



KANNAPOLIS

Overview

The City of Kannapolis adopted the [Kannapolis Wastewater Allocation Policy](#) as amended on December 9, 2024 to manage the limited amount of sewer capacity allocated to the City. The policy states that the City will have a Strategic Reserve of wastewater allocation that City Council can choose to provide for affordable housing projects. **This document serves as a Request for Proposals for affordable housing projects for 2026. Proposals are evaluated on a first-come, first-serve basis and will be accepted no later than 5:00pm Monday, May 25, 2026.**

Project Criteria

The City is looking for affordable housing projects that meet the following criteria:

- Serves low to moderate income residents, defined as households earning no more than 80% of area median income, per [HUD's definition](#). HUD defines affordable housing as housing where occupants pay no more than 30% of their gross income for housing costs, including utilities.
 - The ability to income qualify the residents of a proposed project is a key requirement. It is not sufficient that the units are priced to be affordable to the households as shown in the income tables; the units must be reserved for occupation by low-to-moderate income households. For a project to be accepted under this Request for Proposals, 100% of units must be affordable and serve low-to-moderate income households.
 - The period of affordability is also a key requirement. The developer must be able to guarantee that a project will remain affordable for at least 20 years.
- Developer with experience in building at least one affordable housing project.
- Quality sketch plan/design, including adequate parking, community amenities, enhanced landscaping, tree preservation, and usable greenspace.
- Projects that require variances, amendments to the 2030 Comprehensive Plan, pump station improvements, or additional City infrastructure investments are NOT likely to be recommended.
- Ability to meet timeframe required by the Kannapolis Wastewater Allocation Policy:
 - Projects must secure preliminary sketch plan or preliminary plat approval within 120 days of Development Agreement recording date.
 - Final construction drawings must be submitted within 180 days of preliminary sketch plan or plat approval.
 - Projects must commence off-site and/or on-site water and sewer line installation or water and sewer connections within 180 days of final construction drawing approval.
 - If no utility extensions are necessary, projects must obtain construction permits and construct building foundations within 180 days of issuance of allocation permit from the City and/or WSACC flow acceptance letter.

Note: project criteria may change for future Requests for Proposals.

Submittal Requirements

Applications shall be submitted through [Accela](#). Instructions on how to submit are attached. Please include the following information in your submittal:

- General project information
 - Project name, location, acreage.
 - Do you own the property or have site control? If not, provide property owner approval.
 - Type of project: rental vs owner-occupied, detached vs attached, etc.
 - Unit breakdown: sizes, number of units, number of structures, rent or sale amounts, and income targeting for each bracket. Show evidence that units will serve households earning no more than 80% of area median income.
 - Amount of sewer flow required (gallons per day).
 - Number of parking spaces and any accommodations for overflow parking.
 - Estimated construction cost, with break down by soft costs, hard costs, land.
- Project timeline, including key milestones and an indication of where you are on this timeline. Milestones include but are not limited to: property acquisition, rezoning, preliminary and final plat submittal, preliminary and final sketch plan approval, and DOT or other state agency approvals, utility extensions, demolition, construction permits, and horizontal and vertical construction.
- Sketch plan and any elevations. (Does not need to be final.) If elevations are not available, then identify and provide images and locations for up to 3 other projects similar to this project.
 - Point out any elements that improve the quality of the sketch plan and design, including overflow parking, community amenities, enhanced landscaping, tree preservation, and usable greenspace.
 - Does this project require variances, amendments to the 2030 Comprehensive Plan, pump station improvements, or additional City infrastructure investments? If so, please describe.
- Affordable housing development experience, describing a minimum of one and no more than three completed affordable housing projects that this development team was primarily responsible for. Include location, completion date, description of number of units, rental amounts or for sale price, and affordability requirements.
 - Up to three references for communities in which you have built similar product.
- For rental product: Management/oversight, including on-site vs. off-site property management, on-site hours, resident vetting process.
- For sale product: Whether there will be a homeowners association (HOA) and if so, the estimated annual dues per housing unit.
- Income verification and reporting process.
- Period of affordability: timeframe for which the project needs to maintain its affordability, and the mechanism for enforcement (i.e. the agency, program, restrictive covenants, and deed restrictions by which the project is required to maintain affordability).

Evaluation Process

City staff will review proposals to ensure completeness. The Community Improvement Commission is a group of citizens appointed by City Council who will review the proposals and make a recommendation to City Council for final approval of sewer allocation. (Note: all other normal development and construction approvals are still required.) The Planning Department will notify applicants of their sewer allocation award and timing. Applicants will be required to commit to a Development Agreement that outlines the specifics of the project to be built, project timeframes, developer obligations and requirements, and the amount of wastewater allocation from the City.

Proposals will be evaluated by the following criteria. Those that meet the criteria will be awarded sewer allocation on a first-come, first-serve basis with the available allotment of sewer capacity.

- Whether 100% of units are reserved for occupancy by households earning up to 80% of area median income.
- Whether units are affordable to households earning up to 80% of area median income.
- Ability to meet income verification and reporting requirements. Income verification for for-sale product can be done at the beginning of each change in ownership, though monitoring to verify the eligible homeowner's primary residence is done annually.
- Ability to maintain affordability for at least 20 years, through deed restrictions, restrictive covenants, or other mechanisms.
- Developer quality and experience with at least one affordable housing project.
- Developer reputation, including subsequent property management and maintenance for rental product.
- Quality of the project, including sketch plan/design and any additional amenities.
- The ability of the project to meet the required timeframe for this sewer allocation award.

Monitoring

Projects that are awarded sewer allocation will be required to provide evidence of meeting the affordable housing income targets and units as submitted in the developer's proposal, upon project completion and during period of affordability. The Development Agreement will outline developer compliance requirements.

For questions about this RFP, contact Mia Alvarez at malvarez@kannapolisnc.gov.