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Upcoming Work Sessions - Budget Work Session Monday, March 9; Regular Work Session Tuesday, March 10

Reminder that Council will meet in the scheduled budget work session on **Monday** at **4:00 P.M.** Council will also meet in the regularly scheduled second **Tuesday** work session at **4:00 P.M.** The agenda for each session was published Thursday:

<https://pub-raleighnc.escribemeetings.com/>

Reminder: If there is an item you would like to have pulled from the consent agenda for discussion, please send an e-mail mayorstaff@raleighnc.gov by 11 A.M. on the day of the meeting.

Public Comment Session - Tuesday, March 10 - 7:00 P.M.

Reminder that Council will meet next **Tuesday** in a scheduled public comment session at **7:00 P.M.**

INFORMATION:

College Park Townhomes Update

Staff Resource: Pat Dawson, Housing and Community Development, pat.dawson@raleighnc.gov

In 2016, the City issued an RFP to select a builder for five City-owned townhome sites in the College Park neighborhood as part of the East College Park revitalization initiative. In April 2017, Council selected Evergreen Construction, and a Purchase and Development Agreement was executed in February 2020.

The project experienced delays and cost increases due to the COVID pandemic, making the project financially infeasible. In March 2025, Council approved \$448,733 in CDBG funding to allow the project to move forward and support construction of six townhomes on Site 4 (104 N. Carver Street).

Beginning in July 2025, Evergreen attempted to secure four pre-sales prior to starting construction and had a six-month leasing agreement in place that ended in December 2025. Evergreen could not secure the four presales needed to begin construction, so the City will not be moving ahead under the current contract.

The City notified Evergreen on January 27, 2026, in writing of its intent to terminate the agreement. Staff will conduct further analysis to evaluate affordable housing options for all five sites. Any recommendations to shift from the prior plans for the sites will take into consideration current market conditions, changed site considerations including the future BRT, and updated community priorities. A Request for Information (RFI) for Housing and Community Development vacant lots is currently open, and an addendum will be issued adding these sites to the RFI.

(No attachment)

Raleigh Convention Center Recovery Update

Staff Resources: Allison Bradsher, Finance, 996-4970, allison.bradsher@raleighnc.gov

Kerry Painter, Convention Center Complex, 996-8503, kerry.painter@raleighnc.gov

During the January 6 Council meeting staff provided a status on the recovery work at the Raleigh Convention Center due to the fire that occurred on December 1, 2025.

Since that time, tremendous work has taken place; examples include gaining occupancy for the back service hallways and kitchen, completing the artists greenroom and refurbishing/carpeting staff offices, and bracing the shimmer wall steel. Several large successful events have taken place since January, and over 86,000 meals were served from the mobile kitchen.

The Raleigh Convention Center is targeting the week of April 1 to install permanent chillers for the HVAC system, the kitchen hood/air returns and exhausting allowing the kitchen to be reactivated. Remaining work for the months to follow will be the solar array and the permanent roof finish.

Staff meet regularly with Alliant, the City's insurance broker, and Zurich, the City's insurance provider. An initial insurance claim has been filed, and staff are working to finalize future claims as the work continues toward full restoration of the venue.

At this time, the additional authority granted to the City Manager to execute contracts to support expedited work has not been required.

(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)

Council Member Follow Up Items

Follow Up from the February 10 Work Session and February 17 Joint Meeting

Affordable Housing Follow Ups

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

During and after the February 10, 2026 work session on housing tools and the February 17, 2026 joint City-County meeting, Council Members had questions related to affordable housing. Included with the *Update* materials are staff memoranda providing responses.

(Attachments)

Weekly Events Digest

Friday, March 6 – Thursday, March 12

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

Permitted Special Events

[Conn Cougar 5K](#)

Conn Magnet Elementary School & Route

Saturday, March 7

Event Time: 9:00am - 10:00am

Associated Road Closures: Roads will be closed from 8:50am until 10:30am. Note that all cross-streets will be detoured during the event and [view the 5K route map](#) for more details.

[NC Right to Life Rally & March for Life](#)

Halifax Mall & Capital District

Saturday, March 7

Event Time: 12:15pm - 3:00pm

Associated Road Closures: The following route will be closed from 2:00pm until 4:00pm: Start on Lane Street next to Halifax Mall, heading east; Right onto Blount Street; Right onto Edenton Street; Right onto Salisbury Street; Right onto Lane Street to finish at Halifax Mall. Note that all cross-streets will be detoured during the march.

[Animate! Raleigh](#)

Raleigh Convention Center & Cabarrus Street

Friday, March 13 - Sunday, March 15

Event Time: 4:00pm 3-13-26 - 1:00am 3-14-26; 10:00am 3-14-26 - 1:00am 3-15-26; 10:00am - 7:00pm 3-15-26

Associated Road Closures: Parts of W. Cabarrus Street between S. McDowell Street and S. Salisbury Street will be closed from: 7:00am - 10:00pm on 3-12-26; 7:00am - 9:00pm on 3-13-26; 10:00am - 8:00pm on 3-14-26; and 10:00am - 11:59pm on 3-15-26.

Other Upcoming Events

[Feminist First Friday](#)

Friday, March 6

Downtown Raleigh

[Swanky](#)

Friday, March 6

Fletcher Opera Theater

[Chopin Piano Concerto No. 1 – NC Symphony](#)

Friday, March 6 & Saturday, March 7

Meymandi Concert Hall

[Animal Adoption Day](#)

Saturday, March 7

City of Raleigh Museum

[Drumming Showcase](#)

Saturday, March 7

Five Points Center for Active Adults

[Opening Reception: SPAA Annual Exhibition](#)

Saturday, March 7
Sertoma Arts Center

[Stanford vs. NC State](#)

Saturday, March 7
Lenovo Center

[Second Stage](#)

Saturday, March 7 & Sunday, March 8
Raleigh Little Theatre

[Shen Yun](#)

Saturday, March 7 & Sunday, March 8
Raleigh Memorial Auditorium

[NC Master Chorale – Brahms Requiem](#)

Sunday, March 8
Meymandi Concert Hall

[Pittsburgh Penguins vs. Carolina Hurricanes](#)

Tuesday, March 10
Lenovo Center

[Gifts of Gold](#)

Tuesday, March 10 – Thursday, March 12
The Chapel at Dix Park

[Backstage Night & 26-27 Season Announcement](#)

Wednesday, March 11
Raleigh Little Theatre

[Ballroom Social Dance](#)

Wednesday, March 11
Pullen Community Center

[St. Louis Blues vs Carolina Hurricanes](#)

Thursday, March 12
Lenovo Center

[Música, Música, Máximo, Música \(TVY\)](#)

Wednesday, March 4 – Sunday, March 15
Raleigh Little Theatre

[Snow White – Carolina Ballet](#)

Thursday, March 12 – Sunday, March 29
Fletcher Opera Theater

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.

Weekly Events Digest

Friday, March 6 – Thursday, March 12

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

[Road Closure & 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 Dix Park.

New Amplified Noise Ordinance Takes Effect January 2026

The City Council approved a [new amplified noise ordinance](#), which went into effect Jan. 1, 2026. Stadiums, arenas, and outdoor sports or entertainment venues, including amphitheatres, are exempt. Parades, outdoor events, races, festivals, and concerts that receive a permit from the Office of Special Events are also not subject to the ordinance.

Council Member Follow Up

To	City Council
Thru	Emila Sutton, Director
From	Erika Brandt, Assistant Director
Department	Housing and Community Development
Date	March 6, 2026
Subject	Housing Tools Work Session (February 10) and Joint City-County Meeting (February 17) Follow-up Information

Background

During and after the February 10, 2026, work session on housing tools and the February 17, 2026, joint City-County meeting, Council Members had questions related to affordable housing. These questions and their responses are below.

Anti-Displacement Tools

Mayor: Could staff examine NCODs as a factor in the housing vulnerability index? Were NCODs primarily applied to white neighborhoods and did this impact neighborhoods of color?

Response: The Housing Vulnerability Index presented during the Housing Tools discussion was constructed using socioeconomic and housing condition indicators derived from publicly available American Community Survey (ACS) and Comprehensive Housing Affordability Strategy (CHAS) data, including poverty, public assistance, renter cost burden, severe housing problems, educational attainment, disability status, and percent people of color. Census tracts were grouped using cluster analysis to identify relative levels of vulnerability. The index did not incorporate land use regulatory tools such as Neighborhood Conservation Overlay Districts (NCODs). Under Sec. 5.4.3 of the City’s Unified Development Ordinance, NCODs regulate built form characteristics such as minimum lot size, maximum residential density, setbacks, height, and building placement.

