

Wake County Affordable Housing Plan: Recap, Progress & Updates

Board of Commissioners

Affordable Housing Committee Meeting

February 22, 2021



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Recapping the Comprehensive, 20-year Plan



Board of Commissioners:

- 📅 September 2016 – created Affordable Housing Steering Committee
 - 32 Committee Members
 - 9-month process
- 📅 October 2017 – approved Wake County Affordable Housing Plan

Affordable Housing Plan High Priority Tools

THREE ESSENTIAL STRATEGIES

Land Use

- County and Municipal Land Use Policy, including:
Affordable Housing Incentive Overlays
Expanded Capacity for Accessory Dwelling Units

Leveraged Programs

- Acquisition Fund
- Enhanced County Rental Production Loan Program
- Preservation Fund
- Preservation Warning System & Annual Report
- Affordable Mortgage Program
- “Familiar Faces” Permanent Supportive Housing Pilot Project
- Enhanced Housing Placement & Coordination System

New Public Resources

- Public Land Disposition Requirements
- New Local Funding Sources for Affordable Housing

“We would invest the new \$75 million generated over the first five years of the plan...\$64 million would go toward creating housing units, constructing a women’s shelter and providing mortgage assistance.... \$11 million would go toward the operations costs to move housing affordability programs forward. This shows most of our investment is going directly back in to improving our community, with little governmental operations cost.”

Build and preserve more housing that working families can afford. Wake County would have the potential to produce

2,500 NEW AFFORDABLE HOUSING UNITS
over the next five years.

Provide operating and capital financial support for a new shelter,

ADDING 37 BEDS

to serve homeless women without children.

Effectively end veteran homelessness in Wake County by the end of calendar year 2021.

Implement a **pilot program** for permanent supportive housing that combines housing assistance with support, such as mental health services and job training.

Housing Department Goal & Core Principals

“To ensure that quality, affordable housing is available for all Wake County residents”

