

September 28, 2022

Ms. Michaela Mitchell  
Chief, Healthcare Planning & Certificate of Need Section  
Division of Health Service Regulation  
2704 Mail Service Center  
Raleigh, NC 27699-2704

**RE: Written Comment for Certificate of Need Application Submitted by WakeMed Behavioral Health Services, LLC**

Dear Ms. Mitchell:

Please accept this written comment for the certificate of need application submitted by WakeMed Behavioral Health Services, LLC. The application is for approval to construct an inpatient psychiatric hospital with a total of 150 beds. Per [G.S. 160D-202](#), the project site is located within the municipal extraterritorial jurisdiction for the Town of Knightdale. The 34.13-acre parcel is located at the intersection of Hodge and Old Faison Roads, being PIN 1743255851.

Section K – Criterion (12), New Facilities, Relocation of the Entire Existing Facility, or a New Campus of an Existing Acute Care Hospital requires applicants to address local zoning requirements. In order to fully appreciate Knightdale’s development expectations and process, we offer the following professional summary.

**Knightdale Unified Development Ordinance (zoning regulations)**

Per the [Knightdale UDO](#), hospitals are characterized as a Civic/Institutional Use in the Use Matrices and are a required Conditional District in the Town Center, Highway Business, Business Office, and Manufacturing and Industrial zoning districts. The Conditional District re-zoning process provides a procedure for the rezoning of property based upon the recognition that certain types of zoning districts or uses would be inappropriate at particular locations in the absence of special conditions. Required conditional districts permit for flexibility in zoning standards in return for voluntary conditions that promote the Town’s goal and visions. A site-specific development plan is also a requirement of the Conditional District and becomes part of the approved zoning for the site.

**Knightdale Next 2035 Comprehensive Plan**

Per the requirements of [G.S. 160D-501](#), The [Knightdale Next 2035 Comprehensive Plan](#) is the official adopted statement for future development within the Town’s planning area. The Comprehensive Plan utilizes a series of guiding principles, maps, and focus area studies to identify the future growth patterns for the Town. This analysis will specifically look at the Growth Framework Map, Growth and Conservation Map, Future Place Type Categories, and Focus Area Studies.

### Growth Framework Map

The Growth Framework Map provides a means to quickly organize and illustrate the growth and conservation priorities for Town officials. The proposed site is located in a Growth Activity Center and Priority Investment Area around an activity center as shown in the adjacent map.

This area is described by the Comprehensive Plan as follows, *“The Town should encourage the development of unique activity centers that include a mix of uses and activities located close together, providing people with new options for*

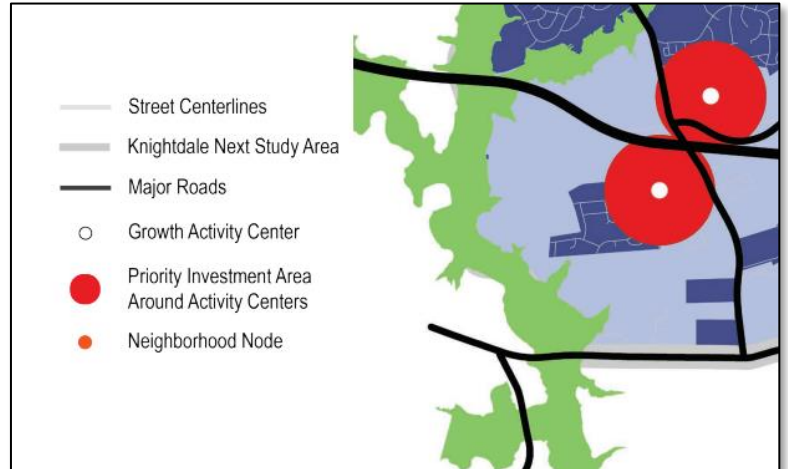
*places to live, work, shop and participate in civic life. The presence of activity centers should further the economic vitality and sustainability of the Town, while also promoting social interaction and community building. The look and feel of activity centers should communicate a distinct sense of place and identify what is uniquely Knightdale, creating places that are interesting, beautiful, useful, and likely to provide long-standing value. New development should radiate out in an orderly fashion from these activity centers, avoiding “leapfrog” growth that skips over undeveloped or under-developed land.”*

**Staff Analysis:** A stand-alone hospital complex does not promote a unique activity center that includes a mix of uses. The Town has few opportunities to realize a true mixed-use center along this corridor and this parcel compiled with neighboring properties could provide that opportunity. Further, this location is in close proximity to existing subdivisions and neighborhoods that need an activity center to provide the social interaction and community building that could not be provided by a stand-alone hospital facility.

