TOWN *of*
WAKE FOREST

Planning Board
Meeting Agenda
August 09, 2022 at 6:00 PM

Notice

In accordance with the requirements of Title II of the Americans with Disability Act of 1990 (ADA), the Town of Wake Forest will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities. For individuals with impaired hearing, special equipment is available for use during meetings in the Town Hall Board Chambers. Anyone who requires an auxiliary aid or service for effective communication, or a modification of policies or procedures to participate in a program, service, or activity of the Town of Wake Forest should contact the office of ADA Coordinator Mickey Rochelle at 919-435-9455 or Town Clerk Terry Savary at 919-435-9432 as soon as possible, but no later than 48 hours before the scheduled event.

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Meeting Agendas

Planning Board meeting agendas are typically available to be viewed and downloaded by noon on the Friday prior to the second Tuesday of each month. Citizens may also receive a copy of each month's agenda via email by enrolling in the Town's free E-Notifier subscription service.

Public Comment

Those wishing to speak must first register to speak no later than noon the day of the meeting. In lieu of speaking in person, written comments can be provided via the public comment portal. Written comments received less than 24 hours before the scheduled meeting may not be included in the record. The forms to register to speak and provide written comments are available at https://www.wakeforestnc.gov/ph.

At the appropriate time, the Planning Board Chair will acknowledge those persons who have registered to speak. They will be called upon in the order registered. Speakers will address the Board as a whole, from the podium at the front of the room, and begin their remarks by stating their name and address. At the end of public comment, the Chair may summarize the discussion from the public comment. While not required, the Chair may ask staff or the applicant to respond. Speakers needing additional information or questions answered will be contacted by the Deputy Town Clerk and provided contact information for the appropriate staff person.

Unless otherwise indicated by the Chair, individual comments shall be limited to three minutes. Groups are encouraged to designate a lead speaker on their behalf, and when addressing the Board, the speaker must first identify the group they are representing and will be given no more than ten minutes to give comments. Once comments have been made, speakers cannot speak again, unless specifically called upon by the Chair. The Chair may, at his/her discretion, interrupt public comment and elect to continue it to another meeting due to, among other reasons, the lateness of the hour or to allow consideration of other items on the agenda.

When public comment sessions are continued from previous meetings, previous individuals that have spoken, either representing themselves or a group, cannot speak at a continued public comment session, unless specifically called upon by the Chair. Additionally, speakers cannot both represent themselves individually and speak on behalf of a group throughout public comment periods, even if held over multiple sessions.

1.Call to Order

2.Adoption of Agenda

3.Approval of Minutes

3.A. Approval of Minutes
DraftPBMinutesJun202214.pdf
DraftPBSpecialCalledWorkSessionMeetingJune202208.pdf

4.Presentations

5.Old Business with Public Comment

6.Old Business

7.New Business with Public Comment

7.A. Consideration of and Public Comment Session on CPA-22-02, Draft Town of Wake Forest Housing Affordability Plan
Staff Report
Attachment A - Application
Attachment B - Draft Housing Affordability Plan July 1 2022

8.New Business

9.Staff Comments

10.Planning Board Comments

11.Adjournment

Agenda Item Report

Agenda Item No.: 2021-639-
Submitted by: Terry Savary
Submitting Department: Administration
Meeting Date: August 9, 2022

SUBJECT
Approval of Minutes

Recommendation:

Item Summary:

ATTACHMENTS

- DraftPBMinutesJun202214.pdf
- DraftPBSpecialCalledWorkSessionMeetingJune202208.pdf

Wake Forest Planning Board
Minutes

The Wake Forest Planning Board met on **Tuesday, June 14, 2022,** at **6:00 p.m.** in the Board Room at Wake Forest Town Hall, 301 S Brooks Street.

Planning Board Members present: Joe Kimray, Karin Kuropas, Thomas Ballman, Michael Siderio, Michael Hickey, and Sheila Bishop

Planning Board Members absent: Christopher Joyner

Staff Members present: Planning Director Courtney Tanner, Assistant Planning Director Jennifer Currin, Town Attorney Hassan Kingsberry, Town Clerk Theresa Savary, Senior Planner Patrick Reidy, Senior Planner – Historic Preservation Michelle Michael, and Senior Planner Tim Richards

1. Call to Order

Chair Kimray called the meeting to order at 6:00 p.m.

2. Adoption of Agenda

ACTION:
Mover: Karin Kuropas moved to adopt the agenda as presented.
Seconder: Mike Hickey.
Vote: Motion carried 6-0.

3. Approval of Minutes

ACTION:
Mover: Mike Hickey moved to approve the May 10, 2022 minutes as presented.
Seconder: Karin Kuropas.

Vote: Motion carried 6-0.

4. Presentations

4.A. Historic Preservation Plan Update Presentation

Senior Planner Michelle Michael provided an overview of the Historic Preservation Plan Update.

Thomas Ballman asked what qualifies a structure as a Historic Designation. Ms. Michael stated there are two types of designations: Local Landmark Designation and National Register Designation. Ms. Michael provided an explanation of each designation.

5. Old Business with Public Comment

No Old Business with Public Comment presented.

6. Old Business

No Old Business presented.

7. New Business with Public Comment

7.A. LEGISLATIVE CASE RZ-21-09; Hawthorne Wake Forest Phase 2; Consideration of a rezoning filed by Evolve Companies to rezone 5.83± acres located at 0 Star Road, being Wake County Tax PIN 1739662623, from Highway Business (HB) to General Residential 10 Conditional District (GR10-CD).

Senior Planner Patrick Reidy provided the staff report for Case RZ-21-09: Hawthorne Wake Forest Phase 2, a request to rezone 5.83± acres located at 0 Star Road from Highway Business (HB) to General Residential 10 Conditional District (GR10-CD). The requested action is the review and approval of a rezoning request for 56 multi-family units.

Mr. Reidy shared the latest aerial onsite, existing zoning in the area, existing conditions onsite, proposed master plan and proposed landscape plan.

Mr. Reidy stated the applicant chose to use the newly adopted Community Plan as part of their permit choice and provided a refresher on what it entails.

Mr. Reidy stated the applicant provided the following proposed condition:

1. Phase 2 open space requirements shall be satisfied by excess open space and active open space in Phase 1 of Hawthorne. Phase 2 requires 0.6 acres of open space and 0.15 acres of active open space for a total of 0.75 acres. Phase 1 provided an additional 2.1 acres of open space and an additional 1.06 acres of active open space for a total of 3.16 acres. Residents shall have full rights to use the active open space found within Phase 1.

Mr. Reidy stated staff recommends disapproval of the proposed rezoning and finds it to be inconsistent with the comprehensive plan and not in in the public interest for the following reasons:

1. The proposed zoning district is inconsistent with the zoning district of adjacent and nearby properties.
2. The proposed zoning district is inconsistent with the Corridor Commercial land use designation. The property should remain Highway Business (HB), which is consistent with the Community Plan.
3. The remaining parcels in Town that are appropriate for Corridor Commercial are limited and rezoning this property would remove property appropriate for those uses. By remaining as HB, the property would provide future opportunities for office or commercial uses and help balance the tax base of the town while providing possible employment opportunities for residents.

Ms. Kuropas asked to see the powerpoint slide showing what the original parcels open space is. Mr. Reidy said it includes some stream buffer.

Mr. Hickey asked if the Hawthorne was approved in 2012. Mr. Reidy replied yes, Phase 1.

Mr. Ballman asked if that was a conditional rezoning. Mr. Reidy replied it was a conditional use rezoning that would have been pre-Unified Development Ordinance (UDO).

Mr. Siderio asked, if this remains Highway Business zoning, would the wet pond still be required. Mr. Reidy replied it’s a temporary sediment basin because of the construction on site. Mr. Siderio asked about wet pond C shown on the site plan. Mr. Reidy responded it will go away once the rest of the site is developed.

Applicant Patrick Perez, 3103 Whiteheart Ln., Apex, NC. said he didn't have the numbers with him to address how much open space was originally approved in 2012. Mr. Perez displayed the original site map for the Phase 1 approval and said they have quite a bit of open space with some of it being in the buffers. The active open space consists of a playground, pet park, clubhouse, and pool area.

Mike Siderio asked if this is the best use of the land. Mr. Perez responded it matches and works well with the existing sites of the north and all the buildings currently under construction will match Phase 1.

Mr. Siderio questioned the site being used as commercial space and asked if it would have a higher and better use of property for residents of Phase 1. Attorney Tonya Powell with Nexsen Pruet, 4141 Park Lake Ave, Suite 200, Raleigh, NC said there is about 3.3 acres that would be useable as commercial, which would be tight and lead to less desirable commercial. Ms. Powell stated the concern is with commercial and the residents of Hawthorne sharing all the roads.

Mr. Perez noted, due to Capital Blvd. future superstreet requirements, Starr Rd. will become a dead-end street. It's the applicant's opinion the site would not be a great retail destination.

<u>Public Comment</u>
No one spoke during public comment.

Chair Kimray declared the public comment session closed.

<u>Discussion</u>
Sheila Bishop said she realizes it's not conducive to commercial usage but how is residential beneficial to the residents of Phase 1.

Chair Kimray said a lot of time was spent on the Community Plan. He said there's no great options for public transit to move the people. He said they can't keep taking commercial property and merge it into residential.

Sheila Bishop asked if Star Rd. is being allotted as a superstreet. Courtney Tanner stated the existing Star Rd. would become a service road and would be able to access it through one of the key interchange points.

Karin Kuropas stated she doesn't like turning commercial property into residential. She believes more jobs are needed in Wake Forest. Ms. Kuropas feels her hands are tied because of a decision made in 2012 to put residential in the middle of what should be a commercial property. She is conflicted as to what her core beliefs are and what they should be doing for the town.

Mike Hickey agrees and is sympathetic to the developers. He said it's an unusual size and the nearest food source is not within walking distance. He thinks to take away opportunity for some sort of walking distance food source, for that density, would not be the best use of that land.

Sheila Bishop asked if there are 248 units in Phase 1. Mr. Perez answered, yes, that's correct.

Mike Siderio asked if there'll be a connection at Ponderosa Rd. Courtney Tanner said there's not a grade separation that will connect Ponderosa Rd. to Star Rd. except for Main St., which will be the connection. Ms. Tanner stated the plans are subject to change.

Mike Siderio said if you agree to a rezoning of this property then a precedent is set for someone to use the same argument for other highway business properties.

Mike Siderio asked if the Hawthorne property was Highway Business back in 2012. Courtney Tanner didn't have the answer and would have to come back with an answer.

ACTION:
Mover: Mike Hickey made a motion to approve Case RZ-21-09.
Seconder: Karin Kuropas.
Vote: Motion failed 5-1.

<u>Aye</u>	<u>Nay</u>
Karin Kuropas	Mike Hickey
	Mike Siderio
	Joe Kimray

Thomas Ballman
Sheila Bishop

ACTION:
Mover: Mike Hickey made a motion to deny Case RZ-21-09.
Seconder: Sheila Bishop.
Vote: Motion approved 5-1.

Aye	Nay
Mike Hickey	Karin Kuropas
Mike Siderio	
Joe Kimray	
Thomas Ballman	
Sheila Bishop	

7.B. LEGISLATIVE CASE RZ-22-01; Wake Union; Consideration of a rezoning filed by Kimley-Horn to rezone 71.46± acres located at 0 Wake Union Church Road, 0 and 12415 Capital Boulevard, and 0 Kearney Road, being Wake County Tax PINs 1831644698, 1831751080, 1831646036, and 1831537516, from Conditional Use Highway Business (CU HB) to Residential Mixed- Use Conditional District (RMX-CD) and Neighborhood Mixed-Use Conditional District (NMX-CD).

Senior Planner Patrick Reidy provided the staff report for Case RZ-22-01: Wake Union; Consideration of a rezoning filed by Kimley-Horn to rezone 71.46± acres located at 0 Wake Union Church Road, 0 and 12415 Capital Boulevard, and 0 Kearney Road, from Conditional Use Highway Business (CU HB) to Residential Mixed- Use Conditional District (RMX-CD) and Neighborhood Mixed-Use Conditional District (NMX-CD). The requested action is the review and approval of a rezoning request for Commercial (up to 193,000 SF), Dwelling-Multifamily (300 units), and Dwelling-Townhome (89 units)

Mr. Reidy shared the latest aerial, existing zoning in the area, existing conditions, Brownfields agreement exhibit, proposed master plan and proposed landscape plan, land use plan, and TIA improvements.

Mr. Reidy stated the applicant submitted the rezoning prior to the new Community Plan being adopted but they voluntarily asked staff for the rezoning to be reviewed against the newly adopted Community Plan.

Mr. Reidy stated the applicant provided the following proposed condition:

1. Site Master Plan (SP-22-03) is a condition of the rezoning request. Amendments of the master plan shall require a rezoning amendment unless the administrator finds the modification to be minor and in keeping with the spirit and intent of the adopted subdivision master plan. Minor amendments include moving buildings, updating parking layout, and adjusting building square footages within the limits of the TIA. Total building square footage and number of buildings could decrease, if necessary. Any modifications to the commercial area will remain in conformance with the overall commercial village vision but may include realignment of the private street network and will also adhere to setbacks and buffers as shown in the Master Plan. Commercial Village Vision will be met through the cross section of Main Street as defined by the Master Plan Cross Sections. Outdoor or rooftop seating is encouraged to be provided. A minimum of 2 pieces of public art will be provided on the commercial development. Public art may be but are not limited to the following: sculptures, unique bike racks, murals, etc.
2. All development will comply with requirements of the Town of Wake Forest Unified Development Ordinance (UDO) unless expressly stated as an exception and will comply with approved Master Plan in accordance with condition 1.
3. Phase 1 (Multi-family) TIA off-site improvements are required with the phase 1 project. Phase 2 (Townhomes) and Phase 3 (Commercial) improvements of the TIA are required prior to the issuance of the 7th townhome building permit.
4. Property owner is responsible for maintenance of any enhanced landscaping or structures inside roundabout installed by the development.
5. Sections of the nature trail will be installed with phases corresponding to each property as development occurs. Trail shall be 4-6" of ABC as shown on the master plan cross section.
6. The following uses shall be permitted within the **RMX zoned properties**: Multifamily, Townhomes, Live-Work Units, Hotel/Inn (Less than 20 rooms), ATM, Bank, Credit Union, Financial Services, Business Support Services, Dry Cleaning & Laundry Services, Medical Clinic, Personal Services, Post office, Professional Services, Alcoholic Beverage Sales Store, General Commercial, Restaurant, Civic Meeting Facility, Community or Cultural Facility, Public Safety Station, Recreation Facility (Indoor or Outdoor), School (Vocational/Technical), Studio (art, dance, martial arts, music), Light Manufacturing Workshop, Garden (Community and private), Utilities (Class 1 & 2).
7. The following uses shall be permitted within the **NMX zoned property**: Multifamily, Townhomes, Live-Work Units, Hotel/Inn, ATM, Bank, Credit

Union, Financial Services, Business Support Services, Dry Cleaning & Laundry Services, Medical Clinic, Personal Services, Post Office, Professional Services, Alcoholic Beverage Sales Store, Amusement, Indoor, Bar/Tavern, General Commercial, Restaurant, Restaurant w/ Drive Thru, Theatre, Indoor Movie or Live Performance, Civic Meeting Facility, Community or Cultural Facility, Public Safety Station, Recreation Facility (Indoor or Outdoor), School (Vocational/Technical), Studio (art, dance, martial arts, music), Light Manufacturing Workshop, Garden (Community and private), Utilities (Class 1 & 2).

8. General commercial uses shall not exceed 99,999 SF. Complementary uses such as office, professional services, indoor amusement, indoor recreation, theatre, daycare, studio, restaurants, bar/tavern, etc. shall be the remaining square footage of parcels 1831646036 and 1831644698 up to a maximum of 183,000 SF total per the TIA.
9. The development shall provide a minimum of 2 electric vehicle (EV) charging stations for the multifamily property and 3 electric vehicle (EV) charging stations for the commercial property. Final locations to be determined at construction drawing submittal.
10. In order to protect the existing trees along Kearney Road, buildings north of Public Street A along Kearney Road may exceed the 18' maximum setback requirement. Buildings shall be a maximum distance of 90’ from Kearney ROW. At a minimum a Type B 25’ Buffer shall be maintained.
11. Buildings adjacent to Kearney Road shall not exceed 4 stories.
12. Public streets shall comply with the cross sections as shown in the Master Plan.
13. A RRFB shall be installed (subject to NCDOT approval) for the Townhomes crossing Wake Union Church Road at Lola Lane.
14. The Landscape buffer along the St. Ives subdivision property line shall be increased to a minimum of 40’ for all sections of the development. If a fence is added, shrub requirements of the type A buffer will not be required.
15. If commercial buildings along Wake Union Church Road include patios, patios shall be permitted to encroach into SH1-O landscape buffer. All required plantings shall still be provided within buffer.
16. Required SH1-O Buffer shall be measured 150’ from centerline of US-1 and required building setback shall be 200’ measured from centerline of US-1 for commercial outparcel and Townhome parcel.
17. The Developer shall investigate a roundabout at the intersection of Wake Union Church Road and Kearney Road. If feasible, the developer shall install the roundabout and the town shall reimburse the cost. The construction and funding

shall be negotiated through a Developers Agreement. If a development agreement between the Town and Developer is not approved, a left turn lane from Kearney Road onto Wake Union Church Road shall be provided.

18. A physical barrier shall be provided between Wake Union Church Road and the townhomes fronting this road. Physical barrier could be considered a decorative non-opaque fence, max of 4 ft, stone or brick knee wall, or a similar item.
    As long as permitted by the Town and NCDEQ for stormwater treatment ponds, there shall be a decorative item within the multi-family pond such as a fountain or similar.
24. Per neighbor request, connection of public street B to Lola Lane will not be opened until final building permit of the Townhome development has been obtained.
25. Although submitted prior to adoption, this rezoning shall use the adopted 2022 Community Plan for this review.
26. While not required for development, the project will encourage the use of green infrastructure including but not limited to the following: downspout disconnection, rainwater harvesting, rain gardens, planter boxes, bioswales, permeable pavements, green streets and alleys, green parking, green roofs urban tree canopy, land conservation, etc.
27. In an effort to create continuity for the entire project, a common stone or brick shall be provided that is used in all three phases of the development. The material could be used in a variety of ways including, but not limited to landscaping walls, signage, building materials, accent materials, etc. Providing a minimum of one element for each phase shall satisfy this condition, but the developer may choose to provide the material in multiple facets if desired.
28. If the commercial property includes loading on a building that is adjacent to the St. Ives Subdivision, the loading will be on a building side that does not face the St. Ives property line.

Mr. Reidy stated staff recommends approval of the proposed rezoning and finds it to be consistent with the Comprehensive Plan and in the public interest for the following reasons:

1. The proposed zoning district is consistent with the zoning district of adjacent and nearby properties.
2. The proposed zoning district is consistent with the Corridor Commercial land use designation and the Activity Center designation in the Community Plan.
3. The proposed development provides placemaking with public art requirements, the encouragement of outdoor and rooftop seating, enhanced design standards,

> and continuity among the three phases of development. The development also provides the opportunity for a new "entertainment district" on the west side of Wake Forest by providing opportunities for restaurants, bars, indoor entertainment, indoor recreation, and retail.

Applicant Jordan Brewer with Kimley-Horn and Associates, Inc., 300 S. Main St., Suite 212, Holly Springs, NC. deferred to his client Steven Whitworth with Marett LLC. Mr. Whitworth provided a company overview, current project summary, example building elevations, and example amenities and finishes.

Thomas Ballman inquired about the preapplication conference dated May 3, 2022. Mr. Reidy replied they started working on that a long time ago and the May 3, 2022 date may have been one of the conversations they had.

Thomas Ballman inquired about the approval letter for the dedication of a fire station. Mr. Reidy replied there is a fire station off Jenkins Rd. and doesn't know what happened.

Thomas Ballman asked about buildings in the brownfields, in Phase 3, that are identified as mixed-use buildings. Mr. Reidy said it could be a mix of different uses. Mr. Ballman asked if there's an opportunity of shared parking. Mr. Reidy stated the Town's Unified Development Ordinance allows for shared parking.

Mike Hickey asked if the intersection at Agora Dr. would be completed in Phase 3. Patrick Reidy stated the TIA identifies it in Phase 3, but the improvement would be made with Phase 2 since Phases 2 and 3 come on concurrently. Chair Kimray stated prior to the building permit being issued for the seventh townhome they have to install all the of the traffic upgrades.

Mr. Hickey asked about greenways. Mr. Reidy stated the site doesn't have any greenways within the Town's Comprehensive Transportation Plan (CTP) but there will be trails to connect the different sections.

Sheila Bishop asked if the buildings are not to exceed 4 stories. Mr. Reidy responded the only limitation on the height are the two buildings pushed back away from Kearney Dr., capped at 4 stories, whereas the UDO allows 6 stories. Ms. Bishop asked the height of commercial buildings. Mr. Reidy believes they could go 6 stories. Steven Whitworth stated they can cap at 3 stories, if needed.

Sheila Bishop asked about vegetation and brownfields consideration. Mr. Reidy responded there are no restrictions, but the states concern is folks long term exposure. Mr. Reidy said he hasn't seen anything where trees or other types of vegetation can't be planted.

Ms. Bishop asked what type of green infrastructure is being considered. Mr. Reidy said at stormwater review they would ask the developer to incorporate some of those measures.

Karin Kuropas asked, with the roundabout going in, will the road going up through the townhouses be aligned to what Capital Blvd. is planning on the service road. Patrick Reidy replied yes, that's the alignment and has been coordinated with NCDOT.

Sheila Bishop asked if the 82 townhomes are not to be built until the commercial product is completed. Patrick Reidy replied it is not the commercial product it's the Transportation Impact Analysis improvements needing to be completed.

Mike Siderio asked if the developer will be responsible in paying for the art project. Mr. Reidy replied, yes. Mr. Siderio asked for clarification on the increase or decrease of commercial area. Mr. Reidy replied there's a flexibility within the number of buildings allowed. They've capped the square footage based on the Transportation Impact Analysis improvements.

Mike Siderio asked Mr. Whitworth how many of these types of projects have they done. Mr. Whitworth said this project has the largest commercial component by far. Mr. Whitworth said they don't have designs so he can't put an exact number on it.

Mike Hickey asked if there's a plan for a pedestrian crossing at Wake Union Church Rd. and Market of Wake Forest. Mr. Reidy replied there could potentially be a pedestrian connection. There are sidewalks along the frontage, but the Town can't require it because it would be considered an offsite improvement.

Mike Siderio expressed concern regarding traffic on Wake Union Church Rd. and beyond. He asked how far down the Transportation Impact Analysis is evaluated. Kevin Dean, PE with Kimley-Horn and Associates, 300 S. Main St., Holly Springs, NC said they did a traffic study all the way down Wake Union Church Rd. out to NC 98 including the Hampton Way intersection. Mr. Siderio asked if the road will be widened.

Mr. Dean replied, no. Mr. Dean explained the long-term plan is to have a three-lane section along the service road, traffic flows and access.

Public Comment

Lindsey Humphreys at 729 Brewer Circle, Wake Forest stated she's a recipient of the Town's affordable housing program. She said it's important to her and wanted to say thank you. She also wanted to encourage affordable housing projects to continue in the Town of Wake Forest. She asked the developer to consider setting aside some affordable housing residences.

Louis Engel at 3117 Baynam Pond Dr., Wake Forest asked the Board, before they give final approval on this item, could the developers engage the congregation of the Wake Forest Presbyterian Church in the same conversations they engaged St. Ives residents. Mr. Engel provided a diagram showing the US 1 expansion for this area.

Chair Kimray asked if Wake Forest Presbyterian Church would've been a recipient of a notice for the neighborhood meeting. Mr. Reidy replied yes, they would've been within the boundaries of the neighborhood notice. Mr. Reidy said the neighborhood meeting was held on February 8, 2022. Ms. Tanner stated there's more than one parcel associated with the church, so they would've received it. Chair Kimray looked at the mailing list to confirm the church's name was on the mailing list.