Evaluating whether NCODs correlate with demographic composition or displacement risk will require a separate spatial and historical analysis, including review of geographic distribution and adoption timelines. Housing and Community

Development staff are coordinating with Planning to conduct additional review and will report back.

CM Harrison: Can staff share the vulnerability index map? Is there an interactive or zoomable version to look at it more closely? What variables went into it?

Response: The map is attached. We do not currently have an interactive version of the map. The indicators that went into the creation of the index are described below.

Indicator Name	Explanation	Data Source
Public Assistance	Percent of households that receive public assistance income and/or SNAP benefits	American Community Survey (ACS)
Poverty	Percent of individuals whose income in the past 12 months was below the poverty line	ACS
Extremely Low-Income Seniors	Percent of renters that are elderly and earn no more than 30% AMI	Comprehensive Housing Affordability Strategy (CHAS)
Very Low-Income Seniors	Percent of renters that are elderly and earn 30-50% AMI	CHAS
High Cost Burden	Percent of renters that spend more than 50% of their income on rent	CHAS
Moderate Cost Burden	Percent of renters that spend between 30-50% of their income on rent	CHAS
Education	Percent of individuals over age 25 who have less than a Bachelor's degree	ACS
Housing Problems	Percent of renter-occupied households experiencing one or more housing problems	CHAS
People of Color	Percent of individuals that are a race other than non-Hispanic white	ACS
Disabilities	Percent of individuals over age 18 with a disability	ACS

CM Branch: Could the City create a voluntary landlord registry to assist with tracking naturally occurring affordable housing (NOAH)?

Response: The City of Raleigh had in place a mandatory landlord registry known as the Raleigh Rental Dwelling Registration program from 2009 until 2017 when it was abandoned due to the passage of state law prohibiting it. That registry tracked the location and ownership of rental property and was aimed to improve code enforcement and safety.

Information on voluntary registries is limited. Some examples exist but seem to be a voluntary “opt-in” period in advance of a later mandatory implementation. Chapel Hill had a Landlord Partnership Program at one point, and staff have reached out to the town for more information on why it was discontinued.

While the City of Raleigh could invest in a voluntary landlord registry, given that landlord participation is the key component in making this policy effective, there is little evidence that such an undertaking would yield results.

CM Silver: Did staff speak with Denton, TX about their tax abatement strategy with the County?

Response: Staff reached out to the project lead for the Southeast Denton Area Plan (SEDAP) for more information on Denton’s tax abatement strategy with the County.

Denton staff noted that they have not yet had detailed discussions with Denton County about lower or removing taxes on improvements in Southeast Denton but have had preliminary discussions about raising the homestead exemption. Staff noted that property taxes loomed large during the preparation of the plan, as the announcement of property value reappraisals coincided with the start of resident engagement for the plan. Property values had increased considerably that year (2023), largely due to economic ripple effects from the pandemic, and the residents were upset.

Raleigh staff asked whether Denton residents were open to supporting downtown improvements if it did not impact their taxes; Denton staff responded that physical improvements to downtown have not yet begun so community reception is unclear. Denton staff noted that an urban-style apartment complex is planned for an area near the train station in Southeast Denton, and that has created concern.

CM Harrison: Can more information on Louisville’s anti-displacement policy be provided? It was noted that Raleigh does not have the legal authority to implement this one. Can we have a more detailed write-up of what it entails?

Response: Louisville Metro Council adopted its Anti-Displacement Ordinance in November 2023 following several years of advocacy and research tied to the city’s 2019 Housing Needs Assessment. The ordinance establishes a formal displacement assessment process for residential developments that seek City of Louisville subsidy or utilize public assets. The ordinance designates certain “Displacement Risk Areas” defined using renter concentration and market indicators identified in Louisville’s Housing Needs Assessment. Developments within these areas that seek city financial support must complete a displacement assessment before proceeding.

The assessment tool was developed by Boston University’s Initiative on Cities through a competitive procurement process. The tool evaluates neighborhood-level data using census tract clusters and incorporates variables such as housing cost burden, socioeconomic indicators, ethno-racial change, housing market pressure, building permit activity, and the presence of subsidized housing. Projects are assigned a fixed risk level (low, medium, or high) based on location. The risk level then determines the minimum affordability requirements a project must meet to qualify for city subsidy.

The ordinance also establishes a nine-member Anti-Displacement Commission appointed by the Mayor and approved by Council. The Commission is responsible for reviewing implementation, recommending updates, and coordinating with other bodies such as the Louisville Metro Human Relations Commission. Commissioners are unpaid and must meet residency and conflict-of-interest requirements.

Implementation has been gradual. As of late 2025, the Commission had not been fully seated and only a limited number of projects had been evaluated under the tool. The ordinance applies only to developments seeking City subsidy and does not regulate market-rate construction not involving public funding.

Raleigh staff reference Louisville as one example of how some jurisdictions have tied displacement screening to public subsidy. It is important to note that Louisville’s ordinance operates within Kentucky’s legal framework and governance structure. In North Carolina, municipalities operate under Dillon’s Rule and do not have authority to impose mandatory inclusionary zoning or rent regulation. As a result, Raleigh cannot directly replicate Louisville’s regulatory structure. However, Raleigh can and does incorporate affordability conditions through voluntary subsidy agreements and funding requirements.

CM Patton: How many projects in total have been supported by the Wake Affordable Housing Preservation Fund (WAHPF)?

Response: The details on all WAHPF projects are shown in the table below. All projects but one are located within City limits. However, Grosvenor Gardens and Biltmore Hills are the only projects that have sought and received additional financial support from the City.

Borrower	Project	Municipality	Origination Date	Maturity Date	Affordable Units	Original Loan Amount	Payoff
CASA	Grosvenor Gardens	Raleigh	11/18/2022	12/1/2027	58*	\$7,000,000	\$7,000,000
AGPM Acquisitions LLC	Perry Creek Apartments	Raleigh	2/27/2024	3/1/2029	48	\$2,600,000	\$0

AGPM Acquisitions LLC	Terrace Spring Apartments	Raleigh	2/27/2024	3/1/2029	48	\$1,350,000	\$0
POAH	Biltmore Hills	Raleigh	3/28/2024	4/1/2029	50	\$4,400,000	\$0
Jones St Holdings LLC	Courtyard Commons	Fuquay-Varina	8/8/2024	9/1/2027	17	\$436,000	\$0
CASA**	Grosvenor Gardens	Raleigh	11/4/25	12/1/2035	(counted above)	\$3,500,000	\$0
Total					221	\$19,286,000	

**This is a mixed-income property with a total of 62 units: 58 affordable and 4 market-rate*

***CASA paid off the 2022 WAHPF loan, which was used to acquire the property, and subsequently took out a mezzanine loan from WAHPF in 2025*

CM Harrison: For rezonings that have NOAH on site, have you seen any efforts or strategies to protect those renters? There was a mention of referrals to City-funded affordable housing or other resources that could be useful. The City has seen rezonings that have had conditions for relocation assistance. Are there any other tools we can deploy?

Response: The 2025 Rental Development Notice of Funding Availability (NOFA) included a new requirement for awarded projects to set aside 5% of their units for City referrals. Most projects funded through the 2025 NOFA are still under development and will not have units complete until 2027 or later. As projects continue through the development pipeline, staff are further developing the specifics of the referral system. However, City referrals may come from a variety of sources, including community partners. The target populations referred to available housing units may vary as City priorities shift. If directed, staff can evaluate the possibility of referring individuals relocated through rezoning cases. Additional research and consideration would be needed to ensure the relevant households do not exceed income limits, while also having sufficient funds to successfully maintain their housing. Most Low-Income Housing Tax Credit (LIHTC) developments will have fixed rents based on income limits, and without additional rental subsidy, these rents may not be attainable for all households.

In addition to City-funded development tools, the City has utilized voluntary conditional zoning measures in rezonings involving existing rental housing to mitigate displacement impacts. These measures have varied by case and have included:

- Extended written notice requirements (90 to 180 days) prior to redevelopment;
- Relocation assistance payments ranging from \$2,500 to \$3,000 per dwelling unit;
- In some cases, income qualification thresholds ($\leq 80\%$ AMI) for relocation assistance eligibility;

- Sworn affidavit requirements submitted prior to demolition permit issuance or site plan approval to confirm compliance.¹

These conditions were negotiated as part of voluntary conditional rezonings and are not currently standardized within the UDO.

