

Item Title: Public Hearing for Wake County Affordable Housing 2026 Annual Action Plan

Specific Action Requested:

That the Board of Commissioners holds a public hearing to receive comments on federal funding to address affordable housing and community development needs in Wake County.

Item Summary:

Purpose: The FY 2026-2027 Annual Action Plan ("2026 Action Plan") is required by the U.S. Department of Housing and Urban Development (HUD) for Wake County to receive federal entitlement grant funds.

Background: The 2026 Annual Action Plan is a one-year implementation strategy to address affordable housing, homeless services, and community development needs of low-and moderate-income households, as identified in the 2025-2030 Consolidated Plan, which was approved by the Board of Commissioners in May 2025. The plan outlines how federal grant funds will be used to address these needs in the next fiscal year from July 1, 2026 to June 30, 2027.

Citizen participation is a core component of HUD's planning requirements. Wake County is required to advertise the proposed use of funds and provide opportunities for public input. Feedback received through this public hearing, consultation meetings with community partners, and a 30-day public comment period (March – April 2026) will inform the preparation of the final Action Plan.

Strategic Plan: This action supports Community Health and Wellbeing Goal 1: create and preserve 2,500 affordable housing units by 2029; and Community Health and Wellbeing Goal 2: By 2029, make homelessness rare, brief, and non-recurring by reducing the number of people experiencing unsheltered homelessness by 10% from 2024 levels.

Fiscal Impact: This 2026 Action Plan is expected to appropriate approximately \$4,970,032 in federal funds to Wake County for fiscal year July 1, 2026 - June 30, 2027, through the annual budget process. Federal grants will be leveraged by County funds to implement program activities described in the Action Plan, in addition to programs that support the overarching housing continuum.

Additional Information:

The 2026 Annual Action Plan satisfies the U.S. Department of Housing and Urban Development (HUD) regulatory requirements related to federal entitlement funding. The

plan will be implemented by the County's Housing Affordability and Community Revitalization Department in partnership with local agencies and nonprofits, using a combination of local and federal funds.

While the Action Plan does not regulate County funding decisions for affordable housing, County funding is used to match and enhance federally funded activities. The plan is not intended to be a comprehensive representation of all housing and homeless programs offered by the Housing Department; it focuses on programs supported by federal entitlement funding. The four HUD Federal entitlement funding sources are described below.

Community Development Block Grant (CDBG) – The purpose of the CDBG program is to improve communities by providing decent housing and a suitable living environment and expanding economic opportunities for low and moderate-income households. CDBG funds can be used for a wide range of housing and community development activities, such as acquisition for affordable housing, housing rehabilitation, homeownership, public facilities and infrastructure, and public services.

HOME Investment Partnerships Program (HOME) – The purpose of the HOME program is to provide decent, affordable housing to low and moderate-income households, expand the capacity of nonprofit housing providers, strengthen the ability of state and local governments to provide housing, and leverage private-sector participation. The HOME grant requires a 25% matching contribution from a non-federal source. HOME funds are primarily used to develop, rehabilitate, or access to affordable housing.

Housing Opportunities for Persons with AIDS (HOPWA) – The purpose of the HOPWA program is to address the specific needs of persons living with HIV/AIDS and their families by providing funds for housing, including short and long-term rental assistance, and a wide range of support services.

Emergency Solutions Grant (ESG) – The purpose of the ESG grant is to assist individuals and families quickly regain stability in permanent housing after experiencing a housing crisis or homelessness. ESG can be used to provide street outreach, homelessness prevention, rapid re-housing assistance, and emergency shelter.

FY 2026-2027 Expected Funding, estimated based on prior-year HUD allocation:

FY2026-2027 Funding Sources	Expected Funding	Program Income*	Total
Community Development Block Grant (CDBG)	\$2,178,737	\$330,000	\$2,508,737
HOME Investments Partnership Act	\$887,753	\$300,000	\$1,187,753
Housing Opportunities for Persons with Aids (HOPWA)	\$ 1,713,482	\$10,000	\$1,723,482
Emergency Solutions Grant (ESG)	\$190,060	\$0	\$190,060
Total	\$4,970,032	\$640,000	\$5,610,032

*Program Income reflects projected repayments from prior-year loans.

The 2026 Action Plan continues to advance the following five-year goals identified in the 2025-2030 Consolidated Plan:

1. Increase and preserve affordable housing
2. Reduce obstacles to housing affordability
3. Support low-to-moderate income communities in need

Below is a detailed summary of the way the funds are proposed to be used next year:

CDBG Grant Activity	Estimated Budget
Rehabilitation: Single and multi-family homes including emergency repairs for seniors and persons with disabilities	\$697,990
Housing Activities: Acquisition	\$300,000
Housing Activities: Home Purchase	\$750,000
Public Services: Job training	\$20,000
Public Services: Rental assistance	\$24,000
Public Services: Street Outreach	\$55,000
Public Services: Expand SWSC Shelter Services	\$226,000
Grant Administration	\$435,737
Total	\$2,508,737

HOME Grant Activity	Estimated Budget
Development or preservation of affordable housing	\$1,098,978
Grant Administration	\$88,775
Total	\$1,187,753

HOPWA Grant Activity	Estimated Budget
Long-term rental assistance	\$826,548
Short-term rental assistance	\$353,284
Supportive Services	\$492,245
Grant Administration	\$51,404
Total	\$1,723,482

ESG Grant Activity	Estimated Budget
Homeless Services	\$190,060
Total	\$190,060

Public hearings provide an opportunity for residents to share input on housing affordability, homeless services, and community development priorities. A 15-day public notice for this hearing was published on January 5, 2026, in the News & Observer, The Carolinian, and Que Pasa, and posted on the [Wake County Housing webpage](#).

Input from the public hearing, along with stakeholder consultations (including Wake County Planning Directors, the NC-507 Continuum of Care, and the Affordable Housing Advisory Group), and public comments received during the 30-day comment period will inform the final Action Plan. The completed 2026 Action Plan is anticipated to be presented to the Board of Commissioners for approval in early May 2026.

Attachments:

1. Presentation
2. Public Hearing Notice