



The Five-Year Consolidated Plan

The Consolidated Plan serves as a five-year road map of comprehensive goals and coordinated strategies to address housing and community needs of low-and-moderate-income residents. This unified, coordinated vision is a result of input from citizens, community development partners, and extensive research to determine needs. The City partners with nonprofit and for-profit organizations, neighborhood groups, and other local governments to undertake specific actions with the strategies developed. The Community Development Division of the City of Raleigh Housing and Neighborhoods Department administers and supports ongoing community development programs.

The Five-Year Consolidated Plan serves as an application for funding required by the U.S. Department of Housing and Urban Development (HUD). This Consolidated Plan will provide guidance for Raleigh for the period July 1, 2020 through June 30, 2025. The City of Raleigh must submit a consolidated plan every five years to illustrate not only its housing and community development needs but also a coordinated plan to meet those needs. The Consolidated Plan functions as an application for funding from HUD for the following federal programs:

- Community Development Block Grant (CDBG);
- HOME Investment Partnership (HOME); and
- Emergency Solutions Grant (ESG).

In addition, local sources of funds contribute to implementing the City of Raleigh Consolidated Plan. They include the City's Penny for Housing property tax and Affordable Housing Bond funds. This Consolidated Plan

establishes a unified, coordinated vision for community development that benefits low-income residents and areas for the period July 1, 2020—June 30, 2025.

FY 2021 - FY 2025 Five-Year Consolidated Plan Budget

Activity	HOME	CDBG	ESG	Local	Total
Affordable Housing					
Housing Rehabilitation	\$2,500,000	\$4,636,136		\$3,500,000	\$10,636,136
Homebuyer Assistance	\$2,500,000	\$2,010,000		\$500,000	\$5,010,000
Rental Development Loans	\$3,277,490			\$ 28,193,000	\$31,470,490
Professional Services				\$1,000,000	\$1,000,000
Property Maintenance				\$625,000	\$625,000
CHDO	\$1,056,575				\$1,056,575
Administration	\$1,115,643	\$3,419,492			\$4,535,135
Fair Housing		\$25,000			\$25,000
Homeless to Housing Continuum					
HMIS System Support			\$382,500		\$382,500
Emergency Shelter & Rapid Re-Housing			\$981,206		\$981,206
Increase Services to Build Self-Sufficiency & Sustainability					
Public Services					
South Wilmington Street Center		\$500,000			\$500,000
Community Enhancement Grants		\$1,000,000			\$1,000,000
Workforce Training Program		\$400,000			\$400,000
Homebuyer Counseling		\$350,000			\$350,000
Façade Grants		\$250,000			\$250,000
Business Upfit Assistance		\$250,000			\$250,000
Public Works					
Site Improvements		\$4,189,712		\$165,000	\$4,354,712
Design Planning Contracts		\$45,000			\$45,000
Acquisition/Disposition					
		\$1,500,000			\$1,500,000
Relocation					
		\$256,758			\$256,758
Demolition					
		\$91,480			\$91,480
Totals	\$10,449,708	\$18,923,578	\$1,363,706	\$33,983,000	\$64,719,992

Summary of the objectives and outcomes identified in the ConPlan

Unmet Affordable Housing Need

There are substantial unmet needs for affordable rental housing even though incomes are improving. The unmet need for decent, safe, and affordable rental housing continues to outpace the ability of federal, state, and local governments to supply housing assistance and facilitate affordable housing production. (Worst Case Housing Needs: 2017 Report to Congress, U.S. Department of Housing and Urban Development)

The primary housing challenge for Raleigh's low- and moderate-income residents remains housing affordability. Raleigh is one of the fastest growing cities in the nation, and with this rapid growth has come rising land values and increased housing costs. Concurrently, incomes for lower-wage earners have failed to keep pace, with very-low (50% AMI) and extremely-low (30% AMI) income households being most affected.

Raleigh's continued rapid growth throughout the city has resulted in increased land prices, especially near downtown. The majority of the new private market residential developments are "luxury" rentals. These trends have increased the cost of housing for all households with incomes <80% of AMI, particularly renters. Developers also continue to acquire older, modest private sector rental communities throughout the city to redevelop as upscale apartments. This both removes affordable units and contributes to the upward pressure on rents.

Rising Housing Costs Outpacing Income Increases

According to the 2020 Wake County Analysis of Impediments to Fair Housing Choice (AI), "Housing costs have continued to increase at a faster rate than household incomes. Many Wake County residents are financially burdened by the cost of housing, especially in Raleigh." The AI highlights when the cost of quality housing is high, low-income and marginalized populations have more of a chance of becoming cost-burdened.