Homebuyer Assistance and Home Repair Programs

CM Patton: What is the return on investment for the City’s homeowner repair and homebuyer assistance programs? Is there a high administrative burden?

Response: The City closed 81 homebuyer assistance loans and completed 33 homeowner repair projects in FY24-25. Compared to other affordable housing programs, the homebuyer assistance program has fairly low administrative burden as it operates primarily through a network of approved partnering first mortgage lenders. The City’s two homebuyer assistance programs offer loans to households earning up to 80% of the Area Median Income (AMI). In FY24-25, the City of Raleigh provided an average of \$46,852 in homebuyer assistance to low-income, first-time, homebuyers.

By comparison, the City’s three homeowner repair programs have a higher administrative burden while serving a lower-income population. Two programs serve households up to 50% AMI and a third is available to households earning up to 65% AMI. The City contracts with third party program administrators for two of the three programs and utilizes an external rehabilitation specialist to assist with construction management for the Substantial Rehabilitation Program. However, each project still requires significant City staff involvement. Given the nature of the repair program, each project can take months to complete, especially substantial rehabilitation of homes with three or more failing systems. In the past few years, the programs have experienced additional delays due to the shortage of contractors available to perform the necessary repairs. In FY24-25, the completed home repairs cost an average of \$63,160.

To further support the need for home repairs and preventative maintenance, particularly with a focus on helping residents stay in their homes, Housing and Community Development has made a “Healthy Homes” grant available to community-based organizations. The grant is a locally funded housing stabilization initiative designed to preserve naturally occurring affordable housing and prevent displacement among low-income homeowners. Staff anticipate the grant award to be made before the end of the fiscal year.

¹ Z-43-22: 180-day written notice and \$3,000 relocation assistance for income-qualified household; Z-50-23: 90-day written notice and \$2,500 per unit relocation assistance; Z-58-23: 90-day written notice and \$2,500 per unit relocation assistance

CM Silver: What resources are available for residents who have heirs' property issues who come through Code Enforcement or City homeowner repair programs? How do staff connect folks to those resources?

Response: When the Code Enforcement division encounters a resident with an heirs' property issue, staff refer the resident to Legal Aid. Staff are also aware that some residents have worked with community and nonprofit organizations for support in addressing title issues.

Within the City's homeowner repair programs, current staff have not yet encountered a situation specifically involving heirs' property. If this situation did arise, staff would refer the residents to Legal Aid as Code Enforcement does. However, there have been applicants with other title issues that have created a barrier to moving forward. In these cases, staff provide as much support as possible to eliminate barriers. For example, in a recent case where an applicant had a title issue, staff worked with the Housing and Community Development Department's outside counsel to obtain title insurance for the applicant.

The Department also has an heirs policy that allows income-qualified heirs to assume the home repair loan and occupancy of a home if the original borrower passes away before the end of the loan term.

CM Patton: Could we look into how a program could target first-generation homebuyers instead of first-time homebuyers?

Response: Please see the attached memo presenting staff's research on first-generation homebuyer program considerations.

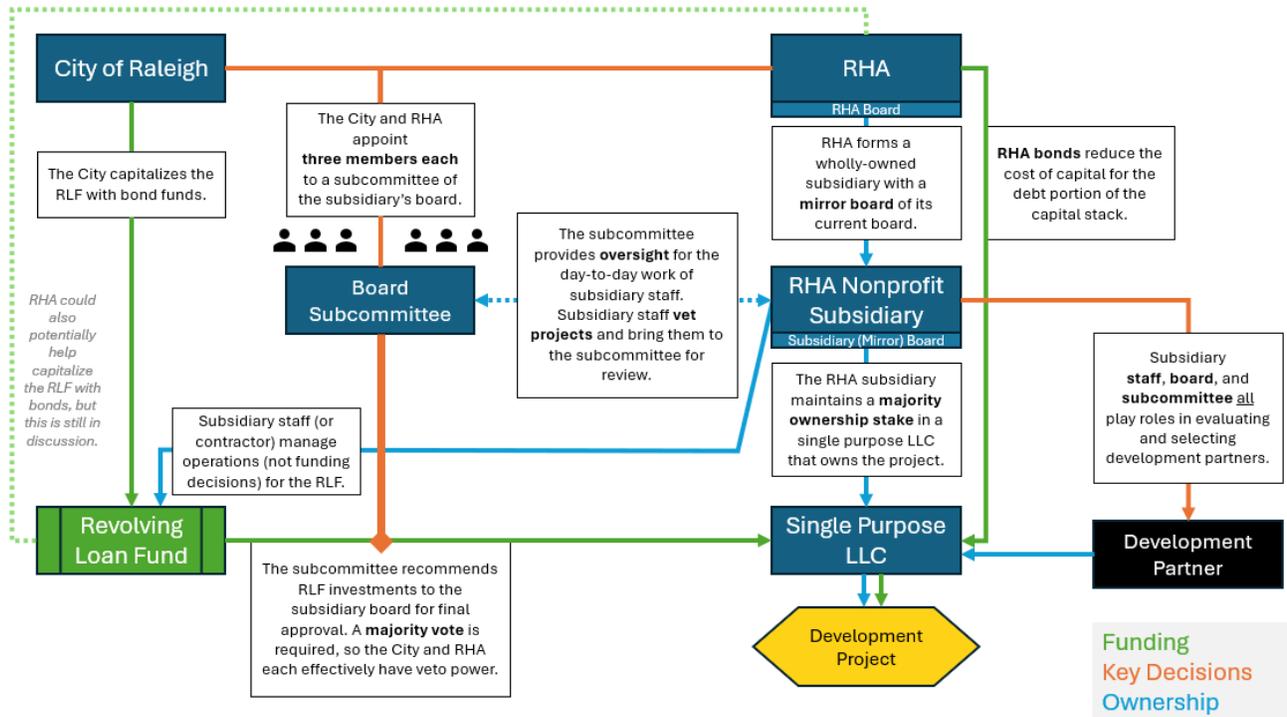
Mixed-Income Public Development Model

CM Patton: In the mixed-income public development model, who owns the property? Who is the borrower on the loan?

Response: In the model being contemplated locally, the revolving loan fund would be managed by a nonprofit, wholly owned subsidiary of the Raleigh Housing Authority (RHA). The nonprofit subsidiary would also ultimately be the borrower of the loan (via a single-purpose LLC) and owner of the property. As shown in the diagram below, the subsidiary would receive project applications for funding consideration, staff

would recommend which projects to fund, and those recommendations would then go to a subcommittee of the subsidiary’s board, made up with equal-part representatives from the City and RHA, for approval.

Next, a selected project would form a single-purpose LLC, with the nonprofit subsidiary as the owner, and this LLC would borrow a construction loan from the revolving loan fund. Public ownership is essential to making the model work, so the nonprofit subsidiary of RHA would be the sole owner of the project, with a co-developer (such as a LIHTC developer or market-rate developer) acting strictly in a “fee for service” capacity, receiving a developer fee but no ownership stake in the property.



Mayor: If we did mixed income for all stalled projects, what would be the sizing need?

Response: The Center for Public Enterprise (CPE) final report details the following estimates for each of the three projects below where there is City involvement:

Heritage Park:	\$10M
DMV:	\$25M
Rus Bus:	\$25M
Total:	\$60M

Staff identified four more projects, not listed in the report or mentioned during the work session, that may have an appetite for this fund. CPE has not conducted an estimate of sizing need for these but staff estimate at least an additional \$60-90M would be needed for these four projects. For all stalled projects, utilization of the fund would require the applicant to agree to the ownership structure that comes along with it.

Project Name	Location	Units	Developer/Applicant
Six Forks Apartments	819 E Six Forks Rd	340	The Wooten Company
Charles Drive Multifamily	2255 Charles Dr	330	EYC Companies
Bloomsbury Apartments	121 S Boylan Ave	259	APG Capital
The Creamery	410 Glenwood Ave	261	Turnbridge Equities

CM Patton: Please do what is needed behind the scenes to build up staff capacity so that the bond funding can be deployed as soon as possible into mixed-income projects.

