Participating Jurisdiction: City of Raleigh, NC

Date: 8/9/2022

Draft HOME-ARP Allocation Plan

August 2022

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Introduction

As a part of the American Rescue Plan Act of 2021 ("ARP"), the Department of Housing and Urban Development ("HUD") allocated $4.925 billion in supplemental ARP funds through the HOME Investment Partnership Program ("HOME") to support communities throughout the country to address homelessness. This newly created funding source is called the HOME-ARP program. Eligible recipients included the 651 states and local participating jurisdictions ("PJs") that qualified for an annual HOME Program Allocation in FY 2021.

The City of Raleigh ("the City") was awarded $5,248,760 in HOME-ARP funds to assist the following populations:

- Homeless
- At-risk of homelessness
- Fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, human trafficking
- Other populations where providing supportive services or assistance would prevent the family's homelessness or would serve those at greater risk of homelessness
- Veterans and families that include a veteran that meets one of the preceding criteria

HOME-ARP funds can be used towards funding the following eligible activities to reduce homelessness and increase housing stability across the country:

- Production or Preservation of Affordable Housing
- Tenant-Based Rental Assistance (TBRA)
- Supportive Services, including services defined at 24 CFR 578.53(e), homeless prevention services, and housing counseling
- Purchase and Development of Non-Congregate Shelter

All PJs eligible to receive HOME-ARP funding are required to submit a HOME-ARP Allocation Plan to HUD for review. The HOME-ARP Allocation Plan provides a description of how the PJ intends to utilize its funding on proposed activities, and how it will address the needs of qualifying populations. In accordance with Section V of the Final Home-ARP Implementation Notice, PJs must:

- Consult with agencies and service providers whose clientele include the HOME-ARP qualifying populations to identify unmet needs and gaps in housing or service delivery systems
- Provide for and encourage citizen participation in the development of the HOME-ARP Allocation Plan

To complete a HOME-ARP Allocation Plan, a PJ must also:

- Conduct a needs assessment and gap analysis
• Describe proposed HOME-ARP activities
• Describe the PJs production housing goals
• Identify whether the PJ intends to give preferences to one or more qualifying populations or a subpopulation within one or more qualifying populations for any eligible activity or project
• Identify if the PJ intends to use HOME-ARP funds to refinance existing debt secured by multifamily rental housing that is being rehabilitated with HOME-ARP funds, and state its HOME-ARP refinancing guidelines (if applicable)
• Implement a public comment period of at least 15 calendar days
• Hold at least one public hearing during the development of the HOME-ARP Allocation Plan and before submission

Upon the culmination of the City’s consultation and public participation processes, along with the completion of its needs assessment and gap analysis, the City has prepared the following HOME-ARP Allocation Plan for review, consideration, and acceptance by HUD.

Consultation
Before developing its plan, a PJ must consult with the CoC(s) serving the jurisdiction’s geographic area, homeless and domestic violence service providers, veterans’ groups, public housing agencies (PHAs), public agencies that address the needs of the qualifying populations, and public or private organizations that address fair housing, civil rights, and the needs of persons with disabilities, at a minimum. State PJs are not required to consult with every PHA or CoC within the state’s boundaries; however, local PJs must consult with all PHAs (including statewide or regional PHAs) and CoCs serving the jurisdiction.

Summary of the consultation process: Through a competitive solicitation process, the City awarded Baker Tilly US, LLP (“Baker Tilly”) a contract to complete HOME-ARP Allocation Plan consulting services on behalf of the City. The project scope included:

• Developing and facilitating a community engagement strategy across a broad range of community stakeholders, advocacy groups, residents, and City staff
• Conducting an analysis of existing conditions by completing a needs assessment and gap analysis
• Conducting community engagement and consultation among agencies, service providers, and the public
• Assessing housing needs and priorities given current market conditions and projected growth trends for qualifying populations
• Prioritizing identified needs for qualifying populations
• Identifying and describing proposed eligible HOME-ARP activities to be completed by the City
• Preparing the City’s HOME-ARP Allocation Plan
Prior to beginning the consultation process, Baker Tilly facilitated meetings with the City to review the goals and objectives of conducting community and stakeholder outreach and engagement. During these meetings, it was determined that The Wake County Continuum of Care (CoC), in addition to local public housing authorities (PHAs), community-based organizations (i.e. providers of various supportive services, veteran-based groups, domestic violence service providers, public/private agencies that address qualifying populations, etc.) would be consulted with to facilitate conversations focusing on unmet needs, gaps in affordable housing options and service delivery systems for the City’s most vulnerable citizens. Additionally, the City and Baker Tilly identified the engagement methods that would be used to engage agencies and residents which included three virtual focus groups with agencies, one public hearing for residents, the distribution of an agency-focused Stakeholder Needs Assessment Survey, and the distribution of a Citizen Participation Survey in English and Spanish geared towards City residents.

To prepare for the execution of the stakeholder focus groups, agencies were invited to register via Microsoft Forms to attend any of the three virtual focus groups being offered to provide their input. Focus groups were scheduled across a two-week timeframe for the following dates and times:

- Focus Group 1: Monday, June 27, 2022, 3:00 P.M. EDT – 4:00 P.M. EDT
- Focus Group 2: Tuesday, June 28, 2022, 10:00 A.M. EDT – 11:00 A.M. EDT
- Focus Group 3: Thursday, July 7, 2022, 10:00 A.M. EDT – 11:00 A.M. EDT

A total of 30 agencies were invited to participate in the virtual focus group sessions; 45 individuals representing 28 agencies participated in at least one focus group. During the focus group, a variety of questions were asked to address the following topics:

- Populations most in need of assistance
- Gain a better understanding of qualifying populations
- Barriers to finding affordable housing and accessing supportive services
- Access to public transportation
- Coordinated entry process
- Greatest unmet needs and gaps in services among qualifying populations
- Potential project ideas that may be eligible under the HOME-ARP program

Participants were provided the opportunity to respond to open-ended questions throughout each session, which led to increased dialogue among the group. Upon completion of the final focus group, agencies were also invited to complete an online Stakeholder Needs Assessment Survey, created in Microsoft Forms, which would allow for agencies an additional opportunity to provide feedback, including those agencies that were unable to participate in a focus group. For additional reach, the City shared the Stakeholder Needs Assessment Survey with the CoC for distribution among their member agencies. A total of 22 responses were received.
representing 19 agencies. Of the 22 agency representatives that responded to the survey, 13 were from a homeless service provider organization.

**Summary of comments and recommendations received through the consultation process:**
Responses from the stakeholder agencies significantly identified the development of more affordable rental housing as the greatest priority, however many also commented that there was a need for additional non-congregate emergency shelter as well as ongoing case management and supportive services in connection with new housing programs. This included a range of services from counseling, financial planning, legal, employment, education/training, food, medical, etc. Additionally, it was mentioned that the City should consider creating single room occupancy (SRO) options throughout the city, including in higher-income communities

- **Stakeholder Comments and Recommendations**
  When asked about their highest priority issues related to unserved and/or underserved populations:
  - 54.5% of survey respondents identified the lack of affordable rental housing
  - 18.2% identified lack of emergency shelters
  - 13.6% identified housing stock not keeping pace with population growth

  When asked to rank the top priorities for the use of HOME-ARP funds:
  - 73.7% identified the development of more affordable housing as a top priority and 15.8% identified the acquisition and development of non-congregate shelters as a top priority
  - 10.5% of survey respondents identified supportive services as their top priority for the use of HOME-ARP funds
### Organizations consulted and summary of feedback

