

**ANALYSIS OF IMPEDIMENTS TO
FAIR HOUSING CHOICE**

**WAKE COUNTY, NC
AUGUST 2015**

DRAFT

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CHAPTER 1: EXECUTIVE SUMMARY





CHAPTER 2: COMMUNITY PARTICIPATION PROCESS

Summary of Outreach and Community Engagement

The Community Participation Plan undertaken for the Wake County Regional AI was a collaborative effort between Wake County, the City of Raleigh, the Town of Cary, the Raleigh Housing Authority, and the Housing Authority of Wake County. The Plan consisted of the following activities:

- Face-to-face interviews with key stakeholders, identified by the partners, whose emphasis involves housing in one facet or another such as housing development, fair housing advocacy, and disability advocacy. Agencies are specified on the following page.

- Web-based surveys conducted for stakeholders, the general public and municipal officials
- Public meetings
- A 30-day public display and comment period, and
- Presentation of the AI before the elected bodies of the City of Raleigh and Wake County.

Each of these initiatives is discussed in greater detail in this chapter.

Stakeholders Invited to Participate

Public announcements of the AI planning process were initiated at the Annual Fair Housing Conference held on April 10th, 2015, and jointly sponsored by the five partners. A schedule of the planned Public Meetings was distributed and the availability of the web-based surveys was publicized.

During the week of April 13-16, 2015, a series of stakeholder interviews and consultations were conducted.

Stakeholder outreach is a highly valuable element of the AI planning process. Reaching out to stakeholders whose primary clients include members of the protected classes is one of the most effective methods for identifying impediments to housing choice. Listening to the organizations that provide direct services to members of the protected classes provides the best results when trying to learn about the public policies that restrict housing choice for lower income minorities and other protected class members.

All five partners assisted in the identification of stakeholders. Over the course of four days, a total of 19 interviews with 103 individuals were conducted with the following entities:

- Town of Cary Municipal Departments:
 - Inspections & Permitting
 - Planning
 - Public Transit
 - Community Development & Housing
- Wake County Municipal Departments:
 - Housing & Community Development
 - Planning
 - Inspections
 - Transportation
- City of Raleigh Municipal Departments:
 - Housing & Community Development
 - Planning
 - Inspections
 - Transit
- Raleigh Housing Authority
- Housing Authority of Wake County
- South Wilmington Street Center Homeless Shelter

- Affordable Housing Providers
- Appointed Housing Boards
- Disability Advocacy Organizations
- Organizations Advocating for Persons with limited English proficiency
- Landlord Organizations
- Economic Development Entities
- Lending Institutions
- Wake County Housing Advisory Committee

Lists of all stakeholders invited to participate are included below.

Two additional stakeholder interviews were held during the week of May 4-8, 2015 for:

- Municipal Planners
- Fair Housing Organizations

Stakeholder Category	Title	Name of Organization
Codes / Permits	Director	Wake County Planning, Development and Inspections
	Development Services Office Manager	City of Raleigh, Planning and Development Department
	Planning and Zoning Administrator	City of Raleigh, Planning and Development Department
Planning	Long-Range Planner	Wake County Planning, Development and Inspections
	Zoning Director	Wake County Planning, Development and Inspections
	Planning Director	Town of Apex
	Planning Director	Town of Fuquay-Varina
	Planning Director	Town of Garner
	Planning Director	Town of Knightdale
	Planning Director	Town of Morrisville
	Planning Director	Town of Rolesville
	Planning Director	Town of Wake Forest
	Planning Director	Town of Wendell
	Planning Director	Town of Zebulon
	Planning Director	City of Raleigh
Public Transit	Chief Executive Officer and General Manager	Triangle Transit
	Transit Planner	Capital Area Transit (part of City of Raleigh Public Works)
	Transportation Program Manager	TRACS (Wake County Coordinated Transportation)
Fair Housing Organizations	General Counsel/Director of Advocacy	North Carolina Justice Center
	Co- Director	The Fair Housing Project of Legal Aid, North Carolina
	Co- Director	The Fair Housing Project of Legal Aid, North Carolina
	Executive Director	Human Relations Commission

Stakeholder Category	Title	Name of Organization
Housing and Community Development	CDBG Director - Wake County	Wake County Housing and Transportation Division
	HOME Director - Wake County	Wake County Housing and Transportation Division
	ESG Director - City of Raleigh	City of Raleigh Community Development Division
	Housing Director - Wake County	Wake County Housing and Transportation Division
	Community Development Administrator	City of Raleigh Community Development Division
	Housing & Neighborhoods Director	City of Raleigh Housing & Neighborhoods Dept.
Affordable Housing Providers / Appointed Housing Boards	Executive Director	DHIC, Inc.
	Executive Director	Evergreen Construction
	Executive Director	CASA
	Executive Director	Passage Home
	Owner	Raleigh/Durham Construction
	Executive Director	St. Augustine CDC
	Staff Liaison	City of Raleigh Fair Housing Hearing Board
	Staff Liaison	City of Raleigh Human Relations Commission
Advocacy Organizations for Persons with Disabilities	Executive Director	Disability Rights NC
	Executive Director	The Arc of the Triangle
	Board President	NAMI
	Executive Director	Resources for Seniors
Advocacy Organizations for Persons with Limited English Proficiency	Executive Director	El Pueblo
	Charge, Cultural and Community Affairs	Consulado de Mexico
	Principal	Jenny Doyle, Esq. Immigration Council
Fair Housing	General Counsel/Director of Advocacy	North Carolina Justice Center



Stakeholder Category	Title	Name of Organization
Organizations	Co- Director	The Fair Housing Project of Legal Aid, North Carolina
	Co- Director	The Fair Housing Project of Legal Aid, North Carolina
	Executive Director	Human Relations Commission
Other Advocacy Organizations / Individuals	Chair, Housing Committee	Congregations for Social Justice
	Director of Strategic Initiatives	Latino Community Credit Union
Realtors	CEO/President	Raleigh Regional Assn. of Realtors
Economic Development Entities	Economic Development Manager	City of Raleigh Economic Development Dept.
	Executive Director	Downtown Raleigh Alliance
	President/CEO	Greater Raleigh Chamber of Commerce
Lending Institutions	Com Dev Officer, Central NC	Wells Fargo
	CRA/Community Development Investment Mgr., Senior Vice-President	BB&T
	LIHTC Equity Originations	PNC Bank
	CRA Manager	PNC Bank
	CRA Manager	Bank of America
	Executive Vice President	Community Investment Corporation of the Carolinas (CICCAR)
	Sr. Fund Development Mgr.	CAHEC
Landlords	Executive Director	Triangle Apartment Association

Stakeholder Category	Title	Name of Organization
Inspections & Permits	Department Director	Town of Cary
	Permit Supervisor	Town of Cary
	Chief Code Enforcement Official	Town of Cary
Planning	Department Director	Town of Cary
	Planning & Community Dev. Mgr.	Town of Cary
	Principal Planner, Land Use	Town of Cary
	Planning Mgr., Zoning	Town of Cary
	Planning Mgr, Dev. Review & Compliance	Town of Cary
Public Transit	Transit Services Administrator	Town of Cary
	Transit Planner	Town of Cary
	Transit Marketing Specialist	Town of Cary
Community Development & Housing	Senior Planner, Hsg. & Com Dev	Town of Cary
	Minimum Housing Inspector	Town of Cary
Affordable Housing Providers / Appointed Housing Boards	Executive Director	Habitat for Humanity Wake
	Executive Director	DHIC, Inc.
	Executive Director	Evergreen Construction
	Executive Director	CASA, Inc.
	Chairperson	Raleigh Fair Housing Hearing Board
Advocacy Organizations for Persons with Disabilities	Ex. / Housing Director	Allen Reep
	Executive Director	CASA, Inc.
	Dir., Hsg & Home Improv.	Resources for Seniors
	Chairman of Board	Serving Cup, Inc.
Advocacy Organizations for Persons with Limited	Executive Director	El Pueblo, Inc.

Stakeholder Category	Title	Name of Organization
English Proficiency		
Fair Housing Advocacy Organizations	Chairperson	Raleigh Fair Housing Hearing Board
	Executive Director	Raleigh-Wake Partnership to End & Prevent Homelessness
	Executive Director	Disability Rights of NC
Other Advocacy Organizations	President	Lutheran Family Services
	Executive Director	NC Housing Coalition
	Executive Director	NC Coalition to End Homelessness
Realtors	CEO/President	Raleigh Regional Assn. of Realtors
Economic Development Entities	Downtown Development Mgr.	Town of Cary
	VP, Economic Development	Cary Chamber of Commerce
	President	Heart of Cary Association, Inc.
Lending Institutions	CRA/Community Development Investment Mgr., Senior Vice-President	BB&T
	LIHTC Equity Originations	PNC Bank
	CRA Manager	PNC Bank
	Executive Vice President	Community Investment Corporation of the Carolinas (CICCAR)
	Sr. Fund Development Mgr.	CAHEC
	Comm.Dev. Off., Central NC	Wells Fargo
	CRA Manager	Bank of America
Landlord Organizations	Executive Director	Triangle Apartment Association

Public Meetings Conducted

In addition to stakeholder consultations, a total of six Public Meetings were held at the following locations:

- May 5, Town of Cary and Western Wake County Region, Cary Family YMCA, 101 YMCA Drive
- May 6, Southern Wake County Region, Southern Regional Center, 130 North Judd Parkway NE, Fuquay-Varina
- May 6, Eastern Wake County Region, Eastern Regional Center, 1002 Dogwood Drive, Zebulon
- May 7, Northern Wake County Region, Northern Regional Center, 350 East Holding Avenue, Wake Forest
- May 7, City of Raleigh, Halifax Community Center, 1023 Halifax Street
- June 4, City of Raleigh, Millbrook Human Services Center, 2809 East Millbrook Road (Spanish language interpretation was made available)

At each meeting site, an open house meeting format was employed. For the first thirty minutes, a series of large maps illustrating the Communities of Opportunity identified in Wake County were displayed and attendees were encouraged to view the maps and ask questions. A 30-minute presentation followed, which included a summary of key demographic and housing trends. A question and answer session closed out each meeting. A summary of the main issues raised by participants at each of the Public Meetings is included below. In addition, some comments have been incorporated throughout the AI, where appropriate.

Summary of Web-based Survey

To maximize community engagement, a web-based survey instrument was developed to solicit input primarily from three groups: stakeholders, the general public, and municipal officials. A skip logic survey was created and launched from Survey Monkey for a four-week period lasting from early May through early June. Stakeholders were encouraged to complete the survey regardless of whether or not they had participated in an interview session.

Survey questions for members of the general public and elected / appointed municipal officials focused on (1) assessing their level of understanding of fair housing laws and issues and (2) identifying the type and frequency of fair housing activities being undertaken at the local municipal level.

A total of 216 survey responses were received and tabulated for this summary. Of the respondents, 67% were residents, 18% were stakeholders and 15% were municipal officials. A series of introductory questions were posed in each survey followed by a series of five scenarios, four of which described discriminatory behavior. Respondents were asked to give their opinion of the scenario regardless of what the law says, and then provide their response as to whether or not the behavior was discriminatory. The responses are summarized below.



Municipal Officials

Of the 16 responses received from municipal officials, 6 were from town or city council members, 3 were from mayors, another 3 were from assistant town or city managers, and the remaining 4 were from a variety of other appointed and elected officials. Ten of the respondents have held their current positions for less than five years. Responses were received from Apex, Fuquay-Varina, Garner, Knightsdale, Wake Forest, and Zebulon.

Among the most significant responses by this group were the following:

- 50% would file a complaint, talk to a lawyer or seek help from a fair housing organization if they felt they were being discriminated against
- 63% were unsure of the types of fair housing activities undertaken in their municipality
- 69% were interested in carrying out fair housing activities in their communities, but 50% identified staff training and 44% identified additional funding as necessary to achieve this
- Of the five scenarios presented, nearly all respondents correctly identified discriminatory behavior in three of them, but only half or fewer were correct in assessing the other two scenarios

Stakeholders

Among the 20 stakeholders who responded, 10 worked in Raleigh and 9 were employed by organizations that served all of Wake County. Thirteen of the respondents were employed by nonprofit entities or units of local government. Ten were professional staff members within their organization of public agency, and 7 were high-level administrators. Fourteen of the 20 respondents have been in their current positions for less than five years. Eight respondents worked for social service agencies, while another three worked for homeless assistance agencies and three more were rental property management agents. Six of the respondents worked primarily with low income persons seeking rental housing; another five worked with persons who were homeless or at high risk of becoming homeless.

Among the most significant respondents by this group were the following:

- 40% reported that they had encountered someone in their line of work that had experienced housing discrimination, with nearly all of these individuals recommending appropriate action (talk to a lawyer, seek help from a fair housing organization, file a complaint)
- 45% reported that their organization either offered no fair housing training to clients or weren't sure if such training was available; however, another 45% reported their organization trained staff to recognize housing discrimination. Additionally, other groupss did not explicitly complete or require training but offered informational materials
- The top three impediments identified were a lack of affordable housing, lack of adequate public transportation, and the lack of public safety in affordable neighborhoods



Residents

Of the 88 residents who responded to the survey, 39 were from Raleigh, 24 from Apex, and the remaining 25 were from Cary, Garner, Morrisville, Wake Forest, Zebulon and the unincorporated areas of the County. Nearly half of the respondents have lived in their present location for more than 10 years.

Among the most significant respondents by this group were the following:

- Nearly half reported they would file a complaint if they experience discrimination, while 46% would seek help from a fair housing organization and 35% would talk to a lawyer
- In the scenarios presented, the results were mixed. In some cases, respondents correctly identified that the discriminatory behavior was illegal even though their opinion ran counter to this. In other cases, the rate of “don’t know / not sure” responses were reported by more than half of the respondents.
- Overall, the results of the online survey indicate a continuing need for fair housing education, outreach, and enforcement for stakeholders, municipal officials and the general public.

Key Fair Housing Issues Identified

Across the various community participation initiatives conducted for this AI, several consistent themes were mentioned repeatedly by stakeholders and members of the general public. These included the following:

- A general lack of affordable housing is the single most significant impediment to fair housing choice throughout Wake County. Many perceive the problem to be worsening as housing costs rise and new residential development occurs at the higher end of the market.
- There is frequent opposition to new affordable housing development. Usually referred to as NIMBY, or “not in my backyard” opposition, opponents of affordable housing can prolong the review process, or stop it altogether, in some communities.
- There is an insufficient level of fair housing enforcement capacity at both the local and state levels. The Raleigh Fair Housing Hearing Board is not empowered to investigate complaints or enforce the City’s ordinance. Local fair housing advocacy organizations and the North Carolina Human Relations Commission (located in Raleigh) are

overworked, under-staffed and under-budgeted.

- A lack of adequate public transportation linking lower income neighborhoods with higher opportunity areas restricts housing choice.
- Many of Wake County’s residents do not view a lack of affordable housing as a civic or quality of life issue. This indicates a lack of strong political support for affordable housing in Wake County among many residents. Some stakeholders attributed this to a general public misperception of exactly what affordable housing is and who needs it.

Summary of Comments Received on the AI Document

Following the 30-day public display and review period, comments received on the draft AI will be summarized and incorporated into an appendix of the final version of the document.



CHAPTER 3: DATA ANALYSIS

A. DEMOGRAPHIC ANALYSIS

Population Trends

Wake County is urbanizing rapidly

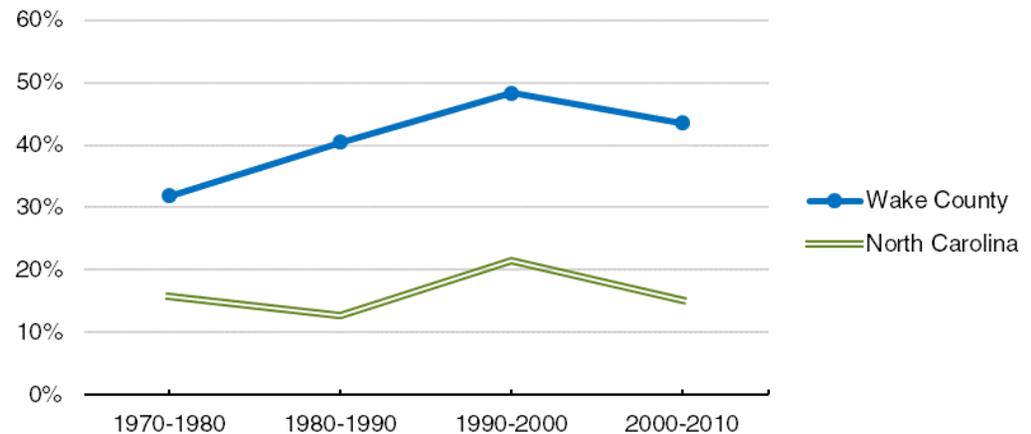
The population trends of Wake County and its communities reflect decades of transition within the local economy. Unlike other areas of North Carolina, Wake County did not experience significant job loss or population decline as a result of regional deindustrialization. The increasing prominence and economic impact of the Research Triangle Park (RTP)—supported by high growth in related technology, education, and service industries—has created high demand for housing in Wake County.

Wake County was home to over 900,000 residents in 2013¹ and is one of the major economic and population centers of North Carolina. Population growth has been rapid since the 1970s, with the population increasing by at least 30% every decade since 1970. The 306.7% overall increase in population between 1970 and

2013 was much higher than the North Carolina state average of 89.9%. This makes Wake County a high-growth region in an already rapidly growing state.

Changing demographic patterns have been further influenced by expansion into less-settled

Decennial Population Change



¹ The 2013 American Community Survey data is the most recent reliable data source available and is used throughout this report. Local data sources note that in early 2015 Wake County had over 1 million residents.



towns within the County. The fastest-growing townships were those located in previously rural areas of Wake County, far from the urban core¹. These areas have gained residents exponentially, and the majority of additional housing units constructed to accommodate this growth have been detached, single-family structures. This “leap-frog” pattern of development into previously non-residential areas is characteristic of many regions in the Sun Belt.

While these areas have had the highest growth rates in terms of percentages, most population growth by number of persons has occurred within the communities of Raleigh and Cary. In the rest of the County, growth rates have varied considerably by municipality.

¹ Definitions of urban, suburban, and rural development are provided in the Glossary.

City of Raleigh

The City of Raleigh is Wake County's largest municipality, accounting for 44.8% of its population in 2013. Between 2000 and 2013, Raleigh added 138,437 residents, increasing in population by 50.1%. This was higher than the Urban County¹ population growth rate of 45.2%.

This trend indicates that, despite higher land costs, Raleigh has continued to urbanize at a similar rate to the rest of the County.

¹ References to the Urban County throughout this report refer to the entirety of Wake County, minus the City of Raleigh and Town of Cary.

Town of Cary

The Town of Cary contained 15.2% of Wake County's population in 2013. Between 2000 and 2013, Cary added 46,756 residents, increasing in population by 49.5%. This was slightly higher than the Urban County rate of 45.2%.

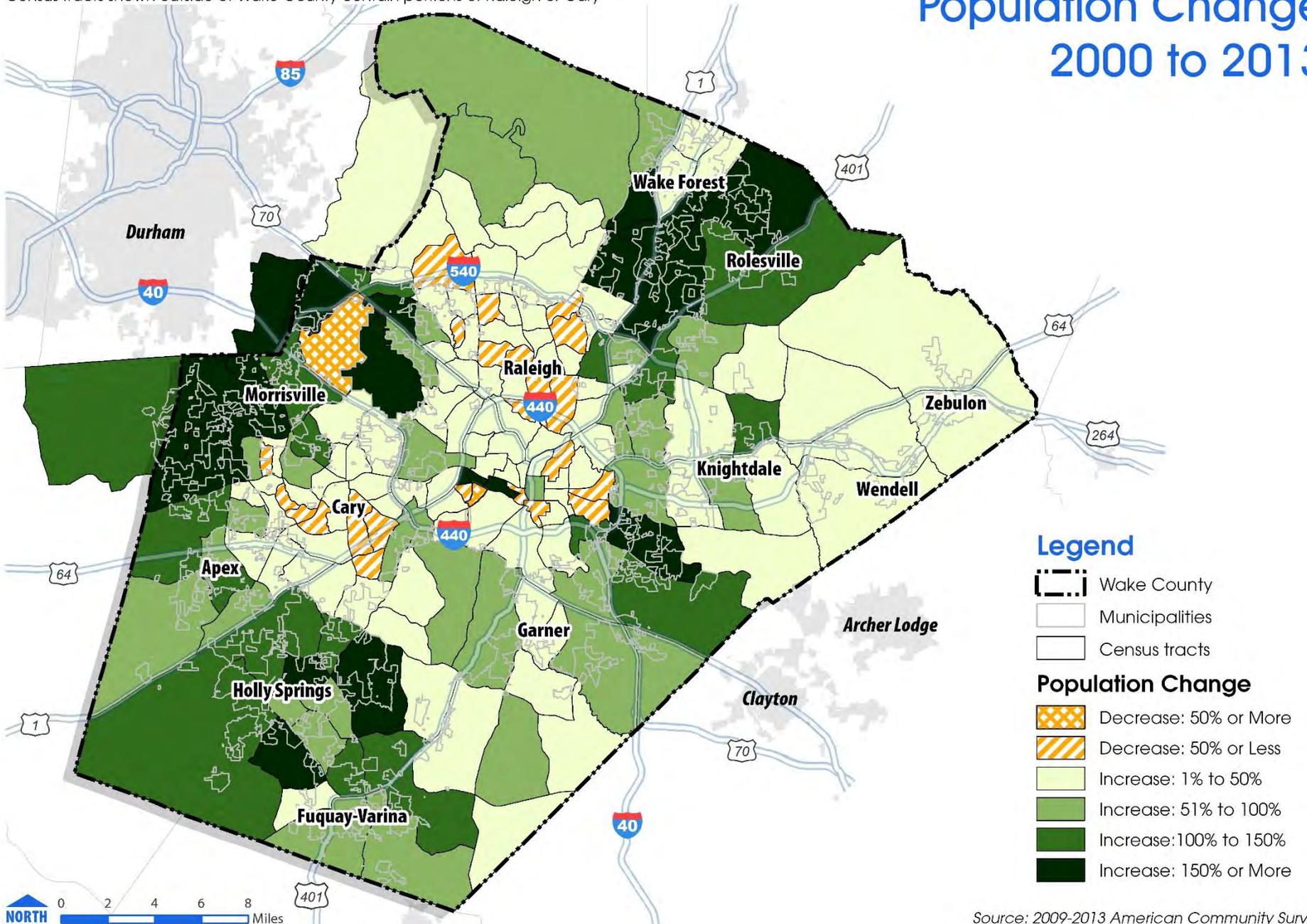
Municipality	2000	2010	2000-2010 Change	2013	2010-2013 Change	2000-2013 Change
Wake County	627,846	900,993	43.50%	929,214	3.10%	48%
Urban County*	257,217	361,867	40.7%	373,392	3.2%	45.2%
Apex town	20,212	37,476	85.4%	39,134	4.4%	93.6%
Fuquay-Varina town	7,898	17,937	127.1%	19,164	6.8%	142.6%
Garner town	17,757	25,745	45.0%	26,213	1.8%	47.6%
Holly Springs town	9,192	24,661	168.3%	26,035	5.6%	183.2%
Knightdale town	5,958	11,401	91.4%	12,133	6.4%	103.6%
Morrisville town	5,208	18,576	256.7%	19,720	6.2%	278.6%
Rolesville town	907	3,786	317.4%	4,065	7.4%	348.2%
Wake Forest town	12,588	30,117	139.3%	31,632	5.0%	151.3%
Wendell town	4,247	5,845	37.6%	5,996	2.6%	41.2%
Zebulon town	4,046	4,433	9.6%	4,535	2.3%	12.1%
Remaining Unincorporated Area	169,204	181,890	7.5%	184,765	1.6%	9.2%
Cary town	94,536	135,234	43.1%	141,292	4.5%	49.5%
Raleigh city	276,093	403,892	46.3%	414,530	2.6%	50.1%

*Includes all of Wake County except the cities of Raleigh and Cary.

Source: Census 2000 (SF-4 DP-4), 2006-2010 ACS (DP04), 2009-2013 ACS (DP04)

Census tracts shown outside of Wake County contain portions of Raleigh or Cary

Population Change 2000 to 2013



Legend

- Wake County
- Municipalities
- Census tracts

Population Change

- Decrease: 50% or More
- Decrease: 50% or Less
- Increase: 1% to 50%
- Increase: 51% to 100%
- Increase: 100% to 150%
- Increase: 150% or More



Source: 2009-2013 American Community Survey
2013 Analysis of Impediments to Fair Housing Choice

Wake County

• City of Raleigh

• Town of Cary

• Raleigh Housing Authority

• Housing Authority of the County of

Wake

Race and Ethnicity

Both urban and non-urban areas of Wake County are becoming more diverse

The population of Wake County has followed the national trend of becoming more diverse. In 2000, Wake County was 72.3% White. By 2013, the proportion of White residents in Wake County had decreased to 68.3% of the total population.

Black residents are the largest non-White racial group in Wake County by a large proportion. However, the rate of population growth amongst Black residents was much lower than the growth rate of some other minority groups, such as Asian residents and Hispanic residents (55.9% compared to 144% and 167.8%, respectively). Additionally, the Black population as a proportion of the total population changed very little between 2000 and 2013.

Wake County has experienced considerable growth in ethnically Hispanic residents.¹ The Hispanic population more than doubled from 2000 to 2013, growing from 33,986 to 91,016. Notably, Hispanic population growth rates were higher in Cary than in Raleigh or the Urban County (214.4% compared to 141.3% and 214.4%). This contrasts with previous models of regional immigration, in which non-White

populations traditionally settle in the urban core of a region and eventually suburbanize.

	2000		2013		2000-2013 Change	
	#	%	#	%	#	%
Wake County	627,846	-	929,214	-	301,368	48.0%
White	454,544	72.4%	635,076	68.3%	180,532	39.7%
Non-White	173,302	27.6%	294,138	31.7%	120,836	69.7%
Urban County	257,217	-	373,392	-	116,175	45.2%
White	202,075	78.6%	281,218	75.3%	79,143	39.2%
Non-White	55,142	21.4%	92,174	24.7%	37,032	67.2%
Cary	94,536	-	141,292	-	46,756	49.5%
White	77,683	82.2%	103,507	73.3%	25,824	33.2%
Non-White	16,853	17.8%	37,785	26.7%	20,932	124.2%
Raleigh	276,093	-	414,530	-	138,437	50.1%
White	174,786	63.3%	250,351	60.4%	75,565	43.2%
Non-White	101,307	36.7%	164,179	39.6%	62,872	62.1%

Source: Census 2000 (SF-3 DP-4), 2006-2010 ACS (DP04), 2009-2013 ACS (DP04)

¹ Hispanic ethnicity is determined independently of race.



City of Raleigh

Raleigh is more diverse than most of the other communities in Wake County. In 2013, 39.6% of its residents identified as non-White and 11.2% of residents identified as Hispanic. The largest minority group was Black residents, who comprised 29.2% of the total population.

Although Raleigh is becoming less White, its rate of diversification was slower than the Urban County average between 2000 and 2013. During that time period, Raleigh's proportion of non-White residents increased by 2.9%, compared to an increase of 3.2% in the Urban County. The rate of increase in Hispanic residents was also slower in Raleigh than in the Urban County (4.2% compared to 4.4%). This contrasts many other urban settlement patterns, in which racial and ethnic diversification is highest in the urban core.

There are several possible explanations as to why this may occur. Firstly, high housing costs in Raleigh relative to some suburban or rural areas in Wake County may make Raleigh less desirable for new residents, who tend to be more diverse than the existing population.

Secondly, the Research Triangle Park (RTP) influences housing demand in suburban locations for new residents moving in for work, who may also be more racially and ethnically diverse. An example of this is the high Asian population around the RTP in commuter towns such as Morrisville and Cary.

Thirdly, much of the new housing development in Raleigh has been higher-cost housing. Non-White residents tend to have lower incomes than White residents, and therefore have lower budgets for housing. A large proportion of non-White residents may not be able to afford new construction housing options in Raleigh and are opting for other areas in the County instead.

