renter Percentage

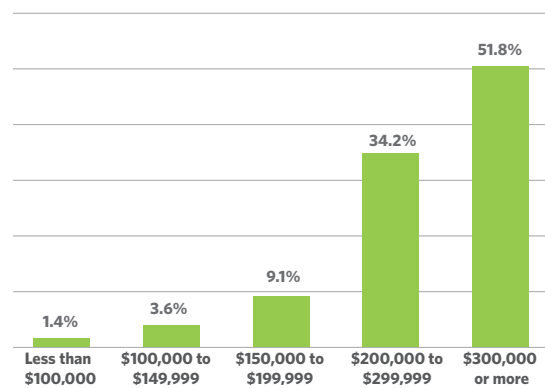


Median Home Value

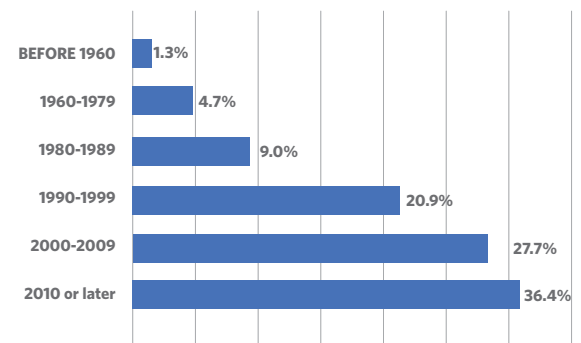


2022

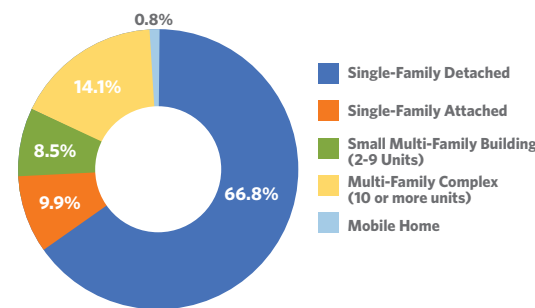
Home Value - Owner Occupied Units



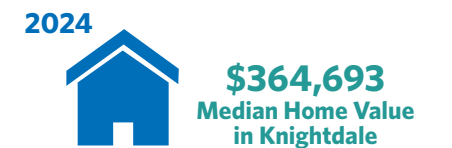
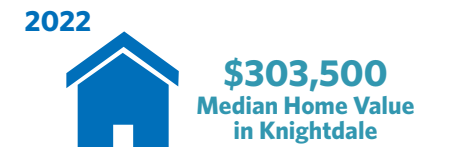
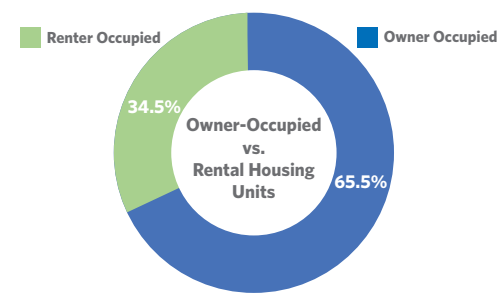
Year Structure Built



Housing Types



Owner-Renter Percentage



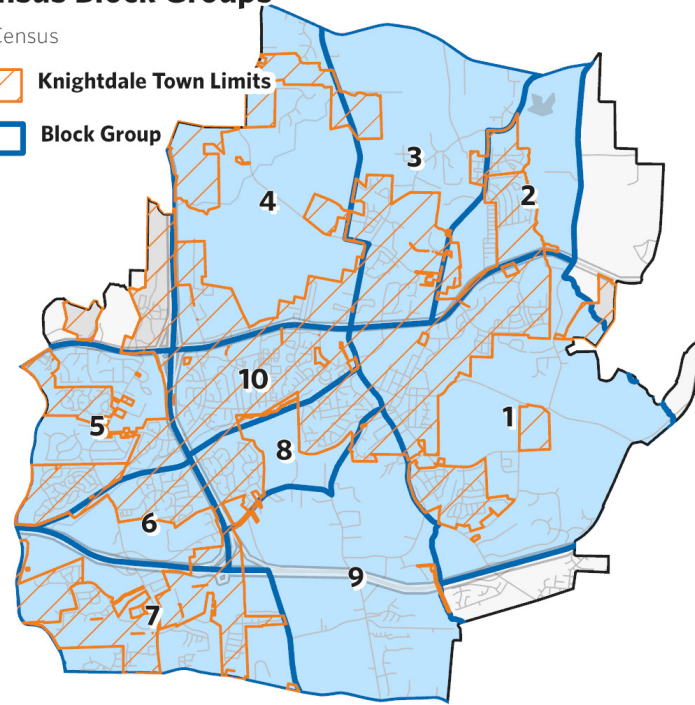
The KnightdaleNext 2035 Comprehensive Plan adopted in 2018 explored several housing indicators based on data drawn from the then most recent American Community Survey Five-Year Estimates. This page updates each of the five indicators to the 2022 estimates, revealing some very striking changes. The 2018 values are on the top row, the updated values on the second row. On the far left is the percentage of owner-occupied units for each home-value bracket. The percentage of homes valued at \$300,000 or more has skyrocketed from 5.5% to 51.8%. The next comparison shows an increase in the percentage of homes built since 2000, then just over half, now over 64%. The third graph shows a modest increase in the single-family home share of housing units. The fourth indicator shows little change in the renter-owner ratio in Knightdale. Finally, on the right side of the page are three measures that show more than a doubling of median home value: first, from the 2018 plan; second, the updated ACS value from 2022; and third, a current median sale price measure tracked by Zillow.

Census Block Groups

US Census

 Knightdale Town Limits

 Block Group

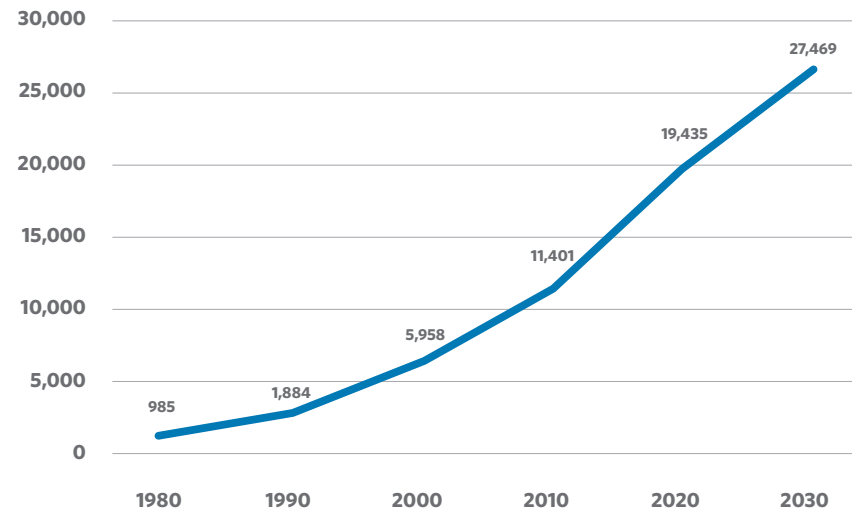


This “Housing Economy” section sets forth data on population, economic activity, incomes, housing inventory and housing prices, and other important indicators which, taken together, form the basis and the foundation for the action plan put forward in this document. The information drawn from these data is displayed and interpreted in graphs, maps, and accompanying text. Many of the maps show a “greater Knightdale,” that is, Knightdale within its legal boundaries and parts of Wake County outside the town limits. The boundaries of this greater Knightdale are defined by Census Block Groups, a geographical unit used by the U.S. Census Bureau. This greater Knightdale defined for purposes of this section consists of ten block groups forming parts of four census tracts. Most of the maps show the boundaries of the block groups, with the town limits superimposed over them in a contrasting color.

Census Block Groups are the smallest unit for which the Census Bureau provides sample statistical data. Eleven statistical indicators relevant to the housing economy are displayed in the table below. They show a significant amount of variation. For example, block groups numbered 2, 4, and 9 in the table cover relatively undeveloped areas and have the smallest population, and some of the lowest rate of cost-burdened households. Yet these same block groups range from some of the youngest to the oldest populations; the oldest of these, the group numbered 9, has the lowest median income, while 4 has one of the highest. The block groups that lie mainly within the town limits, those numbered 5, 6, 7, 8, and 10, have generally larger populations and larger percentages of Black residents. These variations will manifest themselves in some of the discussions that follow in the Housing Economy section.

Number	Census Block Group	Population	Median Age	Households	% in Poverty	Vacant Property	Median Income	Median Home Value	% Owner Occupied	% Black Population	% Renter Cost Burdened	% Owner Cost Burdened
1	Block Group 2, Census Tract 541.08	3,195	30.2	1,118	10.3%	83	\$ 86,806	\$ 354,700	78.8%	22.1%	40.9%	18.8%
2	Block Group 1, Census Tract 541.12	1,013	41.2	330	0.0%	0	\$ 95,938	\$ 202,800	100.0%	41.1%	0.0%	12.1%
3	Block Group 2, Census Tract 541.12	2,743	34.5	1,002	12.7%	6	\$ 75,461	\$ 296,200	65.7%	41.9%	45.6%	12.9%
4	Block Group 1, Census Tract 541.13	1,965	42.5	764	11.0%	118	\$ 111,167	\$ 340,000	88.9%	35.7%	34.1%	18.4%
5	Block Group 1, Census Tract 541.14	3,677	43.4	1,434	4.6%	97	\$ 101,071	\$ 298,800	88.5%	34.3%	54.5%	16.2%
6	Block Group 2, Census Tract 541.14	2,115	28.1	684	5.8%	0	\$ 67,500	\$ 186,300	57.7%	42.2%	35.6%	17.2%
7	Block Group 3, Census Tract 541.14	2,802	35.3	768	22.4%	0	\$ 126,468	\$ 329,800	94.0%	31.9%	0.0%	15.8%
8	Block Group 1, Census Tract 541.15	2,682	38.1	1,065	10.0%	32	\$ 104,883	\$ 288,200	86.2%	47.6%	35.4%	18.5%
9	Block Group 2, Census Tract 541.15	1,191	47.5	534	21.0%	15	\$ 58,523	\$ 235,500	66.1%	2.0%	23.2%	24.6%
10	Block Group 3, Census Tract 541.15	4,339	38.2	1,918	5.0%	81	\$ 61,250	\$ 246,400	52.1%	59.6%	58.9%	34.4%

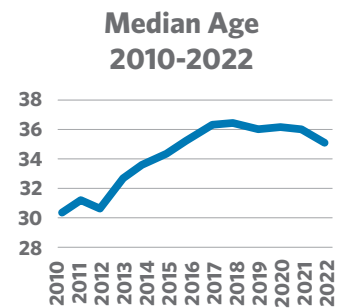
**Knightdale Population Growth
1980-2030**



Population growth is one of the main forces behind the housing challenges faced by cities and towns today. More people need more housing. Knightdale’s population had one of the fastest growth rates in the country, at 70% in a decade and nearly 2000% since 1980. This kind of growth reflects the great economic success Knightdale shares with the region, but it can be destabilizing. The character of a place can change. Infrastructure is strained. Housing prices rise.

Some characteristics of today’s Knightdale are shown in the maps below and in the accompanying graph. Here and in the following pages, the maps show data for selected Census block groups encompassing the Town of Knightdale itself, whose Town limits are shown in blue hatching, and some of the areas of Wake County beyond the Town limits.

The maps show the distribution of Black residents by block group, and the distribution of the population by age. Black residents make up the largest part of Knightdale’s population today, with 47%, as compared to North Carolina’s Black population of 20%. Median income of Black households is less than that of White ones, suggesting that some neighborhoods could be areas of greater need for affordable housing. The median age is 35.5, up significantly in the last decade but still slightly lower than the state of North Carolina.

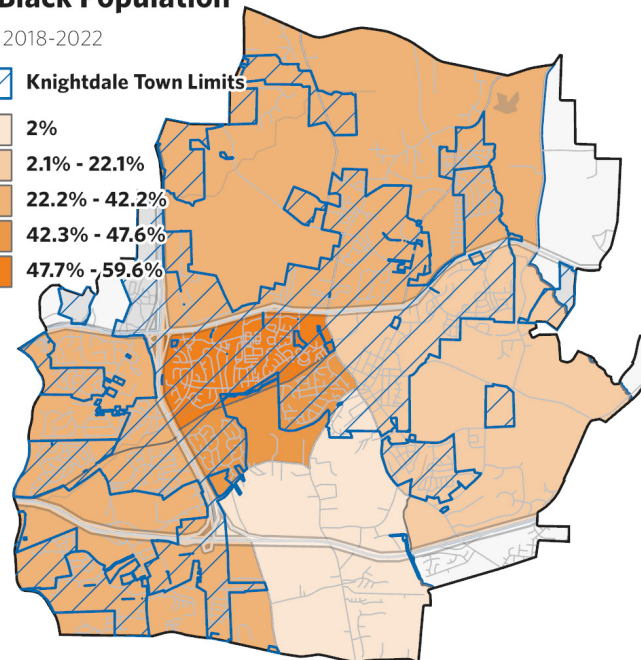
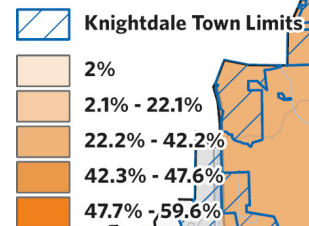


The table below compares Knightdale population trends to those of the two Wake County towns nearest in size to it, one further north and one in western Wake, as well as to Wake County itself as a whole and to North Carolina as a whole. It shows that the towns are where the fastest growth is taking place.

	Knightdale	Morrisville	Rolesville	Wake County	North Carolina
2010	11,401	16,089	3,289	828,859	9,013,443
2022	19,127	29,756	9,696	1,132,103	10,470,214
% Change	68%	85%	195%	37%	16%

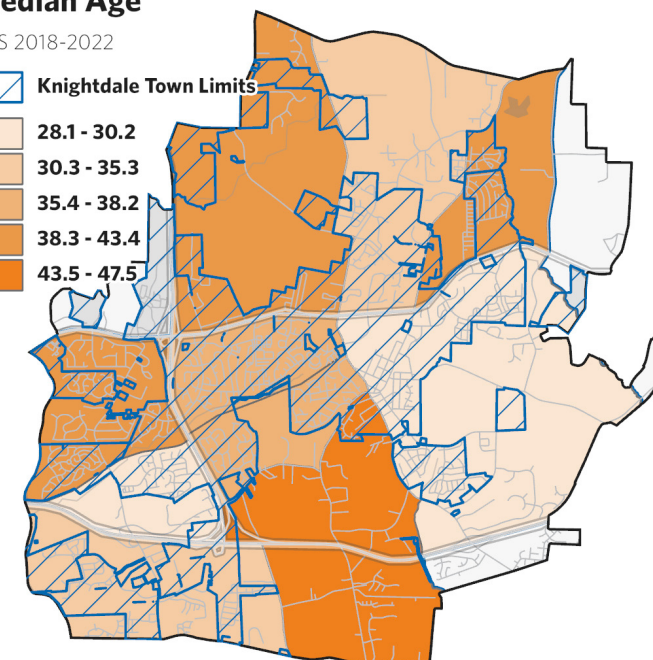
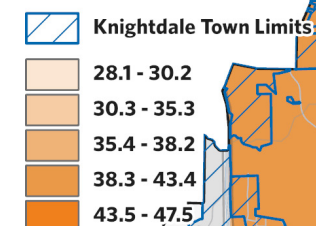
% Black Population

ACS 2018-2022



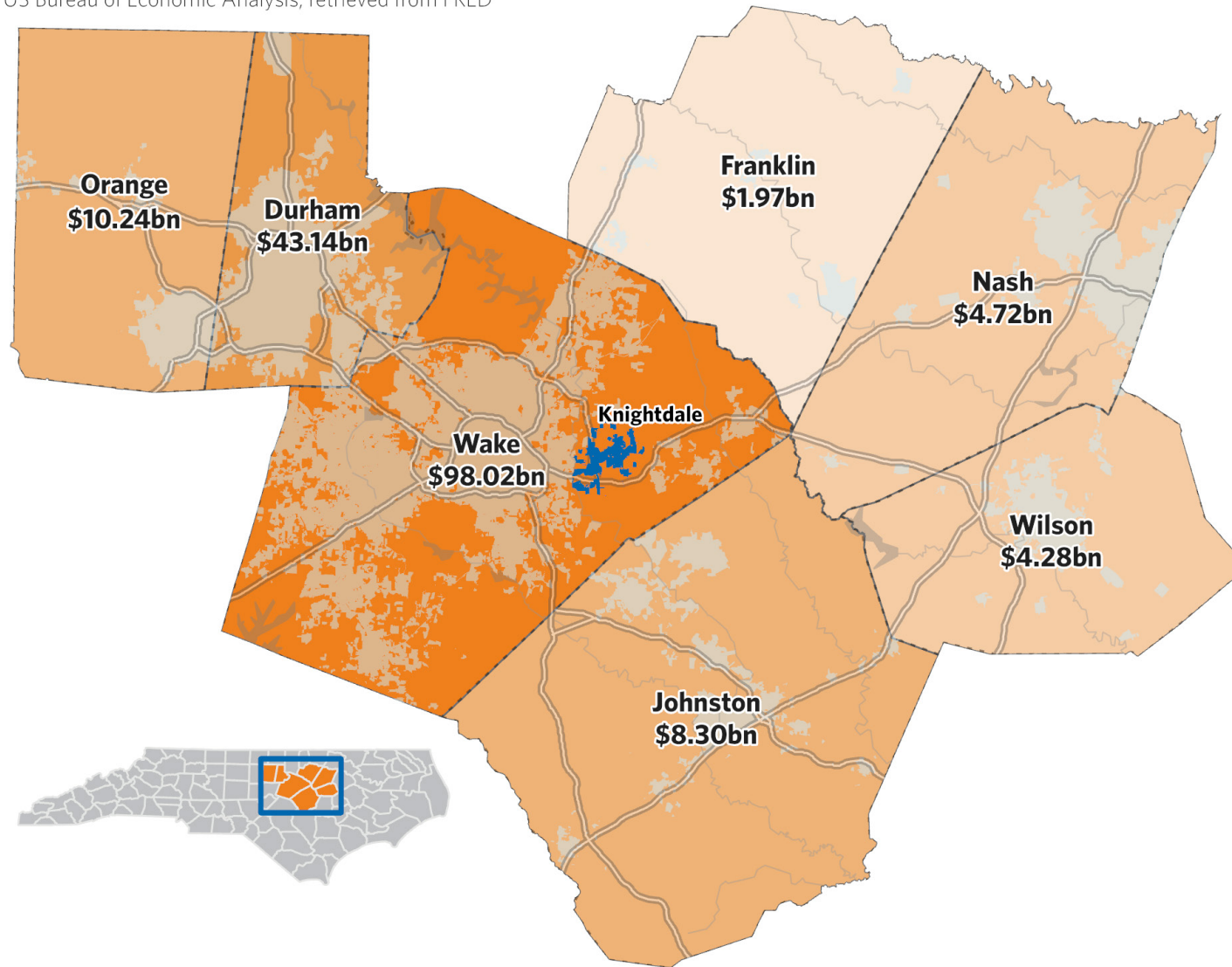
Median Age

ACS 2018-2022

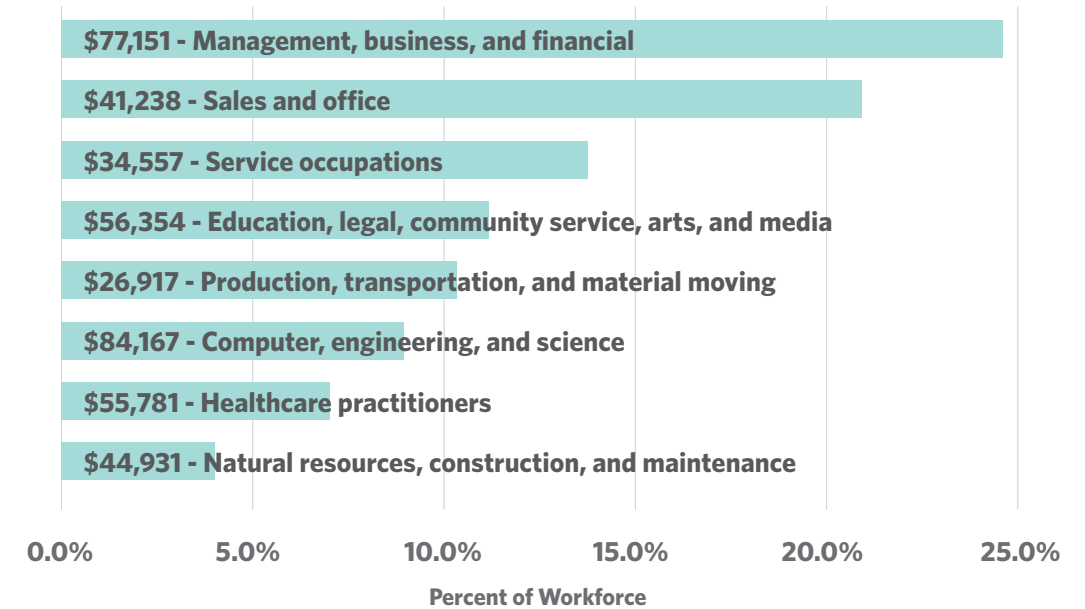


North Carolina Counties GDP

US Bureau of Economic Analysis, retrieved from FRED



Knightdale Occupations and Median Earnings

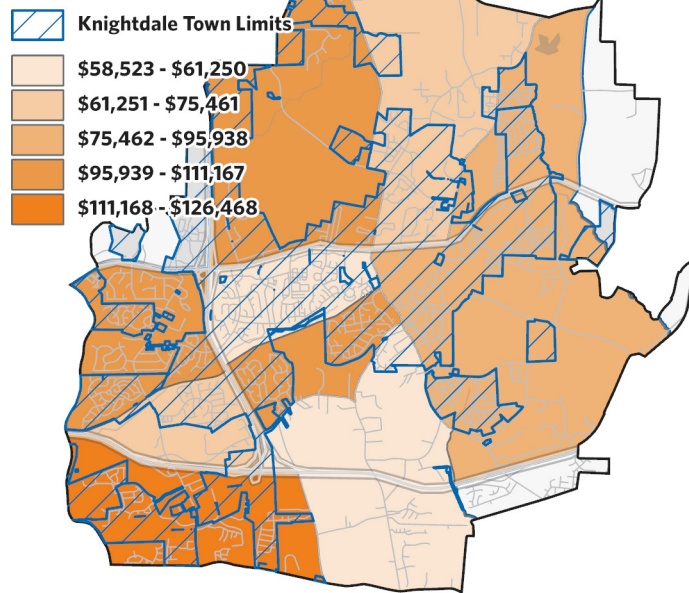


The explosive population growth in Knightdale and other Wake County towns reflects the regional economic powerhouse that Wake County has become. The map to the left shows the gross domestic product (GDP) - a measure of economic activity - in Wake and six neighboring counties. Knightdale, near the epicenter of this economic engine, has seen extensive in-migration of affluent tech and financial workers from Raleigh in search of less urban surroundings and relatively more affordable housing.

The graph above reveals that the economic engine is dominated by those higher-paid management, business, financial, and tech sectors, accounting for almost a third of all jobs held by Knightdale residents, with median earnings in the \$77,000 to \$84,000 range. But lower-paid white collar, service, transportation, construction, maintenance and other sectors account for half the jobs; these are the workers who are finding it harder to afford to live in Knightdale.

Median Household Income

ACS 2018-2022

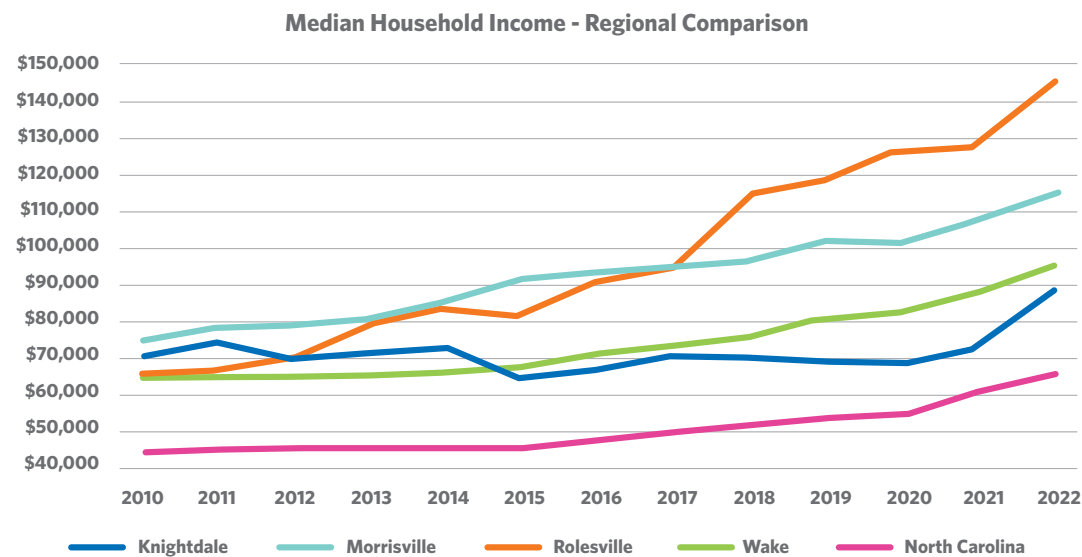
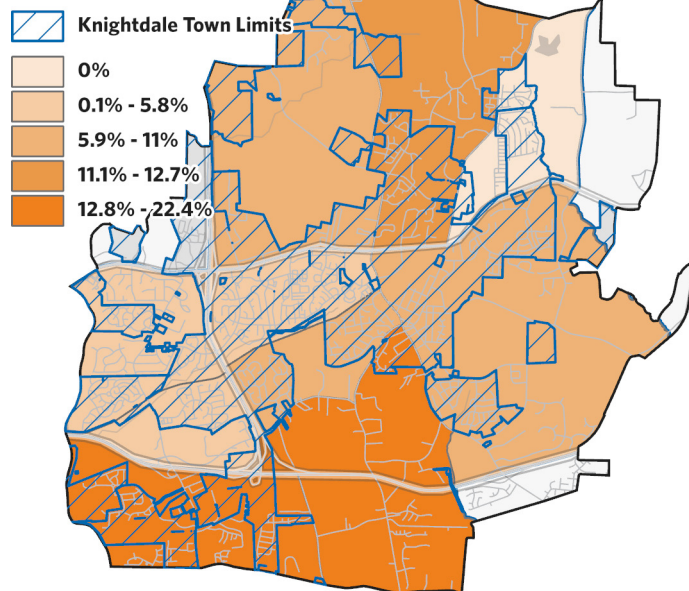


Economic growth and population growth are having a tremendous impact on the housing economy. When growth is equitable, everyone benefits, incomes rise across the board, and all have access to the thousands of new housing units springing up everywhere. But incomes haven't always kept pace, and Knightdale has more work to do to ensure everyone can have an affordable, safe, decent home. That will be the work of this Plan.

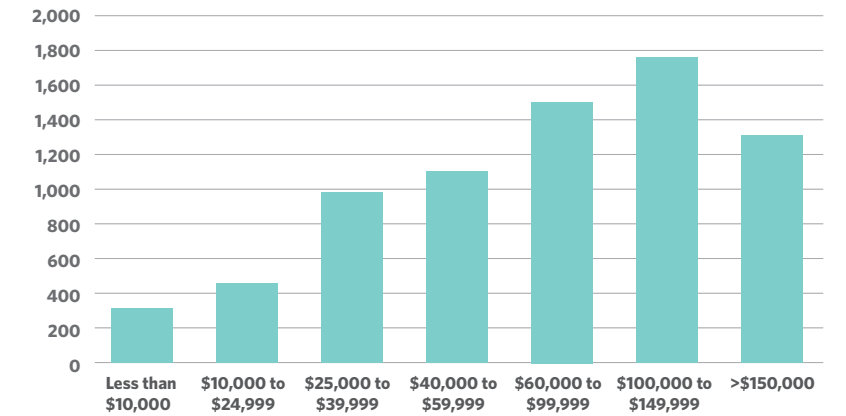
The map on the upper left shows income distribution across the Knightdale area, while the map on the lower left shows the distribution of households living at or below the federal poverty line. Knightdale, while affluent by North Carolina or U.S. standards (though less so by the standards of Morrisville and Rolesville as shown below), has a wide range of income levels. The chart on the upper right bears this out: a large number of households in the upper-income brackets, yet 1,700 households with incomes below \$40,000. The chart on the lower right indicates that Black households have lower incomes than other groups - a suggestion of racial inequity in the distribution of incomes.

% Households in Poverty

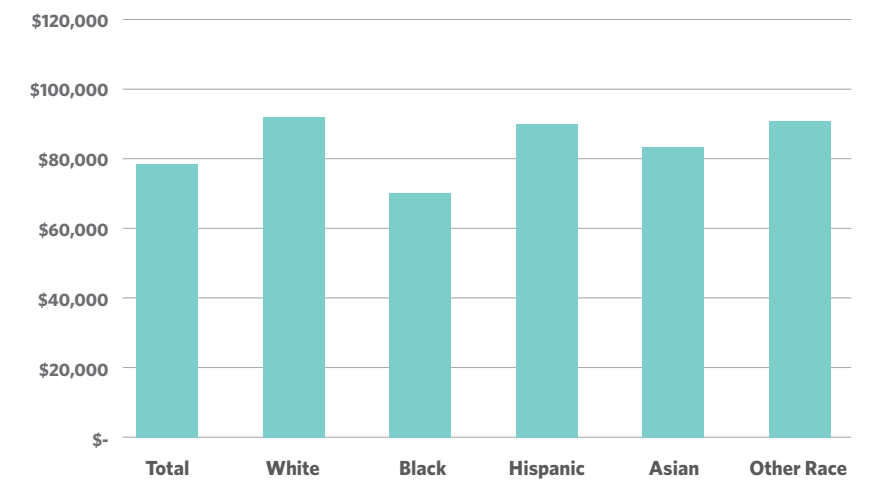
ACS 2018-2022



Knightdale Households by Income Bracket

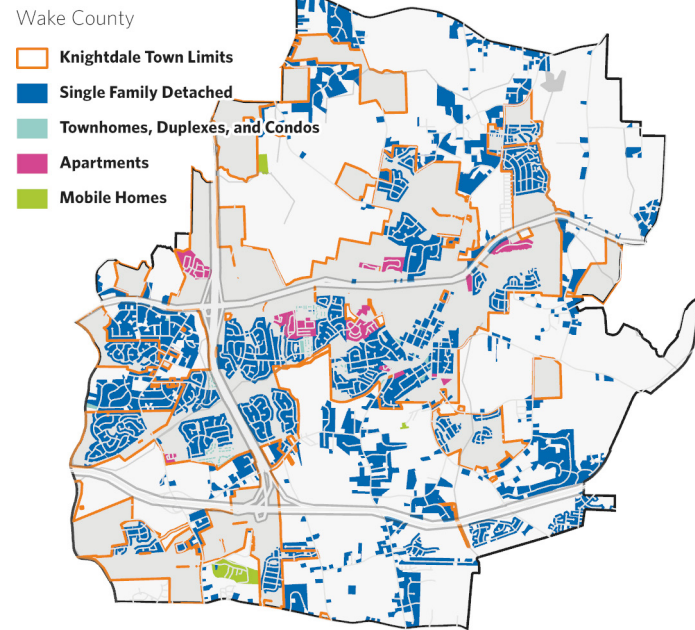


Knightdale Median Income by Race/Ethnicity

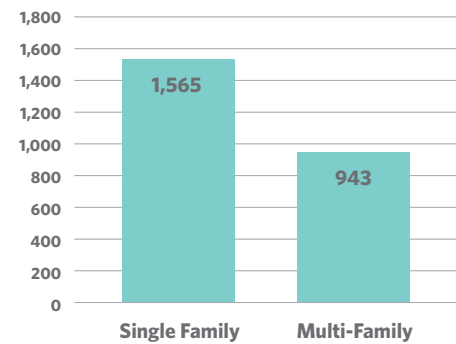


The map below shows at the level of individual parcels the different housing types seen in Knightdale. The dark blue indicates that in Knightdale, as in most American cities and towns, the detached single-family house is by far the most prevalent, and the bar graph at the bottom of the page confirms this. To accommodate growth over the past decade, over two thousand new units have been added, but without altering significantly the mix of housing types dominated by detached single-family and larger apartment complexes.

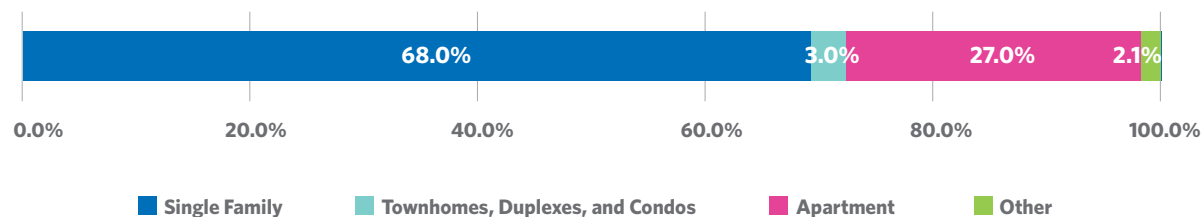
Residential Parcel Property Use



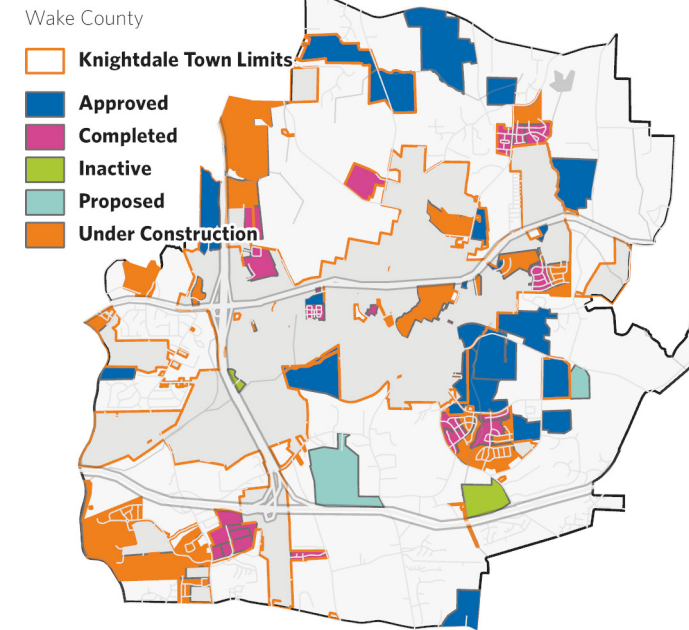
2013-2022 Housing Units Added



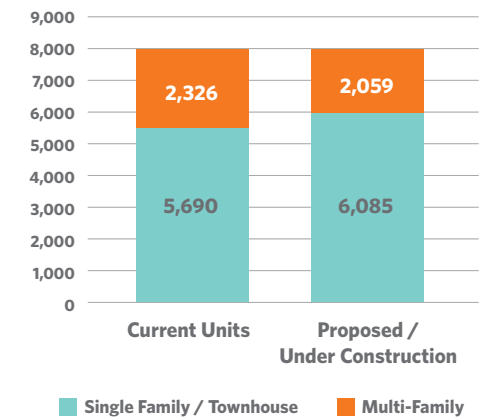
2022 Housing Units by Type



Knightdale Development

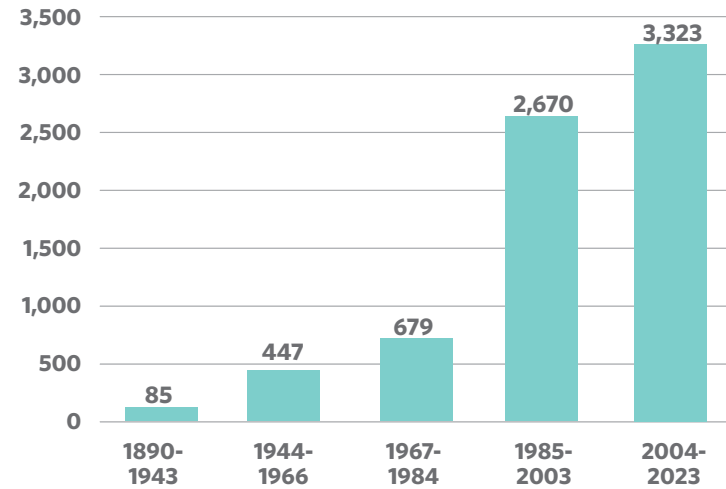


Knightdale Development

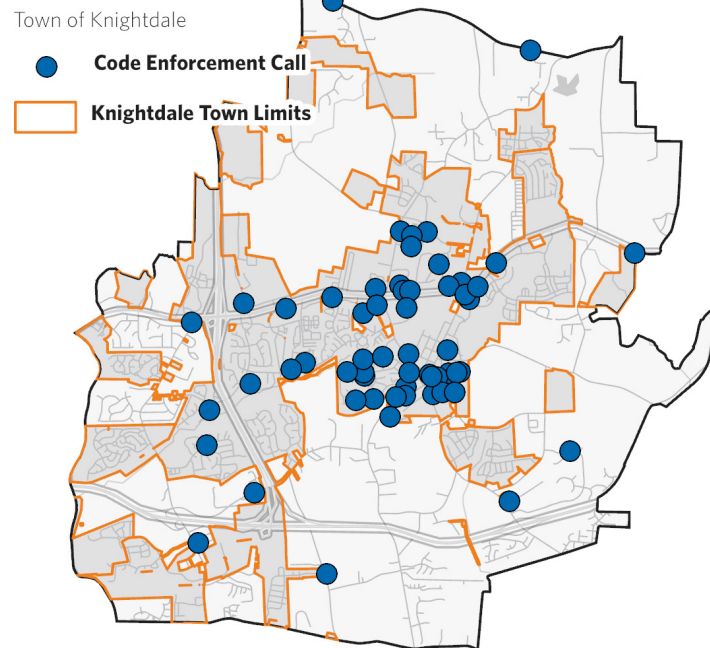


The residential building boom of the last ten and the next ten years is another reflection of the growth and affluence that Knightdale is enjoying. But the boom doesn't automatically bring inclusivity, livability, or affordability. This Plan will help manage growth so that residential development will provide safe and affordable housing for people of all incomes and will align housing development with the principles of livability and inclusion set forth in the Town's comprehensive plan.