<table>
<thead>
<tr>
<th>Agency/Org Consulted</th>
<th>Type of Agency/Org</th>
<th>Method of Consultation</th>
<th>Feedback</th>
</tr>
</thead>
<tbody>
<tr>
<td>A New Lease on Life</td>
<td>Homeless Service Provider</td>
<td>Focus Group</td>
<td>Feedback was not provided by this agency</td>
</tr>
<tr>
<td>Alliance Health Plan</td>
<td>Disabilities Organization (Public or Private)</td>
<td>Focus Group</td>
<td>Feedback was not provided by this agency</td>
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</table>
| Alternative Learning Center | Civil Rights and Fair Housing Organization (Public or Private) | Focus Group | Need for foster care system  
Need for case management |
| CASA | Homeless Service Provider | Focus Group | Competition with for-profit developers  
More resources are needed to acquire property and develop new affordable housing  
LGBTQ is underserved |
| Families Together | Homeless Service Provider | Focus Group | Feedback was not provided by this agency |
| InterAct | DV Service Provider | Focus Group | Landlords don't want to work with Raleigh Housing Authority vouchers  
High unaffordable rental amounts; income requirement of earning 3 times the rent  
Clients need mental health coaching for a positive mindset |
<table>
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<tr>
<th>Organization</th>
<th>Type</th>
<th>Method</th>
<th>Feedback Provided</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Legal Aid of North Carolina</strong></td>
<td>Civil Rights and Fair Housing Organization (Public or Private)</td>
<td>Focus Group</td>
<td>Feedback was not provided by this agency</td>
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<tr>
<td><strong>North Carolina Coalition to End Homelessness</strong></td>
<td>Homeless Service Provider</td>
<td>Focus Group</td>
<td>Feedback was not provided by this agency</td>
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<tr>
<td><strong>Passage Home</strong></td>
<td>Civil Rights and Fair Housing Organization (Public or Private)</td>
<td>Focus Group</td>
<td>Landlords not accepting vouchers Landlords don't want to bring apartment units up to code</td>
</tr>
<tr>
<td><strong>Raleigh Government</strong></td>
<td>Public Agency</td>
<td>Focus Group</td>
<td>Feedback was not provided by this agency</td>
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<tr>
<td><strong>Raleigh Housing Authority</strong></td>
<td>Homeless Service Provider</td>
<td>Focus Group</td>
<td>Help unsheltered and domestic violence victims Barriers to housing, including several year wait list Need for Eviction prevention</td>
</tr>
<tr>
<td><strong>Raleigh Police Department</strong></td>
<td>Public Agency</td>
<td>Focus Group</td>
<td>Increase in units for seniors/elderly and those with disabilities.</td>
</tr>
<tr>
<td><strong>Raleigh Rescue Mission</strong></td>
<td>Homeless Service Provider</td>
<td>Focus Group</td>
<td>Feedback was not provided by this agency</td>
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<td><strong>Roots with Purpose</strong></td>
<td>Homeless Service Provider</td>
<td>Focus Group and Survey</td>
<td>Shelters not providing safety and security, need for supportive services Need for affordable housing with flexible criteria</td>
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<tr>
<td><strong>Salvation Army</strong></td>
<td>Homeless Service Provider</td>
<td>Focus Group and Survey</td>
<td>Lack of affordable housing and income-based housing Need acquisition and development of non-congregate shelters</td>
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<td><strong>Street Plus</strong></td>
<td>Civil Rights and Fair Housing Organization (Public or Private)</td>
<td>Focus Group</td>
<td>More support/care for pregnant women is needed More support/care for those with disabilities is needed</td>
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<td><strong>The Caring Place</strong></td>
<td>Homeless Service Provider</td>
<td>Focus Group and Survey</td>
<td>Need for affordable housing with flexible criteria Need for implementation of case management to help reduce barriers</td>
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<td><strong>The Green Chair Project</strong></td>
<td>Homeless Service Provider</td>
<td>Focus Group</td>
<td>There has been an increase in the number of refugees Need landlord database as central repository</td>
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<td>Organization</td>
<td>Type</td>
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<td>Feedback Notes</td>
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| The Hope Center at Pullen                                                  | Homeless Service Provider   | Focus Group and Survey | There are several barriers to housing  
Work with over 100 agencies  
The value of vouchers are decreasing while rent increases  
Need more elderly housing  
Need for housing for youth aging out of foster care |
| The Raleigh/Wake Partnership to End Homelessness                          | CoC                         | Focus Group   | Feedback was not provided by this agency                                      |
| Triangle Family Services                                                   | Homeless Service Provider   | Focus Group and Survey | Barriers to housing, unrestricted dollars  
More access to medical care and transportation is needed  
Need for case management  
Need for support for low-income residents who don't qualify for permanent supportive housing  
Support for senior citizens and mentally fragile people with limited income |
| Urban Ministries                                                           | Homeless Service Provider   | Focus Group   | Feedback was not provided by this agency                                      |
| Wake County Government                                                     | Homeless Service Provider   | Focus Group and Survey | Very limited space for families, need more non-congregate shelters  
There are barriers to housing  
Need affordable housing with flexible criteria |
| Wake County Housing Authority                                              | Homeless Service Provider   | Focus Group   | Need help with qualifying residents, need for housing navigator  
Need housing for foster care youth transiting out of foster care |
| Wake County Public School                                                  | Public Agency               | Focus Group   | Feedback was not provided by this agency                                      |
| Women's Veteran Support Services                                           | Homeless Service Provider   | Focus Group   | New restriction needing 3 or 4 times the rent is a barrier  
Need support for domestic violence victims |
Public Participation

PJs must provide for and encourage citizen participation in the development of the HOME-ARP Allocation Plan. Before submission of the plan, PJs must provide residents with reasonable notice and an opportunity to comment on the proposed HOME-ARP Allocation Plan of no less than 15 calendar days. The PJ must follow its adopted requirements for “reasonable notice and an opportunity to comment” for plan amendments in its current citizen participation plan. In addition, PJs must hold at least one public hearing during the development of the HOME-ARP Allocation Plan and prior to submission.

For the purposes of HOME-ARP, PJs are required to make the following information available to the public:

- The amount of HOME-ARP the PJ will receive
- The range of activities the PJ may undertake

Summary of the public participation process:

The City recognizes the importance of collecting input and feedback from citizens residing within the community when designing programming that will ultimately impact residents the most. As such, the City conducted extensive outreach and engagement efforts to ensure broad public participation in the development and review of the HOME-ARP Allocation Plan.

To initiate its public participation process, the City created a 13-question Citizen Participation Survey designed to collect feedback from the perspective of residents within the community regarding key populations in need, unmet needs within the community, and to identify priority areas for new services and programs to reduce homelessness and increase the availability of affordable housing.

Public comment period and public hearing

The draft HOME-ARP Allocation Plan was made available for public comment Monday, August 9, 2022 – Thursday, September 8, 2022. The City made the draft HOME-ARP Allocation Plan available to the public via the City’s website and distributed the document among the CoC and its respective member agencies. This allowed for citizens of the City to have an extended time frame (30 calendar days) to review the draft HOME-ARP Allocation Plan and provide an adequate amount of time to share their feedback. The City’s decision to allow additional time...
exceeding the minimum of 15 calendar days for public comments ensured that all citizens were able to provide feedback and ask questions regarding the draft HOME-ARP Allocation Plan.

The City’s public hearing to discuss the draft HOME-ARP Allocation Plan will be held during an evening City Council session on Tuesday, September 6, 2022. The selection of this specific date and time was driven by the City’s intended goal of maximizing the time members of the public had to review the draft HOME-ARP Allocation Plan. The public hearing was also made accessible via live stream and on the City’s broadcasted television channel.

To market the City’s public comment period and public hearing, the City published notices across the following platforms:

- The News & Observer (newspaper)
- The Carolinian (newspaper)
- Que Pasa (a Spanish newspaper publication)
- The City’s website and social media platforms
- The City’s email distribution list via the GovDelivery listserv marketing platform
- Notification through The Raleigh/Wake Partnership to End Homelessness (lead agency for the local Continuum of Care)

| Public comment period start & end date: | 8/9/2022 – 9/8/2022 |
| Public hearing date: | 9/6/2022 |

**Summary of efforts to broaden public participation:**
The City began to execute its public participation efforts on Friday, July 1, 2022, by launching its Citizen Participation Survey across multiple platforms. Surveys were made available for two weeks, produced in English and Spanish, and were available online and in-person as a hard copy at key locations throughout the community. Distribution of the surveys included:

- A feature as a news article on the City’s website (https://raleighnc.gov/housing/city-seeks-public-input-housing-needs-and-prioritizing-home-arp-funds)
- Publishing on the City’s Housing and Neighborhoods department webpage (https://raleighnc.gov/housing/community-development-documents)
- Posts on the City’s social media platforms (Facebook and Twitter)
- Email distribution to those that previously subscribed to the City’s website via GovDelivery, the City’s designated marketing platform
- Notification through The Raleigh/Wake Partnership to End Homelessness (lead agency for the local Continuum of Care)

The City’s Citizen Participation Survey received a total of 641 responses (635 – English, 6 – Spanish) from a broad section of the community.

**Summary of comments and recommendations received through public participation process:**
The City received a significant amount of feedback during the public participation process. Comments and recommendations were received both from members of the public as well as stakeholder organizations and service providers. The detailed comments and recommendations are summarized below. The overarching concern that was most prevalent in the feedback was the need for more affordable rental housing units throughout the City. Due to increased population growth and rapid economic changes occurring in the area in recent years, the cost of housing has increased dramatically and is outpacing wages. The primary cause of this, according to most feedback, is a lack of available affordable rental housing units which is creating supply-side pressure on the City’s housing market.