Town of Cary

While Cary has traditionally had a high share of White residents, the population has diversified at a rate faster than both Raleigh and the Urban County. Between 2000 and 2013, the non-White population in Cary more than doubled in size, increasing from 17.8% to 26.7% of the total population. This is significantly higher than the Urban County figure of 3.2%. The largest minority group in Cary was Asians, who comprised 13.4% of the population in 2013.

The Hispanic population in Cary grew 214.4% during this time period, from 4,047 residents in 2000 to 12,724 residents in 2013. This was a much higher growth rate than Raleigh, and slightly higher than the overall rate for the Urban County. Despite these dynamics, Cary remains primarily White.



Income and Poverty

Women, Black, and Hispanic residents have lower incomes, higher unemployment rates, and higher poverty rates

The American Community Survey (ACS) provides detailed employment data by gender and race, indicating differences in employment rates among demographic groups. The average unemployment rate in Wake County was 7.8% at the time of the 2013 ACS. This is comparable to the North Carolina state average in 2013, which fluctuated from a high of 8.7% to a low of 6.7% according to the Bureau of Labor Statistics.

Men in Wake County’s labor force were slightly less likely (0.7%) to experience unemployment compared to women. White and Asian residents of Wake County had below-average rates of unemployment, with a 6.4% unemployment rate for Whites and a 6.0% unemployment rate for Asians. Conversely, Black and Hispanic residents had above-average rates of unemployment, with a 13.1% and a 10.2% unemployment rate, respectively.

This finding is noteworthy for Hispanic residents because of their above-average participation in the labor force. The higher rate of participation in the labor force coupled with the higher unemployment rate shows that a disproportionate share of Hispanic residents may be looking for work, but are unable to find it.

Income is strongly related to housing choice, as household income is also one of the several factors used to determine eligibility for a home mortgage loan or rental lease. Additionally, a lack of income inherently reduces the amount of options a household has over where to live. Median household income in Wake County was \$66,006 in 2013. This is higher than both the North Carolina average of \$45,906 and the national average of \$52,250. Median household incomes differed widely by municipality, however, ranging from a low of \$40,968 in Wendell to a high of \$90,250 in Cary. Generally,

municipalities in the eastern area of Wake County had lower median incomes.

Poverty is also strongly related to limited housing choice and disproportionately affects members of the protected classes. The federal poverty level in 2013 was defined as an annual income of \$23,550 for a family of four, or \$11,490 for an individual. The overall poverty rate in Wake County in 2013 was 11%, which is lower than the national average of 14.5%. Poverty rates ranged from a high of 18.9% in Zebulon to a low of 2.4% in Apex. Similar to the distribution of incomes, municipalities in the eastern area of Wake County had above-average poverty rates.

There were significant differences in income and poverty rate by race. Whites and Asians tended to have above-average incomes, with the exception of the Asian population living in Raleigh. By contrast, Black and Hispanic

households had below-average incomes. These disparities are also apparent in poverty rates.

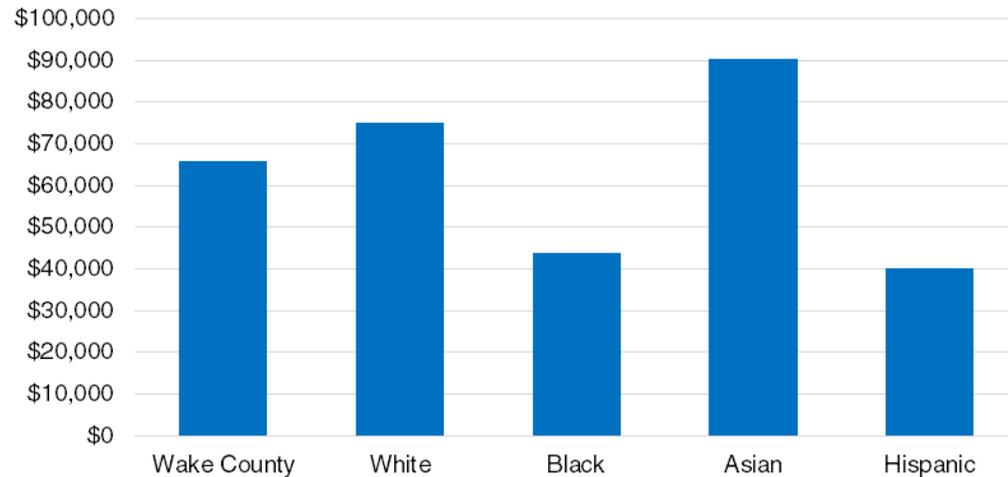
	Poverty Rate	Median Household Income
Wake County	11.0%	\$66,006
White	8.5%	\$75,097
Black	17.8%	\$43,883
Asian	8.4%	\$90,393
Hispanic	27.8%	\$40,272



The average Black household in Wake County earns \$32,000 less than a White household and is twice as likely to live below the poverty line. Similarly, the average Hispanic household in Wake County earns \$35,000 less than a White household and is more than three times as likely to live below the poverty line compared to a White household.

In 2013, 11.6% of females in Wake County were living below the poverty line, compared to 10.4% of men. The most common type of living arrangement among persons living in poverty was a female-headed household with no husband present, and often included children. Similarly, children were more likely to be living in poverty than the general population: 14.2% of persons under age 18 lived in poverty compared to Wake County's 11% overall poverty rate. The specific conditions of female-headed households with children are discussed later in this analysis.

Median Household Income, 2013



Source: 2009-2013 ACS (B19013, B19013A, B19013B, B19013D, B19013I, B17001, B17001A, B17001B, B17001D, B17001I)

City of Raleigh

The median household income in Raleigh was \$54,448 in 2013, which is about \$11,500 less than the County median. While White residents have a median household income more than \$10,000 higher than the citywide median, Black and Hispanic residents have a median household income \$13,000 and \$20,000 lower, respectively. While Asian households in much of Wake County have higher incomes, the median household income for Asian households in Raleigh is also below the citywide figure. This suggests economic segregation within the Asian population in Wake County.

Raleigh also contains a disproportionate share of residents living below the poverty line. While the City contains less than half (43.5%) of all County residents, it contains nearly two-thirds (64.2%) of the residents in Wake County living below the poverty line. Over 50% of Wake County's Hispanic residents living in poverty reside in Raleigh. Similarly, over 75% of Wake County's Black residents living below the poverty line reside in Raleigh.

Town of Cary

At \$90,250, Cary has the highest median household income of any municipality in Wake County. However, there are large racial and ethnic differences in income levels. Asian households have a median income of \$125,256—\$35,006 higher than Cary's median—but the median household income of \$50,079 for Black households is \$40,171 lower than Cary's median. Similarly, Hispanic households have incomes \$26,892 lower than the median.

In contrast to Raleigh, Cary has a disproportionately lower share of residents living below the poverty line. While Cary contains 15.5% of Wake County's total population, it only contains 8.6% of the County's population living in poverty. And, among Cary's rapidly growing Hispanic population, 18.1% of residents live below the poverty line. This is higher than the 5.2% of Cary's White residents and 11.1% of Cary's Black residents who are living below the poverty line.



Disability and Income

Over 68,000 disabled persons in Wake County may require housing accommodations...

As defined by the Census Bureau, a disability is a long-lasting physical, mental, or emotional condition that can make it difficult for a person to engage in activities such as walking, climbing stairs, dressing, bathing, learning, or remembering. This condition can also impede a person from being able to go outside the home alone or to work at a job or business.

The Fair Housing Act prohibits discrimination based on physical, mental, or emotional handicap, provided “reasonable accommodation” can be made. Reasonable accommodation may include changes to address the needs of disabled persons, including adaptive structural (e.g., constructing an entrance ramp) or administrative changes (e.g., permitting the use of a service animal).

Across Wake County, 7.4% of the total civilian non-institutionalized population above the age of five reported a disability in 2013, amounting to 68,777 people. This included 30.9% of County residents age 65 and older. The most common type of disability among persons 18 to 64 was an ambulatory disability, meaning experiencing difficulty moving from place to place. Persons

with ambulatory disabilities, which affect 3.6% of Wake County residents, often require accessible housing with universal design features.

The second most common type of disability is a sensory disability: about 3.1% of County residents reported having either a vision or hearing disability in 2013. Persons with sensory disabilities may also require specific accessible housing accommodations. The third most common type of disability is a cognitive disability, meaning persons who may have difficulty with various mental tasks. While persons with mental illness or intellectual impairments are not specifically identifiable, they often fall into this category of disability. Cognitive disabilities affected 2.8% of Wake County residents.

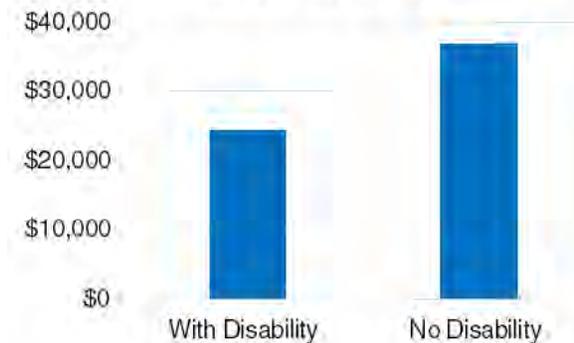
Many persons with disabilities, regardless of type, require access to adequate transportation systems and human services, because their disability often makes it impossible or impractical to walk or drive as a means of transportation.

...but this population has less to spend on housing costs

A significant income gap exists between persons with disabilities and persons without disabilities. In Wake County, persons with disabilities earn an average of \$12,000 less than persons without disabilities. Similarly, the poverty rate for the population age 16 and over with a disability is

6.7% higher than the population without a disability¹ Persons with disabilities also have lower levels of educational attainment: only 82% of the disabled adult population graduated high school compared to 93% of the non-disabled adult population.

Disability Status and Income, 2013



¹The poverty rates and median incomes are different in this section than in the previous section because this population does not include children below age 16

Ancestry and Income

Over 12% of Wake County's population is foreign-born

It is illegal to refuse the right to housing based on ancestry or place of birth. As a rapidly growing region containing a state capital, Wake County is home to a large foreign-born population. Census data on native and foreign-born populations reported that in 2013, 119,135 persons (12.8% of the total population) in Wake County were foreign-born. Of the foreign-born population, 63.5% are not US citizens.

The most common race of foreign-born residents is Asian, accounting for 30.9% of the foreign-born population. Ethnically Hispanic residents comprise 37.8% of the foreign-born population, compared to 5.7% of the population born in the United States. Hispanic residents comprise 50.7% of the foreign-born population that does not have U.S. citizenship. There is also a large African community in Wake County: 11% of the foreign-born population identifies as Black or African-American.

Household sizes are significantly larger in households headed by foreign-born residents. The average household size for a native-born household is 2.49 persons, compared to an average of 3.37 persons among foreign-born households. This means that foreign-born households may often require larger houses in

order to avoid overcrowding and other housing problems. Foreign-born residents are more likely to be renters as well.

A significant number of foreign-born residents are highly educated, but many live in poverty and have limited English proficiency

The educational attainment among Wake County's foreign-born residents shows a large divide within this population. Foreign-born persons are more likely to have a level of educational attainment equivalent to less than a high school graduate. However, this same demographic is also more likely to have a graduate or professional degree. In other words,

there is a large group of highly educated foreign-born residents, and there is another large group of foreign-born residents with below-average education. The economic divide within the foreign-born population is an important point to consider from a fair housing advocacy perspective.

Foreign-born residents are more likely to be employed than native-born residents, but their families are more likely to experience poverty. The poverty rate for foreign-born residents in Wake County is 16.8%, compared to 10.1% for native-born families. The average foreign-born household includes 1.57 workers and had a median household income of \$57,417, compared to 1.28 workers and a median household income of \$67,218 for native-born households. Similarly, 74.1% of the foreign-born population participates

Language	Number of Speakers	Percentage of Total Population
Spanish or Spanish Creole	35,131	4.066%
Chinese	3,284	0.380%
Vietnamese	2,342	0.271%
Gujarati	1,085	0.126%
French (incl. Patois, Cajun)	1,172	0.136%
African	1,404	0.163%

Source: 2009-2013 ACS (B16001)



in the labor force compared to 70.7% of the native-born population.

Persons with limited English proficiency (LEP) are defined by the federal government as persons who have a limited ability to read, write, speak, or understand English. American Community Survey data reports on the non-English language spoken at home for the population five years and older. In 2013, the ACS reported 54,175 persons, or 4.3% of the population, in the region spoke English less than “very well.”

The most commonly-spoken language amongst the LEP population in all areas of Wake County is Spanish. Other languages commonly spoken by persons with LEP include Chinese, Vietnamese, Gujarati, French, and African tribal languages. All of these languages had over 1,000 speakers in Wake County, which is enough to reach HUD’s “safe harbor” threshold for the Urban County entitlement area. Meeting this threshold means that communities must provide translations of important documents associated with HUD program activities.

City of Raleigh

The foreign-born population in Raleigh is predominantly Hispanic or Asian. The average household size is smaller in Raleigh than in Wake County for both native-born and foreign-born populations. However, foreign-born populations still have a larger average household size (2.19 persons, compared to 3.23 person). Unlike in Wake County, the foreign-born population is significantly less educated in Raleigh, with 37% of residents lacking a high school diploma compared to 9.4% of the native-born population.

Several languages spoken by persons with LEP in Raleigh have over 1,000 speakers or comprise 1% of the total population, which may trigger HUD’s safe harbor threshold. These languages included Spanish, Chinese, Vietnamese, and African tribal language groups. Stakeholders interviewed noted that the most common area African immigrants arrive from is East Africa, suggesting that Swahili may be the most common language understood amongst LEP African language speakers in Raleigh.

A much higher proportion of Raleigh’s foreign-born population speak English “less than very well” compared to the population in Wake County. In fact, 26.6% of Raleigh’s foreign-born households had no members age 14 or older who speaks English “very well.” This indicates that Raleigh may have a more acute need for

programs and services to accommodate persons with LEP.

Town of Cary

Unlike many first-tier suburbs in the United States, Cary has a higher proportion of foreign-born residents than the countywide average. The primary races and ethnicities of these residents are Asian and Hispanic. While only 2% of Cary’s native-born population is Asian, 30% of the foreign-born population is Asian. Similarly, while only 6.4% of Cary’s native-born population is Hispanic, 38.6% of Cary’s foreign-born population is Hispanic.

A larger proportion of Cary’s foreign-born population speak English “less than very well” than the average for Wake County’s foreign-born population, indicating a need for programs and services to accommodate access for persons with LEP residing in Cary. Although foreign-born residents are more likely to rent their homes in most of Wake County, a full 50% of foreign-born residents in Cary own their homes.



Familial Status

Female-headed families with children live in poverty at a higher rate than any other household type

The Census Bureau divides households into family and non-family households. Family households are married couples (with or without children), single-parent families, and other families comprised of related persons. Non-family households are either single persons living alone, or two or more nonrelated persons living together.

Title VIII of the Civil Rights Act of 1968 protects against gender discrimination in housing. Protection for families with children was added in the 1988 amendments to Title VIII. Except in limited circumstances involving elderly housing and owner-occupied buildings of one to four units, it is unlawful to refuse to rent or sell to families with children.

In addition to families with children, larger families may be at risk for housing discrimination on the basis of race and familial status.. If there are policies or programs that restrict the number of persons that can live together in a single housing unit, and members of the protected classes need more bedrooms to accommodate their larger household, there is a fair housing concern because the restriction on the size of the

unit will have a negative impact on members of the protected classes. Such policies do not exist at the county level or within North Carolina state law, but can potentially exist in municipal ordinances. This is discussed further in the Zoning Risk Assessment in Chapter 4.

In Wake County, female-headed households with children increased slightly from 7.2% of all households in 2010 to 7.4% in 2013. The percentage of male-headed households with children also increased during this time period from 1.8% in 2010 to 2.2% in 2013. By comparison, married-couple households with children as a percentage of all households declined from 26.1% in 2010 to 25.4% in 2013.

Female-headed households with children can often experience difficulty in obtaining housing, primarily as a result of lower-incomes and the potential unwillingness of some landlords to rent their units to families with children. In 2013, 34.1% of Wake County's female-headed households with children under 5 are living below the poverty line compared to 5.4% of married couples with children under 5.

In all parts of Wake County, including Raleigh and Cary, Black and Asian families are more likely than White families to live in households with four or more people. Interestingly, although Hispanic residents have the highest growth rate, the percentage of Hispanic families with four or

more persons is below the average for Wake County, Raleigh, and Cary. This suggests that many Hispanic households may be either smaller families or individuals. Areas of Wake County that contain families with four or more members are generally in less diverse areas of the County. Apex, Holly Springs, and Rolesville contain the highest proportion of large families and a higher proportion of White residents than the County average.



City of Raleigh

The proportion of female-headed households with children living in poverty is higher in Raleigh than the Wake County average. In 2013, 53.3% of female-headed households with children under 5 were living in poverty compared to 6.5% of married-couple families with children under 5. In addition, Raleigh's housing stock has slightly fewer rooms on average than other municipalities in Wake County: 59.3% of the housing stock in Raleigh has six or fewer rooms, compared to 42.2% of the housing units in Wake County. This means that large families with children living in Raleigh have both lower incomes and a smaller selection of housing units appropriate for their family size.

Town of Cary

Cary has a larger share of households that identified as families compared to Raleigh (68.5% of households compared to 51.8%). However, this is lower than the Urban County average of 75.9% families. Larger families are also more common in Cary: 38.2% of families have four or more persons—generally indicating the presence of children—compared to 33.7% in Raleigh.

Following the trend found in the entirety of Wake County, Asian households in Cary are the most likely to have a large family out of any race or ethnicity. In 2013, 35.4% of White households were a family of four or more persons, compared to 48.9% of Asian households. This is noteworthy in Cary because of the large Asian population living in the Town.



B. SEGREGATION, INTEGRATION & RCAPS

Segregation Indices

Segregation levels are highest in the City

Residential segregation can be measured using statistical tools called the dissimilarity index¹ and the isolation index.² These indices measure the degree of separation between racial or ethnic groups living in a community. An extreme example of segregation would be an exactly equivalent split between predominantly high-income, White, suburban communities and low-income, minority, inner-city neighborhoods. For this analysis, racial statistics for each census tract in the County/municipality were compared to countywide/municipal numbers. Since White residents are the majority in Wake County, all other racial and ethnic groups were compared to the White population as a baseline.

¹ For a given geographic area, the index is equal to $1/2 \sum ABS [(b/B)-(a/A)]$, where b is the minority population of a sub-region, B is the total minority population in the larger region, a is the majority population of a sub-region, and A is the total majority population in the larger region. ABS refers to the absolute value of the calculation that follows.

² For a given geographic area, the index is equal to $[\sum (a/A) * (a/t)]$, where a is the group population of a sub-region, t is the population of all groups in the sub-region, and A is the total group population in the larger region.

The index of dissimilarity allows for comparisons between subpopulations (i.e. different races), indicating how much one group is spatially separated from another within a community. In other words, it measures the evenness with which two groups are distributed across the neighborhoods that make up a community. The index of dissimilarity is rated on a scale from 0 to 100, in which a score of 0 corresponds to perfect integration and a score of 100 represents total segregation. Typically, a score under 30 is considered low, between 30 and 60 is moderate, and above 60 is high.

The index of isolation compares the proportion of a group in a neighborhood to the proportion of the group in a larger area. Conceptually, the isolation index measures the extent to which minority members are exposed only to one another. For example, if Hispanics tend to live in almost entirely Hispanic neighborhoods, the isolation index will be high. The isolation index is rated on a scale from 0 to 100, in which a score of 0 corresponds to maximum exposure and a score of 100 represents complete isolation.

Dissimilarity and isolation are related to each other. The main difference is that the dissimilarity index does not take into account the relative size of the groups, but the isolation index does.

In 2013, the dissimilarity indices by census tract for all non-White groups in Wake County were principally at the low end of the moderate range. This means that non-White groups in the County are only somewhat segregated from Whites. The isolation indices for non-Whites, on the other hand, are all very low. This means that members of minority groups are unlikely to interact solely amongst themselves. The isolation index for Black residents is the highest, more than double the value of the next highest index, indicating that Blacks are less likely than other groups to live in racially-mixed neighborhoods and more likely to be isolated from other races and ethnicities.



City of Raleigh

For the most part, dissimilarity indices for the City of Raleigh are higher than those for Wake County, signaling that non-Whites experience a higher degree of segregation within the City. Similarly, the isolation index scores are higher than the County counterparts. The one exception to this is the scores for Asian residents, which are both lower in the City.

As previously discussed, Raleigh is more diverse than most other communities in Wake County. This segregation analysis implies that, even though non-White residents account for a larger share of the City's population than they do in the County overall, they are more segregated within the City.

Town of Cary

The results of the segregation analysis for the Town of Cary are more mixed than for Raleigh. Dissimilarity scores are lower in Cary than the County for the most part, and isolation scores are lower or comparable. Because Cary has a smaller non-White population and less income diversity than Raleigh, segregation is inherently less likely.

One notable exception is the higher, although still in the "low" range, isolation index for Hispanics. Since 2000, the Hispanic population has grown faster in Cary than in Raleigh or Wake County. This higher isolation index suggests that Cary's Hispanic families live in neighborhoods that contain a more concentrated Hispanic population than Hispanic families in the rest of Wake County, by choice or otherwise.

	Wake County		Raleigh		Cary	
	Dissimilarity	Isolation	Dissimilarity	Isolation	Dissimilarity	Isolation
White	-	73.38	-	67.65	-	75.00
Black	42.39	36.44	49.93	53.54	32.96	16.36
Asian	45.16	15.43	39.03	8.9	34.10	15.15
Some other race	49.40	7.85	51.65	9.25	50.94	9.55
Two or more races	32.26	3.51	36.86	3.09	29.06	3.70
Hispanic	41.61	17.86	47.06	18.27	39.15	21.77



RCAPs

Wake County's RCAPs are all located in Raleigh

Although ethnicity and race as described by the US Census are not the same, this study uses rates of both non-White and Hispanic populations to map a single combined group of racial and ethnic concentrations, henceforth referred to collectively as *racially concentrated areas of poverty*, or *RCAPs*.

The standard HUD definitions of RCAPs and ECAPs (ethnically concentrated areas of poverty) are areas where the total non-White population is greater than 50% and the poverty rate is greater than 40%. These baseline thresholds are meant to serve as a starting point for communities across the nation. HUD encourages communities to modify these thresholds if they do not make sense for local demographics. This was the case in Wake County as HUD's standard definition for poverty rate did not adequately capture the extent of the County population living in poverty. As the thresholds used to define RCAPs vary from place to place, it is often difficult to compare RCAPs in different areas to each other.

The thresholds for RCAPs in this analysis were set at *50% non-Whites* and a *30% or higher rate of people below the poverty level*. These thresholds

are identical to what the City of Raleigh used in its recent Five-Year Consolidated Plan.

In general, the eastern half of the County has higher concentrations of non-Whites than the western half. The regions of highest concentration overall are in southeast Raleigh, northeast Raleigh, and Morrisville.

Poverty is heavily centralized in Wake County, with the highest rates occurring in southern Raleigh near the Beltline. Similar to minority concentrations, poverty is slightly more prevalent in the eastern part of the County than the western part.

Notably, racial concentration and poverty are not guaranteed to be directly related. The Morrisville area, for instance, has a large non-White population but a low poverty rate. The Town of Zebulon has a high poverty rate but is predominantly White.

Concentrations of racial/ethnic minorities and poverty combine to form RCAPs. The RCAPs in Wake County are all located in Raleigh, and form three separate areas in the City. The largest RCAP, in terms of both area and population, is located in six census tracts in Southeast Raleigh.

Stakeholders interviewed concurred with this finding, noting that this area has traditionally been the epicenter of Raleigh's African-American community. Stakeholders also noted that this southeastern portion of Raleigh also contains a large population of middle-class African-American homeowners in addition to a large number of persons living in poverty.

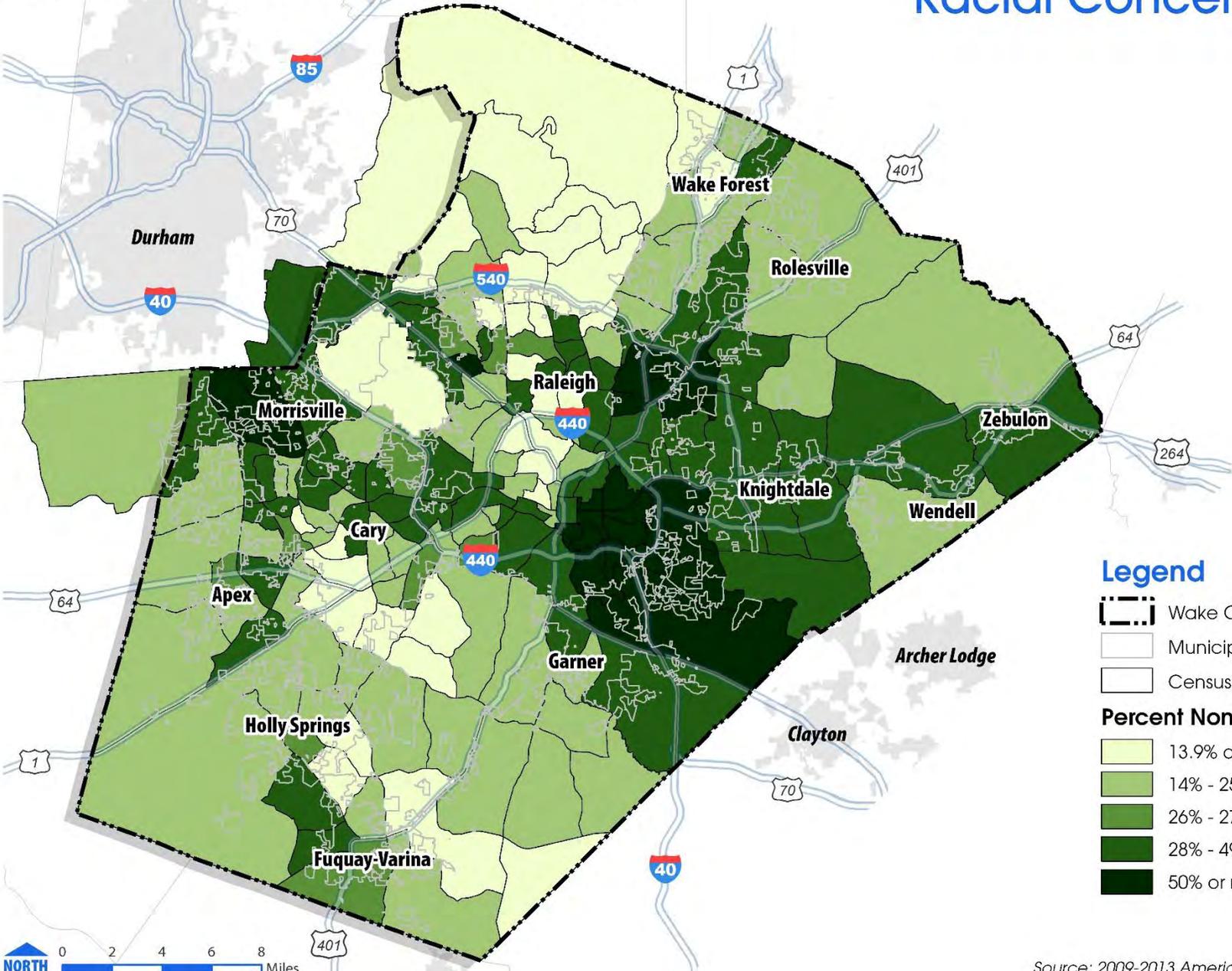
A second RCAP in Raleigh is found in the two census tracts comprising the Mini-City neighborhood in northeastern Raleigh, between the Beltline and the Outer Loop. Stakeholders interviewed noted that this area has a large and growing Hispanic community.

A third RCAP adjacent to Downtown Raleigh is the census tract comprising North Carolina State University. Colleges and universities are often racially and ethnically diverse, and many students technically qualify as living below the poverty line due to their low income. However, students do not meet eligibility determinations under HUD regulations. Although there may be non-student poverty in this census tract, its designation as an RCAP is negligible for the purposes of this report.



