



CITY OF RALEIGH, NORTH CAROLINA

CONSOLIDATED ANNUAL
PERFORMANCE AND EVALUATION REPORT
(CAPER)
SUMMARY

July 1, 2015—June 30, 2016

This document is a summary of the City of Raleigh Consolidated Annual Performance and Evaluation Report (CAPER) for the period July 1, 2015—June 30, 2016. The CAPER reports the City of Raleigh's use of federal housing and community development funds and local funds spent to benefit low- and moderate-income Raleigh residents. Included in the CAPER are the number and demographics of the persons served during the plan year. The federal Department of Housing & Urban Development (HUD) requires that entitlement communities submit this report every year after making a draft version available in a 15-day public comment period.

Department of Housing & Neighborhoods
Community Development Division

Introduction

The document that follows is the summary of the City of Raleigh, North Carolina's Consolidated Annual Performance and Evaluation Report (CAPER) for the period July 1, 2015—June 30, 2016. The CAPER reports the City of Raleigh's use of federal entitlement funds and the number and demographics of the persons served with those funds during the plan year. HUD requires that cities receiving federal housing and community development funds submit this report every year by September 28.

This CAPER is the first year report of accomplishments within Raleigh's Five Year Consolidated Plan, 2016—2020. The Citizen Participation Plan that is part of the Consolidated Plan requires the City to seek public comment on the CAPER before submitting it to HUD.

The draft CAPER was available for public review and comment from September 9th until September 26th, 2016.

FY 2015-2016 CAPER Goals and Outcomes

The City's strategic plan contained in its 2016-2020 Consolidated Plan contained three priorities for the City's use of federal and local housing funds:

- Increasing the supply of affordable housing in the City
- Enhancing the homeless to housing continuum
- Revitalizing neighborhoods

The geographic focus areas are East College Park (ECP) and South Park areas for the five years covered, with ECP occurring first in sequence.

The FY 2015-2016 Action Plan was consistent with the priorities and geographic focus in that expenditures were consistent with the three priorities and East College Park consumed a significant amount of staff time and financial resources as infrastructure work got under way and a Neighborhood Revitalization Strategy Area (NRSA) Plan was created in an area that included ECP. A new Affordable Housing Improvement Plan, Affordable Housing Location Policy, and regional Analysis of Impediments to Fair Housing Choice (AI) were all completed in the 2015-16 fiscal year. Discussions with senior city management and City Council regarding local funding options for affordable housing took place in that year and Council approved a tax increase to raise a minimum of \$5.7 million annually from local property taxes dedicated to increasing the supply of affordable housing and preserving low-cost rental units that might be lost to conversion to market rates.

The City's three priorities identified in its 2016-2020 Consolidated Plan, and summaries of the City's use of funds to address them in FY 2015-2016, were:

- Increase the supply of affordable housing

The City Council adopted an Affordable Housing Improvement Plan October 20, 2015 which articulated seven "options" for increasing the pace and volume of City-sponsored creation and preservation of affordable housing. In FY 2015-2016 the City committed \$950,000 of HOME funds as well as \$14,100,000 in local funds toward this effort for 945 affordable rental units. \$610,697 in CDBG funds were provided to a local nonprofit to acquire a four-unit residential building inside the business district to provide housing for low- and moderate-income (LMI) families.

- Enhance the homeless to housing continuum

The City provided assistance to 192 households in 2015-2016 through its homelessness programs. The City also moved forward in its partnership with Wake County, the Partnership to End and Prevent Homelessness, and Catholic Charities for the Diocese of Raleigh to locate a facility to focus local efforts to more effectively serve the City and County's homeless population. Local funds are budgeted to either acquire and renovate an existing building(s) or acquire land and build a new facility for what is being called the "Oak City Center."

In the past fiscal year, the City also "linked" with Wake County and the state of North Carolina (through the COC) in the commitment of its ESG funds for local homelessness service agencies through a combined Request for Proposals process.