Response: The Center for Public Enterprise (CPE), which has served as consultant to the City in exploring the mixed-income public development model, recommended that as Raleigh establishes its program and project deliverables, we begin with at least two staff positions within the nonprofit subsidiary with the following responsibilities:

- Executive Director
 - Outward facing lead for the mixed-income public development
 - Relationship management
 - Final approval regarding project vetting and negotiations
 - Final approval program processes
 - Oversight of the mixed-income public development
- Project/Program Manager
 - Day-to-day functionality including communications, project management, solicitation management
 - Establishes processes and templates for program and project criteria

CPE suggested three staffing options for Raleigh to assist as the program transitions into project and program execution:

- Option 1: Hire new staff for the mixed-income public development
 - This option would seek to hire staff for the mixed-income public development subsidiary. Staffing levels could include:
 - Executive Director
 - Project/Program Manager
 - Estimated budget:

- Salaries and employee-related expenses: \$450,000 (annually)
 - Considerations: Ongoing personnel expenses must be factored into City budgeting
- Option 2: Reassign current staff
 - Raleigh could temporarily pull from existing staff with development and construction management experience. Existing staff could be utilized at RHA or City of Raleigh. These staff would perform the following early implementation activities:
 - Vetting potential projects
 - Meeting and negotiating with external potential co-developers
 - Drafting development agreements with co-developers
 - Construction closing activities such as proforma development, loan document drafting/review, contractor selection, construction team selection (architect, engineers, surveyors, title, etc.)
 - Estimated budget:
 - Salaries and employee-related expenses: \$0 (if pulling from existing capacity)
 - Considerations: Reassigning existing staff would constrain or detract from other high priority work (e.g., rental gap financing program)
- Option 3: Hire consultants
 - Raleigh could contract with consultants with development and construction management experience. These consultants would take on the work designated for the future mixed-income public development team (ED and Project Manager). They would have a key staff to report within the City or RHA. Raleigh staff would vet their work and ensure alignment with the mixed-income public development. Role breakdown would be:
 - Consultants: Perform all project and program implementation work
 - City/RHA: Assign key staff contact with development experience to oversee consultant's work
 - Estimated budget:
 - Contract range: \$250,000-500,000 (annually) depending on scope and level of project/program management expected
 - Considerations: Estimated budget does not capture staff time and cost associated with engaging consultants

Faith Community Participation in Housing Development / "YIGBY"

CM Branch: Can we get a list of which local churches have developed affordable housing on their land? How does the deal structure work?

Response: Recent City-involved projects in partnership with faith communities include:

- Milner Commons
 - Developer is DHIC
 - Land leased from the Presbytery of New Hope, a Mid-Council of the Presbyterian Church (USA)
 - Low Income Tax Credit project
- Summit at Sawyer
 - Developer is Solstice Partners. Development ownership includes Mt. Pleasant Worship and Outreach Center
 - Land had been owned by City of Raleigh and was awarded to developer through an RFP.
 - Low Income Tax Credit project

In both cases, the City partnered to provide gap financing. Staff is not aware of other examples however there have been recent rezonings where the applicant has been a faith community. These include:

- [Z-40-24: 2340 Compassionate Drive](#)
 - Owner is Compassionate Tabernacle of Faith Missionary Baptist Church
 - Committed all dwelling units to meet affordable thresholds for no less than 30 years
- [Z-5-25: 3027 Rock Quarry Road](#)
 - Owner is Treasuring Christ Church
 - Conditions will maintain all dwelling units as affordable rental units for households earning no more than 80% of the area median income for a period of 30 years

YIBGY is a nationwide movement. In Raleigh, efforts are around increasing congregations' awareness of the development potential of their properties and awareness of how to create affordable housing, should that be something they want to pursue. Faith communities are the target of this work because they are unique property-owners: they do not pay property taxes so they may not have a financial motivation to develop unutilized land, they often have a mission that explicitly includes supporting low-income community members, and they also own a lot of land. For these reasons, the YIBGY movement aims to encourage faith communities to consider building housing as a way to access more sites. Tools that may be created with faith communities in mind, however, would be available to all. Any City funding for developments would abide by City requirements as they do now, regardless of the faith tradition, or lack thereof, of the project owner or applicant. All property owners in Raleigh will benefit from increased awareness of how land could be developed for housing.

Housing Dashboard

CM Lambert-Melton and Mayor Cowell: Can we include missing middle units and multifamily units in general (not just affordable), broken down by unit type (single-family detached, townhome, triplex, duplex, multifamily, etc.), to indicate overall market supply? Can it be updated each quarter? Can we separate out new subsidized units and include the type and method by which they were subsidized (e.g., LIHTC)?

Response: Housing and Community Development (HCD) recognizes the importance of these updates. At this time, however, our existing staffing structure does not provide the capacity needed to update and maintain a dashboard of this scale. To address this, we are in the process of reorganizing and consolidating responsibilities to establish a data analyst position. This adjustment will provide the staffing required to manage and maintain the complex data sets involved.

Once that position is in place, HCD can explore with the IT and Planning and Development Departments incorporating data from the City's permit portal. It is not yet fully clear what level of detail and information will be possible to provide; however, some of this data is currently reported in Planning and Development's ["8-Stage Development Framework" dashboard](#). The data analyst will also keep the dashboard updated on a quarterly basis.

CM Lambert-Melton and Mayor Cowell: Can the housing dashboard be updated to include Raleigh Housing Authority (RHA) and Wake County Housing Authority units, as well as any other subsidized housing? Can you note any plans to expand these units?

Response: The dashboard will include RHA units, as well as other subsidized rental housing. Staff have already conducted an initial effort to compile this data and when additional staff capacity is available, staff can coordinate with RHA to make information available regarding planned expansions and redevelopments. No units owned by the Wake County Housing Authority are located within Raleigh city limits so this data would not be included in Raleigh's dashboard.

Mayor Cowell: Can we include affordable housing stock owned by nonprofits such as CASA and Passage Home, noting the condition of the units and any in jeopardy of expiring from legally binding affordability?

Response: This data is only readily available for units that have received financing from the City and/or through certain federal programs. When additional staff capacity is available, we can explore options for increasing the robustness of our data on affordable housing stock in the city and incorporating this data into the dashboard. However, it is possible that some properties may be missed if they do not include City and/or federal funding.

Mayor Cowell: Can we include the average cost of rent per unit?

Response: Unfortunately, maintaining data on the average cost per rent of units (subsidized or not) is infeasible. For legally binding subsidized units, data is available on the income mix of units by AMI (e.g., x units at 60% AMI, x units at 30% AMI) but actual rents charged change each year. Rents and rent increases for LIHTC units are subject to approval by the North Carolina Housing Finance Agency (NCHFA) but the City is not involved in that aspect of monitoring and does not receive that data, so staff do not have a reliable or feasible way of keeping up with rents on a per-development basis.

Raleigh Housing Authority Partnership

CM Forte: What is the unit breakdown overall for the Heritage Park redevelopment?

Response: The projected unit mix, as it currently stands, for the full multi-phase redevelopment is below. This mix is subject to change as the project progresses.

Unit Type	1BR	2BR	3BR	4BR	5BR	Total
Apartments	484	404	91	0	0	979
Townhome/Single-family	0	12	11	12	0	35
Total	484	416	102	12	0	1,014
Percentage	48%	41%	10%	1%	0%	100%

Block 1	
Apartments	151
TH/SF	12
Total	163

Block 2	
Apartments	102
Townhome/Single-family	19
Total	121

Block 3	
Apartments	158
Townhome/Single-family	0
Total	158

Block 4	
Apartments	62
Townhome/Single-family	9
Total	71

Block 5	
Apartments	235
Townhome/Single-family	0
Total	235

Block 6	
Apartments	266
Townhome/Single-family	0
Total	266

Homelessness and Housing Market Conditions

CM Jones: Do we see homelessness rates dropping in response to lowering rents? And what’s the time horizon to see change?

Response: Please see the attached memo providing a deeper dive into this question and the evidence that exists locally and at the national level.

Affordable Housing Production

Mayor Cowell: Does the number of affordable units reported by Wake County include Raleigh’s self-reported data? What is the total number of subsidized units in Raleigh? Is there a breakdown on % AMI for the units?

Response: Wake County’s production reporting includes only those affordable units within City limits that have County funding. It does not capture affordable units that do not include County funding, such as The Pines at Peach Road (4% tax credit; 119 completed units), 919 at Cross Link (4% tax credit; 142 units under construction), and Birch and Branch (4% tax credit; 180 units under construction), among others. Staff are not aware of any affordable units within city limits that would appear on Wake County’s dashboard but not in the City’s reporting, as there are no known projects in the city that are funded by the County that did not also receive City funding.