**Maximum Benefit from
Public Resources**

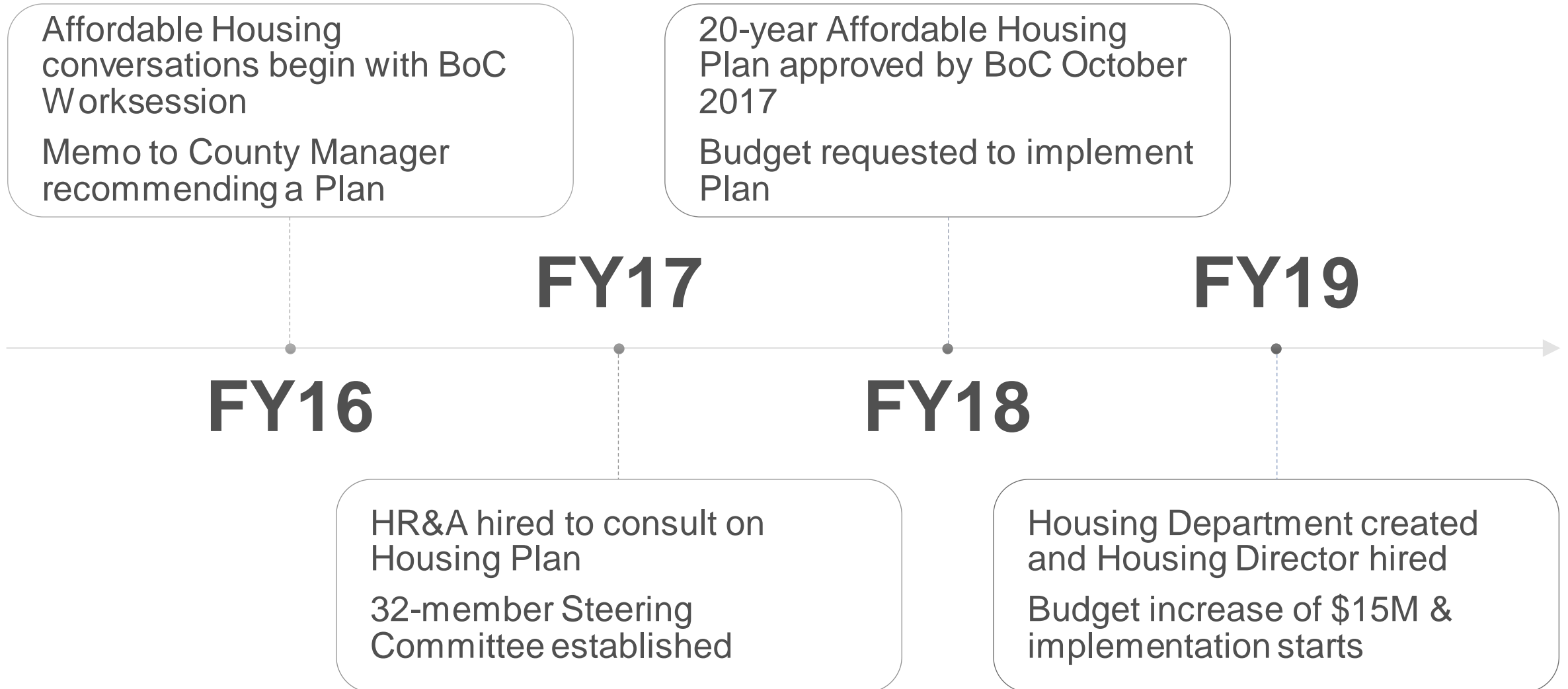
**Support Overall
Housing Growth**

**Focus on Populations
in Greatest Need**

**Pursue Locally
Appropriate Solutions**

**Use Housing as Platform
for Economic Opportunity**

Affordable Housing Plan Timeline



Housing Plan Implementation

2019

- AHDP
- Land Use Policies
- Veterans Homelessness
- Women's Shelter
- PSH Staff & Training

2020

- AHDP
- Wake Prevent!
- Public Land Disposition
- Administrative Structure
- House Wake! Strategic Plan & COVID-19 Response

2021

- Continuing COVID-19 Response
- Preservation Warning System
- Affordable Mortgage
- Acquisition & Preservation Fund
- Wake Prevent!
- SWSC Enhancements
- House Wake! Navigation Unit
- House Wake! Access Hub

2022

- Acquisition & Preservation Fund Launch
- Affordable Mortgage
- Administrative Structure Enhancement
- PSH Expansion
- Cornerstone Reimagination Launch
- Effectively End Veterans Homelessness

2023

- AHDP: Public Housing
- Community Land Trust
- Rehabilitation program enhancements

2019 Implementation

- Began Enhancement of Affordable Housing Development Program (AHDP)
- Hired Housing Planner for Land Use Policies
- Implemented Expanded Veterans Program
- Funded New Women's Shelter
- Created PHSS Division & Held PSH Training

2020 Implementation

- Completed Enhancement of AHDP & Hired Lending Manager
- Implemented Wake Prevent!
- Public Land Disposition Policy Approved
- Strengthened Administrative Support Structure
- Created House Wake! Strategic Plan & Launched COVID-19 Response Efforts

2021 Progressing

- Continuing COVID-19 Response Efforts
- Launch Affordable Homeownership Program
- Finalize Acquisition & Preservation Fund
- Complete Preservation Warning System
- Staff Wake Prevent! Expansion
- Complete SWSC Enhancements
- Finalize RAHP Overhaul
- House Wake! Navigation Unit (Landlord Partnership Program)
- House Wake! Access Hub (Streamlined Coordinated Entry)

2022 Projection

- Launch Acquisition & Preservation Fund
- Expand PSH Resources & Vouchers
- Enhance Administrative Structure
- Fund PSH Pilot Project
- Expand Homeownership Program
- Effectively End Veterans Homelessness
- Cornerstone reimagination launch