Census tracts shown outside of Wake County contain portions of Raleigh or Cary

Racial Concentrations



Legend

- Wake County
- Municipalities
- Census tracts

Percent Non-White

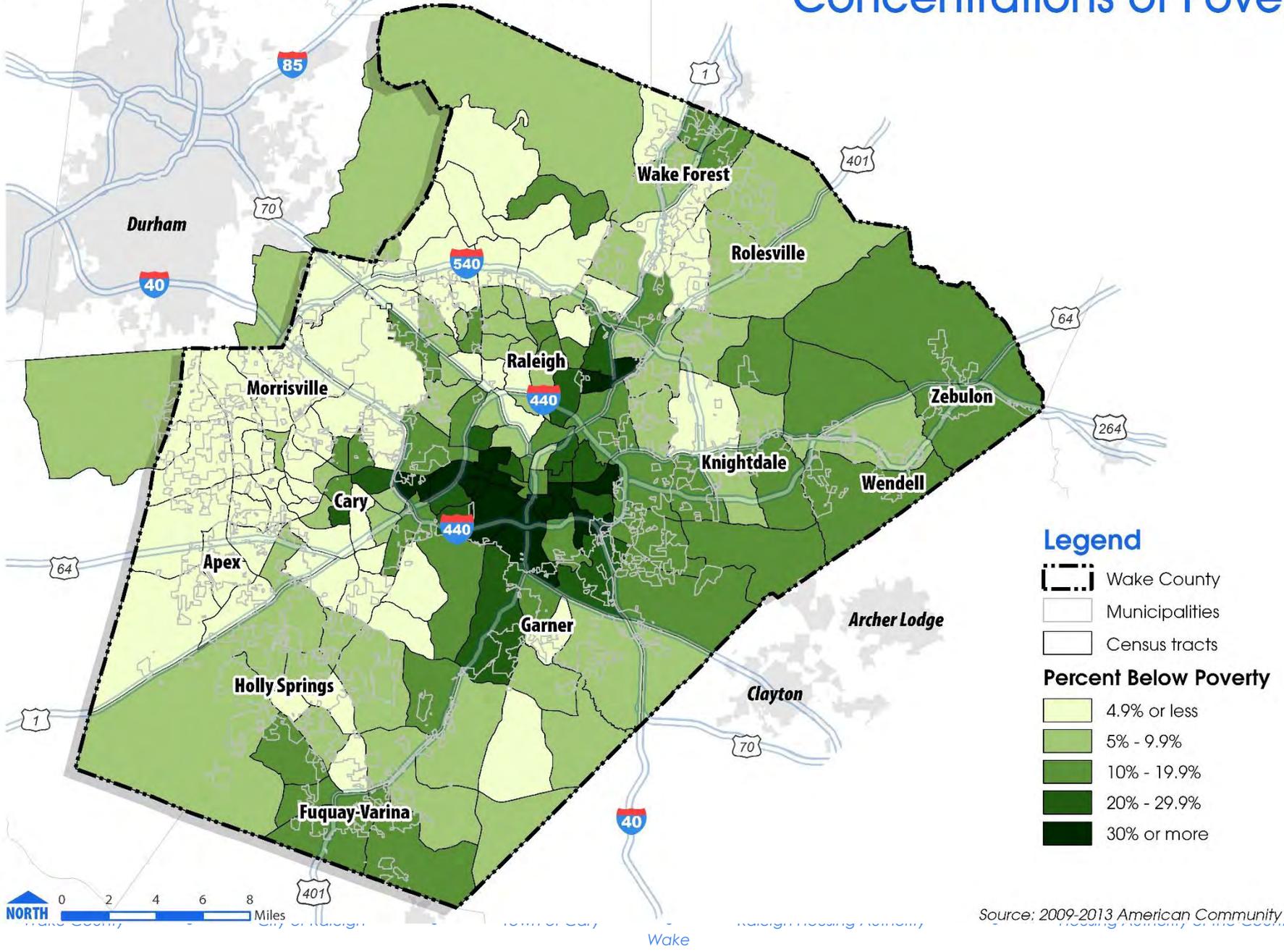
- 13.9% or less
- 14% - 25.9%
- 26% - 27.9%
- 28% - 49.9%
- 50% or more



Source: 2009-2013 American Community Survey
2015 Analysis of Impediments to Fair Housing Choice

Census tracts shown outside of Wake County contain portions of Raleigh or Cary

Concentrations of Poverty

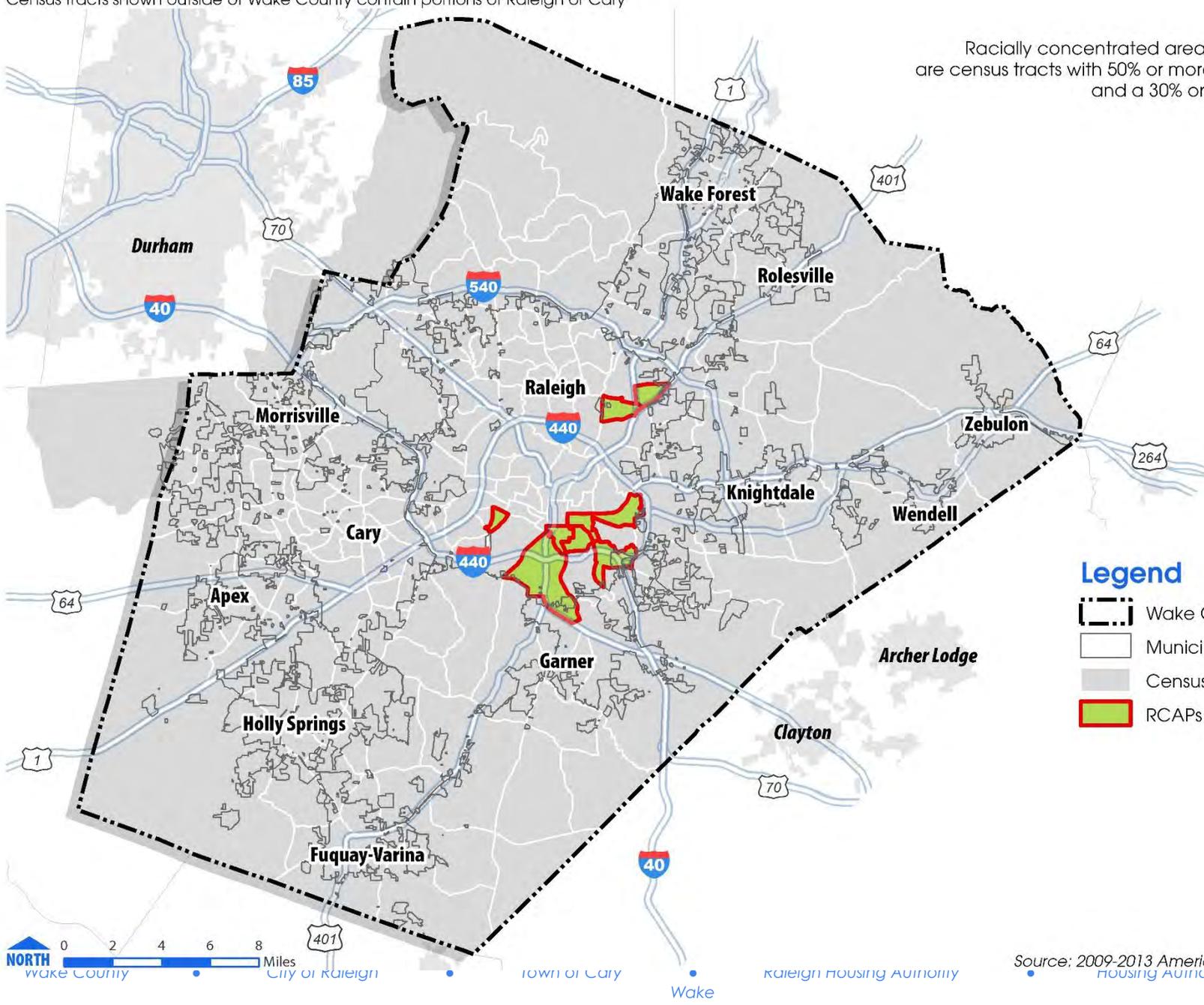


Source: 2009-2013 American Community Survey

Census tracts shown outside of Wake County contain portions of Raleigh or Cary

RCAPs

Racially concentrated areas of poverty (RCAPs) are census tracts with 50% or more minority individuals and a 30% or higher poverty rate.



Legend

- Wake County
- Municipalities
- Census tracts
- RCAPs

Source: 2009-2013 American Community Survey
Housing Authority of the County of

C. DISPROPORTIONATE HOUSING NEED

Housing Type and Tenure

Non-Whites are less likely to be homeowners. Rental units and multi-family units are concentrated in Raleigh

Between 2000 and 2013, 42,370 housing units were added to Wake County's housing inventory. This 41.8% increase in supply was largely a function of the rapid 48% population growth Wake County experienced during this time period, despite the impact of the recent economic recession. This rapid development of housing has changed the built environment of Wake County considerably since the completion of its last AI.

Although owner-occupied family homes are more prevalent amongst the overall population of Wake County, there are large differences in homeownership rates between racial and ethnic groups. Specifically, non-White households are much more likely to be renters than White households. This trend is observed even in areas where the homeownership rate is very high among all racial and ethnic groups, such as Apex, Holly Springs, and Rolesville. Black households in Wake County were about 20% more likely to be renters than Whites, and Hispanic households were over 24% more likely. This trend was observed in most parts of the County. Outliers included the towns of Knightdale and Morrisville, where the rate of homeownership among Hispanics was higher than the rate among Whites. While White households were still more likely to be

homeowners than Black households in Knightdale, the difference between the two groups was only 3.8%, a significantly lower differential than the County average.

Although rental units were only slightly over a third (34.7%) of the housing stock countywide, the units are concentrated heavily in urban areas with higher proportions of members of the protected classes.

While much of Wake County's growth was characterized by sprawling single-family homes, multi-family housing comprised 26.6% of all units in the County and 11.3% of all units in the Urban County. The only municipalities in which multi-family housing comprised less than 10% of the total housing inventory were Holly Springs (6.5% of total inventory) and Rolesville (5.2% of total inventory).



Housing Units by Tenure and Structure Type, 2013

Municipality	Total	Owner-Occupied				Renter-Occupied				
		Owner-Occupied Total	Single-family	Multi-family	% Multi-family	Renter-Occupied Total	Single-family	Multi-family	% Multi-family	% Renter-Occupied Multi-family
Urban County of Wake County*	133,714	104,138	98,348	448	0.4%	29,576	12,205	13,354	45.2%	10.0%
Apex town	13,427	9,743	9,569	104	1.1%	3,684	1,459	2,121	57.6%	15.8%
Fuquay-Varina town	7,110	5,174	5,152	10	0.2%	1,936	962	956	49.4%	13.4%
Garner town	10,581	7,223	7,078	87	1.2%	3,358	1,135	2,182	65.0%	20.6%
Holly Springs town	8,621	7,428	7,346	20	0.3%	1,193	580	531	44.5%	6.2%
Knightdale town	4,416	2,908	2,850	15	0.5%	1,508	488	1,005	66.6%	22.8%
Morrisville town	7,840	3,817	3,620	169	4.4%	4,023	567	3,455	85.9%	44.1%
Rolesville town	1,293	1,072	1,048	5	0.5%	221	65	66	29.9%	5.1%
Wake Forest town	11,080	8,110	8,030	15	0.2%	2,970	1,112	1,851	62.3%	16.7%
Wendell town	2,719	1,740	1,740	0	0.0%	979	542	420	42.9%	15.4%
Zebulon town	1,505	832	725	0	0.0%	673	389	192	28.5%	12.8%
Remaining Unincorporated Area	52,340	36,162	34,904	960	2.7%	16,178	3,768	12,231	75.6%	23.4%
Cary town	52,340	36,162	34,904	960	2.7%	16,178	3,768	12,231	75.6%	23.4%
Raleigh city	162,573	87,076	82,401	3,924	4.5%	75,497	18,564	56,195	74.4%	34.6%

*Includes all of Wake County except the cities of Raleigh and Cary.

Source: 2009-2013 ACS (B25032)

City of Raleigh

Rental housing and multi-family housing were both concentrated within the City of Raleigh. While Raleigh contained 46.6% of the total housing inventory in Wake County, it contained 62.2% of all rental units. Within the rental housing stock in Raleigh, about three-quarters of it was in the form of multi-family structures.

While there are very few multi-family owner-occupied housing units in Wake County, these units were also concentrated within Raleigh. About 4.5% of the housing stock in Raleigh is

both owner-occupied and multi-family. These types of units, such as condos, have the potential to provide affordable owner-occupied housing options in areas with high land costs. However, stakeholders interviewed reported that most condos currently being developed in Raleigh were higher-cost or luxury units, rather than units priced at a level that would be affordable for a low or moderate-income homebuyer.

The difference in homeownership rates between Whites and Blacks in Raleigh was 26.6%, meaning that, on average, White households were 26.6% more likely to own their homes than Black households. This difference was larger in Raleigh than in the Urban County, where the homeownership rate among White households was 19.7% higher than the rate among Black households.

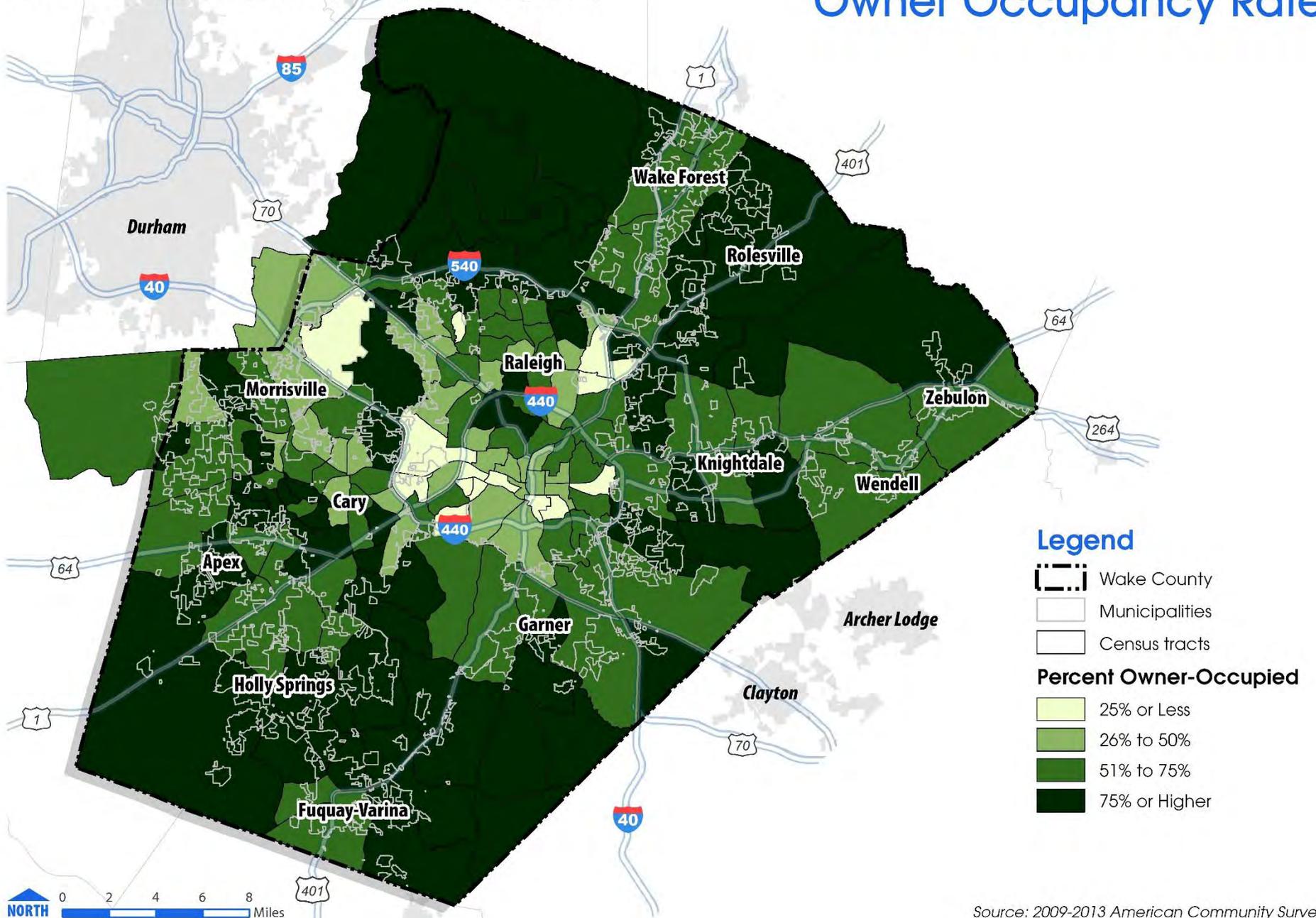
Town of Cary

Despite relatively high median incomes, high land costs, and high housing prices, there is a large multi-family rental housing market in Cary. This is anomalous for a relatively affluent first-ring suburb. Cary's housing stock was 69% owner-occupied and 31% renter-occupied, which is a relatively low rate of owner occupancy given the high median household income of the town. In total, 25.2% of Cary's housing stock was multi-family, accounting for 13,191 units. Of these units, 12,231 (92.7%) were renter-occupied. Of the owner-occupied housing stock, 2.7% was multi-family. This was lower than Raleigh's level of 4.5%, but higher than anywhere else in Wake County except Morrisville. While Asians have the highest median incomes in Cary, Whites had the highest homeownership rate (61.7%). Hispanics had the lowest homeownership rate: more than two out of three Hispanic households rented their homes.



Owner Occupancy Rate

Census tracts shown outside of Wake County contain portions of Raleigh or Cary



Source: 2009-2013 American Community Survey
2015 Analysis of Impediments to Fair Housing Choice

Housing Cost

Housing costs have increased at a faster rate than household incomes. Many Wake County residents are financially burdened by the cost of housing, especially in Raleigh

Increasing housing costs are not a direct form of housing discrimination, but a lack of affordable housing does constrain housing choice.

Residents may be limited to a smaller selection of communities or neighborhoods because of a lack of affordable housing in other areas. When the cost of quality housing units is high, low-income and marginalized segments of the population are disproportionately more likely to become cost-burdened.

Cost burden is defined by HUD as paying more than 30% of one's income towards housing. Cost-burdened families may have difficulties paying for other necessities, such as food,

clothing, transportation, and medical care. This occurs throughout the country for renters and homeowners alike, but is more problematic in areas where housing costs are high.

Between 2000 and 2013, the inflation-adjusted median housing value in Wake County increased 3.9% and the median gross rent (includes estimated utility costs) decreased 11.1%. These low numbers are partially due to the adjustment for inflation, and partially due to the impact of the recent economic recession. During the same period, the inflation-adjusted median household income decreased 11.3%. This means that the growth in household incomes has not kept up with the increase in owner-occupied housing costs in Wake County, and the decrease in real household income is not enough to compensate for the decrease in real gross rent. This made housing costs relatively more expensive between 2000 and 2013. The difference in housing values compared to rents means that owning a home will likely be significantly more expensive, despite the social and economic benefits homeownership brings to communities.

In Wake County, rental housing was more affordable than owner-occupied housing on a per-month basis. The median gross rent in Wake County was \$913 compared to median monthly owner costs of \$1,571. However, more renter-occupied households (46.1%) are cost-burdened compared to owner-occupied households (26.3%). A total of 48,173 homeowners and 53,639 renters in Wake County were cost-burdened.

The median renter income in Wake County was \$38,009, compared to \$87,273 for owners. The maximum monthly gross rent a household would be able to afford at the median renter income was \$950, which was slightly above Wake County's actual median gross rent of \$913. This indicates that the median renter income is enough to afford the median gross rent in Wake County. However, many of the 60,625 renters in Wake County with incomes below the median would still find themselves priced out of units renting for \$913 or more.



Changes in Housing Value, Rent and Income, Wake County, 2000-2013

	Median Housing Value (in 2013\$)	Median Gross Rent (in 2013\$)	Median Household Income (in 2013\$)
2000*	\$227,783.29	\$1,016.57	\$76,889.79
2013	\$229,000.00	\$913.00	\$66,006.00
Change	0.5%	-10.2%	-14.2%

**Adjusted for inflation to 2013 dollars using BLS indices*

Source: Census 2000 (SF3: H076, H063, P053), 2009-2013 ACS (B25077, B25064, B19013)

City of Raleigh

Cost burdened renters, in addition to having higher absolute numbers, are more clustered in the City of Raleigh compared to the Urban County. While median gross rents are lower in the City of Raleigh, incomes are lower as well. There are also higher rates of renter occupancy in Raleigh compared to the Town of Cary or the Urban County. There was a large contiguous area of Raleigh spanning from the southern neighborhoods to the eastern edge of the City where 51% to 75% of renters were cost-burdened. This includes two tracts where over 75% of households are cost-burdened.

Most of the units in Wake County that rented for \$500 or less—the most affordable rent category defined by the American Community Survey—are clustered in central and southeast Raleigh. As detailed later in this report, many of these units are also in racially concentrated areas of poverty, and tend to have lower access to

opportunities such as jobs and health services. Although these areas are some of the most affordable areas in Wake County, they have high rates of renter and owner cost burden. This is likely due to the low median household incomes in these tracts.

While median housing value in Raleigh was \$207,000, there was a large degree of variation within the City. Generally, homes in the northern and western areas of Raleigh were more expensive than areas in the central, southern, eastern parts of the City. Stakeholders interviewed noted that current or very recent new construction and major housing developments in and near Downtown Raleigh were having a significant impact on the housing market, but may not yet be captured in Census data. These developments are predominantly high-end, spreading towards areas containing older housing stock in southeast Raleigh, and some developments are replacing older and more

affordable housing stock. This may cause a loss of affordable units in areas of Raleigh that contains both a significant share of low-income residents and a disproportionate share of members of the protected classes.

The median renter household income in Raleigh was \$27,283 compared to \$84,491 for owner households. This means that the median owner household in Raleigh had an income over three times higher than the median renter household income—a large discrepancy. The maximum monthly gross rent a household in Raleigh would be able to afford at the median renter income was \$682, which was below Raleigh’s actual median gross rent of \$897. This indicates that, unlike Wake County overall, the median renter income in Raleigh is not sufficient to afford the median gross rent in Raleigh.

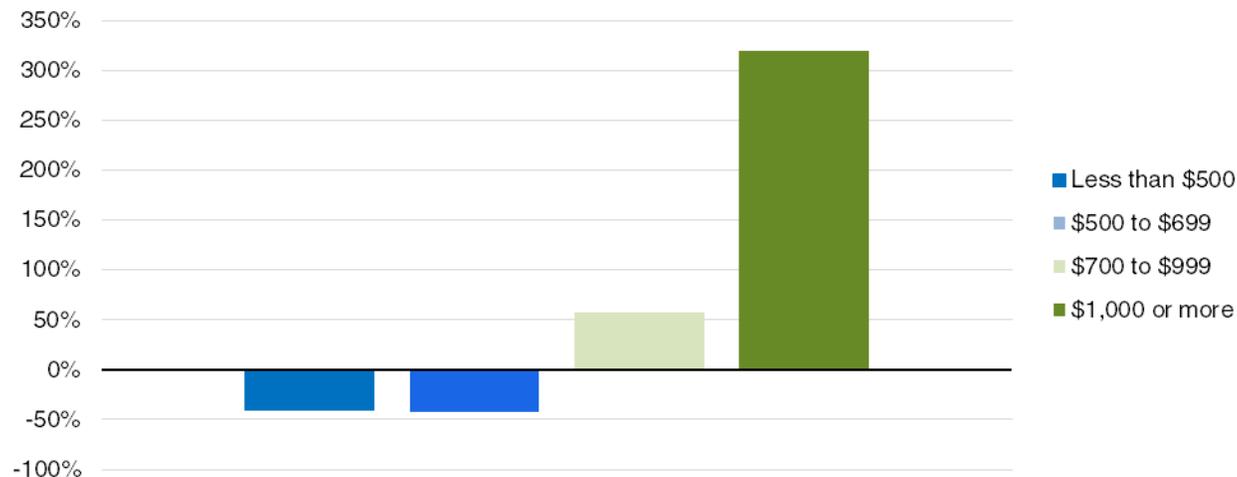
Town of Cary

The median gross rent in Cary was \$918, which is comparable to the Wake County median of \$913. However, the median housing value (\$303,700) was substantially higher than the Wake County median of \$229,000. Some of the highest median gross rents in Wake County are found within Cary. However, as the attached map shows, the western area of Cary tended to have higher median rents than the eastern area. While these tracts of Cary had higher median rents, they also had lower rates of cost burden for both homeowners and renters. This suggests that the area is both high-cost and high-income. The median renter household income in Cary

was \$44,149 compared to \$97,395 for owner households. This means that the median owner household in Cary had an income more than double that of the median renter household income. This discrepancy is less severe than the discrepancy in Raleigh, but more severe than Wake County overall. The maximum monthly gross rent a household in Cary would be able to afford at the median renter income was \$1,103, which was more than Cary's median gross rent of \$965. This indicates that the median renter income is not adequate to afford the median gross rent. However, stakeholders interviewed and residents of Cary present at public meetings

indicated that many of the lower-priced rental housing options in Cary were substandard. There are several mobile home parks consisting of very old mobile housing stock. These mobile home parks may provide affordable rental options in Cary for low-income residents, who are disproportionately members of the protected classes. However, they may also have housing problems or be in substandard condition due to their age. Within a higher-cost rental market like Cary's there may be few affordable housing options available.

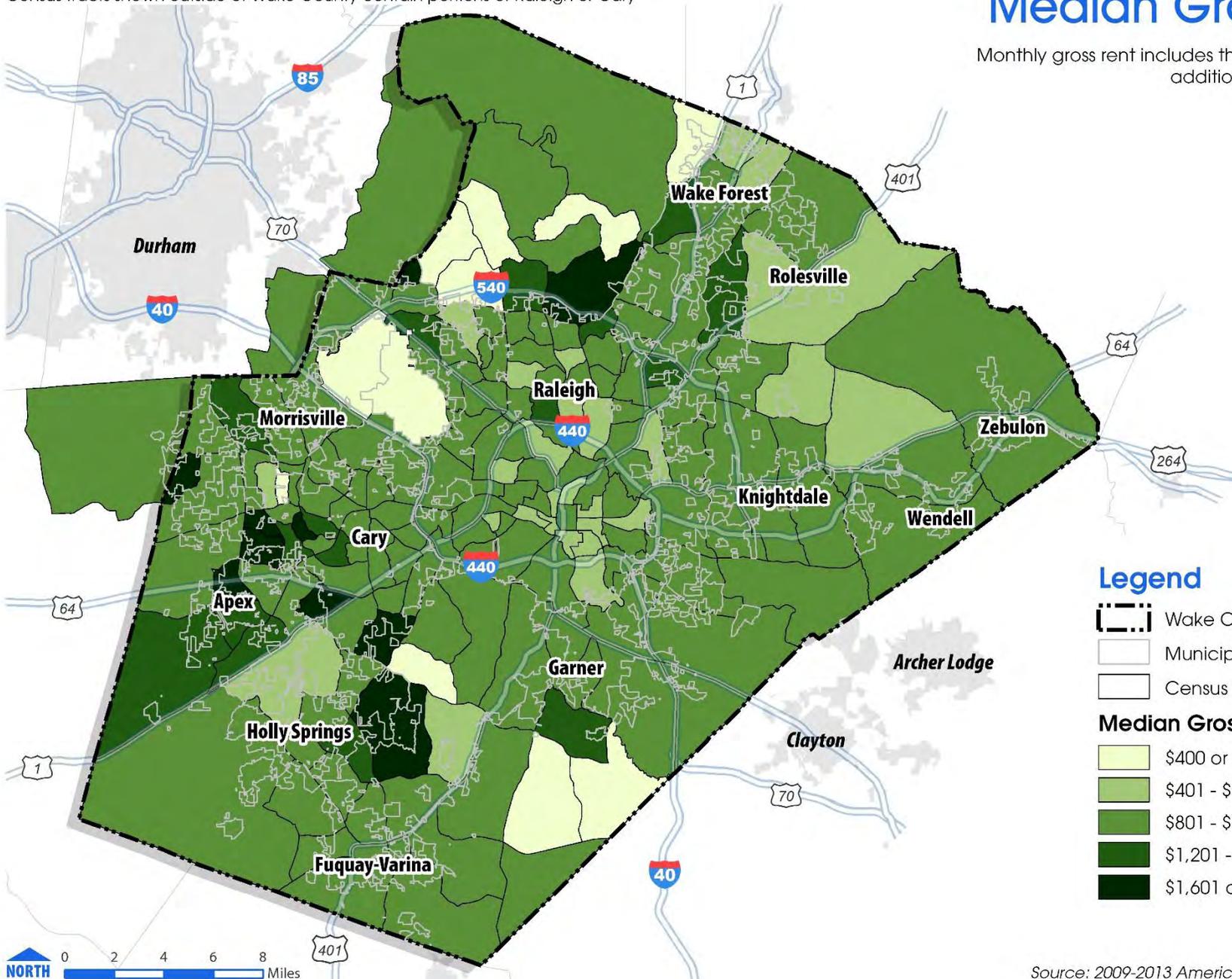
Change in Rental Units, 2000-2013



Census tracts shown outside of Wake County contain portions of Raleigh or Cary

Median Gross Rent

Monthly gross rent includes the cost of utilities in addition to contract rent.



