CITY MANAGER'S OFFICE

Manager's Update

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Issue 2024-31 August 9, 2024

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INFORMATION:

Best Practice in Housing Solutions for People Experiencing Homelessness

Staff Resource: Erika Brandt, Housing and Neighborhoods, 996-6975, erika.brandt@raleighnc.gov

Preventing and ending homelessness in Raleigh is one of the Housing and Neighborhoods Department's top priorities. The Department centers its approach to achieving this ambitious goal in decades of research and evidence-based best practice, including two key components: following Housing First principles and promoting community integration for people with disabilities.

Housing First is an approach backed by more than 30 years of research and successful practice that prioritizes providing permanent housing to people experiencing homelessness, thus ending their homelessness and serving as a platform from which they can improve their quality of life. This philosophy differs from approaches that require people to prove they are "ready" for housing by participating in mandatory programs or services before they can receive permanent housing, or in order to retain housing. Housing First creates access to permanent housing without conditions beyond those of a typical renter. Supportive services are offered to support people with housing stability and individual well-being, but

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participation is not required. In addition to <u>showing better outcomes</u> and lower costs associated with a Housing First approach, <u>research and practice also show</u> people who are offered voluntary services have better outcomes than people who are required to engage in services as a condition of their housing.

Integration and housing choice for people with disabilities and those exiting homelessness is central to the Department's mission. Permanent, affordable housing options that are integrated into the community, as opposed to segregated or institutional settings, allow individuals to live in diverse, inclusive communities and access the same opportunities for education, employment, and social interaction as everyone else. This supports mental and physical well-being and fosters a sense of belonging and self-determination. The State of North Carolina has been under a settlement agreement since 2012 with the U.S. Department of Justice (the Olmstead Settlement), which mandates the provision of services and support to individuals with disabilities in the most integrated settings appropriate to their need and choice. Under the Olmstead Settlement, North Carolina is committed to expanding community-based housing options, ensuring access to individualized support and services, and promoting community integration and participation. The Department is committed to honoring the guidance of the State settlement plan by encouraging affordable housing developments in which no more than 20-30% of units are specifically reserved for people with disabilities thereby encouraging integration.

In practice, the Department's emphasis on Housing First and community integration means moving away from "transitional" (versus permanent) and "single site" (versus scattered-site and integrated) housing for models for people experiencing homelessness. For example, while tiny home villages for people exiting homelessness are often seen as a quick and cost-effective solution, they are not in large part considered best practice. They are often designed as a transient, non-permanent housing arrangement and may end up isolating residents from the broader community, counteracting the principles of inclusion and integration. Many individuals experiencing chronic homelessness have a disability, so single site housing targeted toward that population such as tiny home villages run contrary to the aims of the *Olmstead* Settlement. Furthermore, because of the disproportionate representation of Black, Indigenous, and people of color among people experiencing homelessness, single site housing can also perpetuate patterns of racial segregation. Concentrating vulnerable populations in a single site can also perpetuate stigma and marginalization. Because of this, whenever possible, the Housing and Neighborhoods Department prioritizes integrated housing over models like tiny home villages and other single site, non-integrated models for people with disabilities in order to promote a more equitable and inclusive community for all residents.

(No attachment)

Weekly Digest of Special Events

Staff Resource: Sarah Heinsohn, Office of Special Events, 996-2200, sarah.heinsohn@raleighnc.gov. Included with the Update materials is the special events digest for the upcoming week. (Attachment)

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Council Member Follow Up Items

Follow up from the June 18 Council Meeting

Affordable Housing Subsidy Per Unit and Fee in Lieu (Council Member Branch)

Staff Resource: Erika Brandt, Housing and Neighborhoods, 996-6975, erika.brandt@raleighnc.gov

During the meeting, Council asked for an analysis of the City subsidy per affordable rental housing unit in order to determine whether the typical payment per unit offered by developers to the affordable housing fund (\$40,000) as a rezoning condition is still appropriate.

The typical \$40,000 per unit payment amount originated in 2022 from a snapshot analysis of per-unit City subsidy provided to Low Income Housing Tax Credit developers through the City's Rental Development Program.

The average City subsidy per unit for newly constructed Low Income Housing Tax Credit (LIHTC) projects that have had funds committed between January 2021 and May 2024 is approximately \$32,000. Many of these projects also received funding from Wake County. The average total local government subsidy (City and County funding) per unit is approximately \$53,000.¹

Beginning in June 2023, several rezoning requests have included voluntary conditions that offer a small number of affordable units or a contribution to the City for affordable housing. Since zoning conditions are voluntarily offered by the property owner/developer, the comments provided by staff in review are usually focused on clarity and enforceability of the condition language.

There are no Comprehensive Plan policies that speak to contributions in zoning conditions, but several refer to affordable housing as a general goal. Planning & Development does not have a complete list of rezoning requests that have included affordable housing conditions; most, if not all, of the conditions that include a contribution in lieu of on-site affordable units have offered \$40,000 per unit to be placed in a fund designated for affordable housing.

The contribution must be voluntary and proposed by the developer. Therefore, staff do not believe that a target contribution amount can be specified by City staff or City Council.

(No attachment)

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¹ This analysis excludes five outlier rehab projects that previously received City of Raleigh funding for their original construction over 20 years ago, and which received a much lower per-unit subsidy (\$12,000 per unit). If these projects are included, the average City subsidy per unit is approximately \$30,000 and total local government subsidy is approximately \$45,000.

Weekly Events Digest

Friday, August 9 - Thursday, August 15

City of Raleigh Office of Special Events specialevents@raleighnc.gov | 919-996-2200 | raleighnc.gov/special-events-office

Permitted Special Events

South Atlantic Fire Rescue Expo

Cabarrus Street

Friday, August 9 & Saturday, August 10

Event Time: 10:00am - 5:00pm on 8-9-24 & 9:00am - 2:00pm on 8-10-24

Associated Road Closures: Cabarrus Street between S. McDowell Street and S. Salisbury Street will be closed from 8:00am on 8-7-24 until 5:00pm on 8-10-24.

Other Upcoming Events

Train & REO Speedwagon

Friday, August 9 Coastal Credit Union Music Park at Walnut Creek

Corteo by Cirque du Soleil

Friday, August 9 – Sunday, August 11 PNC Arena

Family Fun Day

Saturday, August 10 City of Raleigh Museum

Treasure Hunt

Saturday, August 10 Flowers Field at Dix Park

Back to School Family Reunion and Giveaway

Saturday, August 10 Roberts Park

Park Improvements Design Workshop

Saturday, August 10 Method Community Park

Birdwatching

Saturday, August 10 Flowers Cottage at Dix Park

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Saturday, August 10 Red Hat Amphitheater

Self Care Sunday: Breath Work

Sunday, August 11 The Chapel at Dix Park

Chicago and Earth, Wind & Fire

Monday, August 12

Coastal Credit Union Music Park at Walnut Creek

Still Woozy
Tuesday, August 13 Red Hat Amphitheater

The Concert: A Tribute to Abba

Wednesday, August 14 Memorial Auditorium

Jazz in the Square

Thursday, August 15 Moore Square

Public Resources

Event Feedback Form: Tell us what you think about Raleigh events! We welcome feedback and encourage you to provide comments or concerns about any events regulated by the Office of Special Events. We will use this helpful information in future planning.

Road Closure and Road Race Map: A resource providing current information on street closures in Raleigh.

Online Events Calendar: View all currently scheduled events that impact city streets, public plazas, and Dorothea Dix Park.