2023 Projection



- Further Enhance AHDP including Public Housing Redevelopment
- Begin working with Community Land Trust to increase Homeownership
- Review Rehabilitation Program for Enhancements

High Priority Tools Progress

Highest-Priority Tools

LAND USE POLICY

County & Municipal Land Use Policy, which encompasses:

- Establishment of Affordable Housing Overlays*
- Expanded Accessory Dwelling Units*

LEVERAGED PROGRAMS

- Acquisition & Preservation Fund ⌚
- Affordable Housing Preservation Warning System & Annual Report ⌚
- Enhanced County Rental Production Loan Program** ✓
- “Familiar Faces” Supportive Housing Pilot ⌚
- PSH Provider & Funder Capacity-Building ✓
- Affordable Mortgage Program ⌚

ADDITIONAL PUBLIC RESOURCES

- New Local Funding Sources for Affordable Housing** ✓
- Public Land Disposition Requirements** ✓

Affordable Housing Plan Recommendation Status					
Recommendation	Priority	Status	Year Started	Completed/Projected	Notes
New Local Funding Sources	High	Complete	2019	2019	Increased department budget by \$15 million annually
Extended Affordability Period	Low	Complete	2019	2019	Started including right of first refusal in funded developments, encouraging refinancing and redevelopment to preserve affordability
PSH Roadmap	Medium	Complete	2018	2019	Completed by CSH for Behavioral Health program
PSH Capacity Building	Medium	Complete	2018	2019	CSH held two-day training for community providers and developers
Enhanced County Rental Production Loan Program	High	Complete	2018	2020	Hired Lending Manager to increase affordability, PSH and leveraged funding
Enhanced Housing Placement & Coordination System	High	Complete	2020	2020	Funded House Wake! Access Hub
Public Land Disposition Requirements	High	Complete	2019	2021	Completed Analysis, Policy and issued first RFP for Holly Spring Site
Landlord Partnership Program	Medium	Complete	2020	2021	Funded Housing Navigation Team at Raleigh/Wake Partnership
Changes to NC QAP	Low	Continuing	2020	N/A	Submitted comments for 2020 QAP
County and Municipal Land Use Policy	High	Continuing	2019	N/A	Hired Affordable Housing Planner 2019, Working with All Municipalities to Advance Affordability Initiatives
Housing Counseling	Low	Continuing	2021	N/A	Part of Affordable Homeownership Program, looking to align others
Targeted Homeowner Rehabilitation	Low	Ongoing	2019	2025	Streamlining community programs and encouraging new communities to create rehab programs (Apex/Cary)
Preservation Warning System & Annual Report	High	Ongoing	2019	2021	Hired Strategic Advisor for Data, began building database and dashboard
“Familiar Faces” Permanent Supportive Housing Pilot Project	High	Ongoing	2019	2022	Released RFP, continuing to work with two developers on proposals
Shared Equity Homeownership Program (CLT)	Low	Ongoing	2019	2023	Supported the creation of Raleigh Area Land Trust
Acquisition & Preservation Fund	High	Ongoing	2020	2022	Designed structure 2020, seeking approval for RFP in 2021
Affordable Mortgage Program	High	Ongoing	2019	2021	Selected administrator the program, will launch February 2021
Redevelopment of Public Housing	Medium	Ongoing	2020	2025	Held discussions with Housing Authorities to offer partnerships

Important Considerations

- **Community Input:** The Plan was heavily influenced by input and engagement; changes should involve community feedback.
- **Finish What We Started:** Completing high-priority recommendations is extremely important to the success of the Plan. When adopted, the Plan had a 5-year implementation timeline. We are in year three of five.
- **Incorporate Shifts:** We have made important enhancements (Wake Prevent!, House Wake!, Cornerstone Reimagination) these need to be included in the 20-year Plan to align visions
- **Encouraging Municipalities:** Careful engagement has been ongoing since 2016 to respect “Town’s visions”. Ultimate success of County’s Plan is through dedicated partnership and action by Town’s.

House Wake!