Single Family Houses Built by Year

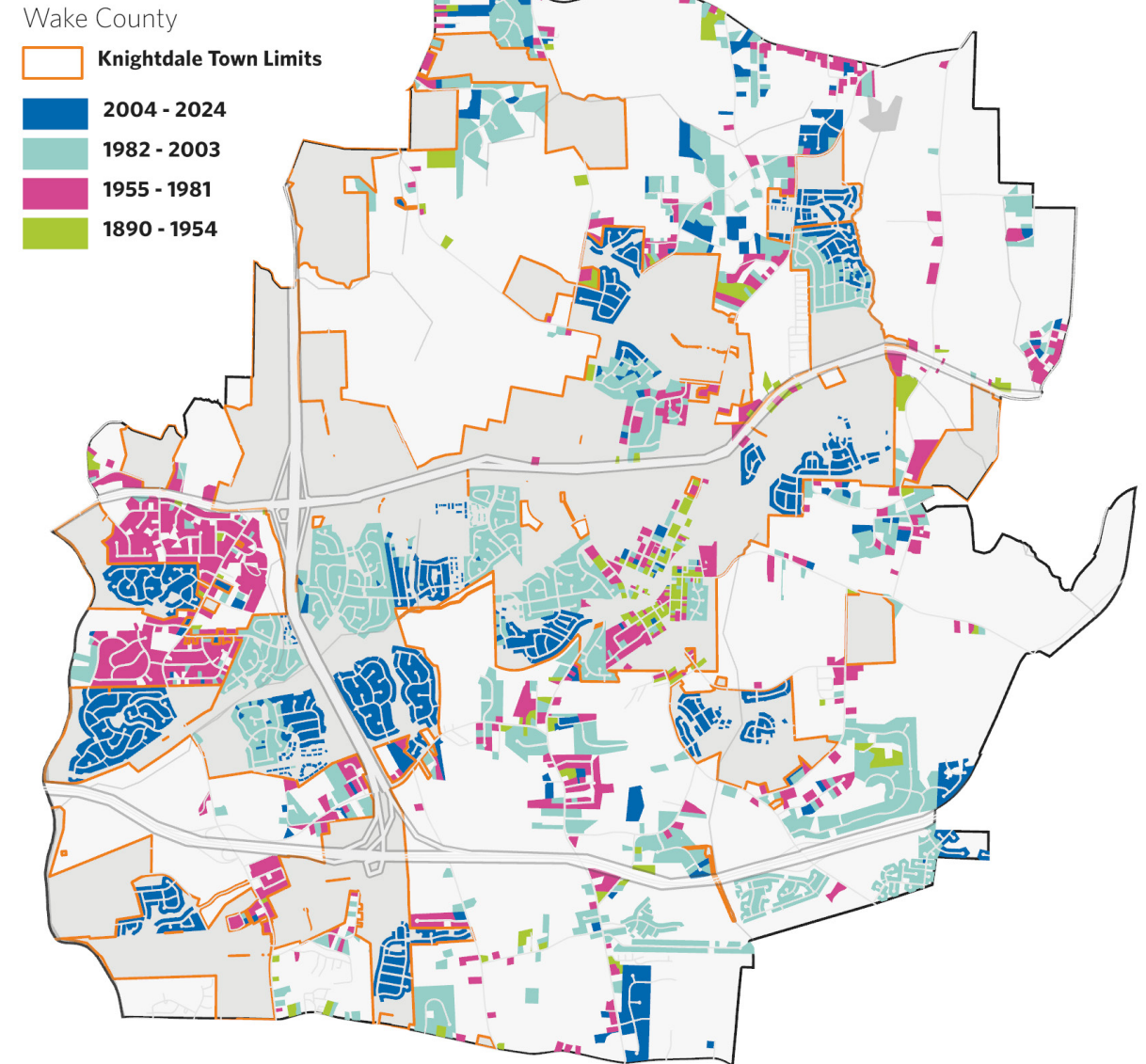


Code Enforcement Calls



Knightdale has seen a fast pace of development, with many housing units added in recent years. The bar graph to the left confirms, at least with respect to single-family homes, the rapidly accelerating pace of construction. The map to the right shows the location of these and other housing structures by individual land parcel, with the darker blue parcels indicating where newer development has taken place. There is no definite pattern: many of the newer buildings are pushing against the town boundaries (the grey-shaded area within the orange lines) but indicate development taking place beyond the town limits. The lightest blue parcels are clustered in the downtown area and in the westernmost part of the Town bordering on Raleigh. The Green Pines area is one of the oldest residential enclaves nearest to Raleigh, while just to the south is Langston Ridge, a much more recent arrival. Meanwhile, the map on the left shows the location of code enforcement complaints - sometimes an indicator of older housing in need of repair. It appears many of the calls do emanate from older neighborhoods.

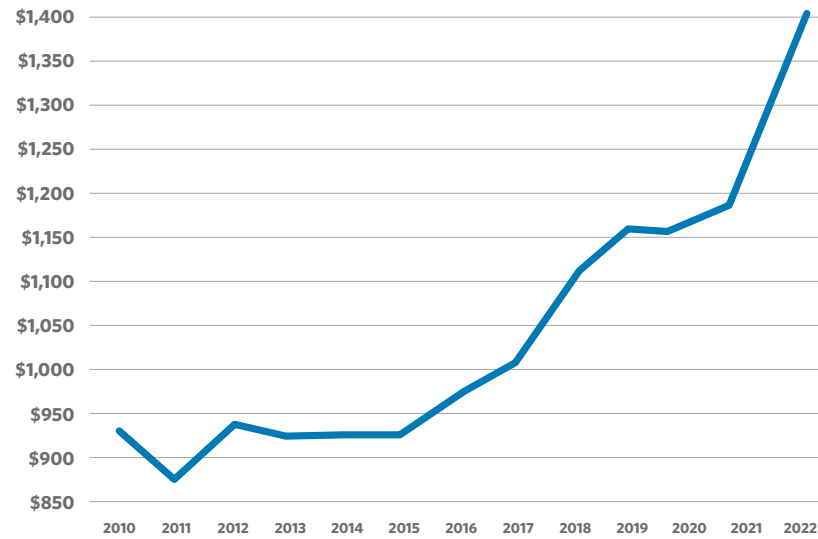
Single Family Housing Age



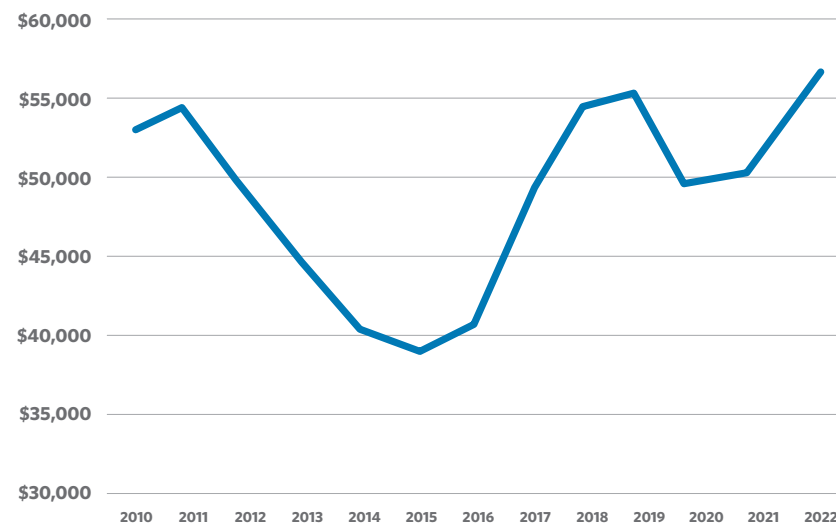
THE HOUSING ECONOMY

RENTER INCOMES AND MARKET RENT

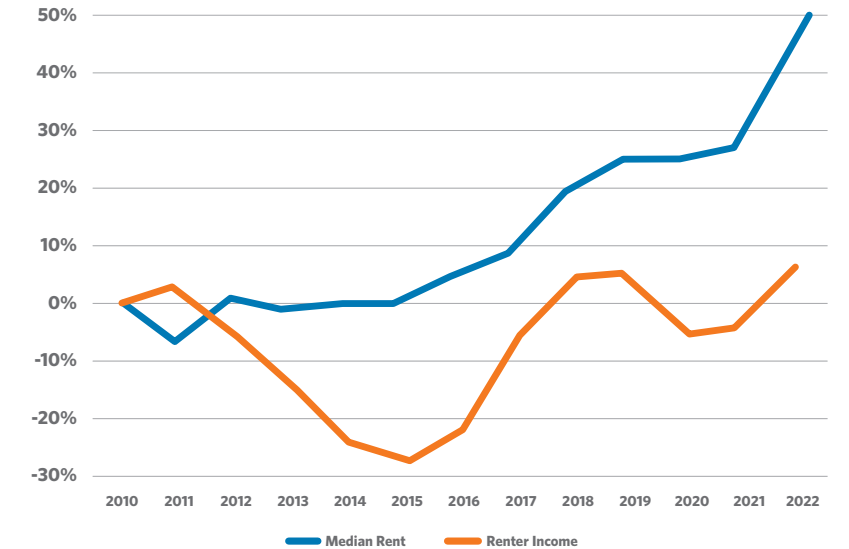
Knightdale Median Rent



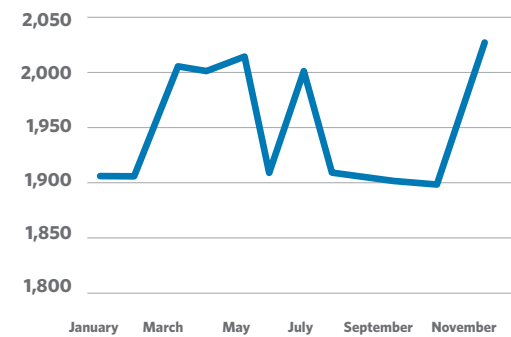
Knightdale Median Renter Household Income



Knightdale Median Renter Household Income Rate of Change



Zillow Median Rent 2023



A key measure of affordable housing need is the gap between housing cost increases and the rate of increases in incomes. In Knightdale, as in many other North Carolina cities and towns, incomes have not kept pace with housing prices. On this page, rent trends are examined.

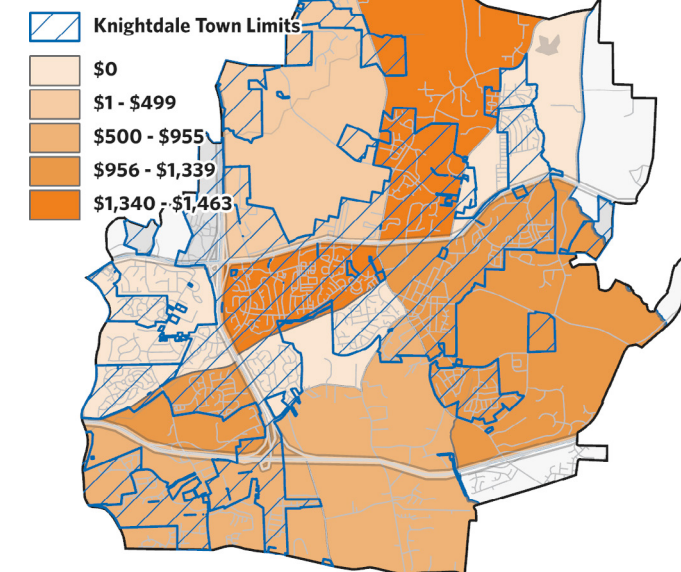
The graph on the upper left shows a steep increase in median rent over an eleven-year period to over \$1,400 in 2022. Since then, according to more recent estimates from other sources, rents have risen even more. According to the Zillow chart of 2023 median rent at left, the Knightdale median rent exceeded \$2,000 in November. Other sources offer median rent estimates in the \$1,400 to \$2,566 range, depending on the number of bedrooms. Meanwhile, as shown in the center graph above, median renter income, despite some fluctuations in the middle part of the decade, has been essentially unchanged over the decade.

Another view of the relationship between rent and income is in the graph on the upper right, showing the rate of change of median rent and of median renter income. While renter income declined for several years through 2015, median rent paused for several years, but has since increased over 50% compared to the 2010 median rent.

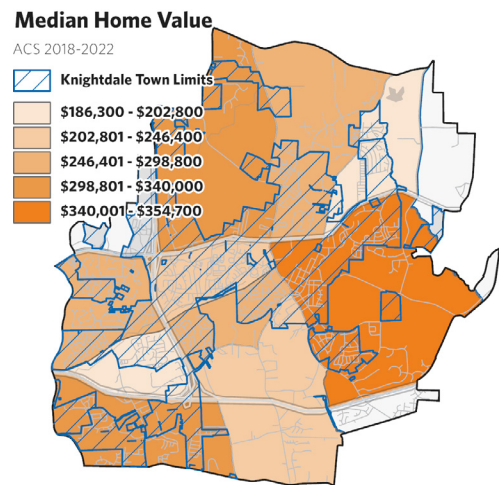
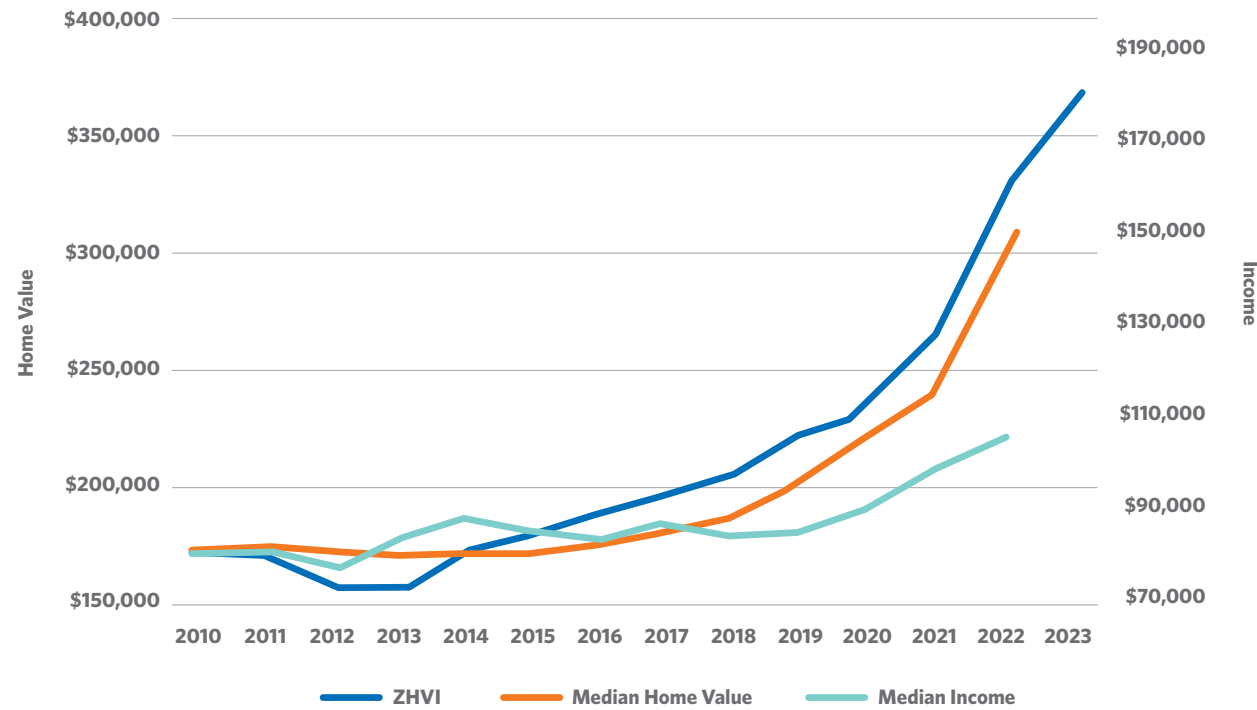
The map to the right shows the areas of greater Knightdale where rents are highest (using the 2022 Census estimates). Rents were highest in the north and central areas of Knightdale, comprising about three thousand households, about 43% of which are renters. Of the renters, over 55% are cost burdened, meaning they pay more than 30% of household income on rent and utilities.

Median Rent

ACS 2018-2022



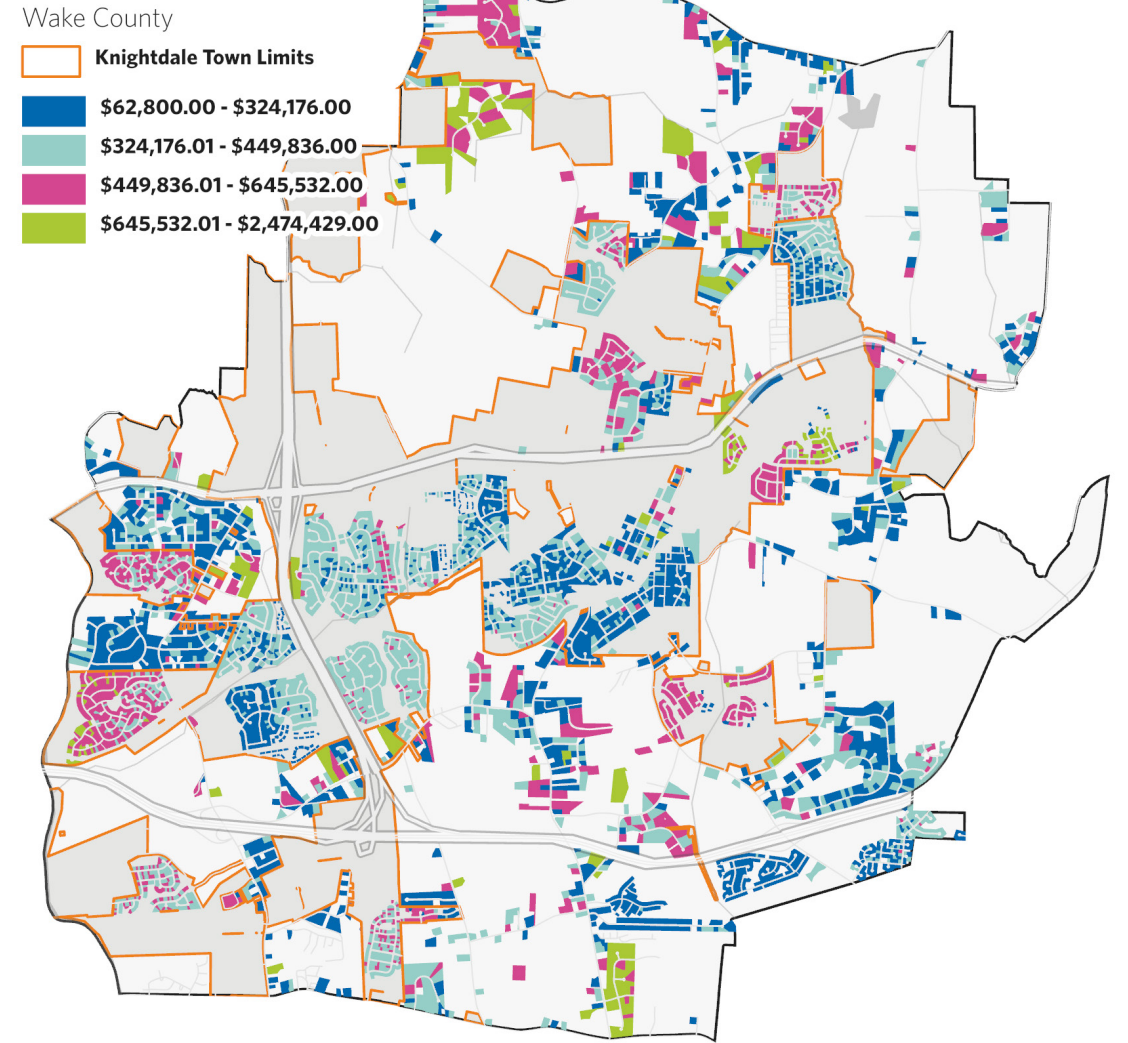
Knightdale Home Value and Income by Year


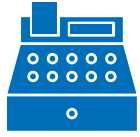





The story of home prices and median homeowner incomes is similar to that of rents and renter incomes. The orange line in the graph above shows median home values rising steeply through 2022 to a high that year of \$305,500, while median homeowner incomes rose more modestly. The dark blue line shows the Zillow Home Value Index (ZHVI), including into 2023, showing the home value continuing to rise.

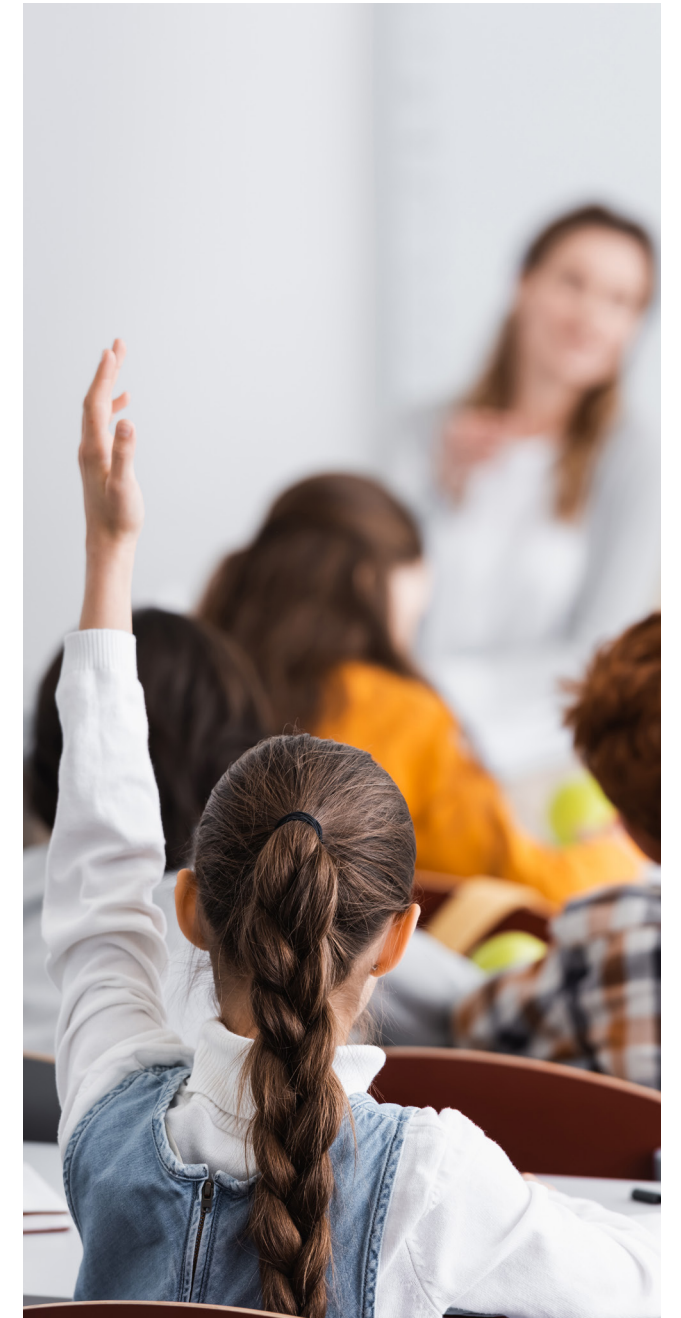
The map to the left shows median home values by Census Block Group. The map on the upper right displays the tax appraisal for each single-family home, taking into account the January 2024 revaluation. The two block groups to the north of central Knightdale, and the southwest corner, appear to have the highest median home values. The block group covering the northeast corner and the one in the south central have the lowest median home values. The areas with the highest and lowest tax appraisals appear in some cases to match those with the highest median home values, but not in all cases.

Single Family Home Tax Appraised Value

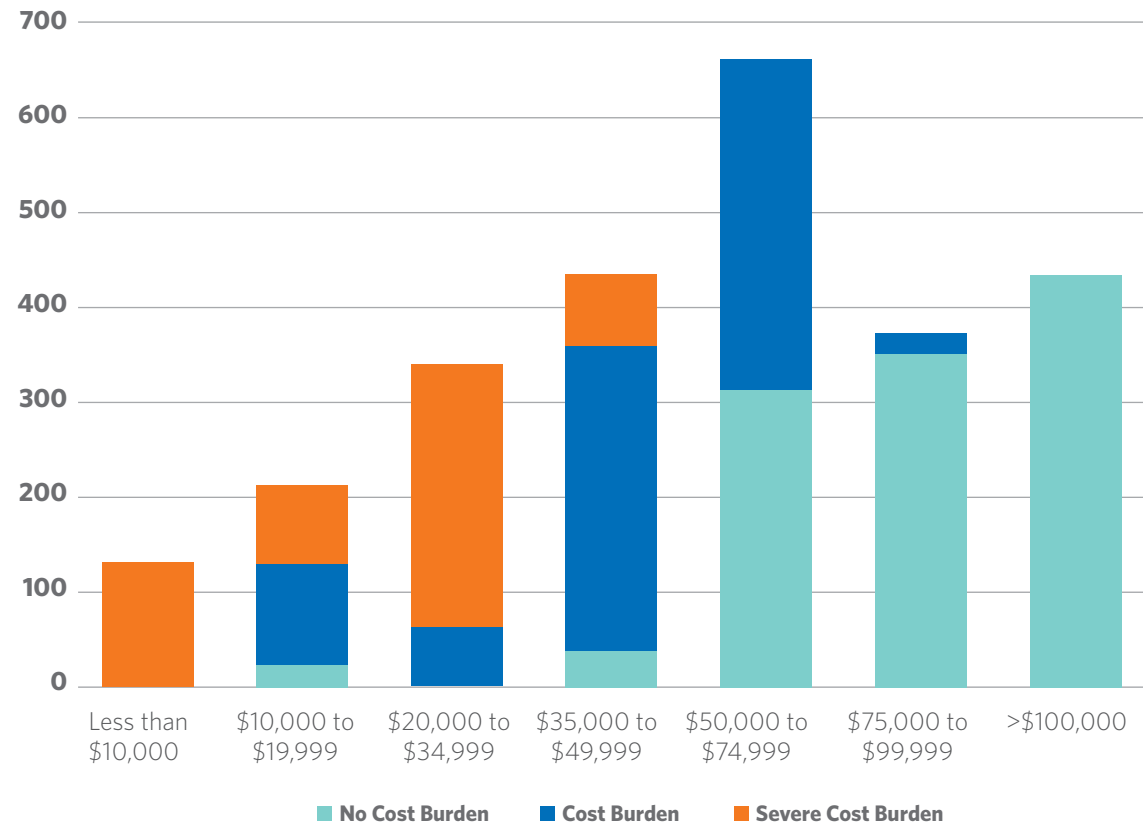


Occupation					
Hourly Rate	\$13.13 Food preparation (\$27,310 annually)	\$17.18 Retail/sales (\$35,734 annually)	\$16.26 Healthcare support (\$33,820 annually)	\$23.16 Education (\$44,172 annually)	\$18.12 Protective services (\$37,689 annually)
Maximum affordable rent	\$682	\$893	\$845	\$1,204	\$942
Wage gap if \$1,412 HUD Fair Market rent for Wake County	-\$14.02	-\$9.97	-\$10.89	-\$3.99	-\$9.03
Wage gap if \$2,028 Zillow 2023 median rent for Knightdale	-\$25.87	-\$21.82	-\$22.74	-\$15.84	-\$20.88

Another way of looking at the gap between incomes and housing prices is by looking at the “wage gap.” That’s the difference between the prevailing wage and the wage required to afford a typical rental dwelling without spending more than 30% of the household income on rent and utilities. The calculation above uses two alternative “typical rent” assumptions: first, the HUD 2023 Wake County Fair Market Rent (FMR) of \$1,412, and second, the Zillow 2023 Knightdale median rent of \$2,028. The wage needed to be able to afford the HUD FMR is \$27.15 per hour, while the wage needed to be able to afford the Zillow median rent is \$39.00 per hour. Shown above are the wage gaps for workers in five of the major Knightdale job sectors. The hourly wage is shown for each job category (from the Occupational Employment and Wage Statistics for Raleigh). For each of the two typical rent assumptions, the maximum affordable rent is calculated. Then the calculation compares the prevailing wage for each job sector to the wage needed to afford the typical rent. The gap between them is the “wage gap.” While one is worse than the other, in either case the fast food, health care, and retail workers, and even schoolteachers and police officers, face a daunting challenge to find affordable housing.



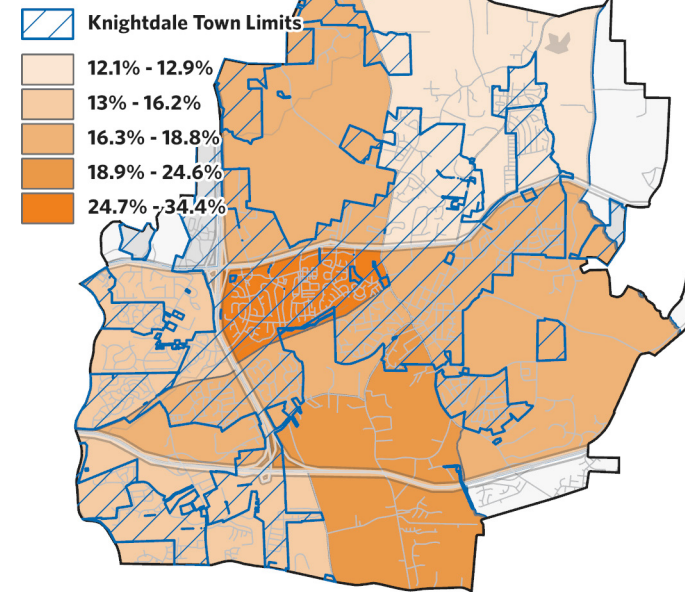
Knightdale Renter Cost Burden by Income Bracket



The chart above shows an estimate of the number of Knightdale renter households that are “cost-burdened” (they spend more than 30% of their household income on rent and utilities) or “severely cost-burdened” (more than 50%). Cost burden is a key indicator of housing unaffordability. A high rate of cost-burdened households in Knightdale means the Town lacks an adequate supply of affordable rental homes. Not surprisingly the cost burden falls most heavily on those with household incomes below \$50,000. However, even among renter households earning \$50,000-\$74,999, over half are cost burdened.

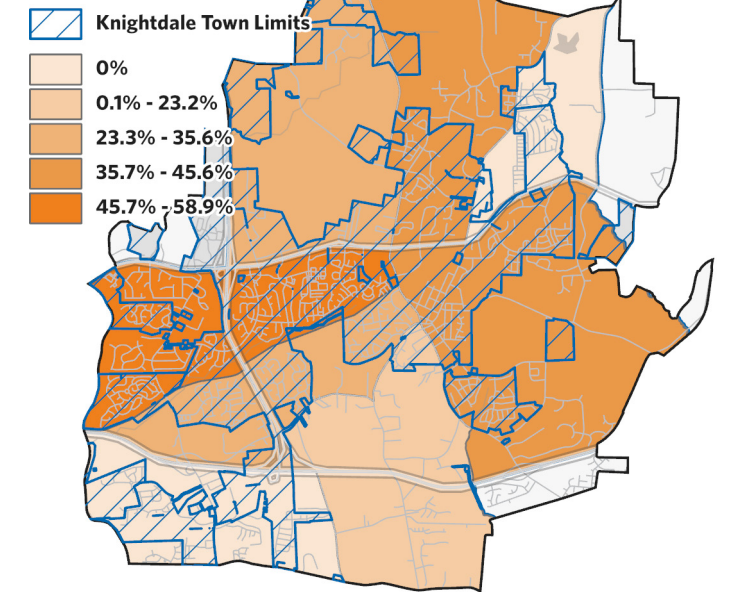
% Cost Burdened Homeowners

ACS 2018-2022



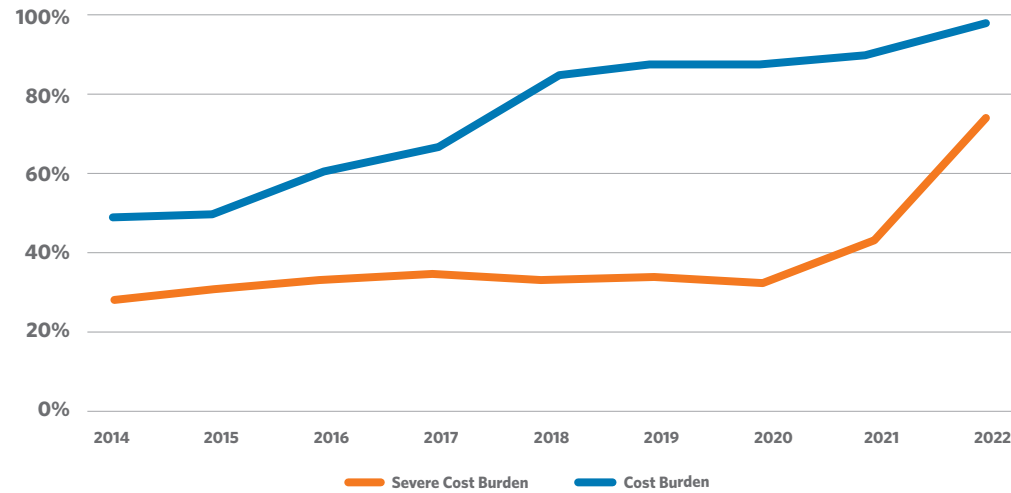
% Cost Burdened Renters

ACS 2018-2022



The maps above show where in the Knightdale area are the largest concentrations of renter and homeowner cost-burdened households. While cost burden disproportionately affects renters, there are still areas where a quarter to a third of homeowners are cost burdened.

Cost Burden by Year for Renters Earning Less Than \$35,000



The “housing gap” attempts to measure the shortfall in the number of affordable rental housing units Knightdale needs so that everyone will have an affordable home. This analysis compares the number of Census identified households at each income bracket, and the number of corresponding renter units that are available at a price that would not be greater than 30% of the household income for households in that income bracket.

The graph to the right shows the cumulative counts for renters and housing units, because a household with a given income can afford the housing units affordable to its income bracket and in all lower income brackets.

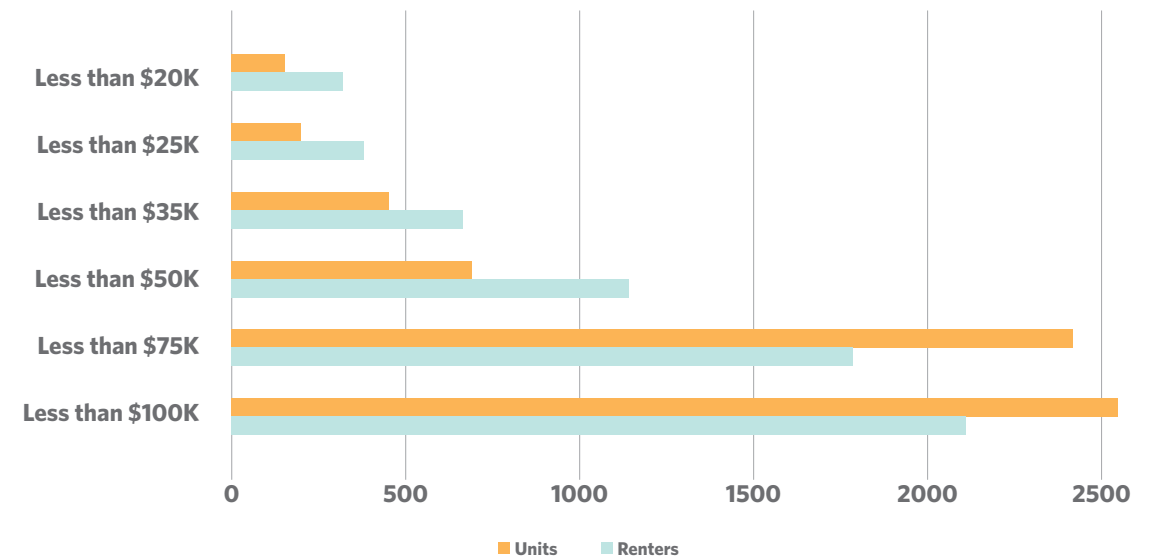
In reality, households do sometimes rent housing units that are cheaper than the affordability amount for that household, in effect taking a unit that could be affordable to a lower-income household. This results in a surplus of units at higher-income brackets, and a greater percentage of lower-income renters forced to live in housing units that cost more than 30% of their household income.