There are approximately 10,100 total subsidized rental units on the ground in Raleigh (not including units under construction or in pre-development). Approximately 6,000 (60%) of these units have been funded by the City of Raleigh. The City does not have complete, accurate data on the unit breakdown by income level (AMI) for the entirety of the affordable housing stock within Raleigh. However, using the best available data, staff estimate that approximately 7% of subsidized rental units are targeted to households earning less than 30% AMI, 16% are targeted to households

earning 30-50% AMI, 72% are targeted to households earning 50-60% AMI, and 5% are targeted to households earning more than 60% AMI.

Naturally Occurring Affordable Housing (NOAH)

Mayor Cowell: How is NOAH defined, especially considering that 94% of apartment units in Raleigh are 80% AMI?

Response: City staff do not have one shared, formal definition, but NOAH is generally understood to be Class B or C properties with lower rents that are affordable to low- and moderate-income households. Another good working definition from the [Carolina Planning Journal](#) is “any rental housing that is affordable to low- and moderate-income households without direct public subsidies, such as Low-Income Housing Tax Credits (LIHTC).”

As noted, Raleigh has recently seen some softening in the rental market, resulting in some asking rents, even for new construction units, being near or below the affordability threshold for a household earning 80% AMI (see table below for some examples). [Zillow](#) and [Apartments.com](#) report the average rent for a two-bedroom unit being between \$1,550 and \$1,605 per month, which is well below the 80% AMI limit (and even below the 60% AMI limit). Following the definition presented above, many of these units could be considered NOAH due to how the rents compare to the AMI for our region.

	60% AMI (2025 limit)	80% AMI (2025 limit)	The Holston²	St. Albans Lofts³	Address East End⁴
Studio	\$1,393	\$1,858	\$1,400-2,950	\$1,199-1,960	\$1,420
1 Bedroom	\$1,493	\$1,991	\$1,750-4,350	\$1,553-2,518	\$1,620
2 Bedroom	\$1,792	\$2,390	\$2,825-5,025	\$1,939-3,561	\$1,920-2,270
3 Bedroom	\$2,070	\$2,761	\$8,375	\$2,877-3,098	n/a

Raleigh’s market currently has approximately 76,900 units with rents that are affordable to households earning 80% AMI and below, which is about 80% of the total market-rate stock in the City. The overall affordable unit count has risen since 2024, even though the affordable share of total units has dropped slightly with significant deliveries made in 2025-2026.⁵

² <https://www.apartments.com/the-holston-raleigh-nc/5mlqh7p/>

³ <https://www.apartments.com/st-albans-lofts-raleigh-nc/n7bh2vp/>

⁴ <https://www.apartments.com/address-east-end-raleigh-nc/kzwtfec/>

⁵ Please note that this is just an estimate, calculated using CoStar data for 2026, which has limitations and possible inaccuracies.

Mayor Cowell: How many NOAH units are we losing each year, including through demolition? Does Raleigh track this number, and how so? How does this impact net production of affordable units in Raleigh?

Response:⁶ To help assess progress toward closing the affordable housing gap, staff recommend tracking the annual net change in total housing units. This will be calculated by taking the total number of residential Certificates of Occupancy (COs) issued during the year and subtracting the number of units permitted for demolition during the same period. The result represents the net number of residential units added to the city’s housing stock, reflecting both new construction and losses from demolition.

$$\begin{array}{r} \text{Total Number of COs} \\ - \text{Number of Units Permitted for Demolition} \\ \hline \text{Net Number of Units Added or Lost} \end{array}$$

This net change in housing supply will then be compared against the number of City-financed affordable units, other LIHTC units, and Raleigh Housing Authority (RHA) units delivered in the same year. This comparison will allow us to measure both the pace of overall housing growth and the share of that growth contributing to affordable housing, providing a clearer picture of how quickly we are closing the gap.

$$\begin{array}{r} \text{Net Number of Units Added or Lost} \\ \div \text{Number of Affordable Housing Units Delivered} \end{array}$$

Subsidized Housing Growth as a Share of Overall Housing Growth

It is important to note that tracking NOAH is inherently imprecise, as affordability can change without formal transactions or permits. In fact, all of these measures should be understood as estimates rather than exact counts. By combining multiple data sources, however, meaningful trends can be identified over time.

Another factor to consider, in addition to NOAH, is tax credit properties that are nearing the expiration of their affordability period and may become subject to market-rate conversion. The [North Carolina Housing Finance Agency conducted an analysis](#) last fall looking at expiring tax credit properties and recommending strategies for preserving their affordability.

Mayor Cowell: What is the deficits of units? What is the methodology by which we are calculating the deficit?

⁶ The information in this section was shared with Council by email on August 15, 2025, in response to questions received regarding density, transit, and residential construction tracking.

Response:⁷ Several different sources of housing supply data exist, including the [NC Chamber’s Housing Supply Analysis](#), [Wake County’s 2023 Annual Housing Report](#), and [Zillow](#). The table below compares the data and methodologies used by each of these sources.

	NC Chamber (Bowen National Research)	Wake County (HR&A Associates)	Zillow
Housing shortage number cited	110,689 (57,605 rental gap, ⁸ 53,085 for-sale gap)	65,860	17,000
Date of report	February 2025	December 2023	June 2023
Geographic area covered	Wake County	Wake County	Raleigh-Cary Metro Area
Data sources and time periods	<ul style="list-style-type: none"> • U.S. Census (2010, 2020) • 5-Year American Community Survey (2018-2022) • ESRI (n.d.) • Redfin (n.d.) • Bowen National Research proprietary survey (n.d.) 	<ul style="list-style-type: none"> • HUD CHAS (2017-2021) 	<ul style="list-style-type: none"> • 5-Year American Community Survey (2015-2021) • IPUMS USA (2015-2021)
Period covered by analysis	Forward-looking projection for 2024-2029	Point-in-time snapshot based on data from 2017-2021	Point-in-time snapshot based on data from 2015-2021
What it measures	Projected future estimate of overall housing market supply gap⁹	Point-in-time estimate of affordable housing supply gap¹⁰	Point-in-time estimate of housing supply gap for households that are doubled up¹¹
Methodology	<ol style="list-style-type: none"> 1. Establish baseline housing inventory using current rental and for-sale stock (as of 2024) and vacancy rates (2024). 2. Project household growth using population and job growth forecasts through 2029. 3. Match demand with supply across income tiers and housing types. 4. Identify shortfalls by housing type (rental vs. for-sale). 	<ol style="list-style-type: none"> 1. Quantify households who are low-income (earning ≤80% of the Area Median Income). 2. Measure available housing that is affordable to low-income households. 3. Calculate the gap by subtracting the number of available units from the number of low-income households. 	<ol style="list-style-type: none"> 4. Quantify households who are doubling up and living in someone else’s home (as of 2021). 5. Measure available housing using data on the number of vacant housing units for sale or rent (2021). 6. Calculate the gap by subtracting the number of available units from the

⁷ The information in this section builds on and adds detail to the information shared by email on May 20, 2025.

⁸ Housing and Community Development cited a 60,000 gap in rental housing over the next five years in the 2025 Affordable Housing Plan update to Council (work session) in April 2025.

⁹ Meaning the gap between the number of housing units projected to be built (2024-2029) and the projected growth of residents who will need housing (2024-2029).

¹⁰ Meaning the gap between the number of housing units affordable to low-income residents (earning ≤80% of Area Median Income) and the number of low-income residents.

¹¹ Not accounting for people experiencing homelessness, people who are housed but cannot afford the housing they are in, people working in one metro area but living in another due to cost, projected population growth vs. housing supply growth, etc.

	5. Benchmark against healthy vacancy rates to gauge the severity of undersupply.		number of doubled-up households.
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City staff prefer the NC Chamber’s numbers because theirs is the only forward-looking analysis, and considers the entire housing market, which most closely captures what most people usually mean when they ask about housing shortfall.

Both Wake County’s and Zillow’s estimates are retrospective analyses based on data from 2021 and earlier. The two analyses are also specific to subcategories of the overall population and housing markets: Wake County’s analysis focuses on low-income households and Zillow’s analysis focuses on households doubling up due to limited housing. Because of the specific focuses of the respective reports, they rely on limited data points and assumptions. Wake County’s analysis compares the number of low-income households to the number of housing units affordable to low-income households, while Zillow’s analysis compares household formation to housing supply. Neither of these analyses capture projected housing needs or consider the overall housing market, and they likely understate the true scale of demand.

Market-Rate Housing Production

Mayor Cowell: What is the total number of permitted housing units in Raleigh? How many of these units are affordable?

