

MARKET REPORT SUMMARY

This section summarizes the market report located in the Appendix. The market report is an assessment of existing market conditions and overall marketability of the Old Town Knightdale study area. This information is based on reconnaissance but does not represent a market analysis or forecast of land use demand within the area. Rather, the focus of this research is on overall existing market context for the purposes of strengthening the market “identity” for the Old Town core area.

Distinct Business Zones

The Study Area’s business base is characterized by two distinct commercial areas, the Knightdale Boulevard Corridor and Old Town center. These two areas are connected by Smithfield Road and First Avenue, but otherwise have very little in common in terms of identity or business mix.

Knightdale Boulevard is a typical highway commercial strip anchored by several community shopping centers and “big box” retail stores, along with fast food chains and some modest office, service, and industrial use. Commercial uses are clustered along the corridor.

The older commercial center of Knightdale is concentrated on several small streets surrounded by residential uses. Overall, the hub has a basic identity as the service and civic center of a small southern community that retains some physical links to its railroad history.

Commercial uses along Knightdale Boulevard have excellent access to commuter traffic from Knightdale, Wendell, and points further east. However, the core area of Knightdale is not visible from this major regional commuter route, nor from US 64/264 or from any other major regional roads. Therefore, the Old Town center’s lack of visibility is a serious constraint.

In general, the study area is characterized by a typical strip commercial mix of chain retail “big box” stores and nominal office uses that primarily serve the local market and commuters along the Knightdale Boulevard corridor. The mix is weighted towards shopper and convenience goods chain stores, but also includes a number of franchised fast-food restaurants. There are few “sit-down” restaurants in the area and very little entertainment. In contrast, the Old Town core is heavily oriented to personal and auto service establishments,

and is lacking in shopper goods and convenience retail categories. There is no dining or entertainment within the Old Knightdale core.

Market Opportunities

While a market analysis was not completed to quantify the existing and future demand for land uses within the study area, several observations are offered below based on reconnaissance of the existing market.

Housing

Housing demand is increasing throughout the Triangle, and the Knightdale area is clearly capturing a share of this growth. Knightdale has traditionally attracted blue- and pink-collar workers and move-ups from within the Raleigh area. Many of these residents have moved to Knightdale in search of larger lots and more affordable housing. However, the last few years have seen the area capture an increasing share of white-collar professionals and others relocating into the Triangle from other regions.

The Study Area offers an opportunity for those in the market who prefer an older home or a more pastoral rural (rather than

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suburban) community setting. Existing housing stock within the study area varies in type and condition. Some existing units, while situated on large lots, are relatively small and have not been updated to meet the demand at the heart of the market for older homes. There are significant opportunities to build on the restoration and upgrading of existing housing, and to develop new housing in the greenfield portion of the study area that is consistent with the character of the vintage stock.

Office

Much of the growth in office demand in the study area will be driven initially by expansion in the household base. That growth will respond to increasing need for finance, insurance, real estate, medical, and professional services to serve the people living in the surrounding area. The aging of the population, and the concentration of retirement populations in Knightdale, will help further increase demand for medical and personal services, which could locate in office space along Knightdale Boulevard. However, there are also opportunities for the town center to capture demand among the small companies and individuals who seek a “main street” location in a converted

house or small office building. If retirement or 55+ housing becomes part of the mix in the Old Town area, then opportunities will increase for professional service offices nearby.

Retail

There is significant competition from the increasing inventory of retail shopping centers being developed along the US 64 Corridor. Opportunities within the Old Town center will increasingly rely on marketing to a specialty/destination niche. Businesses representative of this niche might include craft-oriented producers & retailers such as antique stores, spas/personal service establishments, restaurants, professional services, neighborhood convenience, and gift shops.

Identity Marketing Opportunities

Old Town retains some of its architectural heritage as a rail town, but is also isolated from major market access. As a result, marketing strategies would logically relate to creating destination opportunities at small scale, to attract day-trippers and regional visitors for a small town experience and to build on the growing nearby residential market.

There is a need to build synergies between uses in the core area, such as between the older residential neighborhoods, new residential development, retirement housing, and the First Avenue business district. It is the overall “package” that can help promote improvement in the existing housing conditions, encourage developer interest in new housing, and revive the nascent downtown. An effort to improve the business district will help strengthen the overall identity of the area, encourage reinvestment in the older housing, and promote homeownership in existing homes.

Implementation

Implementation recommendations include strategies specific to business development in the Old Town center and to reinvestment in older housing. The strategies are detailed in the Market Report in the Appendix and listed in the Implementation Section.