The gap calculation is approximate, relying on data with a large margin of error, and it excludes persons who work in Knightdale and may wish to live there, but cannot afford to do so. Still it serves as a familiar benchmark for housing affordability.

The percentage of cost-burdened households significantly increased in recent years, not surprising considering the Knightdale income and rent trends over that period. In less than 10 years, the total percentage of renters earning less than \$35,000 a year who are cost-burdened increased from 48% to 97%. Renters with severe cost burden increased from 27% to 72%. Low-income renters in Knightdale – who comprise hundreds of families in the town – are facing a significant burden in meeting ever-rising housing costs.

One way to measure the housing gap is simply by counting the number of cost-burdened renters. Another approach is to compare the number of households at each income bracket to the number of housing units affordable for households at the income bracket, as shown below.

Knightdale Cumulative Rental Housing Gap, 2022



COMMUNITY DIALOGUE



This Affordable Knightdale Plan process was built around a year-long dialogue between the project staff and members of the Knightdale community. An array of community engagement strategies was used to ensure that the voices of Knightdale would be heard. The findings and recommendations set forth in this Plan were inspired and informed by the things people said about their housing experiences, their needs, and their ideas about how best to meet Knightdale’s housing challenges. These were the six components of the community dialogue initiative.



Advisory Committee. An Advisory Committee was convened to oversee the Plan process. Its members were drawn from the Town Council and several Town departments.



Roundtable Discussions. The project team convened roundtable discussions throughout the Town, to talk about housing, growth, and affordability, with groups that included community members, town workers, schoolteachers, and church groups.



Walkaround. The project team began the community engagement process by touring the different parts of Knightdale to become better acquainted with the Town and to study housing types, walkability, and proximity to resources.



Community Survey. An opinion survey was conducted, reaching residents of the Town and surrounding areas of the County. The survey asked about the respondents’ current housing situations and their plans for the future, and their opinions about the policies and programs put forth under this Plan.



Key Informant Interviews. The project team conducted twenty semi-structured, in-depth one-on-one interviews with people from diverse backgrounds including community leaders, Town officials, planners, business executives, educators, and developers.



Community Gatherings. The project team met frequently with members of the Knightdale community. A Community Forum was held to seek feedback on preliminary recommendations. The team talked about housing at community events like the African American Festival and the Arts and Education Festival. And, an open house was held to discuss the Plan.

This section describes the findings and conclusions drawn from the interviews and roundtable discussion phases of the community dialogue initiative. (Quotations are given verbatim, lightly edited to improve readability. Statements and opinions expressed by the speakers are their own, not those of the Town staff or project team. Occasional factual inaccuracies in speakers’ statements are not corrected in the text.) The next section describes the results of the Inclusive Growth and Housing Affordability survey.

Knightdale has grown fast, with profound consequences for neighborhood character and civic life. “I have seen a tremendous amount of growth,” said one long-time resident. “Definitely a major shift and a lot of great things happening,” said another resident. Regional growth has finally reached Knightdale and other east Wake towns. “Growth is something that this area has been experiencing for quite a while now,” one observer said. “I think it is relatively new to Knightdale.” And the people who joined the community dialogue expect it to continue. “It looks like it’s gonna continue for the foreseeable future,” said one. Said another, “It certainly doesn’t appear to be slowing down in our community at all.” Another added, “There’s things springing up every day!”

“Growth is not the problem, it’s how can we be forward-thinking, and how do we incorporate inclusiveness and affordability?”

“Knightdale was a tobacco farming type town, and a lot of those people have moved away because they don’t like the way that things are occurring.”

“My generation is by and large favorable towards the growth because of the amenities that it brings. Shopping, conveniences, restaurants, coffee shops, things like that.”

This growth has altered the character of the Town. Said one old-timer, “In ‘74, Knightdale had, it was a two-lane road, 64, New Bern Avenue was two lanes. We had one stop light.” Another person said, “Twenty years ago, it was a small town, I believe around 12,000 residents, and since then I’d say we’ve easily doubled that.” It was an agricultural town. “It was rural,” one person said, “a lot of farms, a lot of tobacco farms, a lot of farmers.” But farming, people said, wasn’t sustainable. “Those farmers have now died,” one said, “and their children don’t want to farm because they can’t make money at it. So they sell the property to build houses and they move away.”

Many embrace growth. “I advocate for growth,” said one, “because I think that we have to grow to sustain ourselves, so I’m not opposed to growth at all.” Said another, “My hope would be that we would never see growth as a negative, but as a positive and an opportunity for us.” But all agree growth should be managed carefully. One person asked, “How do you incorporate inclusivity and affordability into those growth patterns that you know are going to be coming?” They worry that growth is only benefitting some. One said, “It does feel like over the last few years that people have certainly gotten priced out of the community.” Another said, “I think there’s people who are being left behind for sure.”

This Plan is part of a Town-wide effort to make sure no one is left behind. One person expressed it this way: “How do we help everybody to be able to be a part of this prosperity? What creative things can we come up with, what things can we support, things can we be a part of, ways that we can change the landscape of the area so that we can have that opportunity?”



Knightdale's rapid growth is a consequence of the economic, demographic, and social changes happening in Raleigh. The people who participated in the community dialogue spoke at length about it. "Raleigh has just started to explode outwards to all these little towns and communities that used to be less than 10,000," said one person. "Because of the growth that Raleigh has," said another, "they're pushing out into the areas such as Knightdale, Wendell, Rolesville." Said a third person, "There's more people that are migrating outside of Raleigh. A lot of affordable housing is going to rural areas. We're talking about Fuquay, of course Knightdale, Wendell, Zebulon." It's having a domino effect throughout eastern Wake County. "Folks are being pushed out of Raleigh, said another person, which is pushing them into Knightdale and other folks are moving down and straight into Knightdale which is pushing others from Knightdale into further areas of the county."

"Raleigh is to the north and the west of us, Wendell is to the east, and they're all putting pressure on us because they're growing rapidly right around us."

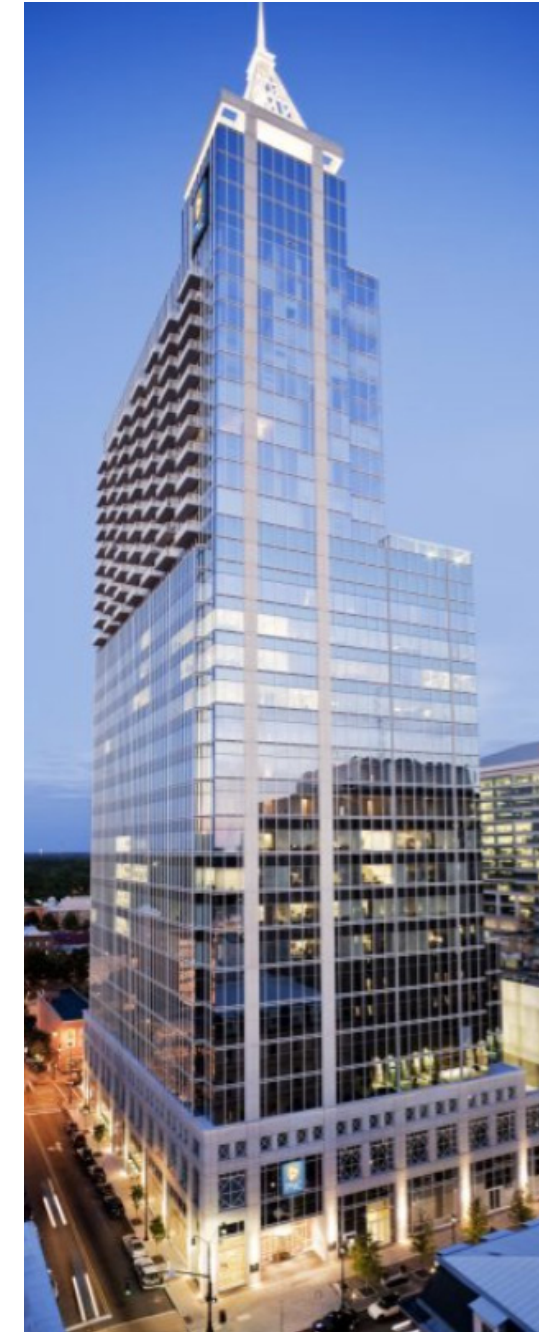
"What's happening in places like southeast Raleigh are existing affordable housing is being bought out by large investor buyers."

"I hear the people moving into some of these houses and bidding up the prices of housing are people with high incomes who work in the Triangle."

Raleigh has always exerted a kind of gravitational force on Knightdale. It's very close. "Knightdale, it's ten miles from downtown Raleigh, and so even though it has a small town feel, it is really a suburb of Raleigh." This proximity is one of Knightdale's best features. "There are a lot of things that make our community attractive for people who are looking to start a family, buy a home, maybe pursue a business opportunity but looking for proximity to the Capitol area."

The participants disagreed about whether Knightdale was, or still is, a "bedroom suburb" of Raleigh. Said one long-time resident about Knightdale in the past, "It was a bedroom community, where you live in Knightdale, but there was nothing else here. So you had to go to Raleigh basically for everything. And you had to go out to work, you had to go out to entertainment and really, shops, restaurants, and everything." But because so many newcomers to Knightdale still work in Raleigh, some still call it that. "It has transitioned to become a bedroom community for Raleigh," said one. "I would say a vast majority work outside of the community, but live there because of the quality of life and affordability." Some say the lack of a traditional downtown reflects this history. Wendell, Cary, and Wake Forest, said one person, "They all historically had established downtowns. Knightdale is different, probably a result of suburbanization of Raleigh."

In this Plan, the Town of Knightdale will take this gravitational force into account, will learn from mistakes made by other Wake County towns, and will gain from the tremendous expertise and commitment to affordable housing shown by the people of Raleigh and Wake County.



Rapid development is presenting the people of Knightdale with choices about what kind of place it wants to be in the next five, ten, and twenty years. This Plan is one way the Town will shape the choices to be made. Said one person about growth and change, "I don't feel like you can stop the growth. You can only control how it develops." Nevertheless, some will oppose further development. One person predicted, "Some people will just negatively look at it because it means continued population growth, which means traffic and congestion." But others will see the promise of development. "You'll have more socially positive people that see the growth of diversity or the benefit to families who need affordable housing as a good thing socially and economically."

"When we advocate for density, we're not advocating for 20-story high-rises. There's the missing middle, there's a lot of ground between single-family and super high density housing."

"We already have the plan in place. Do we hold firm to the plan that we put in place, or maybe we need to offer an incentive from the Town's perspective to make something like that happen."

"It makes you mindful of the importance of proper growth, balanced growth so that local government can always be in a place where it's able to meet the increased service demands."

The participants in the community dialogue said the comprehensive plan already points the way in many areas of development. "The Knightdale 2035 comprehensive plan is an amazing piece of work," said one person. "Looking at Knightdale's consolidated plan," said another, "a variety of housing types and increased density strategically plays throughout the Town as a goal that they have agreed upon."

A key choice will concern development at the periphery. "It's completely within Knightdale's right to not provide water and sewer extensions to areas that it doesn't want to build," one person pointed out. "And while that doesn't cut off the sprawl, it does make it more expensive for folks to develop in further-out areas." It's a sustainability issue as well, said one expert. "Land use patterns have to be changed in order for people to drive less and have less sprawl."

Similarly, the Town will have choices to make about the center. "We're talking about more dense communities, more transit-ready communities," said one person. Downtown development will be crucial to this effort. "Typically there's infrastructure that can accommodate greater density," said another. "The downtown area," said a third, "is getting ready to start an eighty-acre development that's gonna be a new downtown district." Said another, "There's more density the closer to the urban core you are. That's generally been the approach for some of the smaller municipalities."

The Town will partner with developers who share their goals. One person said, "The developer will say, 'Well, we're not really seeing that this is possible to do it this way.'" The Town can accept what the market says, or it can stick to the plan. As one person put it, "Just find the right developer, and then are there some creative options?" Said another, "What is their willingness to put forth a product that will meet this need?"



The economic and population growth that Knightdale is experiencing is affecting the housing market directly, according to those who participated in the community dialogue. Said one resident, “These last few years, we’re starting to see, because there’s so much demand, because there’s so much housing pressure, the housing prices are increasing dramatically.” Knightdale has been called “affordable” by Raleigh standards, but it doesn’t always feel that way from Knightdale’s perspective. “We’re still probably on the lower end,” one person said, “but that bar is going up and going up and going up. And yes, we might be on the lower end, but we’re still going up.”

“Especially in our community, we’ve seen a rise in the homeless population as rents continue to escalate. Folks are being pushed out.”

“Finding that exact thing that fits your exact needs within the price point that doesn’t crucify your budget, is particularly challenging right now.”

“The new housing that’s being built is targeting folks at even higher than 120% of AMI in anticipation of folks coming in with these high-paying jobs.”

Knightdale people welcome price growth. Said one, “You want to have housing prices go up, you want value, you want people to see it as a great place to live. All of these things are positive things.” But they recognize there’s a negative side. One pointed out, “I hear the people moving into some of these houses and bidding up the prices of housing are people with high incomes who work in the Triangle, and who work in the knowledge or the tech or the biotech fields, and doing very well, but what about the people who are moderate-income people or even lower-income people? How are they faring?”

With prices going up, some are finding affordability harder to achieve. One person said, “There’s not even a chance right now of us looking in the area. We’ve looked, but with interest rates that are sky high, and then houses they’ve doubled in a price in the past ten years.” Said another, “It’s just really hard to find something that’s under two hundred.” Some of the prices are the natural result of building the larger homes that are demanded by higher-income migrants. “If you want a particular type of home with certain square footage and amenities,” said one person, “and you attract development of those types of single-family dwellings, then, expect to see the cost of something like that increase.”

Rents are rising along with home prices. “It’s expensive everywhere to live,” one person observed. “Rents are going up, so there’s a huge affordability gap.” Said another person, “Rents are starting at 1800 -- yeah, 1800 a month! It may be a struggle for you to be able to secure housing.” Said a third, “The rents are going up by hundreds of dollars when it comes time to renew, and to me, if they can do that, it’s not affordable.” And incomes are not keeping pace with housing prices. “I don’t think the wages, the average wages of people have kept up with the amount of growth in the housing market, so you’re finding people who don’t have two incomes in the family really struggling.” To address these concerns, the Town offers this Plan as a roadmap to help make housing more affordable.



For many Americans, and for many of the participants in the community dialogue, affordable housing means affordable homeownership. “I’m definitely a proponent of home ownership,” said one person. “I think putting roots down in a community really is what helps make the community what it is.” Many point to the economic benefits of homeownership. “We are advocates of homeownership,” said one, “and believe that that is an important way that people oftentimes accumulate generational wealth.” Said another, “It just made economic sense. Should I keep renting when I can purchase and build some equity and some wealth for my family long-term?” Said a third, “That’s the dream for most people is to move to home ownership, as people still aspire to that.”

“We see this as an income problem in terms of the cost of borrowing and just the purchase price of a home in the current market.”

“There’s an emerging trend right now with suburban style single-family detached houses that are built for rent. It’s a relatively new phenomenon.”

“So, me personally, I’d like to own where I am. I do think it creates investment. I think it creates commitment.”

But homeownership is not necessarily affordable. “Between the cost of single-family housing in our market,” said one expert, “and the rising interest rates, it just puts homeownership out of reach for low- to moderate-income buyers.” And homeownership is not necessarily sustainable. “The footprint of a single family home is unsustainable,” said one person. “It can’t support real usable mass transit. There’s just not enough density of population to support the amenities that people want.” And homeownership is not for everyone. “Not everybody’s cut out to homeownership,” one person said. “Home ownership’s a hard thing, an expensive thing.”

Some support for affordable homeownership is necessary. “We want to serve the whole spectrum of housing,” said one expert, “and I think home ownership is an important component of that.” But the supply is inadequate. “There’s not enough new homeowner housing being built, period, and especially there’s not housing being built that is affordable.” Rental options will be necessary as well. “We need housing across the board,” one person said, “and so we need housing for rental as well.” Said another, “There definitely always needs to be rental options available for folks who just are never gonna come up with the down payment for a house.” One observer added, “That question is on the minds of everyone in the decision-making role right now on affordable housing, is that balance of rental and home ownership options.”

A further question for decision-makers will be how many scarce dollars to invest in homeownership which may only benefit a few. One expert asked, “Is it right to prioritize one person’s opportunity to build a significant amount of wealth over potentially many more households’ opportunity to live in a stable environment?”



Just as homeownership is embedded in our culture as an aspiration shared by many Americans, so too is the aspiration to have a single-family home – that is, a house standing alone on a parcel of land occupied by only one household. This is the dominant housing type in Knightdale as in most American cities and towns, as members of the community pointed out. “Everybody just wants a single-family home,” said one person. Said another, “The builders have really focused on the kind of suburban style single-family detached house, and for decades, literally, that was kind of the bread and butter.”

“If you are looking at best practices around how to increase housing supply, density is one of them, right?”

“People could have their elderly Aunt Helen live behind them and not have to go find an expensive apartment somewhere.”

“With the older generation, homeowners who have owned their home for 30-40 years and it’s paid off, they’re opting for apartments.”

But Knightdale housing policy has pivoted toward other options in recent years, and this Plan continues that transition. Said one person, “They’re starting to put in more apartments and townhomes out this way.” Said another, “I’m fine with maybe renting a townhome or just having a nice condo or an apartment.”

Townhomes have been well-received in Knightdale in recent years. For those who worry about high density development, said one person, “There’s a compromise in the middle, and I think the townhome is that compromise.” Said another, “The townhomes are now considered the starter homes.” Indeed, a townhome is just a kind of single-family home that shares a wall. “The way that they approach it,” said one person, “is single-family attached and single-family detached, so that the point of single family gets across.”

But a measure of additional density will also be needed. “Knightdale has policies in place in which they want to see multi-family housing,” one person said. Apartments will play an important role in the housing economy of the future, according to most of the people who participated in the community dialogue. “I don’t think it could ever be an apartment-free community,” said one. “People are at different places in life and some don’t want home ownership.” One person observed, referring to an often-heard complaint, “Some of the comments may be, ‘Another apartment complex? Why would you approve another apartment complex?’ Well, we need housing across the board, and so we need housing for rental as well.” But this can be accomplished, while preserving the character of the Town. Said one person, “When we advocate for density, we’re not advocating for twenty-story high-rises. There’s the missing middle, there’s a lot of ground between single-family and super high density housing.”



The people of Knightdale envision an inclusive, livable town. KnightdaleNext, the comprehensive plan, and this Plan, articulate this vision. At the same time, the imperatives of rapid growth sometimes seem to move in a different direction. “Just with a community that has experienced this growth,” said one person, “everything here’s a subdivision.”

Development struggles to catch up. “When you create a subdivision,” one person pointed out, “you’re required to add roads, you’re required to add storm water, you’re required to extend the sewer, all that infrastructure is part of the housing.” Said another, “When you have an increase in development and housing, regardless of the type, it is going to directly affect us in terms of service demands.” One person asked, “Are we embracing growth that is smart? Are we embracing growth that is balanced? Are we making investments in the infrastructure to accommodate that growth?”

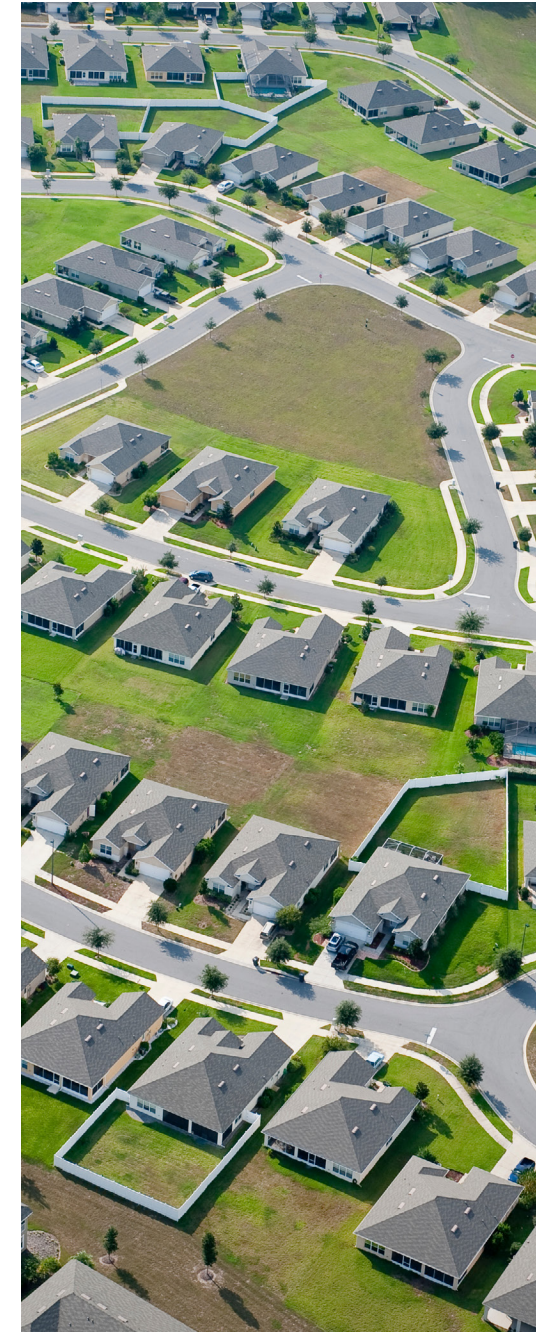
“In my subdivision, everyone’s a homeowner, but I’m seeing an uptick of renters that are coming in, but some people are happy about that, some are not so happy about that.”

“Having that single-family home is almost causing those haircuts to be more expensive and harder to get to, the grocery stores to be more expensive and harder to get to.”

“I have issues with that when the services could be considered below standard or not equally spread out throughout the town.”

As new development pushes the limits of the Town into the surrounding parts of Wake County, access to retail, restaurant, and commercial services has been a recurring question. The hope of having services and amenities integrated into new subdivisions hasn’t yet been fulfilled. “Subdivisions just limit,” one person said, “true mixed-use subdivisions where there’s retail, where there’s jobs in a subdivision, it’s just not the norm.” Livability and affordability may conflict. “Part of the challenge,” said another person, “is that when you try to force these developers to create true urban communities, it often increases the price of the homes.” Transportation access is part of the conversation. “Traffic has definitely been one of the things that we have seen that has been particularly challenging for us given the growth,” one person observed. For lower-income residents, this problem is magnified. Said one participant, “They don’t have the access to their jobs or access to a grocery store if they don’t have a vehicle of their own.”

Livability in the subdivisions is an elusive goal. “The images of riding a bike on a suburban street no longer exists,” said one person, “because the need to have major, major streets that connect these sub-developments becomes really a debilitating factor.” Even local governance came up as a controversial factor. “The HOAs control so much,” said another person. “Who lives in Knightdale who could build an ADU that isn’t controlled by an HOA that can overrule that?”



High housing prices are inconvenient to some, but to others can have really severe consequences. One person said people could lose their homes. “Who are the residents of Knightdale who might be at risk of displacement if housing prices do not stabilize or come down?” Another said, “We’ve seen lots of folks being displaced from their homes through the sale of their apartment communities just on the open market and they can’t afford rent.” A third echoed this. “Low-income folks are living in an inflationary environment. Those folks are at risk of displacement.” Said another, “Anecdotaly, there’s a lot of families living in cars and motels and stuff like that.”

“Especially in our community, we’ve seen a rise in the homeless population as rents continue to escalate. Folks are being pushed out.”

“I think it’s going to take some innovation on the part of policymakers and local decision-makers to prevent or curb displacement.”

“There’s still thousands of homeless people. I’d say Wake County communities need to be ponying up additional dollars.”

No one said homelessness was a highly visible problem in Knightdale. “I haven’t seen that in Knightdale,” said one person. “I haven’t seen anybody on the street as far as homelessness or anyone living in camps in Knightdale.” But some said they began to see signs. “We are starting to,” said one. “Just now. Not as much. I will say it’s more on our borders that you see it more because we’re bordering right here in Raleigh, and there are a couple of larger homeless communities actually, and one is not too far from here.” Some saw more people at risk. “I don’t know about a lot of homeless people,” said one, “but I do think there are a lot of people who are living on the margins, if you will, and housing is very uncertain for them.” Said another, “I can’t tell you how many people I saw with luggage and bags that they were pulling behind them, and they were just wandering aimlessly, looking for somewhere to go.”

The question of what to do came up again and again. One person opposed assistance to homeless people. “Many of them choose to live that way.” But many others were more understanding. “People fall into situations,” said one, “and it’s not their fault, and they’re not bad people.” Said another, “Actually these are individuals that are just at a period in their life where they need a little assistance.” Accordingly, many supported prevention and assistance policies. “The market is not going to answer this,” one said, “and so you do need some kind of public intervention.” Another said action would be needed, “So that low income households have a choice about where they want to live and don’t have to displace themselves to find a housing option that is affordable to them.” Ultimately, affordable housing policy is an anti-homelessness strategy. “The intention,” said one person, “is to prevent homelessness by creating more housing units that people can move to and live in affordably long-term.” This Plan is Knightdale’s answer to the growing risks of displacement.



Many of the participants in the community dialogue spoke of the myths and misconceptions surrounding affordable housing that sometimes lead community members to oppose housing developments. One pointed out, "People who don't have a need for that type of housing would probably look at it in a negative way and think, 'Oh, I don't want that in my neighborhood. That's gonna bring a different element. That's gonna bring down my property value. I don't want a whole lot of cars parked on my block.'" Another person gave a similar account. "Substandard housing, it's that rundown thing, that's affordable, government subsidized poor people or worse, poor people who haven't worked hard."

"Some have adamant opposition to it, some want to understand it more before rendering an opinion, and some are like, 'we get it, it comes with growth and we expect it.'"

"It's gonna be an apartment building that's gonna wreck the character of my neighborhood, or people are gonna be parking beat up cars on my street."

"It's hard to go rally dozens of people to come in and say, 'Yes, we want this affordable housing project.' The only people that showed up didn't want it."

Several participants said the flashpoint was increased density as much as affordable housing. "It was around the density more than the fact that it was low-income housing," said one. "The emergence of denser housing options," said another, "has really brought to the front the so-called NIMBYs, the Not-In-My-Backyard people. They like the idea of denser development - 'Just put it over there where I don't have to look at it.'" Some are simply invested in the American tradition of single-family homeownership. "Everybody just wants a single-family home," one person observed, "and they can't exactly say why, and they can't say why density is a bad thing and why having three families next door to them in a townhouse instead of just one is bad. But it just isn't a single family home."

But neighborhood opposition, while much-discussed, may be exaggerated. One person referred to the opponents as "a vocal minority, a very, very loud vocal minority," and sometimes, they said, "unfortunately, you get elected officials and policy makers who do not have the political fortitude to stand up to them." But a person who had been through rezoning proceedings said they'd encountered little opposition. "It's all positive," they said, but for "a couple of neighbors complaining."

By-right zoning, making rezoning unnecessary, is a way to counter opposition. It won't work for all kinds of projects, but for some - for example in the case of accessory dwellings as this Plan proposes. One real estate professional, referring to neighborhood opposition, said, "Typically the only time we're talking to anybody is if we're doing rezoning." But an even better way to counter opposition is to employ methods of education and outreach. Under this Plan, the Town will make the case that affordable housing, carefully implemented, will benefit all.



The impact of the COVID-19 pandemic are still felt in the construction industry, with price increases and development delays. “There was a corresponding surge in demand for home building products at the same time that the supply side was shutting down” said one expert. “We’re still kind of coming out of that, that still has not been completely resolved.” Said another, “The entire lumber industry was at about 40% capacity of what had been before.” Another expert asserted, “It has been devastating for the home building industry.” The pandemic, and an ensuing pause on immigration, led to a worker shortage. “Immigration came to a screeching halt during the pandemic, this whole fear of people bringing disease in, and all this other stuff,” said one person, “so the migrant workers were severely slowed down.”

“Everybody talks about supply chain and supply side and all that, but oh, it has been devastating for the home building industry.”

“We’re doing really high-quality housing because everyone deserves that, and so it’s not housing on the cheap just because it’s affordable, so it costs what it costs.”

“In the world of affordability, there’s that balance between cost and affordability. If you want a lot of control, it comes with a lot of costs.”

Material costs have been volatile. “Framing lumber,” one person recalled, “started getting very, very expensive and in 2017 had reached, at that time, historic highs.” Lumber prices have since moderated, but other material prices have gone up. “Lumber has come down,” another person said, “but then we went through a window shortage.” The cost of land is rising. “Land is a resource that there’s not gonna be any more of,” said one person, “and it’s only going to get more expensive.” Land costs can greatly impact the cost of affordable development. “The general cost of land is a huge factor,” said another. “That property, it can’t be affordable because what the land costs right now.” Added a policy expert, “This is one of the reasons that we want to implement a site acquisition fund.”

Regulatory compliance adds to the cost burden, “When you look at the sale price of a home,” one person pointed out, “twenty-five percent of that sale price is actually regulatory costs that went into getting that home from a raw piece of land to a completed home.” Another cited “development costs, dealing with EPA regulations, fish and wildlife, storm water drainage, a lot of things that are important that need to be done”.

The feasibility of affordable housing development is jeopardized when material, labor, regulatory, and financing costs keep increasing. “In the past two years, with the increase in construction costs as a result of labor shortages and supply chain issues, and now rising interest rates,” said one person, developers have had to find new sources of support. “We’ve had to go back to that well multiple times on some projects to keep those alive and keep them moving.”



The community dialogue turned often to questions of equity in housing. “There’s a real focus on equity,” said one person. “There is an understanding that not all groups of people, not all households of different socio-economic status have had the same access to housing.” Some of the participants saw inequity between income groups. Said one, “I think it’s folks who are on the lower end of the income spectrum more than anything.” Another agreed that growth hasn’t benefited all income groups. “It’s sort of all around folks with limited incomes to be able to participate in the growth that’s going on because the growth tends to be more pay-to-play than it is sort of for everyone.”

“People of color are disproportionately represented in the homeless population, significantly disproportionately represented in the low-income population.”

“Our goal is to make sure that to the extent possible, that housing stock is distributed equitably throughout Wake County.”

“In Wake County, like 72% of owner-occupied units are owned by White households, with the remainder equally distributed between Hispanic and Black households, so we do see racial disparities.”

But income disparities intersect with racial disparities. It’s sometimes hard to separate the two. “Marginalized populations and communities are over-represented among low-income households,” said one, “and therefore, marginalized communities, communities of color have fewer housing options.” Said another, “There’s an income disparity that’s largely racialized.” Said a third, “From what I can see, it is a racial disparity, and maybe that just comes from years of being in a situation where there’s low income.” Many agreed that race plays a central role. “There is a racial disparity it seems with everything,” observed one person. Said another, “It’s really entrenched in racism, racial segregation down here.” Other groups are also affected. “Racial groups are disproportionately affected. Not as many women can buy houses as men. Veterans are often a group that is disproportionately affected as well as the LGBTQ plus community.” Another echoed this thought. “We’re really talking about a disproportionate impact on youth, young people from the LGBTQ community being homeless, but there are definite racial and other identity disparities.”

Knightdale’s diversity is a special advantage. “The beauty of Knightdale,” said one expert, “and what you saw then and still see now, is the diversity.” But it could be jeopardized. “What makes it challenging, now that pricing is continually increasing is causing that pressure point of, ‘Are we still able to be that community that embraces diversity and opportunity for everyone?’” Safeguarding diversity will require creative work. “How do we help everybody to be a part of this?” one person asked. “What creative things can we come up with, what things can we support, things can we be a part of, ways that we can change the landscape of the area so that we can have that opportunity?”



Housing and transportation are linked together, according to those who participated in interviews and roundtable discussions. The rapid rise in new housing development, for example, has led to road congestion. “The roads aren’t built to handle the traffic we currently have,” said one person. “You’re gonna build all of these houses,” said another, “which means all of these people are gonna be now driving on this road that’s been a country road.” Transportation woes increase as people move away from the Town center in search of more affordable housing. “There are more people that are gonna be going beyond the Wake County jurisdiction to find housing,” commented one expert, “and definitely, transportation is going to be a barrier.”

“When 540 was built, I was like, okay, I’ll consider the east side of the city now. Before I was like, I’m never gonna do that traffic, and so I think that’s probably helped this area grow a lot.”

“Particularly low wealth households, it could be 18% to 20% of their household income can be devoted to transportation. That’s a fifth of their household income.”

“The buses only come at a certain time, she has to give herself enough time, and it’s not like the bus stops right in front so she’s got to walk from where it does stop.”

Transportation costs, like housing costs, disproportionately affect low- and moderate-income groups. One person said that as people move farther away in search of affordable housing, “That’s causing people to spend so much more on their transportation to get around.” Another person commented, “These people do not have frequent and reliable transportation. They’re the least likely to have a car. You have to make sure there is some form of public transportation where they can just be mobile and access just regular life.”

Public transportation resources are limited. “There’s a few buses,” said one person, “but they only run on the larger streets, and I see people sitting at bus stops and they just have that look like, I’m gonna be here a while.” Said another, “They’re struggling in my neighborhood specifically, because our subdivision isn’t accessible by public transportation.” Help is coming. “We have our new proposed bus rapid transit system that they’re gonna start construction on soon,” one person observed, “but that’s what, two, three years out before we’ll probably see any impact of that.”

Therefore, considerations of equity and inclusion require that transportation be a key component in Knightdale’s affordable housing planning. Said one person, “Any time you are going to do land development, make sure that transportation is at the table.” Said another, “We have to make sure that it’s equitable for the people that’s in that area, the elderly, disabled, minority communities, Latinx communities, they have to have transportation in those areas.” Several stressed the need for microtransit and other innovative options. “When I say affordable housing,” said one, “I’m also meaning more than just cheaper housing but a housing network. So transportation, walkable access to services, schools nearby, that allows people to have an affordable living experience.”



Zoning laws can be both a barrier to affordable housing and a solution. Single-family zoning rules, such as those adopted in Knightdale and most other American cities and towns, can limit the supply of housing and be exclusionary. “Lower wealth communities,” said one participant, “have not had that benefit, and the whole range of inequities that resulted from late- or mid-to-late 20th century zoning laws and the racial motivation.” Prices are kept artificially high. “If you limit the amount of units per acre,” said another, “you’re going to inflate the value of the property in those areas.”

“Zoning changes and UDO changes, land use policies that support affordable housing and affordability, connections to transit, addressing displacement in some way.”

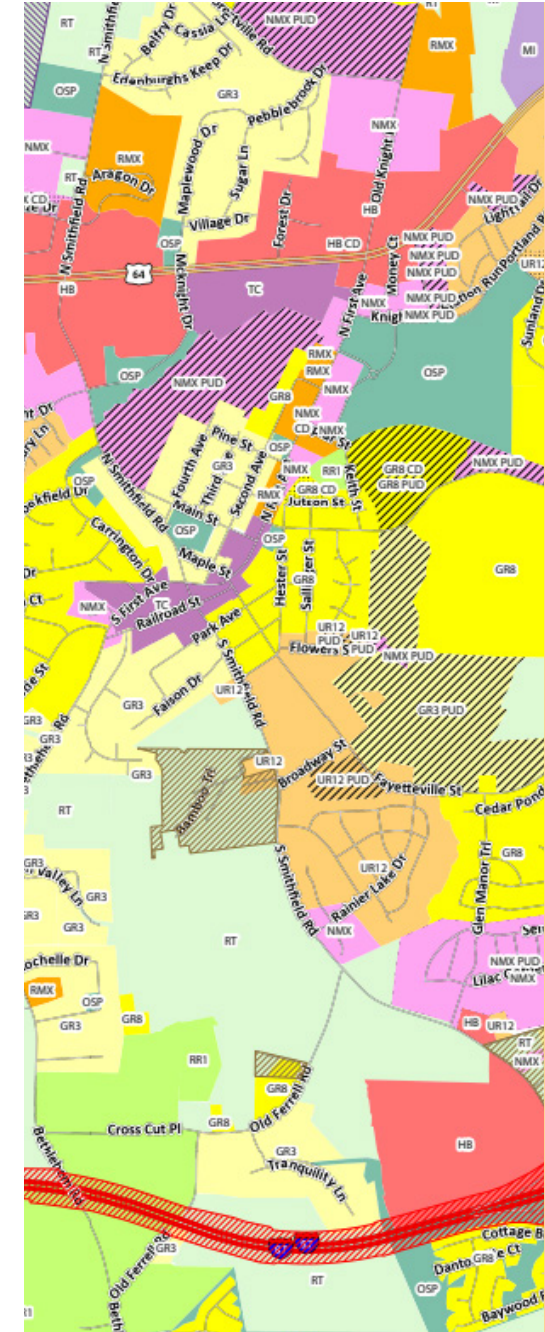
“By-right zoning could make an enormous difference, for a couple of reasons. Number one is it brings predictability to what’s going to happen with that piece of property.”