Shipman Northcutt, 304 Capellan Street, Wake Forest stated the consensus of homeowners would like to endorse this plan with the conditions associated with the rezoning. He said the biggest unresolved issue is the intersection at Kearney Dr. and Wake Union Church Rd. Mr. Northcutt stated safety and traffic flow need to be part of this plan. Wake Union Church Rd. is the busier of the streets and will only become busier. The consensus of homeowners believe a roundabout is the correct solution at Wake Union Church Rd. and Kearney Dr.

Margaret Watkins, 407 Belmellen Ct., Wake Forest stated no one has mentioned the safety or cleanup of this site. She said she's been a long time resident and has heard the stories. Ms. Watkins spoke about a woman who worked there for approximately 20 years who fell ill and passed away. She asked the Board what they're going do to the site to ensure no one else is exposed to these chemicals.

Chair Kimray declared the public comment session closed.

<u>Discussion</u>
Chair Kimray said 2018 was the last time this development came before the Board. He said what they experienced that evening was a unanimous denial from the Planning Board and a developer that was unwilling to meet the residents in any way, shape, or form with what they were asking. Chair Kimray stated this development is not perfect but thinks it's as close as they're going to get to a cohesive development that pleases the majority of people. Chair Kimray commended the development team on their design and commitment.

Mike Hickey said he loves the plan except for Phase 1. He said it'll dramatically degrade the traffic situation from Wake Union Church Rd. down to Durham Rd. Mr. Hickey stated the pictures and elevations that were shown are impressive but thinks there's so much multifamily going up in town. Ms. Bishop asked what he'd propose as opposed to the multifamily. Mr. Hickey said he'd prefer more townhomes rather than multifamily. Chair Kimray said multifamily wouldn't be constructed if they weren't being filled. Chair Kimray said another important thing to remember is not everyone wants to own a home.

Chair Kimray asked if the developer is amenable in removing walking trails and community garden in the conditions and include more active spaces instead. Chair Kimray said they can include the walking trails and community garden if they choose to do so but he'd like the condition to focus more on active uses. Steven Whitworth replied yes, they can include those active uses. Chair Kimray asked Mr. Whitworth if he's fine with them taking out the two non-active uses. Mr. Whitworth replied yes, that should be fine.

Karin Kuropas appreciates what the developer has done to the plan.

Mike Siderio likes the plan but he's concerned about the capacity of schools with the townhomes and apartments.

Mike Hickey asked what it take for the town to move forward with the approval of the roundabout at Wake Union Church Rd. and Kearney Dr. Mr. Reidy said the Town Board would have to approve any development agreements. Courtney Tanner said there'd also be modifications to the Capital Improvement Plan because it would be a new and planned capital project.

Thomas Ballman said in association with what's adjacent to the land, he believes the townhouses look crammed in. He believes the multifamily and commercial are decently laid out.

Sheila Bishop asked if there will be trees between Capital Blvd. and the proposed development. Mr. Reidy replied there are 30 and 50-foot average buffers as well as street trees and any other supplemental planting they may do. Mr. Reidy said there are pine trees already in this area that's not part of this project. Ms. Bishop asked if the pine trees will be preserved. Mr. Reidy replied, the developers don't own the piece that has the trees. Thomas Ballman asked if the number of trees being saved is limited to that area. Mr. Reidy responded, the intention is to save those trees. Mr. Reidy stated it really isn't established until the construction drawings.

Mike Siderio asked what the EPA requirements are for brownfields cleanup. Mr. Whitworth explained the steps taken in regular testing and monitoring.

ACTION:
Mover: Karin Kuropas made a motion to approve Case RZ-22-01 with additional conditions.
Seconder: Sheila Bishop.
Vote: Motion passed 5-1 with the following conditions:

Aye	Nay
Karin Kuropas	Thomas Ballman
Mike Hickey	
Mike Siderio	
Joe Kimray	
Sheila Bishop	

Additional Conditions
1. Limiting all buildings to 3 stories.
2. Removal of the following non-active uses: walking trails and community garden.

Chair Kimray declared a ten-minute recess.

The Planning Board recessed at approximately 8:26 p.m.

The Planning Board reconvened at approximately 8:36 p.m.

Planning Director Courtney Tanner introduced and welcomed new Senior Planner Tim Richards.

7.C. Consideration of TA-22-03: Unified Development Ordinance Text Amendment to update Chapters 1 and 8.

Senior Planner Tim Richards provided an overview of the Text Amendment to the Unified Development Ordinance (UDO) to update Chapters 1 and 8.

A copy of the proposed text amendments is attached to the minutes available in the Minutes Books filed in the Town Clerk's Office.

<u>Public Comment Session</u>
No one came forward to speak.

Chair Kimray declared the public comment session closed.

<u>Discussion</u>
No discussion heard.

ACTION:
Mover: Karin Kuropas made a motion to approve CASE TA-22-03.
Seconder: Mike Hickey.
Vote: Motion carried 6-0.

8. New Business

No New Business presented.

9. Staff Comments

Chair Kimray asked if there are any future meetings they need to be aware of. Courtney Tanner didn't have any future meetings at this time. Ms. Tanner thanked Board members for attending the recent UDO Update and S-Line events. She will continue sending the Board any surveys she receives.

10. Planning Board Comments

No Planning Board comments.

11. Adjournment

ACTION:
Mover: Karin Kuropas moved to adjourn at 8:42 p.m.
Seconder: Sheila Bishop.
Vote: Motion carried 6-0.

Duly approved in open session this 9th day of August 2022.

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Joe Kimray
Planning Board Chair

____
Theresa Savary
Town Clerk

Wake Forest Planning Board
Special Called Work Session

The Wake Forest Planning Board met on **Tuesday, June 8, 2022,** at **6:00 p.m.** in the Board Room at Wake Forest Town Hall, 301 S Brooks Street.

Planning Board Members present: Joe Kimray, Karin Kuropas, Thomas Ballman, Christopher Joyner, Michael Siderio, Michael Hickey, and Sheila Bishop

Planning Board Members absent: None

Staff Members present: Planning Director Courtney Tanner, Assistant Planning Director Jennifer Currin, Senior Planner Kari Grace, , and Town Clerk Theresa Savary

1. Call to Order

Chair Kimray called the meeting to order at 6:00 p.m.

2. Adoption of Agenda

No action was taken on the adoption of agenda.

3. Work Session

Unified Development Ordinance (UDO) Comprehensive Update Work Session with Consultants

Senior Planner Kari Grace informed the Board that tonight's work session is focused on the kickoff of the Unified Development Ordinance updates. She turned the meeting over to Project Manager Jackie Wells with Houseal Lavigne Associates.

Ms. Wells stated Houseal Lavigne will lead the UDO Updates and Toole Design is to lead the MSSD Updates. Ms. Wells is assigned as Project Manager for the UDO Updates.

Ms. Wells provided an overview of some of the content that will be presented during the upcoming Open Houses:

Why does it need to be updated?

- Implement the policies and recommendations of recent planning efforts
- Create consistency
- Incorporate best practices
- Improve user-friendliness

What will the updated UDO do?

- Seek to regulate the norm, not the exception
- Provide a user-friendly, easy to navigate document
- Make the ordinances understandable by all
- Clarify regulations and standards with graphics and tables
- Evaluate redevelopment and adaptive reuse ordinances
- Support innovative approaches to land use

What won't the UDO do?

- Be a planning or policy document
- Accommodate every situation
- Prevent all non-conformities
- Eliminate the need for zoning relief
- Regulate items the Town does not have the statutory authority to regulate

UDO Update Process

- **Step 1**: Project Kick Off
- **Step 2**: Begin Public Engagement
- **Step 3**: Existing UDO Analysis and Preliminary Recommendations
- **Step 4**: Draft UDO Sections and Review Meetings
- **Step 5**: Manual of Specifications, Standards, and Design (MSSD) Comprehensive Update and Reorganization
- **Step 6**: Draft and Final UDO and MSSD
- **Step 7**: UDO Adoption

Ms. Wells stated they will ask residents for their feedback on topics from the Community Plan & UDO Alignment.

Key Plan Recommendations for UDO Alignment

- Mix of Housing Types
- Infill Development
- Development Scale
- Open Space & Tree Preservation
- Landscape, Buffering, & Screening

Thomas Ballman had questions about the functional classification and the massing of each road. Ms. Wells replied, they wanted to pull that level of detail out of the equation so that folks didn't get too caught up in the distinction of code, if fronting a collector roadway or arterial roadway.

Sheila Bishop asked if there'll be parking for each designated unit. She asked if there'll be backup parking for commercial building. Ms. Bishop asked what are some of the drawbacks of having that particular landscape design. Ms. Wells replied, for uses and new uses coming in for redevelopment you would still need to provide the minimum amount of parking the UDO would require.

Mike Siderio asked if there's a hierarchy in the town plans. He asked if plans are being dovetailed together so one plan doesn't contradict the other. Senior Planner Kari Grace responded all plans are Comprehensive Plans, so one isn't necessarily more important than the other. She said because they've had a lot of plan updates or newly created plans she believes there's been a concerted effort to make sure those are coordinated with each other. She said there are a lot of plans to navigate so it's something they need to keep in mind as they go through this process. Mr. Siderio asked if the Northeast Plan would trump the UDO. Ms. Grace replied the Comprehensive Plans are guiding documents and the UDO is a regulatory document, so the UDO is going to be driving what gets approved or not. She said the goal of this update is to translate as many things as possible from those plans into the UDO.

Ms. Wells briefly talked about the next steps in the process and informed the Board of the meetings this week:

- Zoning Orientation Tour
- Department Heads Meeting
- Planning Board Work Session
- Board of Commissioners Work Session
- Key Stakeholder Interviews and Focus Group Discussions
- UDO Update Public Open House

- UDO Update Technical Review Group Meeting

Thomas Ballman asked the consultant if they anticipate looking back at plans that may have already been approved. Ms. Wells said as part of the next step there'll be a lot of analysis where staff will provide a five-year history of variance approvals, they'll look at recently approved developments to see if there are consistent conditions that are placed on those developments. They'll also do non-conformities analysis. Mr. Ballman asked about the basic process of the legislative rezoning. Ms. Wells said that is not typically a part of the process.

The powerpoint presentation of the Wake Forest UDO Comprehensive Update is attached to the minutes available in the Minutes Books filed in the Town Clerk's Office.

4. Adjournment

With no further business to discuss, Chair Kimray adjourned the meeting at 6:27 p.m.

Joe Kimray
Planning Board Chair

Theresa Savary
Town Clerk

Agenda Item Report

Agenda Item No.: 2021-630-
Submitted by: Brad West
Submitting Department: Planning
Meeting Date: August 9, 2022

SUBJECT
Consideration of and Public Comment Session on CPA-22-02, Draft Town of Wake Forest Housing Affordability Plan

Recommendation:

Item Summary:

ATTACHMENTS

- Staff Report
- Attachment A - Application
- Attachment B - Draft Housing Affordability Plan July 1 2022

Staff Report
CPA-22-02: Wake Forest Housing Affordability Plan

Meeting Date	8/9/2022
Requested Actions	Consideration of Comprehensive Plan Amendment to add the Draft Housing Affordability Plan to the Town's Comprehensive Plan
Case Manager	Brad West, Long Range Planning Manager

PUBLIC MEETINGS

Public Comment Session	Public Hearing (Tentative)
August 9, 2022	September 20, 2022

CASE INFORMATION

Applicant	Town of Wake Forest 301 S Brooks Street Wake Forest, NC 27587
See Attachment A for copy of the Application.	

CASE SUMMARY

In light of the increasingly difficult housing situation many in the Triangle are experiencing in recent years, the Town of Wake Forest contracted with HR&A Advisors to draft the Wake Forest Housing Affordability Plan. The Draft Plan examines existing local housing conditions, determines housing needs, establishes a vision and associated goals for housing in the community, and recommends policies to help achieve this vision. Specifically, the Draft Plan's three overarching goals are to expand and promote homeownership, create new affordable rental housing, and build capacity and partnerships. An action chapter, with detailed implementation items aimed at achieving the aforementioned goals, is included to provide clear guidance for the Town.

STAFF RECOMMENDATION

Staff recommends approval of the proposed Comprehensive Plan Amendment to add the Draft Wake Forest Housing Affordability Plan to the Town's Comprehensive Plan for the following reasons:

- The Draft Plan supports the Town's Strategic Plan goal of creating accessible housing opportunities.
- The Draft Plan fulfills the Community Plan's implementation item of drafting and implementing an Affordable Housing Plan.

- The Draft Plan fulfills the Northeast Community Plan's implementation item of identifying programs, initiatives, targeted funding mechanisms, counseling, and educational opportunities to allow existing residents flexibility in maintaining their chosen place of residence.
- The Draft Plan fulfills a key deliverable intended with the passage of the half-cent property tax for Affordable Housing initiatives.

ATTACHMENTS

Attachment A:	Application
Attachment B (Link):	Draft Wake Forest Housing Affordability Plan

Comprehensive Plan Amendment Application

(Comp Plan Amendment - BOC Workflow)

Town of Wake Forest, NC
301 S. Brooks St.
Wake Forest, NC 27587-2932
TEL (919) 435-9510 | FAX (919) 435-9539

Project Overview #818763

Project Title: Wake Forest Housing Affordability Plan
Application Type: Comprehensive Plan Amendment
Workflow: Comp Plan Amendment - BOC
Jurisdiction: Town of Wake Forest (Wake County)
State: NC
County: Wake

Checklist - Comprehensive Plan & UDO Amendment

A submittal checklist is available to view additional documents which are required to submitted with this application. After answering the application questions, you will be asked to upload the required documents.

VIEW COMPREHENSIVE PLAN & UDO AMENDMENT SUBMITTAL CHECKLIST

Missing items will result in the application being declined and returned to the applicant to resubmit. A revised and complete application including all missing items must be received or the application will be not be deemed complete and routed for review.

Please confirm you have reviewed the associated submitted checklist for this permit and confirm you will submit all documents required on the submittal checklist: Yes

Pre-Application Meeting

Has a pre-application conference been held?: No

This type of project requires a pre-application conference be completed prior to official submittal. Please return to the home screen and select **Pre-Application Conference** from the application type drop down list in order to schedule your required meeting.

Pre-Application Conference Date:
Staff Member Met With:
Project ID:

Data - Basic Location

If your Comprehensive Plan Amendment is associated with specific property(s) please answer the following questions. If not, proceed to the next page.

Development/Subdivision (optional - for reference only):
Project Address or PIN:
Tax PIN:
Zoning:
Current Zoning Overlay:
Town Limits:

Projects falling outside the limits of the Town or ETJ will be required to submit an annexation petition in conjunction with their project submittal. Please return to the home screen and select **Annexation Petition** from the application type drop down.

Land Use:

Acreage:

GIS Acreage:

Project Contact - Applicant/Owner

Please enter all project contacts related to your application.

This is an important step to ensure all members of the applicant team receive email notifications associated with the project which may include comments, requested revisions, scheduled meetings or hearings, and final decisions. This also informs Town staff of the team members assigned role with the project.

Project Contact - Applicant
Brad West
Town of Wake Forest
401 Elm Avenue
Wake Forest, NC 27587
P:(919) 5546100
bwest@wakeforestnc.gov

Project Contact - Developer
Brad West
Town of Wake Forest
401 Elm Avenue
Wake Forest, NC 27587
P:(919) 5546100
bwest@wakeforestnc.gov

Project Contact - Property Owner
Brad West
Town of Wake Forest
401 Elm Avenue
Wake Forest, NC 27587
P:(919) 5546100
bwest@wakeforestnc.gov

Amendment Type

Please answer the below questions to provide reviewers an overview of the application. Additional information may also be provided through uploading an attachment.

Plan Being Amended: N/A

Description of Request:
Town staff has drafted the Wake Forest Housing Affordability Plan and intends to bring the document before the Board of Commissioners for adoption.

Applicant Requested Language:
N/A

Type of Amendment: Text

Current Plan Language:
N/A

Justification of Amendments:
Town staff has drafted the Wake Forest Housing Affordability Plan and intends to bring the document before the Board of Commissioners for adoption.

WAKE FOREST

HOUSING AFFORDABILITY PLAN

Updated Draft - July 1, 2022

PUBLIC DRAFT 07/01/22

ACKNOWLEDGEMENTS

The Town of Wake Forest's Housing Affordability Plan is the result of a joint effort between the Town and a broad group of local stakeholders. We would like to thank the many community members, service providers, elected leaders, Town staff members, Advisory Committee members, and members of the public who were instrumental to this process and provided invaluable insight and feedback on housing conditions and housing priorities in Wake Forest.

Advisory Committee Members

Alicia Arnold
Wake County Department of Housing Affordability and Community Revitalization

Jacquie Ayala
Habitat for Humanity

Mike Burger
Tri-Area Food Pantry

Rachel Eberhard
CASA

Dustin Engleken
Triangle Apartment Association

Dawn Fagan
Wake County Housing Authority

Wayne Felton
Raleigh Housing Authority

Rhett Fussell
Raleigh Area Land Trust

Jennie Griggs
Northern Wake Senior Center

Tara Hall
North Carolina Housing Finance Agency

Shynese Hockaday
Louisburg College and Northeast Community

Ryan Hutchinson
Southeastern Baptist Theological Seminary

Phil Landis
Housing Advocate

Nathan Spencer
Wake Up Wake County

Desirae Williams
Municipal Employee

Yolanda Winstead
DHIC

Board of Commissioners

Vivian Jones
Mayor

Jim Dyer
Commissioner

Chad Sary
Commissioner

R. Keith Shackleford
Commissioner

Nick Sliwinski
Commissioner

Adam Wright
Commissioner

Planning Board

Thomas Ballman
Member

Sheila Bishop
Member

Michael Hickey
Member

Christopher Joyner
Member

Joe Kimray
Chair

Karin Kuropas
Member

Michael Siderio
Member

Project Consultants

HR&A Advisors

Little Diversified Architectural Consulting

Planning Staff

Courtney Tanner
Planning Director

Jennifer Currin
Assistant Planning Director

Brad West
Long Range Planning Manager

Michelle Michael
Senior Planner - Historic Preservation

Patrick Reidy
Senior Planner - Development Services

Kari Grace
Senior Planner - Development Services

Tim Richards
Senior Planner - Development Services

Dylan Bruchhaus
Planner II - Long Range

Emma Linn
Planner I - Development Services

Josh Michael
Planner I - Long Range

Ben Coleman
Zoning Enforcement Officer

TABLE OF CONTENTS

INTRODUCTION

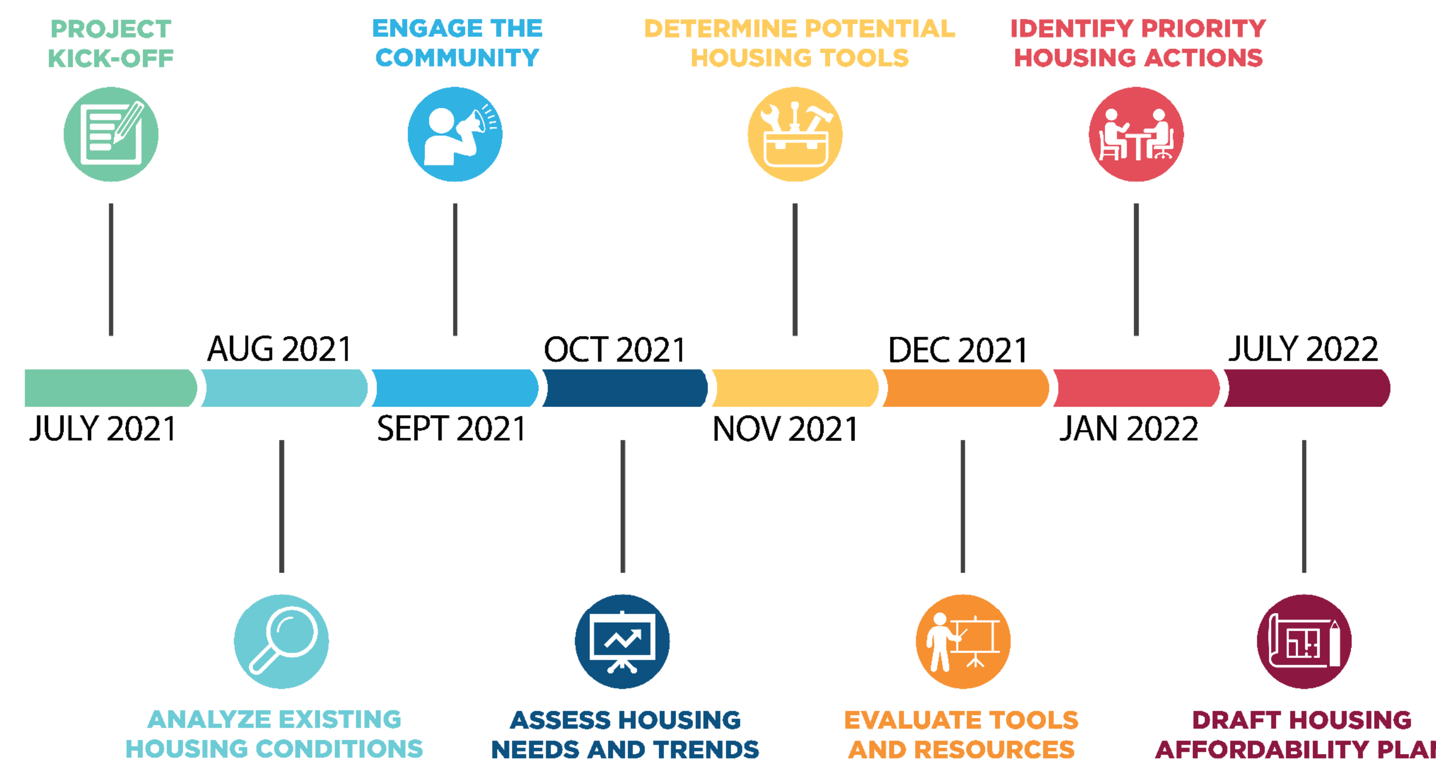
Plan Overview

The Wake Forest Housing Affordability Plan seeks to lay a path for expanding housing opportunities that are rooted in analysis and community input.

Wake Forest is situated in one of the fastest-growing regions in the United States, leading to considerable population growth for the Town in recent decades. The large influx of new residents has substantially increased demand for both rental and for-sale housing in the community. As a result, many seeking to locate to Wake Forest are unable to find housing that they can afford, while numerous households of existing residents are at risk of being displaced from Wake Forest and possibly the region.

In response to these challenges, the Town of Wake Forest undertook a Housing Affordability Plan to analyze local housing conditions, determine local housing need, explore proven housing affordability strategies, and refine these strategies into practical actions for the Town. The strategies contained herein set the framework for how the Town can work with community partners to make thoughtful, targeted investments in housing.

The Housing Affordability Plan was developed between 2021 and 2022, with regular engagement throughout.



Defining Affordability

Housing "affordability" can be defined in different ways based on both household income and housing.

Affordability in Relation to Income

Affordable Housing: Under a standard determined by the U.S. Department of Housing and Urban Development (HUD), housing is affordable when housing costs are less than 30% of a household's gross income. HUD uses the Area Median Income (AMI) for a family of four as the primary metric to determine affordability in various regions of the country.

In the case of Wake Forest, HUD uses the Raleigh Metropolitan Statistical Area's AMI, which was $95,700 as of 2021. Alternatively, the US Census' Median Household Income can be used as a metric for determining affordability on a more local level. The Median Household Income in Wake Forest is $92,210 per the 2019 American Community Survey (ACS) 5-year estimates.

Key Affordability Terms Defined:

Cost Burden: A household that spends 30% or more of their gross income on housing costs is considered cost burdened.

Severe Cost Burden: A household that spends 50% or more of their gross income on housing costs is considered severely cost burdened. Low- and very low-income households are particularly impacted.