### Growth and Conservation Map/Placetype

The Growth and Conservation Map organizes the community into different place types. This parcel is in a future mixed-use center place type category. A mixed-use center is defined as, *“A mixed-use center offers the opportunity to live, shop, work, and play in one community. Uses and buildings are located on small blocks with streets designed to encourage pedestrian movement and active public spaces. Buildings in the core of the center may stand three or more stories tall. Residential units or office space are found above storefronts. Homes surrounding the core offer several choices to live and experience the center. Parking is satisfied using on-street parking, structured parking, and shared rear -lot parking strategies. The compact, walkable environment and mix of residential and non-residential uses in the center supports multiple modes of transportation. A large-scale mixed-use center may be surrounded by one or more neighborhoods that provide additional nearby home choices and encourage active living with a comprehensive and interconnected network of walkable streets.”*

**Staff Analysis:** Any single use of this parcel would strictly prohibit the future development of a mixed-use center at this location. A hospital in this location without supporting residential

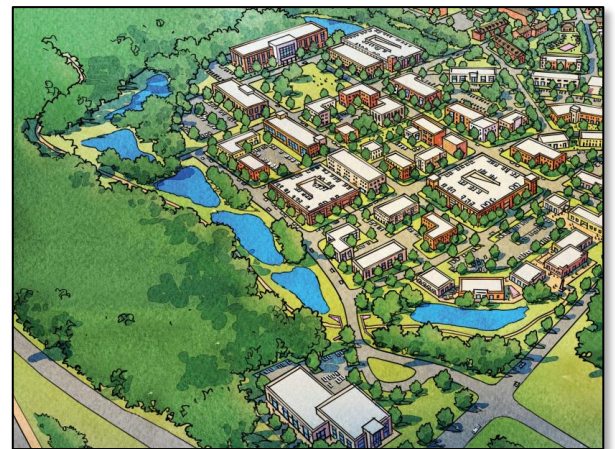


**Growth Framework Map – Hodge and Old Faison Roads Area**

development, other non-residential uses, and active public spaces would fail to achieve the goals of a mixed-use center. Further it would require an automobile dependency that would discourage supporting multiple modes of transportation and make the realization of a walkable environment difficult. Staff has seen many proposals at this location and have resisted the market's desire to place single-use tenants or single density residential units in order to preserve this future mixed-use center. A stand-alone hospital development would undermine this effort and lead to further suburban sprawl and an undesirable land use pattern along this corridor.

### Focus Area Studies

As a portion of the comprehensive plan's development process, focus area studies were completed on specific parcels to create conceptual plans of how these parcels should develop in the future and provide guidance for staff and decision makers. The concepts, while site specific, are intended to be utilized in similarly situated property and placetype categories. This parcel falls within two focus area studies, the new front door concept, and the river district. The Town anticipates beginning a River District Small Area Plan that would merge the new front door concept with the River District concept on this specific parcel. Any development prior to the completion of this plan would need to incorporate the elements of both focus areas. Staff foresees this intersection serving as the catalyst for the River District and an important component of that future plan. The New Front Door concept looks at the interchange areas and includes this parcel. It encourages a mix of uses, quality of architecture, and open space. The concept plan illustrates primarily nonresidential development complemented by a range of attached and small-lot detached residential units and a variety of indoor and outdoor spaces. The layout shows many buildings integrated together to create a distinct mixed-use center or district. The illustration further shows multiple uses incorporated together.



***Incorporation of Multiple Uses Examples***

**Staff Analysis:** Any single-use development is misaligned with this vision of establishing a new front door with a mixture of uses to include complimentary residential and a variety of nonresidential uses. This area should remain intact until such time that a proposal truly incorporates a mixed-use development. The River District Small Area Plan is going to kick-off later this fall and staff envisions this parcel being an integral part of that process. The opportunity cost of permitting a single-use facility on this parcel would be a loss of the Town's vision for a cohesive mixed-use development that anchors the River District. It would create an automobile dependent land use pattern that would not encourage the use of trails and other linear facilities to provide connections between developments.

## Summary

The proposed site is not currently zoned for a hospital. The applicant is correct that an approved conditional district rezoning is required prior to development. The required conditional district rezoning is likely a 12-18 month process. All necessary preapplication steps including sketch plans, pre-application meetings, and a neighborhood meeting would be required prior to the legislative process for consideration of approval.

## PROJECT TIMELINE



### *Knightsdale Required Rezoning Steps*

The difficult reality of considering this site for a future hospital is that the proposed use directly contrasts the Town's expectations for the future development of this area. The Knightsdale Next 2035 Comprehensive Plan was crafted with significant public outreach and input. It represents our citizens' expectations for the future development of our community.

It is important to note that the applicant did not consult with our development professionals while evaluating this site. While the need for confidentiality is appreciated, the lack of appropriate due diligence has created a significant regulatory hurdle. Town officials were not made aware of the applicant's intentions until August 11, 2022 to advise of the pending submission of the certificate of need application. A subsequent meeting was held on September 26, 2022 with larger stakeholder representation from WakeMed and the Town. A very preliminary site plan and illustrations of current inpatient facilities, operational in other cities, were shared and discussed. While the meeting was cordial and provided additional information, WakeMed's development ambitions still represent a significant policy deviation from Knightsdale's long-range plans.

## Conclusion

WakeMed is a trusted and valued stakeholder for Knightsdale. To be clear, our elected officials and town staff truly recognize the emerging mental health crisis in our region. Our strong desire is to be a part of the solution. Our commitment is to identify and evaluate appropriate sites within our jurisdiction for an inpatient hospital. Though for this site, pursuing a rezoning places our Town Council in the unenviable spot of potentially being viewed as not supportive of public health needs or ignoring the vision of the Town's comprehensive plan. Please note that a legislative rezoning, with a site-specific master plan, must either prove consistency with the Comprehensive Plan or how it is otherwise reasonable and in the public's interest. Based on this initial evaluation, I would not recommend approval of any stand-alone facilities or single land use proposals for this location as the opportunity cost is simply too high. This sentiment is also shared by our elected officials and Development Services Department.

Sincerely,

Bill Summers, ICMA-CM  
Town Manager