“Knightdale can do some city initiated rezonings to get more sites into that category and really try to get a pipeline of LIHTC developments coming into the community.”

But just as zoning can limit access to housing, Knightdale can use the zoning code to improve access. Said one person, “Encouraging developers to include affordable housing, I know you cannot regulate it but you can encourage it.” The code can be modified to allow more dwelling units per parcel – in other words, to increase “density.” Said one observer, “More dense solutions are going to be necessary for us to get anywhere.” Also, zoning changes can advance Knightdale’s transportation planning goals by placing higher density zones near transit stations. Said one person. “You’re really trying to have that transit service be viable by having the population density that you need.”

Density increases can be modest, to avoid drastic changes to neighborhood character. Knightdale has long utilized “missing middle” housing types in addition to larger multifamily developments. One person urged, “Allow for more duplexes and triplexes and zero-lot-line and more relief on building setbacks to try to bring in density.” But another warned, “That ordinance really doesn’t automatically result in any more affordable housing.”

One zoning change will be to permit accessory dwelling units (so-called “granny flats”) without having to seek a special use permit. “An ADU by-right,” one person pointed out, is a great advantage because otherwise, “you have to go and get all kinds of zoning changes and go to three or four different meetings.” This Plan will offer that and other ways to streamline housing approvals. “Rezoning is a long, expensive process,” said one real estate professional. And, it can occasion controversy. “The last time we had to go through a rezoning,” said one person, “we did have some neighborhood pushback.” But approval proceedings can also open the way for affordable housing. As one person described it, the Town can say, “We’d like you to build that, but in order to do it, we require that you have this type of access and that you have this amount of affordable housing.”



The question “What is Affordable Housing?” was a recurring topic in the dialogue conducted by the Town of Knightdale, and inaccurate stereotypes were addressed. “When you say affordable housing,” one person pointed out, “people think section eight, they think crime increase, those are all the things that come with the term affordable housing.” Said another, “They’re afraid of low wealth residents living near their big homes and that kind of thing.” As part of this Plan, the Town will reach out to the community to correct these stereotypes, make available better information about affordable housing, and help mobilize public opinion in support of the Plan.

“In our outreach, we’re always promoting density, and we’re always promoting a variety of different housing types.”

“Education is extraordinarily important and particularly in areas of the built environment, it’s fraught with potential battles and nimbyism and so forth.”

“A couple of local community organizations did door-to-door education about what an appraisal is, how much your home is worth, do you have estate planning, and all of this really intensive stuff.”

This kind of outreach and education is “the missing piece,” one person said. “There’s not many people out there who are selling the need for affordable housing.” The answer, said another: “Education, doing our best to give other advocates in a community who want to see something happen, education so they can effectively advocate for their community.” Housing advocates and community and governmental partners will “bring together community and experts and best practices along to be able to help move policy ideas forward.” The work the Town has done to develop this Plan will create the framework for this kind of effective outreach and education. “If we’re doing solid research,” said one person about this work, “that’s the best we can do is, saying, ‘Look, this is solid research. We can back this up.’” The objective, ultimately, said another person, is “to reach people and change their minds.”

Most people who participated in the community dialogue support the aims of the Plan, but there are some who don’t. Changing minds might simply mean pointing out the benefits. “This is an asset to our community,” one person said. “This is where our workers live. The same way you would say it’s like parks, it’s like schools, it’s like public services and it isn’t talked about that way. And it’s this assumption of the people who live in affordable housing are different kind of people.” Or it might have to do with reliance on single-family housing types. “In terms of the cultural end of it,” said another, “this belief system that, ‘I’ve got to have that single family home, I’ve got to have that driveway, I’ve got to have that car.’” Or it could mean making sure people know about available housing services. “A lot of times people just don’t know,” one person said. “We’re going to actively pursue avenues where we can get the word out to those that are really in need.”



At the end of the day, given the need that everyone agreed exists, the participants in the community dialogue confronted the question whether it's the responsibility of the Town government to address that need, or is it someone else's responsibility? "Really, what should the government be doing?" one person asked. "Versus what should an individual be doing for themselves, versus what should neighbors be helping one another do, versus what families should be helping one another do?" Another person said, "When you talk about the town pitching in, you're looking at taxpayer dollars, you're looking at a school system in crisis, you're looking at first responders in crisis." There are many competing demands for the Town's limited resources. Can housing be at the top of the list with schools and first responders?

"This is our community, this is the core of what we believe, we believe in diversity and inclusion, we believe in active and healthy communities."

"How can we include those folks that may not be the highest income earners but definitely are valued in our community?"

"It's got to have a positive slant to it so that before everything even happens, people are like, 'Oh, this is a good thing, and yes, how can we contribute?'"

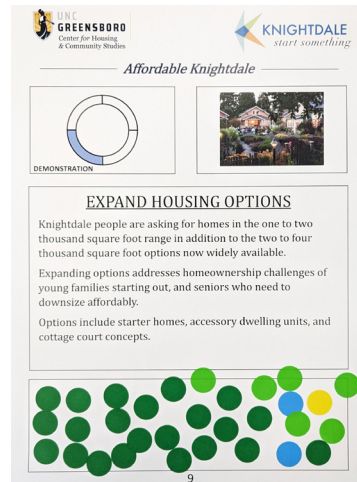
Support for Town action on housing was strong among those who commented. "There is a lot of public and political support for affordable housing right now," said one person. "The market doesn't provide," said another, "the market is not going to answer this, and so you do need some kind of public intervention." Said a third person, "I've heard from residents who specifically want Knightdale to have policies that reserve a certain percentage of the homes in a certain price range. It doesn't stop the developer from building those large houses, it just helps out those who are not able to afford it." The Town has a responsibility to make growth work for all the townspeople. Said one commentator, "As long as the Town recognizes that with all this growth you've got to plan for how we serve the folks that have been here, the folks that aren't coming with the higher paying jobs and we don't forget about those folks in the growth."

As this Plan makes clear, there is much the Town can do. "If you have a piece of Town-owned land or if you are willing to make an investment in infrastructure that can bring in private investment with an eye towards affordability," suggested one person, "it can really help make some affordable housing developments possible that way." Said another, "One of the things I would do would be to streamline the building permit, inspections process, all the entitlement process, for affordable housing." A third person said, "They can help provide some additional subsidy, so that probably would be something the Town might want to consider." One person summed it up: "It's going to take some innovation on the part of policymakers and local decision makers to prevent or curb displacement."

Outreach and education will also be part of the Town's role. "It really depends on how you get the word out," observed one person. "You can be a part of making someone else's life so much better. Knightdale is seeing tremendous growth and we would like to see everybody be included in that growth. And it takes a village!"



In October, as the many phases of the Community Dialogue was winding down, the Town of Knightdale hosted a special event – the joint presentation of the Affordable Knightdale preliminary proposals along with the launch of the KnightdaleNext Comprehensive Plan update process. Members of the public were invited to learn about the proposals, ask questions about them, and provide feedback. The result of those important conversations, and the contributions of hundreds of community members throughout the dialogue process, resulted in this Plan and its twelve definitive recommendations.



To the left is a photo of one of the wall posters that summarized the preliminary recommendations. Visitors affixed green stickers to those they thought should be implemented right away, with yellow indicating a medium-term priority, and blue for longer-term plans. To the right, members of the public engaging with members of the project staff.

Visitors could write on special cards their opinions about the proposals or their thoughts about affordable housing in general. Their comments were varied and thoughtful. Examples are shown below.



<p>“Dense, walkable neighborhoods near transit are inherently more affordable and we should encourage them!”</p>	<p>“Housing trust fund – critical piece to start addressing affordable housing.”</p>	<p>“I was attracted to Knightdale because of the affordability and diversity. I hope that it remains true to those values.”</p>	<p>“I wish that housing was more cohesive. It seems especially that apartments are just plopped down in random areas.”</p>
<p>“Continue to develop communities and housing that offers accessory dwelling units or options to allow people to age in place.”</p>	<p>“I hope that the affordable housing will not be all in one place.”</p>	<p>“The affordability issue will bring issues that Knightdale will not handle well. The residents will lose their investments.”</p>	<p>“Development partnerships is an affordable way to partner with private developers with proven track records of delivering projects.”</p>
<p>“The advisory board is a very important aspect and must have a broad range of advisors at the table.”</p>	<p>“Mixed-use, mixed-income homeownership options toward the center of town with large multifamily housing on the border and smaller multifamily within the mid-section.”</p>	<p>“Keep a small town neighborly ‘feel’ and promoting walkable services for residents.”</p>	<p>“Cottage court and small lot development should be a priority.”</p>

COMMUNITY SURVEY



Inclusive Growth and Housing Affordability Survey. As part of its community dialogue work, the Town of Knightdale conducted an Inclusive Growth and Housing Affordability Survey. This allowed the Town to reach more Knightdale and Wake County residents and workers than it could with interviews and focus groups alone. The survey asked questions about their work, their experience of population and economic growth, their housing preferences, their opinions about housing policy, and many other topics.

Dissemination of the Survey. The survey was disseminated through the Town’s social media channels, through community partners, and by distribution of flyers at Town events. The flyer is pictured below.

TOWN OF KNIGHTDALE INCLUSIVE GROWTH AND HOUSING AFFORDABILITY PLAN



Scan QR code ↗



Let us hear from you about housing in Knightdale-- the most important areas of need and the most promising solutions to the region's affordable housing challenges.

or Take the survey at:
go.uncg.edu/Knightdale

Let your voice be heard.
The survey takes about 10 minutes to complete.

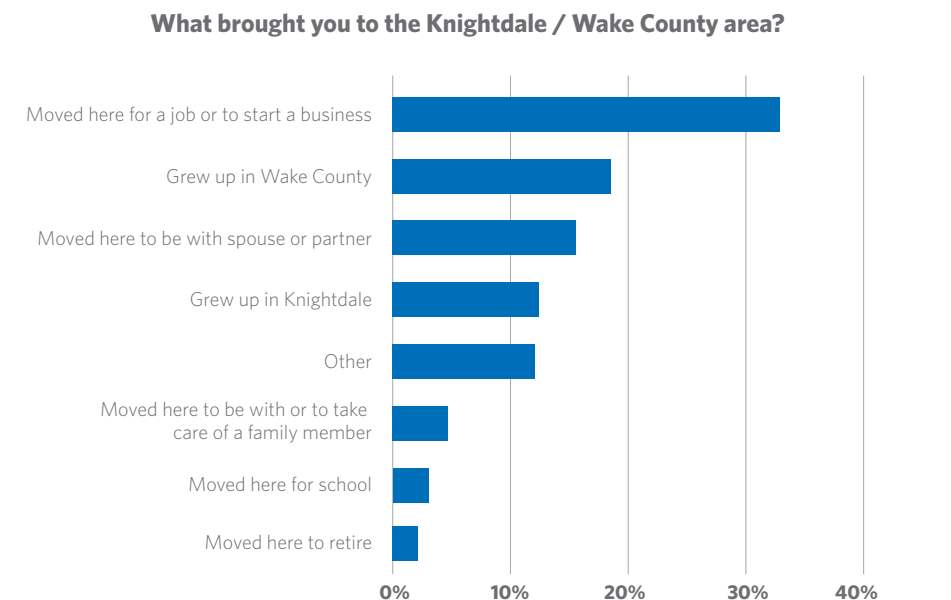
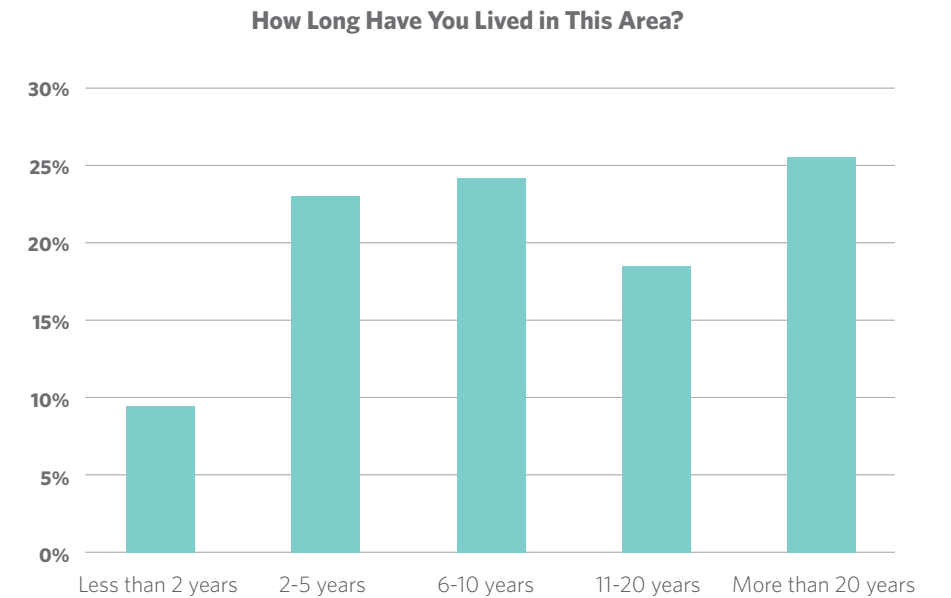
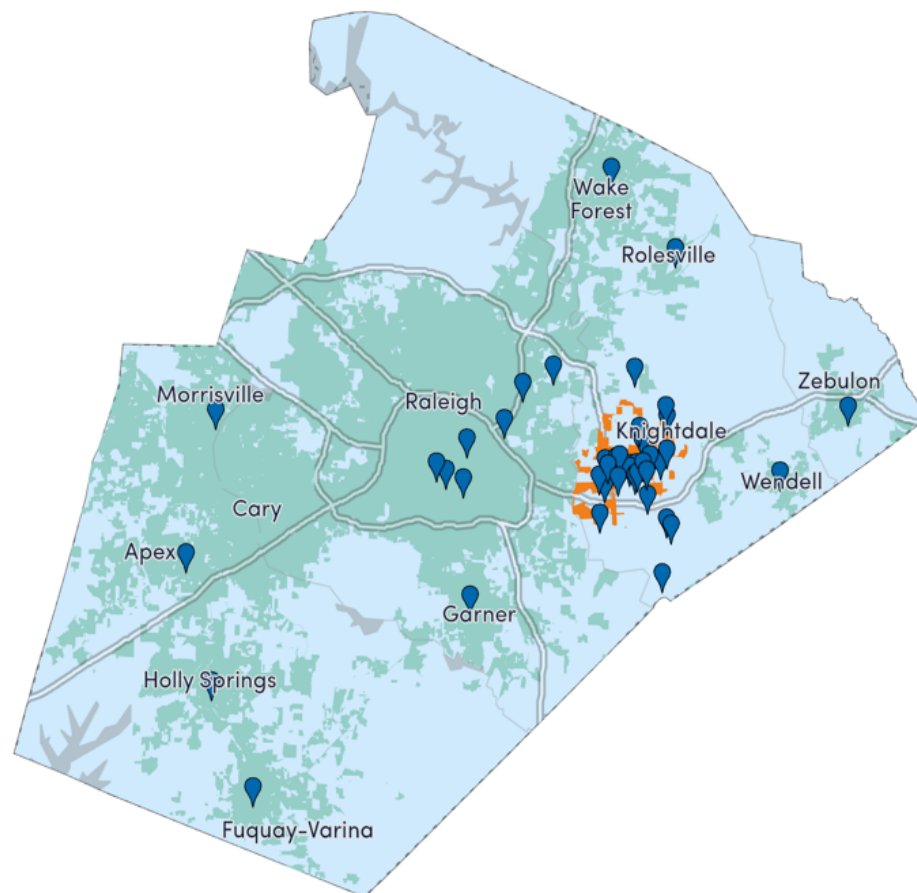



Survey Respondent Characteristics					
Gender			Age		
	Survey Respondents	Knightdale Population		Survey Respondents	Knightdale Population
Female	58.63%	52.99%	18-24	7.55%	5.59%
Male	40.65%	47.01%	25-34	30.22%	16.14%
Non-Binary	0.36%		35-44	28.06%	15.76%
Other	0.36%		45-54	17.99%	16.25%
			55-64	10.07%	7.86%
			65-74	5.40%	4.52%
			75 and above	0.72%	3.15%
Race / Ethnicity			Educational Attainment		
American Indian or Alaska Native	0.36%	0.09%	Less than High School	0.0%	14.59%
Asian	2.19%	1.68%	High School or Equivalent	17.2%	28.86%
Black or African American	24.82%	49.43%	Some College	16.49%	30.76%
Hispanic/Latino	3.28%	9.9%	Associate's Degree	7.89%	
Other (please explain)	0.36%	5.25%	Bachelor's Degree	39.92%	18.24%
White	68.98%	36.03%	Graduate Degree	21.51%	9.55%

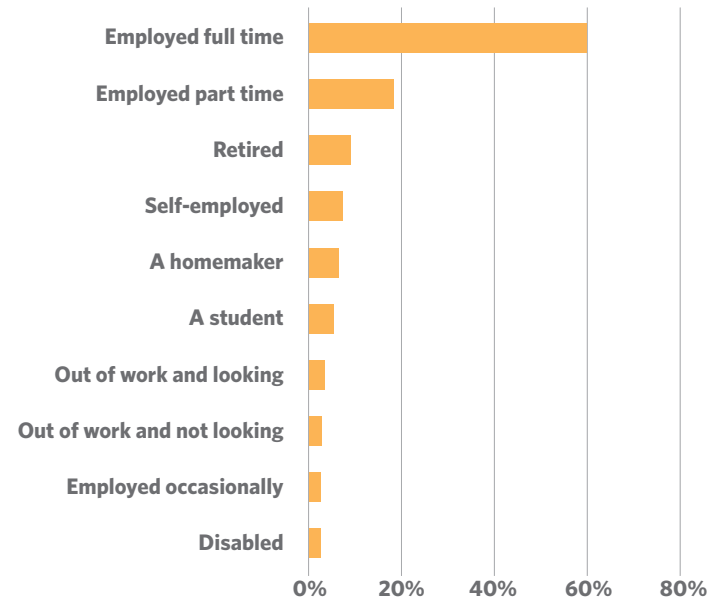
Description of the Sample. The Town obtained a nonprobability sample of 300 responses. The table above shows some demographic characteristics of the respondents, and compares these to the demographic characteristics of the Knightdale population as a whole. The small sample varies in important respects from the general population: it’s younger, more White, and better educated than the general population, and caution should be used in drawing conclusions applicable to the general population. But the Town found that the views and perspectives of those who chose to fill out the survey added greatly to the community dialogue.

The pins in the map below indicate places of residence of the survey respondents. Most came from Knightdale itself, while responses from neighboring Raleigh and from towns across Wake County added important perspectives. The map also reveals the close proximity of Knightdale to Raleigh, which exerts so powerful a gravitational force on the regional economy and housing infrastructure.

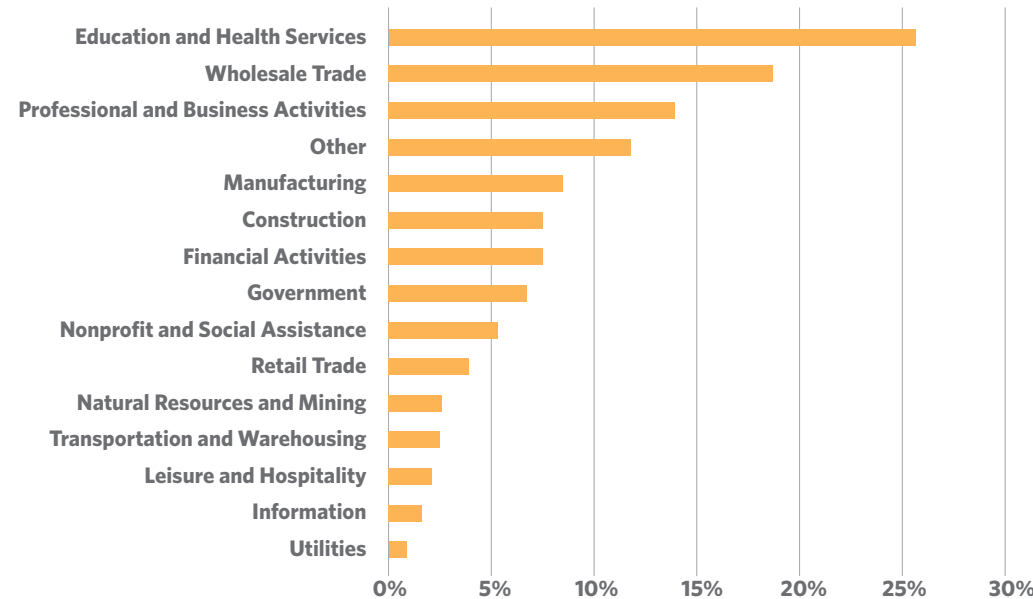
The fast-growing population of Knightdale is a mix of long-time residents and newer arrivals. The chart on the upper right shows how evenly-distributed those groups are among the respondents, with 44% of the respondents living in the area for 11 or more years, just over 32% between two and ten years, and nearly 10% arriving less than two years ago. The chart on the lower right reveals that 28% of the respondents grew up in Knightdale or Wake County, while more than that – 32% – moved to the area for work. The remaining respondents moved to the area to be with their spouse or partner, to take care of a family member, or for school or retirement. The 11% checking “other” moved for a fresh start, for lower costs, for more open space, or to live in a smaller town.



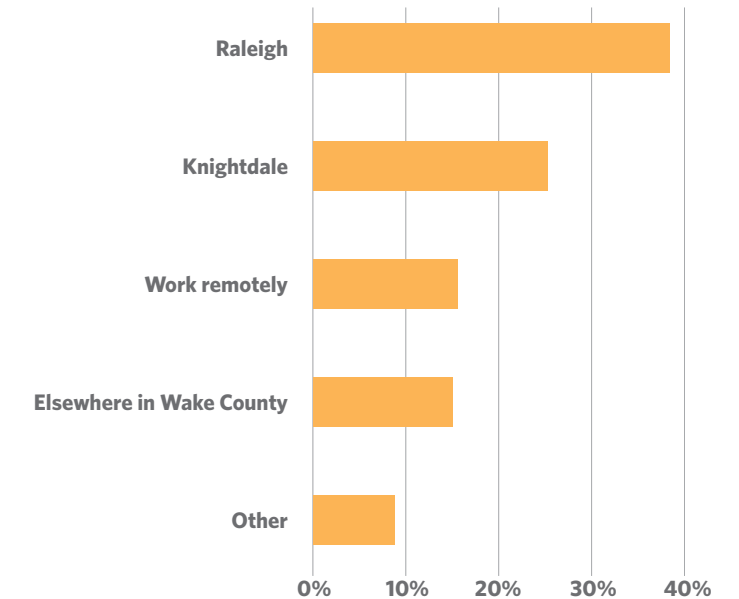
Employed



Employment Sector

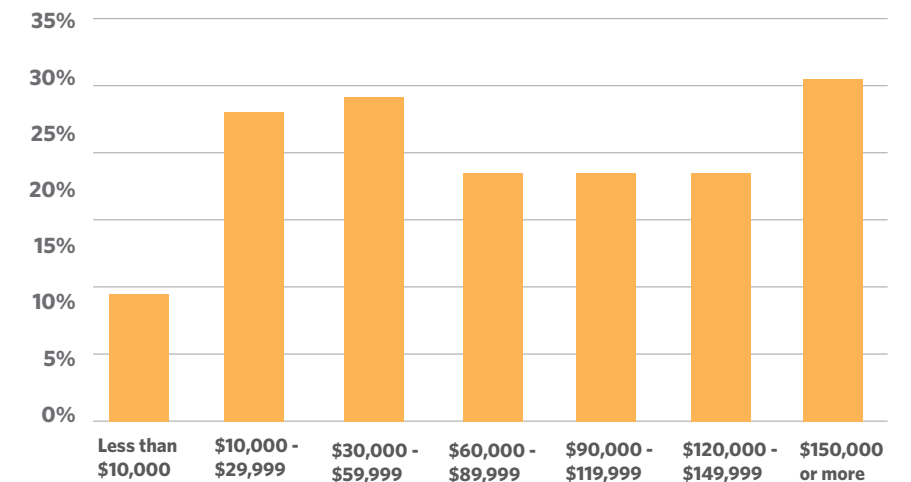


Where Do You Work

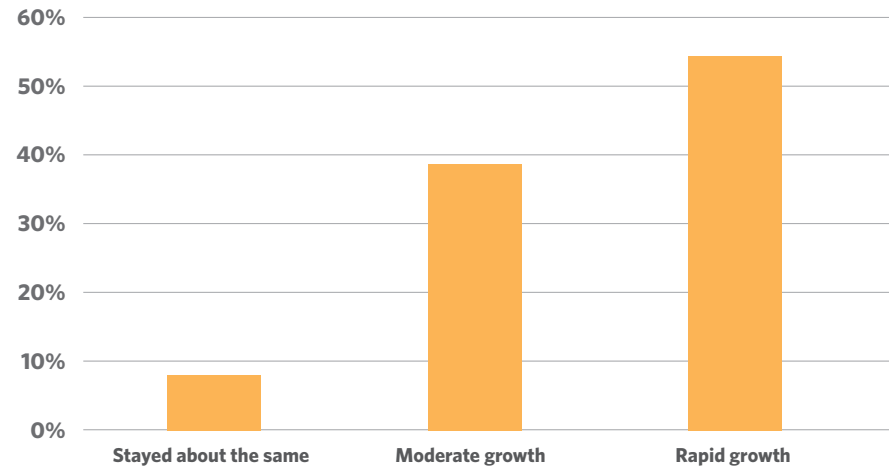


The survey asked whether the respondents were employed and if so, in what sector. Most were employed, and of those, most were employed in the education, health care, trade, professional, manufacturing, and financial sectors. (With the exception of “wholesale trade,” which seems to be overrepresented in the sample, these sectors are approximately what would be expected considering Knightdale’s principal employment sectors.) Only a quarter of the respondents work in Knightdale, while over half work in Raleigh and other places outside Knightdale - suggesting that commuting and related transportation issues are intimately linked to housing issues in Knightdale. The chart to the right shows household incomes of the respondents by income bracket, with respondents distributed across the income range. The largest respondent group had moderate income between \$30,000 and \$59,000, but nearly two-thirds have income of \$60,000 or more.

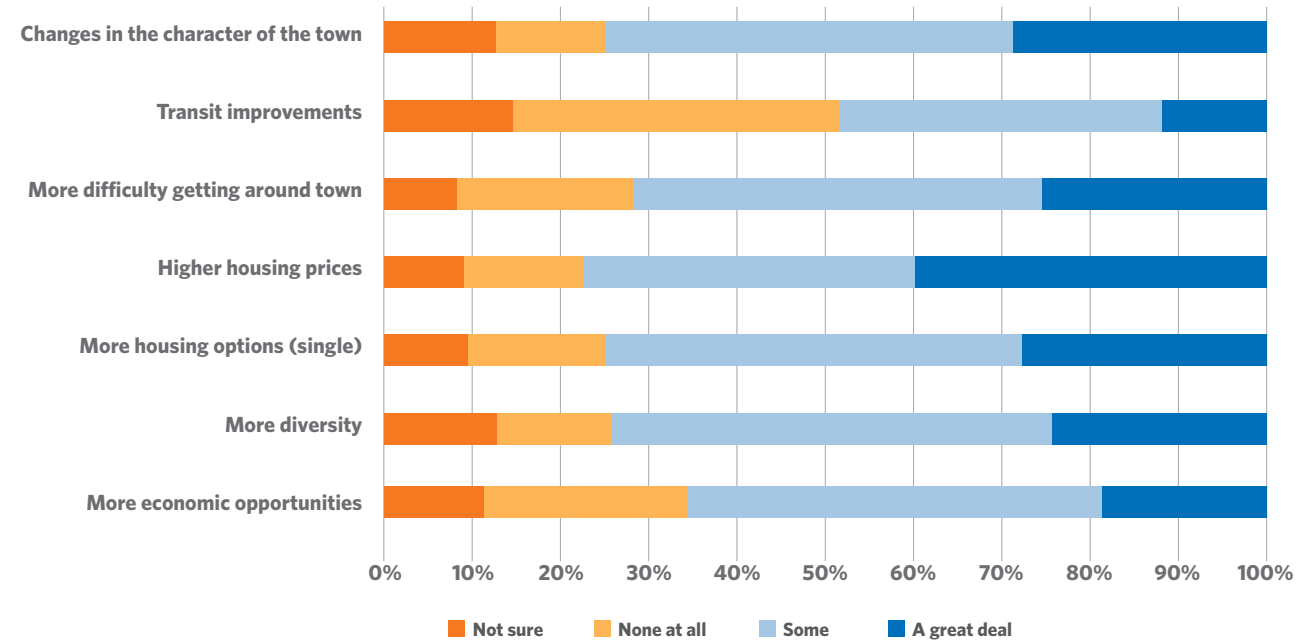
Household Income



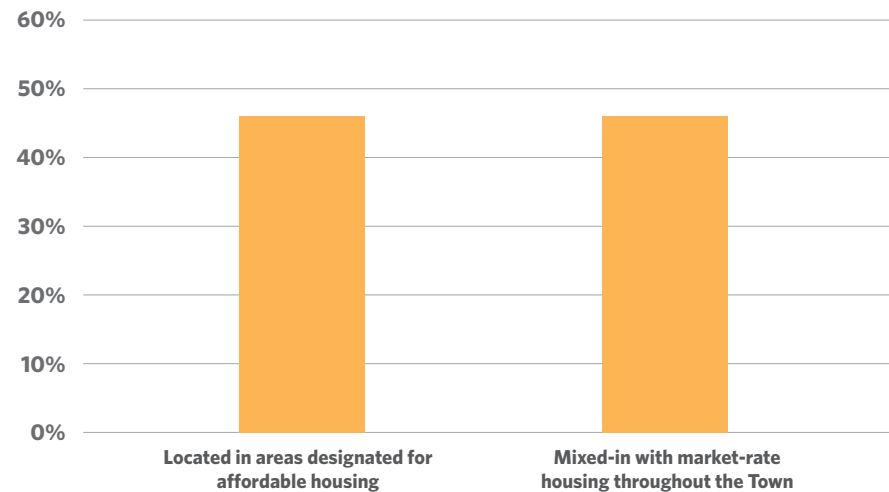
Knightdale's Past Five Years Growth



How much does Knightdale's recent population and economic growth lead to the following consequences:

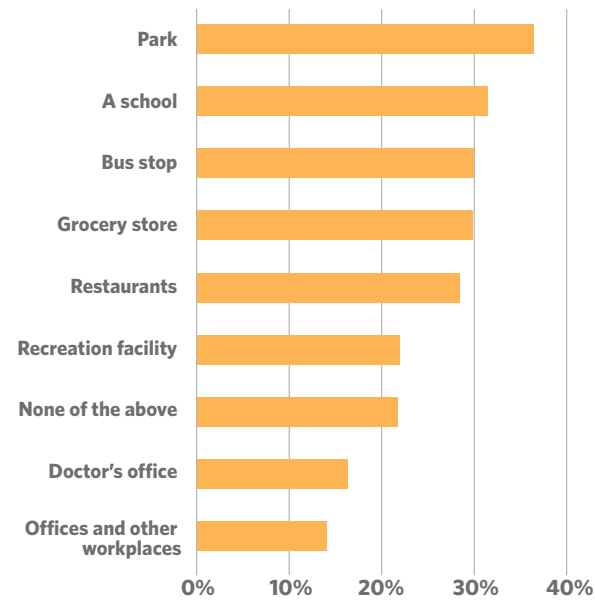


New affordable housing units should be:

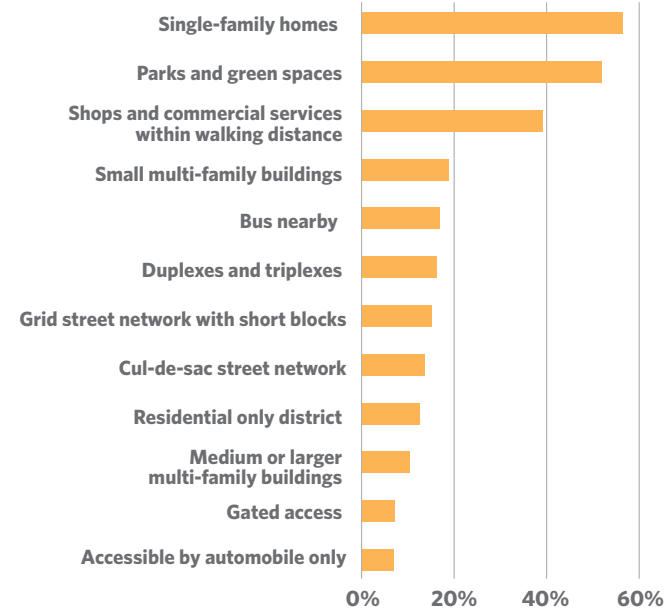


Regional economic and population growth is a key factor in the background of this affordable housing initiative. The survey asked respondents to characterize growth in Knightdale in the past five years. Most said it was “rapid growth,” with only 7% on the other extreme, saying it “stayed about the same.” Asked to project the consequences of growth, large majorities said it would lead to “some” or “a great deal” of changes in the character of the town, more difficulty getting around town, and higher housing prices. Similar majorities said growth would lead to “some” or “a great deal” of positive consequences including more diversity and more economic opportunities. The respondents were less convinced that transit improvements would result. Assuming that more housing development would also be a consequence, the respondents split over whether new affordable housing should be located in specially-designated areas or mixed with market-rate housing throughout the Town. This is a question that was discussed throughout the Plan process and that will be relevant to many decisions about Plan implementation.