Legend

- Wake County
- Municipalities
- Census tracts

Median Gross Rent

- \$400 or Less
- \$401 - \$800
- \$801 - \$1,200
- \$1,201 - \$1,600
- \$1,601 or Higher



Source: 2009-2013 American Community Survey
2015 Analysis of Impediments to Fair Housing Choice

Wake County

City of Raleigh

Town of Cary

Wake

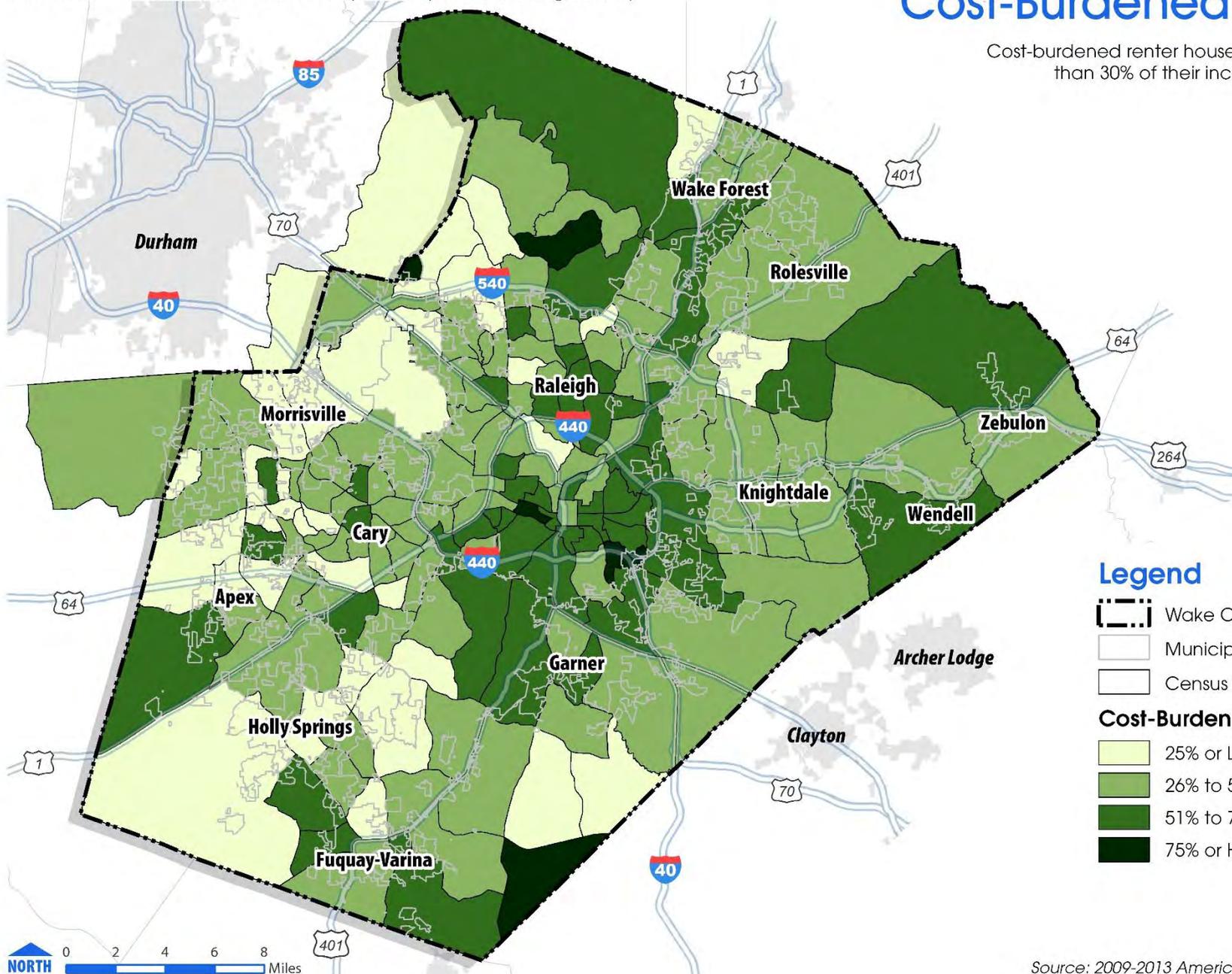
Raleigh Housing Authority

Housing Authority of the County of

Census tracts shown outside of Wake County contain portions of Raleigh or Cary

Cost-Burdened Renters

Cost-burdened renter households spend more than 30% of their income on gross rent.



Legend

- Wake County
- Municipalities
- Census tracts

Cost-Burdened Renters

- 25% or Less
- 26 to 50%
- 51 to 75%
- 75% or Higher



2015 Analysis of Impediments to Fair Housing Choice

Wake County



City of Raleigh



Town of Cary



Wake

Raleigh Housing Authority



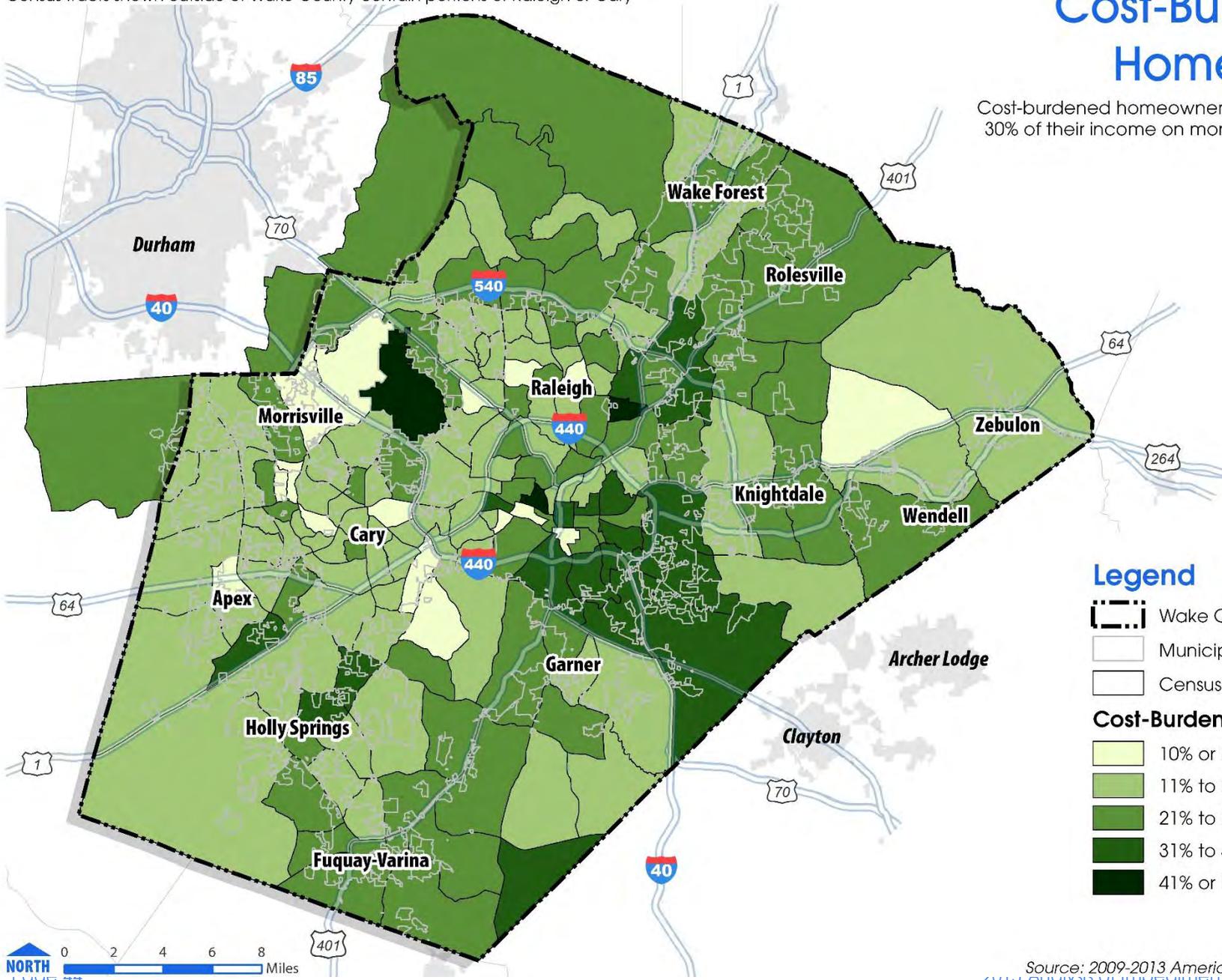
Housing Authority of the County of

Source: 2009-2013 American Community Survey

Census tracts shown outside of Wake County contain portions of Raleigh or Cary

Cost-Burdened Homeowners

Cost-burdened homeowners spend more than 30% of their income on monthly housing costs.



Legend

- Wake County
- Municipalities
- Census tracts

Cost-Burdened Homeowners

- 10% or Less
- 11% to 20%
- 21% to 30%
- 31% to 40%
- 41% or More



Source: 2009-2013 American Community Survey
2015 Analysis of Impediments to Fair Housing Choice

Housing Unit Size

Current rental housing supply cannot meet the needs of large families

Larger households can face impediments to fair housing choice, whether or not children are present. If a community has policies or programs in place that restrict the number of persons that can live together in a single housing unit, and members of the protected classes need more bedrooms to accommodate their larger household, the restriction on the size of the unit will have an unbalanced negative impact on members of the protected classes.

To adequately house larger families, a sufficient supply of larger dwelling units consisting of three or more bedrooms is necessary. In Wake County, there are few options to rent a unit to accommodate large families. Of the 121,251 rental units available in Wake County in 2013, only 29.7% had three or more bedrooms, compared to 90% of the owner housing stock. As detailed in the Familial Status section of the report, members of the protected classes are

more likely to live in large households and require larger housing units in order to avoid overcrowding.

Large families that require large units face tougher competition and may not be able to choose units strictly based on size but merely on availability and/or affordability. This can result in cost burden, overcrowding, or other housing issues for large families. Providing affordable housing for all Wake County residents can be accomplished by coordinating appropriate housing sizes to families' needs and resources. This includes supplying small, medium, and large units strategically and according to market demand in order to reduce stresses on the market.

City of Raleigh

Renter-occupied housing stock tends to have fewer bedrooms than owner-occupied housing stock, and this trend is most pronounced in Raleigh. While 84.9% of the owner-occupied housing stock has three or more bedrooms, only 24.9% of the renter-occupied housing stock has three or more bedrooms. This proportion of

renter-occupied housing stock with more than three bedrooms is much lower than the Urban County average of 44.8%. As discussed in more detail later, members of the protected classes are more likely to be renters. These income limitations reduce housing choice for large families with children, and the lack of large units in Raleigh limits the supply of appropriately-sized housing. To adequately house larger families, a sufficient supply of larger dwelling units consisting of three or more bedrooms may be necessary.

Town of Cary

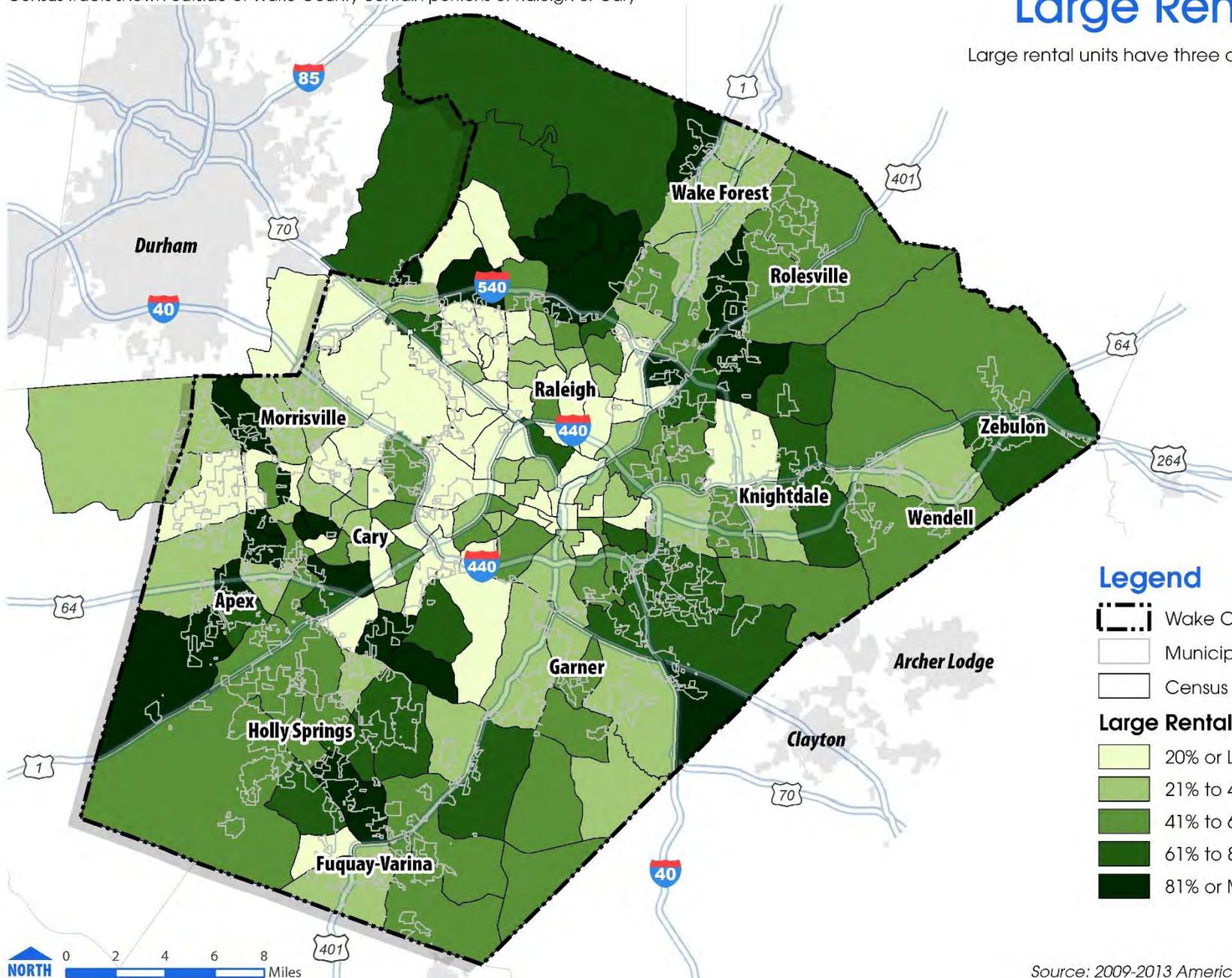
The majority of Cary's owner-occupied housing stock (91.1%) contains three or more bedrooms. This relates to the higher proportion of large families found in Cary. However, only 25% of the renter-occupied housing stock contained three or more bedrooms. While 8.4% of owner-occupied housing stock consisted of 2-bedroom units, this size comprised 41.1% of the renter-occupied housing stock. While this is reflective of Cary's local demographics, it may pose difficulties for large renter households and smaller households who want to become homeowners in Cary.



Large Rental Units

Large rental units have three or more bedrooms.

Census tracts shown outside of Wake County contain portions of Raleigh or Cary



Legend

- Wake County
- Municipalities
- Census tracts
- Large Rental Units**
- 20% or Less
- 21% to 40%
- 41% to 60%
- 61% to 80%
- 81% or More



Source: 2009-2013 American Community Survey
2015 Analysis of Impediments to Fair Housing Choice

Housing Age

The majority of older housing in Wake County is located in Raleigh

Older housing typically requires more and more complex continual maintenance. In the absence of routine maintenance, older housing can quickly become substandard. A common age threshold used to signal a potential deficiency is around 50 years or more.

Overall, Wake County's housing stock is much newer than the nation's, with the median year of construction 17 years newer than the average American home (1992 in Wake County versus 1975 nationally). The difference was even more pronounced in the Urban County, where the median year of construction was 1994. While housing age is generally very new, some areas of the Urban County do have large inventories of pre-1970 housing stock. The townships of Little River, Marks Creek, Meredith, Middle Creek, St. Mary's, and St. Matthew's all contained over 10% pre-1970 housing stock. Stakeholders interviewed mentioned the presence of older housing units within many of the core areas of the smaller towns in Wake County, which had developed prior to the rapid urbanization of the region. These areas may have unique rehabilitation needs.

City of Raleigh

The vast majority of Wake County's pre-1970 housing stock was concentrated in Raleigh, and nearly half of all housing units in Raleigh were constructed before 1970. The median year of construction in Raleigh was 1970, which makes the median housing unit 24 years older in Raleigh when compared to the Urban County. This means that housing rehabilitation may be a higher priority in Raleigh than in Cary or the Urban County.

Town of Cary

Cary's housing stock was slightly older than the housing stock of the Urban County. The median year of construction was 1988, compared to 1994 in the Urban County. Like the Urban County, Cary's housing stock is rapidly expanding due to high market demand.



D. DISPARITIES IN ACCESS TO COMMUNITY ACCESS

Communities of Opportunity

“Communities of Opportunity” provide access to important amenities and services

A large body of social research has demonstrated the powerful negative effects of residential segregation on income and opportunity for minority families, which are commonly concentrated in communities “characterized by older housing stock, slow growth, and low tax bases – the resources that support public services and schools.”¹ Households living in lower-income areas of racial and ethnic concentration have fewer opportunities for education, wealth building, and employment.²

Historically, the Department of Housing and Urban Development (HUD) has relied on

identifying racially and ethnically concentrated areas of poverty (*RCAPs and ECAPs*), geographic areas where both high poverty rates and a high percentage of minorities are clustered.

The rationale for this analysis was to help communities determine where to invest housing resources by pinpointing the areas of greatest existing need. However, current evidence suggests that adding more subsidized housing to places that already have a high concentration of social and economic issues (i.e. RCAPs and ECAPs) could be counter-productive and not meet the spirit of the goals of HUD programs.

This does not mean RCAP/ECAPs should be ignored by communities, however. Residents in RCAP/ECAPs still need services and high quality places to live, and stabilizing and improving conditions in the lowest-income neighborhoods remains a key priority of HUD programs. Instead, investment should be balanced between existing RCAP/ECAPs and other neighborhoods that offer opportunities and advantages for families.

To describe the variation in neighborhood opportunity across regions, HUD has adopted a “*Communities of Opportunity*” model based on research developed by The Kirwan Institute for the Study of Race and Ethnicity at The Ohio State University. Communities of Opportunity is a framework that assigns each neighborhood a score reflecting the degree to which its residents have access to amenities and services such as good schools, jobs, stable housing, transit, low crime, and minimal health hazards.

HUD and the Institute draw upon an extensive research base demonstrating the importance of neighborhood conditions in predicting life outcomes. The ultimate goals of the exercise are to bring opportunities to amenity-deprived areas and to connect people to existing opportunities throughout a region. The Institute argues that “we need to assess the geographic differences in resources and opportunities across a region to make informed, affirmative interventions into failures and gaps in ‘free market’ opportunities.”

1. Orfield, Myron. “Land Use and Housing Policies to Reduce Concentrated Poverty and Racial Segregation.” *Fordham Urban Law Journal*. Volume 33, Issue 3, 2005.

2. Turner, Margery, et al. “Discrimination in Metropolitan Housing Markets: National Results from Phase I HDS 2000.” Urban Institute. Online: huduser.org/Publications/pdf/Phase1_Report.pdf



The Communities of Opportunity model is highly spatial and therefore map-based, generating a geographic footprint of inequality. The process of creating opportunity maps involves building a set of indicators that reflect local issues and are also based on research that validates the connections between the indicators and increased opportunity. Data is collected at the smallest geographic unit possible for each indicator and organized into sectors (prosperity, mobility, etc.), which are then combined to create a composite opportunity map. The resulting maps allow communities to analyze opportunity, “comprehensively and comparatively, to communicate who has access to opportunity-rich areas and who does not, and to understand what needs to be remedied in opportunity-poor communities,” according to the Institute.

The combination of identifying RCAP/ECAPs and Communities of Opportunity creates a holistic approach to community investment.

Opportunity Mapping

How do prosperity, job access, community health, transit access, and labor market engagement vary by census tract in Wake County?

HUD has adapted the Communities of Opportunity model to calculate opportunity index scores for each census tract based on separate dimensions. Each dimension analyzed for this AI includes a collection of variables describing conditions for each census tract in Wake County.

- **Prosperity** includes rates of family poverty and the receipt of public assistance to capture the magnitude of a given neighborhood’s prosperity.
- **Job Access** measures distance to all job locations, weighting larger employment centers more heavily and inversely weighting the labor supply (competition) of the location.
- **Community Health** is an indexed measurement of the number of residents without health insurance and residents with low food access, as ranked by the USDA.
- **Transit Access** represents the ease with which people can travel to and from neighborhood amenities. As a proxy for

amenities, the index counts the number of jobs in service-oriented industries that are commonly viewed as amenities (e.g. food service and entertainment) within a reasonable walking distance to any bus stop. Public transit data from all three service providers in Wake County was utilized in the creation of this index.

- **Labor Market Engagement** measures the level of employment, labor force participation, and educational attainment in each neighborhood to describe its local human capital.

Decisions about the composition of each index were influenced in part by the data available at the tract level and in part by stakeholder input during the modeling process. For example, the Community Health and Transit Access indices were both modified for this analysis to better reflect on-the-ground conditions as well as to incorporate available data specific to Wake County.

The elements that comprise each index are explained in detail throughout the remainder of this chapter. The score each census tract received for each of these five dimensions are represented on a range from 1 to 100.

No weighting was used when adding the composite index, as there is no proven



methodological basis for assigning greater or lesser value to any given variable in this type of analysis.

The following pages include a series of index maps explained individually, then combined to illustrate opportunity and compare it to other descriptive characteristics of Wake County's communities and their residents.

Prosperity Index

Prosperity in Wake County is concentrated in the west

The Prosperity Index captures the magnitude of poverty rates in a given census tract. This index uses the family poverty rate and the percentage of households receiving public assistance. For the purposes of this analysis, "public assistance" refers to Supplemental Nutrition Assistance Program (SNAP), Medicaid, housing assistance, Supplemental Security Income (SSI), Temporary Assistance for Needy Families (TANF), and General Assistance (GA).

Prosperity in Wake County was concentrated in the western portion of the county. The longstanding influence of the Research Triangle Park in this area of the county likely has a large impact on the settlement patterns, income distribution, and overall prosperity of this area. Apex, Cary, Morrisville, and the northwest areas of Raleigh contain many of the highest prosperity

scores. Outside of this cluster, there are also high prosperity scores in Fuquay-Varina, Holly Springs, and Knightdale. Stakeholders interviewed during the development of this report cited all three towns as top choices for new residents due to perceived high quality of life.

Tracts with low prosperity index scores were also concentrated, but generally towards the eastern portion of Wake County. Low-prosperity areas were clustered within Raleigh, especially in southeast and eastern Raleigh. The RCAPs detailed in the previous section of this report all fall into the lower ranges of the prosperity index.

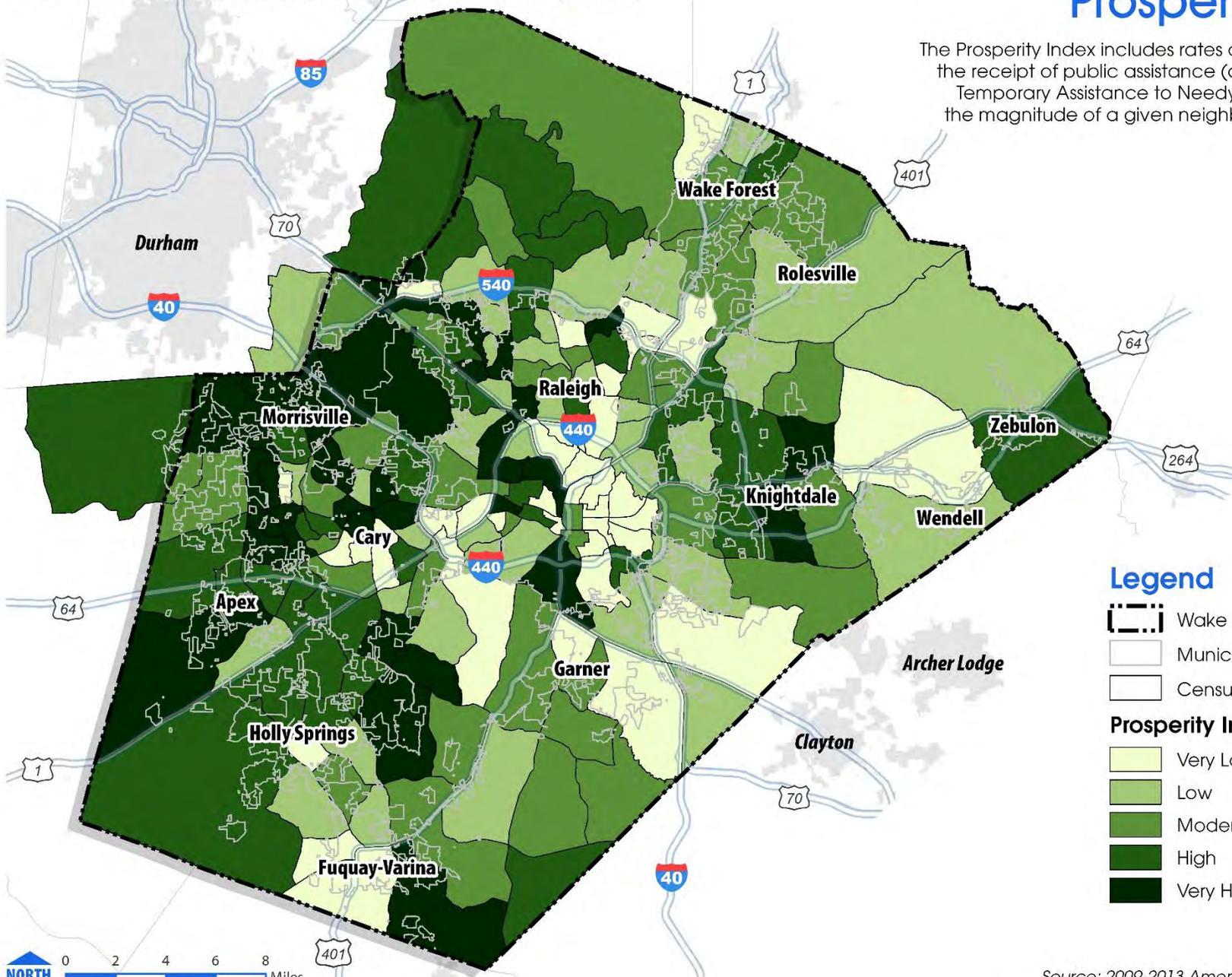
There are also areas of suburban Wake County with low prosperity scores. These are in areas such as Fuquay-Varina (which has both very high-scoring and very low-scoring tracts directly next to each other), Garner, and Wendell. There are also several low-scoring tracts in Cary in the eastern area of the town. While these areas may be similar to the low-scoring areas in southeast Raleigh in terms of their relative prosperity, but may be very socially and economically different situations.



Census tracts shown outside of Wake County contain portions of Raleigh or Cary

Prosperity Index

The Prosperity Index includes rates of family poverty and the receipt of public assistance (cash welfare, such as Temporary Assistance to Needy Families) to capture the magnitude of a given neighborhood's prosperity.