Residual Income: A household's residual income is the money left for necessary expenses such as food, childcare, health care, and transportation after subtracting housing costs. Based on the Economic Policy Institute's Family Budget Calculator, Wake Forest households that make less than 70% of the Area Median Income will struggle to afford the cost of living due to the costs of food, child care, health care, and other necessities.

Affordability in Relation to Housing Types

Some housing is affordable because it receives public subsidy, while other housing is affordable because of the type, location, or age of the housing. All housing types play an important role in meeting the diverse range of housing needs and preferences of the Wake Forest community.

- **Naturally Occurring Affordable Housing (NOAH):** Market-rate housing (for rent or purchase) that is priced at levels that are affordable to low- or moderate-income residents.
- **Subsidized Housing:** Affordable rental and ownership housing developed and/or operated by nonprofit and for-profit developers using public subsidies. Subsidy can be both at the building level (project-based) or the tenant level.
- **Tenant Based Vouchers:** Families receive a voucher to be used to pay for a portion of rent at an apartment. North Carolina law does not require all landlords to accept this form of rental subsidy.
- **Public Housing:** Housing managed by public housing agencies with operating and capital funds provided by HUD.
- **Permanent Supportive Housing:** A model that combines housing, health care, and supportive services to help individuals and families lead more stable lives.

EXISTING CONDITIONS: POPULATION

Regional Demographics

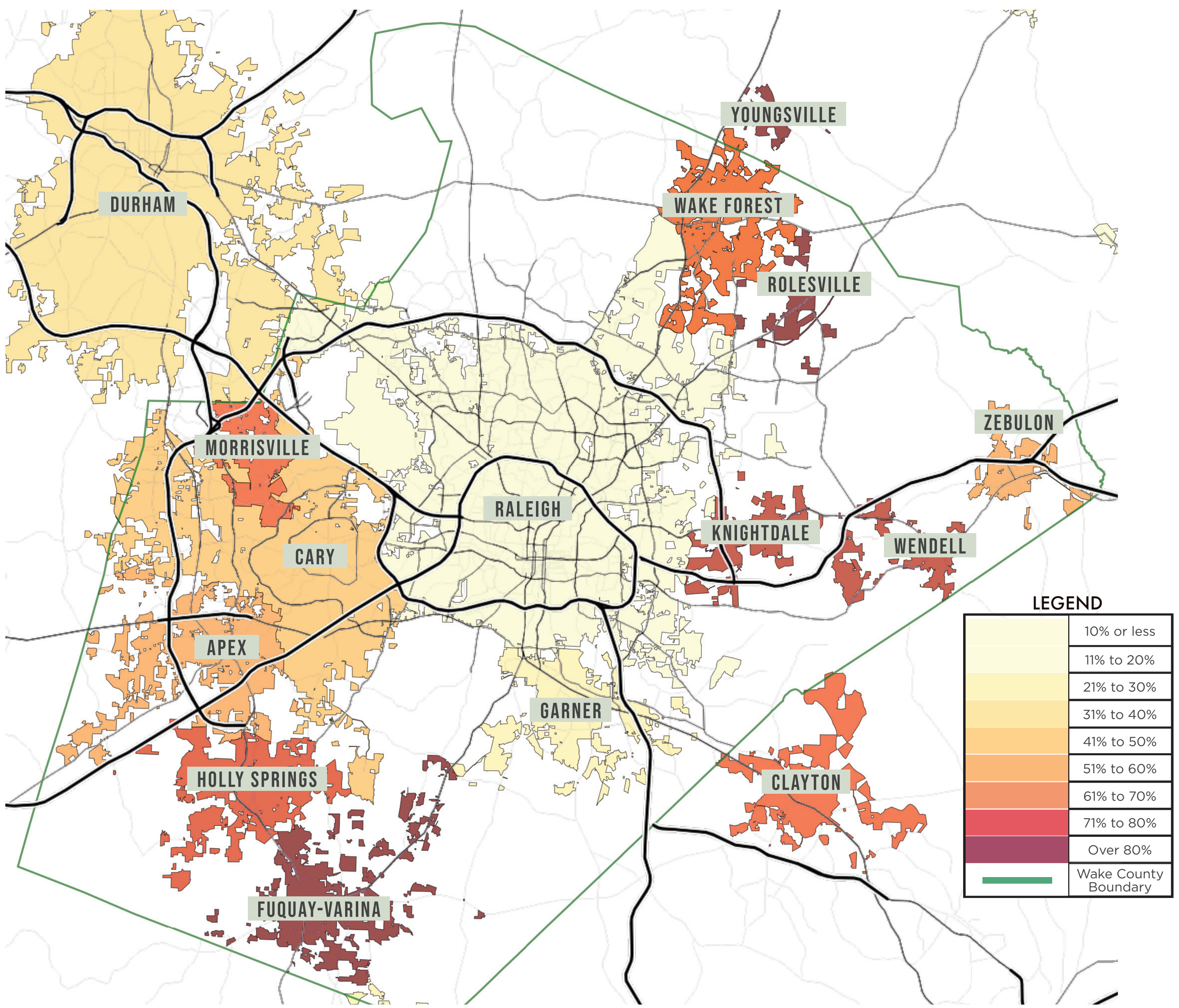
Wake County is one of the fastest growing counties in the country, both in job growth and population growth.

<u>Regional Population Growth</u>

North Carolina's Triangle region, a nickname given to the neighboring metropolitan areas of Raleigh, Durham, and Chapel Hill, is a nine-county region home to three major research universities. The presence of these universities has led to the area becoming a hub of burgeoning technology and biotech companies, fueling rapid population growth in recent decades.

Wake County, where Wake Forest is primarily located, has been at the center of this rapid growth. Wake County has grown by 25% since 2010, outpacing the state of North Carolina (+9%). With 1.1+ million residents, Wake County is the most populous county in North Carolina.

FIGURE 1: PERCENT POPULATION GROWTH ACROSS WAKE COUNTY BY JURISDICTION 2010-2020



Source: American Community Survey (ACS) 5-Year

Local Demographics

The Triangle region's appeal has had a substantial impact on Wake Forest's population growth.

<u>Local Population Growth</u>

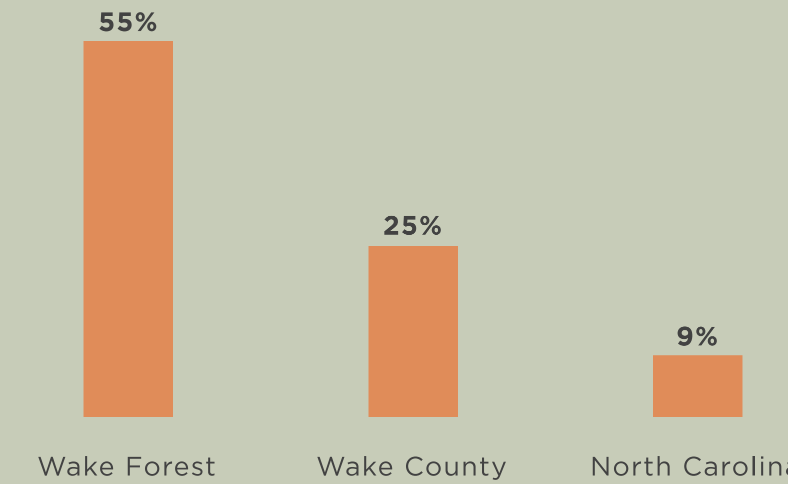
Wake Forest is located in the northeastern corner of Wake County, with a small portion in Franklin County. Like many of the suburban communities in the region, Wake Forest is substantially impacted by the region's population growth (Figure 2).

Wake Forest's population has grown by 55% since 2010, faster than both Wake County (25%) and the State (9%). In 1990, Wake Forest's population was 5,769. Today, the population exceeds 47,601, almost ten times the population thirty years ago (Figure 3). Further, over 60% of residents have moved to the Town since 2010. This recent influx of residents has put substantial pressure on Wake Forest's housing market to grow quickly to meet demand.

THE TAKEAWAY

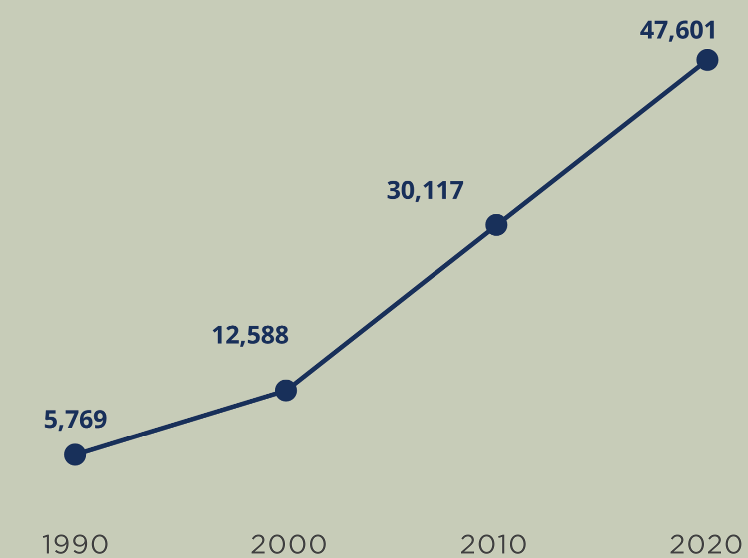
Wake Forest's explosive population growth has outpaced both Wake County and the State's growth since 2010. These trends put substantial pressure on Wake Forest's housing market to keep pace.

FIGURE 2: COMPARATIVE POPULATION PERCENTAGE GROWTH 2010-2020



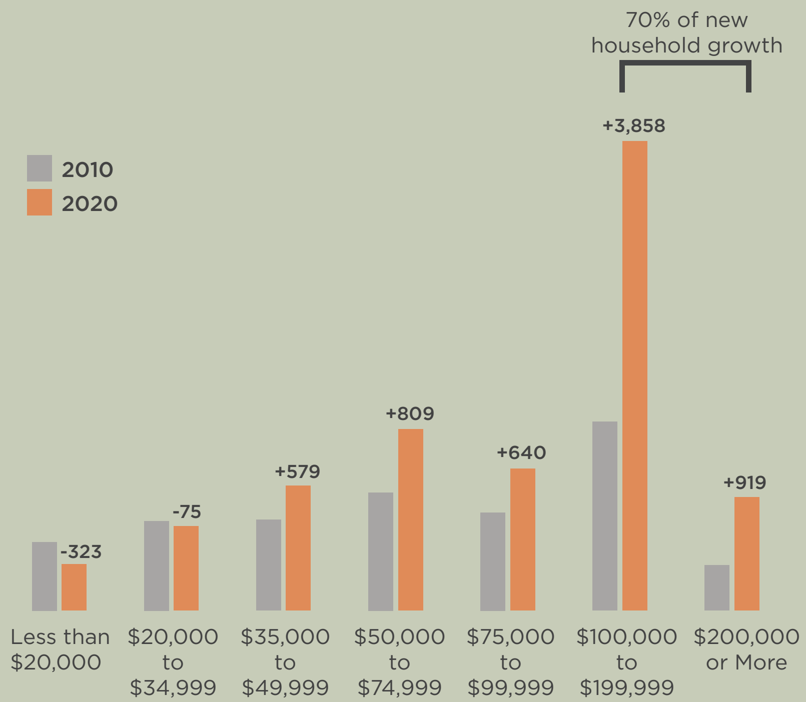
Source: Decennial Census, 2020

FIGURE 3: POPULATION GROWTH IN WAKE FOREST 1990-2020



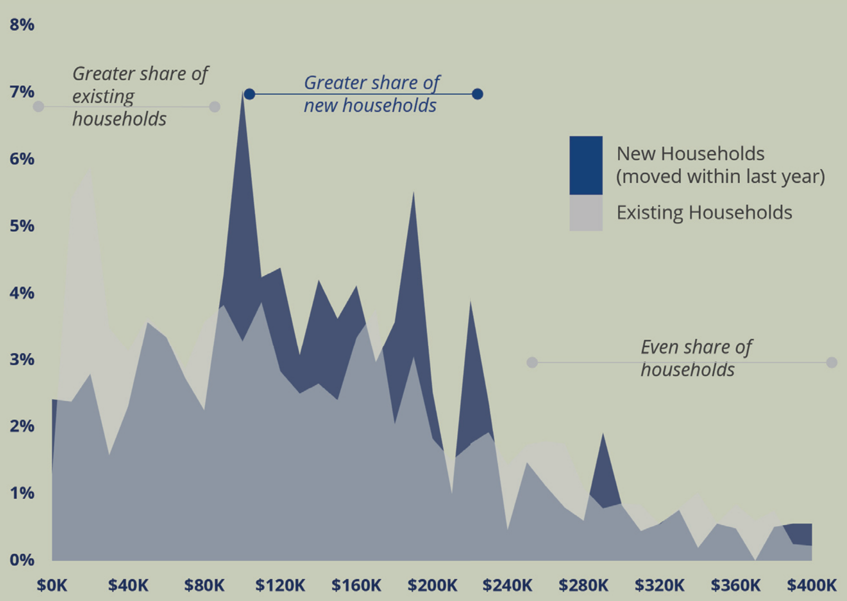
Source: Decennial Census, 1990-2020

FIGURE 4: CHANGE IN HOUSEHOLD BY INCOME IN WAKE FOREST 2010-2020



Source: American Community Survey (ACS) 5-Year

FIGURE 5: INCOME DISTRIBUTION IN WAKE FOREST: NEW HOUSEHOLDS VS EXISTING HOUSEHOLDS 2018-2019



Source: American Community Survey (ACS) 5-Year, Public Use Microdata (PUM)

Local Demographics

Household Income

Population growth in the region has been driven primarily by households making more than $100,000 per year (Figure 4).

In 2010, households earning between $50,000 and $74,999 were the most prevalent in Wake Forest. While population growth has occurred among all income groups earning above $35,000, most new growth (64%) has been in households earning more than $100,000 per year. Both increases in wages overall and the growth in high-income households has pushed the median household income up to $92,210 in Wake Forest.

There is a disparity in income between new and existing households. Recent residents (households that moved within a year of 2019) in Wake Forest have a median income of $140,000, compared to $92,210 for existing households (Figure 5), an income disparity of almost $50,000. This disparity creates challenges for existing residents who have to compete with high earners in the housing market.

THE TAKEAWAY

Population growth in Wake Forest is driven by high income households, who on average make almost $50,000 more per year than existing residents. This can make it challenging for existing residents to find housing they can afford.

PUBLIC DRAFT 07/01/22

Local Demographics

Household Income by Race and Ethnicity

Wake Forest is becoming more diverse, however there are still income disparities by race and ethnicity in Wake Forest that help drive disparate housing outcomes. The median Asian and white household earns more than Wake Forest's overall median income ($137,708 and $102,209 respectively) (Figure 6). At the same time, the median Black and Hispanic household earns less than Wake Forest's overall median income ($89,808 and $62,500, respectively).

Renter Household Income

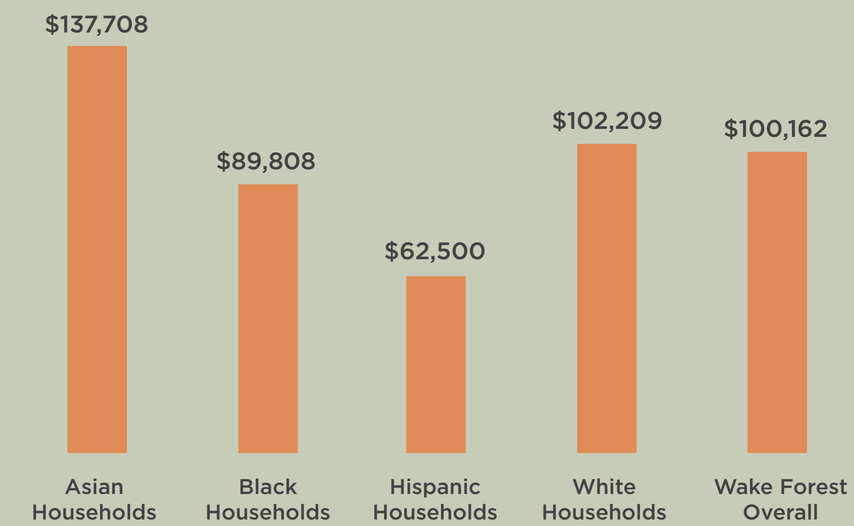
New renter households making more than $75,000 per year have increased, benefiting from new rental housing development in Wake Forest (Figure 7). The median income of renter households has grown by 38% since 2015. In 2015, the median renter household income was $41,116 compared to $56,868 in 2020. This can likely be explained by both increases in renter incomes and the loss of lower-income renters who cannot afford to stay in Wake Forest.

THE TAKEAWAY

Although the median renter income is increasing, this is due in part to the loss of lower income renter households. And while some Wake Forest residents are seeing rising incomes, Black and Hispanic households still have disproportionately lower incomes, which impacts their ability to compete in the housing market.

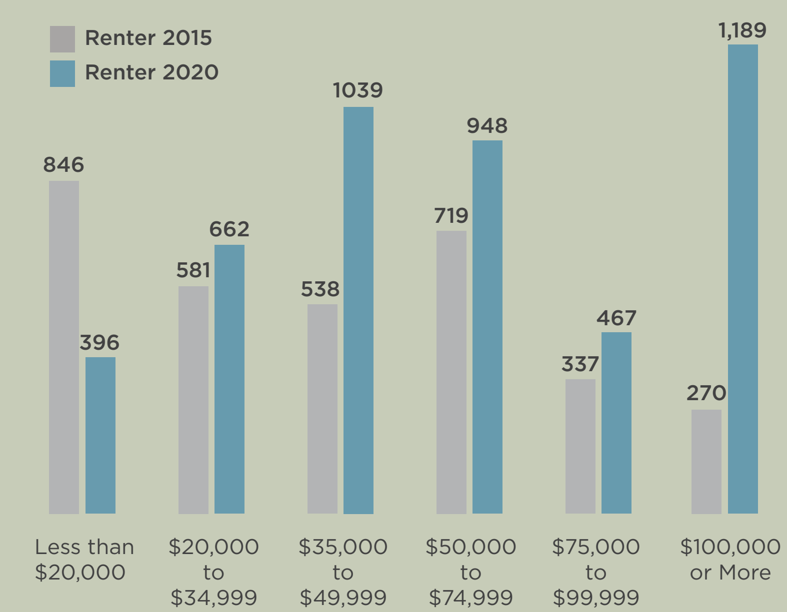
EXISTING CONDITIONS: POPULATION

FIGURE 6: MEDIAN HOUSEHOLD INCOME IN WAKE FOREST BY RACE AND ETHNICITY 2020



Source: American Community Survey (ACS) 5-Year, 2020

FIGURE 7: RENTER HOUSEHOLDS IN WAKE FOREST BY INCOME 2015-2020

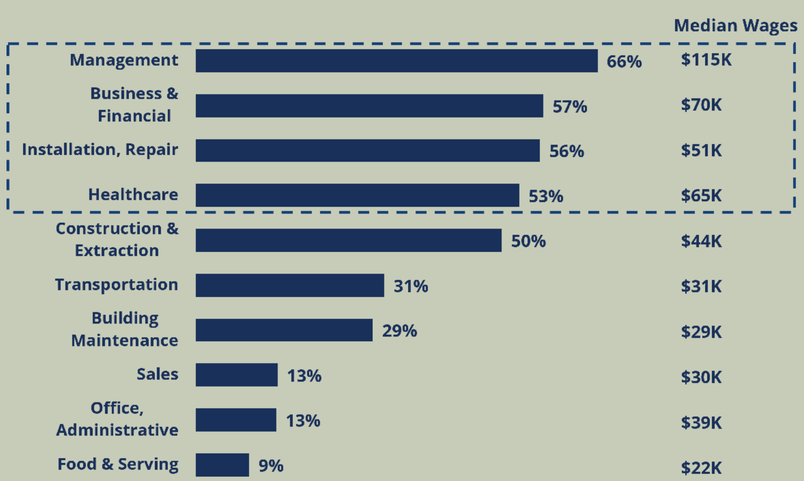


Source: American Community Survey (ACS) 5-Year

FIGURE 8: MOST COMMON OCCUPATIONS IN WAKE FOREST 2020

Source: Emsi Labor Market Analytics & Economic Data

FIGURE 9: FASTEST GROWING OCCUPATIONS IN WAKE FOREST 2020



Source: Emsi Labor Market Analytics & Economic Data

Local Demographics

Employment Growth

Employment growth has been a primary driver of population growth in both Wake Forest and the region. Importantly, the occupations that are growing the fastest in Wake Forest pay higher wages than the current most common occupations.

From 2010-2019, there was a 2% increase in the share of working households living outside of Wake Forest that are employed in Town. Additionally, there was a 2% decrease in the share of working households living within Wake Forest that are employed outside of Town.

As of 2020, the four most common occupations in Wake Forest pay low to moderate wages, including sales, office/administrative, food/serving, and transportation occupations (Figure 8). Median wages for these occupations range from $22,000 to $39,000 annually.

While lower- to moderate-wage occupations continue to outnumber high-wage occupations, the fastest growing occupations are higher-earning (Figure 9). The four fastest growing occupations reported in Wake Forest in 2020 include management, business and financial, installation and repair, and healthcare. Median wages for these occupations range from $51,000 to $115,000 annually.

THE TAKEAWAY

While lower to moderate wage jobs remain the most prevalent in Wake Forest, higher wage jobs are growing more quickly, which is a driver of the rising median income in Wake Forest.

Local Demographics

Housing Tenure

Wake Forest is primarily a town of homeowners; 70% of Wake Forest households own their homes (Figure 10). A greater share of Wake Forest residents own their homes than the United States average overall (about 64%). In line with state and national trends, the percentage of homeowner households is declining in Wake Forest across almost all income groups.

Housing Tenure by Race and Ethnicity

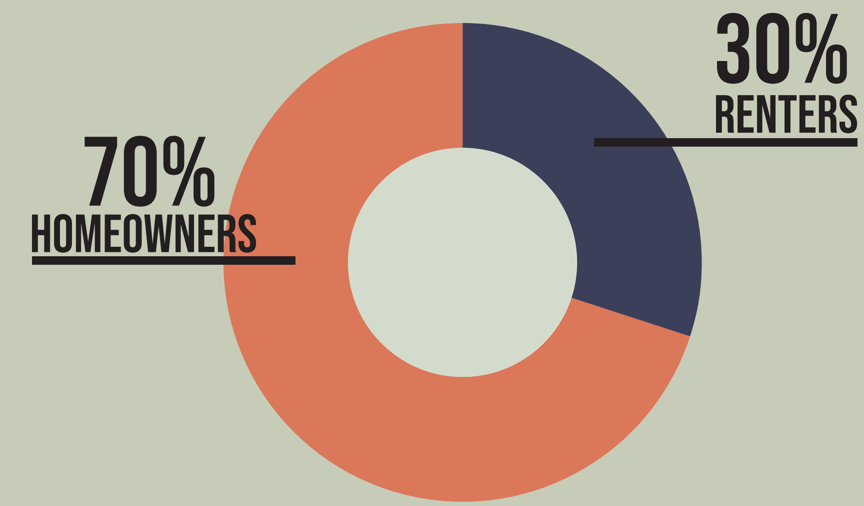
The racial and ethnic disparity in household income impacts how different households are represented and participate in Wake Forest's housing market. One notable impact is the difference in housing tenure status among racial and ethnic groups. Black households are less likely to own their homes than the other groups (Figure 11). In Wake Forest, there is almost an equal distribution of Black households that rent and own their homes, unlike other racial and ethnic groups with larger majority shares of homeownership.

While the Census indicates Wake Forest has become more diverse in recent decades, Black homeownership has only marginally increased from 46% in 2000 to 51% in 2020. Comparatively, this rate is lower than all other racial and ethnic groups within the same 20 years.