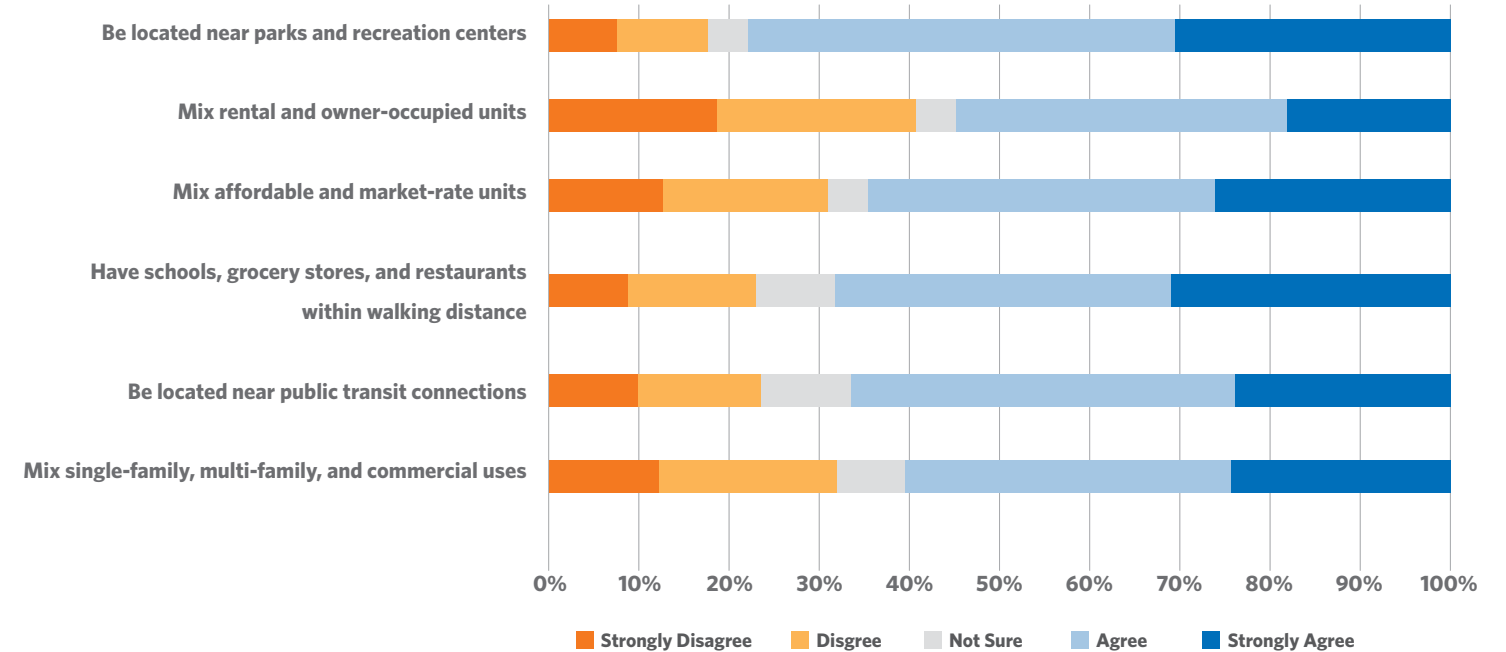
Which of the following amenities are within walking distance to your home:



What residential characteristics are most attractive to people moving to Knightdale:

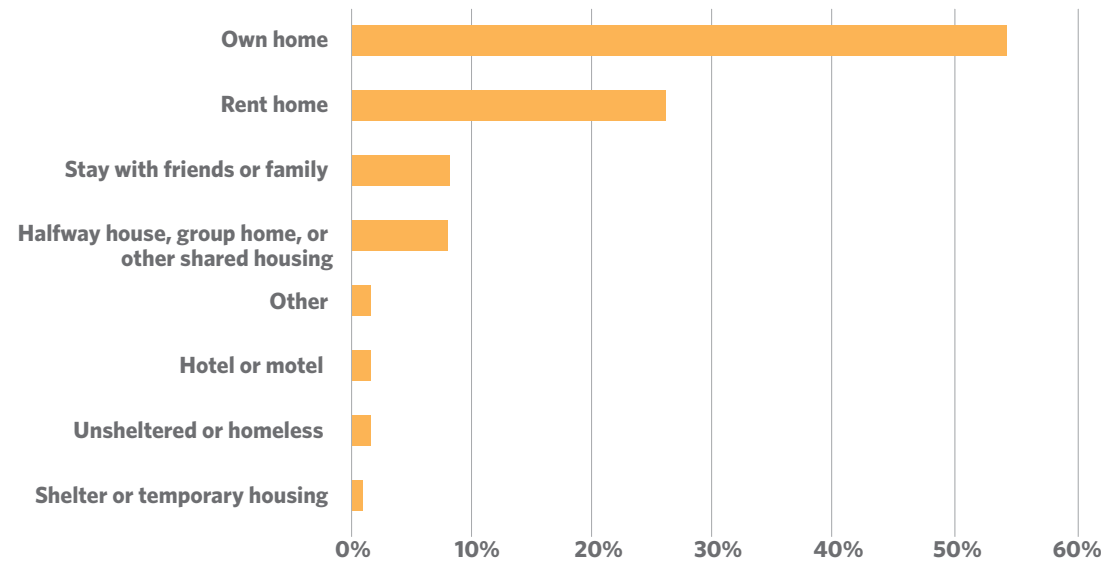


Future housing development in Knightdale should...

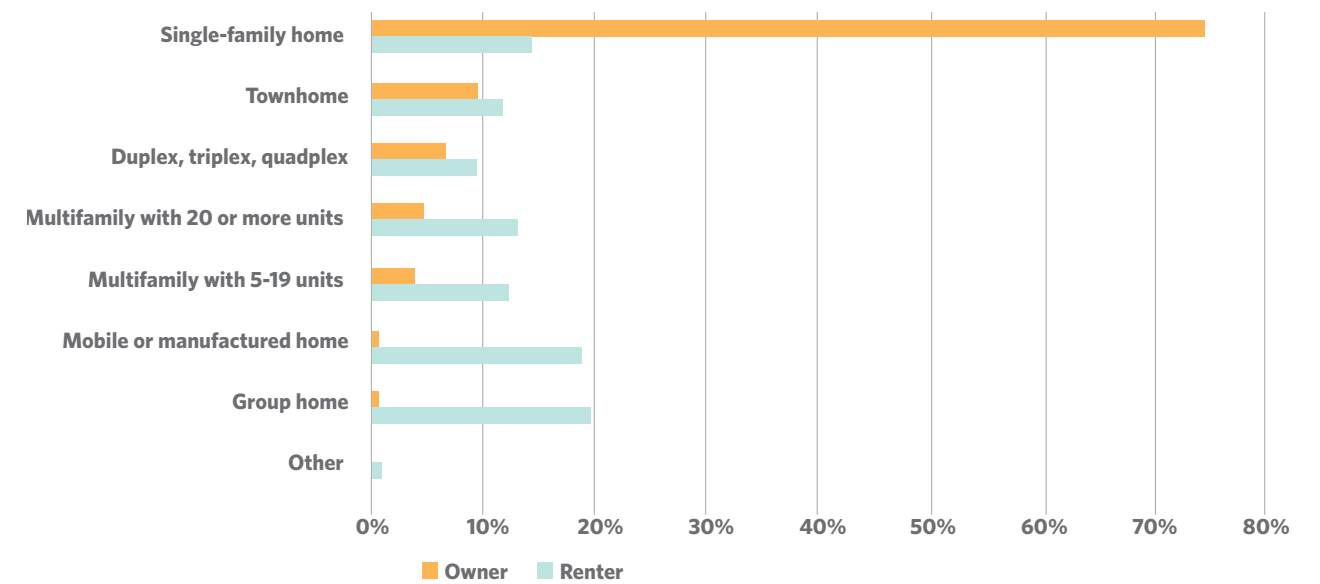


This Plan and the KnightdaleNext Comprehensive Plan are both based on the principles of inclusion and livability. Choices about housing development and its relationship and proximity to transportation, open spaces, schools, shops, services, and other important uses and amenities will be crucial to decisions about Plan implementation. Only a third of respondents currently live within walking distance to a park, and even fewer to a school, a bus stop, a grocery store, a restaurant, or a doctor's office; 21% said they didn't live within walking distance to any of these things. When asked to rank the characteristics most attractive to those who move to Knightdale, the top choice was "single-family homes," a traditional choice that may in the future be challenged by innovative "missing middle" housing solutions. Also ranked highest were parks and green spaces and shops and commercial services within walking distance. Other factors affecting street network design, mixed-use, and transit resources were also mentioned. When asked about future housing development in Knightdale, respondents were enthusiastic about these innovative features, expressing strong support for housing to be located near parks and recreation centers, for mixed-income and mixed-use development, and proximity to transit resources.

Current Tenure

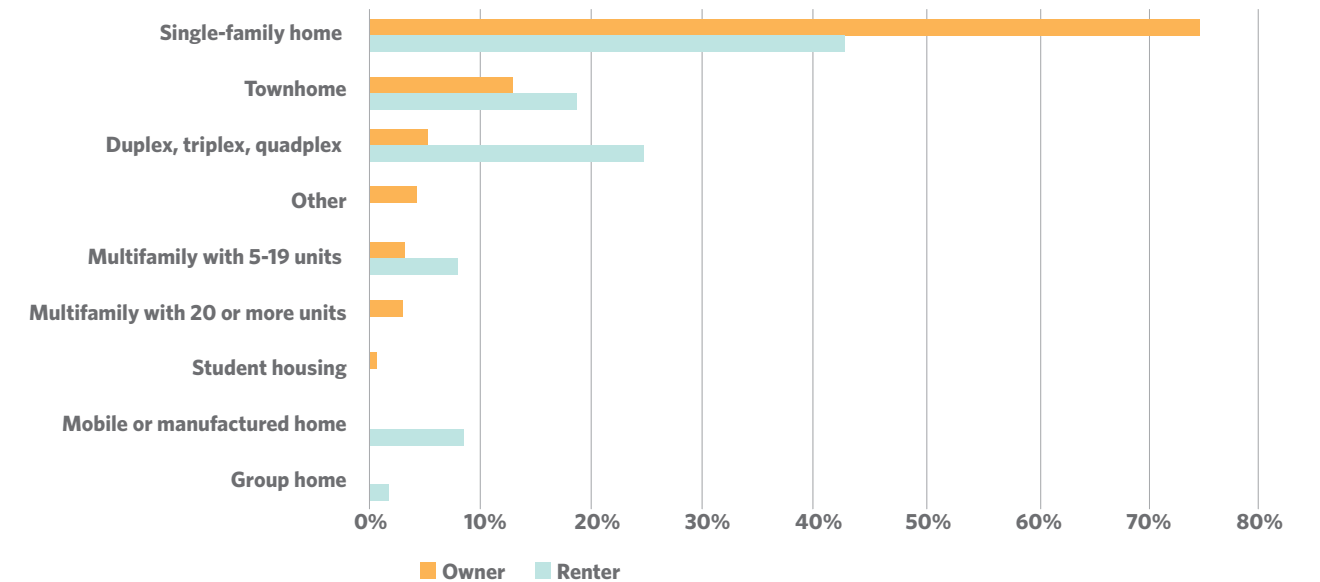


Current Housing Type

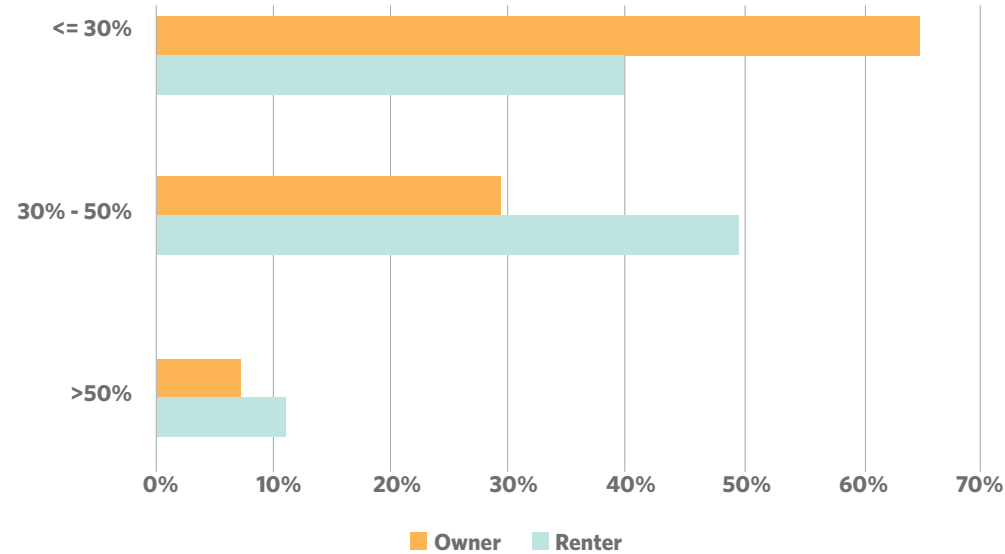


About 55% of respondents were homeowners and about a quarter were renters, with 17% staying with friends or in group or shared dwelling types and about 3% either homeless or in shelter or hotel or motel. As for housing type, the survey asked the respondents where they currently live, and where they would like to live. These responses are displayed separately for homeowners and for renters. Of the homeowners, as expected, three-quarters live in a single-family home, with the remainder in some kind of multi-family housing. Of the renters, far fewer – only 14% – were in single-family homes, and nearly 60% were in townhomes, duplexes, triplexes, larger apartment buildings, mobile or manufactured homes, or group homes. When it came to preferences, a notable number of homeowners would move from single-family homes to townhomes, while a notable number of renters would like to move into single-family homes, townhomes, and duplexes, triplexes, and quadplexes. It appears the “missing middle” housing types will gain new adherents in the future.

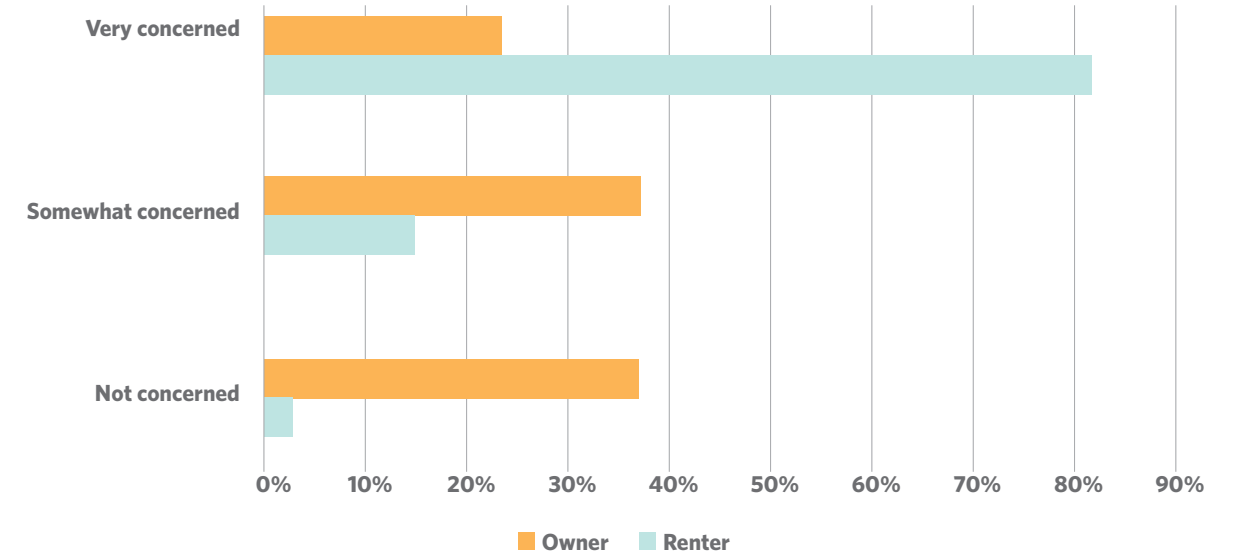
Preferred Housing Type



Percentage of Household Income Spent on Housing Costs

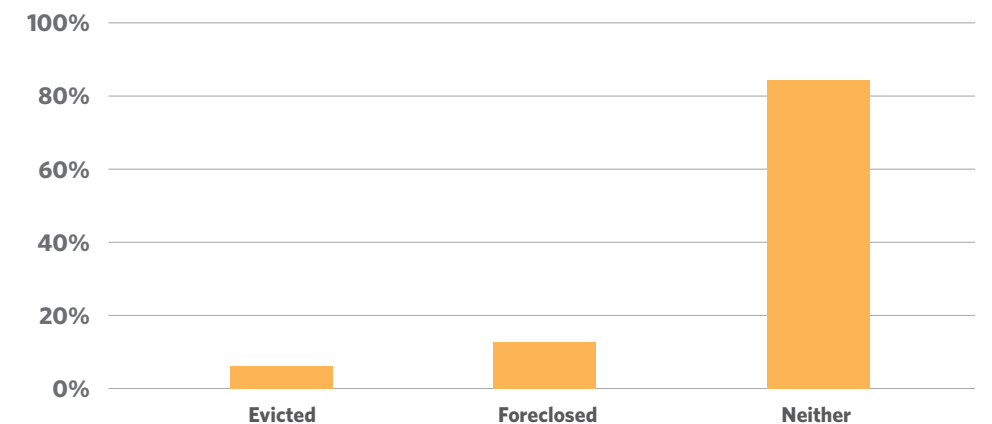


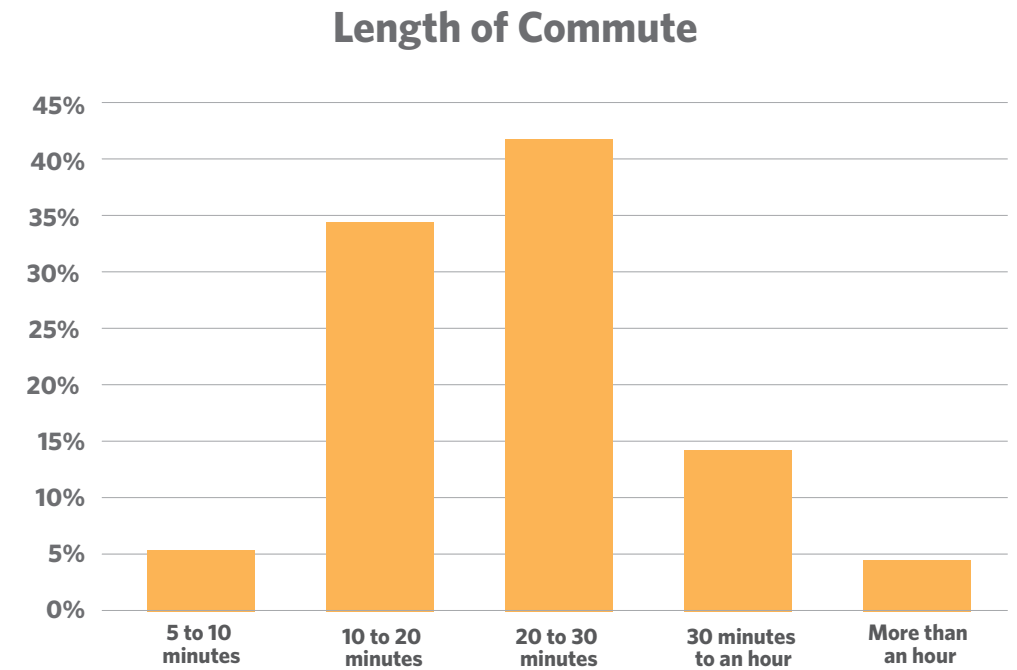
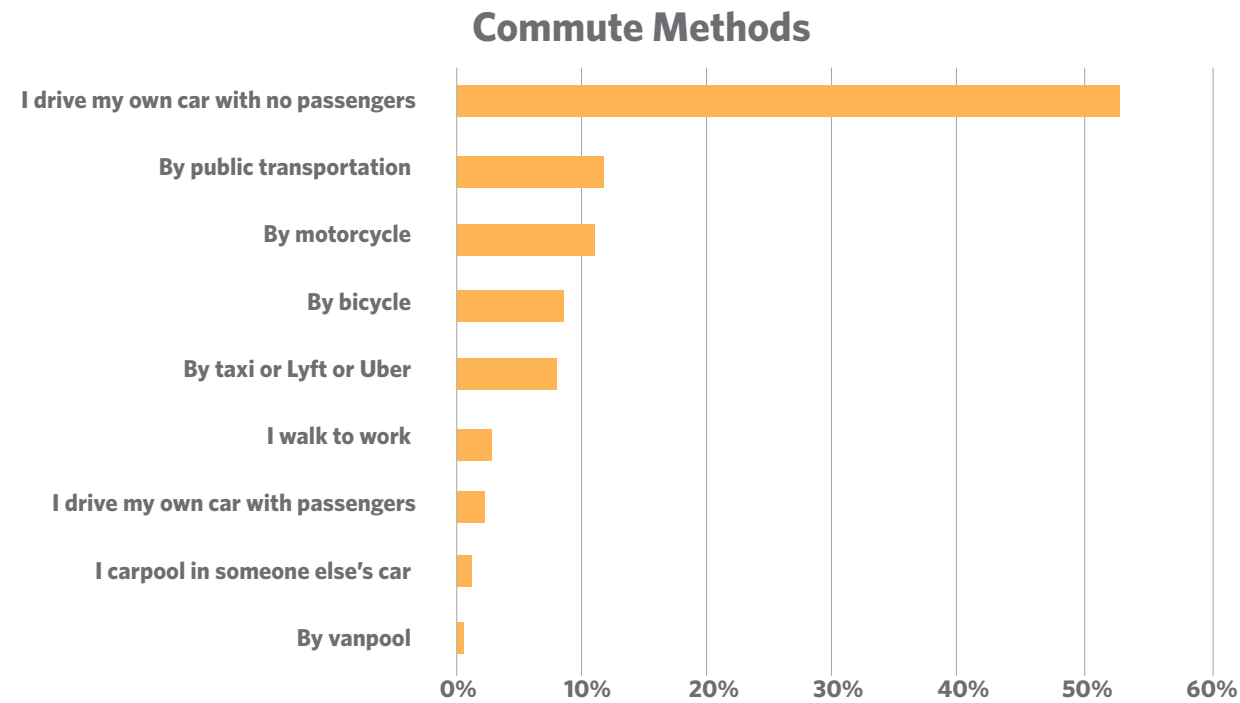
Concern About Housing Costs



The U.S. Department of Housing and Urban Development defines “affordable housing” as that for which a household does not have to pay more than 30% of their income on rent or mortgage plus utilities. A household that pays more than 30% is said to be “cost burdened,” and one that pays more than 50% is “severely cost-burdened.” Thirty-six percent of the homeowner survey respondents reported that they spent more than 30%, and of those, 7% said they spent more than 50%. Of the renter respondents, 60% said they spent more than 30% and of those, 11% said they spent more than 50%. By this self-reported measure, 36% of owners and 60% of renters are cost-burdened. As an additional measure of housing cost, the survey asked respondents to say whether they were concerned about housing costs. Most owners and nearly all renters said they were somewhat or very concerned about housing costs – a remarkable level of concern. As a final measure of housing insecurity, the survey asked whether the respondents had ever experienced an eviction or foreclosure. Relatively few – 17% of the respondents – said they had had one of those experiences.

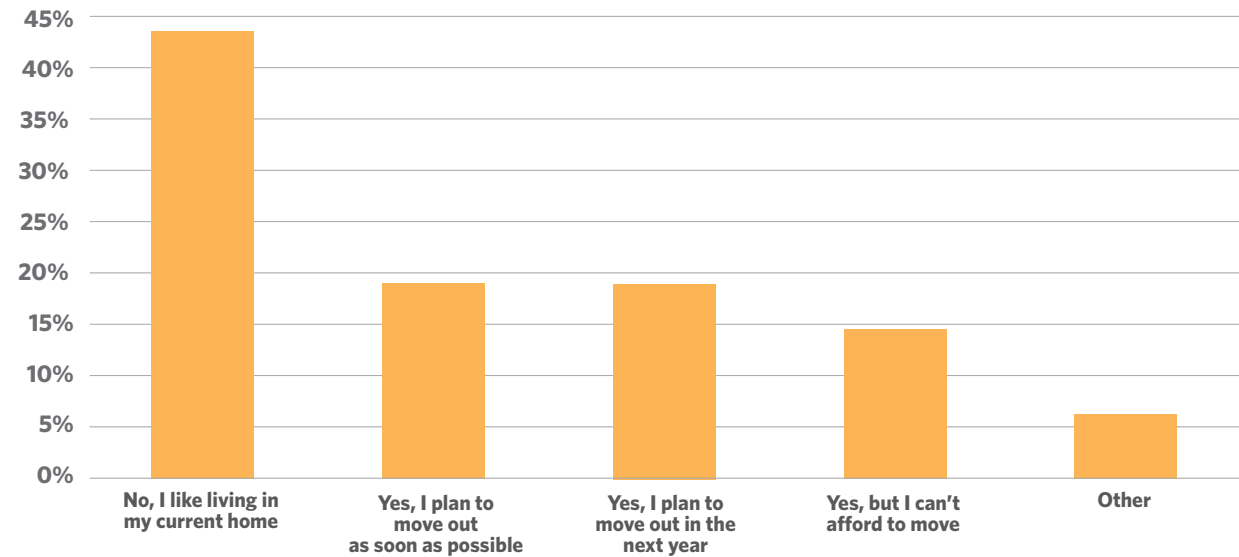
Have you ever experienced an eviction or foreclosure?



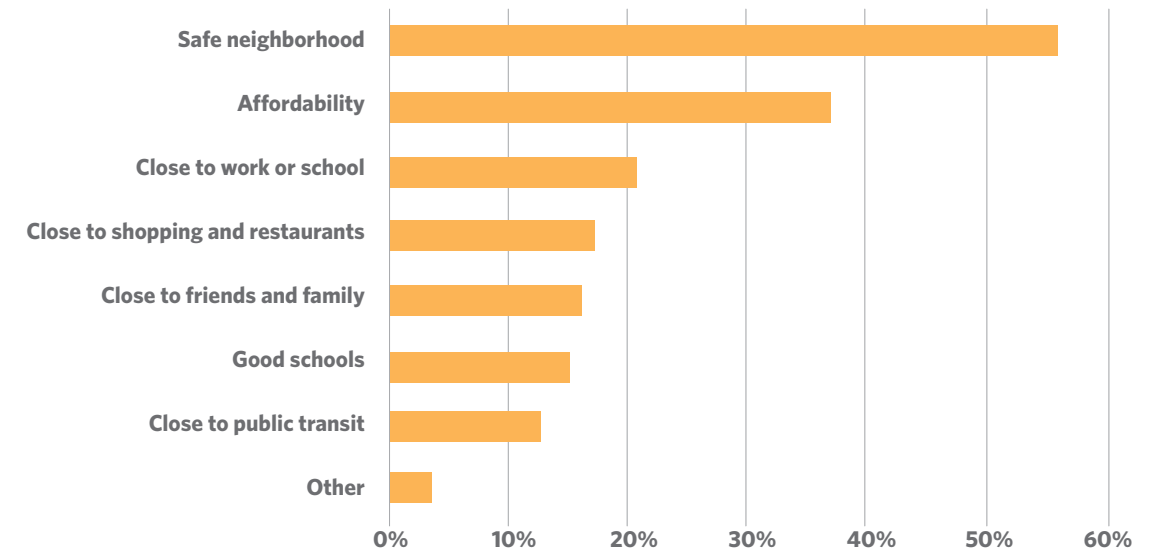


Over half of the respondents said they work in Raleigh or elsewhere outside of Knightdale, so commuting is common. Of those respondents who said they commute to work, over half said they drive their own car with no passengers – the norm in many American cities and towns. Twelve percent use public transportation, with small numbers saying they commute by motorcycle, bicycle, taxi, or car- or vanpool. Only a few said they walked to work. Commute times also fell within the American norms: the largest group of respondents, 41%, said their commute took 20 to 30 minutes each way. Nineteen percent said their commute took 30 minutes or more. The commuting questions tie into many other questions being addressed in this Plan: neighborhoods that are accessible only by car versus those served by public transit; Knightdale’s role for many migrants as a place to live but not to work, and conversely, a place for many lower-wage workers who can’t afford to live in the Town; and the issue of road congestion, the impact of Interstate 540, and the changing character of the Town.

Intention of Moving Out

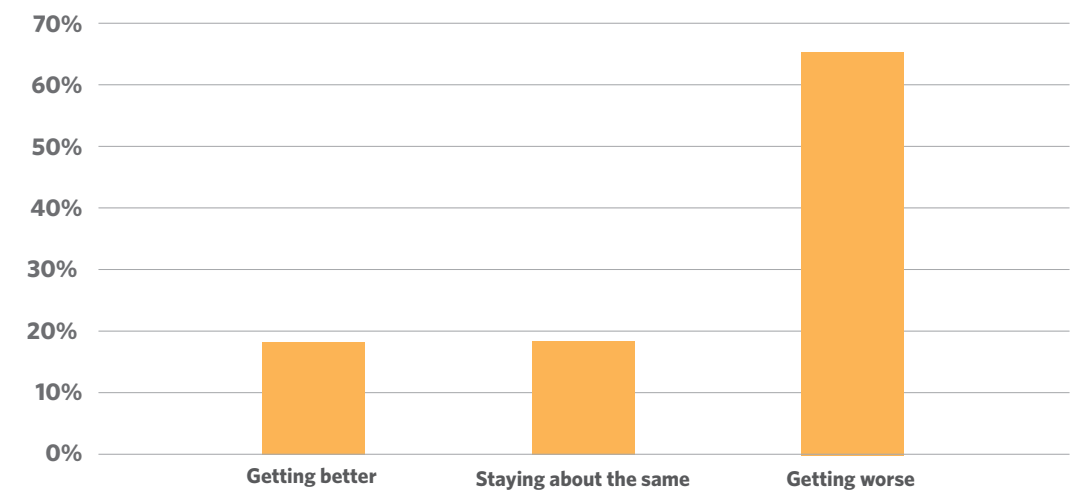


Most Important Considerations in Looking for a Place to Live

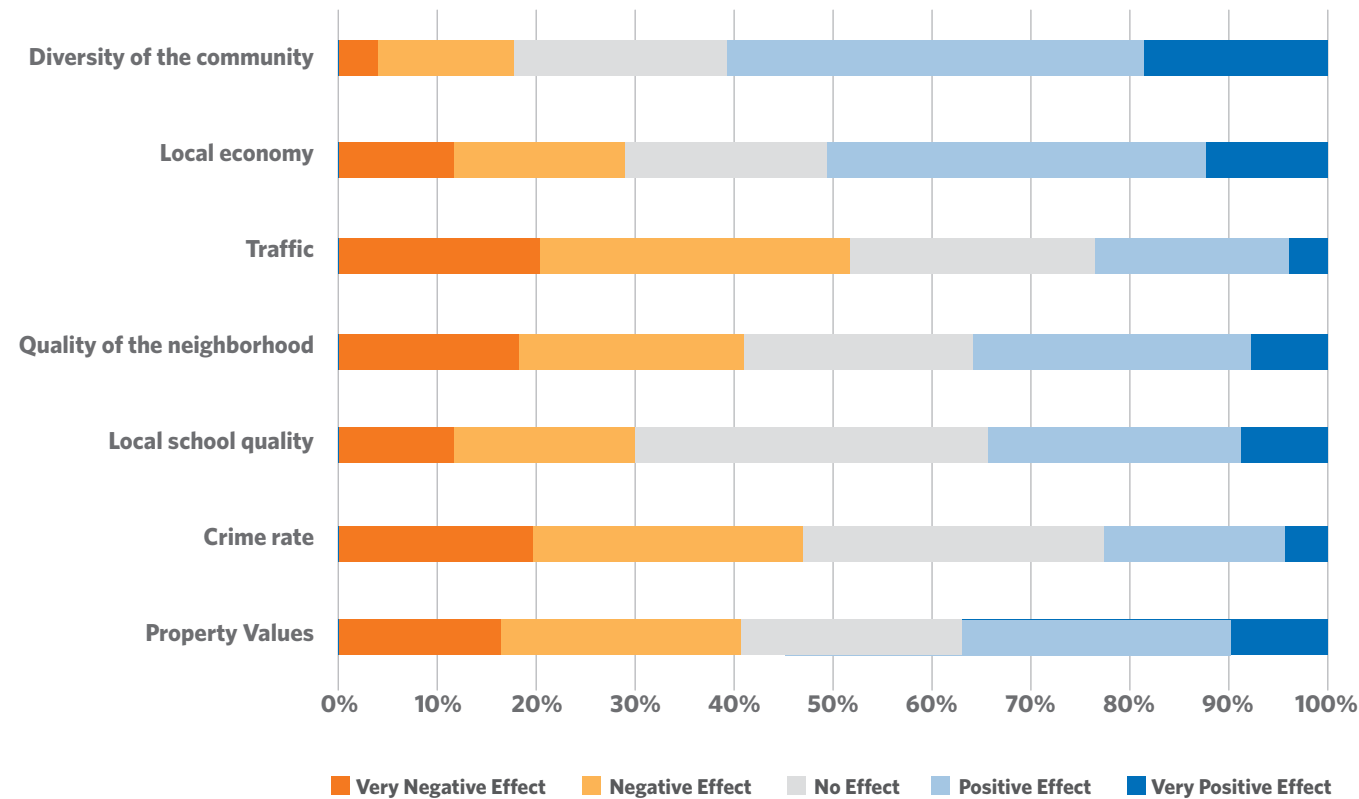


Mobility is an important measure of housing affordability. As a person advances in their career and their income grows, can they buy a home? As a family grows, can they move to a larger home? Can an urban worker find a home in a smaller-town setting like Knightdale has to offer? Over half of the respondents said they did intend to move out of their current home, but most were not ready yet. Some cited financial constraints, while others said they were waiting until they could find suitable senior housing or a walkable community, and still others said Knightdale was becoming too urban for them. These diverse goals were reflected in a question about the most important considerations in looking for a place to live. “Safe neighborhood” was the top choice of these respondents, followed by affordability and proximity to work, school, shopping, restaurants, and family. Finally, a question sought to gauge respondents’ perceptions of affordability: 65% of them said they thought access to affordable housing is getting worse in the area where they live.

Is Access to Affordable Housing Improving?

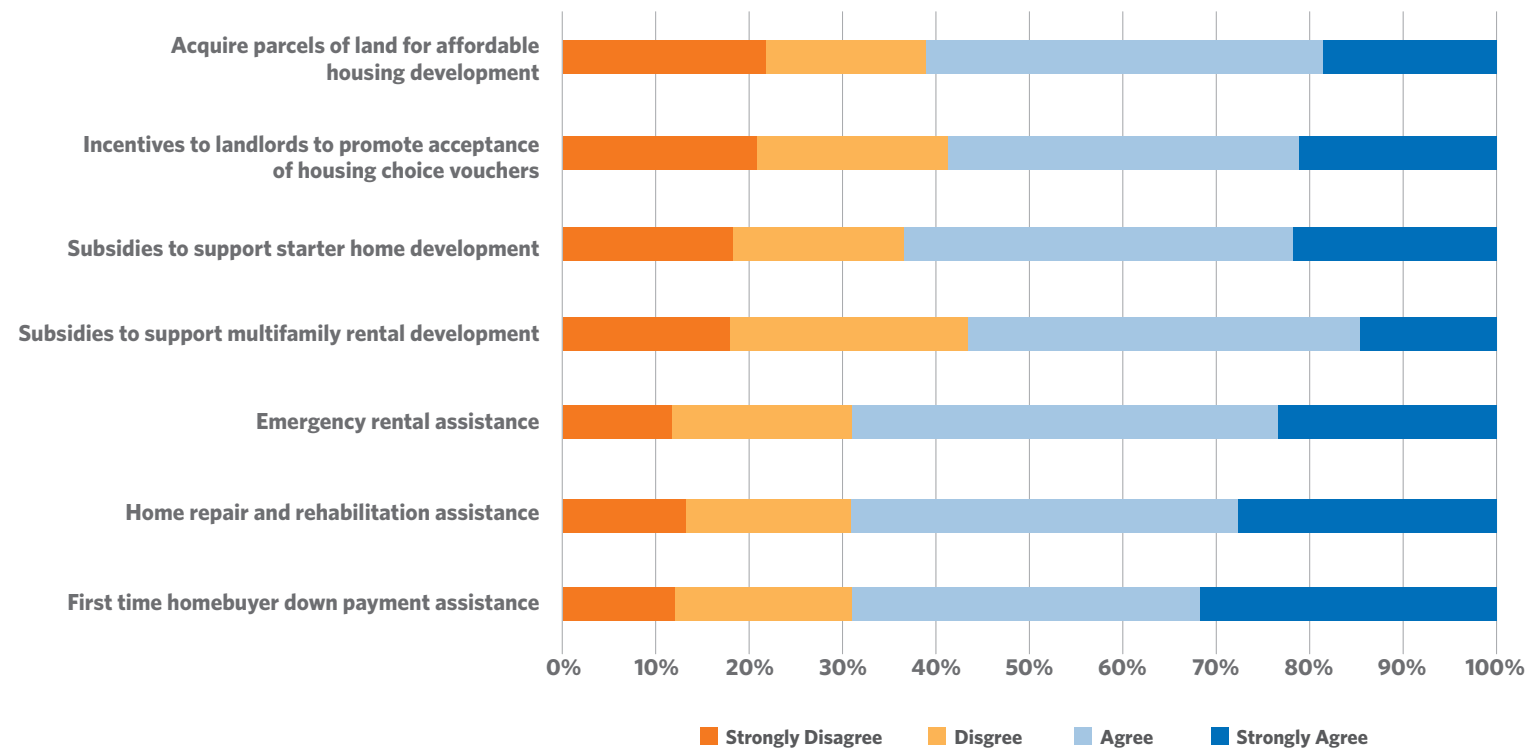


Describe what you think the effect of building affordable housing in your neighborhood would be on the following neighborhood characteristics:



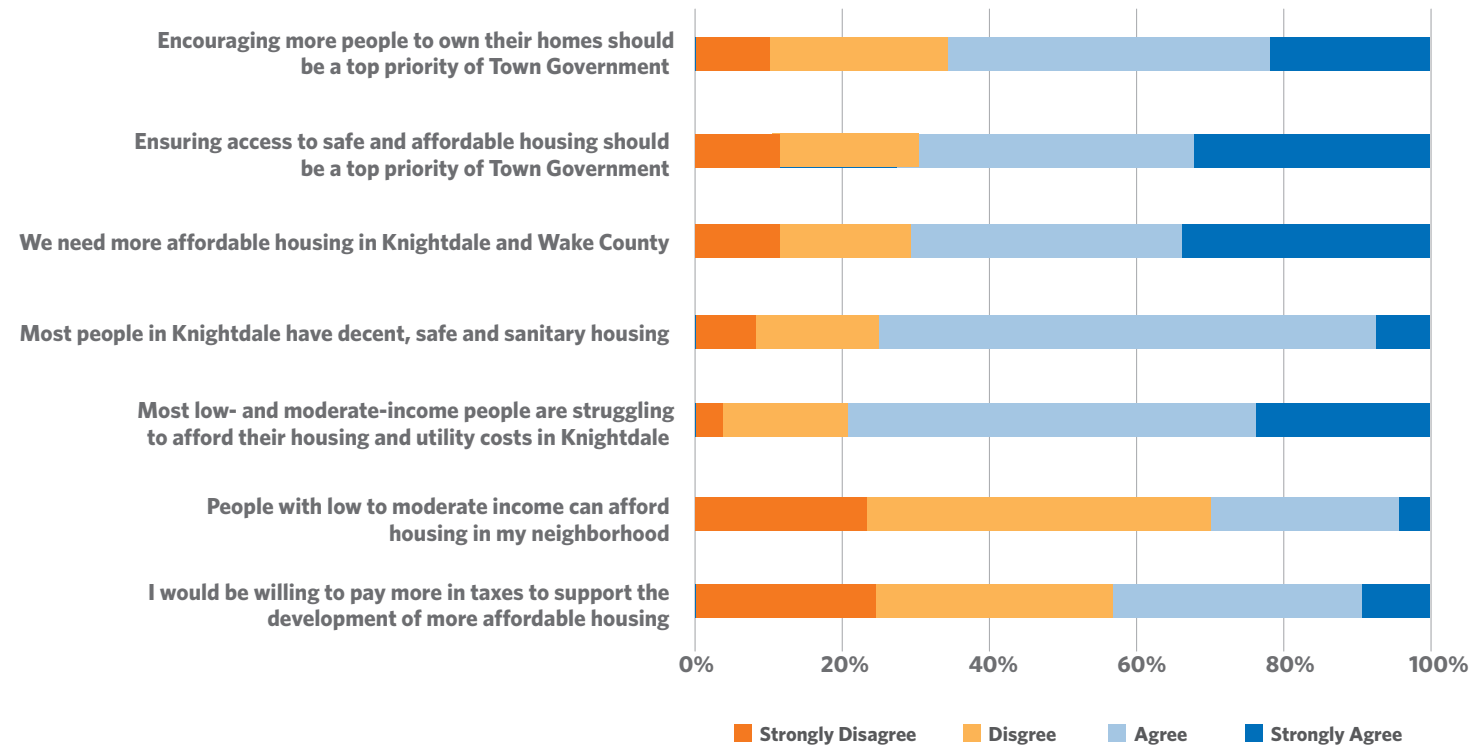
The survey continued with a series of opinion questions. The first block of questions addressed people’s concerns about the effect of affordable housing in their own neighborhoods. Neighborhood opposition and the “NIMBY” phenomenon (“Not in My Back Yard”) are often linked to public discussions of affordable housing, and these topics came up often in the interviews and focus groups conducted as part of the Plan process. These respondents were ambivalent about the effect of affordable housing development. A large majority said it would have a positive or very positive effect on the diversity of the community. Half said it would have a positive or very positive effect on the local economy. As to other conditions, including neighborhood and school quality, property values, and the crime rate, the respondents were divided, with many saying there would be no effect at all. Only with regard to traffic did a bare majority say affordable housing development would have a negative or very negative effect.