- Neighborhood revitalization

The City created its first Neighborhood Revitalization Strategy Area (NRSA) Plan which was adopted by City Council and approved by HUD in FY 2015-2016. The development of the Plan required significant public engagement events, consultant design services, and a City Council work session prior to 1) adoption of the NRSA Plan and 2) approval of a reuse plan for 140 lots assembled by the City in a ten-block redevelopment area (East College Park) within the NRSA. A total of \$483,940.22 in CDBG funds were spent acquiring blighted properties for six properties. \$167,373.19 was spent on CDBG relocation payments to existing tenants and \$113,615.16 in demolishing blighted structures. \$173,373.44 in CDBG was spent on housing rehabilitation.

Last fiscal year the City of Raleigh continued its CDBG programs of neighborhood revitalization, housing rehabilitation, infrastructure upgrades, public service grants, including a \$100,000 grant to maintain operation of the county's emergency housing shelter for homeless men. HOME funds were made available for housing rehabilitation loans and developer loans. The ESG program was distributed in a partnership with Wake County and the Continuum of Care partnership in accordance with programmatic requirements.

These investments addressed the priorities of providing affordable housing, revitalizing neighborhoods, and helping homeless persons receive the housing assistance needed.

There were several completed affordable housing developments. In addition to eight (8) infill single-family houses built on lots acquired by the City with CDBG funds, sixty-six (66) second mortgages, eleven (11) housing rehabilitation loans, and thirty-one (31) Limited Repair loans, there were the following rental investments of completed projects (an additional \$15,575,000 was committed in FY 2015-2016 by the City for another 987 apartments, to be reported in future CAPERs upon completion):

<u>Rental Development</u>	<u>Funding Source</u>	<u>City Assistance</u>	<u>No. Units</u>	<u>Unit Type</u>
628 W. Jones St	CDBG	\$ 610,697	4	Family
Brown Birch	Bond	\$ 225,000	4	Family
Sherman Ave	Bond	\$ 431,373	11	Supportive
Sunnybrook Village	Bond	\$ 1,500,000	42	Family
Sunnybrook Phase 2	HOME	\$ <u>400,519</u>	<u>10</u>	Veterans
Totals		\$ 3,167,589	71	

The neighborhood revitalization activities were primarily funded with CDBG in FY 2015-2016. Training was provided to 28 low-income youth in a construction trades apprenticeship program, homebuyer training was provided to 191 persons, and 2,153 persons received assistance from the CDBG-funded Community Enhancement Grant. Following is a summary of the individual public works projects:

Seawall Ave Sidewalk / Curb and gutter and grading: This project involved site grading to create three buildable lots as well as installation of a new sidewalk and retaining wall to meet ADA compliance. Water and sewer services to the newly created lots were also installed.

Heck Street widening and realignment: This project involved the widening and realignment of the 100 Block of Heck St. including curb and gutter and sidewalks. New water sewer and piping was also installed in the City right of way. Water and sewer services were installed to the four newly created single family lots

300 block of Haywood: This project involved site grading and the installation of storm drainage piping to promote positive draining away from adjacent property. This will include the installation of water and sewer services to twelve newly created single family home sites as well curb and gutter and sidewalk improvements.

East College Park Infrastructure: This project is a two and a half year project. It involves the replacement of the water and sewer main and the storm drain on eight city blocks. All work is being performed on a live system. All existing homeowners are being tied into the new system as the project progresses. Infill mixed income housing will be built in a Neighborhood Revitalization Strategy Area (NRSA) context on the 140 lots the City assembled with CDBG and city bond funds. To date (September 2016) Phase I is 60 % complete. The City spent \$222,832 in CDBG on East College Park infrastructure in FY 2015-2016. The total City investment has been \$ 630,788.51 on ECP water, sewer, and storm drainage, with the balance being from Public Utilities.

Regarding the City's efforts to address homelessness, \$100,000 in City CDBG funds were provided to the South Wilmington Street Men's Shelter, benefiting 2,028 persons. The

number of households assisted with Rapid Re-Housing and Homelessness Prevention (both with ESG and with City funds) were:

Rapid Re-Housing

- Triangle Family Services = 13
- PLM Families Together = 130
- Catholic Charities = 21

Total RRH = 164 households

Homelessness Prevention

- Hope Center at Pullen = 6
- Women's Center = 8
- Catholic Charities = 14

Total Prevention = 28 households