Wake County COVID-19 Housing Crisis Response



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House Wake!: A Strategic Plan to Minimize the Effects of COVID-19 on Homeless and Precariously Housed Wake County Residents, While Maximizing Opportunities for Positive Long-term Outcomes



Wake County CARES Allocations

Round CARES allocations have brought the following financial support to Wake County Housing programs:

- Community Development Block Grant – Round I (CDBG): \$1,258,790
- Community Development Block Grant – Round II (CDBG): \$ 1,619,695
- Emergency Solutions Grant – Round I (ESG): \$626,800
- Emergency Solutions Grant – Round II (ESG): \$1,709,995
- Housing Assistance for Persons with Aids (HOPWA): \$132,656
- Housing Coronavirus Relief Fund (CRF): \$26,483,900
 - County-wide CRF allocation: Up to \$194MM
- Treasury Emergency Rental Assistance Funding (ERA): \$19,271,572

Total Financial Support for Housing COVID-19 Relief: \$51,103,408

House Wake! – Phase I

Approved in May of 2020, Phase I of the House Wake! Strategic Plan addressed the first wave of housing insecurity, residents who were homeless or precariously housed at the start of the pandemic.

Phase I Outcomes:

- Utilized \$11.5 million in federal funding
- Established the House Wake! Access Hub
- Created the Housing Navigation & Landlord Engagement Team
- Launched the Hotels to Housing Program (H2H)
- Supported families using hotels as primary residences
- Increased Support Services and Access to Permanent Housing
- Partnered with 13 community organizations to provide much-needed services and support
 - **250+** Additional temporary housing units
 - **450+** Households provided with Case Management
 - **450+** Households provided with direct rental assistance
 - **500** Newly housed individuals and families to receive complete home furnishings, at no cost to client or referring agency
 - **250+** Homeless individuals to receive Street Outreach
 - **Mobile showers and laundry** provided to residents continuing to experience street homelessness

House Wake! – Phase II

On September 29th Phase II of the House Wake! Strategic Plan was launched. Phase II focuses on the wave of evictions looming over many households in Wake County due to loss of income because of COVID-19.

The House Wake! Eviction Prevention Program consists of a robust, three-step intervention process:

- **Eviction Prevention** – Through the selected program administrator, Telamon Corporation, intervention #1 provides financial assistance to tenants and landlords to cover a portion of rent shortfalls resulting from a loss of income
- **Eviction Mediation Services** – Through a partnership with Legal Aid of North Carolina, intervention #2 provides pro-bono legal support for tenants who need legal counsel to negotiate filed evictions with landlords
- **Relocation Assistance** – Intervention #3 assists with relocating residents whose housing could not be stabilized through interventions 1 or 2

House Wake! – Phase II Program Highlights

- Originally, \$17 million dollars of round one CARES Act funding was dedicated this program
- Thanks to new Federal funding, this program received an additional \$19MM in Emergency Rental Assistance (ERA) funding in January 2021 and the City of Raleigh received an additional \$14MM as well
- The City of Raleigh and Wake County will partner on iteration two of this program, bringing our combined programmatic budget to over \$33MM
- Telamon Corporation is the acting Program Administrator for both iteration one and two of this program
- The program paused application acceptance on January 31st, while we work to roll out iteration two under the new Treasury funding, in partnership with Telamon, the City of Raleigh and the State of North Carolina

*The State launched the HOPE program in October, which was closely modeled after our program. HOPE took applications from approximately two thousand Wake County renters, prior to closing its application on November 11th. The State has received additional Federal funding as well and is working to partner with, and directly fund, established programs such as ours.

House Wake! – Phase III

Phase III of the House Wake! Strategic Plan is currently underdevelopment and will focus on the impending wave of foreclosures due to the economic impacts of COVID-19.