THE TAKEAWAY

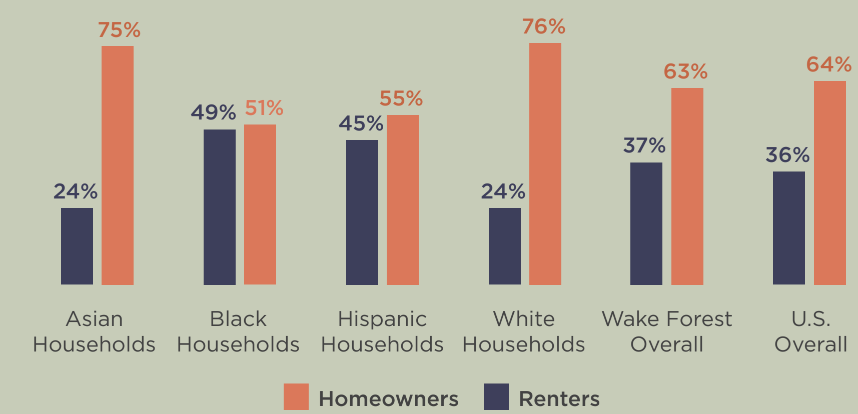
There are currently about 3 homeowners for every 1 renter in Wake Forest. There is a greater share of homeowners in Wake Forest compared with the U.S. overall. A disproportionate share of Black and Hispanic households rent their homes when compared with white and Asian households.

FIGURE 10: HOUSING TENURE IN WAKE FOREST 2020



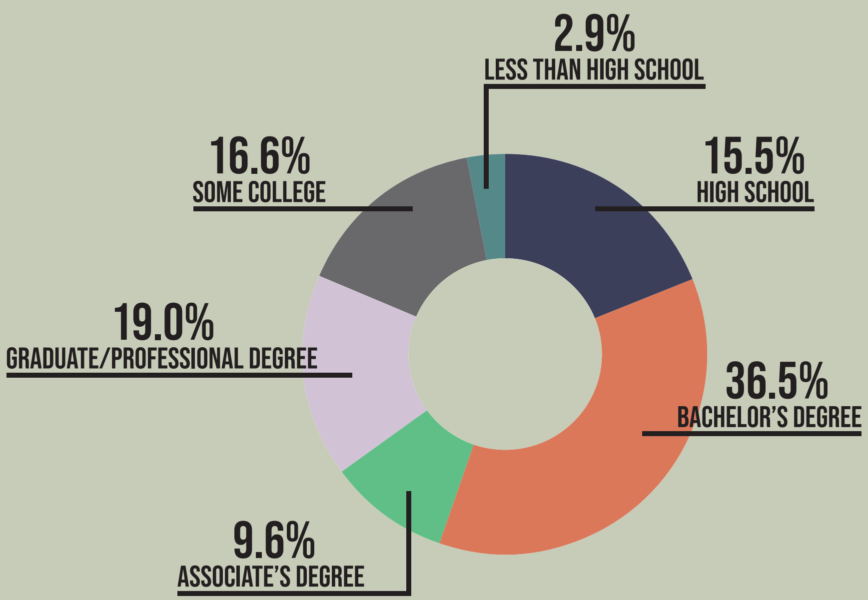
Source: American Community Survey (ACS) 5-Year, 2020

FIGURE 11: HOUSING TENURE IN WAKE FOREST BY RACE AND ETHNICITY 2020



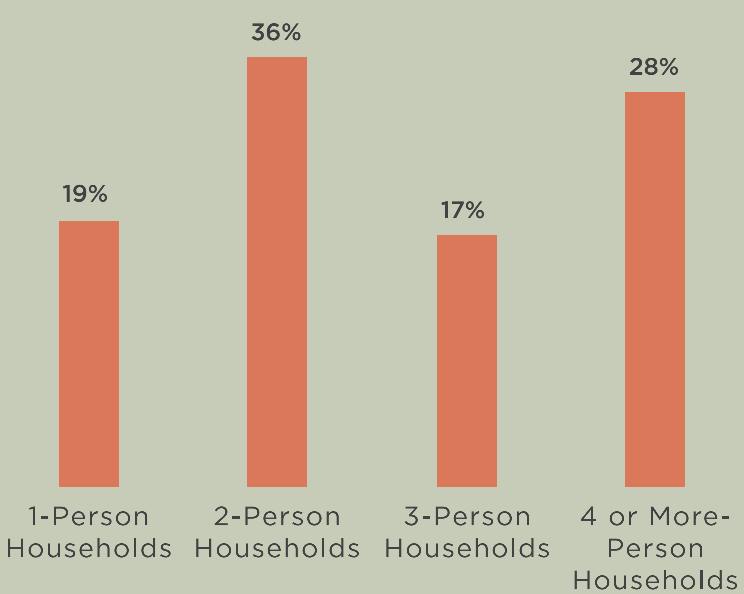
Source: American Community Survey (ACS) 5-Year

FIGURE 12: EDUCATIONAL ATTAINMENT IN WAKE FOREST 2020



Source: American Community Survey (ACS) 5-Year, 2020

FIGURE 13: HOUSEHOLD SIZE IN WAKE FOREST 2020



Source: American Community Survey (ACS) 5-Year, 2020

Local Demographics

Educational Attainment

Wake Forest residents have high educational attainment, driving high wages. More than half (55.5%) of Wake Forest households hold a Bachelor's degree or more (Figure 12), substantially higher than the United States overall (38%).

Household Size

Over 80% of households in Wake Forest contain two or more people, with 28% of households containing four or more people (Figure 13). This distribution of household size impacts the types of housing that households demand and has helped drive the development of homes that can accommodate families.

2.78
Average Household Size in Wake Forest 2020

3.24
Average Family Size in Wake Forest 2020

19.7%
Percent of Children (Under 18) in Single-Parent Households in Wake Forest 2020

THE TAKEAWAY

Wake Forest households are well educated on average, helping drive high incomes. Additionally, there is a relatively diverse distribution of household sizes.

Local Demographics

Seniors

Over 11% of Wake Forest's population was over the age of 65 in 2020. This is comparable but slightly less than the share of seniors in both Wake County (12%) and the State (16%).

Senior households comprise a significant share of both the renter and homeowner markets in Wake Forest (Figure 14). However, households that are either led by or inclusive of seniors are more likely to be cost burdened. Seniors often live on fixed incomes with limited opportunities to benefit from an increase in wages, which means that they are particularly impacted by rising housing costs.

Cost Burden

Housing cost burden in Wake Forest is more prevalent in renter households than homeowner households. However, in both categories, seniors experience a higher likelihood of being cost burdened (Figure 15).

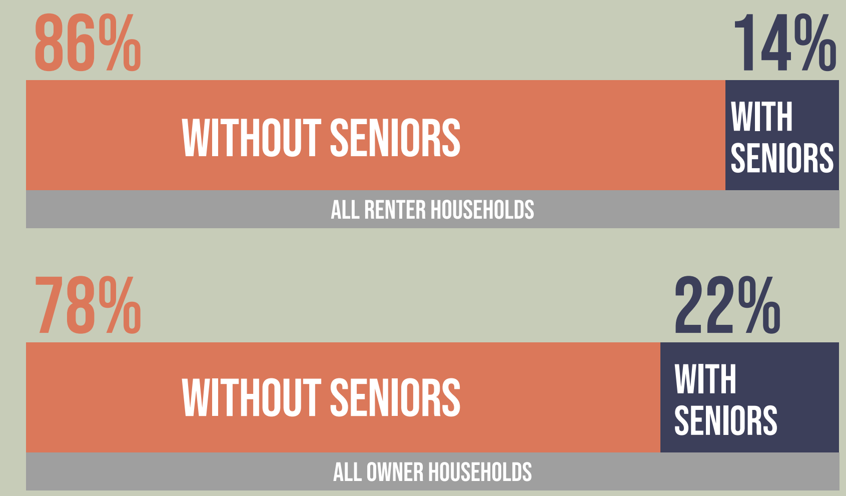
Homelessness

Wake County's 2021 Point-in-Time-Count, run by the Wake County Continuum of Care, identified 912 individuals in 2021 experiencing homelessness, including those living in a sheltered or unsheltered location – few of which are believed to reside in Wake Forest. Though no specific count is available at a town-level, service providers in Wake Forest, such as Tri-Area Ministry Food Pantry, work to meet the needs of those experiencing homelessness from across the region.

THE TAKEAWAY

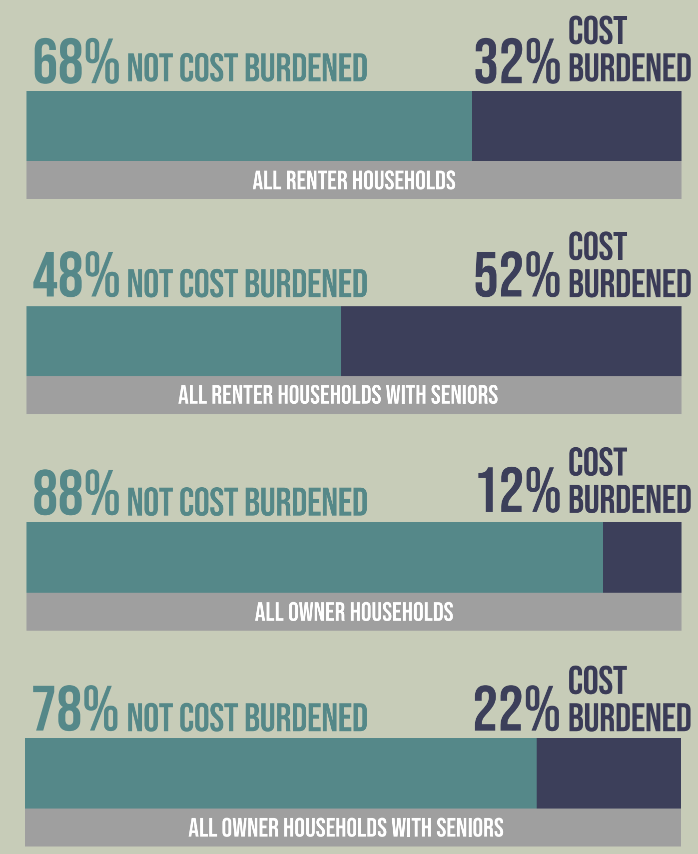
Senior households - especially renters - are much more likely to experience cost burden than their non-senior counterparts.

FIGURE 14: SHARE OF SENIOR (65+) HOUSEHOLDS IN WAKE FOREST BY HOUSING TENURE 2020



Source: American Community Survey (ACS) 5-Year, 2020

FIGURE 15: HOUSEHOLD COST BURDEN IN WAKE FOREST BY SENIOR STATUS 2020



Source: American Community Survey (ACS) 5-Year, 2020

EXISTING CONDITIONS: HOUSING

Housing Conditions

Wake County's real estate market is delivering thousands of new housing units each year.

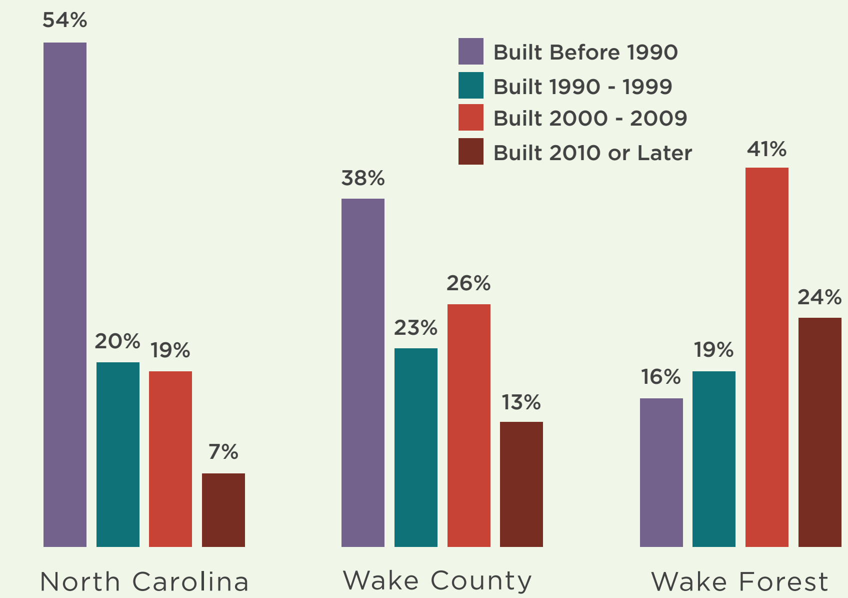
<u>Housing Market Overview</u>

The majority of new development in Wake County is characterized as "greenfield development", or the creation of urban and suburban communities in new, largely underdeveloped environments that require the expansion of utility systems, roadways, and related services.

Though the majority of these new housing units are owner-occupied, Wake County is seeing an uptick in demand for rental apartments. This uptick is in line with national trends, as home sale prices become increasingly unattainable for middle-income households. This trend can also be observed in Wake Forest. In recent years, home sale prices in Wake Forest have begun to regularly exceed $350,000, or the home price that is roughly affordable for households making 80% of AMI (Figure 17). Thus, a shift is underway in the rental market: higher-earning households that may have opted for homeownership in the past are moving into the rental market and driving prices up for renters as well.

The existing housing inventory in Wake Forest is much newer than housing in Wake County and the state (Figure 16). Between 2000-2020, Wake Forest added substantial inventory to keep pace with housing demand. As a result, more than half of homes (65%) have been built since the year 2000. Even in the rapidly developing context of Wake County, only 41% of homes have been built in the same time period. In North Carolina overall, a state that maintains a faster pace of growth than many others, the rate of new housing pales in comparison to Wake Forest, with 28% of housing built since 2000. Consequently, Wake Forest lacks a substantial inventory of older housing, which in many markets serve as a source of naturally occurring affordable housing.

FIGURE 16: AGE OF HOUSING UNITS IN WAKE FOREST 2020



Source: American Community Survey (ACS) 5-Year, 2020

FIGURE 17: HOME SALE PRICES IN WAKE FOREST 2020-2021

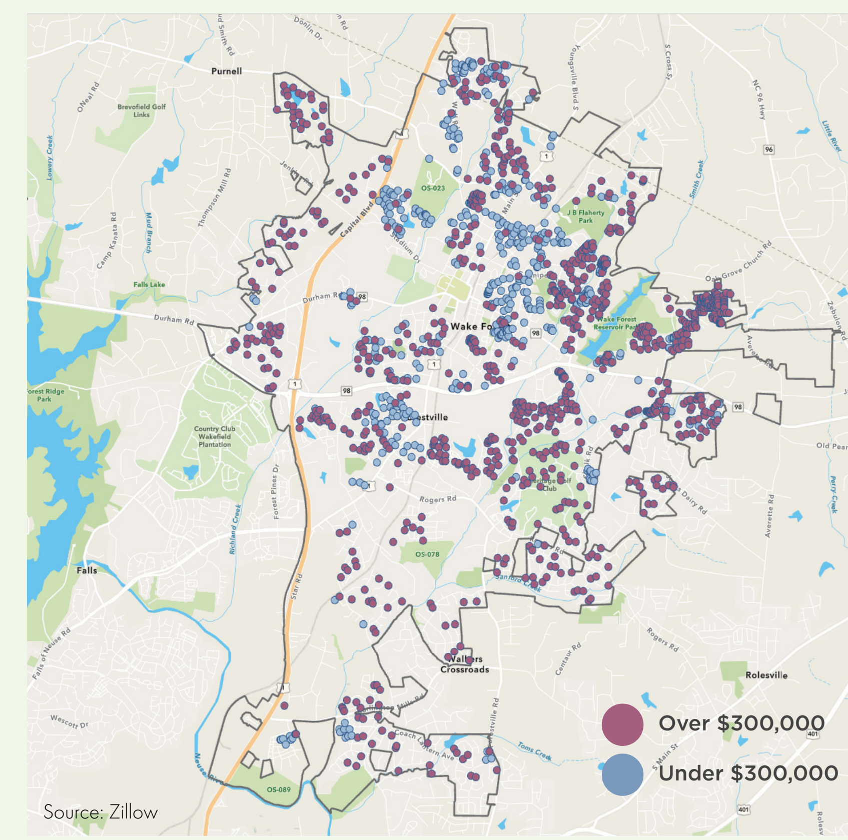
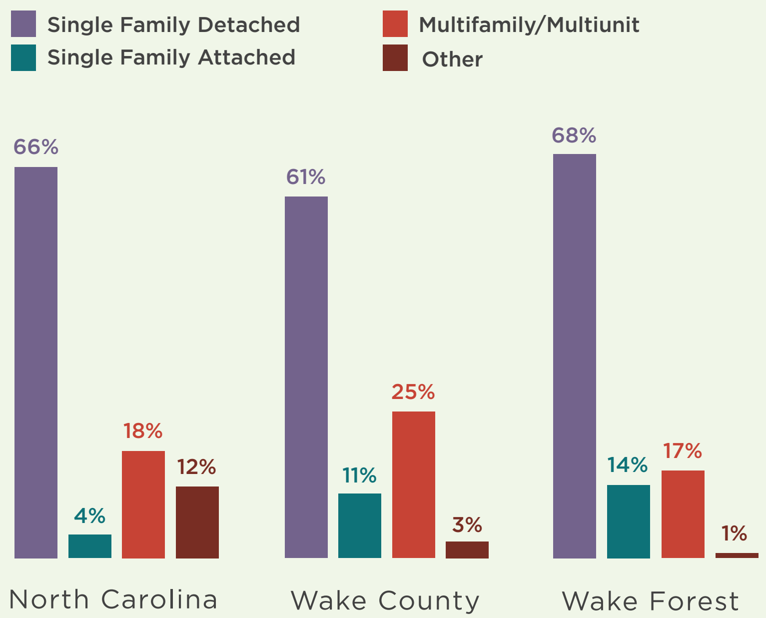
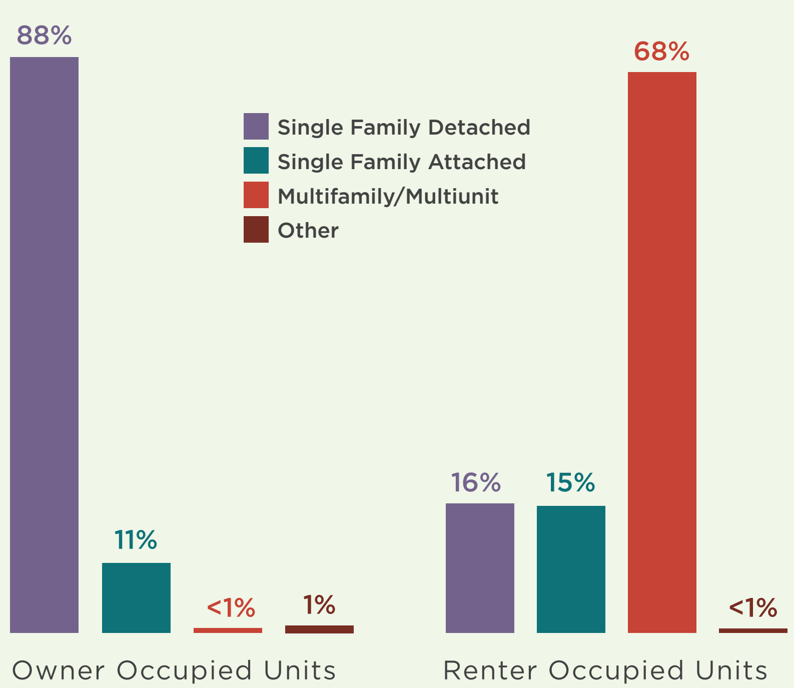


FIGURE 18: REGIONAL SHARE OF HOUSING TYPES 2020



Source: American Community Survey (ACS) 5-Year, 2020

FIGURE 19: WAKE FOREST HOUSING BY TYPE AND TENURE 2020



Source: American Community Survey (ACS) 5-Year, 2020

Housing Conditions

Existing Housing Inventory

Wake Forest is overwhelmingly comprised of single family homes. As of 2020, more than 82% of all residential properties in Wake Forest are single-family homes, with 17% being multifamily. Wake Forest's housing stock contains a smaller share of multifamily housing than Wake County and North Carolina overall (Figure 18).

Despite recent national trends in which single-family homes are increasingly being used as rental properties, the vast majority of single-family homes continue to be owner-occupied (Figure 19).

THE TAKEAWAY

The Wake Forest housing market has primarily catered to households looking for single family homes, and the Town contains a much smaller share of multifamily housing units than Wake County as a whole.

Housing Conditions

New Development

New housing development in Wake Forest is occurring rapidly, and the type of housing being built is evolving. Among the units newly developed since 2016, 70% have been single-family homes, 15% have been townhomes, and 15% have been multifamily homes (Figure 20).

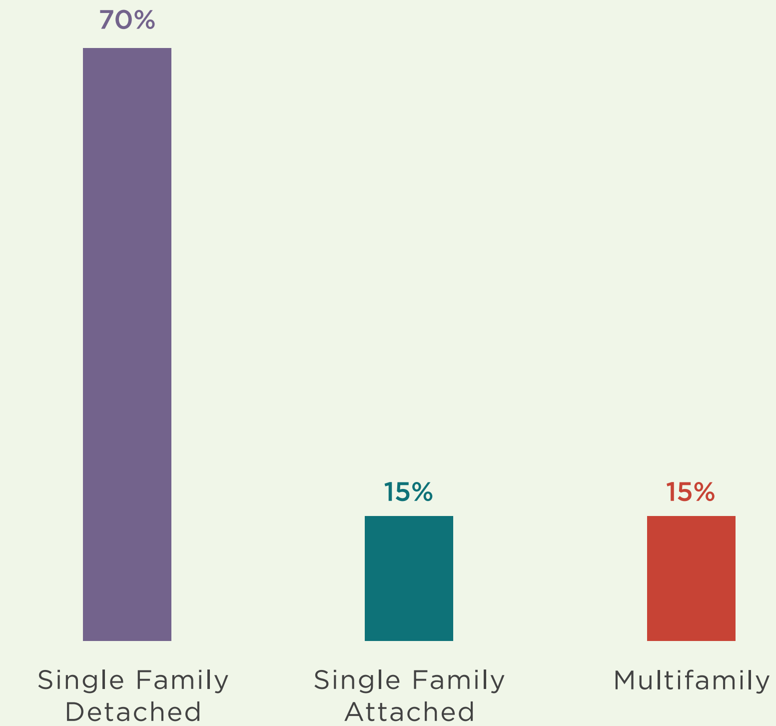
Between 2016 and 2020, a slightly greater share of housing built was a townhome typology (15%) than currently exists in Wake Forest's housing inventory overall (14%, per Figure 18). This shift reflects both increased demand for townhomes by homebuyers and land use changes that allow for more diverse housing types. When accounting for planned developments in the pipeline, Wake Forest's housing inventory will increase to approximately 24,577 units by 2030 (Figure 21).

Looking at the past 5 years alone, the Town of Wake Forest has certified the construction of 524 new multifamily units, 778 single-family attached units, and 2,830 new single-family units since 2016, increasing the total housing stock by 41%.

THE TAKEAWAY

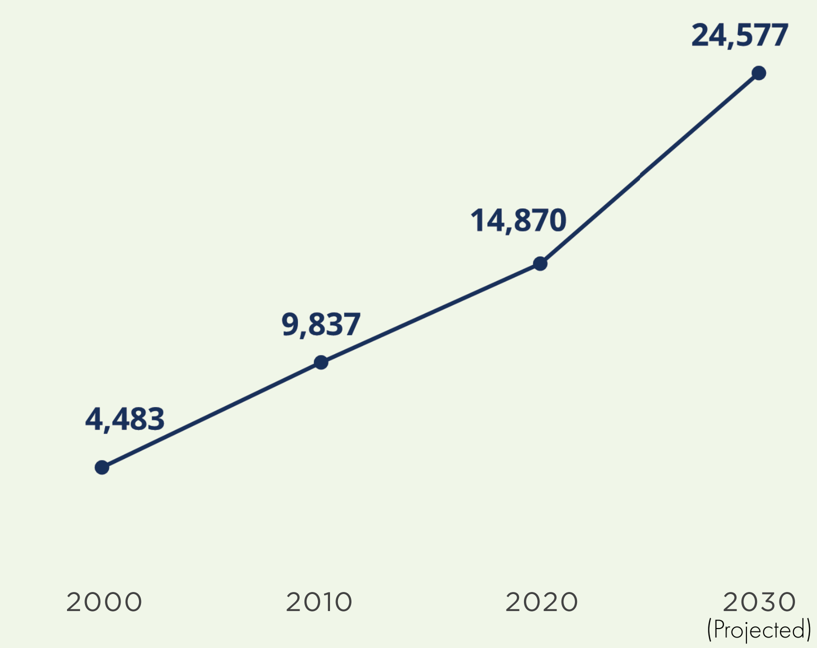
The character of Wake Forest's housing stock, albeit relatively young, has diversified in recent years as more single-family attached, or townhome, units are being built.