Response: There are currently 5,849 apartment units in Raleigh that have been permitted but have not yet received a Certificate of Occupancy. More than 950 residential units have been permitted so far in 2026, including both rental and for-sale units (see total housing units permitted per year below).¹²

¹² From the [“8-Stage Development Framework”](#) dashboard

Housing Type	2021	2022	2023	2024	2025	2026
Single Family	767	804	756	706	554	64
Townhouse	572	1,016	996	926	777	61
Two Family (Duplex)	38	42	80	52	74	32
Three or Four Family	0	0	3	4	14	0
Manufactured Home	9	4	17	9	4	0
Condominium	88	49	62	192	245	7
Apartments	5,007	6,687	3,827	3,148	3,076	790
Total	6,481	8,602	5,741	5,037	4,744	954

There are currently 18 permitted affordable rental developments under construction in Raleigh (projects that have received site permits, but may not have all building permits, and have not yet received their CO), totaling 1,978 units.¹³ Sixteen (16) of these developments (1,563 units) have City gap financing. By this measure, affordable units constitute approximately 34% of all currently permitted residential units in the construction pipeline. Please note that in addition, there is one (1) rental preservation project not captured by permit reporting, Grosvenor Gardens, consisting of 62 units. In this project, rehabs are ongoing as units turn over but no CO will be issued.

Including Affordable Units in Market-Rate Housing Developments

Question: It was noted at the Joint City-County meeting that Apex and Holly Springs were successful in getting affordable housing included in market-rate developments in their areas? What characteristics made those Apex and Holly Springs projects easier to accomplish?

Response: Apex has an incentive zoning policy that has resulted in affordable units (typically 80-120% AMI) being included in a number of different developments, primarily within single-family subdivisions. In the first two years of the policy’s adoption, there were three rezonings or Planned Unit Developments (PUDs) that designated at least 5% of units to be affordable (all of these units were for-sale). Staff is unaware of any market-rate multifamily developments that have included affordable units.

Recent examples of builder’s use of Apex’s policy is that Pulte Homes was required to include four affordable homes in its Prestwick subdivision (7208 Morris

¹³ Note that only 1,964 of these are rental units, as one project (Cottages of Idlewild) includes 14 homeownership units in addition to 4 rental units. Please also note that this number may not include all projects/units utilizing the City’s Frequent Transit Development Option (FTDO) density bonus. Staff are currently working to develop a mechanism for better tracking FTDO projects.

Acres Road) and two affordable homes within its Huxley subdivision (2500 Olive Chapel Road). Pulte agreed to sell these homes to Raleigh Area Land Trust at a discount.

In June 2025, the Apex Town Council adopted revisions to the policy designed to increase developer participation and improve affordability targeting. Key updates to the incentive zoning policy in 2025 include:

- **Threshold change:** Residential or mixed-use rezonings of 10 or more units (vs. 20 or more in prior policy) are eligible for, or required to consider, incentive structures.
- **Increased on-site percentage:** The policy targets a 10% on-site affordable housing provision (vs. 5% in prior policy).
- **Strengthened affordability:** Maximum Area Median Income (AMI) eligibility is reduced to 120% for ownership and 80% for rental, with a 30-year minimum affordability period for rentals.
- **Density and fee incentives:** Developers can receive density bonuses (e.g., to 16–20+ units per acre) and 10% reductions in Water/Sewer and Parks/Recreation fees.
- **Compliance options:** New alternatives include fee-in-lieu, lots-in-lieu, or land-in-lieu to provide flexibility in meeting affordable housing goals.
- **Support and funding:** The town doubled its housing investment fund to approximately \$4 million per year and implementing “fast-track” development processes.

It is unclear yet whether, or the degree to which, these policy revisions have yielded greater developer participation or increased affordable units.

Holly Springs has not actually negotiated for affordable units within market-rate developments or subdivisions to staff’s knowledge. However, this January, Mosaic Development did submit a preliminary application to NCHFA for Green Oaks, a family LIHTC development in Holly Springs (65 units proposed). If awarded, this would be the first LIHTC development in Holly Springs in more than a decade.

However, Morrisville has successfully negotiated for inclusion of affordable multifamily units (80% AMI) in a couple of developments. Rolesville has also negotiated for inclusion of affordable units a few times in single-family subdivisions; however, these were a small number of units and limited affordability.

By comparison, Raleigh has approved 54 rezoning requests with affordable housing conditions since 2019. No affordable housing units have been delivered yet and no contributions to the City’s affordable housing fund have been made yet as a result of these rezonings. However, there are currently approximately 120 units of affordable housing in the construction pipeline (within 9 projects) that have been facilitated by Raleigh’s incentive zoning policies (density bonus).

While Apex and other communities may have successfully included “affordable” housing in market-rate development, the practical outcomes to date are relatively modest and not meaningfully more robust than what Raleigh has pursued. In Apex, the

units achieved have been few in number, all for-sale (no rental units), targeted largely at higher income levels (80-120% AMI), and without long-term or perpetual affordability, conditions that substantially limit their affordability impact and in fact closely resemble market-rate pricing. These characteristics help explain why such projects were easier to accomplish politically and financially, but they also underscore that these approaches have not produced deeper or more durable affordability outcomes than those Raleigh has been working toward through its own zoning policies and development pipeline.

Additionally, it is worth noting that zoning-based incentives can have unintended consequences such as reducing housing production within a market and increasing the cost of market-rate housing.¹⁴ A [Fannie Mae report](#) notes that as of 2019, 33% of inclusionary zoning programs nationwide have created no affordable units since adoption. Voluntary programs are especially challenging; as of 2021, most had not produced any affordable units.¹⁵ Elements of more successful inclusionary zoning policies include: older policies; policies with more flexibility in terms of income levels targeted and compliance options; policies with lower minimum set-asides and greater incentives; and policies serving moderate-income (vs. very low-income) households.¹⁶

¹⁴ [Bento et al., 2009](#); [Schuetz et al., 2011](#); [Means and Stringham, 2012](#); [Hollingshead, 2015](#); [Hamilton, 2021](#); [Phillips, 2024](#)

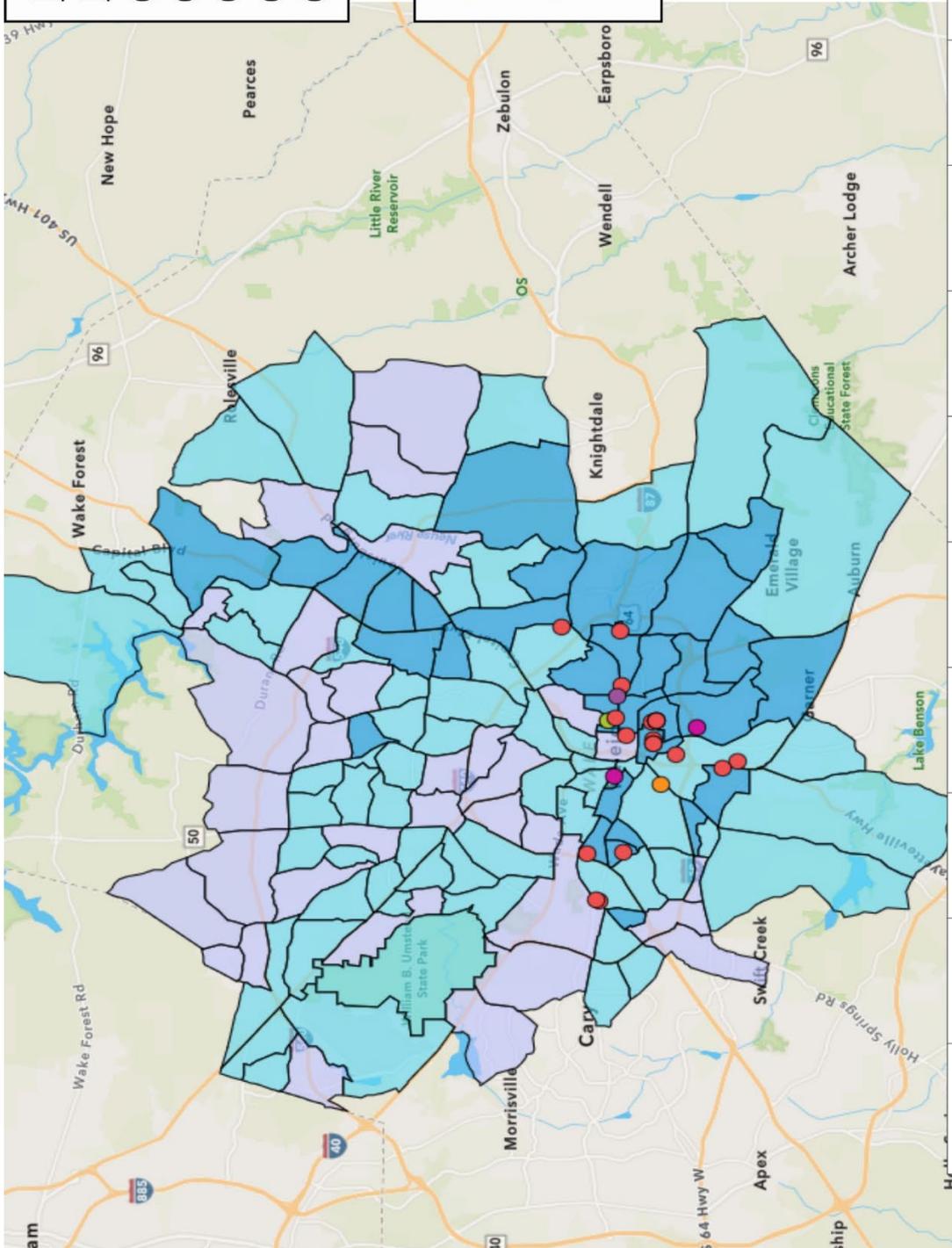
¹⁵ [Hamilton, 2021](#)