- **Citizen Comments and Recommendations**
  Of the 641 individuals that responded to the Citizen Participation Survey:
  - 49.4% identified construction of new affordable housing units as their top priority housing need
  - 31.7% of respondents selected permanent supportive housing as their top priority
  - 19% of respondents identified emergency shelter as their top priority

Similarly, when asked about the single most important issue related to the lack of availability of quality housing:
  - 37% of respondents identified the lack of affordable rental housing
  - 26% identified the lack of affordable home ownership
  - 10% identified that the housing stock was not keeping pace with population growth.

The data collected from the Citizen Participation Survey indicates that the feedback from the public is overwhelming in support of constructing new affordable rental housing units.
Additional long-form comments were received that covered a range of other topics related to homelessness, affordable housing, and supportive services. Many individuals commented that adaptive reuse strategies could be a way to create more affordable housing units, such as the conversion of older buildings (ex. hotels, former commercial sites, etc.) into non-congregate shelters or permanent rental housing units. There were numerous comments related to the need for additional wrap-around services related to housing, specifically mental health services. Transportation was also frequently cited as a critical service need related to affordable housing, in the form of public transit and pedestrian infrastructure, as well as services related to private vehicle maintenance for low-income individuals. Many survey respondents recommended the use of land trusts and greater coordination with nonprofit developers to create new affordable housing units. Several respondents also recommended a potential partnership with local universities to utilize vacant dorm rooms for temporary housing for individuals ages 18-29 years old.

Acceptance of public comments or recommendations
The City has reviewed and accepted all comments and recommendations that were submitted via the Citizen Participation Survey, received during the public comment and public hearing processes. All comments and recommendations received were considered as part of the HOME-ARP Allocation Plan development process.

City of Raleigh Demographic Profile
Raleigh, the capital of North Carolina, is a fast-growing city located in the fastest-growing region of the state, the Research Triangle. Raleigh is the second largest city in the state behind the City of Charlotte. Home to an estimated 463,011 people according to the 2020 American Community Survey 5-year estimate, the city is expected to grow to over 600,000 by the year 2035. Raleigh’s strong and diversified economy, highly educated populace, great education system, plentiful parks, and resurgent downtown are major factors in attracting new residents.
and businesses from around the country and the world. The transformation has made Raleigh one of the 50 largest cities in the United States.

The ACS 2020 5-year estimate calculates persons whose race is White alone constitutes 223,689 persons or 59.9% of the Raleigh population as a whole. Black alone is estimated at 103,487 or 27.7% and Asian alone is estimated at 18,842 or 5.0%. Persons reported as Some Other race were estimated at 13,297 or 3.6% and persons two or more races is 13,129 or 3.5%. Of Raleigh’s estimated population of 463,011 persons, 34,244 or 9.2% are estimated as being of Hispanic/Latino ethnicity.

According to ACS 2020 5-year estimate, Raleigh’s population of persons over 18 years of age is estimated at 373,722. Of this estimate, 197,194 or 52.8% are female and 176,528 or 47.2% are males. Of the estimated 373,722 persons over the age of 18, 39.3% are between 18 to 34 years of age, 34.1% are between 35 to 54 years of age, 13% are between 55 to 64 years of age, 8.3% are between 65 to 74 years of age, and 5.3% are over the age of 75.

As the City of Raleigh is located in the Research Triangle the educational attainment is expected to be high. Of an estimated 315,693 persons over age 25, 103,032 have a Bachelor’s degree and 59,356 have a graduate or professional degree. Thus 51.4% of the working age population are college graduates.

As would be expected for an area with such a highly educated adult population the number one ranked industry for the Raleigh area is Professional and business services. According to the Raleigh North Carolina Area Economic Summary of June 30, 2022 published by the Bureau of Labor Statistics (BLS), 138,100 persons were employed in the Professional and business services industry. The second ranked industry in terms of workers was Trade, transportation, and utilities with 120,900 workers. Government employed 97,900 workers and Education and health services employed 86,800 workers.

The BLS has also calculated average wages throughout the Raleigh, NC area. Weekly wages in the last quarter of 2021 for Wake County was $1,450. The weekly industry wage for Franklin County was $1,041 and the weekly industry wage for Johnston County was $985.

In terms of occupations, the ACS 2020 5-year estimate calculates 48.9% or 126,521 of the civilian population over age 16 worked in Management, business, science, and arts occupations. A total of 57,137 or 22.1% of the civilian population over age 16 worked in Sales and office occupations. The only other occupation with double digits in terms of percentage of workers in the labor force was Service occupations. A total of 37,999 or 14.7% were employed in Service occupations.

The BLS Economic Summary Report ranks Computer systems analyst working in the Raleigh area as receiving the highest hourly wage. Computer systems analyst earned on average of $48.56 an hour as compared to $49.14 for the US as a whole. Civil engineers earned on average $45.11 an hour as compared to $45.91 for the US. Accountants and auditors earned on average
$39.39 an hour as compared to $40.37 for the US. Registered nurses earned $34.75 an hour on average as compared to $39.78 for the US. Construction laborers earned on average $17.42 an hour as compared to $21.22 for the US. The final occupation for which data was provided paying the lowest average hourly wage was Retail salespersons, paying on average of $14.94 an hour as compared to $15.35 US.

Of an estimated 254,237 civilian workers over age 16, the ACS 2020 5-year estimate enumerated 191,534 employed persons who drove to work alone. Thus, 75.3% employed persons drove themselves to work. A total of 18,891 or 7.4% of employed persons carpooled to work and 4,976 or 2.0% of employed persons used public transportation.

In the last quarter for 2021, the unemployment rate for the Raleigh area was 3.1%, lower than the US unemployment rate of 3.4%. Franklin had an unemployment rate of 3.6%, Johnston County 3.3%, and Wake County 3.0%.

According to ACS 2020 5-year estimate, Raleigh’s economy provided employment opportunities to an estimated 187,517 households within the City of which 72,360 or 38.6% are married couples. Owner occupied households are estimated at 96,520 and renter occupied households are estimated at 90,997. Of housing units, it is estimated that 18,811 are vacant with the homeowner vacancy rate estimated as low as 1.3% and the rental vacancy rate estimated at 6.2%.

In terms of the age of the housing stock in Raleigh, 55,920 units were built before 1979. Another 77,050 housing units in the city were built after 2000, representing 37.4% of the City’s housing stock.

The ACS 2020 5-year estimate calculates 92,924 or 45.0% of all housing units are single detached. A total of 29,863 or 14.5% of units are attached. A total of 23,609 or 11.4% of dwellings have 10-19 units and 29,843 or 14.5% of dwellings have 20 or more units. A total of 3,005 dwellings are mobile home units, only 1.5% of all dwelling types.

Data from the National Association of Realtors has been researched to present a picture of Raleigh’s housing market. The Local Market Report for the first quarter of 2022 indicates the median purchase price for a single-family home in Raleigh is $439,100. This is an increase from 9-years ago when the median purchase price according to the National Association of Realtors as $256,300. The conforming loan limit to purchase a home in Raleigh is $647,200. The FHA loan limit is $420,680.

The National Association of Realtors assessed that at the end of 2019 the housing supply for the Raleigh Metropolitan area was sufficient. A total of 45,827 permits were issued of which 34,511 were single-family unit. Total job growth over the same period was 45,500.
The data on permits for the 12-month period prior to March 2022 reveals there were 14,637 permits for single unit housing. The 8-year annual average for permits for single-unit housing is 10,756 permits.

The National Association of Realtors’ Affordability Index for Metropolitan Areas gives an idea of homeowners’ capacity to purchase units made available in the housing stock. The affordability index measures whether or not a typical family could qualify for a mortgage loan on a typical home. A typical home is defined as the national median-priced, existing single-family home as calculated by NAR. The typical family is defined as one earning the median family income as reported by the U.S. Bureau of the Census. The prevailing mortgage interest rate is the effective rate on loans closed on existing homes from the Federal Housing Finance Board. To interpret the indices, a value of 100 means that a family with the median income has exactly enough income to qualify for a mortgage on a median-priced home. An index above 100 signifies that families earning the median income have more than enough income to qualify for a mortgage loan on a median-priced home, assuming a 20 percent down payment. The affordability index for Raleigh was 191.4 in 2020. This means families living in Raleigh earning the median family income have 191.4% of the income necessary to qualify for a conventional loan covering 80 percent of a median-priced existing single-family home. This index is up from 179.6 in 2017 an increase of 13.2%. Thus, those who can afford housing in the City of Raleigh are doing so with less financial difficulty.