- HACR will use approximately \$1.6MM in Community Development Block Grant (CDBG) – Round II Coronavirus Relief Funds – to begin this fund
- Additional Foreclosure Prevention funding will likely come down from the Federal level as well

Hotels 2 Housing

**Wake County COVID-19 Unsheltered &
Vulnerable Resident Crisis Response**



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Introduction to H2H

- Originated as *Healthy Hotels* under the Wake County Emergency Operations Center COVID-19 Event.
- HACR transitioned the *Healthy Hotels* to *Hotels 2 Housing* (H2H) in late June 2020.
- Designed to provide safe, non-congregate emergency shelter to individuals and families experiencing homelessness with high-risk health conditions.
- Designed to compensate for reduced emergency shelter capacity as congregate shelters implemented social distancing measures
- All clients served in H2H had one or more medical condition that put them at high risk of hospitalization or death if they contracted COVID-19.

Site Operation

2 Hotel Sites:

100 Rooms at Family Site: Families with minor Children

- Operated by **InterAct** in partnership with **Salvation Army** and **Families Together** to provide Rapid Rehousing and Case Management services.

120 Rooms at Single Adult Site: Includes couples, families with older children, siblings, etc.

- Operated by **Triangle Family Services**, also provided Rapid Rehousing and Case Management services.
- H2H fully integrated with the Coordinated Entry System led by the Raleigh/Wake Partnership.
- All referrals to H2H went through the Coordinated Entry Access Sites and Access HUB

Other Partnerships:

All services were co-located and available 7 days a week at each site

- ***Behavioral Health:*** Alliance Health, Monarch, Southlight, Yelvertons, Carolina Outreach, and Fellowship Health Resources, for on-site and tele-psych behavioral health services
- ***Security:*** Wake County Sherriff's Office, Raleigh Police Department, York Security
- ***Healthcare:*** Nurse on-site 7 days a week for emergency care, triage, medication management support, and telemedicine facilitation through RelyMD.
- ***Prescription Delivery and Telemedicine:*** Advance Community Health
- ***Transportation Services:*** Go Wake Access, TaxiTaxi
- ***Other:*** AA, NA, CA, and Healing Transitions Peer Support available for guests engaged in substance use recovery.

Total Cost : \$6,643,726 (Six Months)

- **Hotel Rooms & Meals:** \$4,301,765
- **Site Operations and Case Management:** \$868,809
- **Security:** \$344,123
- **Transportation:** \$132,798
- **Nurse:** \$101,162
- **Prescription Payment Assistance/Delivery:** \$40,291
- **RelyMD:** \$9,050 (includes one-time \$5,000 contract fee)
- **Behavioral Health:** \$0 (through partnerships)
- **Rapid Exit Services:** \$20,000
- **Rapid Rehousing Direct Assistance:** \$825,728

Outcomes:

Total Served:

- # of Referrals: 378
- Total households served: 297 households
- Total individuals served (including adults and children): 643

Total Permanently Housed:

- Total households permanently housed: 200+
- Total individuals housed (adults and children): 300+
- No clients exited to an unsheltered location at program close.

Considerations for Continuing Hotel Programs

- **Permanent Space for Program**
 - Currently, there are no hotels for sale within Wake County limits.
 - Hotels may become available as the pandemic continues to take an economic toll.
- **Development & Service Partner(s)**
 - Wake County has not expressed interest in owning additional property, nor in increasing staffing to cover a program of this size.
 - Most service partners in Wake County are at, or above, capacity with current programs.
- **Continued Operational Support**
 - While our H2H model was incredibly effective, it was also very costly. It is not realistic to expect that our current service providers have funding immediately available to run a program model such as this, even if gifted a building.
 - Aside from the hotel fees, H2H cost approximately \$400k per month. Without the hotel fees, we would need to also include building upkeep, utilities, insurance, client food, etc.
 - Can Wake County commit to \$5MM in annual operational support?
- **Focuses on Homelessness Entry, Not Exit**
 - Wake County should ensure that it is right-sizing shelter availability. However, overall focus should remain on creating affordable housing to permanently house low-income and vulnerable populations. A balance must be struck and maintained.

Questions?

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