¹⁶ [Wang and Fu, 2022](#)

Housing and Community Development Bond Projects

- Rental Development
- Rental Preservation
- Rental and Homeownership Development
- Mixed-Use Redevelopment
- Shelter Expansion

- High Vulnerability
- Moderate Vulnerability
- Low Vulnerability



Cluster	Number of Census Tracts	Avg. Public Assistance	Avg. Poverty	Avg. Low-Income Seniors	Avg. Moderate-Income	Avg. High Cost Burden	Avg. Moderate Cost Burden	Avg. Education	Avg. Housing Problems	Avg. People of Color	Avg. Disabilities
High Vulnerability	32	18.27%	21.07%	3.58%	4.03%	27.65%	22.17%	64.47%	32.97%	69.56%	12.63%
Moderate Vulnerability	66	5.56%	9.32%	1.90%	3.22%	19.03%	21.54%	44.91%	24.05%	50.66%	12.13%
Low Vulnerability	33	2.69%	4.92%	0.52%	1.90%	8.41%	21.43%	32.04%	9.73%	32.53%	7.29%

To	City Council
Thru	Emila Sutton, Director
From	Annie Baumann-Mitchell, Housing Programs Supervisor Erika Brandt, Assistant Director
Department	Housing and Community Development
Date	February 23, 2026
Subject	Programmatic Considerations for “First Generation” Homebuyer Assistance

At the City Council work session on February 10, 2026, Council Member Patton asked staff to explore how a homebuyer assistance program could be designed to target first-generation homebuyers (i.e., individuals whose parents have not owned a home) rather than relying solely on the traditional first-time homebuyer definition.

Background

Research indicates that first-generation homebuyers face structural barriers that are not fully addressed by first-time buyer programs. According to the Center for Responsible Lending, racial and wealth gaps in homeownership are strongly linked to intergenerational access to housing wealth.¹ Families without prior homeownership are less likely to receive down payment gifts, informal financial support, or guidance navigating the purchase process. Targeting first-generation buyers is viewed as a more equity-focused approach to expanding homeownership.

Program Design

Below is a summary of how several different organizations have contemplated this model, and how they define and verify eligibility.

1. **Center for Responsible Lending/National Fair Housing Alliance:**² Proposes a relatively flexible definition focused on parental homeownership status.

Borrowers certify via affidavit that:

- Their parents are currently renters; or

¹ <https://www.responsiblelending.org/sites/default/files/nodes/files/research-publication/crl-nfha-first-generation-jun21.pdf>

² *ibid.*

- They spent time in foster care as a minor.

Programs may require parental names and last known addresses. If false information is provided, assistance must be repaid but no criminal or civil penalties apply. This approach prioritizes accessibility by relying primarily on self-attestation.

2. **North Carolina Office of Recovery and Resiliency’s Homeownership Assistance Program:**³ The North Carolina Office of Recovery and Resiliency (NCORR) defines a first-generation homebuyer as someone who:

- Meets the first-time homebuyer definition; and
- Whose parents or guardians never owned a home during the buyer’s lifetime, or lost a home to foreclosure or short sale, and do not currently own a home.
- Individuals who lived in foster care also qualify.

NCORR prioritizes first-generation buyers by offering enhanced assistance (up to \$30,000 or 30% of the sales price, whichever is less) for households earning ≤120% AMI. Verification relies on applicant validation/attestation regarding parental homeownership, rather than a centralized ownership database.

3. **Massachusetts Affordable Housing Alliance:**⁴ The Massachusetts Affordable Housing Alliance defines first-generation homebuyers as:

- Individuals who, along with their parents and spouse (and spouse’s parents), have never owned a home in the U.S. or lost a home to foreclosure.

Public materials emphasize the definition but are less explicit about documentation requirements. This suggests that the program likely relies on affidavits (similar to the Center for Responsible Lending’s guidelines) rather than extensive third-party verification.

4. **Minnesota’s First-Generation Homebuyers Community Down Payment Assistance Fund:**⁵ Minnesota’s program uses one of the strictest definitions:

- A buyer qualifies only if neither they nor their parents or legal guardians ever owned a home, unless the home was lost to foreclosure and not re-acquired.

³ <https://www.rebuild.nc.gov/hap-manual-v3508/open>
<https://www.rebuild.nc.gov/local-tribal-governments/community-development/homeownership-assistance-program#ProgramRequirements-4190>

⁴ <https://mahahome.org/stash>

⁵ <https://www.firstgendpa.org/>

- Even marrying someone who previously owned a home can disqualify an applicant.

Verification is handled through a legally binding affidavit, with explicit warnings that misrepresentation constitutes mortgage fraud.

Implementation Considerations

Across programs, staff identified common challenges:

- **Definitional complexity:** There is no universally accepted “first-generation” definition (e.g., how far back to look, treatment of foreclosure, treatment of spouses, treatment of immigrants whose families owned homes in other countries, etc.).
- **Verification limits:** There is no national database of parental homeownership. Programs rely heavily on affidavits rather than documentary proof.
- **Equity vs. administrability:** Stricter definitions and documentation reduce fraud risk but can exclude eligible households and increase administrative burden.
- **Household composition questions:** Programs must decide how to treat couples where one partner is first-generation and the other is not, as well as cases involving adoption, guardianship, or estrangement from parents.

Based on the research and peer examples, several themes emerge. The first is that affidavit-based verification is the norm. Most programs accept self-attestation, often paired with repayment requirements if information is later found to be false.

Another theme is that flexibility in definition and implementation support equity. Programs like NCORR’s and the guidelines set out by the Center for Responsible Lending emphasize inclusivity (e.g., foster youth, foreclosure exceptions) while avoiding overly rigid household rules.

Furthermore, enhanced assistance can be targeted without redefining an entire program. NCORR demonstrates that first-generation status can be used as a priority or enhanced-assistance tier, rather than a universal eligibility requirement.

Conclusion

Targeting first-generation homebuyers is feasible and consistent with emerging best practices nationwide, but it requires policy choices balancing clarity, equity, and administrative capacity. Most jurisdictions address verification challenges through sworn affidavits rather than exhaustive documentation. If City Council wishes to proceed, staff can return with options that layer a first-generation priority or enhanced benefit onto the City’s existing homebuyer assistance framework, informed by these models.

To	City Council
Thru	Evan Raleigh, Assistant City Manager
From	Erika Brandt, Assistant Director
Department	Housing and Community Development
Date	February 18, 2026
Subject	How Rents Impact Homelessness

A substantial and growing body of national research finds that homelessness rates are closely tied to housing market conditions, particularly rents and vacancy rates. The book *Homelessness Is a Housing Problem* synthesizes multi-city data showing that regional variation in homelessness is more strongly explained by housing costs and supply constraints than by any other factors (such as differences in mental health prevalence, substance use, poverty rates, or local service systems).¹ In short, individual vulnerabilities exist everywhere, but in tight, high-cost housing markets those vulnerabilities are much more likely to result in homelessness.