According to the NAR, the demographic profile of the typical homebuyer in Raleigh for 2019 was White (81.0%), was between the ages of 45 and 64 (30.5%), had moved within the state (58.6%), was married (60.0%), had one or more family members with a Bachelor’s degree (37.7%), and earned between 50K to 100K a year (34%). The year the structure was built was between 2000 - 2009 (31.2%) with a median property value of $305,608.

Additional detailed housing data is made available by the Harvard Joint Center for Housing Studies. According to this study released in April 2022, the typical home price was $457,395. The typical mortgage payment was $2,365 with total monthly owner costs totaling $3,249. The annual income needed to afford a house was $125,773.

The ratio of the median home price for existing home sales to the median household income calculated for 2021 was 4.9. This represented an increase of 2.4 from 2000. This is an increase of over 100%. This increase is reflective of the change in home prices between 2020 and 2022. With a median value of $401,820 in December 2021, the home price increase in the first quarter of January 2020 was 4.1%. In the first quarter of 2022, increases in home prices scaled to 16.4%. In comparison, the increase in actual home values in 2015 was 5.3%. In 2021 home values jumped by 30.7% from 2020 home values.

Not everyone can afford the American dream of owning a home. According to ACS 2020 5-year estimate, a total of 123,663 households had median income below $100,000 with the median income for Raleigh estimated at $74,900. Yet, to afford the typical home price in Raleigh of $457,395, an income of $125,773 is necessary.
To assist families and households earning annual incomes below the median to afford housing, each year the federal government allocates funds towards affordable housing production. Under the Cranston-Gonzalez National Affordable Housing Act, Congress has defined affordable housing as an initial purchase price or after-rehabilitation value of homeownership units that do not exceed 95 percent of the area median purchase price for single family housing, as determined by HUD. The fiscal year 2022 unadjusted sales limit for existing homes for metropolitan Raleigh is $325,000. This limit increases to $593,000 for a four-bedroom house and decreases to $309,000 for a one-bedroom house. The unadjusted sales limit for newly constructed homes in Raleigh was $289,070.

Even though funds are allocated each year for affordable housing production, all residents will not be able to afford a mortgage. These households and families must find housing in the rental market.

The median rent for Raleigh according to the ACS 2020 5-year estimate was $1,175. A total of 26,895 households paid rents lesser than the median. An estimated 62,657 households paid rents greater than the median, constituting 70% of all renters. And rents are increasing exponentially with the City of Raleigh. According to the Harvard Joint Center for Housing Studies rents increased by 3.7% in 2015. In 2021 rents increased by 18.6% from 2020.

The Department of Housing and Urban Development establishes affordable rents for units assisted with federal housing funds. For metropolitan Raleigh, the fiscal year 2022 Fair Market Rent is $1,038 for an efficiency unit; $1,073 for a one-bedroom unit; $1,223 for a two-bedroom unit; $1,517 for a three-bedroom unit; $1,982 for a four-bedroom unit; $2,279 for a five-bedroom unit; and $2,577 for a six-bedroom unit.

Households with incomes not exceeding 80% of the median income for the area are the most vulnerable of all households to experience difficulty in maintaining their housing. For the Raleigh metropolitan statistical area, 80% of the median income is $85,600 as calculated for a family of four persons. And according to Comprehensive Housing Affordability Strategy (CHAS) data which is computed by HUD using data from 2014 to 2018 ACS 5-year estimate, an estimated 51,440 renter households had incomes not exceeding 80% of median annual income.

Households are at even greater risk of becoming homeless when they have annual income not exceeding 30% of the median income and spend 50% or more of their monthly income towards housing costs. CHAS data provided by HUD for the City of Raleigh estimates that 12,090 households had incomes not exceeding 30% of the median income for the area while having to spend 50% or more of their monthly income towards housing.

Households whose annual income does not exceed 50% of the median income while also experiencing a specific housing challenge are also at greatest risk of housing instability. According to CHAS data provided by HUD computed from 2014 to 2018 ACS 5-year estimate, 26,835 renter households had annual income not exceeding 50% of the median income and
also had a housing problem related to living in overcrowded housing or having to pay more than 30% of their income towards housing costs.

ACS 2020 5-year estimates provides data on other household types at risk for becoming homeless. There were an estimated 39,042 of households receiving social security with an average annual income of only $20,732. Another 30,169 of households received retirement income having an average annual income of $28,494. A total of 5,679 of households received supplemental security income having an annual income of $9,928 on average. It was also estimated that 2,251 of households received some form of public assistance in cash averaging $2,563. And a total of 14,318 households qualified to receive food stamps.

Finally, of an estimated 102,907 family households as computed by the ACS 2020 5-year estimate, 7.0% live below poverty. Of these family households if the head of household has children under the age of 18, 11.7% live below poverty. Where a family lives below poverty and has a related child under the age of 5, 7.9% live below poverty. A total of 3% of families living below poverty are married couples.

**Needs Assessment and Gaps Analysis**

PJs must evaluate the size and demographic composition of qualifying populations within its boundaries and assess the unmet needs of those populations. In addition, a PJ must identify any gaps within its current shelter and housing inventory as well as the service delivery system. A PJ should use current data, including point in time count, housing inventory count, or other data available through CoCs, and consultations with service providers to quantify the individuals and families in the qualifying populations and their need for additional housing, shelter, or services. The PJ may use the optional tables provided below and/or attach additional data tables to this template.

**Homeless Needs Inventory and Gap Analysis Table**

<table>
<thead>
<tr>
<th></th>
<th>Current Inventory</th>
<th>Homeless Population</th>
<th>Gap Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Family</td>
<td>Adults Only</td>
<td>Vets</td>
</tr>
<tr>
<td></td>
<td># of Beds</td>
<td># of Units</td>
<td># of Beds</td>
</tr>
<tr>
<td>Emergency Shelter</td>
<td>209</td>
<td>61</td>
<td>165</td>
</tr>
<tr>
<td>Transitional Housing</td>
<td>114</td>
<td>46</td>
<td>49</td>
</tr>
<tr>
<td>Permanent Supportive</td>
<td>178</td>
<td>58</td>
<td>663</td>
</tr>
<tr>
<td>Housing</td>
<td>82</td>
<td>280</td>
<td>114</td>
</tr>
</tbody>
</table>

18
Sheltered Homeless  |  |  |   208 |   164 |   7 |   28 |   |   |
Unsheltered Homeless |  |  | 531 | 614 | - | - |   |   |
Current Gap |  |  |  |   |   |   | 530 | 156 | 613 | 613

Data Sources: 1. Wake County Continuum of Care 2022 Point in Time Count (PIT); 2. Wake County Continuum of Care 2021 Gaps Analysis

Gap Analysis for Family Beds. There were 739 homeless persons in families of which current emergency inventory accommodates 209.

Gap Analysis for Adult Beds. There were 778 homeless adults of which current emergency inventory accommodates 165.

## Housing Needs Inventory and Gap Analysis Table

<table>
<thead>
<tr>
<th>Housing Needs</th>
<th>Current Inventory</th>
<th>Level of Need</th>
<th>Gap Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td># of Units</td>
<td># of Households</td>
<td># of Households</td>
</tr>
<tr>
<td><strong>Total Rental Units</strong></td>
<td>97,011</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rental Units Affordable to HH at 30% AMI (At-Risk of Homelessness)</td>
<td>3,829</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rental Units Affordable to HH at 50% AMI (Other Populations)</td>
<td>22,458</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0%-30% AMI Renter HH w/ 1 or more severe housing problems (At-Risk of Homelessness)</td>
<td></td>
<td>15,550</td>
<td></td>
</tr>
<tr>
<td>30%-50% AMI Renter HH w/ 1 or more severe housing problems (Other Populations)</td>
<td></td>
<td>4,910</td>
<td></td>
</tr>
<tr>
<td><strong>Current Gaps</strong></td>
<td></td>
<td></td>
<td>11,721</td>
</tr>
</tbody>
</table>

Data Sources: 1. American Community Survey (ACS) 2020 5-year estimate; 2. Comprehensive Housing Affordability Strategy (CHAS) 2011-2015

Describe the size and demographic composition of qualifying populations within the PJ’s boundaries:

### Homeless as defined in 24 CFR 91.5

According to the 2022 Point-In-Time (PIT) Count conducted on January 26, 2022 by The Raleigh/Wake Partnership to End Homelessness, the lead CoC agency, there were a total of 1,002 households that consisted of 1,534 persons that experienced homelessness on any given night. Of this total, 778 adults were unaccompanied by children, 739 were families that included 458 children, and 17 were children under the age of 18 that identified as living alone in child-only households.

