

Item Title: FY2018-2019 Affordable Housing Action Plan

Specific Action Requested:

That the Board of Commissioners:

- 1. Approves the FY 2018-2019 Affordable Housing Action Plan subject to appropriation;**
- 2. Authorizes the Chair to sign documents necessary to submit the Action Plan to HUD and to carry out activities described in the plan.**

Item Summary:

Purpose:	The FY2018-2019 Affordable Housing Action Plan is a one-year plan to address the housing and community development needs of low-income families in Wake County. The Action Plan is required by the U.S. Department of Housing and Urban Development (HUD) for Wake County to receive the federal grant funds described below.
Background:	The FY2018-2019 Action Plan is the fourth part of the FY2015-2020 Consolidated Plan approved by the Board of Commissioners in May 2015. The Consolidated Plan defines the housing and community revitalization needs of low-income families in Wake County for 5 years, FY2015-2020. The FY2018-2019 Action Plan describes the ways the County will use the grant funds to address these needs in the next year. The Action Plan's highest priority is assisting residents at the lowest income levels and people with special needs. Revenues and proposed expenditures are listed in the tables below. All activities align with the priorities in the FY2015-2020 Consolidated Plan. A more detailed description of program investments is contained in the full plan that is attached.
Board Goal:	This Board action complements housing affordability initiatives in the Social and Economic Vitality goal area.
Fiscal Impact:	This Action Plan is expected to appropriate \$4,405,813 in federal funds to Wake County to assist with affordable housing, community development and homeless needs. In addition, \$1,270,848 in Wake County funds will match these federal funds to implement the housing programs described in this Action Plan.

Additional Information:

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 (any individual or family with an income that is less than 80% of the area median income as

defined by HUD). CDBG funds can be used for a wide range of housing and community development activities. These include acquisition for affordable housing, housing rehabilitation, homeownership activities, improving and installing public infrastructure and facilities, 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 for affordable housing activities. These include new construction of affordable homes and apartments, preservation on existing affordable housing, and rental assistance.

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, including case management.

Emergency Solutions Grant (ESG) – The purpose of the ESG grant is to provide community outreach, homelessness prevention, rapid re-housing assistance, client assessments and service coordination for individuals experiencing homelessness. Wake County will utilize ESG funds to provide effective street outreach to persons living in places not meant for human habitation; to conduct initial intake and assessments on new guests at the South Wilmington Street Center (SWSC) with a goal of providing effective, efficient assessments and access to the most appropriate services available; to bolster and enhance operations at the SWSC; to offer funds for homelessness prevention to stabilize someone at risk of losing housing; and to provide rapid re-housing assistance for relocation and stabilization of homeless individuals and families living in an emergency shelter or other places.

Local funds are also described in the Action Plan:

County Capital Improvement Plan (CIP) – The Wake County Board of Commissioners began allocating County CIP funds for affordable housing in 1999. This allocation is based on the recommendations outlined in the Affordable Housing Task Force Report that was accepted by the Board of Commissioners on September 7, 1999.

The annual Action Plan is intended to specifically satisfy federal regulatory requirements and is only one piece of the overarching planning documentation for the Division. This document satisfies the public engagement and planning requirements of the Housing Division in regard to implementing Federal entitlement housing funding. Baseline CIP funding is mentioned in the table below, but is not a regulatory requirement for the plan and does not reflect the additional appropriation of \$15 million approved for FY 2019 County by the Board of Commissioners.

The table below illustrates expected revenues for the Action Plan:

Revenue Source	Expected FY 2018-19 Funding	Projected Program Income*	Excess Program Income**	Prior Year Funds***	Total
Community Development Block Grant (CDBG)	\$1,903,054	\$330,000	\$0	\$38,666	\$2,271,720
HOME Investments Partnership Act	\$904,067	\$270,000	\$46,679	\$0	\$1,220,746
Housing Opportunities for Persons with Aids (HOPWA)	\$716,346	\$6,730	\$0	\$0	\$723,076
Emergency Solutions Grant (ESG)	\$149,012	\$0	\$0	\$41,259	\$190,271
Wake County CIP	\$1,000,000	\$270,000	\$848	\$0	\$1,270,848
Total	\$4,672,479	\$876,730	\$47,527	\$79,925	\$5,676,661

*Program Income is the anticipated income from payments from loans made in previous years.