Across U.S. cities, when rent growth is slower or rents moderate, homelessness growth is slower or even declines, while in markets with rapid rent increases homelessness tends to rise more sharply.² The chart below, excerpted from a Pew Charitable Trusts report, illustrates how Raleigh compares to several peer cities with regards to rent and homelessness changes. Between 2017 and 2022, rents in Raleigh rose by 62% (outpaced only by Sacramento and Fresno, CA). Over the same period, homelessness increased by 34%. By contrast, cities like Minneapolis and Houston, where rents rose much more slowly during this time (12% increase), rates of homelessness actually decreased.

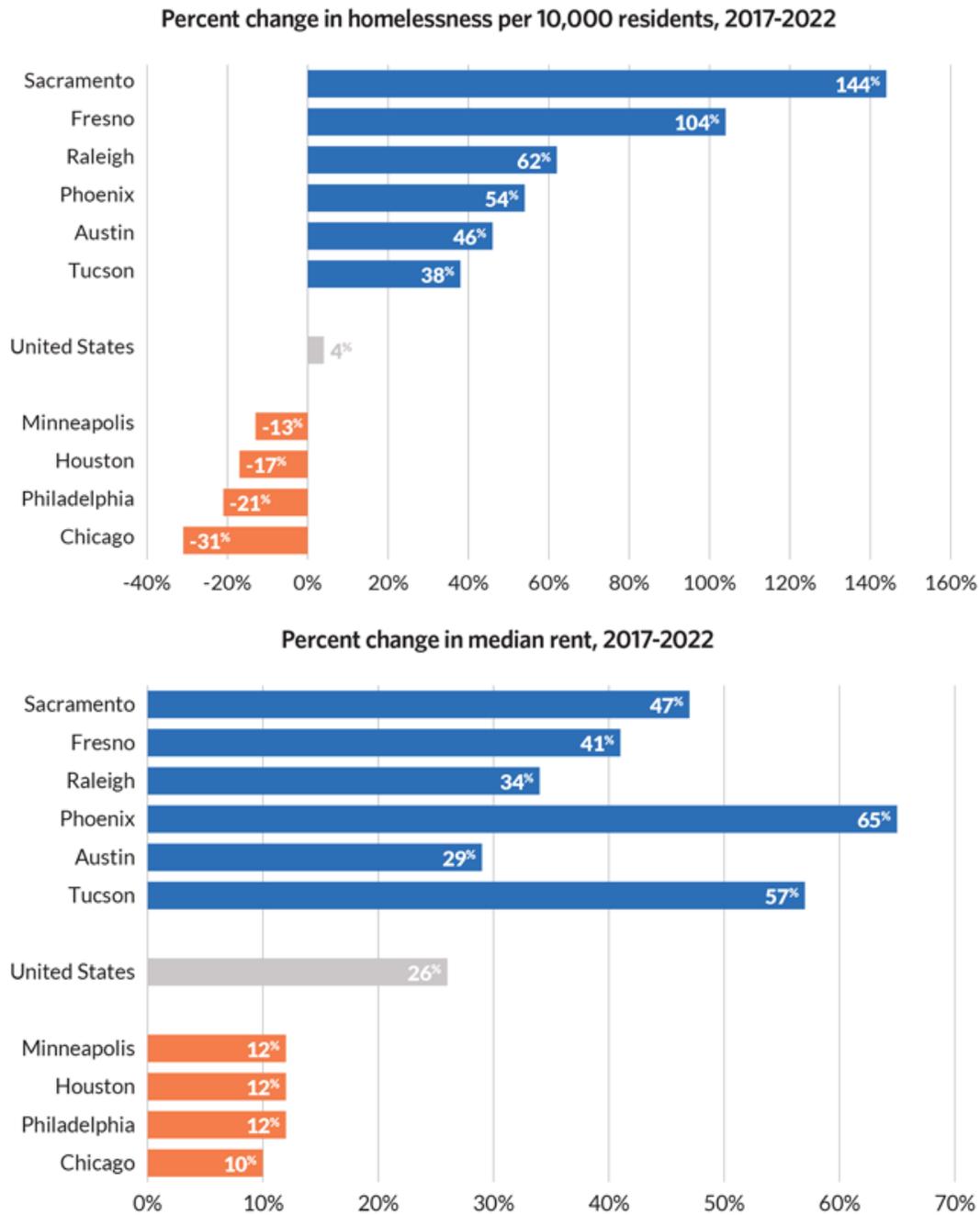
¹ Colburn & Aldern (2022). *Homelessness is a Housing Problem*. University of California Press.

² Horowitz et al. (2023). How Housing Costs Drive Levels of Homelessness. Pew Charitable Trusts. Available at: <https://www.pew.org/en/research-and-analysis/articles/2023/08/22/how-housing-costs-drive-levels-of-homelessness>.

Figure 1

Homelessness Increased in Areas Where Rents Soared

Percentage change in median rent and homelessness per 10,000 residents, January 2017 to January 2022



Sources: Homelessness data comes from the U.S. Department of Housing and Urban Development's (HUD's) Point-in-Time estimates in 2017 and 2022. Population data comes from the 2017 and 2021 American Community Survey (ACS) one-year population estimates from the U.S. Census Bureau. Rent levels come from Apartment List's Rent Estimates data in January 2017 and January 2022, downloaded on June 15, 2023. The city names listed refer to HUD's Continuum of Care (CoC) for the city, which most often covers the county in which the city resides (for example, Wake County for Raleigh, Maricopa County for Phoenix, Hennepin County for Minneapolis) but sometimes covers multiple counties. When the CoCs cover multiple counties, rent data for the largest county in the CoC was used.

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While changes in rents may be influenced by a number of factors, a primary one is housing supply. Research shows that rents rise when more people need housing relative to what's available on the market—in other words, when demand exceeds supply. And research also shows that zoning reforms that allow more housing types and sizes to be built in more places within communities contribute to those communities being able to add supply and keep up with housing demand.³

Minneapolis is a prime example. In 2020, Minneapolis passed legislation to eliminate parking minimums and also became the first city in the country to eliminate single-family-only zoning citywide. Between 2017 and 2023, the number of households in Minneapolis grew by almost 10% (compared to just over 7% nationally), increasing demand pressure on housing. However, rent growth was just 1% during this time period (compared to 31% nationally). Evidence indicates that more flexible zoning helped the city add new housing faster than new households formed or moved in to fill the homes.⁴

Federal analysis reinforces this connection. A report from the U.S. Government Accountability Office found that for every \$100 increase in median rent, homelessness increases by roughly 9%, even after controlling for wages, unemployment, and other economic variables.⁵ That finding does not suggest an immediate one-to-one effect in any single year, but it does demonstrate a consistent and measurable relationship between rent levels and homelessness across communities nationwide. In other words, homelessness responds to changes in housing costs over time.

This body of evidence highlights the role of housing supply. Areas that allow more housing to be built (increasing vacancy and moderating rent growth) tend to have lower or more stable homelessness rates compared with communities where housing production has lagged and rents have climbed rapidly. While the dynamics play out over time and are influenced by local policy choices and broader economic conditions, the connection between housing affordability and homelessness is consistent across regions.

With respect to timing, it is important to note that changes in homelessness in response to lower rents or expanded housing supply do not occur overnight. Housing production, changes in vacancy rates, and shifts in rent trends typically unfold over several years. In the short term (1-3 years), slowing rent growth and stabilizing at-risk households can help reduce the inflow into homelessness. Over a longer horizon (5-10 years or more),

³ Horowitz & Canavan (2023). More Flexible Zoning Helps Contain Rising Rents. Pew Charitable Trusts. Available at: <https://www.pew.org/en/research-and-analysis/articles/2023/04/17/more-flexible-zoning-helps-contain-rising-rents>.

⁴ *Ibid.*

⁵ U.S. Government Accountability Office (2020). Homelessness: Better HUD Oversight of Data Collection Could Improve Estimates of Homeless Population. Available at <https://www.gao.gov/products/gao-20-433>.

sustained increases in affordable housing supply and broader rent moderation are more likely to translate into measurable declines in community homelessness rates.

While we may not yet have a localized, controlled study that “proves” the causal effect of rent changes and homelessness specifically here in Raleigh, the consistency of findings in the national research and in peer communities across the country suggests that Raleigh is unlikely to be an exception to these housing market fundamentals. Homelessness is shaped by the same basic supply-and-demand forces everywhere, and the best evidence we have, from federal analyses and multi-city studies, indicates that addressing housing cost pressures and expanding affordable housing are critical components of reducing homelessness over time.