A total of 531 homeless families (adults with children) were unsheltered with 131 residing in emergency housing and 77 residing in transitional housing.
Of homeless persons unaccompanied by a minor within their household, 614 were unsheltered with 121 residing in emergency housing and 43 residing in transitional housing.

The total number of females experiencing homelessness in Raleigh/Wake County was higher than the number of males experiencing homelessness. A total of 791 females were homeless with 134 residing in an emergency shelter, 67 residing within a transitional housing, and 590 being unsheltered. Whereas of the 724 males counted as experiencing homelessness, a total of 115 resided in emergency housing, 53 resided in transitional housing, and 556 were unsheltered. Additionally, there were also 13 transgender persons who were counted as experiencing homelessness with 11 being unsheltered and 2 residing in emergency housing. The count also accounted for a total of 6 persons experiencing homelessness that identified as a gender that is not singularly ‘female’ or ‘male’ with 3 residing in emergency housing and 3 listed counted as unsheltered.

At 1,124 persons counted in this category, the PIT Count highlighted a significantly disproportionate number of Black/African American/African persons experiencing homelessness. Of this total, 868 were unsheltered, 163 reside in emergency housing, and 93 reside in transitional housing. Persons reporting as White had the second highest total of persons experiencing homelessness totaling 287 persons of whom 207 being unsheltered, 58 residing in emergency housing, and 22 residing in transitional housing.

Persons reporting multiple races had the third highest total of persons experiencing homelessness totaling 87 persons of whom 67 were unsheltered, 15 reside in emergency housing, and 5 reside in transitional housing. A total of 24 homeless persons were Asian/Asian American, with 15 residing in emergency shelter and 9 being unsheltered. There were a total of 8 American Indian/Alaska Native/Indigenous and 4 Native Hawaiian/Pacific Islander experiencing homelessness, with 5 and 4 being unsheltered, respectively.

Of all homeless persons, 252 were of Hispanic/Latin(a)(o)(x) ethnicity with 230 being unsheltered, 13 residing in emergency housing, and 9 residing in transitional housing.

Of person experiencing homelessness, 308 were chronically homeless. Chronically homeless is defined as people who have been homeless for at least a year or repeatedly while experiencing a disabling condition including physical disability, serious mental illness and/or substance use disorder making it difficult to find and maintain housing. Of the chronically homeless in Raleigh, 271 were unsheltered.

**At Risk of Homelessness as defined in 24 CFR 91.5**
Households with annual income of less than 30% of the area median income are considered at risk of homelessness. According to the Comprehensive Housing Affordability Strategy (CHAS)
data provided by HUD, based upon American Community Survey data from 2014-2018, it is estimated that 20,870 households had incomes below 30% of the area median income. Additional criteria exists, which would result in a household being defined as at risk of homelessness that are determined at the time of request for shelter or housing. Therefore, the actual number of persons at risk of homelessness may be lower than 20,870. However, the additional criteria are associated with households having such low incomes. Therefore, 20,870 serves as a conservative estimate of the number of persons at risk of homelessness.

Youth experiencing certain living conditions (ex. trauma, abuse, neglect, difficult family situations, etc.) may also become at risk of experiencing homelessness. The PIT Count identified 17 youth as being homeless.

**Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD in the Notice**
The 2022 PIT Count data does not report the number of persons experiencing homelessness who were fleeing domestic violence nor veterans. However, data provided for the HUD 2021 Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations revealed 28 persons who were homeless due to domestic violence and 7 homeless persons counted were veterans.

The 2021 Gaps Analysis and System Modeling Report conducted by the Wake County Continuum of Care identified 865 persons referred to shelter or transitional housing from the victim services system.

**Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability, as defined by HUD in the Notice**
Households with annual incomes below 30% of the area median income paying more than 50% of monthly income towards housing costs are considered as other populations requiring housing assistance to prevent homelessness under the Final HOME-ARP Implementation Notice. CHAS data made available by HUD using data from 2014-2018 gathered by the American Community Survey estimates that 12,090 households in Raleigh have annual incomes 30% below median area income and are paying more than 50% of their monthly income towards housing costs. Thus, these households experience severe cost burden and are at risk of homelessness without assistance.

Information on veterans residing within the City is provided within the 2020: 5-Year Estimates Subject Table (S2101 | Veteran Status) produced by the American Community Survey.

According to the American Community Survey’s 2020: 5-Year Estimates Subject Table (S2101 | Veteran Status) table, it is estimated that 20,085 veterans are living within the City. This constitutes 5.4% of the population 18 and older. Of this total, 17,041, or 84.8%, of veterans are male and 3,044, or 15.2%, of veterans are female.
Of the estimated 20,085 veterans living within the City, 12,384 identified as White, which constitutes 61.7% of all veterans. A total of 11,891 identified as White (not Hispanic or Latino), accounting for 59.2% of the total veteran population. The third largest group of veterans totaling 6,577, or 32.7%, identified as Black/African American. A total of 285 persons identified as Asian, representing 1.4% of the total veteran population.

The majority of Raleigh veterans, 10,429 persons, or 1.9%, served in the Gulf War. A total of 27.7% of veterans served in the Gulf War from 8/1990 – 8/2001; a total of 24.2% of veterans served in Gulf War from beginning 9/2001 or later. Vietnam War veterans make up 27.5% of all veterans, Korean War and World War II veterans make up 7.4% and 1.8%, respectively, of the veteran population.

Of the estimated 20,085 veterans, 11,733 or 58.4% are between the ages of 18 and 65. Within this age range 29.5% are between the ages of 35 to 54. A significant number of veterans, 8,352, or 41.6%, of veterans are 65 and older.

Of the total veteran population, 5.9% had experienced poverty within 12 months of the survey being completed and 22.9% were reported to have some disability.

Identify and consider the current resources available to assist qualifying populations, including congregate and non-congregate shelter units, supportive services, TBRA, and affordable and permanent supportive rental housing:

- There are currently 10 Emergency Shelter providers within the Raleigh/Wake County CoC. These units provide 209 family beds and 165 adult beds.
- There are currently 5 Transitional Shelter providers within the Raleigh/Wake County CoC. These providers make available 114 family beds and 49 adult beds.
- There are also currently 8 providers within the Raleigh/Wake County CoC that offer Rapid Re-housing services. Rapid Re-housing provided 280 family beds and 114 adult-only beds.

Describe the unmet housing and service needs of qualifying populations, including but not limited to:

- Homeless as defined in 24 CFR 91.5
- At Risk of Homelessness as defined in 24 CFR 91.5
- Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD in the Notice
- Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability as defined by HUD in the Notice
The total sheltered and unsheltered population in the City at the PIT Count totaled 1,534. The number of beds for these persons was 501 with only 209 being emergency beds. There is a need for additional emergency shelter beds within the City. The CoC’s 2021 Gaps Analysis and System Modeling Report identified a need of 1,150 emergency shelter beds to ensure no homeless person or family has to sleep outside. The report identified the need for 165 transitional housing units referencing particularly persons experiencing domestic violence who prefer to live in settings allowing for greater safety.

To assist those currently housed but at risk of homelessness, the report identified Rapid Re-housing as the program best to address the needs of this target group. A total of 1,059 households at any given time would need a housing voucher averaging 12-months of rental assistance.

The Gaps Analysis report also identified the need for other families requiring services could be met by ramping up production of permanent supportive housing units. A total of 723 units of permanent supportive housing are needed and 949 units of available affordable rental housing. The Gaps Analysis project that once the initial need is met there will be 200 new households a year needing permanent supportive housing and 589 new households needing affordable rental housing.

**Identify any gaps within the current shelter and housing inventory as well as the service delivery system:**

The Wake County Continuum of Care consulted with Abt Associates to publish the 2021 Gaps Analysis and System Modeling. According to this study, 60 case managers are needed to successfully navigate households from homelessness to permanent housing.

According to this study, an additional 325 Emergency Shelter beds are needed and 723 Permanent Supportive Housing units are needed. To prevent households from falling into homelessness, the report calls for an additional 759 Rapid Re-Housing Units, and an additional 811 subsidized housing units.