FIGURE 20: SHARE OF HOUSING UNITS BY NEW DEVELOPMENT TYPE IN WAKE FOREST 2016-2020



Source: Town of Wake Forest Planning & Inspections Department

FIGURE 21: HOUSING UNIT DEVELOPMENT IN WAKE FOREST 2000-2030



Source: Town of Wake Forest Planning & Inspections Department

Housing Conditions

Multifamily Housing

Multifamily rental housing built before 2000 has a more moderate price point, but the supply of this rental housing is limited. Below are three examples of existing multifamily developments that were built before 2000.

FIGURE 22: MULTIFAMILY DEVELOPMENTS IN WAKE FOREST BUILT BEFORE 2000

Source: CoStar

Below are four examples of upcoming multifamily developments.

FIGURE 23: UPCOMING MULTIFAMILY DEVELOPMENTS IN WAKE FOREST AS OF EARLY 2022

Source: CoStar

Housing Conditions

Rent Growth

Rents for all rental housing have been increasing steadily across the Research Triangle region (32% from 2015 to 2021, per Figure 24), in particular since the start of the COVID-19 pandemic. From 2020 to 2021 alone, rents increased by about 15%.

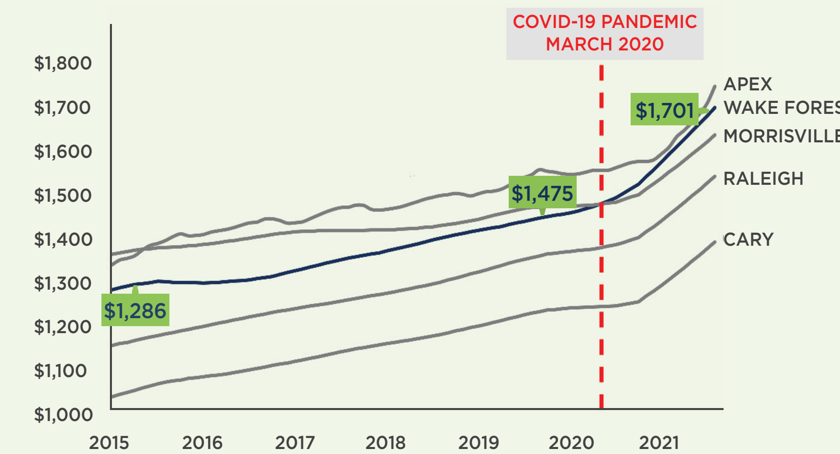
Rent increases in the region are consistent with national trends. Rents rose across the country as interest rates fell, supply chains were disrupted, and many people looked to relocate due to remote work. At the same time, new housing construction was disrupted, contributing to stagnating supply. The simultaneous increase in demand and stagnant housing supply resulted in rent increases.

This rent growth has further reduced the supply of housing available to low-income households. For example, a household earning $40,000 can afford rent up to about $1,000 per month. Between 2010-2020, Wake Forest added 2,152 homes that rent for more than $1,000 per month, while the number of homes renting below $1,000 per month only increased by 311 units (Figure 25).

THE TAKEAWAY

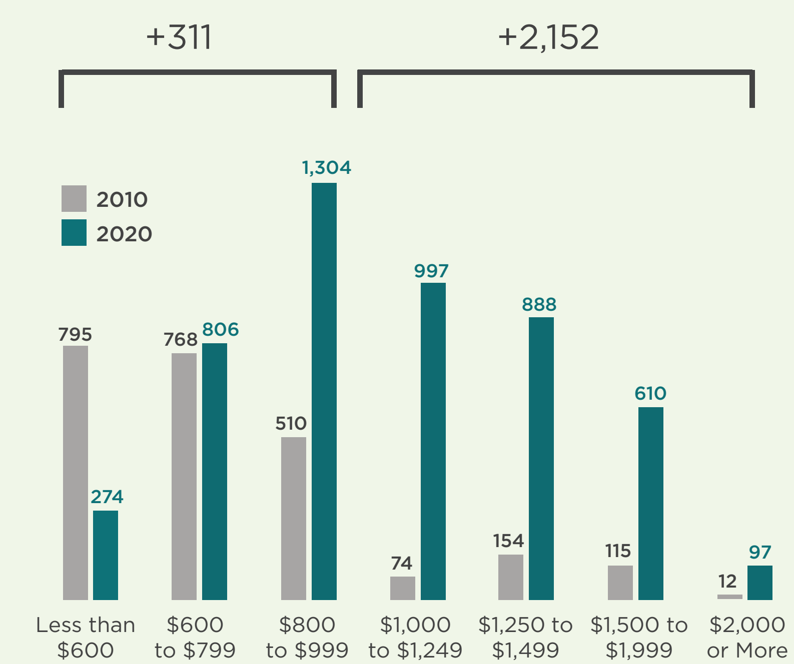
Rents were steadily increasing before the COVID-19 pandemic, but the median rent in Wake Forest has jumped over $200 in the past two years alone.

FIGURE 24: MEDIAN RENT IN WAKE FOREST 2015-2021



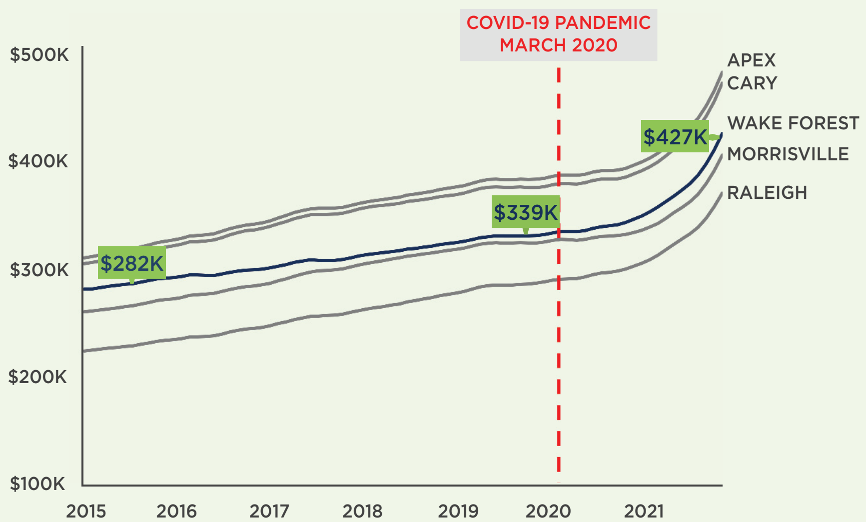
Source: Zillow

FIGURE 25: CHANGE IN RENTAL UNITS IN WAKE FOREST 2010-2020



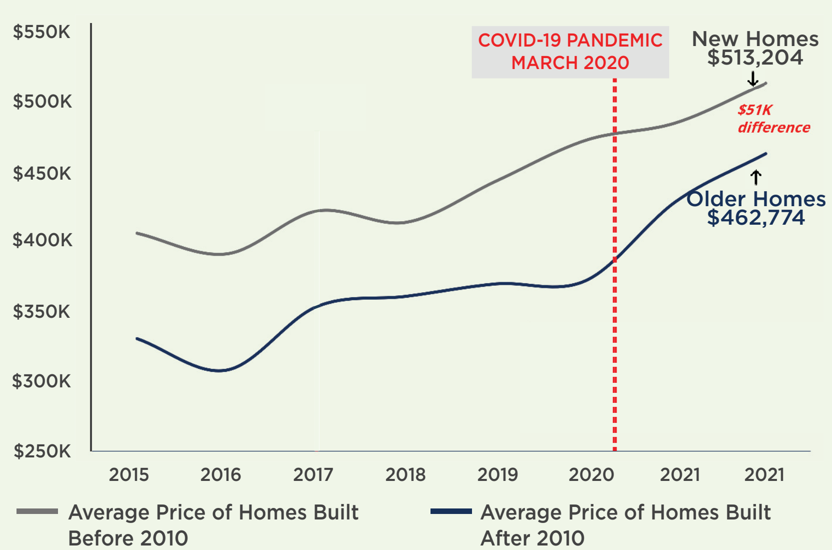
Source: American Community Survey (ACS) 5-Year, 2010 2020

FIGURE 26: MEDIAN SALES PRICE IN WAKE FOREST 2015-2021



Source: Zillow

FIGURE 27: AVERAGE SALES PRICES OF NEW AND OLDER HOMES IN WAKE FOREST 2015-2021



Source: Zillow

Housing Conditions

Sales Price

As with rental housing, the COVID-19 pandemic exacerbated rising costs for for-sale housing. In particular, for-sale homes with more square footage and open space witnessed unprecedented demand in Wake Forest and the Research Triangle region.

Home prices increased 61% between 2015 and 2021 in Wake Forest, with a 26% increase in prices since the onset of the COVID-19 pandemic (Figure 26). The median home price in 2021 was $427,000, up more than 51% since 2015.

While new homes overall sell at an 11% premium, prices of older homes (built before 2010) have risen faster than that of new homes (Figure 27). Since the end of 2020, new homes have increased in value by about 9% while older homes have increased in value by about 24%.

$513,204

Average Sale Price of a New Home in Wake Forest 2021

$462,774

Average Sale Price of an Older Home (pre 2010) in Wake Forest 2021

THE TAKEAWAY

The Wake Forest housing market has primarily catered to households looking for single family homes, and the Town contains a much smaller share of multifamily housing units than Wake County as a whole.

Housing Conditions

Home Value Growth

Today, the median home value among all owner-occupied homes in Wake Forest is $314,000, higher than the median values for Wake County and North Carolina overall (Figure 28).

Almost half (47%) of owner-occupied homes in Wake Forest are valued between $300,000 and $499,000 (Figure 29). Rising homes values can lead to greater wealth for existing homeowners. However, rising home values also create a barrier to entry for low- and moderate-income households to become homeowners.

Of all homes sold between 2020-2021 in Wake Forest, only 26% were below $300,000, the threshold for affordability for a median-income renter seeking to transition to homeownership (Figure 30).

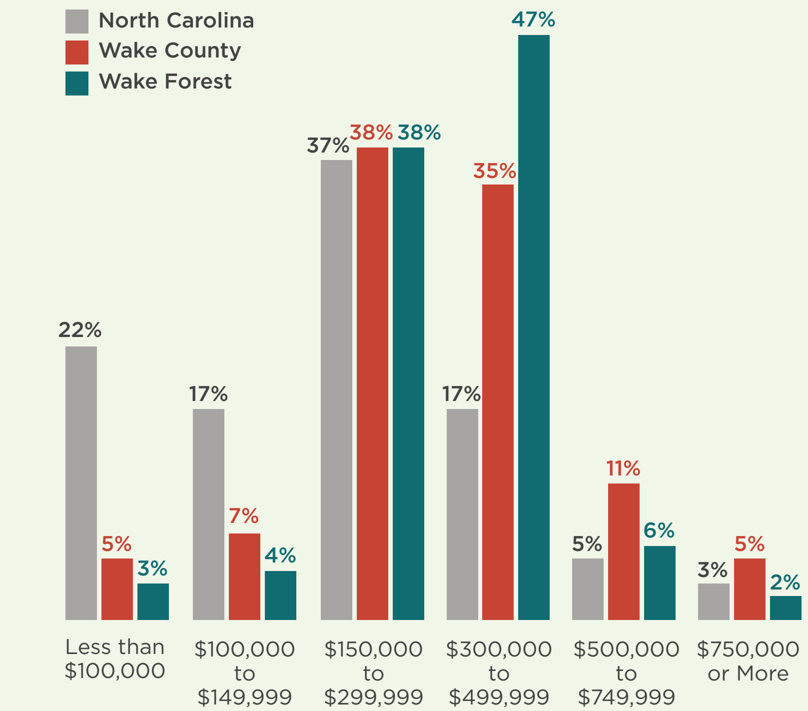
FIGURE 28: MEDIAN HOME VALUE FOR ALL OWNER-OCCUPIED HOUSING UNITS

	2015		2020
North Carolina	$155K	➡	$182K
Wake County	$234K	➡	$302K
Wake Forest	$267K	➡	$314K

THE TAKEAWAY

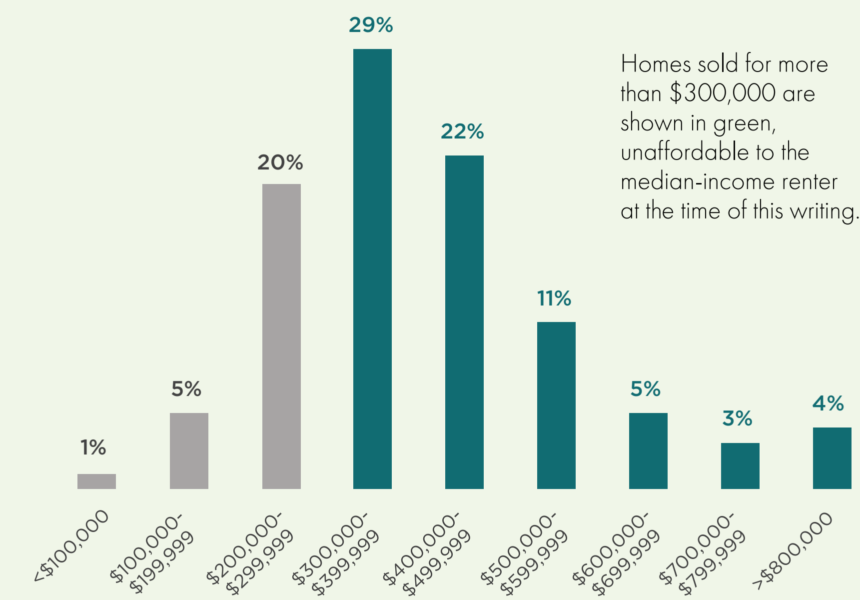
Home values are higher in Wake Forest than in Wake County or North Carolina overall.

FIGURE 29: HOME VALUES FOR ALL OWNER-OCCUPIED UNITS 2020



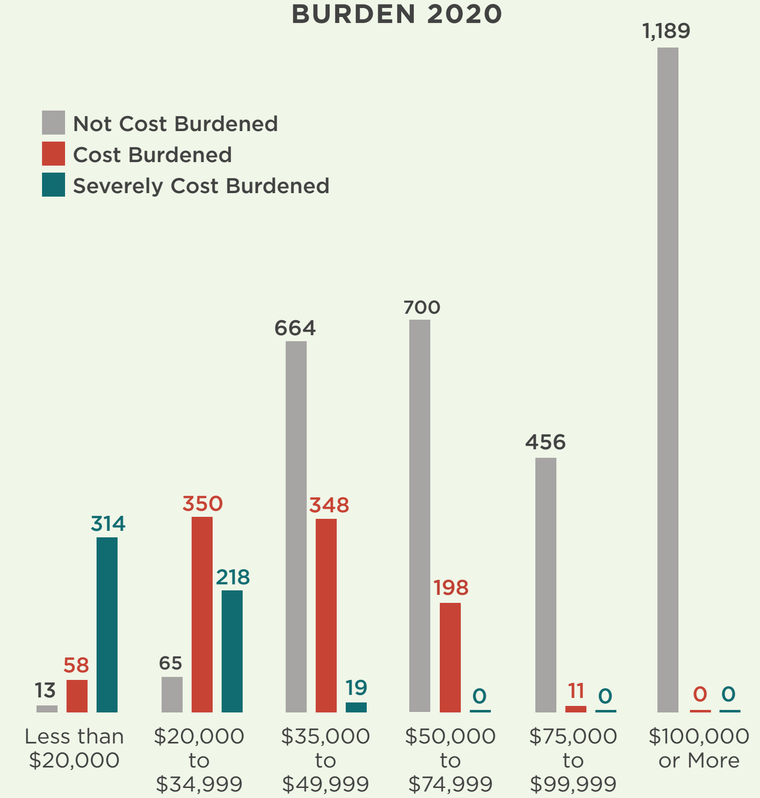
Source: American Community Survey (ACS) 5-Year, 2020

FIGURE 30: SHARE OF HOMES SOLD IN WAKE FOREST BY PRICE POINT 2020



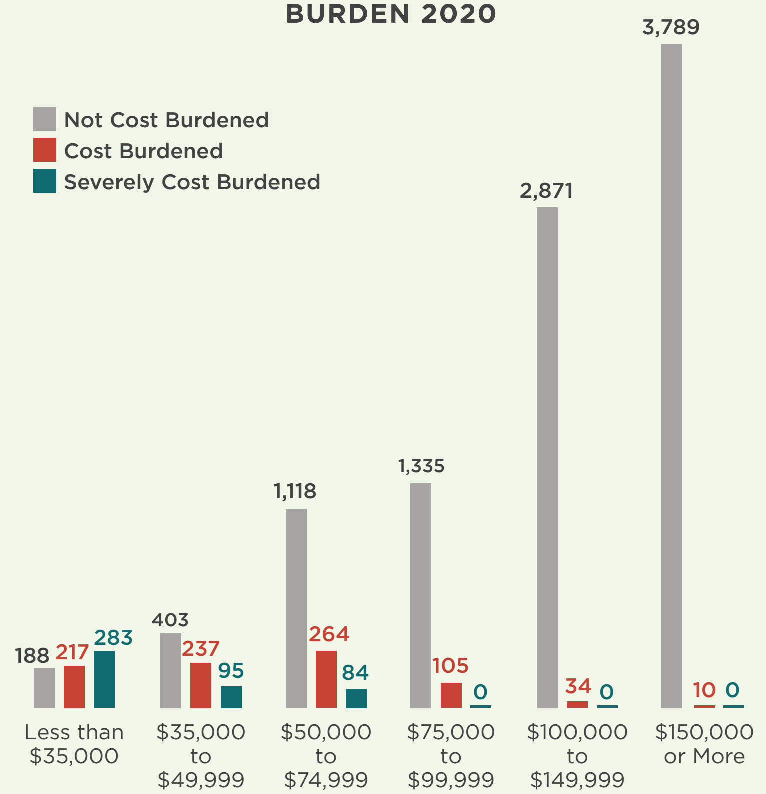
Source: Zillow

FIGURE 31: RENTER HOUSEHOLDS IN WAKE FOREST BY INCOME AND DEGREE OF COST BURDEN 2020



Source: American Community Survey (ACS) 5-Year, 2020

FIGURE 32: HOMEOWNER HOUSEHOLDS IN WAKE FOREST BY INCOME AND DEGREE OF COST BURDEN 2020



Source: American Community Survey (ACS) 5-Year, 2020

Housing Needs

Based on data analysis, community engagement, and stakeholder feedback, Wake Forest's most pressing housing needs fall into three major categories: rental affordability, access to homeownership, and displacement pressure - all disproportionately impacting Black, lower-income, and older Wake Forest residents.

Rental Affordability

Among the 4,701 renter households in Wake Forest, over 30% are cost burdened and almost 12% are severely cost burdened. The vast majority of renters making less than $20,000 per year pay more than 50% of their income in rent (Figure 31). Single-parent and senior households both face disproportionate rental cost burdens. By comparison, among the 11,033 households that own their homes, 12% are cost burdened (Figure 32).

Access to Homeownership

The majority of Wake Forest residents are currently homeowners. However, housing cost burden for almost every category of resident increased in the past 5 years, with cost burdens for **Black homeowners** increasing by 24%. **Senior homeowners** are also particularly cost burdened, making it difficult for them to age in-place.

Even if households can afford their rent or mortgage, they may struggle to pay other crucial housing costs, such as property taxes, home repairs, utilities and insurance.

Housing Needs

Across most income levels, homeownership rates are decreasing (Figure 33), with one exceptions. The increase in homeownership for households earning less than $20,000 is likely due to an influx of retirees who earn fixed incomes.

While decreasing homeownership rates can be partially attributed to personal preferences, surging costs are pushing some households out of the housing market. Housing cost burdens for almost every category of resident increased in the past 5 years, with cost burdens for Black homeowners increasing by 24%. Senior homeowners are also particularly cost burdened, making it difficult for them to age in-place.

Today, the gap between the median renter income in Wake Forest and the income required to own the median-priced home is about $25,000 and widening (Figure 34). Homeownership is increasingly out of reach for first-time homebuyers, which can negatively impact the ability of those households to build wealth over time.

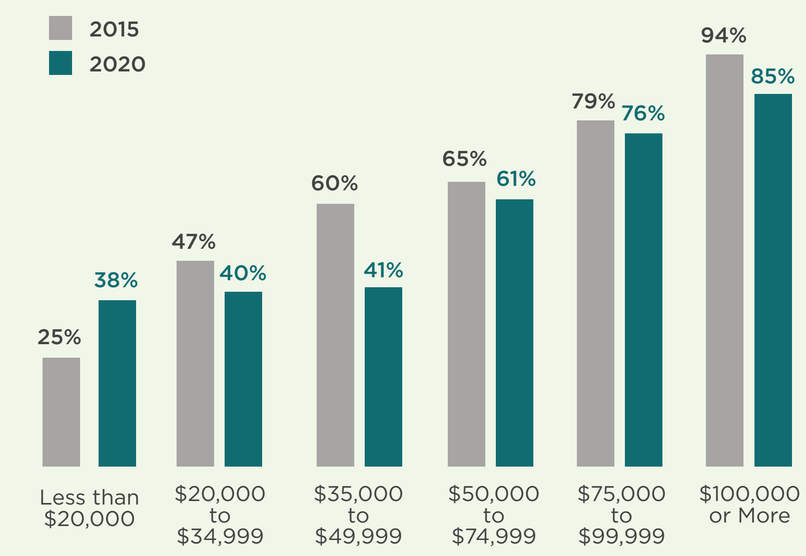
Displacement Pressure

Soaring cost and insufficient housing supply can lead to displacement of existing residents. Housing displacement refers to forced or involuntary movement from a household's place of residence.

Forced Displacement: When a move is spurred by a physical or legal force that compels a household to vacate their home. Residents may be forced out by lease non-renewals, evictions, foreclosure, or natural disasters.

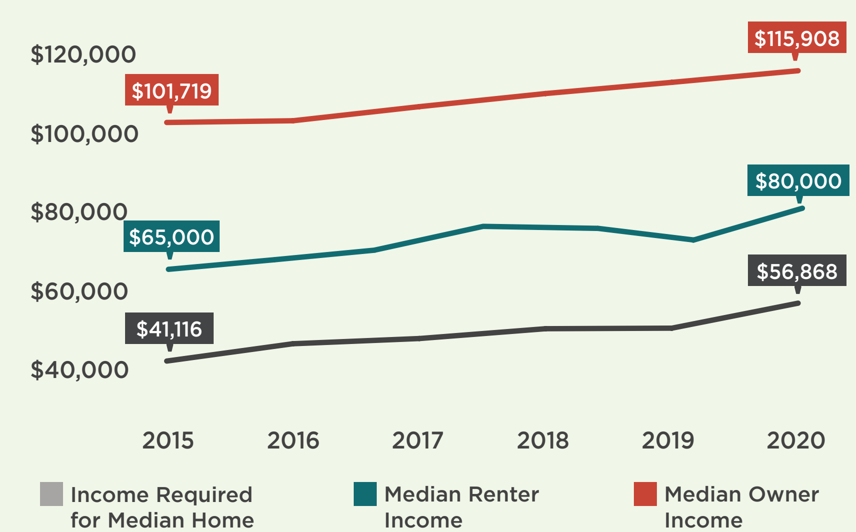
Pressured Displacement: When a household leaves their home because remaining is untenable. Residents may move because of housing cost burdens, poor housing quality, or unsafe neighborhood conditions.