Legend

- Wake County
- Municipalities
- Census tracts

Prosperity Index

- Very Low
- Low
- Moderate
- High
- Very High

0 2 4 6 8 Miles
2015 Analysis of Impediments to Fair Housing Choice

Source: 2009-2013 American Community Survey Page 31

Wake County • City of Raleigh • Town of Cary • Raleigh Housing Authority • Housing Authority of the County of

Job Access Index *Residents in the northern and central areas of Raleigh have the best access to jobs*

The Job Access index rates a given census tract as a function of its distance to all job locations.

As distance from a job increases, the job opportunity is “discounted” because it becomes more difficult to access that job. The Job Access Index rates a given census tract as a function of its distance to all job locations. The index utilizes a gravity model where the distance from any single job location is positively weighted by the size of employment (job opportunities) at that location and inversely weighted by the labor supply (competition) to that location. As distance from a job increases, the job opportunity is “discounted” because it becomes more difficult to access that job. While all other indices use 2013 data, the most recent data available for job access via the Census Bureau’s “On the Map” tool is from 2011.

The scoring of the job access index reflects the influence of Wake County’s two largest employment centers: the Research Triangle Park (RTP) and Downtown Raleigh. Tracts with the highest job access scores are in the northern and central areas of Raleigh. These tracts are located near both employment centers, with relatively easy access to either option.

Low scores tended to be in the more rural areas of Wake County, particularly on the eastern side. These tracts have poor access to primary employment centers of Wake County. Much of central Raleigh and Cary ranks somewhere in the middle: while these areas may have high numbers of jobs nearby, there is also a large local labor supply to compete against.

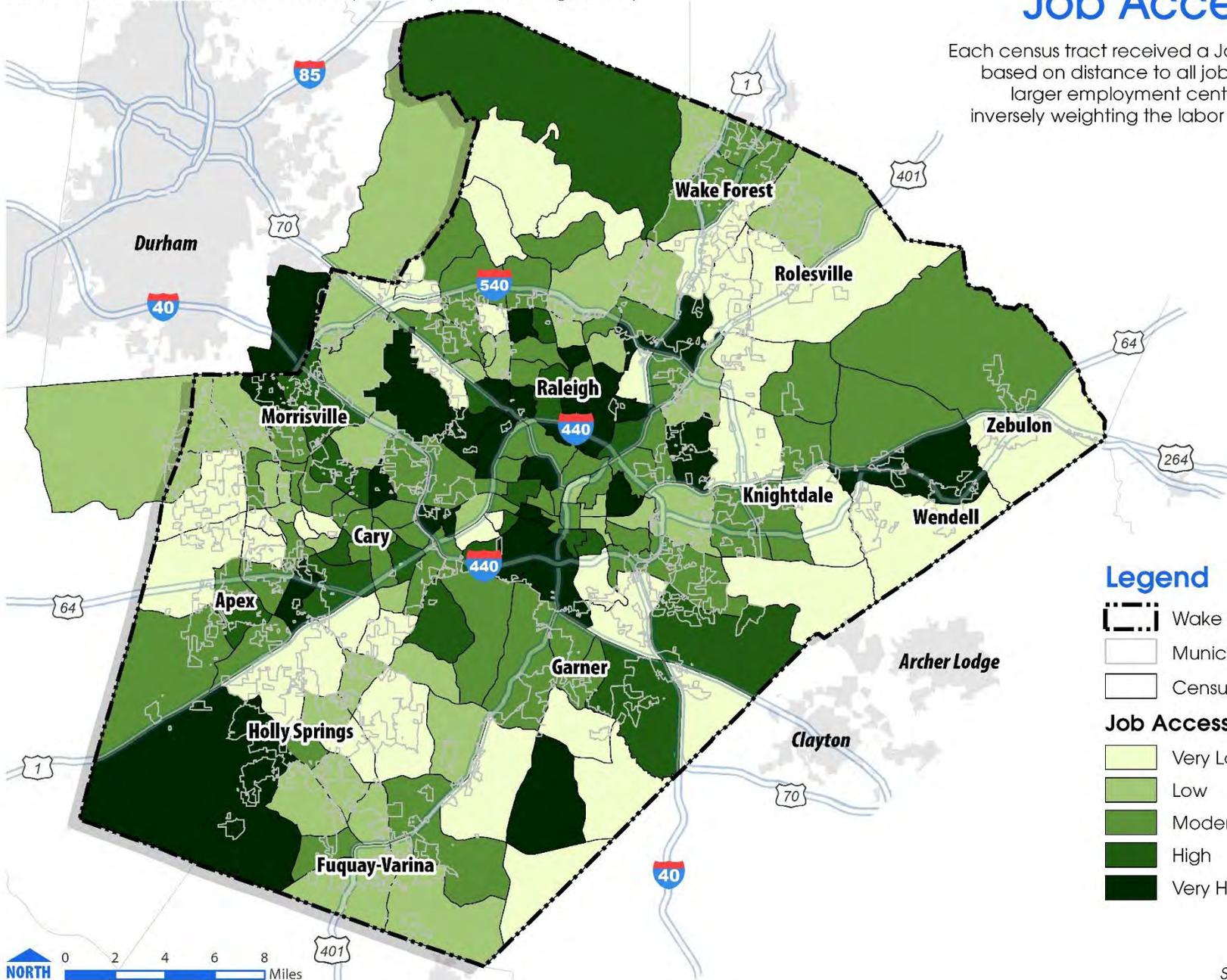
Interestingly, some areas that appear to not be near any large employment centers scored highly for job access. This includes tracts comprised predominantly of unincorporated areas near Garner, Holly Springs, Wake Forest, and Wendell. This may be due to the lack of local labor supply (competition) in these areas, despite local job markets with enough jobs to increase the index score.



Census tracts shown outside of Wake County contain portions of Raleigh or Cary

Job Access Index

Each census tract received a Job Accessibility score based on distance to all job locations, weighting larger employment centers more heavily and inversely weighting the labor supply (competition) of the location.



Legend

- Wake County
- Municipalities
- Census tracts

Job Access Index

- Very Low
- Low
- Moderate
- High
- Very High

NORTH
0 2 4 6 8 Miles
2015 Analysis of Impediments to Fair Housing Choice

Source: OnTheMap 2011 Page 30

Community Health Index

Community Health Index scores are lowest in eastern Wake County

HUD's Community Health Index measures environmental health hazards exposure. It models the volume of toxic industrial releases in the EPA's Toxic Release Inventory, the EPA toxicity assessment of the release chemicals, and the distance to the toxic release facility. Rather than evaluate toxic spills, the Community Health Index used here takes a more neighborhood-based approach. The index combines the rate of people without health insurance with a tract's access to food, as defined by the USDA Food Access Research Atlas.

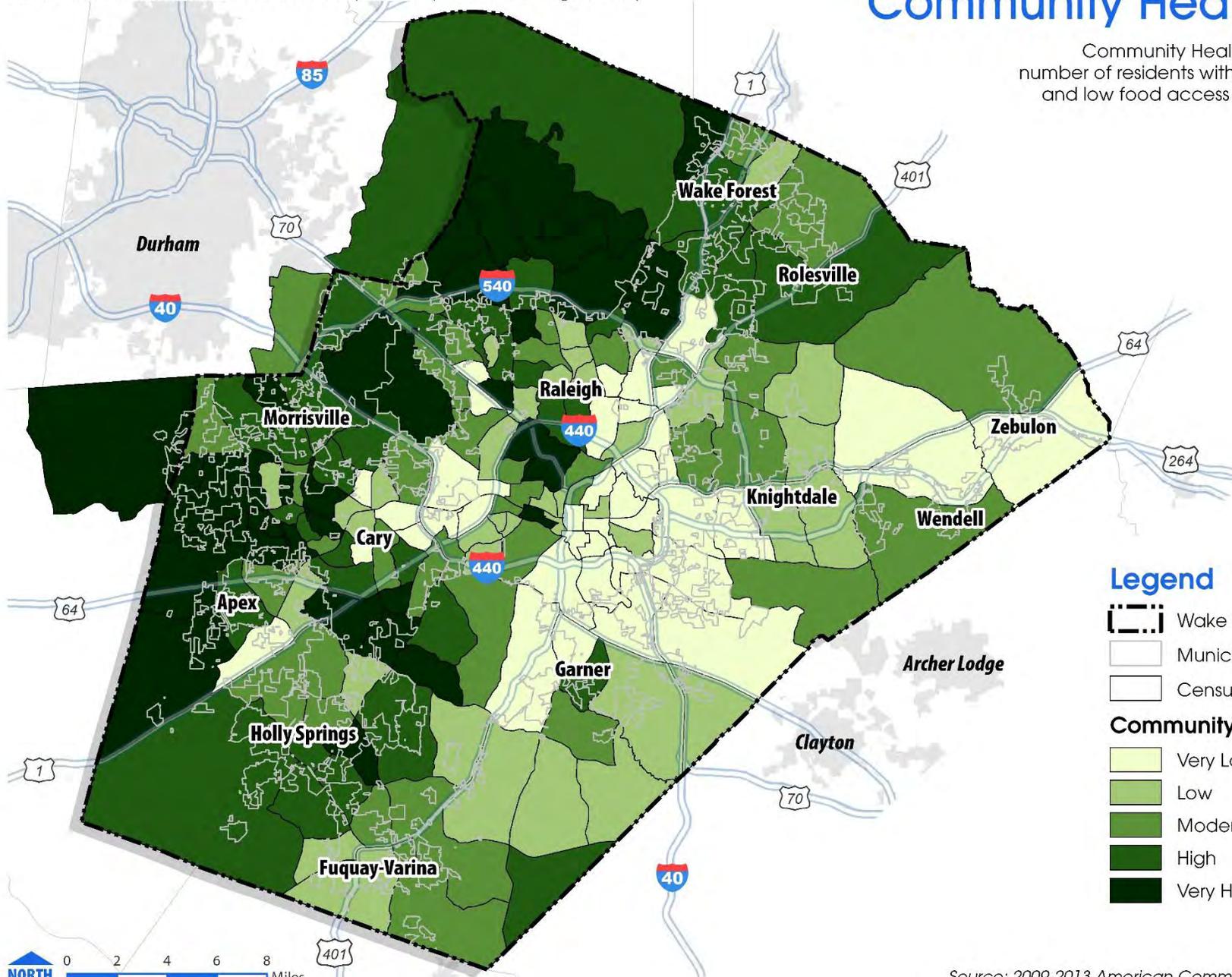
The distribution of high community health index scores was heavily concentrated in the northern and western portions of Wake County. Conversely, low scores were distributed predominantly in the eastern areas of Wake County. Within the Raleigh beltline, Route 401 tended to divide tracts with high community health scores from low-scoring tracts, including two of the three identified RCAP areas (with the third being an exception due to the presence of NC State). An area of western Raleigh that extends into eastern Cary also had low index scores.



Census tracts shown outside of Wake County contain portions of Raleigh or Cary

Community Health Index

Community Health is a function of the number of residents without health insurance and low food access ranked by the USDA.



Legend

- Wake County
- Municipalities
- Census tracts

Community Health Index

- Very Low
- Low
- Moderate
- High
- Very High

Transit Access Index

Residents in suburban and rural areas of Wake County have less access to transit

The Transit Access Index summarizes the ease with which people can travel to and from neighborhood amenities. As a proxy for amenities, the index counts the number of jobs in three service-oriented industries that commonly are viewed as amenities (retail; arts, entertainment & recreation; and food & accommodations) within a reasonable (0.5 mile) walking distance of any bus stop.

Unsurprisingly, areas within the core urbanized areas of Wake County had the highest transit access scores. Suburban and rural areas of Wake County tended to have lower scores. However, some suburban areas such as Apex, Holly Springs, Wake Forest, and Wendell had high scores despite their low-density built environment. This is likely because the index measures transit access as a function of access to local amenities. These areas may have high-quality local access to amenities within a reasonable walking distance to local residents, as well as additional transit options.

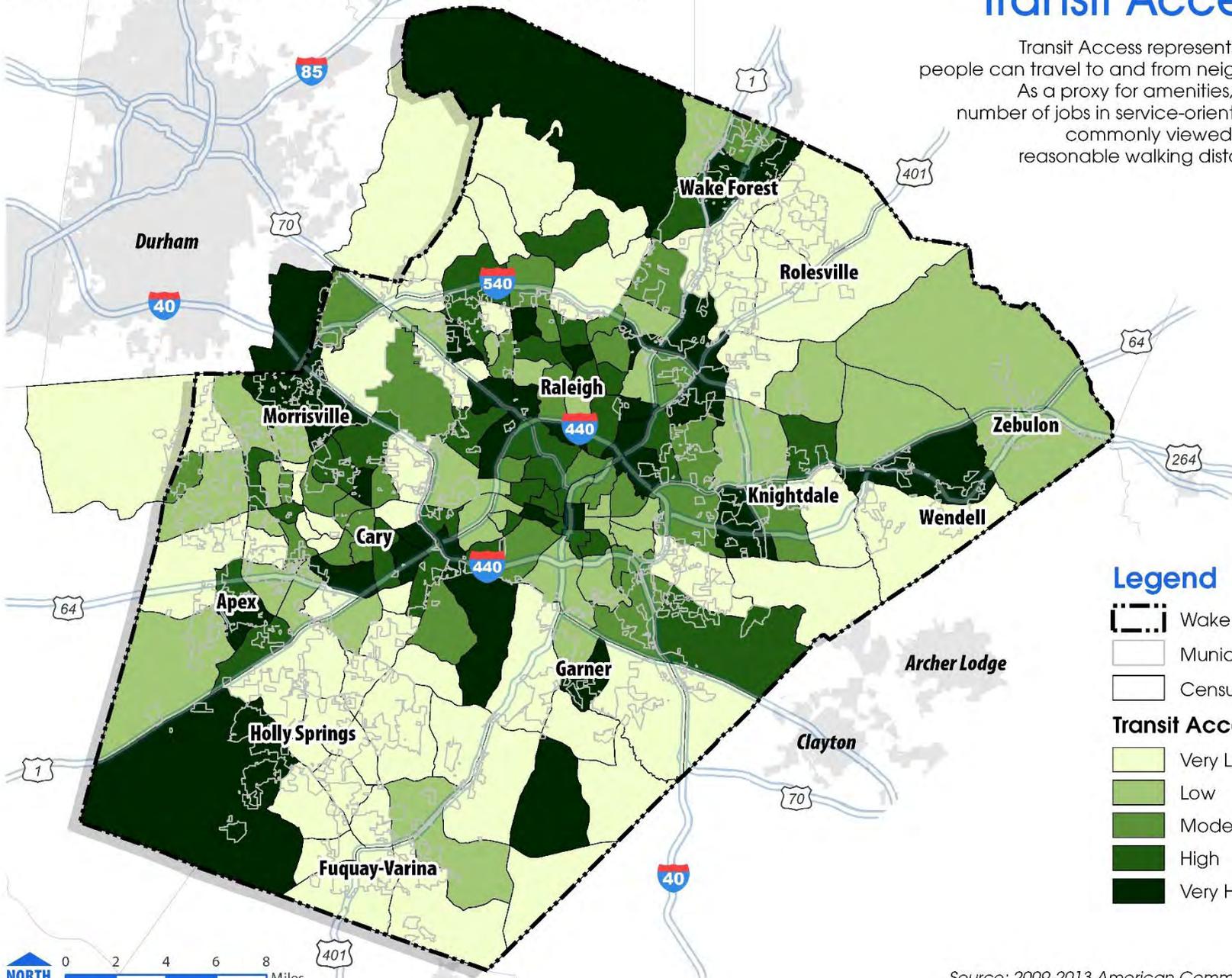
Outlier tracts on the northern and southern boundaries of Wake County have high scores because of their proximity to large shopping centers, which contain large numbers of service-industry amenities. Specifically, Brier Creek Commons in northern Wake County and Holly Springs Towne Center and White Oak Crossing in southern Wake County create the outlier tracts. These tracts do meet the criteria for high levels of amenities. However, their high transit access is likely a result of the proxy used and is not necessarily reflective of high levels of access to transportation systems generally.



Census tracts shown outside of Wake County contain portions of Raleigh or Cary

Transit Access Index

Transit Access represents the ease with which people can travel to and from neighborhood amenities. As a proxy for amenities, the index counts the number of jobs in service-oriented industries that are commonly viewed as amenities within a reasonable walking distance of any bus stop.



Legend

- Wake County
- Municipalities
- Census tracts

Transit Access Index

- Very Low
- Low
- Moderate
- High
- Very High

0 2 4 6 8 Miles
2015 Analysis of Impediments to Fair Housing Choice

Source: 2009-2013 American Community Survey; GoTriangle Page 37

Labor Market Engagement Index

Western Wake County has the highest levels of Labor Market Engagement

The Labor Market Engagement Index provides a summary description of local employment and human capital in a census tract. This is based on unemployment, labor force participation, and educational attainment in that tract. Areas with high Labor Market Engagement Index values have high levels of human capital, low unemployment rates, and are less likely to have problems engaging in the workforce.

Geographically, areas with high labor market engagement were heavily skewed towards the western portion of Wake County. This area is highly educated, with a high level of labor force participation and low rates of unemployment. Interestingly, the Town of Cary contained tracts with both very high scores and very low scores. This suggests a high level of variance within Cary's local labor market.

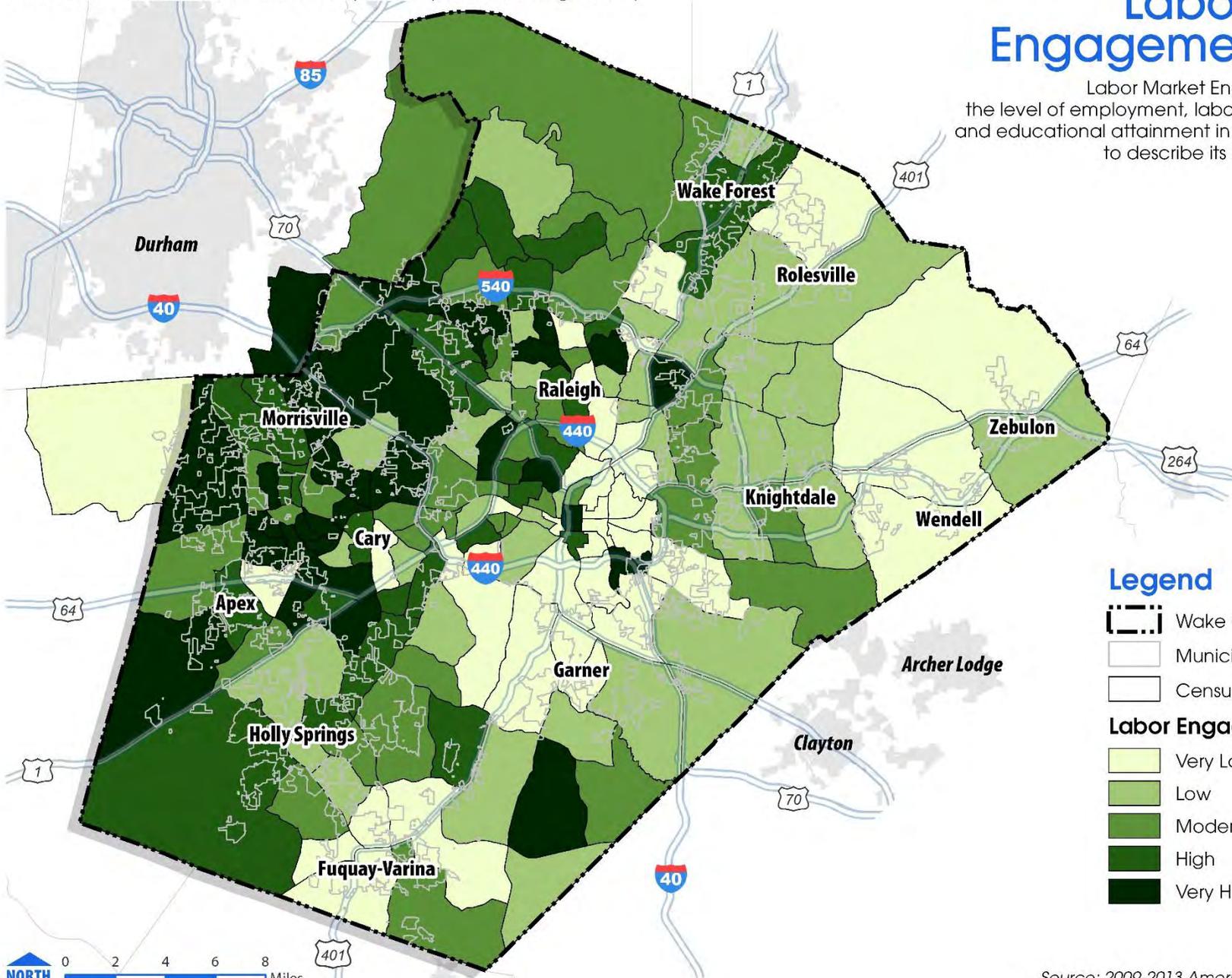
Low scores tended to be clustered on the eastern and southern areas of Wake County, with the lowest scores in the eastern neighborhoods of Raleigh. As with other indices, US-401 served as a rough divider between the tracts comprising eastern and western Raleigh. Low scores were also found in Wendell, and Fuquay-Varina.



Census tracts shown outside of Wake County contain portions of Raleigh or Cary

Labor Market Engagement Index

Labor Market Engagement measures the level of employment, labor force participation, and educational attainment in each neighborhood to describe its local human capital.



Legend

- Wake County
- Municipalities
- Census tracts

Labor Engagement Index

- Very Low
- Low
- Moderate
- High
- Very High

NORTH
0 2 4 6 8 Miles
2015 Analysis of Impediments to Fair Housing Choice

Source: 2009-2013 American Community Survey

Comprehensive Opportunity Scores

Residents of western Wake County have the best access to opportunity overall

The results from the five sub-indices (prosperity, labor market engagement, job access, transit access, and community health) were summed into one composite score, representing a Comprehensive Opportunity Index.

The objective of the communities of opportunity index is to identify places that are good locations for investment that might not have been selected through an RCAP analysis only. To that extent, it is important to look at where opportunity areas and the RCAPs defined for Wake County do and don't overlap.

Geographically, tracts with the highest opportunity scores were in the western portion of Wake County. This is the area near RTP, Downtown Raleigh, and NC State—all major employment opportunities in Wake County. The area is also near opportunities in the Durham and Chapel Hill areas. Cary contained both high opportunity and low opportunity tracts. This suggests a high level of economic variation within the Town.

Census tracts east of US-401 tended to have lower scores. The largest cluster of low opportunity tracts was found within the neighborhood comprising eastern Raleigh. The very eastern edge of Wake County, containing the towns of Wendell and Zebulon, also contained tracts with very low opportunity scores. Areas identified as RCAPs had significantly below-average opportunity scores.

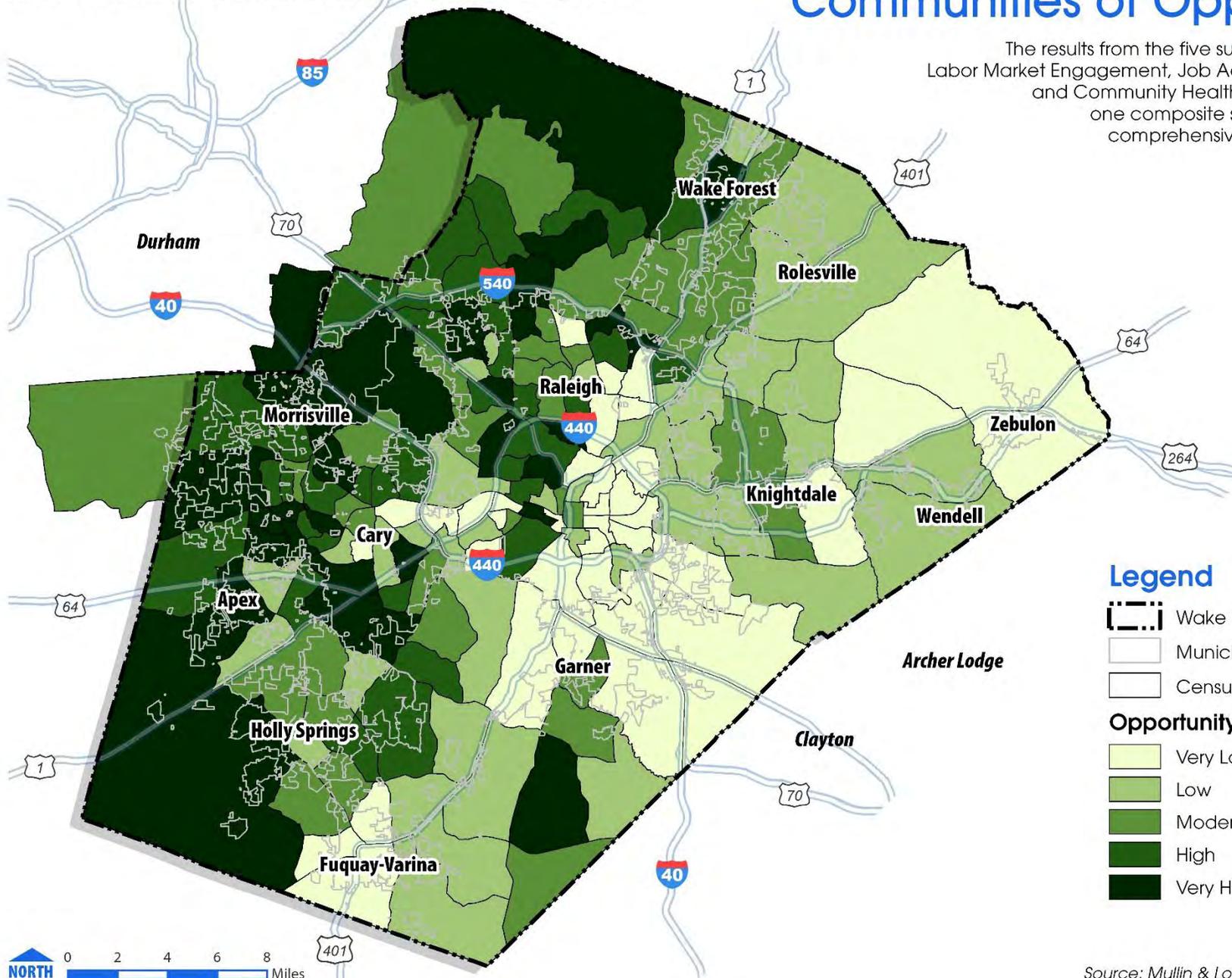
The number of rental units priced at \$500 or below can be used as a proxy to demonstrate the number of potential housing options a low-income household may have in an area. As the following maps show, affordable housing rental options are predominantly located in census tracts with below-average opportunity scores. There are very few affordable rental housing options located in the highest-scoring tracts in Wake County. One exception to this is the town of Wake Forest, where there are many affordable rental units in a high-opportunity area.



Census tracts shown outside of Wake County contain portions of Raleigh or Cary

Communities of Opportunity

The results from the five sub-indices (Prosperity, Labor Market Engagement, Job Access, Transit Access, and Community Health) were summed into one composite score, representing a comprehensive Opportunity Index.