**Under Section IV.4.2.ii.G of the HOME-ARP Notice, a PJ may provide additional characteristics associated with instability and increased risk of homelessness in their HOME-ARP allocation plan. These characteristics will further refine the definition of “other populations” that are “At Greatest Risk of Housing Instability,” as established in the HOME-ARP Notice. If including these characteristics, identify them here:**

During the focus groups, the City repeatedly heard of persons losing housing due to significant increases in rents. As a result, the City will provide the following additional characteristic associated with instability and increased risk of homelessness, further refining the definition of “other populations” that are “At-Greatest Risk of Housing Instability.”
This HOME-ARP Allocation Plan will further refine (G) in HUD’s definition of at risk of homelessness which allows:

“Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan”

to include households at or below 50% of area median income whose annual rent as specified within the lease is increased by 25% or more – which is substantially more than the national average annual rent increases of 15%.

**Identify priority needs for qualifying populations:**

The priority needs for qualifying population is to prevent persons and families from having to sleep outside while experiencing homelessness. This need is best served by creating additional beds in the homeless system inventory. Non-congregate housing is the priority activity needed in creating additional beds in the homeless inventory.

With rapid increases in rents, the production of more affordable housing units is also a priority need. This need will be addressed by investing in affordable housing production.

Additionally, through feedback received from citizen surveys, numerous responses referenced the need for wraparound services made available with new affordable rental units, specifically mental health services.

**Explain how the PJ determined the level of need and gaps in the PJ’s shelter and housing inventory and service delivery systems based on the data presented in the plan:**

The level of need and gaps in the shelter, housing inventory, and service delivery systems were determined by four primary sources. The current inventory of beds and units from the PIT Count were heavily relied upon to analyze the current inventory. The CoC also released a study in October 2021 addressing the needs in Raleigh/Wake’s homeless delivery system. The level of need and gaps were also determined by input from stakeholders and citizens. Stakeholders were consulted by hosting three virtual focus groups to gather their input regarding current needs across the qualifying populations and gaps within the housing inventory and service delivery systems. Additionally, stakeholder assessment and citizen participation surveys were prepared and distributed to obtain input from stakeholders, citizens, and persons experiencing homelessness within the City.

An additional source that was considered was the City’s **FY 2021 - 2025 Consolidated Plan**.
HOME-ARP Activities

Describe the method(s) that will be used for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors:

All funding awards will follow 2 CFR 200 procurement guidelines. The City will issue either Request for Proposals (RFPs), Request for Qualifications (RFQs), Notices of Funding Availability (NOFAs), or requests for Letters of Interest (LOIs) to select partner agencies. The City will encourage minority- and women-owned businesses (MBE/WBE), those leveraging Section 3 eligible workers, and Community Housing Development Organizations (CHDO) to apply. At the close of the application period, all applications will be reviewed for completeness, eligibility, and their ability to deliver the specified activity to the eligible qualifying populations listed in the City’s HOME-ARP Allocation Plan. Proposals will be objectively scored by a qualified scoring committee. Awards will be approved by the appropriate authorized City official.

Describe whether the PJ will administer eligible activities directly:

The City has elected to not administer eligible activities directly.

If any portion of the PJs HOME-ARP administrative funds were provided to a subrecipient or contractor prior to HUD’s acceptance of the HOME-ARP Allocation Plan because the subrecipient or contractor is responsible for the administration of the PJ’s entire HOME-ARP grant, identify the subrecipient or contractor and describe its role and responsibilities in administering all of the PJ’s HOME-ARP program:

The City did not provide any funds to a subrecipient or contractor that would be responsible for the administration of its entire HOME-ARP grant. However, through a competitive Request for Qualifications (RFQ) process, the City awarded Baker Tilly a contract to engage in consultation services with the overall goal of completing its HOME-ARP Allocation Plan for submission to HUD as an amendment to its Fiscal Year 2021 annual action plan for HUD review and acceptance.

In accordance with Section V.C.2. of the Notice (page 4), PJs must indicate the amount of HOME-ARP funding that is planned for each eligible HOME-ARP activity type and demonstrate that any planned funding for nonprofit organization operating assistance, nonprofit capacity building, and administrative costs is within HOME-ARP limits.

Use of Home-ARP Funding

<table>
<thead>
<tr>
<th>Use of Home-ARP Funding</th>
<th>Funding Amount</th>
<th>Percent of the Grant</th>
<th>Statutory Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supportive Services</td>
<td>$ 0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition and Development of Non-Congregate Shelters</td>
<td>$ 3,628,760.00</td>
<td>69%</td>
<td></td>
</tr>
<tr>
<td>Tenant-Based Rental Assistance (TBRA)</td>
<td>$ 0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development of Affordable Rental Housing</td>
<td>$ 1,500,000.00</td>
<td>29%</td>
<td></td>
</tr>
</tbody>
</table>
Describe how the characteristics of the shelter and housing inventory, service delivery system, and the needs identified in the gap analysis provide a rationale for the plan to fund eligible activities:

The analysis of the current inventory of housing available to persons who experience homelessness and who are at risk of homelessness shows that the current housing inventory is not sufficient to address the numbers of persons and families actually experiencing homelessness throughout the year.

A total of 1,160 persons were unsheltered on the night of the PIT Count. A total of 291 persons were chronically homeless. Both emergency shelter beds and transitional housing beds were near capacity.

Currently, the City does not have established recurring funds for the creation or renovation of non-congregate homeless service facilities. The large number of people experiencing homelessness and lack of funds for emergency shelter This data shows that addressing the emergency shelter needs of homeless persons is of highest priority to combat persons having to sleep outside while experiencing homelessness.

While permanent housing is the best solution to homelessness, emergency shelter is still an important safety net to help people move off the streets and into safer temporary quarters. The City already has a steady stream of funding for development and preservation of affordable rental housing. More than $14 million in other funding sources were budgeted for rental development in FY 2022-2023. Because of the significant resources already in place for affordable housing, this priority was ranked lower than the need for non-congregate shelter.

**HOME-ARP Production Housing Goals**

Estimate the number of affordable rental housing units for qualifying populations that the PJ will produce or support with its HOME-ARP allocation:

Given recent data, the City anticipates leveraging an additional $8 of investment to go towards the creation or preservation of affordable housing for every $1 dollar committed. Based on an analysis of the production of affordable housing within the City since 2016 through the Low-Income Housing Tax Credit (LIHTC) program, calculations reflect that for every $70,000 accounted for, one unit of affordable housing is produced for households with incomes not exceeding 30% of the Area Median Income (AMI). With this estimation, the City projects $1.5M
(29%) of the City’s $5,248,760 HOME-ARP allocation will support the development of 20 affordable rental housing units for qualifying populations.

**Describe the specific affordable rental housing production goal that the PJ hopes to achieve and describe how it will address the PJ’s priority needs:**

The need for affordable housing was the number one ranked need identified in consultation with stakeholders and citizens. The City has received more applications for the 4% tax credit which are more costly and do not require targeting for households earning 30% of AMI. Therefore, the current market and housing costs does not yield a very high rate of return on affordable units produced per dollar of subsidy. However, increasing the affordable housing supply is certainly a major need in combating homelessness.

**Preferences**

**Identify whether the PJ intends to give preferences to one or more qualifying populations or a sub-population within one or more qualifying populations for any eligible activity or project:**

The City has determined that it will not give preferences to one or more qualifying populations or a sub-population within one or more qualifying populations for any eligible activity or project within its HOME-ARP Allocation Plan.

**If a preference was identified, explain how the use of a preference or method of prioritization will address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or category of qualifying population, consistent with the PJ’s needs assessment and gap analysis:**

The City has determined that it will not give preferences to one or more qualifying populations or a sub-population within one or more qualifying populations for any eligible activity or project within its HOME-ARP Allocation Plan.

**HOME-ARP Refinancing Guidelines**

If the PJ intends to use HOME-ARP funds to refinance existing debt secured by multifamily rental housing that is being rehabilitated with HOME-ARP funds, the PJ must state its HOME-ARP refinancing guidelines in accordance with 24 CFR 92.206(b). The guidelines must describe the conditions under with the PJ will refinance existing debt for a HOME-ARP rental project, including:

- Establish a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing to demonstrate that rehabilitation of HOME-AARP rental housing is the primary eligible activity.
The City has elected to not use its HOME-ARP funds to refinance existing debt secured by multifamily rental housing. Consequently, the creation of refinancing guidelines in accordance with 24 CFR 92.206(b) is not applicable to the City’s HOME-ARP Allocation Plan.