FIGURE 33: HOMEOWNERSHIP RATE IN WAKE FOREST BY INCOME LEVEL 2015-2020



Source: American Community Survey (ACS) 5-Year

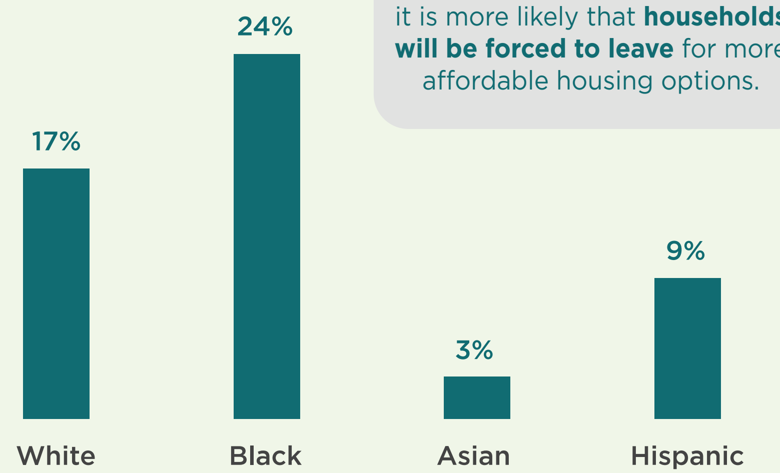
FIGURE 34: INCOME AT WHICH MEDIAN HOME IS AFFORDABLE IN WAKE FOREST 2015-2020



Source: Zillow, American Community Survey (ACS) 5-Year

FIGURE 35: CHANGE IN OWNER COST BURDEN BY RACE AND ETHNICITY IN WAKE FOREST 2015-2019

As owner cost burden increases, it is more likely that **households will be forced to leave** for more affordable housing options.



Source: American Community Survey (ACS) 5-Year, Public Use Microdata (PUM)

FIGURE 36: WAKE FOREST PUBLIC SURVEY RESPONSES 2021

Public survey results help illustrate the racial disparity in the housing market:

Share of survey respondents who struggle to find housing in the neighborhood they want to live in:

WHITE RESPONDENTS		BLACK RESPONDENTS
35%	VS.	63%

Source: Wake Forest Housing Affordability Plan Public Survey

Housing Needs

Wake Forest is currently seeing isolated instances of displacement but is at risk of greater displacement. Forced displacement has occurred in isolated incidents, such as in the sale and pending re-development of Wellington Park, Wake Forest's only mobile home park. As undeveloped land is increasingly unavailable in Wake Forest, developers will look to purchase land that can be re-developed, which often contains older housing stock that is not covered by a historic district. Pressured displacement is at risk of occurring for older homeowners and long-term residents who are experiencing growth in property taxes and are often living on fixed incomes.

Based on the findings of the assessment and the community survey, there are two household groups who may be at risk of displacement if market pressure continues to build without affordable housing options: low- income renters facing severe housing cost burden (Figure 31), particularly senior renters; and senior homeowners, particularly Black senior homeowners. Black homeowners in general are facing a faster rate of cost burden increase (24%), which can lead to pressured displacement (Figure 35).

THE TAKEAWAY

Rental affordability, access to homeownership, and displacement pressure are the three major challenges facing the Wake Forest housing market. All three challenges disproportionally impact Black, lower income and older Wake Forest residents.

Barriers to Housing Affordability

Wake Forest faces a set of key barriers to addressing long-term housing affordability. This Plan presents a range of strategies and tools to address these barriers.

<u>Competition with Higher Income Households</u>

As of 2021, the four most common jobs in Wake Forest paid wages below $76,000, which is the Raleigh Metro Area's median income for a household of four, according to the U.S. Department of Housing and Urban Development. Meanwhile, the four fastest growing occupation sectors in the region earn more than the average current wage in Wake Forest. Higher income households moving in to Wake Forest can bid up the costs of existing housing when supply is not keeping up with demand, which makes it difficult for moderate and low-income households to compete.

<u>Limited Affordable Housing Options</u>

Despite growth in housing inventory, Wake Forest's supply of housing has not kept pace with demand at diverse price points. The town is losing affordable entry-point homes, or "starter homes", for new owners, which often include young families. Adding to this issue, new housing production has been almost entirely market-rate, serving new renters and owners with higher incomes.

Wake Forest has 1,641 existing subsidized rental housing units to serve low-income households, according to the National Housing Preservation Database. The inventory of affordable housing units is generally older in Wake Forest (Figure 37). Crenshaw Trace, a 36-unit, income-restricted property for seniors, was completed in late 2021 and is the first subsidized development added since 2016.

<u>Development Barriers</u>

The central cost drivers for new housing is construction costs, including the cost of land. The costs to build housing have continued to rise at a quicker pace in the Triangle than most regions nationally. Rising housing costs pose a challenge for households on fixed incomes, such as seniors or single-parent households.

The Town does not currently offer specific, clearly defined incentives or requirements for developers who are interested in including affordable units in their developments, which means that the Town may miss opportunities to increase the affordable housing inventory through new development. Additionally, market demand for certain amenities, such as parking, increase the cost to build housing, which is largely unavoidable in a town that has limited public transit options.

THE TAKEAWAY

Competition with higher income households, limited housing supply, and hindrances to development are key barriers to affordable housing.

FIGURE 37: EXISTING AFFORDABLE RENTAL HOUSING SITES IN WAKE FOREST

755 N White Street
"Turnberry Apartments"
Section 8 vouchers
40 units built in 1996

1887 Franklin Street
"Huntington Spring"
9% Low Income Tax Credits
86 units built in 2016

1950 Branch River Way
"Heritage Crossings"
4% Low Income Tax Credits
120 units built in 2005

Source: National Housing Preservation Database (NHPD)

COMMUNITY ENGAGEMENT

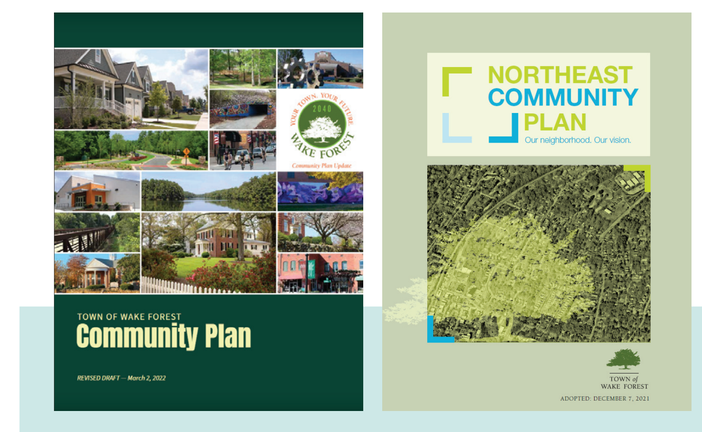
Planning Context

The Housing Affordability Plan builds on the housing needs captured in previous planning efforts, including the 2021 Northeast Community Plan.

<u>Overview</u>

Planning efforts, findings, and recommendations established in Wake Forest. The following past planning efforts shaped policies and goals that informed this plan, including:

- Community Plan (2022)
- Northeast Community Plan (2021)



While each of these plans provide critical policy recommendations directed at improving the Town's housing affordability, the Northeast Community Plan elaborates in more depth on the serious displacement pressures being felt by the Town's largest African American neighborhood.

<u>Community Plan (2022)</u>

The Community Plan includes sustainable growth strategies with a focus on providing open space and preserving Wake Forest's small town character. The Plan recognizes the need for mixed uses that promote active residential areas and downtown growth, including transit-supportive residential development. The Residential Areas Plan specifically highlights nine areas with opportunities to increase the diversity of housing types in Wake Forest, particularly in infill development areas.

<u>The Northeast Community Plan (2021)</u>

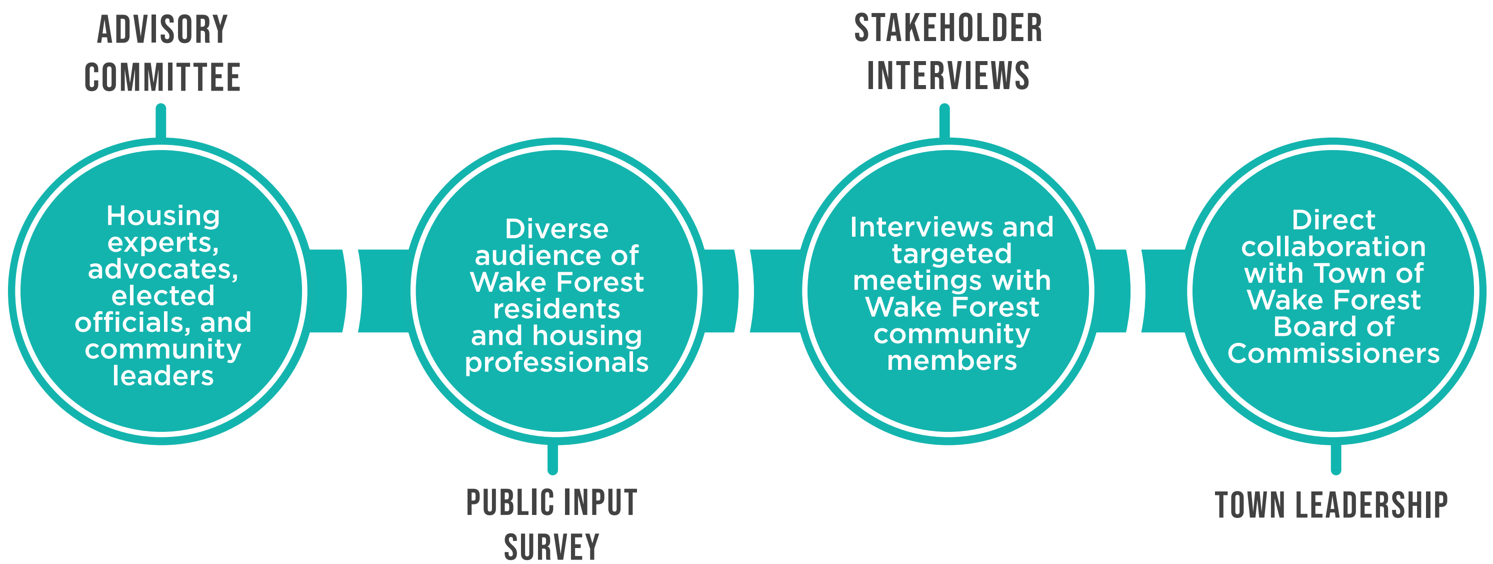
The Northeast Community was established by formerly enslaved African Americans after the Civil War and remains predominantly Black today. The Plan for the historic Northeast Community studied the 315-acre district's plateauing population in comparison to Wake Forest's rapid growth as well as the area's declining share of Black households. Despite these challenges, the Plan highlights that this area remains relatively affordable with its smaller home sizes and older housing stock. The Town engaged leaders from the Northeast Community to incorporate their insight into this Housing Affordability Plan.

Among its recommendations, the Plan sought to provide a variety of affordable housing options (ownership and rental) created via new and infill residential developments, identify opportunities for commercial development along North White Street, and build the community's capacity for economic stability. Its future land use goals promote sustainable urban growth opportunities and target areas nearest downtown for medium-density housing, commercial development, and mixed uses.

This Housing Affordability Plan included engagement with multiple stakeholders within the Northeast Community including homeowners, renters, community leaders and advocates. Participants expressed concerns about rising rents, property taxes, and displacement pressures, which resonated with the experiences of seniors and non-white communities across Wake Forest.

Plan Outreach

There were four engagement components during the development of this Plan.



<u>Advisory Committee:</u> The Town of Wake Forest engaged an Advisory Committee throughout the process comprised of housing experts, community and organizational representatives, agency representatives, and affordable housing development professionals.

<u>Public Input Survey:</u> The Town of Wake Forest completed a public survey to gauge the housing issues that residents experience and their perspective on the role of the Town in addressing these issues.

<u>Individual Interviews:</u> The Town of Wake Forest conducted interviews and held targeted meetings throughout the process to ground-truth findings and gather feedback on housing tools and potential implementation challenges. Over the course of the 10-month period, the Town spoke with local housing experts to understand the full picture of housing needs in Wake Forest.

<u>Engagement with Town Leadership:</u> The Town of Wake Forest solicited feedback and input from the Board of Commissioners throughout the process.

ENGAGEMENT OVERVIEW

4
Advisory Committee Meetings

15
Interviews with local officials, community leaders, and real estate experts

300+
Wake Forest residents engaged through surveys and interviews

This Plan captures a broad range of perspectives and housing needs. This input was crucial to developing the goals and strategies developed for this Plan.

Plan Outreach

The public survey provided insight on housing needs for different populations.

<u>Seniors' Input on Housing Needs</u>

The Town of Wake Forest engaged Senior members of the community to analyze their housing needs and concerns. Seniors living on fixed incomes have been disproportionately affected by the rise in home prices. 52% of renter households with seniors are cost burdened. Seniors who own their own homes are increasingly affected by rising property taxes and the costs of home repairs.

Some senior community members report being harassed and pressured to sell their homes. Intimidation mail, texts, and phone calls create a hostile living environment for seniors already struggling with housing affordability.

<u>Public Survey Results</u>

Respondents shared both their perspective on housing issues in Wake Forest and the role that they think the Town should play.

297
total respondents

51%
have lived in Wake Forest for more than 5 years

~45%
make less than the Area Median Income (AMI)

Share of respondents who struggle to find housing in the neighborhood they want to live in:

63%
of Black respondents

35%
of white Respondents

SELECTED SURVEY QUOTES

"Rent was $450 per month. It is now $900 per month."

"My adult children cannot find housing that is affordable. Rent is too high."

"Currently homeless, did rent until house sold last month."

"Substandard rental housing, no washer/dryer, inadequate lighting, pests."

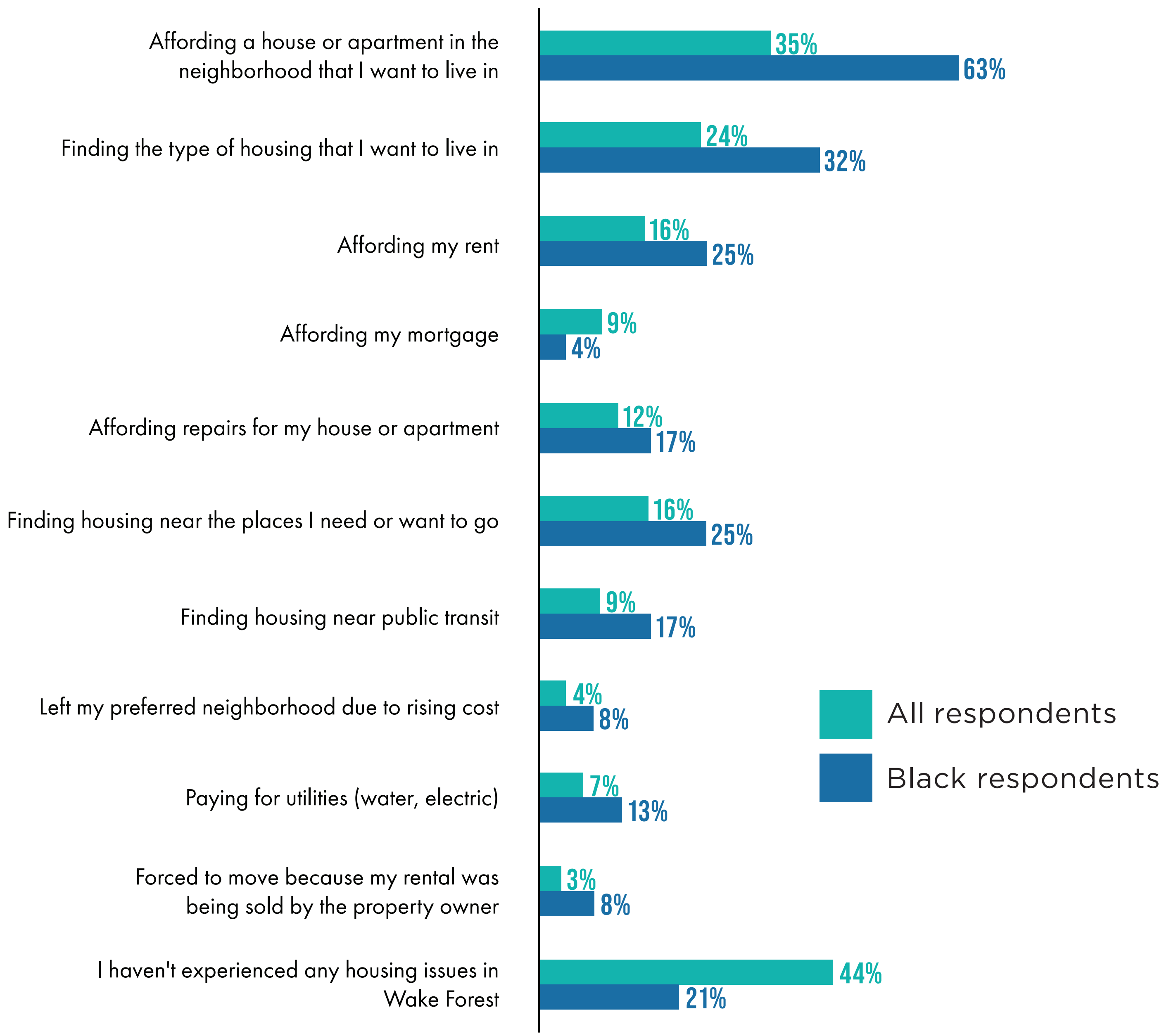
"Need affordable housing for police force, first responders, and low income "employed" in need."

Plan Outreach

Public Survey Results

Survey respondents expressed that housing affordability is a challenge in Wake Forest. Black respondents expressed higher levels of concern about housing issues, and the majority of respondents expressed that they have struggled to find a house or apartment in the neighborhood they want to live in (Figure 38).

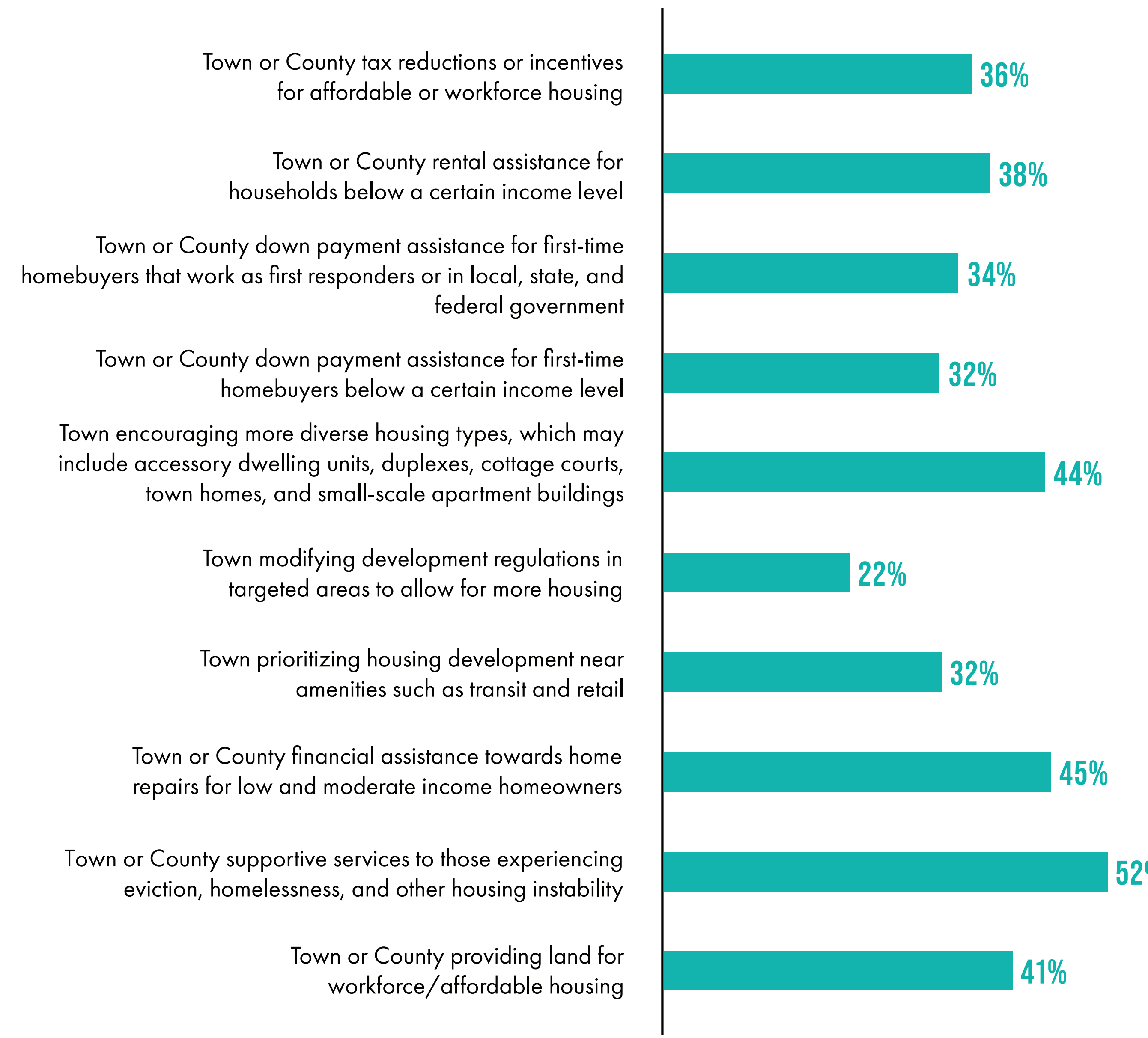
FIGURE 38: SURVEY RESPONSES TO QUESTION:
WHAT HOUSING DIFFICULTIES HAVE YOU EXPERIENCED IN WAKE FOREST?



Plan Outreach

73% of survey respondents think the Town should be somewhat or very involved in creating affordable or workforce housing opportunities within the community. When asked about the range of tools presented in Figure 39, supportive services, home repairs, and encouraging more diverse housing types received the most support.

FIGURE 39: SURVEY RESPONSES TO:
SELECT THE STRATEGIES THAT YOU WOULD SUPPORT TO ADDRESS HOUSING AFFORDABILITY



TAKING ACTION

Influences

Housing affordability is influenced by both market forces and local regulations and investments.