Legend

- Wake County
- Municipalities
- Census tracts

Opportunity Index

- Very Low
- Low
- Moderate
- High
- Very High

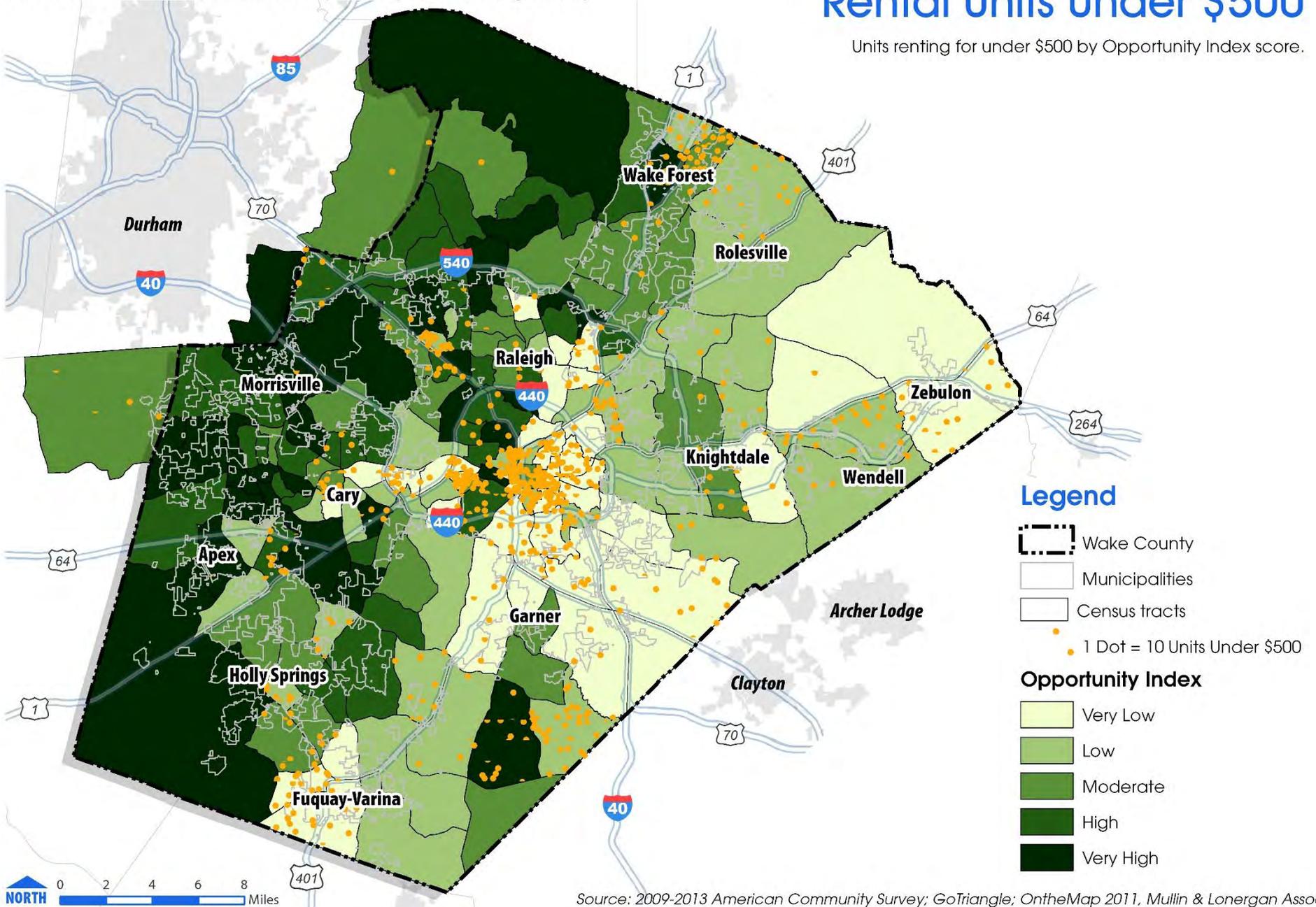
Source: Mullin & Lonergan Associates 2015



Census tracts shown outside of Wake County contain portions of Raleigh or Cary

Rental Units Under \$500

Units renting for under \$500 by Opportunity Index score.



Source: 2009-2013 American Community Survey; GoTriangle; OntheMap 2011, Mullin & Lonergan Associates 20

E. DISABILITY AND ACCESS

Building Codes

Building codes are consistent throughout the state

From a regulatory standpoint, local government measures define the range and density of housing resources that can be introduced in a community. Housing quality and accessibility standards are enforced through the local building code and inspections procedures.

Federal housing regulations specify that residential structures having at least four multi-family dwelling units include features of accessible and adaptable design. This requirement applies regardless of whether the structures are privately owned or publicly assisted. Examples of these regulations include Section 504 of the Rehabilitation Act of 1973 and the federal Fair Housing Act,

While local jurisdictions in many other states adopt and enforce their own building codes, the North Carolina Building Code is adopted at the state level and applied uniformly across all jurisdictions. The state does not allow any local building code amendments. Most importantly, the state does not allow any local variance procedure or local board of appeals; counties

and municipalities may only interpret the code as provided by the state.

From a fair housing perspective, this is advantageous because developers of affordable housing can depend on consistent standards no matter where they choose to locate. Additionally, accessibility standards apply equally to all areas.

The North Carolina Building Code contains standards for the accessibility of private housing structures that are consistent with Uniform Federal Accessibility Standards (UFAS) and Americans with Disabilities Act (ADA) accessibility guidelines, as well as International Code Council/American National Standards Institute (ICC/ANSI) accessibility provisions. The code identifies residential buildings that must comply with accessibility requirements. Detached one- and two-family dwellings and buildings with less than five sleeping units are exempted from the accessibility standards.

Each local jurisdiction ensures compliance with state and federal accessibility statutes through construction plan review and field inspections. Wake County's Planning, Development, and Inspections Division enforces the building code for unincorporated areas and, through contractual agreement, handles inspections for

the towns of Knightdale, Rolesville, Wendell, and Zebulon.

In Cary, accessibility features are assessed during plan review, then inspected during construction. Inspectors receive continuing education and required certifications. The Town's review process requires a follow-up after a non-compliance notice. According to Inspections and Permitting staff, developments with accessible design features run into similar types of delays and disapprovals as non-accessible units. The fact that a unit contains accessible design features does not create specific problems in obtaining construction approval and compliance.



F. FAIR HOUSING COMPLIANCE AND INFRASTRUCTURE

Local Fair Housing Policies

Fair housing enforcement varies throughout the County

Enforcement of federal fair housing policies is a necessary component of affirmatively furthering fair housing choice. The degree to which such enforcement occurs, along with the presence or absence of supplemental local policies and programs, varies greatly among the communities in Wake County. For example, only two municipalities in the County have a local human relations commission, and only one (the City of Raleigh) has a local fair housing ordinance. As detailed below, the existence of fair housing infrastructure does not inherently further fair housing choice. Local bodies charged with oversight of fair housing activities in Wake County often lack the capacity and

empowerment necessary to enforce federal and local policies.

Wake County *Local Human Rights/Fair Housing Ordinance*

Wake County does not have a local human rights or fair housing ordinance in place. The County publishes a booklet on local human services resources which contains some general information about fair housing and provides contact information for individuals who need to submit a complaint. Additionally, the County co-sponsors an annual fair housing conference with the City of Raleigh and monitors adherence to its affirmative marketing policies.

The Fair Housing Project, part of Legal Aid North Carolina, is a statewide organization with an office in Raleigh that provides education and outreach on fair housing issues. In addition to their educational efforts, the Fair Housing Project

also conducts fair housing testing and represents victims of housing discrimination.

Human Relations Commission

Within Wake County, the North Carolina Human Relations Commission is responsible for the enforcement of fair housing laws, undertaking the mediation/conciliation and litigation of fair housing complaints, and enforcing the North Carolina State Fair Housing Act. The County does not have a local human relations commission, but two municipalities within its borders – the City of Raleigh and the Town of Wake Forest – do.

Testing

Legal Aid of North Carolina in Wake County performed paired testing for discrimination in the housing market in 2012, 2013, 2014, and early 2015. Throughout this time period, Legal Aid found the following results:

Testing Type	Instances of Discrimination
Racial	36
National Origin	2
Familial Status	3
Disability	10
Total Tests	157

Summary of Housing Discrimination Complaints

HUD's Office of Fair Housing and Equal Opportunity (FHEO) receives complaints by households regarding alleged violations of the Fair Housing Act. Wake County itself does not accept fair housing complaints for its municipalities and the County is not actively notified of complaints filed in the County unless the complaint has been forwarded to the FHEO. Legal Aid of North Carolina does not accept fair housing complaints either, however, the agency will recommend Wake County residents contact the FHEO to submit a formal fair housing complaint.

Housing discrimination complaint data for FY 2007 – July 2015 provided by the North Carolina Human Rights Council shows a total of 105 complaints in Wake County, five of which were filed against housing authorities. One "Reasonable Cause for Discrimination" complaint is currently in litigation. Filed in 2010, the complaint alleges that the Raleigh Housing Authority failed to grant a request for reasonable accommodation. The table below provides a summary of housing discrimination complaints in Wake County.



Housing discrimination complaint data has also been requested from HUD.

Basis	Complaints
Race	35
National Origin	15
Color	0
Familial Status	17
Disability/Handicap	42
Sex	7
Religion	2

Note: Some complaints allege more than one basis for discrimination.





Progress Since Previous AI

Wake County's 2011 Analysis of Impediments to Fair Housing Choice identified four primary impediments to fair housing. Actions taken to address these impediments include:

- **Impediment:** Expansion of Public Transportation – Increase Accessibility and Availability
 - Wake County participated in the Morrisville transportation study. The Town of Morrisville is planning several rail stations that will link proposed service between Durham and Raleigh. Morrisville is planning transit oriented development around its stations that will include a mixture of commercial, residential, and institutional uses. Morrisville desires to include affordable housing as a component of the residential mix.
- **Impediment:** Lack of Public Education/NIMBYism
 - Wake County's Housing and Community Revitalization Division tries to educate the public wherever possible about the benefits of affordable

housing and to combat negative assumptions. The agency works with advocates, such as the Partnership to End Homelessness, Congregations for Social Justice, and others. These groups have helped provide public education and garner citizen support for a City of Raleigh Affordable Housing Bond.

- Wake County held a Fair Housing Training on July 10, 2012 for about 40 participants that included property managers and social workers for the Targeting Program.
- Wake County has been a sponsor of the City of Raleigh and the Fair Housing Hearing Board's Fair Housing Conference for several years. This annual conference presents speakers, symposiums, and informational booths to the community. The County contributes \$3,000 in CDBG funding to this effort.
- Inclusion of fair housing rules and resources in Human Services pamphlet

- Distribution of tenant's rights booklets in county court locations

- **Impediment:** Expansion of Affordable Housing Choices
 - Wake County affirmatively furthers fair housing by providing choice to consumers. The County subsidizes a variety of types of housing in locations throughout the County. Wake County partners with lenders to finance apartments for low-income families in most of the municipalities. Developers, using County and federal housing funds, have built apartment complexes in Apex, Cary, Fuquay-Varina, Garner, Knightdale, Raleigh, Wendell, Wake Forest, and Zebulon. Financing apartment complexes throughout the County gives families a choice of where they want to live rather than limiting them to one part of the County.
 - Wake County funded developments in Garner, Holly Springs, and Rolesville. These communities have less



affordable housing than the County average.

- **Impediment:** Infrastructure and available developable land
 - Wake County is willing to provide deeper subsidies for affordable housing in areas where land cost is high.



City of Raleigh *Fair Housing Ordinance*

The City's Fair Housing Ordinance prohibits discrimination in housing opportunities on the basis of race, color, religion, family status, disability, national origin or sex. The ordinance describes discrimination in real estate transactions, discrimination based on disability, discrimination in residential real estate related transactions, and discrimination in the provision of brokerage services. Exemptions are provided for several situations, including: landlords unwilling to rent to unmarried couples and faith-based organizations restricting tenancy to members of that religion (if religion does not restrict membership to members of a certain sex, race, color, or national origin).

Under the ordinance, the City's Fair Housing Hearing Board has the authority to hear fair housing complaints. However, due to a lack of capacity and empowerment, landlord/tenant

complaints are generally referred to Legal Aid of North Carolina and other fair housing complaints are generally referred to the North Carolina Human Relations Commission (NCHRC), who work with clients to submit formal complaints. As in the rest of Wake County, the North Carolina Human Relations Commission is responsible for the enforcement of fair housing laws, undertaking the mediation/ conciliation and litigation of fair housing complaints, and enforcing the North Carolina State Fair Housing Act.

Fair Housing Hearing Board

As mentioned above, the City of Raleigh funds a Fair Housing Hearing Board. The purpose of the Fair Housing Hearing Board is to improve public awareness of the City's Fair Housing Ordinance. The Board's education and outreach efforts include an annual Fair Housing Conference on issues related to housing and discrimination. The Fair Housing Conference takes place each April during the national observance of Fair Housing

Month and is partially funded with CDBG funds. In the past, the Board has also sponsored talks on fair housing with local realtor groups and faith-based organizations. The Board has published a tenant's rights handbook in English and Spanish to better inform the public about legal protections afforded to them.

Stakeholders interviewed expressed concern that the Board is unable to adequately enforce Raleigh's Fair Housing Ordinance due to its limited capacity. The Board currently consists of five volunteers and one part-time staff member from the City. The lack of full-time staff does restrict capacity. Although the Board receives fair housing complaints and other referrals from the Raleigh Human Relations Commission (detailed below), it refers these to Legal Aid of North Carolina, a statewide agency, for investigation. The Board does not receive funds to carry out testing, and does not have the capacity or staff to carry out investigations of local fair housing complaints.



While education and outreach is important, the lack of investigatory and enforcement tools at the citywide level is noteworthy. Stakeholders interviewed were not aware of any fair housing cases that were actually filed with the Board. The City should consider expanding the authority of the Board to include investigative and enforcement powers and increasing the capacity of the Board in order to carry out this work at the local level.

Human Relations Commission

Raleigh has a Human Relations Commission, comprised of 14 members, that serves as an advisor to the City Council with respect to activities and programs classified as promoting the general well-being of citizens without regard to race, color, creed, gender, age, sexual orientation, or national origin in their daily activities.

The Human Relations Commission has the authority to receive, investigate and attempt to conciliate and otherwise process complaints and inquiries concerning human resources, human relations and human rights. The Commission explicitly does not deal with fair housing issues; issues related to fair housing are referred to the City's Fair Housing Hearing Board.

Summary of Housing Discrimination Complaints

There was one housing discrimination complaint in the City of Raleigh in 2013, alleging discrimination on the basis of disability. The complaint, which alleged that a homeowners' association violated the Fair Housing Act by requiring a resident to remove a handicap ramp if the home was sold to persons without a disability, was closed after successful conciliation.

Progress Since Previous AI

The City's last Analysis of Impediments, completed in 2007, noted several impediments to fair housing. Actions taken include:

- **Impediment:** Lack of fair housing enforcement by a local agency or department
 - Actions Taken: The City of Raleigh utilizes the State Human Relations Commission and

works with the Fair Housing Project to investigate fair housing complaints.

- **Impediment:** Disparity in mortgage lending
 - Actions Taken: Budget concerns have restricted the City's ability to address this disparity directly. However, the City's Fair Housing Board sponsors an annual fair housing conference that includes educational sessions targeted to lenders.
- **Impediment:** Lack of affordable housing within the City
 - Actions Taken: The City supports fair housing activities through its homeownership-lending program. The Citywide Second Mortgage Program provides low-income citizens an opportunity to buy a home they can afford. The City continues to provide housing to reduce its major impediment, which continues to be the high cost of housing in the area.



- **Impediment:** Lack of citizen awareness about fair housing rights and responsibilities and credit and financial issues.
 - **Actions Taken:** The City's Fair Housing Board meets monthly and sponsors several educational events, including the annual Fair Housing Conference. The City's Neighborhood College Program, which provides residents with an opportunity to learn more about local government services, continues to offer a fair housing segment as part of the curriculum. Additionally, the City addresses the need for non-English speakers by employing full-time Spanish speakers who assist with translation

Town of Cary

Local Human Rights/Fair Housing Ordinance

The Town of Cary does not have a local human rights or fair housing ordinance.

Human Relations Commission

The Town of Cary does not have a local human rights commission. Within Wake County, the North Carolina Human Relations Commission is responsible for the enforcement of fair housing laws, undertaking the mediation/ conciliation and litigation of fair housing complaints, and enforcing the North Carolina State Fair Housing Act.

Testing

Testing for discrimination in the housing market has never occurred in the Town of Cary.

Summary of Housing Discrimination Complaints

A fair housing complaint based on disability was filed against the Town of Cary in 2014. The complaint alleged that the Town's refusal to grant a variance to increase the number of residents in a group home violated the Fair Housing Act; and the issue was resolved through a conciliation agreement. Subsequently, the Town adopted a reasonable accommodation policy for its zoning

ordinance as it relates to persons with disabilities.

Progress Since Previous AI

An Analysis of Impediments to Fair Housing Choice in Cary was completed and adopted in April 29, 2009 as part of the Town's Consolidated Planning process. A summary of the impediments identified in this process and corresponding mitigation actions follows:

- **Impediment:** NIMBY objections to affordable housing, especially multi-family housing, in many neighborhoods.
 - **Actions Taken:** The Town of Cary employs mixed use districts to ensure a mix of housing types and prices in close proximity to office and shopping opportunities as well as jobs. This technique helps reduce NIMBYism towards multi-family housing and affordable housing. The approval process for Mixed Use Centers was revised in 2009-2010 to increase the mix of uses and further reduce community objections.

- **Impediment:** Lack of knowledge about fair housing rights and persistent cultural attitudes that encourage separation; lack of funding for testing and enforcement and reluctance of victims to pursue legal remedies.
 - Actions Taken: The Town of Cary has partnered with the Raleigh Fair Housing Hearing Board in developing its annual Fair Housing Conference. Town staff has also attended fair housing seminars at the UNC School of Government, as well as other training sessions related to fair housing.
- **Impediment:** Limited availability of affordable housing.
 - Actions Taken: The Town has attempted to increase the supply of affordable housing by seeking partnerships with private and non-profit housing developers and leveraging its housing resources to the fullest extent possible. The Town committed over \$1 million towards a 48-unit affordable townhome project, and provided \$100,000 towards the construction of a 53-unit senior housing development to be completed by the end of 2015.
- **Impediment:** HMDA data shows African American and Hispanic homebuyers receive mortgages at a lower rate compared to White homebuyers in the Town of Cary.
 - Actions Taken: The Town partnered with the Raleigh Fair Housing Hearing Board to sponsor their annual Fair Housing Conference, which featured presentations and exhibits from the banking industry to disseminate information about mortgage products for minority populations. Brochures and information related to fair housing are usually made available in both English and Spanish. Additionally, during 2013-2014, the Town conducted focus groups in the African American community to gain a better understanding of their housing and community needs.
- **Impediment:** Limited acceptance of Section 8 vouchers.
 - Actions Taken: Approximately 16 apartment complexes within the Town accept Section 8 vouchers from renters



Other Fair Housing Organizations

North Carolina Human Relations Commission

The statewide Human Relations Commission is headquartered in Raleigh, the state capitol. The Commission provides fair housing training and education for landlords and consumers. In addition to receiving and investigating complaints, the Commission will also process and investigate complaints forwarded from the Fair Housing Project, a project of Legal Aid of North Carolina.

The most recent State Senate's proposed budget, which passed the Senate on June 18, 2015 by a vote of 32-15, with three abstentions, repeals the State Fair Housing Act and eliminates the North Carolina Human Relations Commission. The provisions, which are contained in the Senate's 508-page budget bill, also call for the repeal of a state statute prohibiting the interference with another person's civil rights. However, the House budget bill did not contain similar provisions repealing the State Fair Housing Act or eliminating the Commission. Because of the differences in the bills passed by the Senate and House, a conference committee has been appointed to reconcile the differences.

Stakeholders interviewed expressed concern that the State Human Relations Commission was overwhelmed, with limited capacity to address issues at a local level. Several stakeholders noted that, even though the state Human Relations Commission is located in Raleigh, a local resource (i.e. a Wake County Commission) would be more effective.

Legal Aid of North Carolina

Legal Aid of North Carolina operates the Fair Housing Project of North Carolina. This organization performs education and outreach, connects individuals to legal representation, and provides training materials.





CHAPTER 4: DETERMINANTS OF FAIR HOUSING

Review of HUD Community Planning and Design Programs

Declining funds present barriers to implementing fair housing goals

Collectively, the CDBG, ESG, HOME, and HOPWA programs are under the authority of the Community Planning and Development (CPD) division of the U.S. Department of Housing & Urban Development (HUD). Annually, each entitlement engages in the development of an Annual Action Plan to identify the eligible activities it will fund and implement with HUD CPD funds. In the past decade, funding from HUD has decreased as regulations have required more administrative capacity to address. This results in entitlements needing to “do more with less”, including the goal of affirmatively furthering fair housing choice. This section analyzes the local policies in place that guide how each

Project Selection

Communities can implement their commitment to affirmatively further fair housing through an application process that favors projects that

entitlement affirmatively furthers fair housing as part of funding decisions through the Annual Action Plan process.

Funds Expended on Fair Housing Activities

Examining the amount of total annual allocations spent specifically on fair housing provides insight into how communities prioritize their commitment to affirmatively further fair housing. Such activities include fair housing planning, preparing an Analysis of Impediments to Fair Housing Choice, providing fair housing education and outreach for staff, sub-recipients and the general public, and thoroughly monitoring sub-recipients using techniques like paired testing.

Neither the City of Raleigh nor Wake County specifies the exact amount they spend on fair housing activities, according to recent planning and reporting documents submitted to HUD. However, the City of Raleigh does spend a portion of its Administration and Public Service budget items on fair housing improve fair housing choice. Both Wake County and the City of Raleigh have affordable housing distribution policies that are used to refrain from further concentrating affordable housing

activities, such as its annual Fair Housing Conference that provides fair housing information to service providers, nonprofit and faith-based organizations, owner-investors and citizens. Wake County has co-sponsored this conference, and has also conducted fair housing training for property managers and social workers.

According to Consolidated Annual Performance Evaluation Report (CAPER) documents submitted to HUD between 2011 and 2013, the Town of Cary spends a small percentage of its CDBG administration budget (or 1% of its total CDBG budget) on fair housing activities by co-sponsoring the City of Raleigh’s Fair Housing Conference. Additionally, the Town has required municipal officials and staff to attend fair housing trainings as part of a Voluntary Compliance Agreement with HUD.

Finally, all three entitlements contributed CDBG funds to the preparation of this AI.

development in census tracts with high rates of minorities, low income households, and subsidized housing. The policies place a higher priority on rental housing developments that are



located outside minority and low-income communities.

Wake County

Wake County's Distribution of Affordable Housing Policy limits funding commitments to developments within municipalities that contain less than the current County average of subsidized housing. However, municipalities can exempt themselves from the public policy if affordable housing developments are desired in the city or town. County staff also consider a development's access to transportation in the evaluation of affordable housing development proposals. Additionally, the policy allows the County to consider higher subsidy rates for areas with higher housing costs.

Since the implementation of Wake County's policy in 2009, subsidized housing in the County has become less concentrated. For example, neither Morrisville nor Rolesville had any subsidized housing in 2009, but now have 78 and 74 subsidized units, respectively. Additionally, the concentration of subsidized housing in Wenzell, the highest in the county, decreased by more than one percentage point in the same time period.

City of Raleigh

The City of Raleigh's Affordable Housing Location Policy require developers who use federal funds, City bond dollars or tax credits to construct their developments in areas not already experiencing a high concentration of low-income housing. A copy of the City's proposed revised policy was reviewed for this analysis. Basically, the policy prohibits the development of subsidized multi-family housing consisting of 24 units or more from being developed in census tracts where (1) minority residents comprise 50% or more of the population, (2) households in poverty comprise 30% or more of all households, and (3) subsidized multi-family housing units and rental units occupied by Section 8 Housing Choice Voucher households comprise 8% or more of the total rental housing inventory. The first two of these criteria are consistent with the thresholds included in this AI for racially concentrated areas of poverty (RCAPs). By adding the third criteria of subsidized rental units

as a percentage of the total rental stock in a census tract, the City has enlarged the geographic area where it will not permit new subsidized housing to be developed. This may have the effect of preventing the further concentration of subsidized rental housing in areas and, thereby, decreasing the likelihood of new RCAPs being designated over the next few years.

The stated objectives of the draft would promote affirmatively furthering fair housing choice if achieved. Three exemptions are allowed including (1) the rehabilitation of existing affordable units regardless of their location, (2) all developments serving elderly or disabled populations, and (3) the replacement of affordable housing lost to demolition or conversion. The exemption for developments serving elderly or people with disabilities may have the impact of inadvertently fostering the concentration of subsidized rental housing for these special needs populations in areas of concentration of minority and low income persons, as defined within the policy. And, although the third exemption would allow for the re-building of units on the same site or footprint, there is also the potential for de-concentration of an area if the lost units were built outside of an area of concentration.



Exceptions include developments proposed within one-half mile of a proposed rail or bus rapid transit station, developments located within the Downtown Element of the City's Comprehensive Plan, and mixed income developments approved and funded by City Council.

Waivers are allowed provided they are approved by Council; however, the policy did not clarify under what conditions a waiver might be considered. Ideally, these should be rare since the policy includes exemptions and exceptions.

Finally, the policy is to be updated every five years in conjunction with the Housing Element of the Comprehensive Plan. However, with the release of ACS five-year estimates provided annually by the Census Bureau, the City has the ability to update the data every year. For example, 2009-2013 ACS data is now available and 2010-2014 datasets may be out by the end of the year. By updating the data annually, including the Raleigh Housing Authority subsidized rental housing data, the City would become aware of a census tract that may tip to a concentration sooner rather than waiting five years, which may enable a greater concentration

of low income households, minority residents, and subsidized rental housing to occur by then.

Program Access

Program accessibility is ensured through Wake County's and Raleigh's Affirmative Marketing Plan requirements. These plans require developers to incorporate the Equal Housing Opportunity logo into all advertising and marketing materials, display HUD fair housing poster where sales or rental activity takes place, advertise projects in newspapers that target minority populations, and advertise to those populations least likely to apply for housing. Other accessibility measures taken by entitlements include presenting community outreach and affordable housing information in Spanish and providing translation services when necessary.

While RHA does not maintain a list of prospective units, they do make a computer available at their offices, and provide staff time to assist persons with in locating housing. Many voucher holders prefer not to live in multi-family units. In order to find single family or duplex apartments, RHA staff help voucher holders perform online searches through several online housing databases. These databases are

effective and provide a more up-to-date list than an in-house resource would be able to maintain.

Monitoring

Entitlements can ensure that sub-recipients affirmatively further fair housing by requiring and enforcing compliance with fair housing statutes through sub-recipient agreements. Wake County, the City of Raleigh, and the Town of Cary all require compliance with the following fair housing statutes in their sub-recipient agreements for HUD programs: Title VI of the Civil Rights Act of 1964 (housing discrimination), Section 504 of the Rehabilitation of 1973 (handicapped accessibility), The Age Discrimination Act of 1975, and the Federal Fair Housing Act (Title VIII of the Civil Rights Act of 1968). The Wake County HOME Consortium and the City of Raleigh also require Affirmative Marketing Plans for HOME-assisted developments of five or more units. None of the jurisdictions require sub-recipients to sign certifications to ensure that they will affirmatively further fair housing.

None of the entitlement communities have in place formal or informal policies that address the potential for the suspension or denial of HUD funds to a sub-recipient that has engaged in discriminatory behavior relative to housing.



Comprehensive Planning

Comprehensive plans outline a community's vision for future development and preservation of existing assets

North Carolina's statewide zoning enabling statute establishes that "zoning regulations shall be made in accordance with a comprehensive plan," but it defines neither the contents nor nature of such a plan. For example, while some states mandate that local units of government include affordable housing and transportation accessibility elements in their comprehensive plans, communities in North Carolina are not required to address such issues.

Generally, a community's comprehensive plan is a statement of policies relative to new development and preservation of existing assets. In particular, the land use element of the comprehensive plan defines the location, type and character of future development. The housing element of the comprehensive plan expresses the preferred density, intensity, and character of residential neighborhoods within a jurisdiction. Taken together, the land use and housing elements of the comprehensive plan define a vision of the type of community that it wishes to become.

Both the Town of Cary and the City of Raleigh have comprehensive plans, and Wake County has a land use plan that serves to inform the unincorporated areas of Wake County that do not have their own comprehensive plans. However, this land use plan is not interchangeable with a comprehensive plan and primarily addresses land use classifications, planning jurisdictions, and water/wastewater facilities rather than housing. As a result, it does not provide direction for local governments in drafting the housing elements of their own comprehensive plans.

City of Raleigh

Raleigh 2030, the City of Raleigh's most recent comprehensive plan, was adopted in October 2009, although it has been amended as recently as 2014. An extensive public outreach process was used to develop the overarching strategies and priorities for Raleigh. The plan's framework is based on the following six themes:

- Economic prosperity and equity
- Expanding housing choices
- Managing growth
- Coordinating land use and transportation
- Sustainable development
- Growing successful neighborhoods and communities

Several of these themes are directly related to fair housing choice for members of the protected

classes. The general strategy outlined is that "Raleigh will have an expanded supply of

affordable and workforce housing options that provide housing opportunities for all segments of



our population.” The plan also states that “Raleigh will embrace and value diversity, innovation, and equity so that there is a high level of opportunity and quality of life for all residents.”