The City has elected to not use its HOME-ARP funds to refinance existing debt secured by multifamily rental housing. As such, establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing to demonstrate that rehabilitation of HOME-ARP rental housing is the primary eligible activity is not applicable at this time.

• **Require a review of management practices to demonstrate that disinvestment in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving qualified populations for the minimum compliance period can be demonstrated.**

The City has elected to not use its HOME-ARP funds to refinance existing debt secured by multifamily rental housing. As such, requiring a review of management practices to demonstrate that disinvestment in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving qualified populations for the minimum compliance period is not applicable at this time.

• **State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.**

The City has elected to not use its HOME-ARP funds to refinance existing debt secured by multifamily rental housing. As such, stating whether the new investment is being made to maintain current affordable units and/or create additional affordable units is not applicable at this time.

• **Specify the required compliance period, whether it is the minimum 15 years or longer.**

The City has elected to not use its HOME-ARP funds to refinance existing debt secured by multifamily rental housing. As such, specifying a required compliance period is not applicable at this time.

• **State that HOME-ARP funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.**

The City has elected to not use its HOME-ARP funds to refinance existing debt secured by multifamily rental housing. As such, stating that HOME-ARP funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG within the refinancing guidelines in accordance with 24 CFR 92.206(b) is not applicable at this time.
• **Other requirements in the PJ's guidelines, if applicable:**

The City has elected to not use its HOME-ARP funds to refinance existing debt secured by multifamily rental housing.
Borrador del plan de asignación HOME-ARP de la ciudad de Raleigh y audiencia pública

La ciudad de Raleigh recibió $5,248,760 en fondos HOME-ARP, asignados bajo la Ley del Plan de Rescate Estadounidense de 2020 (ARPA), del Departamento de Desarrollo de la Vivienda (HUD) de los EE. UU. para ayudar a las personas o familias sin hogar, en riesgo de quedarse sin hogar, y otras poblaciones vulnerables. Los fondos de HOME-ARP se pueden utilizar para proporcionar vivienda, servicios de apoyo y refugio no colectivo para reducir la falta de vivienda y aumentar la estabilidad de la vivienda.

Para acceder a estos fondos, la Ciudad debe desarrollar un Plan de Asignación HOME-ARP para la aprobación de HUD. El Plan de Asignación debe describir cómo la Ciudad propone utilizar los fondos para abordar las necesidades de las poblaciones que califican. El Plan de asignación se presentará a HUD como una enmienda sustancial al Plan de acción anual del año fiscal 2021 para su revisión y aceptación.

El Concejo Municipal de Raleigh llevará a cabo una audiencia pública el martes 6 de septiembre durante la reunión vespertina del Concejo Municipal después de las 7:00 p. Esta es una oportunidad para que los residentes compartan sus pensamientos sobre el borrador del plan que describe el uso propuesto de los fondos por parte de la Ciudad.

El borrador del Plan de Asignación de HOME-ARP está disponible en el sitio web de la Ciudad en www.raleighnc.gov y se llevará a cabo un período de comentarios de 30 días del 9 de agosto al 8 de septiembre. Los comentarios escritos pueden enviarse por correo electrónico a cd.info@raleighnc.gov.

Para obtener información adicional, envíe un correo electrónico a cd.info@raleighnc.gov o llame al 919-996-4330. Las personas sordas o con problemas de audición que necesiten servicios de interpretación deben avisar con 24 horas de anticipación llamando al 919-996-3100 (voz) o al 919-996-3107 (TDD).
Appendix B

The News & Observer Article Submission

THANK YOU for your legal submission!
Your legal has been submitted for publication. Below is a confirmation of your legal placement. You will also receive an email confirmation.

Send Email Confirmation

ORDER DETAILS
Order Number: IPL0084212
Order Status: Submitted
Classification: Legal & Public Notices
Package: RAL - Legal Ads
Final Cost: $7.20
Payment Type: Visa
User ID: IPL0031603

ACCOUNT INFORMATION
Reyna Nihimura
PD Box 900
RALEIGH, NC 27602
919-896-4330
accountspayable@raleighnc.gov
CITY OF RALEIGH COMM DEVELOPMENT

PAYMENT DETAILS
Visa**********9319 10/2028

TRANSACTION REPORT
Date: August 3, 2022
Amount: $7.20

SCHEDULE FOR AD NUMBER IPL00842120
August 7, 2022
The News&Observer (Raleigh)

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CITY OF RALEIGH HOME-ARP ALLOCATION PLAN DRAFT AND PUBLIC HEARING

The City of Raleigh was awarded $5,248,760 in HOME-ARP funding, appropriated under the American Rescue Plan Act of 2020 (ARPA), from the U.S. Department of Housing Development (HUD) to assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations. HOME-ARP funds can be used to provide housing, supportive services, and non-congregate shelter to reduce homelessness and increase housing stability.

To access these funds, the City must develop a HOME-ARP Allocation Plan for approval by HUD. The Allocation Plan must describe how the City proposes to use the funding to address the needs of qualifying populations. The Allocation Plan will be submitted to HUD as a substantial amendment to the Fiscal Year 2021 Annual Action Plan for HUD’s review and acceptance.

The Raleigh City Council will hold a public hearing on Tuesday, September 6, during the City Council evening meeting after 7:00 PM (pending Council approval) in the City of Raleigh Council Chambers, related to the HOME-ARP Allocation Plan. This is an opportunity for residents to share their thoughts on the draft plan which outlines the City’s proposed use of the funds.

The draft HOME-ARP Allocation Plan is available on the City’s website at www.raleighnc.gov and a 30-day comment period will be held from August 9th-September 8th. Written comments may be submitted by email to cd.info@raleighnc.gov.

For additional information, please email cd.info@raleighnc.gov or call 919-996-4330. Deaf and hearing-impaired individuals needing interpreter services should provide 24-hour notice by calling 919-996-3100 (voice) or 919-996-3107 (TDD).
Appendix D

**ListServ Email**

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**Raleigh**

**July 11, 2022**

**City Seeks Public Input on Housing Needs and Prioritizing HOME-ARP Funds**

As part of the American Rescue Plan Act of 2021 (ARP), the City of Raleigh was awarded $5,248,760 in HOME-ARP funds to assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations. Funds can be used to provide housing, supportive services, and non-congregate shelter to reduce homelessness and increase housing stability.

In order to access these funds, the City must develop a HOME-ARP allocation plan, which will describe how the City intends to use these funds. As part of this process, the City is seeking input from the public on housing needs and how it should prioritize the use of these funds. Please click here to complete a short survey. The survey will be available through Friday, July 15, 2022.

For more information or to obtain paper copies, contact the City of Raleigh Community & Small Business Development Division at 919-996-4030 or via email at CD_info@raleighnc.gov.

Para completar la encuesta en español, haga clic aquí.

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*raleighnc.gov*

City of Raleigh
Housing and Neighborhoods Department

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Appendix E

City of Raleigh HOME-ARP Community Resident Participation Survey

The City of Raleigh is receiving federal funds from the HOME Investment Partnership American Rescue Plan (HOME-ARP) Program to fund a variety of projects and services aimed at reducing homelessness and increasing the availability of affordable housing. Your input will help the City determine the best uses of these funds.

DEMOGRAPHICS

1. In what neighborhood do you live?

____________________________________________________________________
____________________________________________________________________
____________________________________________________________________

2. What is your housing situation?
   a. Own your home
   b. Rent
   c. Live with others who own or rent
   d. Live in a shelter or transitional living center
   e. Live in assisted living or other group quarters
   f. Live on the street, in a car, or in a homeless encampment
   g. Other: ________________________________

3. What is your age?
   a. Under 25
   b. 25-34
   c. 35-44
   d. 45-54
   e. 55-64
   f. 65+

4. What is your total household income?
   a. Less than $40,000
   b. $40,000 - $59,999
   c. $60,000 - $79,999
   d. $80,000 - $99,999
   e. $100,000 +
5. What is your household size?
   a. 1
   b. 2
   c. 3
   d. 4
   e. 5+

6. Race (Optional Information)
   a. Black/African American
   b. American Indian/Alaskan Native
   c. Asian American
   d. Hawaiian/Pacific Islander
   e. Multi-Racial
   f. White
   g. Other____________________________________________________________

7. Ethnicity (Optional Information)
   a. Hispanic
   b. Non-Hispanic

HOUSING AND SUPPORTIVE SERVICE NEEDS

8. In your opinion, please rank the following housing needs in your community with 1 being the highest priority and 3 being the lowest priority.
   a. Construction of new affordable housing units for low to moderate income individuals ______
   b. Emergency shelter for those experiencing homelessness_______
   c. Permanent supportive housing (affordable housing with case management and voluntary support services) for those experiencing homelessness ______

9. In your opinion, please identify by circling the single most important issue concerning the lack of availability of quality housing in the City of Raleigh.
   a. Housing stock not keeping pace with population growth
   b. Lack of affordable rental housing
   c. Lack of affordable homeownership
   d. Lack of emergency shelter
   e. Types of housing available do not fit the needs/desires of the residents (apartments v. single family, size of unit, etc.)
   f. Barriers to accessing housing (criminal background, poor credit, etc.)
   g. Not applicable/lack of available quality housing is not an issue
h. Other and/or specify more detail for answers above:

________________________________________________________________________
________________________________________________________________________

10. What have you observed to be the greatest gap in services or unmet need in this community for individuals at risk of or currently experiencing homelessness (transportation services, mental health services, etc.)?