Market Limitations

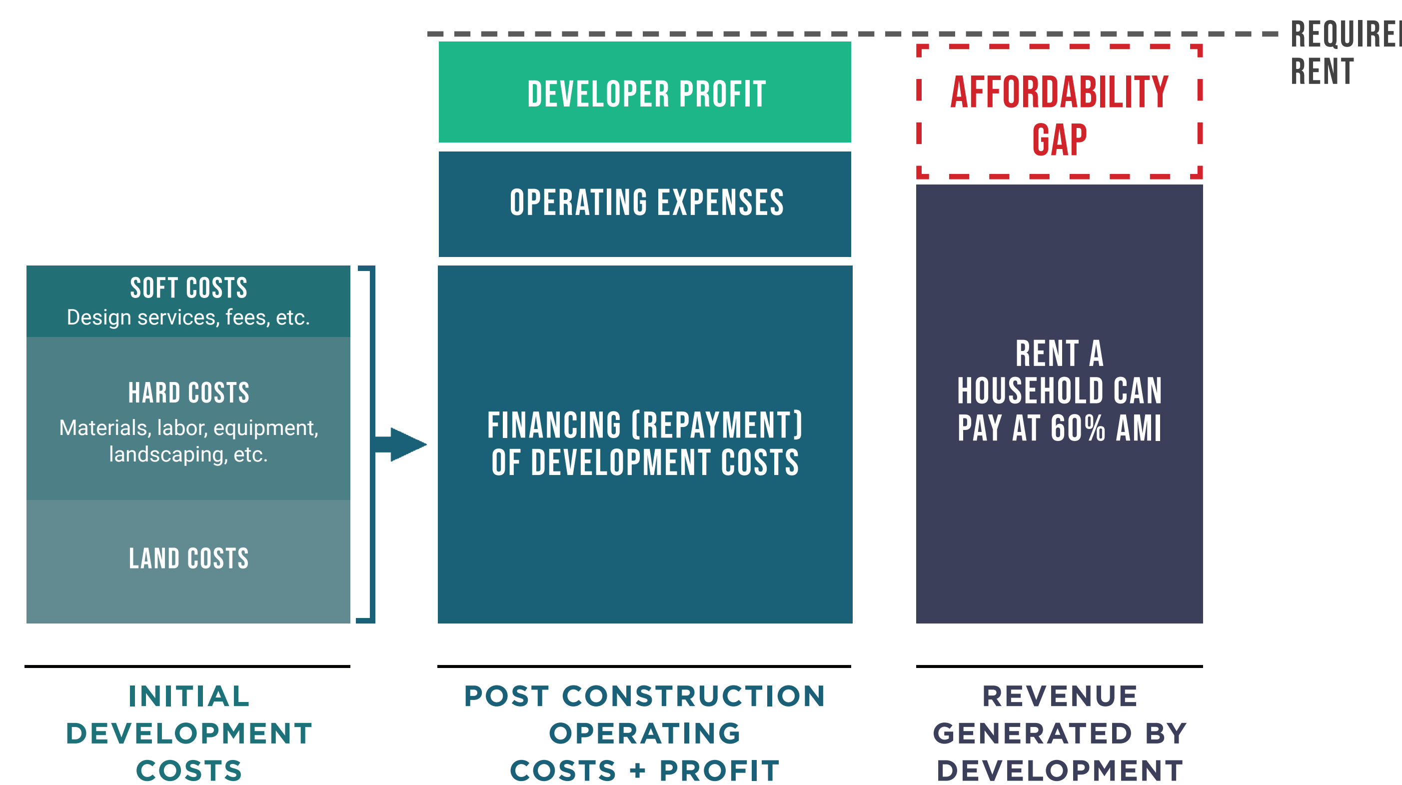
In both rental and for-sale housing, the market alone cannot adequately address the affordability issues that Wake Forest residents face. In the case of rental housing, market-rate rents are largely determined by both the cost to build housing, including the price of land, and the cost to operate housing. Because of quickly growing land costs, market-rate rents are higher than what many low- and moderate-income households can afford.

Costs of development are paid for with financing. Repayment of that financing and operating expenses make up the ongoing **operating costs** of the property. In turn, operating costs determine the **revenue**, or rent, required to make the project viable.

In high-growth markets with high land values, rents will always be more than what most low-income households can pay because wages have not kept up with rising costs (Figure 40). The same applies to for-sale housing: increasing land values in high-growth markets increase the cost to develop new housing.

State and local governments often establish policies and regulations that increase the costs of new housing without considering the impact those policies have on prices (e.g. impact fees, policies that limit the number of units that can be built). State and local governments can also create policies and regulations that reduce development costs, which may increase the affordability of new housing.

FIGURE 40: ECONOMICS OF RENTAL HOUSING DEVELOPMENT



Influences

The Town of Wake Forest can modify its regulations and deploy funds to meet affordable housing needs.

<u>Local Regulations</u>

Wake Forest can focus efforts on meeting needs not met by the market or by state and federal programs through the creation of policies and regulations that indirectly reduce development and operating costs or directly offset the cost to build, increasing affordability.

The Town of Wake Forest already influences the regulatory environment in which developers make decisions and disseminates information to developers, key service provider partners, and residents. Examples include zoning regulations (minimum parking standards, maximum residential density, regulation of uses, etc.), the development review process, building design standards, and the building permit process.

These policies and regulations are often put in place by municipalities to achieve specific community goals and ensure the health, safety and welfare of its citizens. However, communities must remain cognizant of the regulatory hurdles that contribute to the overall cost of housing. If unbalanced, these policies and regulations can greatly exacerbate affordability issues.

In general, housing developers speak highly of working with the Town through the development approval process, which suggests a willingness to continue to build housing in Wake Forest to meet demand.

<u>Housing Ecosystem</u>

State and County agencies, local developers, and community partners all play different roles in addressing housing needs in Wake Forest (Figure 41). Because the Town is limited in it's overall ability to meet housing demand, partnerships and outside investments are an important part of this Plan.

Existing government programs to support housing affordability do not fully address affordability needs in Wake Forest. These include a number of housing programs administered by Wake County and funded by the State, as well as other State and Wake County programs. The Town of Wake Forest can leverage these programs and play a role in connecting residents to existing resources while also considering local regulations and targeted investments that are within the Town's control to increase affordability.

FIGURE 41: ROLES AND RESPONSIBILITIES OF PUBLIC AGENCIES

Town of Wake Forest

- Manages community planning
- Designs and enforces zoning and land use
- Designs and implements historic preservation
- Grants development approval
- Offers rehabilitation grants

Wake County Housing Authority

- Offers subsidized public housing and rental voucher programs for seniors, low-income families, and veterans

NC Housing Finance Agency

- Distributes tax credits to fund affordable housing development
- Funds local governments and community partners to provide a variety of housing programs for renters and homeowners

Wake County

- Provides gap funding for affordable housing projects
- Funds a variety of affordable housing programs for renters and homeowners

Influences

Each partner plays a crucial role in connecting both renters and homeowners to housing programs and services.

FIGURE 42: LOCAL HOUSING ECOSYSTEM WITH SAMPLE PARTNERS

AFFORDABLE HOUSING DEVELOPERS

TAFT Family Ventures Est. 1942
dhic HOME TO OPPORTUNITY
Habitat for Humanity®

PUBLIC ENTITIES

Wake County Housing Authority
WAKE COUNTY NORTH CAROLINA
TOWN of WAKE FOREST
NORTH CAROLINA HOUSING FINANCE AGENCY

RENTER SUPPORT

TRI-AREA MINISTRY FOOD PANTRY
CHURCHNET

HOMEOWNER SUPPORT

dhic HOME TO OPPORTUNITY
Resources FOR SENIORS
Rebuilding Together. Of the Triangle
cesi

Overarching Strategies

There are three primary housing strategies that the Town of Wake Forest can pursue now to help address housing needs.

Overview

The following strategies are well-suited to meet Wake Forest's specific housing needs based on local context and capacity, available funding and community and stakeholder engagement (Figure 43).

FIGURE 43: PROPOSED HOUSING AFFORDABILITY STRATEGY OVERVIEW

EXPAND AND PRESERVE HOMEOWNERSHIP

Target populations include existing homeowners on a fixed income, particularly non-white older homeowners, and young, moderate-income families making 60-100% AMI.

CREATE NEW AFFORDABLE RENTAL HOUSING

Target populations include low- and very low-income renter households (<60% AMI) as well as older, long-term residents hoping to downsize and age in place on a fixed income.

BUILD CAPACITY AND PARTNERSHIPS

Residents will benefit from increased housing programming and partnerships. The Town can build internal capacity to monitor and report on housing progress, make strategic decisions about funds, and partner with Wake County.

Each strategy will require deploying a set of tools, both internally and through partner organizations.

Expand and Preserve Homeownerhip

1. Down Payment Assistance
2. Owner-Occupied Rehab
3. Incentive Zoning
4. Accessory Dwelling Unit Demonstration Program
5. Community Land Trust

Create New Affordable Rental Housing

1. Public Land Disposition
2. Public Housing Redevelopment
3. Low-Income Housing Tax Credit Gap Financing

Build Capacity and Partnerships

1. Coordination with Wake County
2. Real Estate Expertise
3. Monitoring
4. Community Engagement

Strategy 1: Expand and Preserve Homeownership

The Town can help existing homeowners stay in their homes and support entry for moderate income first-time homebuyers.

Overview

Wake Forest is experiencing a deficit in affordable homeownership opportunities. To address this issue, the Town can consider using the following land use programs to create and preserve homeownership opportunities. These programs would necessitate annual funding commitments, and should be adjusted over time to adapt to changing costs and changing housing needs and priorities.

TABLE 1: HOMEOWNERSHIP TOOLS OVERVIEW

The Town can consider these tools to expand access to homeownership.

Program	Summary	Affordability Target
Down-Payment Assistance *Page 40*	Reduce the upfront costs of purchasing a home for first-time homebuyers and provide homebuyer counseling.	~ 60% AMI
Community Land Trust *Page 41*	Preserve long-term affordability of homes and provide access to wealth creation to low and moderate-income residents.	< 80% AMI
Owner-Occupied Rehab *Page 42*	Ensure that income-qualifying homeowners can make necessary repairs to make their homes safe and durable.	< 80% AMI
Incentive Zoning *Page 43*	Incentive zoning programs spur developers to include affordable homes in market-rate developments, often in exchange for incentives such as bonus density or reduced requirements.	< 60% AMI
Accessory Dwelling Unit Demonstration Program *Page 44*	Publish a menu of design concepts compatible with housing stock to reduce design costs and allow for expedited permitting to promote development.	< 80% AMI

Strategy 1: Expand and Preserve Homeownership

Down-Payment Assistance (DPA) Program

Program Overview

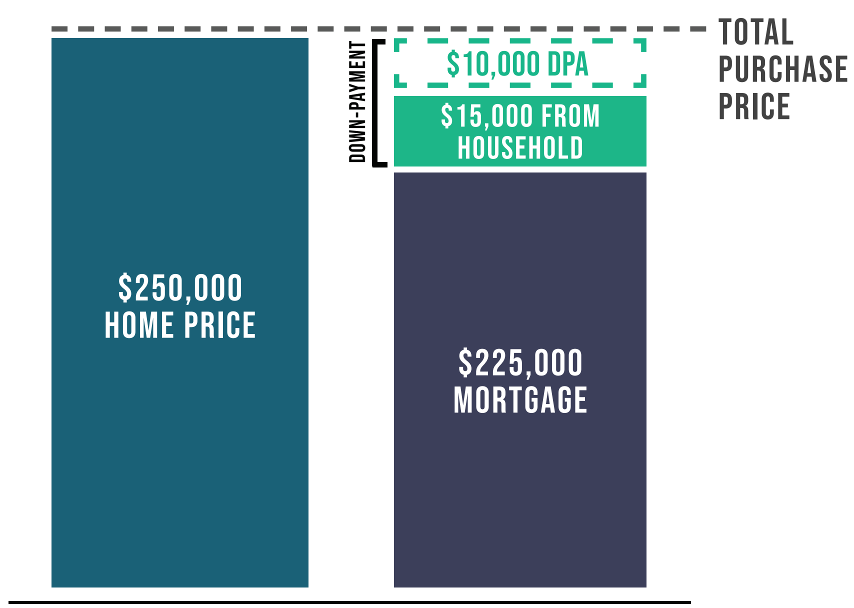
The Town can allocate funding for a supplemental Down-Payment Assistance (DPA) program that can be layered with Wake County's DPA program, increasing access to homeownership for moderate-income buyers (Figure 45).

Wake County has a strong DPA program, but it alone does not offer enough subsidy to close the gap to make a down payment on a home for many households. To support households that can afford monthly mortgage payments, but do not have sufficient savings for a down payment, the Town can allocate $7,000-$15,000 per household.

How Does it Work?

Down-Payment Assistance reduces the upfront costs of homeownership through grants or forgivable loans. These grants or loans go to income-qualified households to cover a portion of the down payment and closing costs for a home. DPA is typically paired with homeownership counseling to prepare first-time buyers for the full costs of housing, including utilities, insurance, and maintenance.

FIGURE 45: DOWN-PAYMENT ASSISTANCE EXAMPLE (60% AMI)



IMPLEMENTATION

1. Set program budget and periodically reevaluate annual allocation within the Town's budget.
2. Work with Wake County to align the rules and regulations.
3. Identify a community partner to conduct outreach to potential homebuyers to create a pipeline of residents who can participate in the program.
4. Connect residents to homebuyer counseling, through Wake County program or other non-profit partners.

Strategy 1: Expand and Preserve Homeownership

Community Land Trust (CLT)

Program Overview

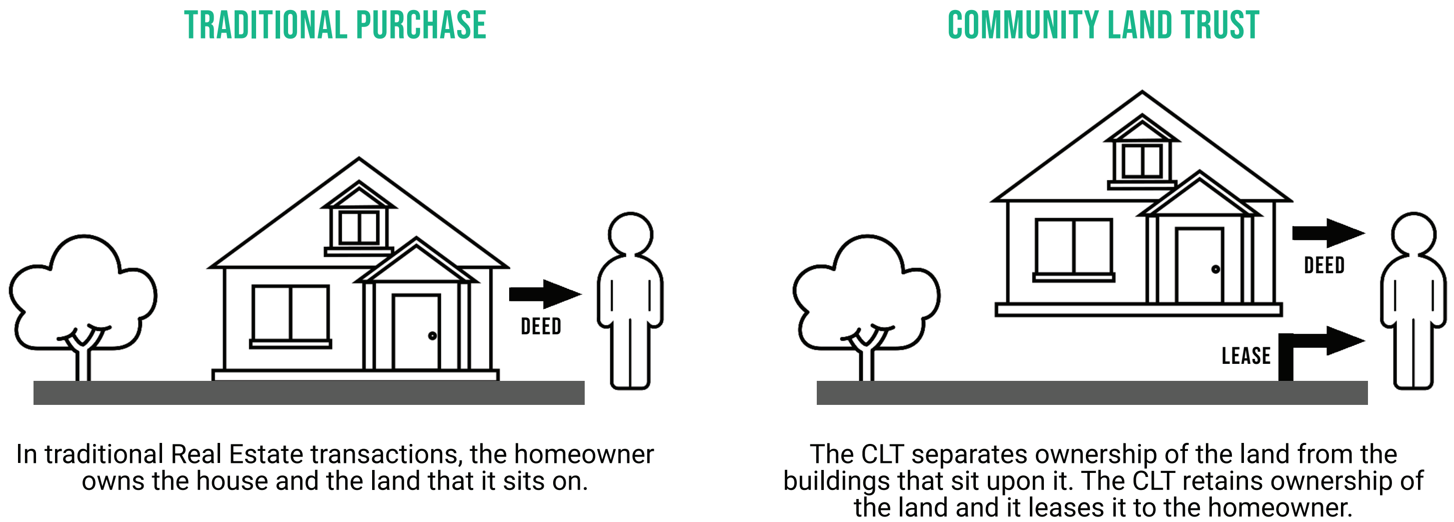
The Town can give land to or subsidize the purchase of land by a Community Land Trust (CLT). In doing so, it is recommended that Wake Forest partner with established CLTs. While the Raleigh Area Land Trust (RALT) is the only Trust currently active in Wake Forest, others may emerge over time.

How Does it Work?

CLTs create opportunities for perpetually-affordable homeownership for low- and moderate-income households by selling homes at a lower cost to income-qualified buyers. Community partners like the RALT purchase and rehabilitate homes, then resell the homes while maintaining ownership of the land (Figure 46). As an example, RALT currently targets families earning 80% AMI or less and properties with a maximum price of $250,000.

To ensure affordability, restrictions are placed on the resale price of homes. While this limits the homeowner's ability to build home equity through land value appreciation, they still gain equity and benefit from modest value appreciation and the stability that homeownership can offer.

FIGURE 46: COMMUNITY LAND TRUST EXAMPLE



IMPLEMENTATION

1. Set budget for annual CLT program allocation or identify land to sell at a discount.
2. Determine the Town's requirements for land or subsidy given to a CLT, such as affordability level.
3. Release a Request For Proposals to existing CLTs to apply for the Town's inventory of available land or funding.

Strategy 1: Expand and Preserve Homeownership

Owner-Occupied Rehab (OOR)

Program Overview

Wake Forest currently has an OOR pilot program designed to target households in the Northeast Community earning 80% or less of the Raleigh MSA's AMI. Rebuilding Together of the Triangle and the Northeast Community Coalition, two local non-profits, run the program on behalf of the Town. Qualifying participants can earn grants of up to $15,000 per household to fund critical home repairs. Wake Forest should complete the current pilot program and evaluate any rules and regulations that need to be updated to increase impact, including the program's total funding allocation. Increasing the program's budget could allow the Town to include other expenses, like energy retrofits, as eligible costs. The Town can also use its non-profit partners to coordinate closely with Wake County to ensure that residents are connected to the right programs and that the Town's program is additive to and not duplicative of Wake County's program (Table 2).

TABLE 2: OOR PROGRAMS AVAILABLE TO WAKE FOREST RESIDENTS

Program	Description	Populations Served
Wake County Elderly and Disabled Homeowner Grants	Modest home repairs to assist with mobility or retrofits.	Elderly and disabled homeowners making up to 50% of Area Median Income (AMI)
Wake County Emergency Grant Program	Home repairs including heating, well/septic, roof, and electrical hazards.	Homeowners earning up to 40% of AMI
Wake Forest Housing Rehabilitation Program	$50,000 dedicated for an initial one-year term, up to $15,000 per household. Rebuilding Together of the Triangle has been selected to run the program.	Northeast Community households making up to 80% of AMI

IMPLEMENTATION

1. Periodically evaluate annual allocation of OOR program funds.
2. Engage non-profit partners to coordinate with Wake County's program managers.
3. Coordinate with partner organization to ensure that Wake Forest residents know about and can apply for Wake County funding.
4. Reevaluate the program on an ongoing basis to set terms that are complementary to Wake County's program.

Strategy 1: Expand and Preserve Homeownership

Incentive Zoning

Program Overview

The Town can create an Incentive Zoning policy to increase the production of affordable units as part of new market-rate development.

In a strong market, an Incentive Zoning program will both increase the number of affordable units and support the development of mixed-income neighborhoods, which can advance access to opportunity for low-income and minority households. The Town can achieve Transit-Oriented Development (TOD) goals by incentivizing affordability and density along future public transportation routes.

Today, many North Carolina municipalities accept rezoning applications that voluntarily propose inclusion of affordable units as a condition for approval, which are evaluated on a case-by-case basis. Mandating inclusion of affordable units for proposed developments is prohibited under state law.

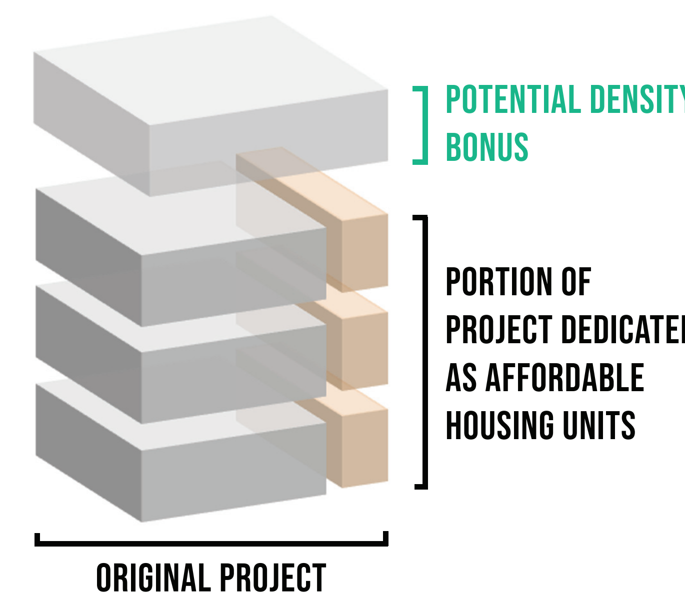
Oftentimes, voluntary inclusion of affordable units makes a rezoning application more palatable in the eyes of the governing body. However, the lack of consistency for this process and the uncertainty of approval is a challenge for developers.

How Does it Work?

The Town would incentivize developers to include affordable homes in market-rate developments by offering density bonuses (Figure 47), reduced zoning regulations (e.g. setbacks, allowable lot coverage), reduced fees or procedural incentives geared towards expediting review times. Further analysis is needed to determine program design.

A density bonus is one way to incentivize the creation of affordable units in a development.

FIGURE 47: DENSITY BONUS DIAGRAM



IMPLEMENTATION

1. Study development and affordability targets for the voluntary incentives.
2. Analyze the feasibility and effectiveness of different incentive structures.
3. Calibrate the incentives to adequately address the Town's market conditions.
4. Plan in coordination with future transit infrastructure.
5. Monitor and adjust requirements over time to reflect changing market conditions.

Strategy 1: Expand and Preserve Homeownership

Accessory Dwelling Unit (ADU) Demonstration Program

Program Overview

The Town can fund and facilitate an Accessory Dwelling Unit (ADU) demonstration program, piloting the construction of secondary units on single-family property lots. ADU demonstration programs are designed to increase the feasibility and likelihood of homeowners creating secondary units on their properties and address current barriers to creation, such as unclear building code requirements, high costs or a complex permitting process. Through the demonstration program, the Town would pilot a program with a small number of homeowners to build a second, affordable home on the same property as a single-family home (Figure 48). With the Town's oversight, a selection of homeowners would utilize the Town's ADU resources and rent their second homes at affordable rates. This creates revenue for homeowners, helping them to stay in their homes.

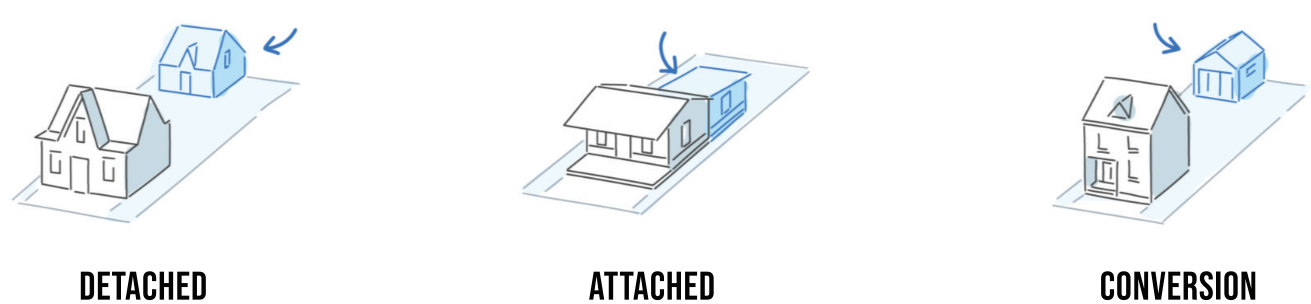
How Does it Work?

"Soft Cost" Reduction: Housing construction requires an array of design and architectural services (soft costs) for each new building. Wake Forest can reduce the barrier to entry for homeowners to build ADUs by publishing a menu of design concepts compatible with local housing stock, including manufactured and pre-fabricated options.

Funding: Wake Forest can create targeted financing programs to reduce development costs for income-qualified homeowners and households with seniors intending to build ADUs.

Permitting Process: The Town can simplify the ADU permitting process, thus reducing the barriers to entry for homeowners to follow suit once the demonstration commences.

FIGURE 48: ADU SAMPLE TYPOLOGIES
Image: A+ Construction & Remodeling



IMPLEMENTATION

1. Pilot a program to demonstrate the feasibility of ADUs in Town.
2. Develop a guide for homeowners or a menu of potential building designs to reduce design and architectural "soft costs."
3. Simplify the permitting process for ADUs to be easier and more intuitive to the average homeowner.
4. Analyze the feasibility of creating a low-cost ADU funding program.

Strategy 2: Create New Affordable Rental Housing

The Town could pursue opportunities to create affordable housing for low- and very low-income renters through targeted projects.

Overview

As opportunities arise, the Town can deploy a set of tools to create new, high quality affordable rental housing. The following pages describe public land disposition, gap financing for Low Income Housing Tax Credit (LIHTC) projects and partnership with the Housing Authority for public housing redevelopment, all tools to help create affordable rental housing in Wake Forest.

TABLE 2: RENTAL HOUSING CREATION TOOLS OVERVIEW

The Town can consider these tools to expand affordable rental opportunities.