The primary housing challenge for Raleigh's low- and moderate-income residents is housing cost. Cost burden remains the most common housing problem. A household is "cost burdened" when it expends more than 30% of its gross monthly income on housing costs: for homeowners that includes principle, interest, taxes, and insurance; for renters that includes rent plus utilities. A household is "severely cost burdened" when it expends more than 50% of its gross monthly income on housing costs. Of Raleigh's 170,375 households, 32.7% or 55,755 households are either cost or severely cost burdened. Racial and ethnic minorities, most notably African Americans, are disproportionately affected compared to Whites.

Five Year Priorities

The Consolidated Plan for the next five years will focus on three priorities:

1. Increasing the supply of affordable housing;
2. Enhancing the homeless to housing continuum; and
3. Increase Services to Build Self-Sufficiency & Sustainability.

Geographic Priority Areas

While some programs will be available to income eligible residents regardless of where they live, there will be a geographic focus to the three five-year priorities listed above:

1. **College Park NRSA**: completing lot and house sales in East College Park (ECP) and the final public improvements in ECP;
2. **Citywide**: development loans, homebuyer assistance, housing rehab loans nonprofit public service grants, job training, homebuyer training; and
3. **Downtown Neighborhoods**: sales of City-owned lots in the neighborhoods that ring downtown and related site improvements.

Strategies & Outcomes

Performance measurement is a process for determining how effectively programs are being implemented and meeting community needs. Each year, the City establishes measurable objectives for each program by which to measure end benefit and determine program effectiveness. Data is gathered to make this assessment to determine if programmatic activities could be improved and limited resources directed more effectively.

Strategies (each described in the Consolidated Plan)

- Connecting transit to housing
- Focusing on producing more affordable housing
- Zoning & regulatory changes to improve housing choice and affordability
- Alternative Housing
- Continue to create and preserve affordable housing
- New Workforce Development Training Program
- Proposed Affordable Housing Bond

Future Outcome 5-Year Estimates

Performance measurement is a process for determining how effectively programs are being implemented and meeting community needs. Every five years, the City projects how many people our programs will be able to serve in relation to how many have been served in the past. Additionally, staff projects how much funding is going toward each program or project. Data is gathered to make this assessment to determine if programmatic activities could be improved, and limited resources directed more effectively. Below are the estimates of the number of units, households, or persons served over the next five years, with existing local and federal funding sources:

City-Sponsored Production: Next 5-Year Estimates

	Estimated Total
Rental Production	
New Construction & Preservation of Existing Affordable Units	2,250 units
Homeownership New Construction	90 homes
Homebuyer Assistance	250 households served
Homeowner Rehabilitation	
Limited Repair & Substantial Rehabilitation	250 households served

Total Units: 2,840

Other 5-Year Estimates

Training

Workforce Development Training: 150 low-income youth

Homebuyer education course: 1,250 households

Homelessness

Overnight Shelter: 6,060 homeless individuals

Rapid Rehousing: 225 homeless households

FY 2020-2021 Funding Recommendations

The FY 2020-2021 Action Plan is included as a section of the 2021-2025 Consolidated Plan, as FY 2020-2021 is Year 1 of the five years covered by the ConPlan. The following are funding recommendations. Once the ConPlan is approved, these will be part of the first year budget of the ConPlan.

CDBG public service funding in FY 2020-2021

Homebuyer Counseling (DHIC) \$70,000

Wilmington Street Men's Shelter Operations \$100,000

Community Enhancement Grant agency funding recommendations

Agency	Recommended Award	Use of the Funds
Families Together	\$ 50,000	Short-term shelter for homeless families
InterAct	\$ 45,000	Connecting low-income individuals fleeing domestic violence to services
StepUp Ministry	\$ 45,000	Employment training and job placement support for low-income individuals
The Green Chair Project	\$ 35,000	Complete bed sets for formerly homeless families
Communities in Schools Wake	\$ 25,000	After school and summer program for low-income special needs elementary students
Total Funding	\$200,000	

Workforce Development program funding recommendations

Agency	Recommended Award	Use of the Funds
Fathers Forever	\$52,000	My Daddy's Car Wash Professional Detailer Program
Passage Home	\$28,000	Workforce Development program that provides training in Hotel Guest Services, Culinary Arts, Logistics, and HVAC
Total Funding	\$80,000	

Emergency Solutions Grants, Year 2 funding

Agency	Approximate Award (year 2)	Use of the Funds
Families Together of Wake County	\$ 12,651	Emergency Shelter
Healing Transitions	\$130,576	Emergency Shelter
Passage Home	\$ 55,871	Rapid Re-Housing
Raleigh Wake Partnership to End and Prevent Homelessness	\$ 76,500	Homeless Information Management System (HMIS)
Total Funding	\$275,598	

Go to www.Raleighnc.gov/ConsolidatedPlan to view the 5-Year Consolidated Plan and Citizen Participation Plan or go to www.raleighnc.gov and search "Consolidated Plan".