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

11. Have you observed significant unmet housing or service needs for specific populations (veterans, persons with disabilities, persons experiencing homeless or at-risk of homelessness, victims of domestic violence, human trafficking, etc.)? If so, please describe.

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

12. Which neighborhood/areas of the community do you believe is most in need of more affordable housing and why?

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

13. Please provide any other information or feedback that would help the City of Raleigh identify projects and services for this new federal funding.

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
Appendix F

Encuesta de Participación de los Residentes de la Comunidad HOME-ARP de la ciudad de Raleigh

La ciudad de Raleigh está recibiendo fondos federales del Programa HOME Investment Partnership American Rescue Plan (HOME-ARP) para financiar una variedad de proyectos y servicios destinados a reducir la falta de vivienda y aumentar la disponibilidad de viviendas asequibles. Su aporte ayudará a la Ciudad a determinar los mejores usos de estos fondos.

DEMOGRAFÍA

1. En qué vecindario vive usted?

____________________________________________________________________
____________________________________________________________________
____________________________________________________________________

2. ¿Cuál es su situación de vivienda?
   a. Dueño de casa
   b. Alquilar
   c. Vive con otras personas que poseen o alquilan
   d. Vive en un refugio o centro de vida de transición
   e. Vive en vivienda asistida u otros alojamientos grupales
   f. Vive en la calle, en un automóvil o en un campamento de personas sin hogar
   g. Otro: ____________________________________________________________

3. ¿Cuántos años tiene?
   a. Menor de 25 años
   b. 25-34
   c. 35-44
   d. 45-54
   e. 55-64
   f. 65+

4. ¿Cuál es el ingreso total de su hogar?
   a. Menos de $40,000
   b. $40,000 - $59,999
   c. $60,000 - $79,999
   d. $80,000 - $99,999
   e. $100,000 +
5. ¿Cuántas personas viven en su hogar?
   a. 1
   b. 2
   c. 3
   d. 4
   e. 5+

6. Raza (Información opcional)
   a. Negro/Afroamericano
   b. Indio americano/nativo de Alaska
   c. Asiático Americano
   d. Hawaiano/Isleño del Pacífico
   e. Multirracial
   f. Blanco
   g. Otro:____________________________________________________________

7. Etnicidad (información opcional)
   a. Hispánico
   b. No hispanos

NECESIDADES DE VIVIENDA Y SERVICIOS DE APOYO

8. En su opinión, clasifique las siguientes necesidades de vivienda en su comunidad, siendo 1 la prioridad más alta y 3 la prioridad más baja.
   a. Construcción de nuevas unidades de vivienda asequible para personas de ingresos bajos a moderados ______
   b. Refugio de emergencia para personas sin hogar_______
   c. Vivienda de apoyo permanente (vivienda asequible con administración de casos y servicios de apoyo voluntario) para personas sin hogar ______

9. En su opinión, identifique por circulando el tema más importante relacionado con la falta de disponibilidad de viviendas de calidad en la ciudad de Raleigh.
   a. El parque de viviendas no sigue el ritmo del crecimiento de la población
   b. Falta de viviendas de alquiler asequibles
   c. Falta de propiedad de vivienda asequible
   d. Falta de refugio de emergencia
   e. Los tipos de vivienda disponibles no se ajustan a las necesidades / deseos de los residentes (apartamentos v. unifamiliares, tamaño de la unidad, etc.)
   f. Barreras para acceder a la vivienda (antecedentes penales, mal crédito, etc. )
   g. No aplicable / la falta de vivienda de calidad disponible no es un problema
h. Otros y/o especifique más detalles para las respuestas anteriores:

________________________________________________________________________
________________________________________________________________________

10. ¿Cuál ha observado que es la mayor brecha en los servicios o la necesidad insatisfecha en esta comunidad para las personas en riesgo de quedarse sin hogar o que actualmente se encuentran sin hogar (servicios de transporte, servicios de salud mental, etc.)?
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

11. ¿Ha observado necesidades significativas de vivienda o servicios insatisfechas para poblaciones específicas (veteranos, personas con discapacidades, personas sin hogar o en riesgo de quedarse sin hogar, víctimas de violencia doméstica, trata de personas, etc.)? Si es así, por favor descríbalo.
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

12. ¿Qué vecindario / áreas de la comunidad cree que necesita más viviendas asequibles y por qué?
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

13. Proporcione cualquier otra información o comentario que ayudaría a la ciudad de Raleigh a identificar proyectos y servicios para esta nueva financiación federal.
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
Appendix G

City of Raleigh HOME-ARP Stakeholder Engagement Survey

The City of Raleigh is receiving federal funds from the HOME Investment Partnership American Rescue Plan (HOME-ARP) Program to fund a variety of projects and services aimed at reducing homelessness and increasing the availability of affordable housing. Your input will help the City determine the best uses of these funds.

1. What type of organization do you work for?
   a. Homeless service provider
   b. Domestic violence service providers
   c. Veterans’ groups
   d. Public housing agencies (PHAs)
   e. Public agencies that address the needs of the qualifying populations
   f. Public or private organizations that address fair housing, civil rights, and the needs of persons with disabilities
   g. Other_________________________________________________________

2. What is the name of your organization?
   ___________________________________________________________________

3. Based on your experience working with various unserved and/or underserved populations within the City of Raleigh, please rank the issues you believe are the highest priority at this time, starting with the highest priority.
   a. Housing stock not keeping pace with population growth
   b. Lack of affordable rental housing
   c. Lack of affordable homeownership
   d. Lack of emergency shelter
   e. Types of housing available do not fit the needs/desires of the residents (apartments v. single family, size of unit, etc.)
   f. Barriers to accessing housing (criminal background, poor credit, etc.)
   g. Not applicable/lack of available quality housing is not an issue
   h. Other and/or specify more detail for answers above:
      __________________________________________________________________
      __________________________________________________________________
      __________________________________________________________________
4. Please rank the following eligible uses of HOME-ARP funds in terms of priority, starting with the highest priority.

   a. Development of more affordable housing
   b. Supportive Services
   c. Acquisition and development of non-congregate shelters

5. What have you observed to be the greatest gap or unmet need in this community for individuals at risk of or currently experiencing homelessness?

___________________________________________________________________
___________________________________________________________________
___________________________________________________________________

6. Have you observed significant unmet housing or supportive service needs for specific populations? If so, please describe.

___________________________________________________________________
___________________________________________________________________
___________________________________________________________________

7. For permanent supportive housing service providers, what supportive services are you unable to provide or are providing at a limited capacity due to lack of funding or programmatic constraints?

___________________________________________________________________
___________________________________________________________________
___________________________________________________________________

8. In your opinion, do residents of the city have easy access to public transportation?

___________________________________________________________________
___________________________________________________________________
___________________________________________________________________
9. What parts, if any, of the community do you believe have limited access to transportation?

___________________________________________________________________
___________________________________________________________________
___________________________________________________________________

10. Which neighborhood/section of the community is most in need of more affordable housing?

___________________________________________________________________
___________________________________________________________________
___________________________________________________________________

11. Why would the area you identified in the question above benefit more than another area?

___________________________________________________________________
___________________________________________________________________
___________________________________________________________________

12. What services do you believe residents need to prevent them from becoming homeless?

___________________________________________________________________
___________________________________________________________________
___________________________________________________________________

13. Please provide any other information or feedback that would help the City of Raleigh identify projects and services for this new federal funding?

___________________________________________________________________
___________________________________________________________________