**Excess Program Income is the income from loan payments that were higher than anticipated.

*** Prior Year funds are funds from a previous year that are available for use.

The following population groups were identified as top priorities in the 2015-2020 Consolidated Plan for funding over the next five years. These groups were chosen because they have the greatest housing need:

High Priority

- Renters earning less than 40% of Area Median Income (\$33,720 family of 4/ \$23,640 individual);
- Homeless individuals and families;
- Non-homeless individuals and families with special needs.

Medium Priority

- Renters earning less than 50% of Area Median Income (\$42,150 household of 4/ \$29,550 individual);
- Homeowners earning less than 50% of Area Median Income.

Low Priority

- Renters earning less than 80% of Area Median Income (\$67,450 household of 4/ \$47,250 individual);
- Homeowners earning less than 80% of Area Median Income

The process for developing the Action Plan consisted of community meetings and two public hearings. Meetings were held with the Housing Advisory Committee of the Human Services Board, Planners from the Wake County Towns, and the Partnership to End Homelessness. The two public hearings were held at the Human Services Board meeting

on January 25, 2018 and at the Board of Commissioners meeting on February 5, 2018. The Human Services Board reviewed and endorsed the Action Plan on May 24, 2018.

HCR received letters of support from all the towns that participate in the program: Apex, Fuquay-Varina, Cary, Garner, Knightdale, Morrisville, Wake Forest, Wendell, Rolesville, and Zebulon. In addition, a thirty-day public comment period was advertised in three newspapers and was open from March 27, 2018 to April 27, 2018. For this public review, the plan was made available on the Wake County Housing website, at the Human Services Building and Regional Centers, at Cornerstone, at the South Wilmington Street Center, and at the Oak City Outreach Center. HCR uses six strategies to implement its program:

1. Preserve existing housing;
2. Develop additional housing;
3. Provide rental assistance;
4. Fund public facilities improvements in low-income neighborhoods;
5. Provide homeless assistance services;
6. Provide job training.

The tables below illustrate proposed expenditures:

CDBG Grant Activity	Budget
Housing Activities including: Homeowner rehabilitation, home purchase activities, and rental housing assistance	\$1,494,609
Public Facility - Apex Pleasant Park (Includes project delivery cost.) Apex will fund the majority of the project through a sub-recipient agreement.	\$346,500
Public Services: Job Training	\$50,000
Grant administration- Salaries and Operating Costs	\$380,611
Total	\$2,271,720

HOME Grant Activity	Budget
Development or preservation of affordable housing	\$978,339
Rental Assistance for youth aging out of foster care	\$152,000
Grant administration- Salaries and Operating Costs	\$90,407
Total	\$1,220,746

HOPWA Grant Activity	Budget
Rental assistance vouchers	\$453,973
Short term rent, mortgage, and utility assistance	\$139,100
Supportive Services	\$108,513
Grant administration – Salaries	\$21,490
Total	\$723,076

ESG Grant Activity	Budget
Street Outreach to homeless persons	\$31,000
Shelter Operations at South Wilmington Street Center	\$30,000
Rapid Rehousing	\$108,259

Homelessness Prevention	\$21,012
Total	\$190,271

CIP Activity	Budget
Development of affordable housing	\$914,041
Rental Assistance for people with a behavioral health diagnosis	\$300,000
Funding for Support Circles Coordinator	\$56,807
Total	\$1,270,848

After the Board of Commissioners' approval, the Plan will be sent to U.S. Dept. of Housing and Urban Development by July 6, 2018.

Attachments:

1. PowerPoint Presentation
2. 2018-2019 Housing Action Plan