Indicate whether you agree or disagree that the Town of Knightdale should adopt the following affordable housing programs:



The next block of opinion questions measured support among the respondents for selected programs and initiatives that are included in the recommendations of this Plan. These questions revealed very strong support. Majorities of the respondents ranging from 57% to 70% agreed or strongly agreed that the Town of Knightdale should acquire parcels of land for affordable housing development; adopt incentives to landlords to promote acceptance of housing choice vouchers; offer subsidies to support starter home development and multifamily rental development; provide emergency rental assistance and home repair and rehabilitation assistance; and offer first-time homebuyer down payment assistance. It's not possible to know whether those who elected to respond to the survey are more likely than the general population to support affordable housing programs. However, given the diversity of housing experiences, employment, and economic status among the respondents, it is notable that such support is widespread among them.

Indicate how much you agree or disagree with the following statements:



For the final block of questions, the respondents were asked to say whether they strongly agree, agree, disagree, or strongly disagree with each of the statements about particular housing policies or about the housing economy. Together, the responses suggest the existence of substantial support for the aims of this Plan. Sixty-five percent of the respondents agreed or strongly agreed that encouraging more people to achieve homeownership should be a top priority of Town government. Similar majorities ranging from 70% to 79% agree or strongly agree that ensuring access to safe and affordable housing should be a top priority of Town government; that we need more affordable housing; and that most low- and moderate-income people are struggling to afford their housing and utility costs in Knightdale. Seventy-five percent of the respondents acknowledged that people with low to moderate income can't afford to live in the respondents' neighborhood. And to a question that might be expected to win less support, still a substantial minority of 44% of the respondents agreed or strongly agreed that they would be willing to pay more in taxes to support the development of more affordable housing.

The community survey ended with an invitation to respondents to add any final thoughts about the topics addressed. More than eighty respondents offered comments on subjects ranging from housing affordability to the effects on transportation to the costs of development. Most were supportive of the aims of this Plan while some opposed the Plan or any development. Taken together, these comments and those of other participants in interviews and roundtable discussions over the past year reveal a community engaged in a robust, serious dialogue about issues of great importance to their future and that of the Town.

<p>Houses Are Getting Too Expensive. "We rent because buying would cost us \$600+ more per month for a similar 3/2, 1,100 SQ foot home. We will be moving out of the neighborhood likely due to this, and maybe the state."</p>	<p>Access To Public Transportation. "My concern is the lack of access to public transportation and I believe any efforts to provide housing that is affordable should be located in an area that is NOT exclusively automobile centric."</p>	<p>Investors Buying Up Homes. "Too many investors are buying and converting houses to rental properties. It's impossible for people who need these homes to buy them as investors are snatching them up as soon as they hit the market."</p>
<p>Middle Income People Need Affordable Housing. "Many times we associate 'affordable housing' with low income. It's the people in the middle who are struggling. So much is going to rent and mortgage that there is no disposable income for people to spend in our town."</p>	<p>Starter Homes Needed. "There are not enough single family starter homes for the demand in Knightdale. The new developments are mostly larger homes or fancy townhouses that are unaffordable, and that's driving up prices for the starter homes that are available."</p>	<p>Development Has Changed The Town's Character. "We already have too many people here and have ruined the feel of the town as it always was. Stop tearing down our natural areas to build and running off our wildlife and destroying what made me want to be here!"</p>
<p>Affordable Homes Not Profitable. "As someone who works in the real estate industry, I have watched as inventory nationwide has dropped. Builders can't build homes fast enough, and affordable homes aren't profitable."</p>	<p>Ownership Should Be The Goal. "I think owner occupied homes that are affordable is the best way to go. When someone owns something, they feel more connected to the community and are more likely to care for the property."</p>	<p>First-Time Homebuyer Assistance. "A first time home buyer down payment assistance program would benefit residents who earn low to moderate incomes. I enjoy living in Knightdale and would love to own a home here one day."</p>

THE INCLUSIVE, LIVABLE TOWN



Inclusive Growth. The Town of Knightdale started this Plan process at a time of transition. The Town has experienced rapid growth. Thousands of newcomers have made Knightdale their home. Change is inevitable. This moment of transition is a good time to ask the question: “What kind of town do we want to live in?” This question has motivated Knightdale’s planning efforts over the years, from the Comprehensive Plan, to the transportation and pedestrian plans and again today. In answer, the people of Knightdale have announced their determination that growth will not be rampant or out of control. Growth will benefit all and not just some. Residents and workers at every income level will share in the Town’s prosperity, and the Town we live in ten years from now will be an inclusive, livable town.

Livability. This section of the Plan will address the tools that cities and towns can use to manage growth and make it into a livable place. For the purposes of this Plan, housing is the most important tool. But housing doesn’t stand alone; its qualities are determined not only by the number of rooms or the materials used, but also by the character of the neighborhood in which the house is located, the ease of navigation through streets that connect housing to the rest of the town, the amenities and services nearby, and the place of housing in the natural environment. If these elements aren’t considered or if they are implemented in the wrong way, the Town will eventually lose the qualities that made it so attractive to so many people in the first place. The following pages of this section will focus on these tools that Knightdale will use to preserve and build upon the best qualities of Knightdale town living:



Mobility

We can rely on the automobile for everything, with the resulting congestion, isolation, and strain on the climate, or we can try innovative new ways to navigate from one place to another.

Connectivity

The neighborhood can be a lot surrounded by other lots, or it can be a place of community, whose people are connected to one another, to services and amenities, and to the Town and the County beyond.

Amenity

From a strict single-family homes-only district approach, Knightdale will move toward a mixed-use approach, where people live in proximity with the great services and amenities the Town has to offer.

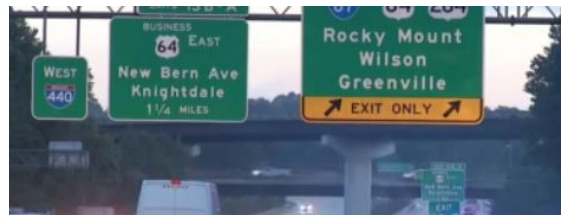
Vitality

Rather than harm the natural environment to make way for housing, housing development should be an integral part of our natural environment, in proximity to parks, open spaces, woods and rivers.

Opportunity

To the physical elements of livability, we must add the social and economic ones. In housing development, the Town will also consider income inequality, educational attainment, and access to good jobs.

Dominated by the Automobile. As in most American cities and towns, the automobile is the dominant mode of transportation in Knightdale. Growth in population and economic activity has led to growth in the number of cars. Bigger road arteries are unwelcoming to pedestrians and bicyclists, and congestion makes them seem unwelcome even to drivers. Some new subdivisions are accessible only by automobile, and when that happens, the residents must drive—sometimes miles—to accomplish even routine errands. Automobile dependence disadvantages lower-income individuals and families, who may not own a car or who struggle to afford gas and repairs.



Bus Transit. Knightdale enjoys some reliable bus transit resources, but service is minimal. In the long term, the Town will need more routes that connect to more places, but in the near term, an increase in the frequency of GoRaleigh Route 33 service could make a big difference. Express routes to Raleigh run past Knightdale but don't stop. The New Bern Corridor Bus Rapid Transit service from Raleigh may soon come as close as New Hope Road, but its extension into the Town center, adding a vital intercity rapid transit option, is more than ten years away.

Micro-Transit. Large buses running on limited fixed routes serve some purposes, but they can't carry the passenger the last mile from Knightdale Boulevard to home, and they can't reach the hundreds of shops and workplaces people need to go. Micro-transit will greatly expand the range of transit service. Already offered by GoWake Access for seniors and people with disabilities and for trips paid by Medicaid, it will eventually be available at any time on demand - an Uber-style rideshare system, but for all.

Roadway Congestion. Population growth and large-scale housing developments have burdened the roadway system and added to congestion. Widening the roadways doesn't help but only draws more traffic. Arterial roads, and the roadways connecting arterials to subdivision networks, are overburdened. Waterways and railroads act as barriers to mobility. These factors create choke points and contribute to unsafe conditions, and fear of worsening conditions depresses public support for new housing development.

Walking and Biking. Knightdale has seen the rise of new commercial centers and residential subdivisions that are car-focused and unfriendly to pedestrians. Sidewalks exist but are limited, have gaps or end abruptly, and can't connect pedestrians to schools and services. The pedestrian or bicyclist venturing into the Knightdale Boulevard corridor will encounter a variety of barriers and unsafe conditions. This Plan, and Knightdale's Pedestrian and Transportation Plans, encourage improvements in walkability and bikeability.

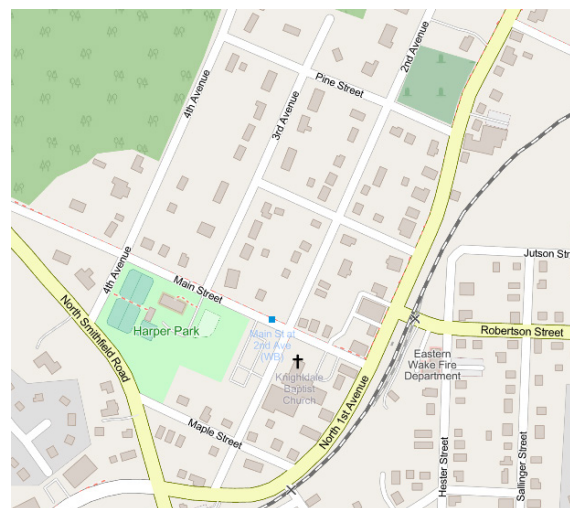
Transit-Oriented Development. One of the objectives of housing development under this Plan, and development of the Town more broadly under the Comprehensive and Transportation Plans, is to achieve a level of development density that promotes the factors of livability. Just as a higher concentration of office workers provides customers for shops and restaurants, so also do higher concentrations of residents generate more users of transit systems and make them economically viable.

Benefits of Mobility. Multi-modal transportation incorporating the elements described here promotes livability, sustainability, and inclusion. It boosts air quality, eases noise pollution, reduces fossil fuel consumption, and saves lives. It confronts the inequities resulting from automobile dependency and the disparate allocation of transportation resources. It connects communities that once were isolated.

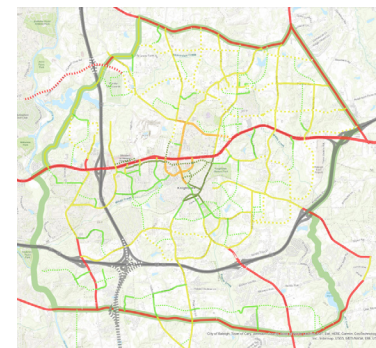
The Character of Neighborhoods. Knightdale has many suburban-style subdivisions, and new subdivisions are appearing each year, incorporating the distinctive curvy cul-de-sac street network design. In Old Town, Knightdale has an older-style neighborhood built on a grid pattern, with short blocks easily navigable to main streets and nearby commercial services. Housing, economic status, safety, and many other factors contribute to neighborhood character, but these contrasting neighborhood designs, and every hybrid version in between, have a great influence on neighborhood character as well. They can speed up or slow down traffic, they can encourage people to be neighborly, they can promote or impede walking and bicycling. They influence how connected the neighborhood is to nearby services and destinations and rest of the Town – a factor planners call “connectivity.”



Street Networks. A neighborhood’s street network is a big livability factor. A typical suburban Knightdale subdivision, like the one at left, is laid out in a series of winding cul-de-sacs accessible only by automobile and only via one or two entrances (the two at the southeastern edge of the map). To the bottom left is the grid network of the Old Town neighborhood, with short blocks created by parallel and perpendicular crossing streets that connect to the Town in all directions. The cul-de-sac typically has fewer retail or other amenities nearby, fewer ways to connect to the larger Town, and can be isolating. The grid promotes mobility, maximizing route choices and enabling walking and bicycling. Frequent intersections promote safety by slowing traffic. Retail and commercial uses fit naturally along the main streets bordering or crossing the grid.



Complete Streets. “Complete Streets” promote connectivity. It’s a process and approach to street design that gives equal value to all trips and types of transportation. It considers the needs of pedestrians, users of public transit, bicyclists, persons with disabilities, seniors, children, and motorists by providing sidewalks, public spaces, bike lanes, bus stops, landscaping, and safe crossings. The cyclists in the picture to the right are safer because the street has dedicated bicycle lanes and well-marked crosswalks.

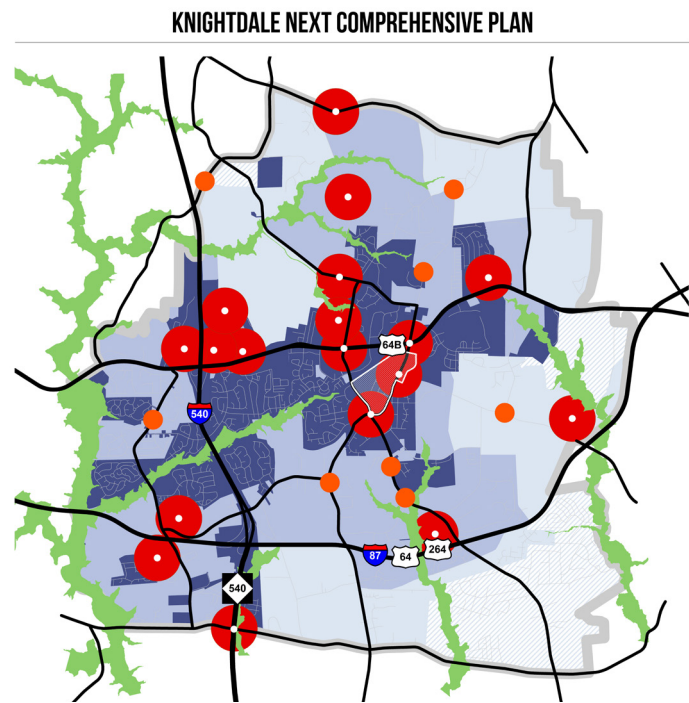


Arterials and Collectors. Not only neighborhood streets, but the streets that connect neighborhoods to each other and that connect the Town to other cities and towns, can promote or impede connectivity. Arterials are major, high-volume boulevards that bring traffic into town and across town, while collectors are those that provide access to neighborhoods. The map on the left, from the Comprehensive Plan, shows these in red and gold.

Not Connected. The photo on the right shows a Knightdale subdivision street that ends in a closed gate, blocking access from the nearby apartment community. With fewer gates and other kinds of barriers, connectivity will be improved for all neighborhoods, and residents will be encouraged to feel a part of the community.



Amenities in Knightdale. When people think about what makes a place “livable,” they often talk about the “amenities” their place has to offer. Ten or twenty years ago, Knightdale was a bedroom suburb of Raleigh, a place people went to sleep, but it lacked shops, restaurants, and entertainment venues, and people had to go to Raleigh not only to work, in many cases, but to do most other things, too. Now, Knightdale has made progress, with many shops and restaurants. But they are concentrated along one central boulevard packed with traffic and unfriendly to pedestrians and bicyclists. Knightdale has encouraged development that includes amenities near where people live – shops, restaurants, libraries, parks, health care facilities, and cultural events.



Neighborhood Amenities. In some larger cities, retail and commercial services are located right in residential neighborhoods, placing them in walking distance and constituting a key livability factor. This hardly ever is seen in smaller cities and suburbs, which are marked by strict single-family zoning boundaries and tend to segregate retail and commercial services in shopping malls and alongside major arteries like Knightdale Boulevard. Future development could start to reverse that trend. To that end, for example, the KnightdaleNext Comprehensive Plan proposed the creation of “Neighborhood Nodes” that would place retail destinations closer to residential neighborhoods. The small orange circles on the Growth Framework Map to the left represent the eight proposed node locations, scattered in every part of the Town and ETJ. Future residential development at the node locations would include the prescribed retail and commercial services. Their operations would be low-intensity, unobtrusive, and at a scale and design compatible with nearby residential development, and they would include safe and convenient pedestrian and bicycle access.

Mixed-Use Development. A mixed-use center offers an opportunity to live, work, shop, and play in one community. It brings residential, retail, commercial, offices, schools, and government services together – closer together than would be accomplished through retail nodes set adjacent to residential neighborhoods. These kinds of development are central to the livability conversation, and to the Comprehensive Plan, but they are ambitious and sometimes difficult to achieve. Especially in a smaller town, developers may say the number of residential dwellers isn’t yet large enough to support retail and commercial uses.



To the left is a rendering of one example of a small-town mixed-use development, with buildings having three floors of residential above one floor of restaurant and retail.

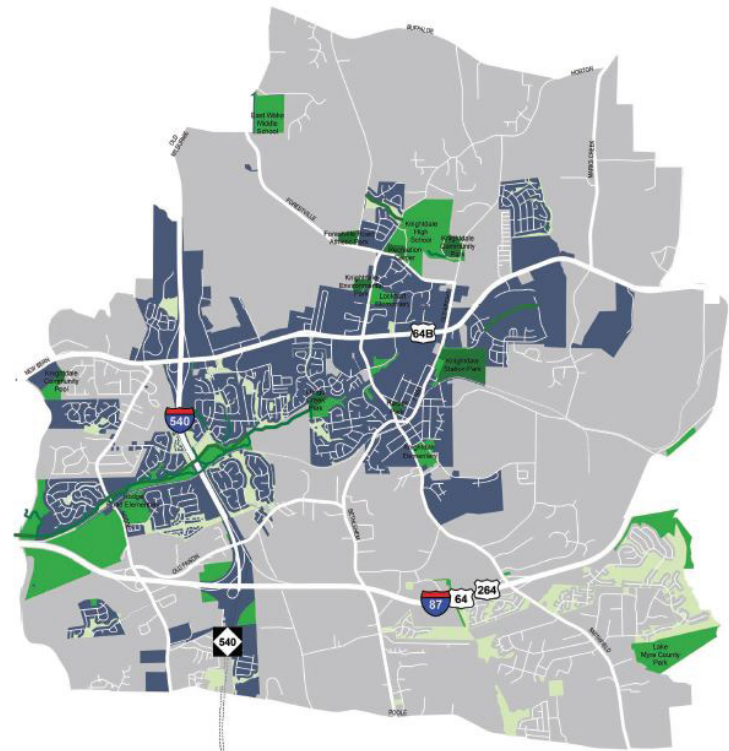


Cultural amenities like the African American Festival play as important a role as shops, restaurants, and parks in making a Town livable and inclusive.

Parks and Open Spaces. With its 2021 Comprehensive Parks and Recreation Master Plan, the Town of Knightdale renewed its commitment to parks, recreational resources, hiking trails, greenways, and undeveloped natural environmental spaces as key factors supporting livability. Proximity to these resources is closely linked to walkability and bikability in the category of livability factors. Yet, rapid housing and economic development, if not properly managed, can quickly threaten to reduce, even to erase, the qualities that made the Town attractive to individuals and families in the first place. This Plan calls for a commitment to the livability principle of vitality – the health of people and of the earth.

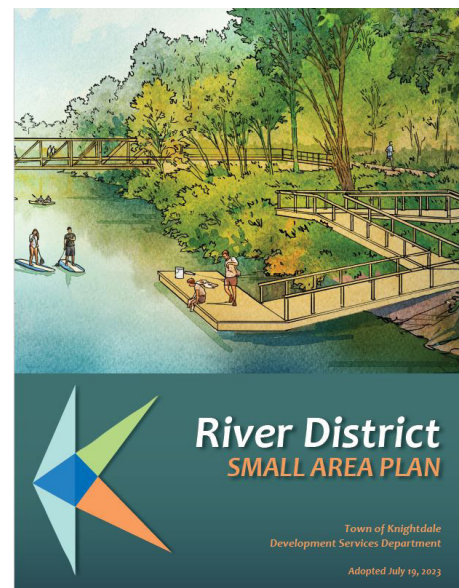
Parks and Rec. The map on the left, from the Comprehensive Plan, shows in varying shades of green the location of the parks operated by the Town of Knightdale, Wake County including the school system, and those in private neighborhoods.

Protection of Natural Environment. In the memory of many long-time residents, Knightdale was a farm town. They and many others are concerned about the loss of access to open spaces. In response, planners have focused intently on land preservation. The Knightdale Unified Development Ordinance sets forth strong requirements for environmental protections, tree save areas, required landscaping including street and lot trees, and open space. Future housing development should adhere to these requirements, protecting natural resources and conserving natural habitats.

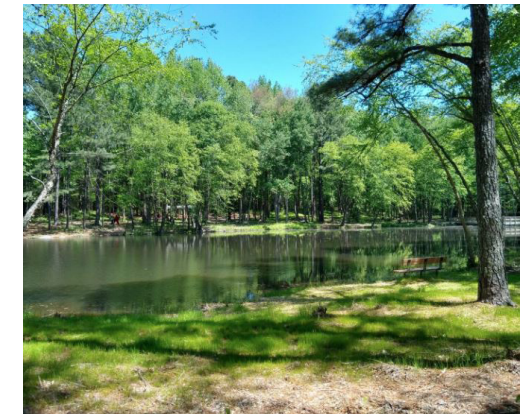


Knightdale Parks
 Wake County Open Space (including Schools and Mitigation Areas)
 Private Open Space (Neighborhood Facilities)
 Existing Greenway
 Study Area Boundary
 Knightdale Town Limits

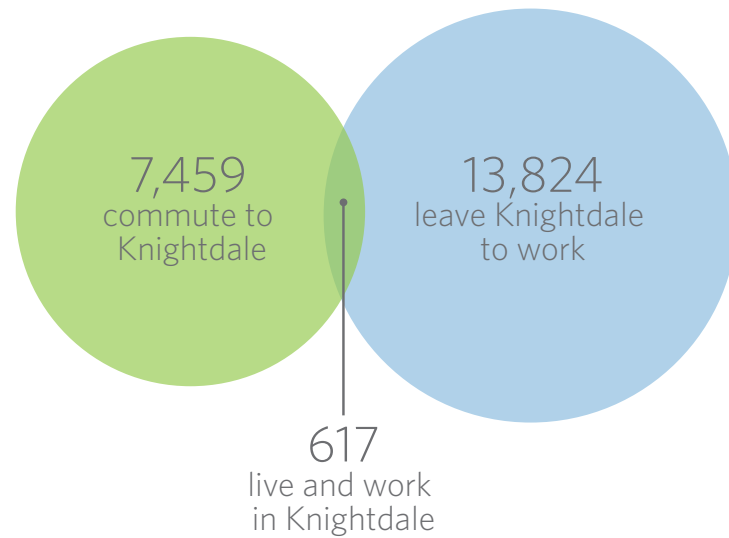
The River District. In the spring of 2023, the Town issued its River District Small Area Plan, a plan and vision for future growth on the western side of Knightdale, along the Neuse River corridor, to ensure the protection and enhancement of one of the defining natural and recreational spaces of the Town.



Bike Paths, Hiking Trails and Greenways. Knightdale people know that just beyond the commercial chaos and congestion of Knightdale Boulevard are open and natural spaces, including some yet untouched. The map to the right, lays out an ambitious network of bicycle paths, trails and greenways gently crossing throughout these open and natural spaces.

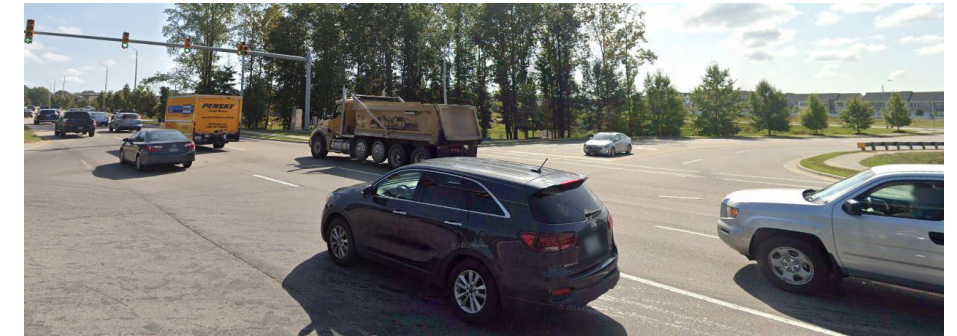


Inclusion and Affordability. Transportation, street networks, services and amenities, and parks and open space make a town livable, but equal importance in the livability equation is economic opportunity. Knightdale has been called a “bedroom suburb” in the past, and by some still today. But it should also be a place to work, to build a career, to find economic opportunity without having to commute to another city.



A Population of Commuters. The diagram on the left, from the Town of Knightdale’s Comprehensive Plan, reveals a striking fact of Knightdale life: most of the residents commute elsewhere for work, and most of the workers commute from elsewhere to work in Knightdale. Some of the higher-priced homes in Knightdale are affordable only to those who earn the kind of higher salaries available in the financial, professional, tech, and other knowledge industries of the Triangle. Meanwhile, two-thirds of those who work in Knightdale earn less than \$20 per hour, not enough to afford a typical Knightdale rental unit.

Professional Opportunities. “Management, business, and financial” occupations make up the biggest category of employment of Knightdale residents, but this type of employment takes place in Raleigh and elsewhere outside the Town. The Town has business and professional assets, like the office parks pictured below, but these must grow and be integrated into the fabric of inclusion and livability this Plan envisions.



Knightdale Boulevard. Knightdale Boulevard, pictured above, is an engine of economic activity. It’s lined with commercial and retail uses that generate employment. A large proportion of those employment opportunities are in the healthcare, retail, fast food, and hospitality industries – big Knightdale employment sectors but not necessarily those offering the best economic opportunities for people.

The Economic Development Strategic Plan. The Economic Development Strategic Plan recognizes that to recruit businesses and the higher-wage employment opportunities they bring, Knightdale must be inclusive and livable. The values and principles of community development that are encompassed by this Affordable Knightdale Plan and the Town’s other Plan initiatives are the same factors that will promote economic development and make Knightdale a place of economic opportunity.

RECOMMENDATIONS



The Town planners listened to the experts and to the people who live or work in Knightdale and developed a series of recommended policies and programs based on what they heard. This section of the Plan describes the recommendations. There are twelve key points, which are summarized below.



Affordable Housing Trust Fund. A pool of resources especially dedicated to the creation and preservation of affordable housing. The foundation and centerpiece of the Plan.



Land Acquisition Policy. A policy allowing for the strategic acquisition of land parcels to be dedicated to affordable housing development.



Capacity Building & Community Engagement. Steps toward developing the staffing and administrative infrastructure needed to implement the Plan and oversee affordable housing services and programs.



Housing Advisory Board. An advisory panel made up of community representatives that will assist with Plan implementation and make recommendations about affordable housing development to the Town Council and Town staff.



Zoning Incentives. Modifications to the Zoning Ordinance that would permit added residential density and streamlined procedures and offer incentives to create affordable housing.

Permanent Loan \$24M
Knightdale Loan \$0.8M
Wake Co. Loan \$1.7M
LIHTC Equity \$11.1M
Deferred Development Fee \$1.4M

Gap Financing. The use of Affordable Housing Trust Fund resources to provide low-cost financing to developers of affordable multi-family rental housing.



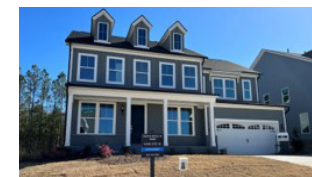
Development Partnerships. Partnerships between the Town of Knightdale and nonprofit developers to preserve and create affordable rental housing and homeownership opportunities.



Direct Assistance. Assistance directly to eligible homeowners and renters, subsidizing homeownership, repairs, supportive housing, and assistance to seniors and people with disabilities.



Expand Housing Options. Promote the development of housing types the market alone can't provide, including starter homes, accessory dwelling units, and cottage court concepts.



Mixed-Income Focus. Build mixed-income neighborhoods by incorporating affordable homes or lots into market-rate neighborhoods or subdivisions.



Permanent Affordability. Community land trusts and other ownership structures that offer ownership opportunities to lower-income homebuyers.



Inclusive, Livable Environment. Ensure that housing planning will incorporate principles of walkability, bikability, transit-oriented design, and proximity to schools, jobs, shops, and services.

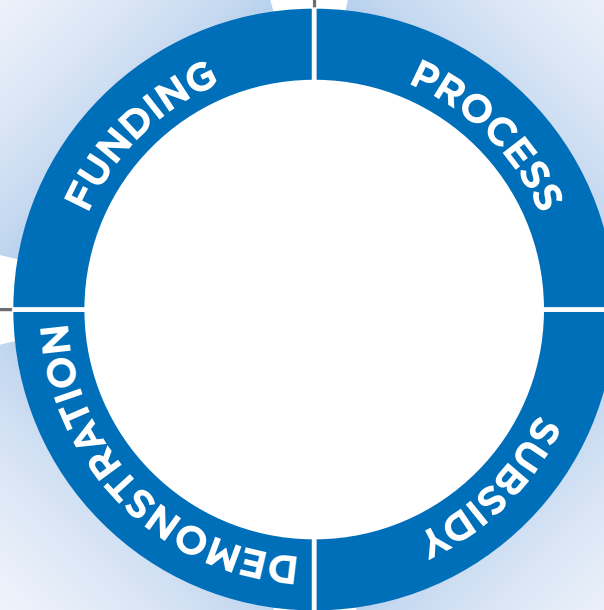
The twelve recommendations encompass a variety of methods, approaches, and interconnected program and policy goals. These can be summarized under the four main categories described on this page. There is some overlap between the categories: a single recommendation may have elements of more than one category. But overall, the categories provide a useful framework for thinking about the actions the Town will take under this wide-ranging Plan.

FUNDING.

This recommendation category includes initiatives to create a pool of funds dedicated to affordable housing, identify funding and other resource streams, and establish a system for management and accountability for spending. These include Affordable Housing Trust Fund and Land Acquisition Policy.

PROCESS.

This category consists of elements that build expertise and skills among local stakeholders in the affordable housing sector, and that establishes the kinds of organizational structures needed to deliver housing services effectively and implement the Plan initiatives. These include Capacity Building & Community Engagement, Housing Advisory Board, and Zoning Incentives.

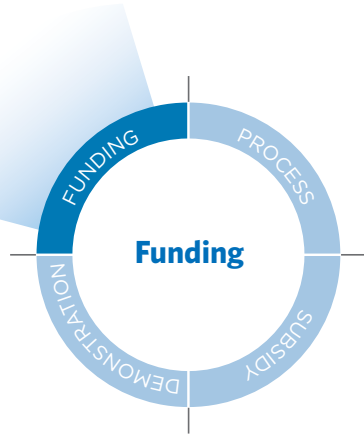


DEMONSTRATION.

Affordable housing planning means trying new things. This category consists of pilot programs and demonstration projects that align with the objectives of the Plan. These include Expand Housing Options, Mixed-Income Focus, Permanent Affordability, and Inclusive, Livable Environment.

SUBSIDY.

This category includes the various kinds of housing subsidies, whether direct assistance to individual homeowners and renters or support to developers for the creation or rehabilitation of affordable housing. These include Gap Financing, Development Partnerships, and Direct Assistance.



How it Works. The Housing Trust Fund will collect in one place the revenues that the Town has dedicated to affordable housing programs. These revenues might be one-time or occasional funding, or the Affordable Housing Trust Fund can be granted a recurring source of dedicated revenue. The first stage in implementation will be to study and select the funding streams that are feasible, reliable, and will provide adequate amounts to make a difference.

Affordable Housing Trust Fund. The centerpiece of the Funding category is the creation of an Affordable Housing Trust Fund for the Town of Knightdale. It will be the first time that the Town of Knightdale has set aside a pool of resources especially dedicated to the creation and preservation of affordable housing. The Trust Fund signals the Town’s decision to make housing a top priority of local government. The funds in the pool can be used for all kinds of projects and programs, from multi-family rental development, to down payment assistance, to repair and rehabilitation of affordable homes, to senior or supporting housing, and many others.

A wide variety of revenue tools are available to provide streams of funding into the Affordable Housing Trust Fund:

Town Treasury

New property tax levy

Allocation from existing property tax revenues

Developer payments

Donations from the community and philanthropy

HUD and other federal funds

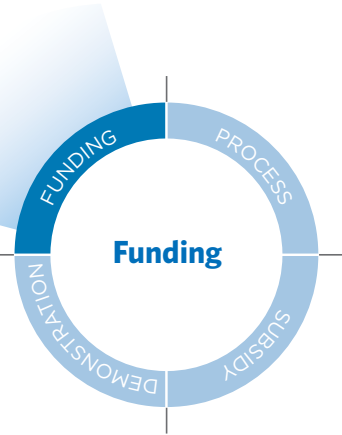
Recording fees



Partnership with Wake County

The Affordable Housing Trust Fund will form a key part of the ongoing partnership with Wake County Government in implementing this Plan, especially the Housing Affordability & Community Revitalization Department. In some cases, the Town may be able to provide adequate funding for a smaller-scale project, but in other cases, amounts generated from the Town’s Affordable Housing Trust Fund will be more effective when combined with Wake County contributions. When the housing goals of Knightdale and Wake County are in alignment, this kind of funding partnership will be easier to achieve.





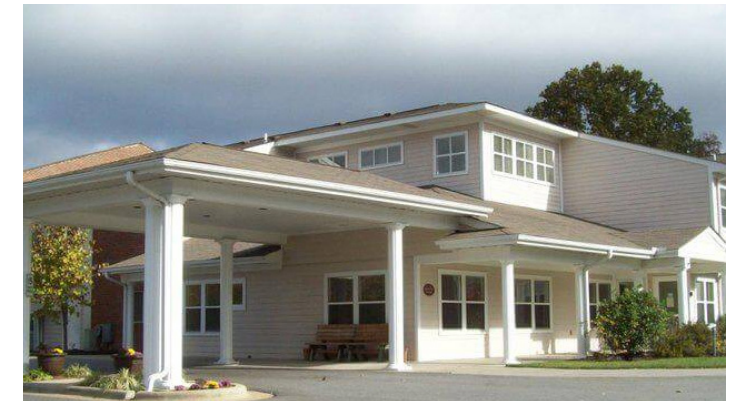
Established by Local Governments Everywhere.

Over 800 local governments around the United States have established Affordable Housing Trust Funds, making them one of the most popular and successful tools of affordable housing planning. Here are three examples of housing developments made possible by Housing Trust Funds established by North Carolina cities and towns.

\$7 million in gap funding from the Apex Housing Trust Fund in partnership with Wake County helped bring to reality the Broadstone Walk affordable housing development, providing 164 one-, two-, and three-bedroom units for households making 40% to 70% of the area median income.

