

Item Title: Regional Analysis of Impediments to Fair Housing Choice Study

Specific Action Requested:

That the Board of Commissioners authorizes the County Manager to sign the attached Memorandum of Agreement for participation in a Regional Analysis of Impediments to Fair Housing Choice study.

Item Summary:

Purpose: An Analysis of Impediments to Fair Housing is required by the U.S. Department of Housing and Urban Development (HUD) every five years. A Memorandum of Agreement between Wake County, the City of Raleigh, the Town of Cary, the Raleigh Housing Authority, and the Housing Authority of the County of Wake will establish a consortium to allow preparation of a Regional Analysis of Impediments to Fair Housing.

Background: An Analysis of Impediments to Fair Housing (AI) is a study required by the U.S. Department of Housing and Urban Development (HUD) every five years, in conjunction with the Consolidated Plan for Housing. The Wake County Department of Housing Affordability and Community Revitalization will begin preparing the 2020-2025 Consolidated Plan in 2019 and will undertake an Analysis of Impediments study concurrently. The AI will identify barriers to equal opportunity in housing and offer recommendations and action steps to address these barriers.

As in the past, staff plans to engage an experienced consultant to perform the study based on HUD's recommendation to hire a consultant to achieve an unbiased analysis. HUD has recommended that neighboring HUD funded jurisdictions partner for the study, to produce a regional study that can address barriers and make recommendations on a regional level. This recommendation was followed in 2014 for the most recent AI, when Wake County formed a consortium with the City of Raleigh, the Town of Cary, the Raleigh Housing Authority, and the Housing Authority of the County of Wake. The regional process was efficient, and the product was thorough. For the upcoming study, the Department of Housing Affordability & Community Revitalization plans to do the same. This new study will be complete by Spring 2020.

Board Goal: This Board action complements affordable housing initiatives in the Social and Economic Vitality goal area.

Fiscal Impact: The Department of Housing Affordability & Community Revitalization already budgeted up to \$30,000 in federal funds for this study in the FY2019 budget.

Additional Information:

Equal funding for the regional study will be provided by Wake County, the City of Raleigh, and the Town of Cary. The two housing authorities are not required to perform Analyses of Impediments, so they will not contribute funding, but have agreed to participate in the regional process. This is second time we have implemented a regional approach. Below is a table of estimated funding contributions:

Jurisdiction	Estimated Budget
Wake County	\$30,000
City of Raleigh	\$30,000
Town of Cary	\$30,000
Total:	\$90,000

The City of Raleigh Housing and Neighborhoods Department is the Lead Agency of the Consortium and will hold the contract with the selected consultant for the Regional Analysis of Impediments to Fair Housing. The consortium will issue a Request for Qualifications, and the review team will consist of a member of each participating jurisdiction and a representative from the Legal Aid Fair Housing Project.

Criteria to evaluate the qualifications will include:

- Background and Experience
- Project Understanding, Approach and Schedule
- Team Organization, Experience and Certifications/Qualifications
- Proposed Cost

Some general findings in the previous AI study were:

- Rapid population growth and sprawling development patterns have continued throughout Wake County's last several decades of development. This growth has brought with it a diversifying population, presenting new challenges for fair housing. Incomes in Wake County differ widely across races and ethnicities, with the County's Black and Hispanic residents more likely to earn less. Persons with disabilities, female-headed households with children, and foreign-born residents also face higher levels of poverty and unemployment.
- Wake County remains moderately racially segregated, with areas of minority concentration in several parts of the County. In addition, there are areas where poverty is concentrated. Several areas in Wake County have both high concentrations of minorities and high overall poverty rates.
- An area where over 50% of the area's residents are minorities and the poverty rate exceeds 30% of individuals is known as a Racially Concentrated Area of Poverty (RCAP). These RCAPs are important to consider, as they may indicate constrained housing choice.
- A key component of this analysis is the use of data to quantify and map the distribution of opportunity in Wake County and assess housing options in the County's high-opportunity communities. Factors that indicate opportunity include transit mobility, local job access, and other amenities associated with upward

mobility. RCAP areas were found to have significantly below-average opportunity scores.

- While there are many high-opportunity areas throughout Wake County, the affordable housing options in these areas are very limited. Both rents and home values have risen at faster rates than incomes, making housing in Wake County comparatively more expensive. At the same time, much of the housing that has been developed recently is priced at levels that are out of reach for many RCAP and other low-income residents. As members of the protected classes have incomes disproportionately lower than the general population, they are even more negatively affected by these conditions in the housing market. Thus, this lack of affordable housing in high-opportunity areas reduces housing choice for protected classes.
- In recent years, the two housing authorities in Wake County have approached the development and management of assisted housing in ways that resulted in investments that improve distressed neighborhoods, deconcentrate public housing, and provide mobility opportunities to voucher holders.
- A thorough review of mortgage application data suggests that upper-income minorities are more likely to experience loan denials or high-cost lending than lower-income White applicants. Black and Hispanic residents face higher denial rates and are disproportionately affected by poor credit history.

Attachments:

1. Memorandum of Agreement for a Raleigh-Cary-Wake County Regional Analysis of Impediments to Fair Housing Choice
2. Analysis of Impediments to Fair Housing Choice 2015