Regarding land use, *Raleigh 2030* acknowledges that the City’s development patterns over the last two decades have predominantly taken the form of auto-dependent sprawl. Key land challenges in the future will be reducing automobile dependency, increasing density, reducing congestion, and creating affordable transit-oriented development (TOD). The future land use map identifies 19 different future types of land use, including residential zones of several densities. Designations are separated between three categories: core/transit, general, and edge. Higher-density areas of Raleigh are tied to transportation systems, in order to foster compact or cluster development and concentrate new development closer to multi-modal transportation and other amenities. This will increase mobility for residents, and particularly transit dependent residents, who are disproportionately members of the protected classes.

A key component of *Raleigh 2030* is to expand housing choice. This means expanding the type of housing, price range of housing, available lot sizes, and reducing the geographic

concentration of certain types of housing. The plan notes that “affordable assisted housing is disproportionately concentrated in the Central, East, and Southeast planning districts with more than 42 percent of all assisted units in just three of the City’s ten planning districts”. The plan outlines the following policy goals in order to expand housing choice:

- Promote mixed-income neighborhoods, particularly within high-density areas, in employment centers, and along transit corridors
- Promote dispersal and increased production of affordable housing units throughout all areas of the city
- Support small, scattered-site infill units
- Ensure zoning policy provides a variety of housing types and options
- Promote universal design and lifecycle housing to facilitate aging in place

The plan has a chapter specific to affordable and “workforce” housing. It identifies the major challenges to affordable housing as: difficulty both creating new affordable units to meet demand and preserving existing affordable housing. The plan lists the following policies to address these issues:

- Conduct joint planning sessions and regular meetings between the Raleigh

Housing Authority and City departments for public housing development projects

- Acquire and maintain, through the City of Raleigh’s Affordable Rental Program, additional affordable rental units for households below 50% of median income throughout all areas of the city
- Create an inclusionary housing program to encourage mixed-income development
- Develop zoning provisions to encourage TOD. Incentivize housing for incomes 50% AMI or below near transit corridors.
- Supplement federal and state housing assistance programs for low and moderate-income persons
- Encourage reinvestment, preservation, and maintenance of existing affordable housing stock
- Address regulatory and policy barriers to affordable housing development
- Eliminate potential zoning barriers to supportive housing
- Ensure enforcement of the federal Fair Housing Act



Overall, the awareness of equity issues and the geographic concentration of assisted housing throughout *Raleigh 2030* provides an excellent framework for advancing fair housing in a rapidly-growing region. While the plan focuses on affordable housing issues, it also incorporates principles and objectives affirmatively further fair housing choice. Raleigh's commitment to linking affordable housing with TOD will be an important component of ensuring access to opportunity and reducing overall transportation costs in the City.

However, recent development activity has yielded results that run contrary to the City's stated comprehensive plan goals. A development proposal on the periphery of downtown resulted in the loss of several existing owner-occupied affordable housing units to make way for the building of new market rate rental units. Because the cost to build new affordable residential units is so high, preservation of existing units is often the least expensive method of affirmatively furthering fair housing. Additionally, assisted housing units are concentrated in Southeast Raleigh, which is inconsistent with the City's stated goal of enforcing the federal Fair Housing Act. Although *Raleigh 2030* provides an excellent framework for advancing fair housing, policy decisions do not necessarily follow the plan's goals.

Town of Cary

The Town of Cary's Comprehensive Plan serves to inform the Town's decision-making process. It contains separate chapters on vision, land use policies, growth management, affordable housing, transportation, open space, and historic preservation. Different components of the document were adopted at different times, from 1996 (land use) to 2010 (historic preservation). The document was developed through an extensive public engagement process, and is implemented through the work of Town staff and active organizations in the public, private, and non-profit sectors. The Town is currently working on an update of the plan.

The *2020 Affordable Housing Plan* is a major subcomponent of Cary's comprehensive plan. Goals of the plan include:

- Promoting social, economic, racial, and ethnic diversity within Cary's citizens
- Providing different economic levels of housing within Cary
- Enabling employees to live closer to work

The plan incorporates a housing market analysis to determine the supply and demand factors that affect Cary's housing market, and the extent to which it is affected. The strong demand for housing in Cary is reflected in the high housing prices found throughout the Town, which attract residents with higher incomes. However, the plan also notes that there is a significant percentage of Cary's population that is low-moderate income. The plan notes the high rate of cost burden in Cary, which disproportionately affects low-income residents. Many people who work full-time in Cary, including many of the town's employees, do not earn sufficient wages that would enable them to afford to live in the Town. Thus, there is a significant demand for affordable housing in Cary that is not being filled by the local supply. Cary's *Affordable Housing Plan* provides a toolkit intended to increase the levels of affordable housing—thus promoting socioeconomic, racial, and ethnic diversity—within the Town. The plan recommends the following objectives:



- Continue to work with developers and not-for-profit organizations in the development of affordable rental and ownership units, expanding these efforts where possible
- Continue to support and expand if possible, the current Owner Occupied Housing Rehabilitation Program
- Target Affordable Housing Funds to neighborhood revitalization efforts
- Assist First-Time Homebuyers to the extent possible
- Seek new funding mechanisms, sources, and programs to enhance these efforts and make them more sustainable
- Coordinate affordable housing programs with other aspects of planning, such as transportation, sustainability, and green growth
- Be conscious of opportunities to implement additional proven and acceptable affordable housing programs over time.

In order to accomplish these objectives, the plan establishes the following specific recommendations:

- Provide pre-development funding assistance to non-profit housing organizations to increase the supply of affordable housing opportunities in targeted neighborhoods

- Establish a policy that targets affordable housing funds to neighborhoods where high concentrations of Cary's workforce resides
- Emphasize purchase/rehabilitation and rental rehabilitation programs for older housing
- Continue to utilize the Low Income Housing Tax Credit program
- Create a revolving loan fund for affordable housing projects in Cary
- Establish realistic targets and a monitoring and evaluation protocol for affordable housing program review

Generally speaking, these objectives, if fully implemented, would increase the Town's affordable housing supply. However, targeting affordable housing funds to neighborhoods where high concentrations of Cary's workforce resides could further concentrate lower income households and perpetuate residential segregation patterns. To carry out its legal obligation to affirmatively further fair housing, the Town should not implement actions that further concentrate affordable housing opportunities in primarily lower income neighborhoods. New affordable housing opportunities should be created in moderate, high and higher opportunity areas, particularly where employment centers are present.

The plan recommends the following specific policy changes to Cary's zoning code:

- Implement a density bonus program
- Apply workforce housing overlay districts, specifically for infill
- Incorporate inclusionary zoning for affordable housing

The comprehensive plan endorses the continuation of Cary's current affordable housing programs, including the housing rehabilitation program, partnering with nonprofit organizations, the use of Low Income Housing Tax Credits where appropriate, and the targeting of affordable housing funds to neighborhood revitalization efforts. As noted, these programs have been successful in providing significant additions to the Town's stock of affordable housing. However, the specific policy changes have not been implemented in the five years since the chapter's adoption.¹

¹ Inclusionary zoning is not allowed under North Carolina state law. However, there are local policy mechanisms that can be put in place that are similar in their effect of affirmatively furthering fair housing choice through market-rate development.

Transportation is another key component of Cary's comprehensive plan. The plan actively works towards the goal of encouraging the following:

- Creating transportation improvements that increase access to jobs, services, and affordable housing
- Coordinating transportation with land use planning
- Plan and support transportation improvements that enhance developments and neighborhoods that are providing alternative transportation choices
- Create denser development through 35 "Mixed-Use Centers," to provide retail space, employment opportunities, and medium-to-high density housing

Although inclusionary zoning involving rental housing may be prohibited by state law, the mixed-use centers provide the perfect opportunity to foster the creation of affordable housing in various locations across Cary. The objective of each center is to create a denser development of retail space, employment opportunities, and residential uses at an intersection of two corridors. With most of these locations found in higher opportunity areas as identified in this AI, this scenario presents the Town of Cary with an ideal strategy to affirmatively further fair housing by fostering the creation of affordable housing units in close proximity to job and transportation services.

While Cary's comprehensive plan does not touch on the racial disparities found within Cary's housing market, it does link land use, transportation, and affordable housing, which is indirectly linked to increasing opportunity for members of the protected classes. Through its recognition of equity issues, Cary's comprehensive plan incorporates fair housing best practices.



Zoning Risk Assessment

Zoning ordinances have the potential to promote – or impede – fair housing choice

In North Carolina, cities and counties have the ability to adopt local zoning ordinances, which are an important tool that communities can use to regulate land use and guide development. Given that zoning ordinances govern the location and characteristics of various land uses, they have the potential to limit fair housing choice.

Many common fair housing zoning issues are interrelated with affordable housing issues. Because members of the protected classes are disproportionately affected by a lack of affordable housing, zoning that effectively restricts affordable housing development can be an impediment to fair housing choice as well. For example, many zoning ordinances place restrictions on the location of multi-family housing units, which often results in the concentration of affordable housing in low opportunity areas. As explained in Chapter 3: Data Analysis, affordable housing and fair housing choice are tightly linked, as low-income residents disproportionately tend to be members of the protected classes. Consequently, zoning

ordinances from all municipalities in Wake County and the County's Unified Development Ordinance were reviewed to identify zoning policies that may potentially impede housing choice and affordability. The analysis was based on topics raised in HUD's Fair Housing Planning Guide, which include:

- The opportunity to develop various housing types (including apartments and housing at various densities)
- The treatment of mobile or manufactured homes
- Minimum lot size requirements
- Dispersal requirements for housing facilities for persons with disabilities in single family zoning districts
- Restrictions of the number of unrelated persons in dwelling units based on the size of the unit or the number of bedrooms

Benchmarking

To evaluate the ordinances consistently, a benchmarking tool was used to assess each ordinance against eleven criteria that are either common indicators of impediments or language that addresses impediments to fair housing choice. The indicators are based on best practices and recommendations from HUD's fair housing resource guides.

The full set of criteria includes:

1. Ordinance defines "family" inclusively, without a cap on the number of unrelated persons, with a focus on functioning as a single housekeeping unit
2. Ordinance defines "group home" or similarly named land use comparatively to single family dwelling units
3. Ordinance allows up to 6 unrelated people with disabilities to reside in a group home without requiring a special use/conditional use permit or public hearing
4. Ordinance regulates the siting of group homes as single family dwelling units without any additional regulatory provisions
5. Ordinance has a "Reasonable Accommodation" provision or allows for persons with disabilities to request



reasonable accommodation/modification to regulatory provisions

6. Ordinance permits multi-family housing of more than 4 units/structure in one or more residential zoning districts by-right
7. Ordinance does not distinguish between “affordable housing/multi-family housing” (i.e., financed with public funds) and “multi-family housing” (i.e., financed with private funds)
8. Ordinance does not restrict residential uses such as emergency housing/homeless shelters, transitional housing, or permanent supportive housing facilities exclusively to non-residential zoning districts
9. Ordinance provides residential zoning districts with minimum lot sizes of ¼ acre or less
10. Ordinance does not include exterior design/aesthetic standards for all single family dwelling units regardless of size, location, or zoning district
11. Ordinance permits manufactured and modular housing on single lots like single family dwelling units

Each criterion was assigned one of two values. A score of “1” means that the criterion applies to the zoning ordinance – i.e., the impediment was not present in the ordinance or that the positive measure was in place. A score of “2” means that the criterion does *not* apply to the zoning ordinance – i.e., the impediment was present or that the positive measure was not.

For example, a zoning ordinance would receive a score of “1” for providing residential zoning districts with a minimum lot size of 10,000 square feet, and a score of “2” for including exterior design/aesthetic standards for single family dwelling units. The final benchmark score is a simple average of the individual criterion. More specifically:

Score	Implication
1.00 – 1.24	Ordinance is at LOW risk relative to discriminatory provisions for housing and members of the protected classes
1.25 – 1.49	Ordinance is at MODERATE risk relative to discriminatory provisions for housing and members of the protected classes.
1.50 – 2.00	Ordinance is at HIGH risk relative to discriminatory provisions for housing and members of the protected classes.

Results

Every zoning ordinance that was inspected contained some level of mixed results. For some criteria, an ordinance scored well by omission rather than by affirmative action. For example, not defining the term “family” at all was regarded as less of an impediment to fair housing choice than defining a family with a strict limit on the number of unrelated persons. Some criteria, like allowing reasonable accommodation for persons with disabilities or explicitly permitting inclusive siting for shelters, were present in very few ordinances. Other criteria, such as allowing higher density multi-family units by right in at least one district and providing for smaller lot sizes, were present in most. It is important to consider that a high score does not necessarily guarantee a zoning ordinance’s fairness, as the analysis does not address the issue of availability, suitability, or development potential of sites.

A high benchmark score does not necessarily reflect a high probability of real-world impediments to fair housing choice. Nor does a low score mean that impediments are unlikely to happen. The scores primarily serve as an at-a-glance reference to judge a particular code against some of the most common fair housing zoning issues.

Most ordinances are ranked as posing a low or moderate risk for discriminatory provisions. Only one, the Town of Rolesville’s, can be classified as high risk, but the ordinance passes this threshold by a small margin. The most common affirmative language were favorable definitions and resident limits for family care facilities and group homes, which are required by State law, as well as reasonable allowances for multifamily densities. Few ordinances had design guidelines for dwelling units. A notable exception to this is the Town of Wendell, which has detailed design guidelines for every building type, regardless of zoning district. The most common pitfalls were restricting the siting of group homes, as well as limiting the number of allowed family members. Only the Town of Cary’s zoning ordinance included a “reasonable accommodation” provision for variances for persons with disabilities.

The highest score of the group (i.e. the most problematic ordinance) is the Town of Rolesville’s at 1.55. Although this ordinance has aspects that are known to promote fair housing, such as not requiring design standards for single family dwellings, it is also lacking other constructive measures, such as not permitting multifamily housing by right in any district, and requiring large lot sizes in all general residential districts. Additionally, manufactured homes are

only permitted in special manufactured home districts.

The lowest score (i.e. potentially the least problematic) was in the Town of Cary at 1.18, which included dispersal requirements for family care homes and design aesthetics for all buildings in the Walnut Street Corridor.

Zoning Risk Assessment Scores

Jurisdiction	Score
Town of Cary	1.18
City of Raleigh	1.27
Wake County UDO	1.27
Town of Fuquay-Varina	1.27
Town of Knightdale	1.27
Town of Wake Forest	1.27
Town of Apex	1.36
Town of Morrisville	1.36
Town of Zebulon	1.36
Town of Garner	1.45
Town of Holly Springs	1.45
Town of Wendell	1.45
Town of Rolesville	1.55

More information on zoning risk assessment for the City of Raleigh, Town of Cary, and county-wide zoning for unincorporated areas follows. Full details on how the scoring criteria were applied in all jurisdictions appear in Appendix A.

City of Raleigh

Raleigh's zoning ordinance has a moderate risk of potential impediments to fair housing choice based on the assessment. The City's ordinance was the only one to specifically provide for homeless shelters and transitional housing facilities in residential districts, and also allows manufactured and modular homes in all residential districts. Its restrictive elements are comparable to other ordinances in the region, such as capping the number of unrelated persons in its definition of "family" and placing dispersal requirements on family care homes.

Town of Cary

As mentioned earlier, the Town of Cary's zoning ordinance scored lowest based on the risk assessment. In addition to allowing manufactured homes on single lots and having a reasonable accommodation provision, the ordinance's lack of a definition for "family" contributed to the low risk score. Siting requirements for family care homes and exterior design standards for buildings in the Walnut Street Corridor were the two potential impediments identified. However, the Town's reasonable accommodation policy eliminates the impediment created by the family care home dispersal requirement.

Wake County

Wake County's UDO covers all unincorporated areas in the County. Its restrictive elements are similar to local ordinances: a cap on the number of unrelated persons in its definition of family, lack of a reasonable accommodation provision, and placing dispersal requirements on family care homes. Like the City of Raleigh, Wake County's zoning ordinance poses a moderate risk of impeding fair housing choice.



Public Transit

The majority of public transit riders are non-White

Households without a vehicle are at a disadvantage in accessing jobs and services, particularly if public transit is inadequate or absent. In addition, households without access to a vehicle are primarily low-income or moderate-income. Access to public transit is critical to these households. Without convenient transit, their employment is potentially at risk and their ability to remain housed is threatened. The linkages between residential areas and employment opportunities are key to expanding fair housing choice, particularly in racially or ethnically concentrated areas of poverty.

The vast majority of Wake County workers (80.1%) drove to work alone in 2013. There are still over 16,000 households in the County, however, without access to a vehicle. Renters are ten times more likely than homeowners to lack access to a vehicle, which correlates with renters' lower median income.

Although public transit ridership is generally low in the County (only 1.14% of workers), transit use varies greatly by race and ethnicity. While 27.8% of the workers who drive alone are non-White, 56% of workers who use public transit are non-White. While Black and White workers use

public transit at equal rates, Whites are much more likely to drive alone than Black workers. This suggests that White workers can choose between driving or public transit, while Black workers may use public transit as their only transportation option.

Means of Transportation to Work, 2013

	Total population	Drove alone	Carpooled	Transit
White	71.1%	72.2%	60.9%	44.0%
Black	19.2%	19.1%	20.9%	41.2%
American Indian	0.3%	0.3%	0.4%	0.7%
Asian	5.4%	5.0%	8.5%	7.1%
Native Hawaiian	0.0%	0.0%	0.0%	0.0%
Some other race	2.6%	2.1%	6.7%	3.4%
Two or more races	1.4%	1.3%	2.6%	3.5%
TOTAL	100.0%	100.0%	100.0%	100.0%
<i>Hispanic*</i>	8.8%	7.0%	25.0%	12.3%

**Hispanic ethnicity is counted independently of race.*

Public transportation in the Wake County area is provided by a number of agencies: GoRaleigh (formerly Capital Area Transit), GoTriangle (formerly Triangle Transit), Cary Transit (C-Tran), Transportation and Rural Access (TRACS), and NCSU Wolfline. TRACS is available by reservation to residents of the unincorporated areas of the County, and the Wolfline operates only on NC State's campuses.

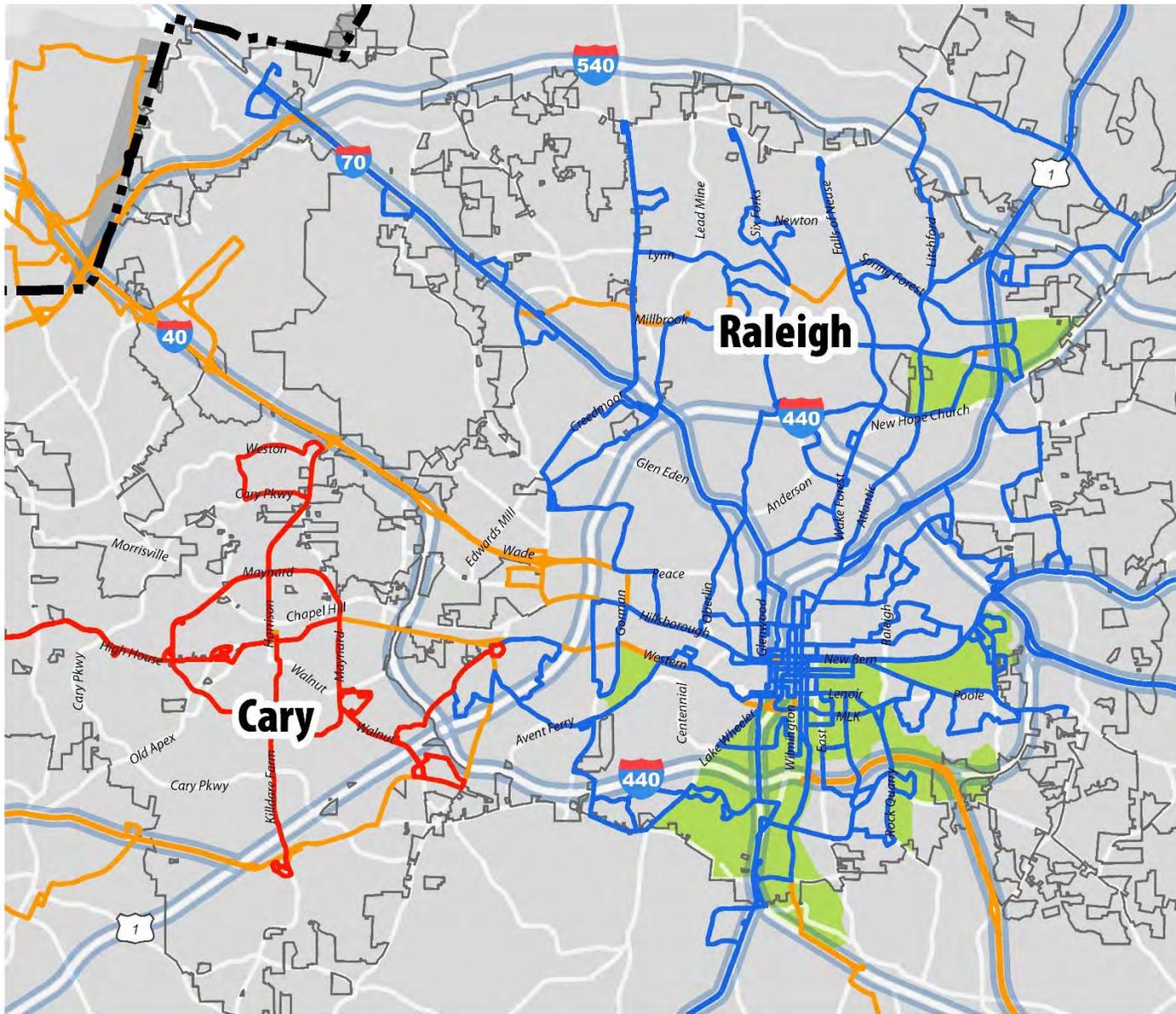
All of these agencies participate in the GoTriangle initiative, a partnership of public transportation agencies and organizations funded to promote commuter benefits in the Triangle area. The urban areas of the County, particularly Raleigh and Cary, have the most complete coverage. According to stakeholders, northeast Raleigh and northwest Cary are the two biggest gaps in central-county bus service.

The remainder of the County receives limited fixed-route commuter buses serving the smaller municipalities. As the County continues to grow and affordable housing development continues to be pushed outside of the urban cores where land and housing are less expensive, reliable public transit will become a more pressing priority.

Citing rising costs, GoRaleigh, GoTriangle, and C-Tran initiated multi-year, phased fare increases in 2014. All of the Wake County transit agencies are awaiting the results of a proposed 2016 ballot referendum that would impose a half-cent sales tax to be used for transit. This new revenue could cover the daily operating expenses for many of the agencies, as well as fund bigger budget items such as regional light rail or bus rapid transit.



Public Transit Routes



Legend

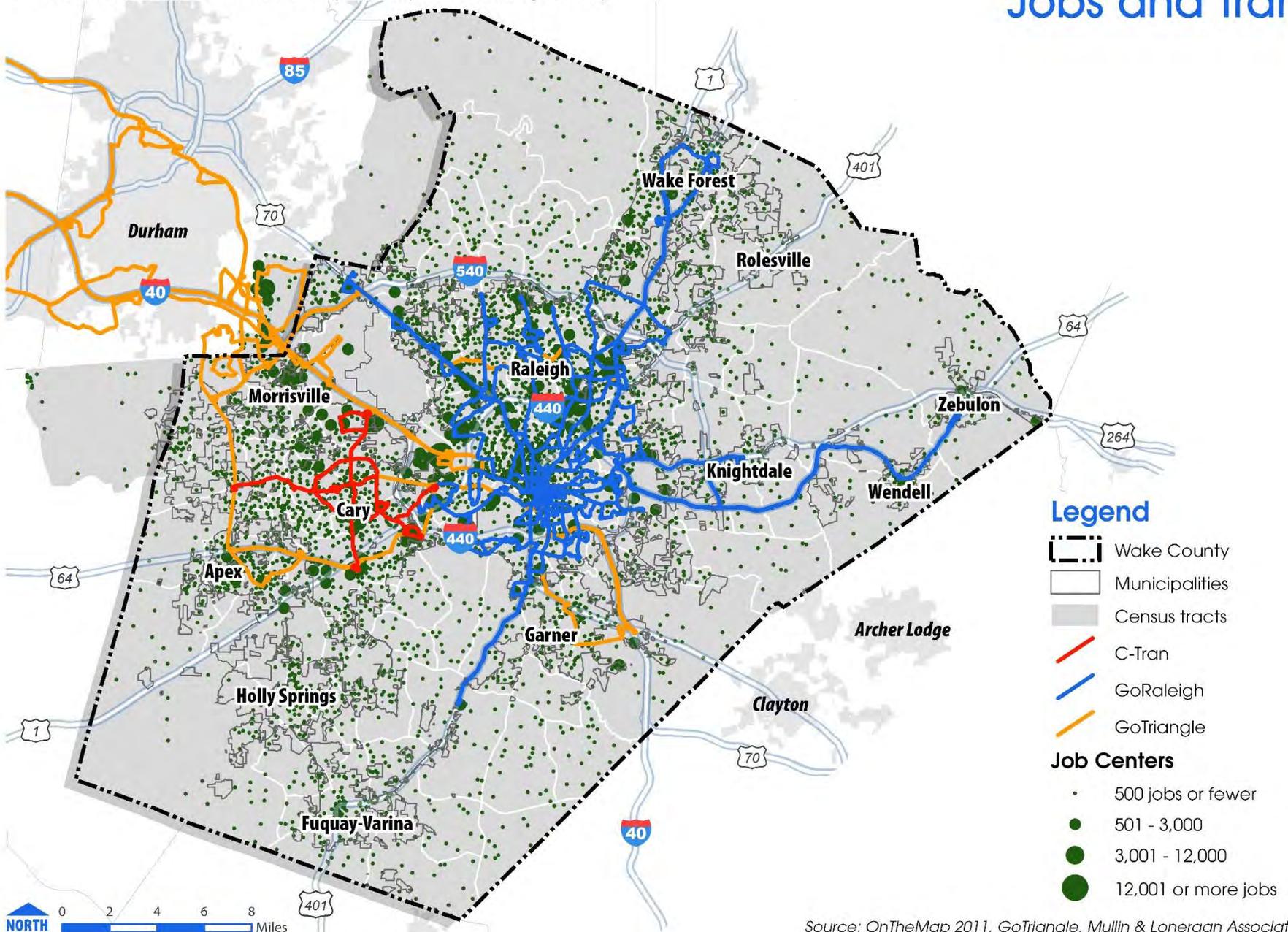
- Wake County
- Municipalities
- RCAPs
- C-Tran
- GoRaleigh
- GoTriangle



Source: GoTriangle
2015 Analysis of Impediments to Fair Housing Choice

Census tracts shown outside of Wake County contain portions of Raleigh or Cary

Jobs and Transit



Legend

- Wake County
- Municipalities
- Census tracts
- C-Tran
- GoRaleigh
- GoTriangle

Job Centers

- 500 jobs or fewer
- 501 - 3,000
- 3,001 - 12,000
- 12,001 or more jobs

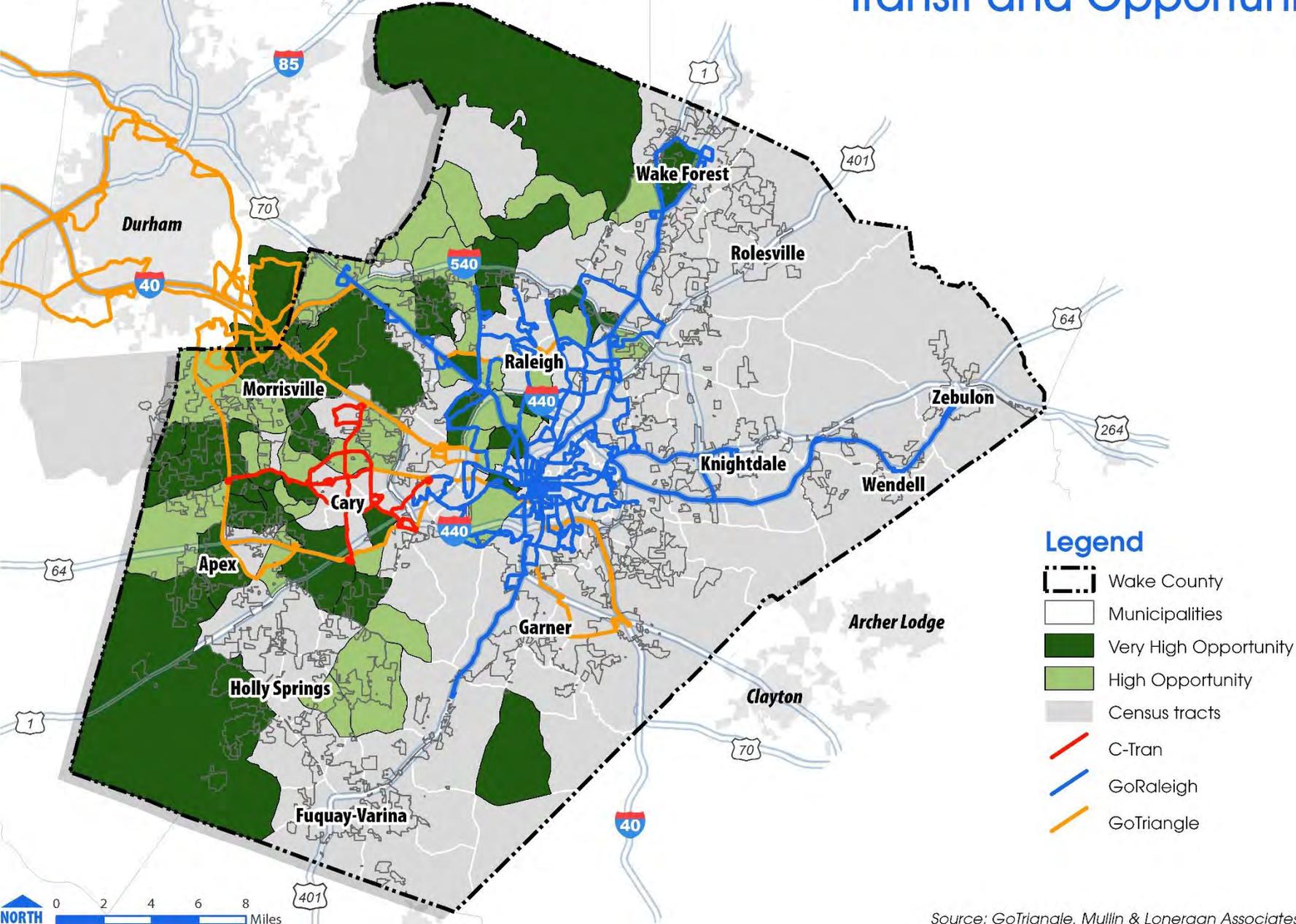
Source: OnTheMap 2011, GoTriangle, Mullin & Lonergan Associates 2015

NORTH 0 2 4 6 8 Miles

2015 Analysis of Impediments to Fair Housing Choice

Transit and Opportunity

Census tracts shown outside of Wake County contain portions of Raleigh or Cary



Legend

- Wake County
- Municipalities
- Very High Opportunity
- High Opportunity
- Census tracts
- C-Tran
- GoRaleigh
- GoTriangle

Source: GoTriangle, Mullin & Lonergan Associates 2015
 2015 Analysis of Impediments to Fair Housing Choice

Wake County

For the most part, RCAPs in the County are reasonably served by public transit, mostly through GoRaleigh fixed-route service. The same is true for the major job centers, which occur primarily within the denser urban cores and along interstates. Many high and very high opportunity areas, on the other hand, do not have strong access to public transit, especially if they are located outside the heavily traveled Raleigh-Durham corridor.