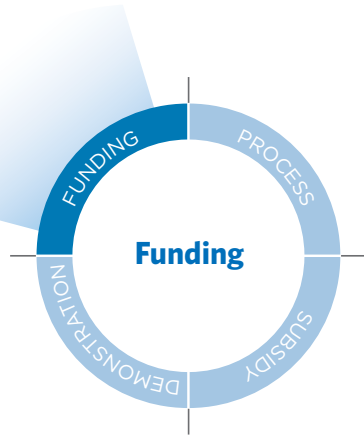


In 2022, the Asheville City Council allocated \$1.5 million of Housing Trust Fund dollars to construct Laurelwood Apartments, which included 50 new apartments and the rehabilitation of 52 apartments in the Shiloh neighborhood. Laurelwood Apartments are for seniors, offer one- and two-bedroom apartments and serve households with incomes at or below an average of 60% of the area median income.



Moore Place in Charlotte is a supportive housing development with 120 apartments for men and women who were once chronically homeless. Charlotte’s Housing Trust Fund provided a first round of support to Moore Place in 2010 for 85 units.





The Rising Cost of Land.

Affordable housing developments are resource-intensive. Financial resources are needed to defray the costs of development, and land resources are also needed. In fact, the rising cost of land is one of the steepest barriers to affordable housing development.



Land Acquisition Policy. The Town of Knightdale will adopt a policy allowing for the strategic acquisition of land parcels to be dedicated to affordable housing development. This policy will create a powerful tool the Town can use to encourage or support a housing project. Land resources can be deployed alongside funding from the Affordable Housing Land Trust or in lieu of cash.

The acquisition of land can be utilized for a variety of affordable housing goals and objectives:

Acquire land parcels for immediate development of affordable units within a new or existing market-rate subdivision as part of a mixed-income development strategy.

Acquire land parcels to be held and maintained by the Town in a land bank for future affordable housing development.

Acquire and preserve vacant land along transit corridors or adjacent to parks or open spaces for future use as part of an inclusive, transit-oriented development process.

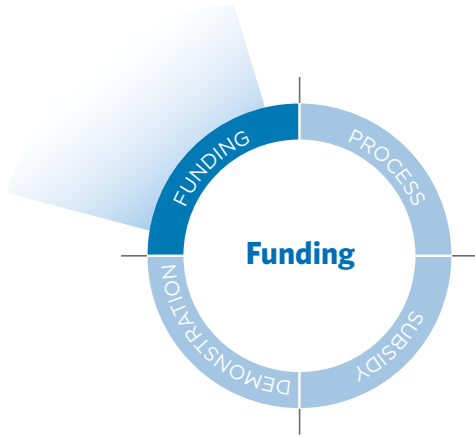
Acquire older homes in targeted areas to stabilize neighborhoods and protect them from market pressures and the loss of naturally-occurring affordable homeownership.

Acquire obsolete structures to make way for more intensive development of affordable housing.

Partnership with Wake County

Knightdale’s land acquisition program can benefit from its partnership with Wake County Government in several ways. Wake County has had its own acquisition program, in service not only to affordable housing but to open space and other development goals, and can provide guidance and technical assistance to Knightdale. In addition, as with other elements of this Plan, Wake County and the Town of Knightdale can pool resources to be more effective in identifying, evaluating, and successfully acquiring appropriate land parcels.





Other Wake County towns and cities have utilized land acquisition policies to further a variety of strategic goals, including transit-oriented development, preservation of naturally-occurring affordable housing, and creation of new affordable housing.

Earlier this year, the City of Raleigh acquired four properties along New Bern Avenue for future affordable housing development. This is a case where land acquisition was used to facilitate a future transit-oriented development plan. The parcels are located along a planned bus rapid transit corridor. An existing affordable housing complex is located on one portion of the site, while another portion of the site will be held for future affordable housing opportunities.



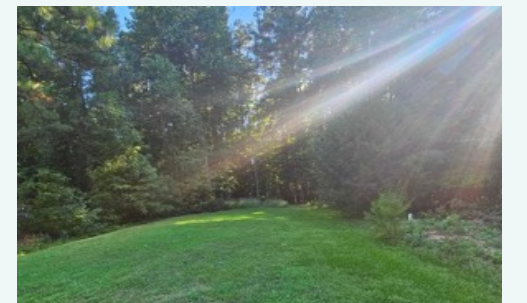
The Northside and Pine Knolls Community Plan was aimed at the preservation of traditionally affordable Black neighborhoods in Chapel Hill. Among the many contributions of community partners including the University of North Carolina, Self-Help, and the Jackson Center, was the acquisition by the Town of Chapel Hill of properties and land parcels in the Northside and Pine Knolls neighborhoods and along transit corridors.

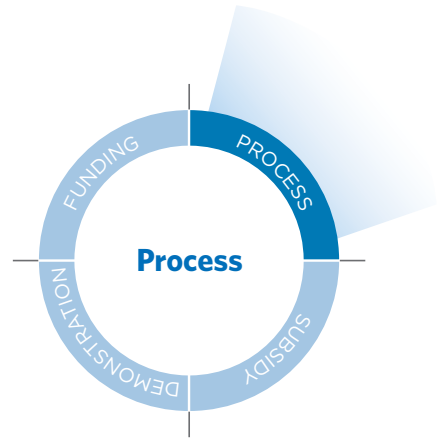


Land purchase was also a key ingredient in the development of the Parkside Apartments in Raleigh, with 144 one-, two-, and three-bedroom apartments serving households earning between 30% and 80% of the area median income. The County approved \$6 million to purchase land for the project, subject to approval of tax credit financing. The land is to be leased to the Wake County-based developer specializing in affordable housing.



The Affordable Housing Plan of the Town of Apex in Wake County calls for the adoption of a program to assess the feasibility of already-publicly-owned parcels, and identify opportunities for new land purchases, for affordable housing development. Apex shares with Knightdale the experience of rising land prices and the need for as many tools as possible to address its housing challenges.





Capacity Building. A key element of the Plan is to create internal capacity with Town of Knightdale staffing. Oversight and implementation of the Plan extends beyond the Town’s current capacity. Dedicated staffing will allow for the establishment of clear, routine communication with Wake County, stakeholders, and the community, creation of an annual reporting program, operation of a Housing Resource Center, and establishment of a Housing Advisory Board.

Community Engagement. The Town of Knightdale recognizes that partnerships not only with Wake County but with community leaders and organizations are crucial to the Plan’s success. Maintaining open and regular dialogue with the community builds trust and support for the Plan. Prioritizing outreach and education will allow more people in need to be assisted, and it allows the Town to receive feedback on program performance.

Dedicated Staffing. The Town should account for a dedicated full-time staff member in annual position projections. This staff member will be responsible for implementation of the Affordable Knightdale plan, with the assistance and oversight of Town Council and other partners. They will be a liaison to the community and future Housing Advisory Board. As staffing positions are created, the Town should invest in training opportunities to promote informed decisions on housing priorities and strategies.

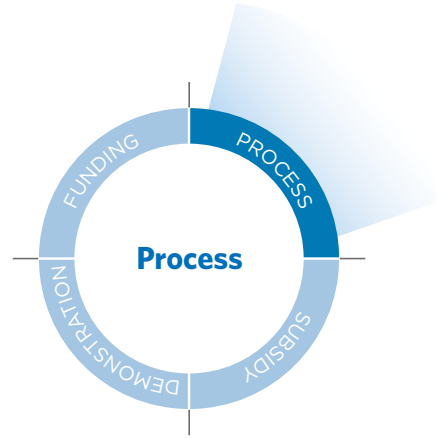
Annual Reporting. The Town should publish an annual report that accounts for all spending and provides key housing metrics. The report may include Affordable Housing Trust Fund revenues and allocations, number of affordable units produced or preserved, households served, and land acquisitions or dispositions.

Housing Resource Center. This center will be a central clearinghouse for housing related information, referrals, counseling, and services. Additional information and ideas are presented in the following pages.

Partnership with Wake County

Wake County Government has a well-established Housing Affordability & Community Revitalization Department dedicated to helping Wake County residents gain and maintain safe, affordable housing. Priority should be given to fostering and building the Town’s existing relationship with the County in order to leverage a greater pool of resources and expertise. Care should be given to avoid redundancies and inefficiencies with new programs. Collaboration opportunities can be increased by establishing regular check-ins between the Town and County.





Housing Resource Center. The Housing Resource Center will be a much-needed central clearinghouse for housing related information, referrals, counseling, and services. It will gather under one roof a wide variety of functions, like those listed below, ranging from direct financial assistance to renters and homeowners, to support for those experiencing homelessness or transitioning to stable housing, or simply someone who seeks a home they can afford.

The Housing Resource Center will begin its life as an online tool, with up-to-date information about resources and services. It will incorporate Town resources and services and will rely as well on Wake County’s resources and services to avoid duplications and inefficiencies. As the Town continues to develop internal capacity, a full-time dedicated staff member will be assigned responsibility for the operation of the Housing Resource Center.

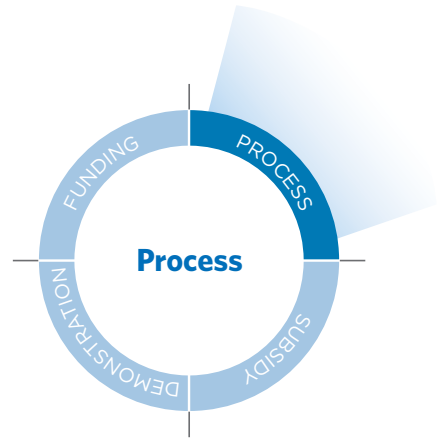
A Variety of Approaches. Other cities and towns around North Carolina and the region have had success with various kinds of resource centers. Greensboro’s Housing Hub brings under one roof several housing organizations which together offer housing counseling, foreclosure prevention, healthy homes, home repair, affordable housing, and housing development services. The TEAM Project, a partnership of Legal Aid NC and UNCG’s Center for Housing and Community Studies, provides a one-stop suite of services to renters at risk for eviction. At the Housing Resources Center of Virginia Beach, Virginia, municipal, faith, and nonprofit partners combine forces to prevent and remedy homelessness, connecting clients to housing, employment, shelter, and social and health care services.

-  **HOUSING COUNSELING:** Information and advice to those seeking, financing, maintaining, renting, or owning a home.
-  **HOUSING REFERRALS:** An up-to-date listing of available safe and affordable rental opportunities.
-  **RENTAL ASSISTANCE:** Funding as it becomes available to provide emergency assistance to pay the rent.
-  **RESOURCE NAVIGATION:** Linking at-risk tenants and homeowners to social, health, employment, and other services.
-  **HOMELESS SERVICES:** Work with the Wake Continuum of Care to coordinate services, referrals to shelters and supportive housing
-  **TENANT TRAINING:** Educational programs on tenant rights and obligations, housing code enforcement, and many other topics.

-  **HOMEBUYER EDUCATION:** Education and counseling for new homebuyers on financial literacy and affordable homeownership.
-  **LEGAL ASSISTANCE:** Partnering with Legal Aid NC to connect eligible tenants and homeowners with legal help when needed.
-  **EVICTION DIVERSION:** Legal Aid and other resources to intervene when a tenant is at risk for eviction or has received eviction papers.
-  **LANDLORD TENANT MEDIATION:** Voluntary and free of charge, a way to resolve landlord-tenant disputes without going to court.
-  **LANDLORD ENGAGEMENT:** Understanding landlords’ concerns, reaching out with information and assistance.
-  **HOUSING VOUCHER ACCESS:** In partnership with the Wake County Housing Authority to answer questions and help with vouchers.

-  **HEALTHY HOMES:** Assistance with health and safety hazards in the home, code enforcement, and repair programs.
-  **REPAIR AND REHABILITATION:** Referrals and information about weatherization, lead-safe, repair, and rehabilitation.
-  **HOMEBUYER ASSISTANCE:** Access to first-time homebuyer assistance, down payment, and low-cost loan programs.
-  **SENIOR SERVICES:** Working with seniors to meet their special needs, including senior housing and affordable downsizing.
-  **POLICY DEVELOPMENT:** Staff will be knowledgeable about programs, policies, and legislative initiatives affecting housing.
-  **HOUSING ADVOCACY:** An advocate for Plan implementation and for all who seek safe, decent, and affordable housing.



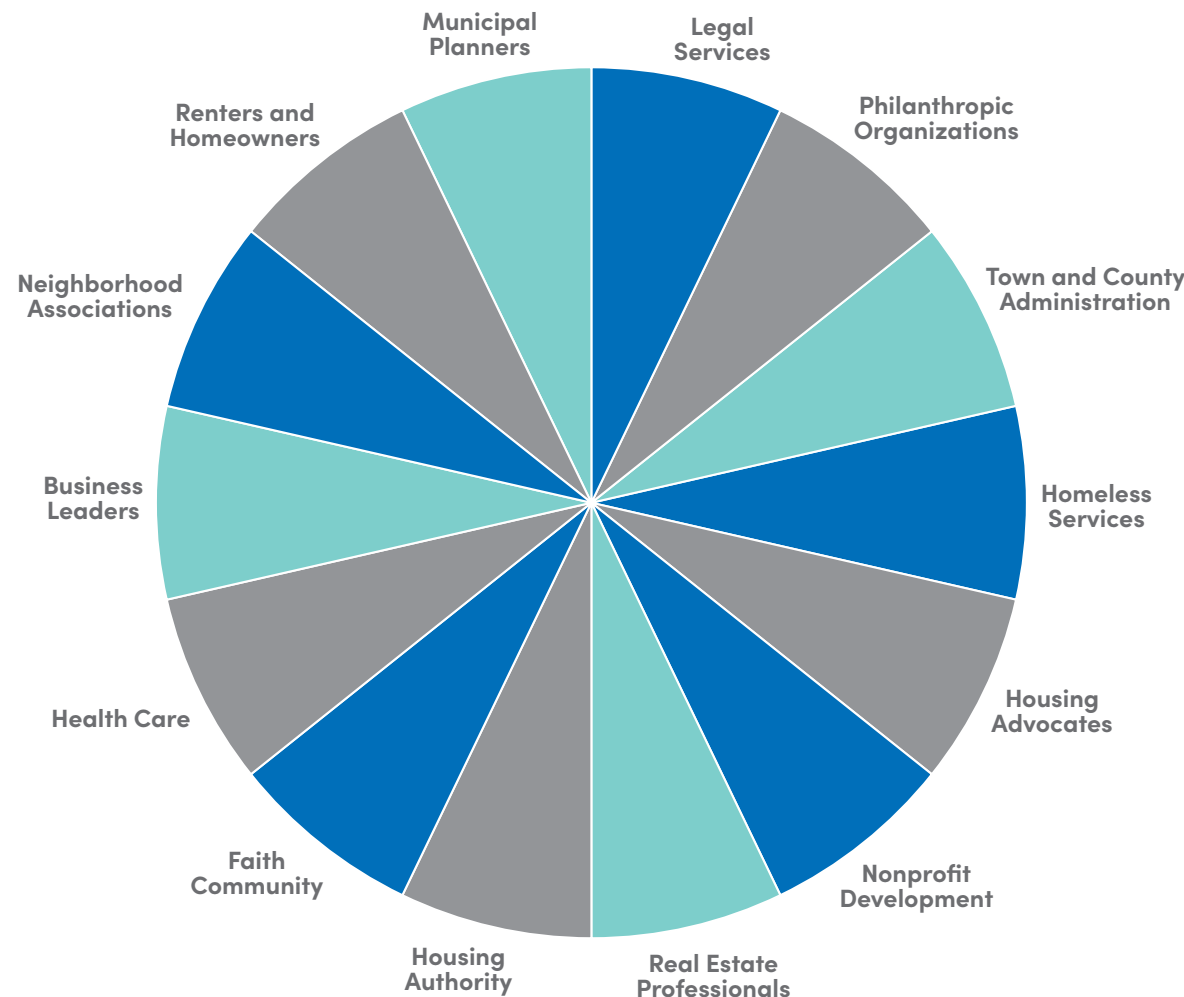


Board Membership and Administration.

As shown in the chart, the members of the Housing Advisory Board should represent a broad cross-section of life in Knightdale and Wake County. The Town Council, in consultation with staff, will appoint members and set board functions. A dedicated Town staff member will serve as the liaison to the board and be responsible for the day-to-day management of the Plan implementation.



Housing Advisory Board. After the Town builds internal capacity with dedicated staffing, a Housing Advisory Board can be created. Board membership will be diverse and focused on members who provide expertise in housing policy, know the effect of housing shortages on vulnerable populations, and are familiar with the abundant resources available in the area.



Roles of the Board. The Board will be advisory in nature and make recommendations to the Town Council.

Aid in identifying and developing housing opportunities that meet the needs of the Knightdale people.

Work with the dedicated Staff liaison to monitor and track progress of plan implementation.

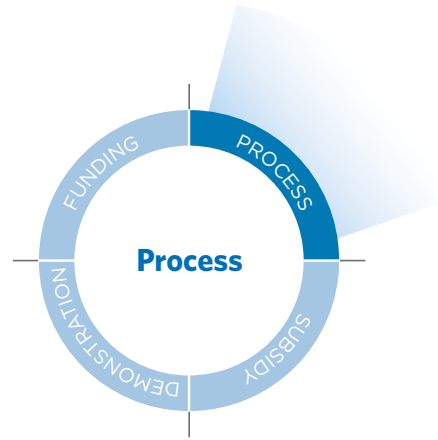
Help identify possible revenue sources for the Affordable Housing Trust Fund.

Evaluate each funding source’s potential size, parties needed for implementation, and any obstacles expected to be encountered in realizing the funding source.

Review funding requests from the Trust Fund, propose priorities for allocations, and make recommendations for deployment of funds.

Assist with educating the public about the costs and benefits of the Plan’s components, build support, and mobilize public opinion.

Assist as needed with the operations of the Housing Resource Center.



Promoting Inclusivity and Affordability. This element of the Plan will use Knightdale’s zoning code, called the “Unified Development Ordinance,” to promote the goals of the Plan in two ways. One, it will offer zoning changes that will modestly increase density and thus lessen the monopoly that single-family zoning now enjoys in many districts. Two, it will use the procedural aspects of the zoning code, including rezoning and other approval processes, to create incentives for landowners and developers to support affordable housing initiatives.

Single-Family Zoning Reform. The Plan will explore new ways to add density, increasing the housing supply without dramatically altering the character of residential neighborhoods.



Accessory Dwelling Unit By Right. The Unified Development Ordinance will be amended to allow creation of accessory dwelling units (ADUs) by-right – that is, requiring no special approval – in single-family districts. An ADU is a second housing unit added to a lot on which a single-family home currently stands. It can be an addition to the house, in or above the garage, or as a free-standing unit, and must comply with square-foot, location, parking, and other limits.



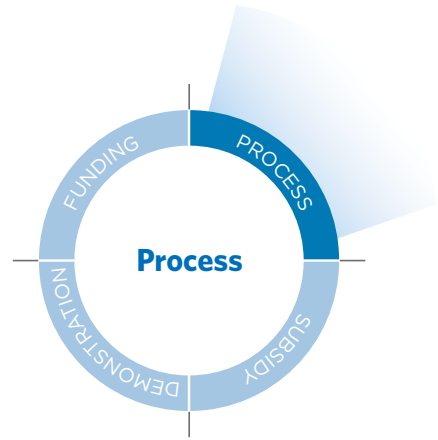
Missing Middle. Knightdale has already welcomed townhomes, duplexes, triplexes, and quadraplexes – the housing types that fit between detached single-family homes and larger apartment buildings on the density scale. The Town will consider ways to add missing middle development where appropriate, including in areas where it hasn’t yet been permitted.



Livable Neighborhoods. The Town will focus on more than housing types to explore other zoning ordinance modifications that will help it reach the goal of creating inclusive, livable neighborhoods. It will encourage the development of affordable housing in various parts of the Town, avoiding concentrations of poverty. It will consider ways to add mixed use and traditional neighborhood characteristics to zoning districts. It will seek development in proximity to open spaces and transit hubs and corridors.

Traditional Zoning.

The traditional zoning approach, used in Knightdale as in most American cities and towns, dates from the 1920s, when the U.S. had been urbanizing and industrializing. The main goal then was to separate residential, industrial, commercial uses – a worthy goal that prevented noise and pollution from intruding on residential areas. Urban workers had long been living in multifamily dwellings, but these so-called tenements were deemed unsanitary and unsafe. The new residential ideal was the single-family home on its own parcel of land. This became the norm, but today we have a greater understanding of how this approach keeps the housing supply low and prices high, excludes lower-income homebuyers, and harms the climate. Until now, neither inclusivity nor affordability were goals of the zoning system.



Innovative Zoning in the US. Cities and towns throughout the nation are finding new and bold zoning solutions to their housing challenges. Seattle added smaller residential lots. Minneapolis eliminated single-family zoning. Fairfax County, Virginia, eased height and density restrictions in target areas such as transit stations. Chapel Hill, NC, explored the relationship between form-based zoning and affordability. This movement will continue in years to come, and Knightdale will be in the forefront.

Voluntary Incentives. A second way the Unified Development Ordinance affects housing affordability is by making market-rate housing production the norm. Under this Plan, Town planning and development teams will encourage developers to build affordable housing projects or to include more affordable units in their market-rate projects.

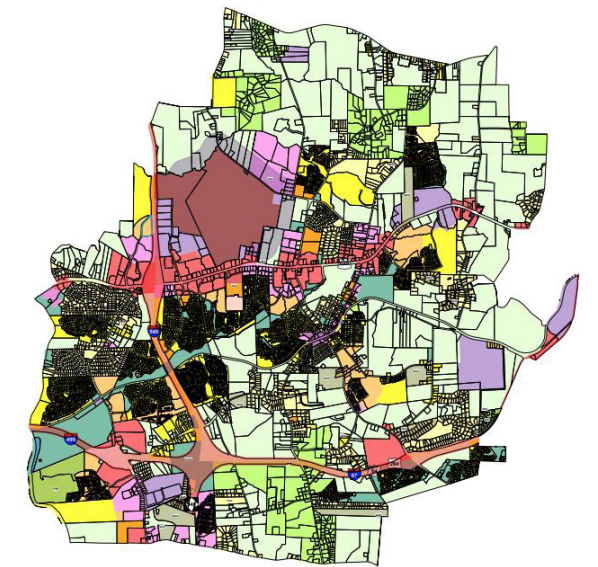
A Menu of Benefits. The Plan calls for the Town of Knightdale to use rezoning, variance, and other land use proceedings to encourage affordable housing production. In appropriate cases, incentives will be offered in exchange for inclusion of affordable units in a development. For example, developers who commit to provide affordable units would receive incentives such as relaxed dimensional standards or increased density.



Streamlined Approvals. Knightdale can make the process of obtaining approvals for affordable housing less time-consuming and expensive. Affordable housing developments could be given special treatment, to relieve bottlenecks and process applications outside the normal queue of development approvals.

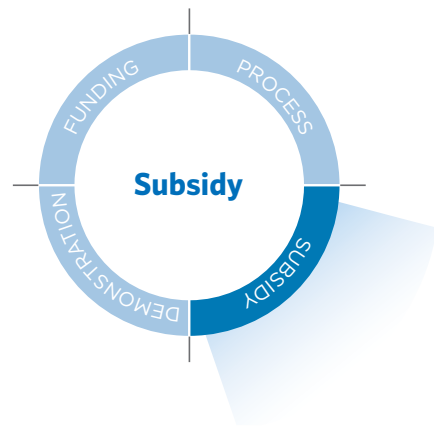


Contributions to Trust Fund. For market-rate developments where affordable units are still not feasible, the Town will offer the same menu of incentives to developers who make contributions to the Affordable Housing Trust Fund. Contributions may also be appropriate where developers fall short of the promised number of affordable units.



Zoning Map.

The map above shows the variety of uses currently permitted in Knightdale and surrounding areas of the County. Color coded sections indicate rural, transitional, residential, mixed-use, manufacturing, industrial, and business uses.



What is a Funding Gap? The financing of affordable housing is a challenge for developers. The rents charged to tenants have to be high enough to pay off the loans used to build the project, and the costs of operation, and make a profit. If the loans are obtained from banks and other market sources, rents affordable to low- and moderate-income tenants might not be enough to make it work. This is the “gap” between development costs and the revenue generated. Gap financing can be used in Low Income Housing Tax Credit projects and in other kinds of affordable housing projects.

The LIHTC Program. The Low Income Housing Tax Credit (LIHTC) Program is the federal government’s primary tool for subsidizing affordable multi-family rental housing. LIHTC financing structures are complex, but in essence the project costs are funded by loans – sometimes several layers of loans provided by banks and government agencies – and by equity contributed by investors who then receive a dollar reduction in their federal tax for each dollar of equity contributed.

Gap financing is frequently utilized by local governments to help reduce financing costs, making it financially feasible to make rents affordable to lower-income households than might otherwise be possible. The diagram below shows a hypothetical example of a LIHTC financing, with development costs of \$30.4 million, and two financing scenarios, one utilizing an expensive layer of subordinated financing and the second replacing that layer with low-cost gap funding from Knightdale and Wake County.

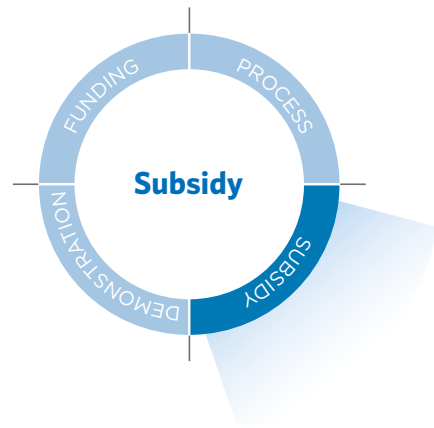
<p>Land Cost \$1.0M</p> <p>Site Work \$2.3M</p> <hr/> <p>Construction \$22.2M</p> <hr/> <p>Soft Costs \$1.4M</p> <hr/> <p>Financing Costs \$2.0M</p> <hr/> <p>Developer Fee \$1.5M</p>	<p>Permanent Loan \$15.9M</p> <hr/> <p>Subordinate Loan \$2.5M</p> <hr/> <p>LIHTC Equity \$11.1M</p> <hr/> <p>Deferred Development Fee \$0.9M</p>	<p>Affordable Units. A typical Knightdale LIHTC development of this size might offer 75 one-, two- and three-bedroom units for renter households with incomes at 50% or 60% of Area Median Income, at rents ranging from \$900 to \$1,600.</p>	<p>Permanent Loan \$15.9M</p> <hr/> <p>Knightdale Loan \$0.8M</p> <hr/> <p>Wake Co. Loan \$1.7M</p> <hr/> <p>LIHTC Equity \$11.1M</p> <hr/> <p>Deferred Development Fee \$0.9M</p>
<p>Development Cost = \$30.4M</p>	<p>Typical LIHTC Financing</p>		<p>With Gap Financing</p>

The Project Is More Affordable.

Offering a lower-cost layer of financing can make it financially feasible to include more affordable units, to make them more deeply affordable – that is, affordable to lower-income households – and to provide services that otherwise would be harder to provide, such as housing for seniors or for families transitioning from homelessness.

The Town Gains Influence.

The ability to offer gap financing also makes the Town a partner in the project and gives it added influence over important development decisions. For example, the development market alone might dictate a decision about where the project should be located, while a different location might be more in the public interest. The Town might also gain influence over decisions about the long-term status of the project and the duration of the affordability period.



Gap Financing Works for Projects Other Than LIHTC. LIHTC is a versatile and time-tested program for development of affordable housing, but many other development models need help filling the funding gap. This could include community-funded nonprofit ventures like those discussed in these Plan recommendations. It could come in the form of loans, or donations of land, or grants from the Affordable Housing Trust Fund. Even a small local contribution can make the difference, bringing the project to Knightdale that otherwise might have been built in a different community.

LIHTC Development in Knightdale. The Town of Knightdale has had five LIHTC projects going back to 1990, accounting for 272 affordable units. Four of the projects are featured here (including the two phases of Park Place). With creative financing and a strong Plan, Knightdale could reap even greater benefits from this important program in the future.



Laurel Crossing. Placed in service in 2013, Laurel Crossing is the most recent addition to the LIHTC inventory in Knightdale. With attractive design, a central location near downtown, and 60 affordable one-, two-, and three-bedroom units, this is a successful LIHTC project in Knightdale.



Mingo Village. This development, with 76 subsidized apartments, is adjacent to the larger mixed-income Mingo Creek development, located in the western part of the Town. It includes market-rate apartments, townhomes, and detached homes for rent as well as for sale.

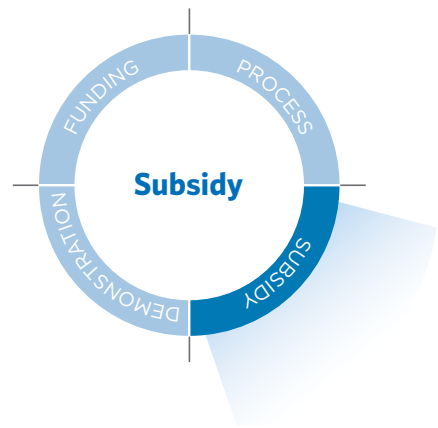


Park Place. Park Place is located in the central part of the Town near downtown. It opened in two phases in the late 1990s, with a total of 100 two- and three-bedroom apartments.

Partnership with Wake County

While Knightdale is small, it is part of a strong regional partnership, with a strong commitment to affordable housing led by the Wake County Housing Affordability and Community Revitalization Department and other important Wake County governmental stakeholders. In their own influential Affordable Housing Plan, Wake County recommended that the County and municipalities work together to pursue funding mechanisms. The two partners will pool their resources to make gap financing even more effective than the Town could achieve on its own.





For-Profit and Nonprofit Developers. An important principle of this Plan will be to encourage the participation of nonprofit developers and contractors in affordable single-family and multi-family development. For-profit developers do play a vital role in the Knightdale housing economy, taking the lead role in the busy home-building activity going on right now, creating new subdivisions, adding to the housing supply, and offering a range of housing choices. But the private for-profit housing market cannot adequately meet the needs of low- to moderate-income renters and homebuyers. Therefore, this Plan recognizes the advantages the Town will achieve through building of development partnerships in the nonprofit sector.

Public-Private Partnership. Through partnerships between local government and nonprofit developers, the Town of Knightdale will achieve the maximum of flexibility in structuring, financing, and managing affordable housing development. The U.S. Department of Housing and Urban Development called these partnerships with nonprofits “essential” tools in leveraging funding and supporting community needs.



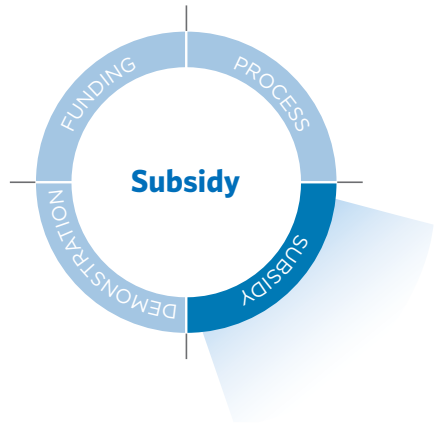
Community-Based. Nonprofit development is community development, building vibrant and sustainable communities, where residents can thrive. Many nonprofit developers are local or regional, know their neighbors, and aren’t picking up stakes as soon as the project is completed.

Favored LIHTC Status. North Carolina reserves ten percent of tax credit funding to projects involving nonprofit organizations. Nonprofit partners may also be eligible for a right of first refusal at the end of the compliance period, ensuring longer-term affordability.

Creative Financing. Nonprofit developers can tap into funding sources that others can’t, including federal subsidies and contributions from foundations and members of the community, and they can dedicate the time and expertise to complex local partnership financing structures.

Serving the Most Vulnerable. While for-profit development firms understandably must maximize profits, nonprofit developers’ mission is to serve the most vulnerable members of the community: those with low income, seniors, the homeless, and people with disabilities.

Management and Organization Capacity. A community-based nonprofit agency may have strong relations with the local community and thus more likely to have the expertise to perform effective resident services, as contrasted with a hired corporate property manager.



Wake County Nonprofit Developers. The Town of Knightdale invited several nonprofit developers to participate in the community dialogue it conducted as part of this planning process. These developers offered valuable insights and perspectives about community-led affordable housing development in Knightdale. These are experienced and capable regional developers. They can play an important role as partners in Knightdale’s future – and some are doing so already.

CASA. Raleigh-based CASA builds supportive housing, veterans housing, and workforce housing, as part of a strategy to prevent homelessness. CASA has pioneered the capital campaign approach, forging partnerships between local governments, businesses, foundations, and members of the community to raise the funding needed to create affordable housing.



King’s Ridge. This Raleigh project will have one hundred permanent supportive housing units for individuals and families transitioning from homelessness. Residents will pay one-third of their income for rent, and will have easy access to case management, employment assistance, mental health counseling, substance abuse treatment, and other supportive services.

Habitat for Humanity. Habitat for Humanity of Wake County has built more than 850 safe, affordable, energy-efficient homes throughout their service area, including in Knightdale. Through a network of sponsors and community supporters, they work to make homeownership achievable to those who would otherwise be closed out of the market.



Flowers Place. This small subdivision, to be completed summer of 2024, will have 17 detached single-family homes. It will be aligned with the goals of KnightdaleNext, being an infill development within walking distance to the Old Town district near downtown, having a community playground and additional open space, and following the principles of compact design.

DHIC. A leading regional developer based in Raleigh, in business since 1974, DHIC has built over 3,200 rental apartment homes for families, seniors, and those transitioning from homelessness or having special needs, and more than 400 affordable homes for sale, and they have worked with low-income families to prepare for homeownership.

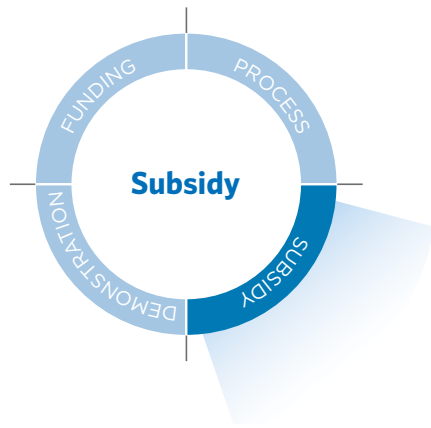


Willard Street Apartments. An example of a project developed in partnership with local government, this 82-unit complex was opened in 2021 for households with incomes from 30% to 60% of area median income. The City of Durham together with DHIC and the Self-Help Ventures Fund secured \$17.4 million from tax credits, loans and contributions.

Raleigh Rescue Mission. This 60-year-old nonprofit organization provides services to people experiencing homelessness, including life skills and vocational training, childcare, as well as transitional and permanent housing. They prepare clients to enter the workforce, to build skills, and to move into rental housing and eventually to own a home.



Project Hope. Raleigh Rescue Mission and Lennar Corp., one of the nation’s largest home builders, are teaming up to create an affordable housing community in Knightdale. The 60-acre project will include a central facility with transitional housing for up to 300 residents, 24 affordable apartments, and a market-rate single-family development, with shared recreational and event space.



Direct Assistance to Renters and Homeowners. The Town of Knightdale, in partnership with Wake County, will offer direct assistance of various kinds to income-eligible renters and homeowners in need of help in obtaining affordable housing or keeping the housing they have. These are small-scale interventions that local governments can do, with a modest expenditure and a tailored approach that addresses the needs of individual Knightdale residents and those who would like to be able to afford a home in Knightdale.

A Variety of Programs. On this page are a few examples of direct assistance programs that are often provided by local governments across North Carolina. On the next page are existing Wake County programs to which Knightdale can refer its residents and make sure they get connected.

Down Payment Assistance. These programs provide grants or loans to fund the down payment and closing costs for home buyers who otherwise have good or repairable credit and are ready for homeownership. Often the loans are forgiven after a minimum period of tenure.

Repair and Rehabilitation. Owners of older homes they purchased years ago and when interest rates were lower, often enjoy the benefits of affordability that new owners struggle to achieve. But to keep their homes, they may need help with major repairs, weatherization, or lead remediation.

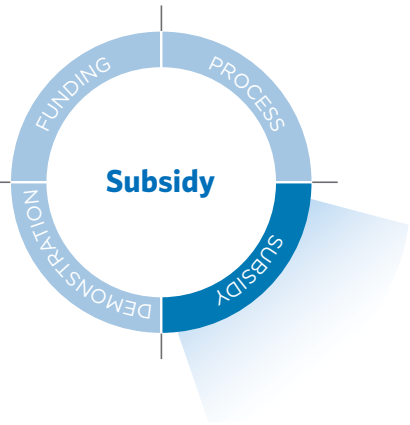
Emergency Rental Assistance. During the pandemic, the federal government furnished billions in emergency rental assistance to help those laid off and otherwise affected. That funding expired, but the power of rental assistance was demonstrated and could still be an important tool.