Program	Summary	Affordability Target
Public Land Disposition Policy *Page 46*	Eliminate or reduce the cost of land for affordable housing projects.	60% - 80% AMI
Public Housing Redevelopment *Page 49*	Support the development of rental housing for the populations with the lowest income.	< 30% AMI
Low Income Housing Tax Credit Gap Funding (LIHTC) *Page 50*	Help developers produce competitive LIHTC bids to create more affordable housing at lower price points.	< 60% AMI

Strategy 2: Create New Affordable Rental Housing

Public Land Disposition

Program Overview

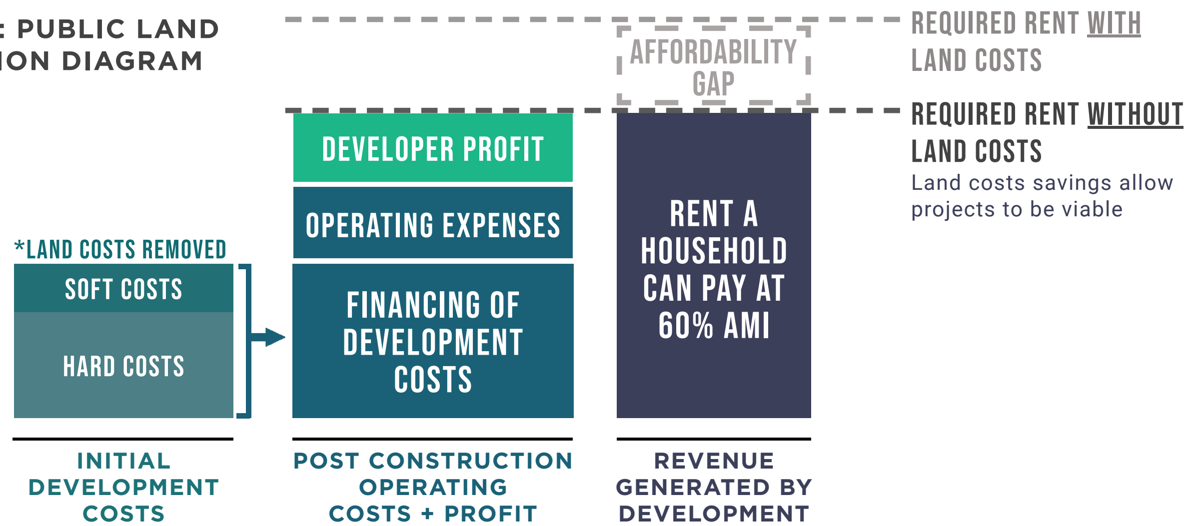
The Town can sell publicly-owned land to developers at a reduced price in exchange for their development of affordable homes. Reducing land costs lowers the amount of rent that is required to ensure feasibility of rental projects (Figure 49). This strategy can also reduce the sales price of owner-occupied units. The Town should determine the sale price based on the share and level of affordability that the developer will build. In some cases, providing the land for free might be appropriate in exchange for a higher share of affordable units and price points.

The Town has already identified two sites that may be well-suited for residential development and has begun the process of evaluating different programs for the sites. The following pages demonstrate how these sites might be used, in partnership with developers, to develop both affordable rental and homeownership opportunities. The development concepts presented are hypothetical concepts, not approved plans, and will continue to be evaluated based on the feasibility of development, the housing priorities of the Town and community feedback.

How Does it Work?

The Town could sell or grant the land to a housing developer or community land trust as public subsidy to reduce the cost of development, in exchange for affordable housing on-site. Using this approach, the Town can decide on a priority program for the site, including populations served and affordability levels.

FIGURE 49: PUBLIC LAND DISPOSITION DIAGRAM



IMPLEMENTATION

1. Develop a land inventory or identify parcels that are well suited for residential development based on size, location, environmental conditions, and other factors.
2. Finalize program requirements for affordability, including target households, level of affordability, and unit mix.
3. Develop a request for proposals (RFP) and set criteria for evaluating developer responses.

Strategy 2: Create New Affordable Rental Housing

Public Land Disposition Concept: 317 S. Brooks Street Mixed Income Rental, Mixed-Use

Concept Overview

This small downtown site, near Town Hall, is publicly-owned. The site is centrally located and is walking distance to restaurants, convenience stores, and several proposed new developments. The site is also serviced by the Wake Forest Loop bus route.

The site can support about 36 rental apartments, 57 parking stalls, and 6,300 square feet of ground-floor retail. Based on early analysis, about 18 affordable apartments could be built for households earning 60% AMI ($57,420). Alternatively, 36 affordable apartments could be built for households earning 80% AMI ($76,560).

FIGURE 50: 317 S. BROOKS ST. CONCEPT RENDERING

Top Left: Existing Site Aerial

Top Right: Existing Street View

Bottom: Concept Image. (Does not represent a real proposal for the site.)

Little Diversified Architectural Consulting

Strategy 2: Create New Affordable Rental Housing

Public Land Disposition Concept: 0 Caddell Street Affordable Homeownership

Concept Overview

This site, near the intersection of N Taylor St and Caddell St, is also publicly-owned and sits at the entrance to the Northeast Community. The site is surrounded by smaller-scale, single-family homes and is proximate to several larger redevelopment sites downtown.

The site can support 7 townhomes and 1:1 equivalent parking stalls. Based on early analysis, 1,600 square foot townhomes (2- or 3-bedrooms) could be constructed for $272,000 each, which are affordable to households earning 60% AMI ($57,420). Alternatively, duplexes could include 1- or 2-bedroom units affordable to households earning 50% AMI ($47,850).

FIGURE 51: 0 CADDELL ST. CONCEPT RENDERING

Top Left: Existing Site Aerial

Top Right: Existing Street View

Bottom: Concept Image. (Does not represent a real proposal for the site.)

Strategy 2: Create New Affordable Rental Housing

Public Housing Redevelopment

Program Overview

The Town can commit to working with the Wake County Housing Authority on its long-term plan to redevelop or rehabilitate three public housing sites in Wake Forest, while preserving affordability.

How Does it Work?

Public housing is one of the primary ways to provide rental homes affordable to households making 30% AMI or lower. Reinvestment in public housing is a complex process that requires many years to plan and execute. The Housing Authority will ultimately decide on a program for redevelopment or rehabilitation, and the Town can help facilitate the process with resident priorities in mind.

FIGURE 52: 600 N. WHITE ST. CONCEPT RENDERING

Top Left: Existing Site Aerial

Top Right: Existing Street View

Bottom: Concept Image. (Does not represent a real proposal for the site.)

Strategy 2: Create New Affordable Rental Housing

Low Income Housing Tax Credit (LIHTC) Gap Funding

<u>Program Overview</u>

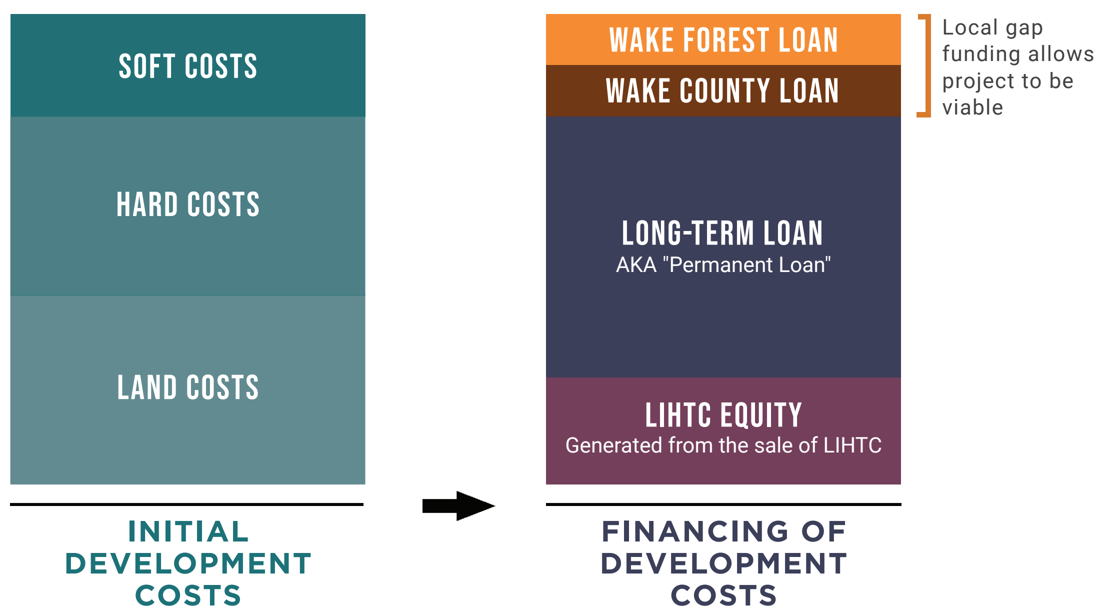
The LIHTC program allows affordable housing developers to sell awarded tax credits to private companies in exchange for cash they can use to finance development costs. The private company benefits by getting a reduction on their federal income tax liability equal to the tax credits, usually for more than what they purchased the credits for.

The Town can review LIHTC affordable housing projects on a case-by-case basis and, when opportunities arise, offer gap financing to support the development of new low-income rental housing. Due to the State of North Carolina's scoring criteria and competition for LIHTC across Wake County, there are limited opportunities for housing developers to be awarded LIHTC in Wake Forest. When opportunities arise, however, local funding is often the key to making these projects financially feasible (Figure 53).

<u>How Does it Work?</u>

The State of North Carolina awards LIHTC on a competitive basis using standardized scoring criteria. Housing developers apply for LIHTC to help fund 100% affordable housing developments. The Town would prospectively both approve the project to be built and offer gap funding, in addition to Wake County funds.

FIGURE 53: SAMPLE LIHTC CAPITAL STACK



IMPLEMENTATION

1. Engage in regular communication with affordable housing developers about their applications for LIHTC. Local support for affordable housing projects helps to leverage and unlock other funding, such as LIHTC.
2. Work with housing developers to reduce administrative and regulatory hurdles for any proposed LIHTC projects.
3. Evaluate each affordable housing project to determine if the Town can contribute gap funding.

PUBLIC DRAFT 07/01/22
TAKING ACTION

Strategy 3: Build Capacity and Partnerships

Foster expertise and partnerships to implement the Housing Affordability Plan.

<u>Overview</u>

The Town should build up internal capacity to manage public land sales, make strategic decisions about the use of Town funds, and partner with Wake County to coordinate on housing programs and investments. Implementation, including monitoring and oversight, will require dedicated staff time beyond the Town's currently capacity.

Increased capacity is also crucial for building trust with the community by enabling continuous stakeholder engagement. As the Town spends money on housing programs and partners with Wake County and organizations to achieve its housing goals, communicating how these decisions are made and soliciting community input will help build support for housing programs over time and ensure that the Town continues to focus on the most pressing housing needs.

TABLE 3: CAPACITY AND PARTNERSHIP-BUILDING TOOLS OVERVIEW

The Town can consider these tools to build capacity and partnerships to meet housing need.

Program	Summary
Coordination with Wake County *Page 52*	Increase coordination with Wake County authorities to allow the Town to leverage a larger pool of resources to create and support affordable housing efforts.
Capacity and Real Estate Expertise *Page 53*	Hire or contract staff with housing transaction expertise to manage public land transactions.
Monitoring *Page 54*	Produce an annual housing report to track the Town's spending on housing programs and the number of households served.
Community Engagement *Page 55*	Maintain ongoing community engagement to keep the public informed on housing programs and changing market conditions and solicit feedback on policy priorities.

Strategy 3: Build Capacity and Partnerships

Coordination with Wake County

Program Overview

The Town should coordinate with Wake County to better connect Wake Forest residents to existing Wake County programs, build upon existing housing programs to prevent redundancies and inefficiencies and leverage a larger pool of resources and expertise for housing programs and affordable housing development.

How Does it Work?

Leveraging Wake County Resources:

- Pool LIHTC gap funding
- Expand owner-occupied rehab program
- Layer down payment assistance
- Promote housing programs to the community

Collaboration Opportunities:

- Annual goal-setting workshops
- Quarterly check-ins between Wake County and Town
- Semiannual joint town hall meetings with the community

IMPLEMENTATION

1. Formalize recurring channels of communication between Town and Wake County staff.
2. Understand the roster of housing and finance programs and resources that Wake County has already created and made available to residents of Wake Forest.
3. Identify additional Wake County programs that could be bolstered with the support of the Town.
4. Outline a collaboration agenda between the Town and Wake County to identify areas of potential synergy.

Strategy 3: Build Capacity and Partnerships

Capacity-Building

Program Overview

The Town should increase capacity and training for both Town staff and other key decision-makers to execute on Wake Forest's housing priorities and make informed decisions about the use of public funds. Implementing funding for housing programs requires dedicated staff time, either by a new staff member or through increased capacity from an existing staff member.

How Does it Work?

There are several training programs available to housing and community development professionals, such as the program offered by the National Development Council. This program builds housing finance capacity primarily for government and non-profit professionals.

Investing in a training program for existing or new Town staff will enable them to increase the efficiency of existing programs. Specifically, staff will be able to better evaluate land sales to align with Town priorities and maximize public funding.

IMPLEMENTATION

1. Dedicate a staff person to implementation of the Housing Affordability Plan.
2. Create communication channels between the Town, community partners and key stakeholders with a dedicated Town staff liaison - offering a clear path for feedback to the Town.
3. Invest in training and real estate expertise development for Town staff.
4. Hire or contract individuals with housing transaction expertise to evaluate land transactions.
5. Provide clear communication about staff roles and Town processes and priorities to external partners.

Strategy 3: Build Capacity and Partnerships

Monitoring

Program Overview

Town staff should monitor and report on spending and key housing metrics to track the efficacy of programs over time, based on the annual allocation plan. The Town can publish an annual report or maintain a website that tracks key metrics for residents to access.

How Does it Work?

Key Monitoring Activities:

- Monitor and Evaluate Progress
- Set and Annual Allocation Plan
- Publish and Annual Report

Track Housing Metrics:

- Units produced
- Units preserved
- Target affordability levels
- Households served
- Dollars spent per household

Disaggregate Data:

- Race/ethnicity
- Income level
- Household size
- Housing tenure (renter, homeowner)

IMPLEMENTATION

1. Set annual housing goals along with detailed performance metrics.
2. Prepare an annual housing report to track the Town's spending on housing programs and the number of households served.
3. Make a public report and/or live dashboard, hosted on the Town's website.

Strategy 3: Build Capacity and Partnerships

Community Engagement

Program Overview

Engagement should regularly include a diverse set of stakeholders, including those most impacted by housing issues. Engagement should be used to gather feedback on existing programs and to help set priorities for future allocation of funds.

How Does it Work?

Ongoing community engagement is crucial for keeping the public informed on housing programs, changing market conditions and soliciting feedback on policy priorities. Stakeholders interviewed have mentioned that there is not enough awareness about housing programs among the residents most in need of support. Prioritizing outreach and education can allow residents to take full advantage of the Town and Wake County's efforts to promote housing affordability.

Religious groups, non-profits, and government actors can use their platforms to reach the greatest number of people in need. Besides informing the public, continuous engagement can provide the Town with important feedback about the performance of its housing programs.

IMPLEMENTATION

1. Set an annual engagement goal and spending plan to promote housing programs.
2. Engage community, religious, and elected leaders in the promotion of housing programs and resources to reach those most in need of support.
3. Create and distribute program information in strategic community centers.
4. Publish and promote an annual housing report that provides transparency into the Town's priorities and decisions.

Implementation Steps

There are primary, short-term steps that Wake Forest can take to start meeting housing needs.

Short-Term Steps

Dedicate Staff Time. New or existing staff should be responsible for outreach and coordination with Wake County, partner organizations and the housing authority, as well as annual reporting and community outreach.

Create a Funding Allocation Plan. Determine how existing funds from the half-cent tax will be allocated across different programs and if more funding is needed to increase program impacts.

Establish Annual Reporting. As the Town begins to allocate funding and dispose of land, gather and track information on households served, units produced, income levels targeted, and money spent to publish annually through a report or digital dashboard.

Commit to a Partnership with the Wake County Housing Authority. Begin coordinating with the Housing Authority on redevelopment plans for public housing sites, and establish a formal statement of understanding to demonstrate how the Town will assist with these efforts.

Continue Housing Rehabilitation Pilot Program. Continue to annually fund the Town's existing housing rehabilitation program and periodically assess if adjustments need to be made in terms of increased funding, outreach, or geographic scope.

Establish Public Land Disposition Program. Working with a consultant, analyze existing stock of Town-owned properties for redevelopment potential including an affordable housing program. Establish a land disposition program and include dedicated annual funding for the procurement of properties suitable for small-scale affordable housing development.

Establish an Incentive Zoning Program. Test and establish incentives for new market-rate developments to include affordable housing units that target income levels below the area median income. Periodically reevaluate based on outcomes.

APPENDICES

 PUBLIC DRAFT 07/01/22

Appendix 1: Terms Defined

Term	Definition
Accessory Apartments	Secondary rental units attached to or detached from a primary unit on a single-family housing lot. Also known as Accessory Dwelling Units (ADUs).
Area Median Income (AMI)	AMI is the combined average household income for the full metropolitan area. AMI is calculated and released every year by the U.S. Department of Housing and Development (HUD). The most referred to AMI is that of a household of four.
By-Right Development	Development allowed under the Unified Development Ordinance without requiring Town approval such as a variance or rezoning.
Community Land Trust (CLT)	Community land trusts (CLT) are organizations designed to ensure community stewardship of land. Community land trusts can be used for many types of development but are primarily used to ensure long-term housing affordability. To do so, the CLT acquires land and maintains ownership of it permanently. With prospective homeowners, CLTs enter a long-term, renewable lease instead of a traditional sale. When the homeowner sells, the family earns only a portion of the increased property value. The remainder is kept by the CLT, preserving the affordability for future low- to moderate-income families.
Cost Burden	Under a standard set by the U.S. Department of Housing and Urban Development, a household is considered cost burdened when it spends 30% or more of its income on gross housing costs, including rent, mortgage payments, and utilities.
Down Payment Assistance (DPA)	Down payment assistance programs support homeownership by providing a grant or forgivable loan to first-time homebuyers to reduce the upfront costs of purchasing a home.
Housing Trust Fund (HTF)	A locally-designated and controlled fund to pay for affordable housing development and programs.
Infill Development	Development or redevelopment of a vacant or under-used property within an existing developed area.
Low-Income Housing Tax Credit (LIHTC)	A federal program that provides a dollar-for-dollar tax credit to support the development of affordable rental housing. The LIHTC program distributes federal income tax credits to developers through states' individual Housing Finance Agencies (HFA), which determine which projects receive tax credits under their federal allocation. There are two general types of credits that can be awarded, 9% credits and 4% credits.
Naturally-Occurring Affordable Housing (NOAH)	Market-rate housing that is affordable to low- or moderate-income households without public subsidy.
Soft Density	Primarily single-family areas that allow additional housing typologies such as duplexes, triplexes, quadplexes, townhomes or row houses, and live-work housing - also known as "missing middle" housing.
Subsidized Housing	Affordable rental and ownership housing developed and/or operated by nonprofit and for-profit developers using public subsidies.

Appendix 2: 2021 Area Median Income Limits for Raleigh Metropolitan Statistical Area (MSA)

The Department of Housing and Urban Development (HUD) sets income limits by household size that determine eligibility for subsidized housing programs. HUD develops income limits based on Median Family Income estimates by Metropolitan Statistical Area. Wake Forest is in the Raleigh Metropolitan Statistical Area (MSA), which includes Franklin, Johnston, and Wake Counties.

Income Level	1 Person Household	2 Person Household	3 Person Household	4 Person Household	5 Person Household
30% AMI (Extremely Low Income)	$20,100	$23,000	$25,850	$28,700	$31,000
50% AMI (Very Low Income)	$33,500	$38,300	$43,100	$47,850	$51,700
60% AMI	$40,200	$45,960	$51,720	$57,420	$62,040
80% AMI	$53,600	$61,250	$68,900	$76,550	$82,700

Source: U.S. Department of Housing & Urban Development

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Appendix 3: 2021 Maximum Affordable Monthly Housing Costs for Raleigh MSA

Housing costs are considered affordable when a household spends less than 30% of its income on gross housing costs, including rent or mortgage payments and utilities. For example, a household earning $50,000 can afford housing costs up to $1,250 per month. If housing costs exceed that limit, the household is cost burdened. The monthly cost limit for households in Wake Forest by size and income level is shown in the table below.

Income Level	1 Person Household	2 Person Household	3 Person Household	4 Person Household	5 Person Household
30% AMI (Extremely Low Income)	$503	$575	$646	$718	$775
50% AMI (Very Low Income)	$838	$958	$1,078	$1,196	$1,293
60% AMI	$1,005	$1,149	$1,293	$1,436	$1,551
80% AMI	$1,340	$1,531	$1,723	$1,914	$2,068

Source: U.S. Department of Housing & Urban Development

Appendix 4: Town of Wake Forest Nondiscrimination Notice

The Town of Wake Forest, pursuant to its policy to comply with Title VI of the Civil Rights Act of 1964 and other pertinent nondiscrimination authorities, will not exclude from participation in, deny the benefits of, or subject to discrimination any person based on race, color, religion, limited English proficiency, sex, marital status, familial status, national origin, age, mental or physical disability, sexual orientation, gender identity, or income-level, under any programs, activities, and services conducted or funded by the Town of Wake Forest.

Any person who believes they have, individually or as a member of any specific class of persons, been wronged by a discriminatory act (action or inaction) of the Town of Wake Forest or its funding recipients, has the right to file a complaint with the Town of Wake Forest. Complaints may be filed by the affected individual(s) or a representative and should be filed no later than 180 calendar days after the following:

- The date of the alleged act of discrimination,
- The date when the person(s) became aware of the alleged discrimination, or
- Where there has been a continuing course of conduct, the date on which that conduct was discontinued or the latest instance of the conduct.

All complaints should be signed and include contact information. You may file a written complaint with the Town of Wake Forest Title VI Coordinator at 301 South Brooks Street, Wake Forest NC 27587 or call 919-435-9415. For instructions on how to file a complaint or additional information regarding the Town of Wake Forest's nondiscrimination obligations, please visit www.wakeforenstnc.gov/TitleVI or contact:

Town of Wake Forest

ATTN: Lisa Hayes, Strategic Performance Manager

301 South Brooks Street

Wake Forest, NC 27587-2901

Phone: 919-463-9415

Email: lhayes@wakeforestnc.gov

Anyone with a hearing or speech impairment may use Relay NC, a telecommunications relay service, to call the Town of Wake Forest. Relay NC can be accessed by dialing 711 or 1-877-735-8200.

ATTENTION: If you speak a language other than English, the following language assistance services are available to you, free of charge. Qualified interpreters and information written in other languages. Call 1-800-522-0453.

Appendix 5: Town of Wake Forest Nondiscrimination Policy

It is the policy of the Town of Wake Forest to ensure that no person shall, on the grounds of race, color, religion, limited English proficiency, sex, marital status, familial status, national origin, age, mental or physical disability, sexual orientation, gender identity, or income-level, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any Town of Wake Forest program or activity, including, where applicable, religion, as provided by Title VI of the Civil Rights Act of 1964 and other pertinent nondiscrimination authorities.

- The following practices are hereby prohibited throughout the Town of Wake Forest to comply, at a minimum, with Title VI and related requirements:
- Denying to an individual any standard service, access to Town owned or operated facilities, financial aid, or other program benefit without good cause.
- Providing any service, financial aid, or other benefit to a person which is distinct in quantity or quality, or is provided in a different manner, from that provided to others under the program.
- Subjecting a person to segregation or separate treatment in any part of a program.
- Restricting in the enjoyment of any advantages, privileges, or other benefits enjoyed by others.
- Denying an individual access to Town facilities.
- Applying different standards, criteria, or other requirements for admission, enrollment, or participation in planning, advisory, contractual, or other integral activities.
- Using acts of intimidation or retaliation, including threatening, coercing, or discriminating against any individual for the purpose of interfering with any right or privilege secured by any pertinent nondiscrimination law, or because s/he has made a complaint, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing.
- Allowing discrimination in any employment resulting from a program, the primary purpose of which is to provide employment.