Help With Utilities. Utility bills can rival rent itself in size and in their ability to affect housing security. Weatherization initiatives and repairs to leaky windows help, but on occasion, direct support for bill payment can fend off an emergency for a struggling renter or homeowner.

Eviction and Foreclosure Prevention. Displacement is a risk for many residents facing high rents and mortgage payments. Local governments can help in a variety of ways, including funding as well as linkage to counseling, legal, mediation, and social services that might be needed.

Housing and Health. Many of the direct assistance programs offered by local governments address the health effects of unstable or substandard housing. Evictions, crowding, mold, poor ventilation, broken windows, strained finances, neighborhood resources, and of course homelessness, all have proven negative effects on the physical and mental health of children and adults.

Integrating Health into Housing Policy. Direct assistance programs that help people gain access to safe housing, provide financial assistance, weatherization and repairs, and prevent evictions and foreclosures can immediately and directly improve the health of renters and homeowners.



Knightdale and Wake County Assistance Services.

Knightdale may create assistance programs on its own initiative, using funds from the Affordable Housing Trust Fund. People seeking help could reach these programs through the Housing Resource Center. Also accessible through the Resource Center will be those programs offered by Wake County and described on this page. Knightdale need not duplicate a service that is already being provided by their Wake County partners.

Partnership with Wake County



Affordable Homeownership Program. Wake County and DHIC together offer a program providing forgivable, no-monthly-payment loans up to \$20,000 to low- and moderate-income Knightdale households. Loans can be used for home purchase assistance or foreclosure prevention.

Emergency Grant Program. This program offers up to \$5,000 to homeowners with income not exceeding 50% of area median income, to cover repair issues likely to cause immediate or near-term danger to the occupants, including heating systems repairs, septic tanks, and roof hazards.

Well and Septic Repair Program. This pilot program will offer financial assistance to low-income households to make well and septic repairs, to ensure all have access to clean, reliable drinking water and are safe from untreated sewage.

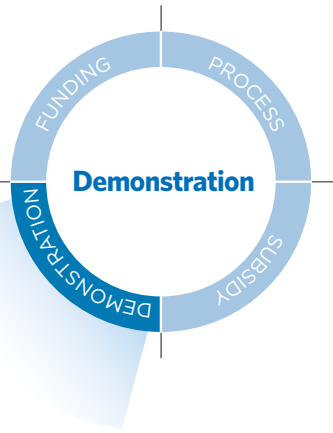
Housing Provider Partners. The Landlord Engagement Unit/Housing Provider Partners Incentive Program offers incentives to landlords willing to rent to individuals or families seeking stable affordable housing.

Elderly and Disabled Grant Program. Another repair and rehabilitation program offering up to \$20,000 per homeowner. This one targets homeowners who have income not exceeding 50% of the area median income, are at least 62 years old or have a disability, and meet certain valuation and asset limits.

Major Repair Program. Wake County will provide up to \$90,000, in the form of a loan which is forgivable over time, to income-eligible homeowners for major repairs to their homes.

Supportive Housing Vouchers. This program provides housing search, move-in assistance, tenant stabilization, crisis intervention, health care and other supportive services to Knightdale residents who qualify for one of several hundred “wrap vouchers.”

Homelessness Prevention. This is an emergency resource for Knightdale residents who are in a housing crisis and at risk of experiencing homelessness. The program provides support services to help residents remain in their current homes or to identify alternative permanent housing.



Expand Housing Options.

This Plan calls for the Town of Knightdale to explore, experiment, support, and demonstrate innovative housing solutions, to move away from the simplified approaches that no longer address the 21st century needs of Knightdale and Wake County people. On this page, ideas are presented that expand the single-family option, and on the next page are multifamily ideas. Together these promise a variety of alternatives to what the market now has to offer.

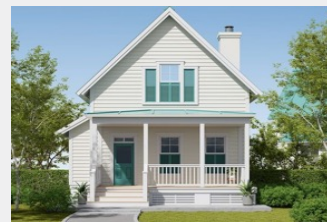
Single-Family Living. Knightdale’s building boom of the past several years has resulted in a big increase in the supply of larger detached single-family homes. There is no shortage of homes now that are 2,000 to 4,000 square feet in size. Price tags of \$500,000 and \$600,000 are common. There is a demand for these homes, from growing Knightdale families and new arrivals from Raleigh and other parts of the region or the country – a demand that the market is meeting. But there is an unmet demand for other options. Young families just starting out need a “starter home.” Seniors whose children have gone off to start their own families and now need to downsize affordably. Folks who desire the feeling of community that a shared common space can offer.



Townhome. A multi-story house attached to one or more similar houses by shared walls. Sometimes called “attached single-family homes” or “row houses,” Knightdale has built a number of these and has more in the pipeline.



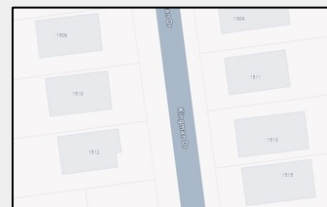
Accessory Dwelling Unit. A smaller, independent dwelling unit located on the same lot as a detached single-family home. Amendments to the zoning ordinance will allow homeowners to build an ADU without having to seek approvals from the Town Council. These are small: 450 to 800 square feet in size.



Starter Home. The name came from a family’s “first home,” but it could be desirable at any time in a family’s life. For the purposes of this Plan, it simply means a smaller home – 1,000 to 1,400 square feet. They accommodate the growing proportion of the population who live alone or in small households.



Cottage Court. A variation on the small house is the cottage court, a cluster of small, detached homes facing a shared court and ranging in size from 500 to 1,400 square feet. This design fosters a sense of community. Zoning changes are needed for the homes to be grouped on one land parcel.

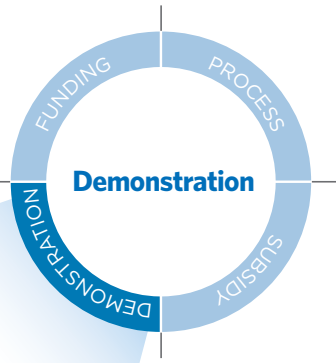


Small Lot Size. Some of Knightdale’s residential zoning districts normally permit up to three dwelling units per acre (GR3) or up to eight per acre (GR8). Rezoning to Urban Residential (UR12), Residential Mixed Use (RMX), or Neighborhood Mixed Use (NMX) could allow a variety of lot sizes, increased density, and commercial and retail uses.

ADU Designs. ADUs come in many forms: freestanding, attached to the main house, in or above the garage, in the basement, or on an upper floor. These can provide a dwelling for a family member or they can create a rental income for the homeowner. Many off-the-shelf designs are available to facilitate development.



Adapted from the ABCs of ADUs



Multifamily Living. Large and mid-sized multifamily housing already supplies a significant amount of Knightdale housing options, with apartment developments having sixty or more units accounting for 27% of Knightdale dwelling units in 2022. But smaller multifamily structures had only a 3% share, and these “missing middle” housing types can play an important role in expanding housing options in Knightdale. These innovative duplexes, triplexes, and multiplexes can gently increase density, boosting the supply of housing while also promoting affordability and supporting vibrant, walkable neighborhoods. Larger apartment complexes aren’t always appropriate for neighborhoods that have been dominated by single-family homes, but these middle housing types can blend in and enrich those neighborhoods.

Missing Middle. These house-scale buildings fit seamlessly into existing residential neighborhoods and support walkability, locally-serving retail, and public transportation options. They provide solutions along a spectrum of affordability to address the mismatch between the available U.S. housing stock and shifting demographics combined with the growing demand for walkability.

Source: www.missingmiddle.com



Duplex. This small detached structure consists of two dwelling units arranged side-by-side, each with an entry from the street, giving it the appearance of a small-to-medium single unit house. Alternatively, a duplex may be “stacked,” with dwelling units arranged one above the other.



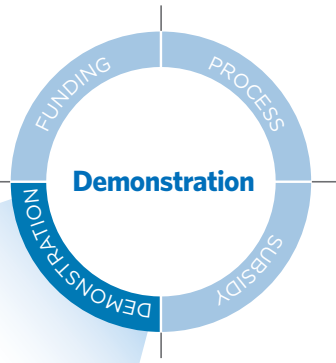
Triplex. The triplex can also be side-by-side or stacked. This modern triplex is “alley-loaded,” meaning the driveway and garage are in the back. As part of their wide-ranging effort to deemphasize the vehicle, Knightdale generally no longer supports or encourages front-loaded designs.



Fourplex. Quads, fourplexes, and small multiplex housing types retain elements of a single-family aesthetic while adding density and increasing the supply of housing. This is an example of a stacked fourplex with each unit occupying either the lower and middle floors or the middle and upper floors.



Eight Unit Building. Missing middle housing fill in a broad range of housing types on a continuum between single-family and the sixty-unit complexes that have been built in Knightdale. This example has two units per floor, in a small “apartment building” configuration.



Mixed-Income Housing. Knightdale will adopt the “mixed-income” approach as one of the key elements of this Plan. That term generally refers to residential settings in which some housing units in the same building or same development are subsidized and others are priced at the market rate. The result is that units are affordable to households with different income levels. Mixed-income housing is built through federal, state, and local efforts and through a combination of public-private-non-profit partnerships. It can provide rental or homeownership opportunities through a variety of housing types and planning frameworks.



Why Mixed-Income Housing?

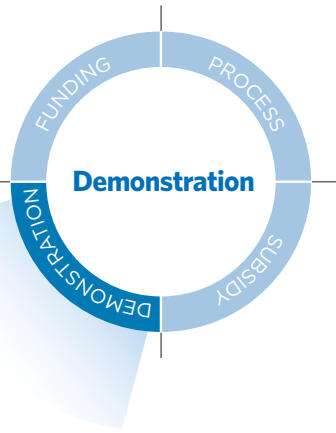
The affordable housing policies of the 1960s and 1970s resulted in public housing projects that eventually deteriorated, attracted crime, and concentrated poverty. Since then, mixed-income housing has been offered as a way to counteract that trend. There have been diverse approaches. Some encouraged lower-income individuals and families to resettle in wealthier neighborhoods, where they would benefit from the richer resources and exposure to better life opportunities. Mixing subsidized housing with market-rate housing will reassure neighbors worried that affordable housing would bring new concentrations of poverty. Some say it’s an advantage that an observer can’t tell that there are subsidized homes there.

An alternative approach might bring higher-income residents to mixed-income projects in formerly weaker neighborhoods, where the resulting economic diversity can contribute to neighborhood revitalization.



Mixed-Income Subdivision. An important demonstration of the mixed-income approach will be the inclusion of affordably priced homes in one or more of the large-scale single-family subdivisions that are emerging throughout the Town. As an example of how such a transaction might work, the Town would enter into an agreement with the developer to designate specified lots for affordable homes. The designated lots could be set aside and sold by the developer as affordable units at a below-market price to an income-eligible household. Alternatively, the lots could be acquired by the Town pursuant to its Land Acquisition Policy and donated to a development partnership or nonprofit developer.

The Community Benefits. Subdivision development in Knightdale is bringing hundreds of houses to the market at prices ranging as high as \$600,000 or more, fueling a perception that housing growth is only for the affluent. The mixed-income subdivision will demonstrate that growth in the town is inclusive, and that households of lower and moderate income can have an opportunity to live in these suburban neighborhoods which are desirable to many.



Other Pathways to Mixed-Income.

The mixed-use subdivision is a promising pathway to a mixed-income affordable housing model, but there are others. The Town of Knightdale will use all the tools at its disposal to help shape the housing of the future: zoning and land use planning, incentives for affordable housing, public-private partnerships, design principles, community engagement, mixed-use development, and federal, state, and local affordable housing subsidy programs.



In an Apartment Community. An apartment community can have a mixed-income format. A common example of this is when a developer of a market-rate multifamily rental community agrees to set aside a number of the units as affordable units, either in response to incentives offered by the Town or because the developer’s business model provides for inclusion of affordable units.



Through Housing Vouchers. The federal Housing Choice Voucher Program (formerly known as Section 8) is the nation’s most extensive mixed-income initiative. Income-eligible renters are given a voucher that, in principle, enables them to live in a market-rate home in any neighborhood. This promotes housing mobility and the de-concentration of poverty that has been one of the goals of mixed-income housing.

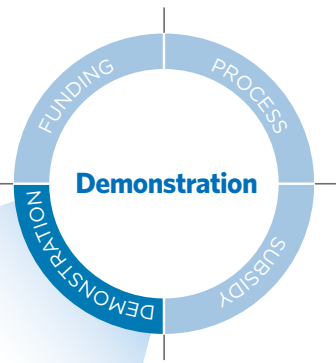


Using Design Principles. Another mechanism for achieving a mixed-income neighborhood is to build a development with housing types of different sizes and different price points, with the result that naturally the units will attract individuals and families of different incomes. The federal HOPE VI program, and many “New Urbanism” design approaches follow this pattern, but it could be applied anywhere.

Dixon Village Mixed-Income Community.

Dixon Village in North Belmont, North Carolina, is a proof of concept for a mixed-income single-family housing development. A partnership between the developer of a small suburban subdivision and a nonprofit single-family housing developer will set aside a third of the 28 homes for sale to income-eligible homebuyers, with the remaining two-thirds to market-rate entry-level buyers. The developers say that it will be “one of the few developments in the nation that is setting a new precedent for mixed-income living.”





What is “Permanent Affordability”? The term refers to a kind of subsidy program that seeks to ensure long-term affordability, for periods that can extend as far as ninety-nine years into the future. Some of these programs are aimed at affordable homeownership, and guarantee affordability not only for the initial buyer, but for the benefit of future owners of the home. Other types of permanent affordability programs involve multifamily developments, and provide for repairs and other capital needs, which could otherwise make it impossible to sustain low rents, far into the future.



Temporarily Affordable Housing

Most affordable housing doesn’t offer any commitment to remain affordable for the long term. Here are several examples:

Deed-Restricted Homeownership. In this form of homebuyer assistance, a subsidy enabling an income-eligible homebuyer to achieve affordable homeownership comes with a condition: the deed to the home contains a restriction on resale. The deed is binding on the initial buyer and future buyers and other third parties for the duration of the restriction. The homeowner may then resell, but the price, and the gain received by the homeowner, is limited by a formula to a price which is affordable to the next income-eligible buyer. Some versions of the restriction can be cancelled by foreclosure, but others are “foreclosure-proof.”

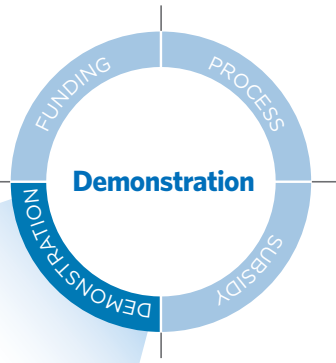
Lifecycle Underwriting. Traditional financing of multifamily rental developments assumes that the low rents that make the project affordable will remain in effect for the long term. But most buildings after fifteen or twenty years require new capital investment, to replace the roof or major mechanical systems. These costs can force owners to raise rents, threatening affordability. Lifecycle underwriting builds into the original financial structure sufficient capital – perhaps \$5,000 or \$6,000 per unit – to keep the project financially viable through its entire lifecycle.

Limited-Equity Cooperatives. This is an ownership structure in which residents purchase a share in the company that owns the project, rather than purchasing an individual unit. The company is governed by the residents, and the agreement between the company and each resident limits the resale price by a formula based on the consumer price index or growth in area median income. The resident can enjoy a portion of the market appreciation of the unit, thus balancing the objective of building wealth with the need to make the unit affordable to the next buyer.

Down Payment Assistance. Down payment assistance makes a home affordable for an eligible homebuyer. But when the minimum tenure period is up – say five years – there is no restriction on the price at which the home may now be resold.

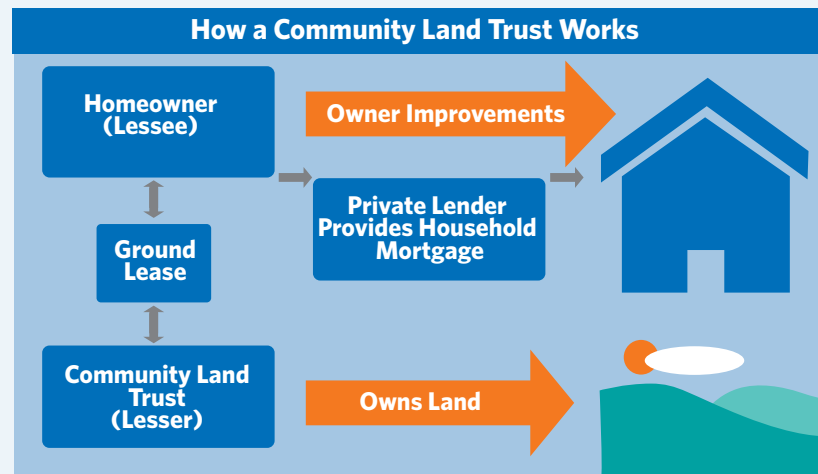
LIHTC. Multifamily rental apartments subsidized through federal tax credits must have rents affordable to low-income renters. But after thirty years – and sometimes less – the rent restrictions expire, and the units can be converted to market rents.

Project-Based Section 8. HUD enters into contracts with private owners of housing developments providing for some or all of their units to be allocated to low-income renters – but only for the duration of the contract.



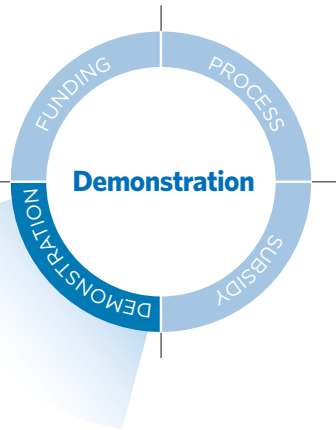
Community Land Trust. Community Land Housing Trusts (CLTs) are a type of permanently-affordable housing development that offers home ownership opportunities to low-income buyers. They do this by creating permanently affordable homes – that is, homes that don’t go up in value to levels that low-income buyers can no longer afford. They’re in use throughout North Carolina and the country, with nearly 250 active CLTs in operation.

How a CLT Works. In a CLT, the land is owned by a Trust, usually a nonprofit organization. Homes, which could be single-family ones or units in a multifamily building, are either constructed or rehabilitated by the CLT. Then the homes are sold to buyers who are income-eligible. When the home is sold to the buyer, only the structure is sold, but the land under the home is leased, usually for ninety-nine years. That’s called a ground lease. The home is more affordable because only the house is sold, not the land. The ground lease contains provisions requiring the home to be sold only to another income-eligible buyer and limiting the resale price. When the home is sold, the homeowner receives a portion of any increase in value, but it’s limited so the home will remain affordable for the next buyer.



Tri-Partite Board. The CLT is not owned or controlled by the Town of Knightdale. The nonprofit organization is the landowner, and it is governed by a Board of Directors set up to represent three important groups: one-third of the Board seats are held by the homeowners themselves; one-third by community members including neighborhood organizations and housing advocates; and one-third by public representatives such as Town staff members.

The Town can Sponsor a CLT. In their early days, CLTs were typically created by neighborhood organizers, activists, and residents facing precarious housing conditions, limited access to homeownership, and the apparent inability of markets and governments to provide safe and affordable housing for all. They created their own nonprofit affordable housing developments, and built ownership structures controlled by community members. In this sense, the CLT model was the opposite of a top-down, government-led housing initiative. CLTs in Asheville, Boone, and Durham, North Carolina fit into this category. Yet municipalities early recognized the benefit of CLT programs. Some of them took steps to bring them into being, and to support them with material and administrative resources. Now, it’s common for CLTs to be sponsored by local governments. They still don’t own or control the CLT, but they introduce the program to people who might not know about its possibilities, they facilitate the process of forming a CLT, and they provide funding and land resources to help get it started. Concord, Greensboro, and Chapel Hill are taking this “town-sponsored CLT” approach.



Livability is the Context for all of Knightdale Planning. The Affordable Knightdale Plan takes its place in a series of planning initiatives undertaken by the people of Knightdale over the past decade: the Comprehensive Plan as well as the Pedestrian Plan, the Transportation Plan, and the River District Small Area Plan among others. All are joined together by some common themes, which go under different names but which share a commitment to the principles of inclusion and livability. That means that whatever work the Town may do pursuant to these plans – whether making a road pedestrian friendly, or creating or preserving a park, or redeveloping an entire neighborhood – or building an affordable house – they must ensure that the work contributes to an equitable distribution of resources; that it benefits not only those it touches directly but the community as a whole; that it have the characteristics that make people love the place they live; that it speaks of respect for people, not only economic advantage; and that it does things not just the way they’ve always done them, but pauses to think, “How can we do it better?” The watchwords for livability: imagination, collaboration, optimism, choice, equity, quality, and sustainability.

Transit-Oriented Residential Development. Some of the livability principles of concern here have been introduced in the section of the Plan entitled “The Inclusive, Livable Town.” For example, planners all agree that increases in housing density in selected areas – a basic objective of this Plan that will promote affordability – will foster the population density that in turn makes a bus or microtransit system viable.

Small-Scale Neighborhood-Serving Commercial Development. Even far from the Knightdale Boulevard commercial corridor, in predominantly residential neighborhoods, small-scale retail and other commercial uses can be introduced. This is a kind of transit orientation, too, because it places services and amenities within walking, biking, or short driving distance from home.

Build Human-Scale Town Centers. Reducing dependence on the automobile means creating spaces that will make people want to get out of their cars to congregate, shop, eat, and mill about. That was the idea behind traditional town squares that are still common in many parts of the country.



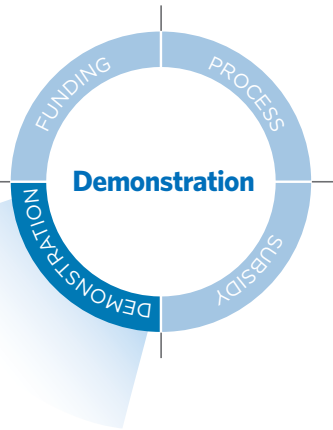
This rendering from the Comprehensive Plan shows how a transit-oriented design could promote build density, mix uses, and promote transit along the Knightdale Boulevard corridor.



Markets and smaller shops would be welcome in residential neighborhoods. Residents don’t want to have to drive miles to pick up a dozen eggs.



The Comprehensive Plan offers a vision of a pedestrian-friendly town square with cafes, shops, pathways, a meeting point, and adjacent commercial and residential uses.



Supports Walking and Biking.

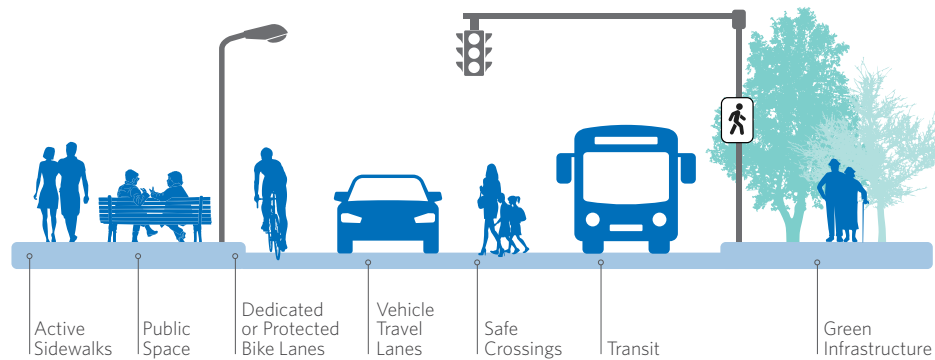
Walkability and bikability are essential considerations for affordable housing today. Future development under this Plan must help remedy the deficits that currently exist and must build features and amenities that will encourage walking and biking in the future.



This picture from Knightdale’s Pedestrian Plan shows a sidewalk with missing segments and a lack of crosswalks, placing pedestrians in unsafe situations.

De-emphasize the Car. The Comprehensive Plan, Transportation Plan, and this Affordable Knightdale Plan will adopt the “Complete Streets” process adopted by the North Carolina Department of Transportation. Its goal is to design and build streets that are safe and usable for all, not only motorists. Elements include sidewalks, crosswalks, median islands, pedestrian signals, narrower travel lanes, roundabouts, and more.

Convert Big Box Sites. Shopping centers along Knightdale Boulevard are dominated by big box retail sites, as in most other American cities and towns, but that dominance may pass in the age of internet retail ascendance. The Comprehensive Plan proposes a future phased conversion to mixed-use, livable development enclaves.



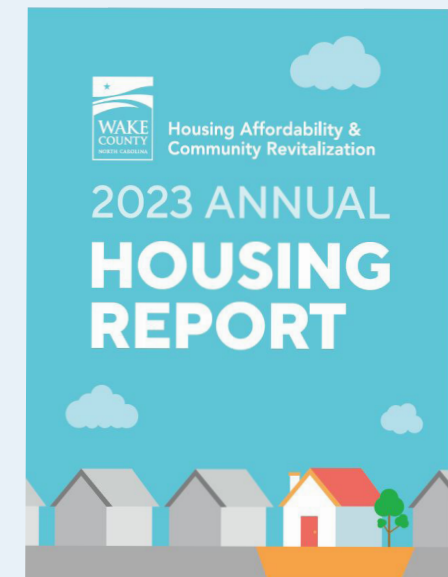
This diagram shows an example of a complete street, making room for sidewalks, public spaces, bike lanes, crossings, transit, trees, as well as lanes for car traffic.

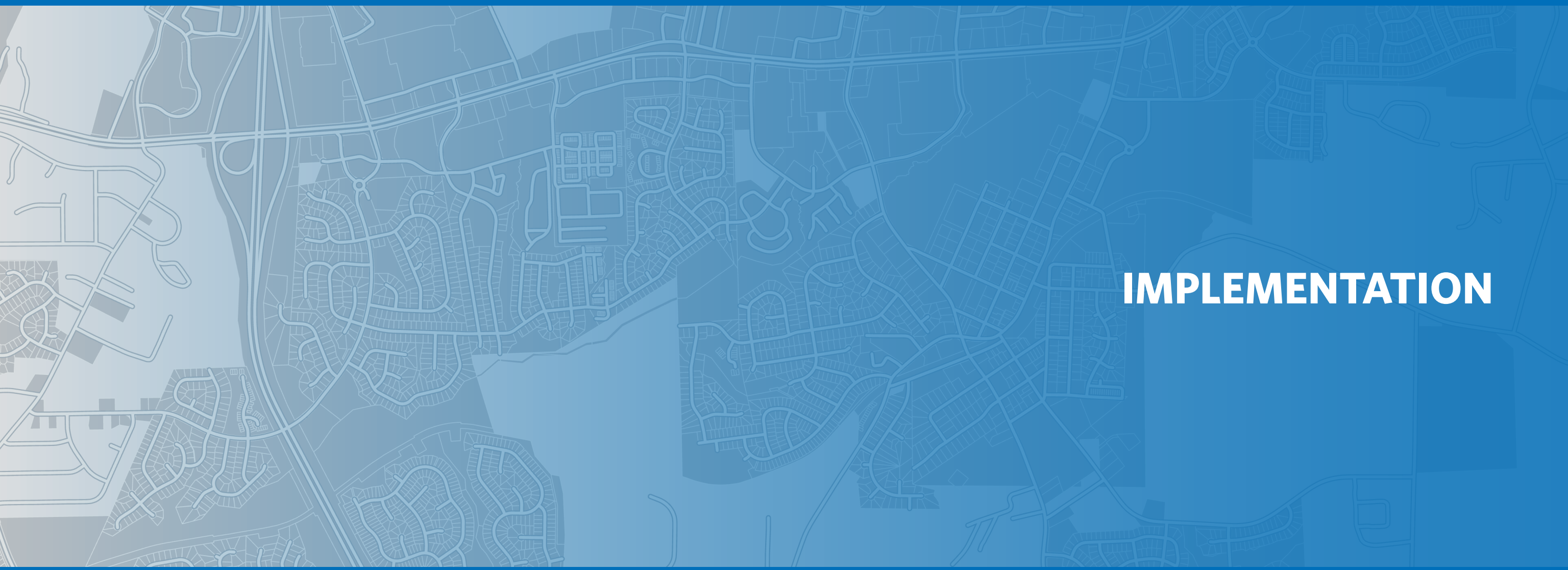


These two renderings from the Comprehensive Plan show before and after the conversion, with the big box and parking lot gone, replaced by small retail, residential, offices, entertainment, walkable streets and central plazas.

Partnership with Wake County

In its commitment to inclusive, livable planning principles, the Town of Knightdale draws on the ideas set forth in the Wake County Affordable Housing Plan of 2017 and the 2023 Annual Housing Report issued in December 2023 by the Wake County Housing Affordability & Community Revitalization Department. Their “commitment to healthy and inclusive growth” inspires the Knightdale project team to ensure that affordable housing development will be innovative, imaginative, and inclusive.





IMPLEMENTATION





Building Capacity.

The first step in implementation is to build internal capacity and hire a full-time staff member dedicated to the oversight and execution of the Plan. The Town will develop the administrative resources needed to establish an annual reporting program, operation of the Housing Resource Center, establishment of the Housing Advisory Board, and clear and effective communication with Wake County and other stakeholders and members of the Knightdale community.

Ten-Year Implementation Timeline. The overall timeline for the Plan will be ten years. Some of the implementation steps will occur in the first year, others in the two-to-five-year timeframe, while still others represent longer-term goals.



Preliminary Steps. Additional preliminary steps will be taken in order to pave the way for implementation of all the recommendations:

Identify Funding Sources. The success of the Plan will depend on the strength of the financial foundation it rests on. The Town will identify the revenue sources that will fund and in future years replenish the Affordable Housing Trust Fund. For each possible revenue source, the Town will evaluate the potential size of the funding, the timing of the revenue stream, the parties needed for implementation of the funding source, and any obstacles expected to be encountered.

Launch Community Outreach Campaign. This Plan was developed with the participation and input of the people of Knightdale, and they must be responsible for ensuring its successful implementation. The community engagement process begun during the Plan development year will continue, with public announcements, neighborhood hearings, and roundtable discussions to raise awareness, educate the public, and mobilize opinion, advocacy, and action toward implementation.





Community Partnerships. Implementation will call upon the talents and commitments of community partners throughout the Town and County. Those with special expertise will be invited to work with Town administrators on particular aspects of the Plan. Community leaders and representatives will be invited to serve on the Housing Advisory Board, providing advice to staff, recommendations to the Council, and general oversight of Plan implementation.

Next Steps. Each of the recommendations will require careful study and preparation for implementation. Partners have been identified for each recommendation, calling on subject matter experts within and outside local government. They will begin the process of developing goals and targets and methods for measuring success in meeting goals and targets. The dedicated staff member will oversee execution of implementation steps, reporting on progress to the Town Council, and collaborating with the Housing Advisory Board once it is established.

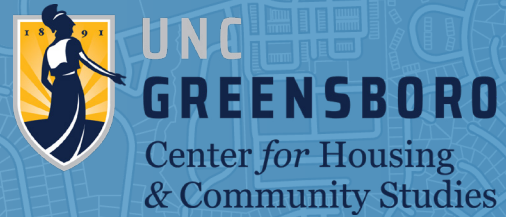
	 Affordable Housing Trust Fund	 Land Acquisition Policy	 Capacity Building & Community Engagement	 Housing Advisory Board	 Zoning Incentives	 Gap Financing
PARTNERS:	<ul style="list-style-type: none"> Development Services Dept Finance Department Wake County Housing Philanthropic organizations Banking representatives Housing advocates Town residents 	<ul style="list-style-type: none"> Development Services Dept Finance Department Public Works Department 	<ul style="list-style-type: none"> Development Services Dept Community Relations Wake County Housing Housing advocates Town residents Legal Aid NC Continuum of Care liaison Faith, business, nonprofit leaders 	<ul style="list-style-type: none"> Development Services Dept Community Relations Wake County Housing Housing advocates Town residents 	<ul style="list-style-type: none"> Development Services Dept Affordable housing developers Real estate professionals Housing advocates 	<ul style="list-style-type: none"> Development Services Dept Finance Department Wake County Housing Affordable housing developers
GOALS AND TARGETS:	<ul style="list-style-type: none"> Number of revenue sources committed Dollar amounts paid into the Fund Projects and programs funded 	<ul style="list-style-type: none"> Number of suitable parcels identified Number of affordable units developed using land resources 	<ul style="list-style-type: none"> Build staff capacity Report to community Establish Housing Resource Center 	<ul style="list-style-type: none"> Date of organization of Board 	<ul style="list-style-type: none"> Number of affordable housing units gained through incentives negotiation Number of ordinance revisions completed 	<ul style="list-style-type: none"> Number of affordable housing units developed through gap financing
INITIAL TASKS:	<ul style="list-style-type: none"> Identify potential revenue sources Restructure affordable housing funding procedures 	<ul style="list-style-type: none"> Conduct inventory of suitable available parcels Draft land acquisition policy 	<ul style="list-style-type: none"> Create dedicated webpage of resources Evaluate Town staffing needs and capacity 	<ul style="list-style-type: none"> Plan timing, structure, and role of Board Identify possible members 	<ul style="list-style-type: none"> Conduct review of zoning ordinance for areas of improvement 	<ul style="list-style-type: none"> Identify potential partners Review financial structures

Creative Thinking. The final four recommendations described on this page, those designated in the “demonstration” category, establish some of the most important principles of this Plan. They will call on creative thinking and explore new development concepts, and will have some of the longer implementation time frames to achieve.

	 Development Partnerships	 Direct Assistance	 Expand Housing Options	 Mixed-Income Focus	 Permanent Affordability	 Inclusive, Livable Environment
PARTNERS:	<ul style="list-style-type: none"> Development Services Dept Wake County Housing Nonprofit developers Housing advocates Town residents 	<ul style="list-style-type: none"> Development Services Dept Wake County Housing Public Works Department Housing services providers Town residents Continuum of Care liaison 	<ul style="list-style-type: none"> Development Services Dept Community Relations Architects Developers and builders Housing advocates Town residents 	<ul style="list-style-type: none"> Development Services Dept Wake County Housing For-profit developers Housing advocates Town residents 	<ul style="list-style-type: none"> Development Services Dept Community-based organizations Banking representatives Housing advocates Town residents 	<ul style="list-style-type: none"> Development Services Dept Public Works Department Parks, Recreation and Cultural Programs Dept Town residents Livable cities consultant
GOALS AND TARGETS:	<ul style="list-style-type: none"> Number of affordable units developed through innovative partnerships Projects funded 	<ul style="list-style-type: none"> Number of suitable parcels identified Number of affordable units developed using land resources 	<ul style="list-style-type: none"> Number of missing middle and innovative affordable housing units developed 	<ul style="list-style-type: none"> Number of affordable units included in market developments 	<ul style="list-style-type: none"> Number of permanently affordable units sold 	<ul style="list-style-type: none"> Enhanced inclusive growth score Resident satisfaction Transit connections made Walking and bicycle infrastructure created
INITIAL TASKS:	<ul style="list-style-type: none"> Identify potential development partners Identify underserved populations Explore new projects aligned with planning goals 	<ul style="list-style-type: none"> Conduct inventory of existing Knightdale and Wake programs Identify innovative programs to be added 	<ul style="list-style-type: none"> Identify underserved populations Create preliminary project plans Scout potential development sites 	<ul style="list-style-type: none"> Explore potential mixed-income structures Identify current opportunities 	<ul style="list-style-type: none"> Gauge community interest Explore financial feasibility 	<ul style="list-style-type: none"> Review alignment with comprehensive plan Set inclusion and livability goals

			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	FUNDING	Affordable Housing Trust Fund	Organization and first-year commitments									
			Annual dollar receipt targets									
			Annual replenishment targets									
	Land Acquisition Policy	Establish land acquisition policy										
Execute land acquisition transactions												
	PROCESS	Capacity Building & Community Engagement	Produce annual report									
			Formalize partnership with Wake County									
			Create online center									
			Hire staff dedicated to Plan implementation									
	Housing Advisory Board	Identify possible board members										
		Create Advisory Board										
		Operation of Advisory Board										
	Zoning Incentives	Review zoning ordinances and procedures										
		Create zoning incentive policy										
		Adopt zoning ordinance amendments										
	SUBSIDY	Gap Financing	Identify potential partners, structures									
			Define transaction targets									
			Complete project investments									
	Development Partnerships	Recruit potential partners										
		Define transaction targets										
		Complete project investments										
	Direct Assistance	Conduct inventory of programs										
		Identify innovative new programs										
Deliver assistance services												
	EXPAND HOUSING OPTIONS	Identify underserved populations and missing housing types										
		Review zoning ordinance										
	MIXED-INCOME FOCUS	Identify development opportunities										
		Explore potential mixed-income structures, identify current opportunities										
	PERMANENT AFFORDABILITY	Execute projects										
		Study feasibility										
	INCLUSIVE, LIVABLE ENVIRONMENT	Identify parcels, develop structures										
		Complete housing development, affordable homes sold										
INCLUSIVE, LIVABLE ENVIRONMENT	Set inclusion and livability goals											
	Align projects with inclusion and livability goals											

Adopted March 20, 2024



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