City of Raleigh

According to stakeholders, bus coverage in Raleigh is generally aligned with affordable housing locations. However, more people would opt to use public transit if the frequency of service were higher. Currently, the system stresses coverage over frequency. In addition, existing infrastructure, such as a lack of pedestrian connectivity, can make reaching a bus route difficult or impossible, even on popular routes.

Also, according to stakeholders, service hours usually match the needs of the ridership. The only significant second- or third shift employers in the area are medical centers, and they receive adequate coverage.

Town of Cary

When studying service effectiveness, Cary Transit Division's first criteria are population density and employment density, followed by income. According to the Division, the two areas of Cary with the highest transit needs as determined by this process are already being served. The areas of next greatest need are all in isolated pockets of development, making them difficult to address efficiently. Service hours were recently expanded from 8pm until 10pm, with a further extension to midnight scheduled.

Low-income households in Cary are highly dependent on public transportation. By Transit Division estimates, over three quarters of their ridership earn less than \$30,000 per year. Fortunately, transit is already part of the routine of plan development review. If new development is proposed along an existing bus route, the developer has to include transit amenities, such as a concrete pad and accessories. Also, the Transit Division is working closely with the planning department regarding the ongoing comprehensive plan update.



PHA Demographics and Inventory

Raleigh Housing Authority

Raleigh Housing Authority (RHA) serves as the public housing authority for the City of Raleigh. The City has experienced rapid population growth since the 1970s, increasing the demand for housing at all affordability levels, but especially for families in the lowest income groups. The last new public housing development in Raleigh was constructed in 1992.

Following HUD requirements, RHA's public housing structures must be constructed in areas that do not contain high concentrations of minorities or poverty rates. Since 1999, RHA has been de-concentrating its units through redevelopment. This has included a 100-unit complex being demolished and replaced with first-time-homebuyer units. Three of the largest public housing communities in Raleigh have been redeveloped, decreasing density from 912 units to 291. RHA's last redevelopment project did not utilize HUD grants to fund public housing units.

Members of the protected classes are a disproportionately higher percentage of RHA's current tenants as well as their waiting list applicants. Black applicants comprised 85.1% of current households and 78.3% of waiting list applicants, both of which are much higher than Raleigh's overall average of 29.5%. About 74.4% of RHA tenant households and 90.5% of waiting list applicants had incomes below 30% of the area median income.

The elderly comprise 30.9% of RHA's current tenant households and 5.3% of its waiting list applicants. Elderly households are not a protected class, but have higher rates of disability than the general population. This disability qualifies many elderly households as members of a protected class, due to the disability rather than age. Out of the 1,445 public housing units in RHA's inventory, 400 are in high-rise senior buildings that have been designated for persons 62 and above. These units are accessible and have universal design features. In order to ensure these units are fully utilized, RHA applies both an elderly preference and a disability preference for applicants of any age. As a result, elderly applicants are housed more quickly and are therefore under-represented on the waiting list. These are typically families receiving SSI, SSDI, and social security as their sole source of income. These

families generally remain in occupancy as long as they can live independently.

Persons with disabilities comprised 20.7% of RHA's tenants, and 5.5% of waiting list applicants. This is much higher than the 7.5% citywide average, indicating a potentially higher need for accessible units in RHA inventory. While not all disabled persons require accessible housing units, many do.

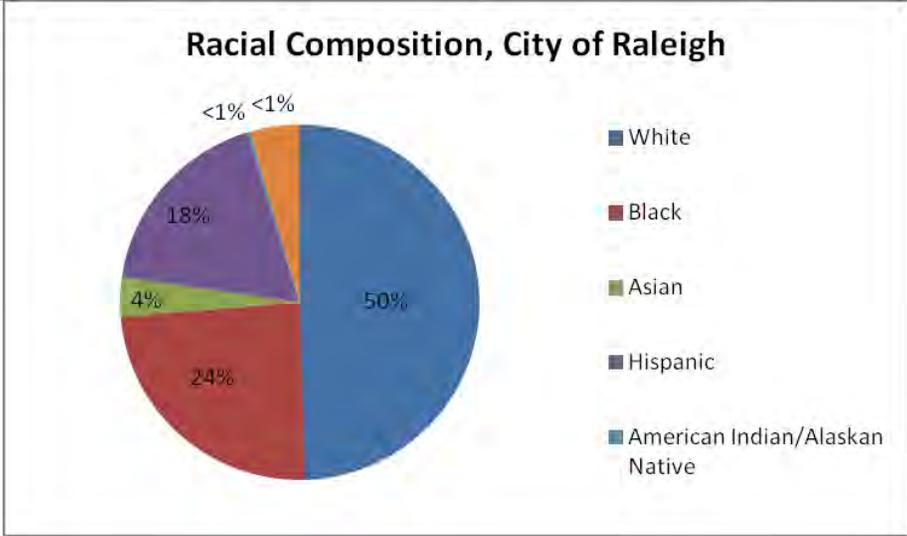
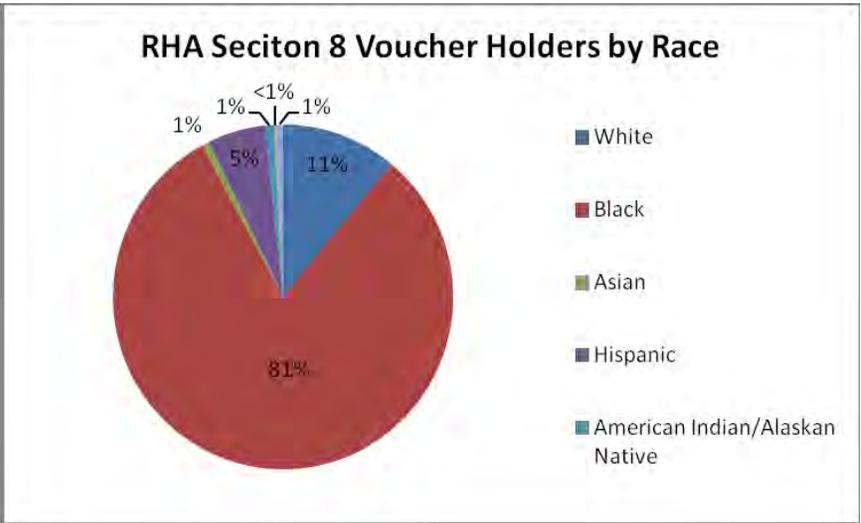
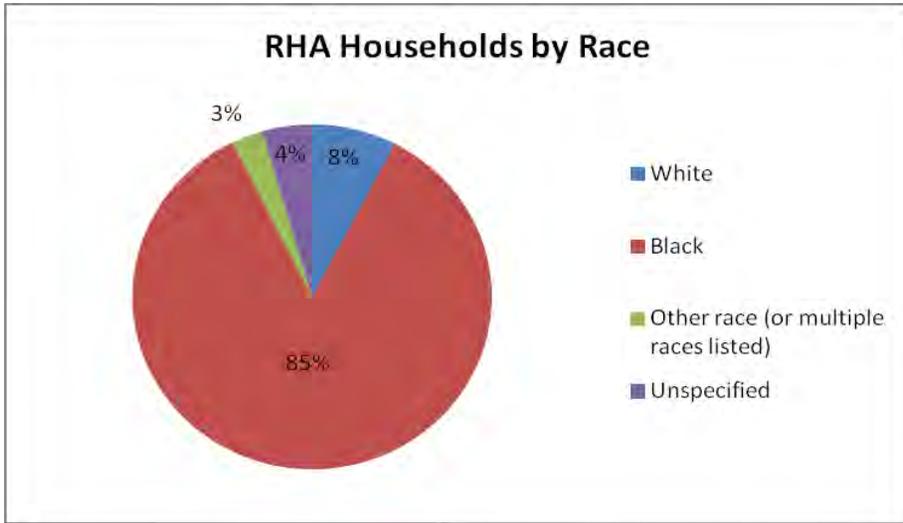
Large families with five or more members comprised 6.5% of tenant households and 0.5% of the waiting list, although they comprised 7.8% of Raleigh's family households overall. For public housing, the RHA selects only large families to fill vacant four or five bedroom units. Although RHA does not currently track length of wait, in many cases a large family would have a shorter wait than applicants needing one or two-bedroom units due to lesser demand, which may explain the small proportion of large families on the waiting list. There are currently only two families on the waiting list seeking a five bedroom unit.



The demographic characteristics of Section 8 voucher holders were very similar to those of RHA tenants, with Blacks, the elderly, and persons with disabilities over-represented. Black residents comprised 79.3% of vouchers holders, and elderly and near-elderly households comprised 20.7% of voucher holders. The most common type of housing was two-bedroom units, which accounted for 45.1% of units occupied by HCV holders. This is different from RHA's public housing inventory breakdown, in which two-bedroom units comprise only 25.8% of the inventory.

The disproportionate representation of protected classes (Black residents, persons with disabilities, and female-headed households with children) among RHA's public housing and housing choice voucher households indicate a lack of affordable housing choices for these households in the private sector market and, therefore, limited housing choice when compared to the population overall.





Housing Authority of the County of Wake

HACWNC's population also disproportionately contains members of the protected classes. Black households comprised 88.1% of public housing tenants and 75.3% of Section 8 voucher holders, although the County was only 20.7% Black in 2013. Interestingly, Hispanic residents account for only 1.7% of public housing tenants and 3.3% of Section 8 voucher holders, despite comprising 9.7% of the population. This is congruent with stakeholder opinions that Hispanics are overall less likely to utilize government-funded services even if they qualify for them, largely due to distrust of government and concern about their legal status. There was a resident with a disability in 45.8% of HACWNC's public housing units, and 15.8% of voucher holders reported a disability. Both

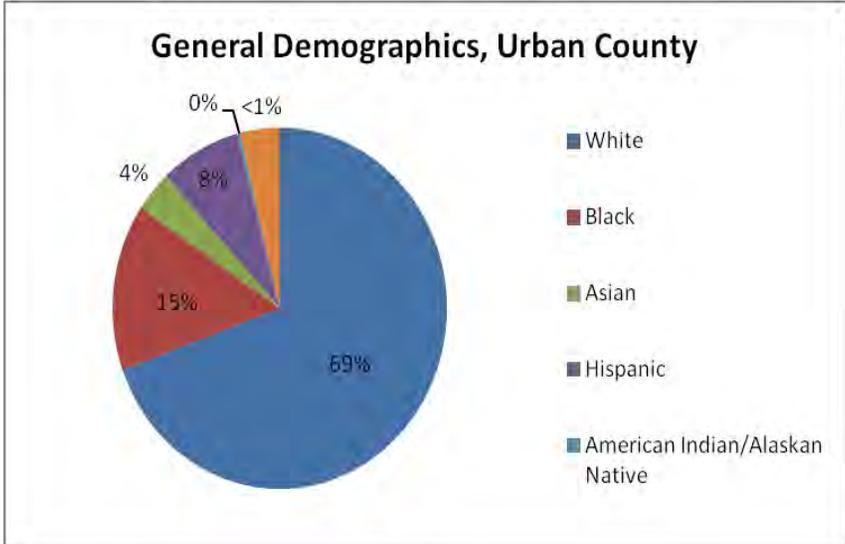
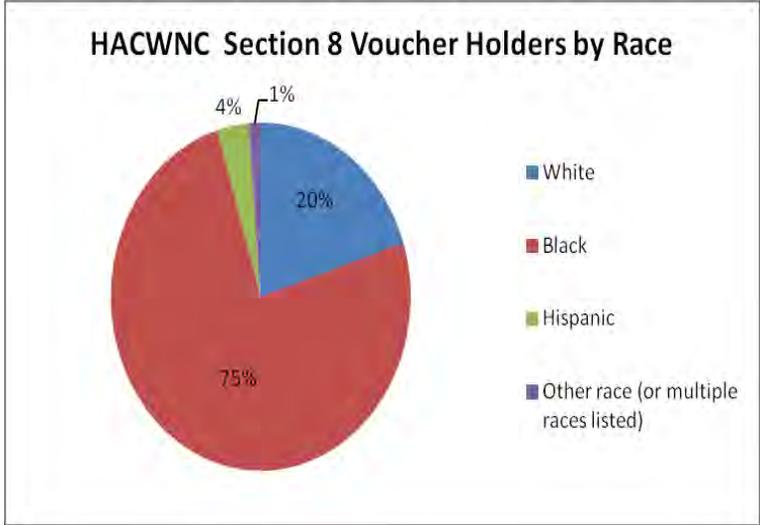
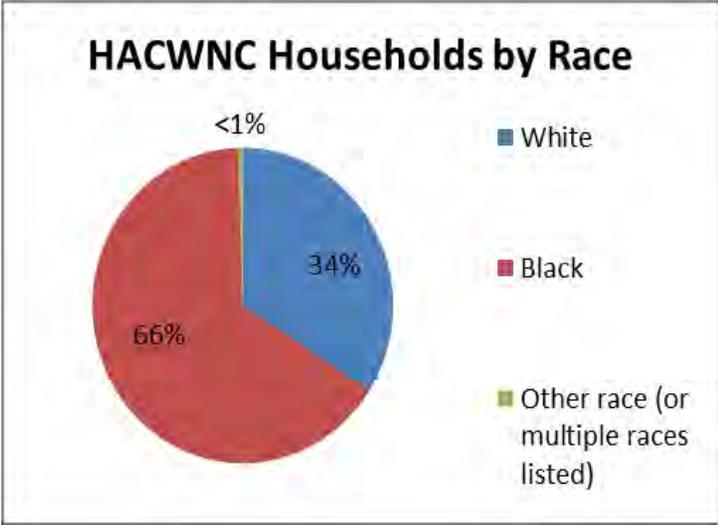
figures are higher than the Wake County average of 7.5%.

The most common unit size provided by HACWNC is a two-bedroom unit, accounting for 38.6% of all inventory. For Section 8 voucher holders, the most common size was a one-bedroom unit, accounting for 41.8% of all housing units rented using the program. The prevalence of small units is surprising, since 29% of Section 8 voucher holders are large families with five or more members. This may indicate that housing units large enough to meet the needs of large families requiring several bedrooms are difficult to obtain in the private market with a voucher. Another reason for the prevalence of one-bedroom units is due to the Veterans Administrative Supportive Housing (VASH) Voucher Program. This is the largest Housing Choice Voucher Program that the

HACWNC administers. Most voucher holders on this program are single veterans, eligible for a one-bedroom unit. According to HACWNC policy, Section 8 voucher holders must be placed in the bedroom size that they qualify for.

While other protected classes, such as families with children or foreign-born persons, may also be disproportionately represented as tenants or voucher holders, the databases maintained by RHA and HACWNC are primarily used to monitor income, and do not have information on the status of all protected classes. Based on feedback from public housing stakeholders interviewed for this analysis, there are many families with children using Section 8 voucher holders throughout both Raleigh and the Urban County.





PHA Policy Document Review

Both the Raleigh Housing Authority and the Housing Authority of the County of Wake prioritize the deconcentration of affordable housing

An important element of the AI includes an examination of public policies in terms of its impact on housing choice. This section evaluates the public policies of Raleigh Housing Authority and the Housing Authority of the County of Wake (HACWNC) to determine opportunities for furthering the expansion of fair housing choice.

The primary policy documents used to review the practices of the two housing authorities in Wake County are the Admission and Continued Occupancy Policy (ACOP) and the Section 8

Housing Choice Voucher Administration Plan. The ACOP defines each housing authority's policies for operating public housing programs, incorporating federal, state, and local laws. This includes key internal policies that are important for compliance with HUD regulations, as well as from an overall fair housing perspective.

Relocation Policies

The Uniform Relocation Act of 1970 is a federal law that establishes minimum standards for federally funded programs and projects that require the displacement of persons from their homes, businesses or farms. The Act's protections and assistance apply to the acquisition, rehabilitation or demolition of real property for federally funded projects. Among the goals of the Act is ensuring that relocation assistance is provided to displaced persons to lessen the emotional and financial impact of displacement. Relative to residential displacement, the Act requires that agencies:

- Provide relocation advisory services to displaced tenants
- Provide a minimum 90 days written notice to vacate prior to requiring possession
- Reimburse for moving expenses
- Provide payments for the added cost of renting or purchasing comparable replacement housing

Specific to Section 504, the Act requires that displacing agencies determine the accessible features of housing from which persons with disabilities will be displaced, as well as any other accessible housing needs, provide reasonable accommodations to displaced persons who are disabled, provide comparable replacement housing and inspect replacement housing to ensure that it is decent, safe and sanitary, free of barriers to the person's ingress and egress, that it is adequate in size to accommodate the occupants, and that it includes other features as necessary to meet the accessibility needs of the displaced person with disabilities.



Raleigh Housing Authority

Unique relocation plans are developed by RHA for each redevelopment situation. The goal of the relocation plans are to provide assistance for persons displaced due to the development or renovation of housing units. RHA's last relocation plan was developed in November 2010. RHA employs relocation specialists, who are tasked specifically with assisting clients. Other forms of relocation such as transferring a family due to medical need, a unit has become unsafe due to damage, household fires, etc. are covered in the Admissions and Occupancy policy. This also covers families that have become over-housed or under-housed due to changes in family composition over time. RHA offers each moving family the option of the flat moving expense as provided in the Uniform Relocation Act or actual moving expenses.

Housing Authority of the County of Wake

While the HACWNC does not have a relocation plan, it does provide relocation assistance for persons required to be displaced due renovation of housing units. Housing Management is tasked specifically with assisting client with the physical move. The Resident Coordinator of HACW is tasked with assisting the clients with

needed services, since in some situations clients are moving to a different municipality within the county.

Local Preference and Reasonable Accommodation

Raleigh Housing Authority

RHA gives housing admission preference to three groups: elderly applicants, disabled applicants, and Wake County residents. To attain residency preference, the applicant must either be a Wake County resident or provide proof of employment in Wake County.

As described in the Admin Plan, RHA's reasonable accommodation policy allows for specific changes upon request to a policy or practice as an accommodation to a tenant's or applicant's disability. In determining disability, RHA uses the definition from the Fair Housing Act rather than the Americans with Disabilities Act (which is used in the ACOP). The requester must first certify or verify that they are disabled under the definition of the Fair Housing Act. RHA will then collect information and provide a written decision to the person requesting the accommodation.

The cost necessary to carry out approved requests is borne by RHA. If another party pays for the modifications, the Housing Authority may seek to have the same entity pay for any restoration costs. If the resident's insurance or medical provider provides equipment, the RHA will install it. The RHA also covers the cost of unit transfers if it is needed as an accommodation. If a person is denied the accommodation or feels that the alternative suggestions are inadequate, they may request an informal hearing to review RHA's decision.

Between October 2013 and September 2014, RHA received 35 reasonable accommodation requests related to physical disabilities of residents living in public housing units. Most requests were accommodated within one month. Of the five requests denied, all were denied because either the request was not related to a disability or because the request was physically unfeasible due to initial unit designs.

RHA provides fair housing training to their employees, including one presentation specifically detailing reasonable accommodation.



Housing Authority of the County of Wake

HACWNC gives preferences for housing based on three criteria: elderly applicants, disabled applicants, and working households.

HACWNC has a reasonable accommodation policy included within its ACOP. It states that the Authority shall make reasonable accommodation to permit a disabled person the opportunity to use and enjoy a dwelling unit. However, the Authority has no duty to provide such persons with support services such as medical, social or counseling services, other than those offered to all residents. If the accommodations for the person would result in an undue financial or administrative burden to the Authority, the Authority may refuse to make the accommodation.

Last year the Authority received four requests for accommodations, all of which involved ramp installation and were approved. The Director of Finance and Administration attended fair housing training, which included recent training on reasonable accommodation policy, in February 2015. The director subsequently presented this fair housing training to the rest of the Authority staff.



Section 3 Plans

Section 3 of the HUD Act of 1968 requires that wherever HUD financial assistance is expended for housing or community development, to the greatest extent feasible, economic opportunities must be given to local public housing residents and low- and very-low income persons who live in the metropolitan area or non-metropolitan county where the assisted project is located. The policy is intended to direct the employment and other economic opportunities created by federal financial assistance for housing and community development programs toward low- and very-low income persons, particularly those who are recipients of government assistance for housing.

Section 3 is also the legal basis for providing jobs for residents and awarding contracts to Section 3 businesses, which include businesses that are at least 51% owned by Section 3 residents, whose permanent, full-time employees include at least 30% current Section 3 residents, or businesses that commit to subcontract at least 25% of the dollar award to a Section 3 business concern. The opportunities provided can include job, training, employment or contracts.

Recipients of federal assistance are required, to the greatest extent feasible, to provide all types of employment opportunities to low and very low-income persons, including seasonal and temporary employment, as well as long-term

jobs. HUD receives annual reports from recipients, monitors the performance of contractors and investigates complaints of Section 3 violations, examining employment and contract records for evidence of actions taken to train and employ Section 3 residents and to award contracts to Section 3 businesses. In March 2015, HUD announced a new proposed rule to the federal Section 3 program, which would clarify certain provisions of the program and establish best practices in order to ease barriers to achieving compliance with requirements.

According to the HUD registry, there are currently no Section 3 businesses in Wake County. Neither Raleigh Housing Authority nor the Housing Authority of the County of Wake participates in Section 3 programming.

In order to ensure that RHA and HACWNC are fostering economic opportunity among their tenants, each authority should adopt a Section 3 Plan. Such a plan would help to develop, foster, and involve Section 3 workers and businesses to the maximum extent feasible. One example of this would be informing public housing residents about available training and job opportunities, and then guiding them through the Section 3 process.

Accessibility

From a regulatory standpoint, local government measures define the range and density of housing resources that can be introduced in a community. Housing quality standards are enforced through the local building code and inspections procedures as well as federal regulations that govern public housing.

Section 504 of the Rehabilitation Act of 1973 and 24 CFR Part 8 require that a minimum of 5% of all public housing units be accessible to persons with mobility impairments. Another 2% minimum of public housing units must be accessible to persons with sensory impairments. In addition, an authority's administrative offices, application offices and other non-residential facilities must be accessible to persons with disabilities. The Uniform Federal Accessibility Standards (UFAS) is the standard against which residential and non-residential spaces are judged to be accessible.

The regulations at 24 CFR 8.26 and HUD PIH Notice 2002-1 describe the obligation of PHAs to provide UFAS-accessible units at each project site and in a sufficient range of bedroom sizes. The intent of requiring the distribution of UFAS-accessible units in a variety of bedroom sizes and in a variety of locations is to ensure that people with disabilities residing in public housing have choices of living arrangements comparable



to those of other families eligible for assistance under the same program.

The North Carolina Building Code contains standards for the accessibility of private housing structures that are consistent with UFAS and ADA accessibility guidelines, as well as International Code Council/American National Standards Institute (ICC/ANSI) accessibility provisions. The code identifies residential buildings that must comply with accessibility requirements. Each local jurisdiction ensures compliance with state and federal accessibility statutes through construction plan review and field inspections

Raleigh Housing Authority

References to its obligation to comply with both Section 504 requirements and HUD PIH Notice 2002-1 are explicitly stated in RHA's ACOP.

RHA has a Section 3 Plan and includes the Section 3 clause in all contracts as stated in 24 CFR 135.38. The last Board-approved plan was done in 2003 and was revised in June 2015. The RHA regularly prepares Section 3 reports, although HUD's system for receiving these reports has been unavailable for the last two reporting cycles.

RHA submitted comments on the Section 3 proposed rule in May 2015. Once the final rule is issued, RHA will review the rule and prepare an updated plan. For fiscal year 2016, RHA secured

HUD approval to pay up to 120% of the fair market rent for voucher families seeking to lease a wheelchair accessible unit. RHA is to track the use of this accommodation for six months and report back to HUD.

While the majority of RHA's inventory was built prior to 1988 and did not include accessible units, RHA has modified many of its units to increase accessibility. Of a total of 1,445 public housing units, 98 units are fully accessible for wheelchair persons. This equates to 7% of the inventory. RHA maintains an additional 86 units that contain universal design features such as flat entrances, low thresholds, grab bars, wide doorways, ramps, hearing and/or visual equipment, or other modifications needed by disabled residents. In total, RHA has 184 units that have been modified for disabled persons. This represents nearly 13% of the inventory.

Housing Authority of the County of Wake

References to its obligation to comply with both Section 504 requirements and HUD PIH Notice 2002-1 are explicitly stated in HACWNC's ACOP. HACWNC has over 19 of its 343 units currently accessible, which is higher than the 5% required by Section 504. The HACWNC follows the HUD Requirements for Recipients of HUD Housing & Community Development Funding. HUD Form 6002 is submitted to HUD and is a part of the Agency Annual Audit to confirm compliance with the Section 3 Program. The Section 3 Program is reviewed with every vendor doing business with the HACWNC and appropriate forms related to Section 3 are filled out by each.

While no current residents require a specialized unit designed for persons with sensory impairments HACWNC maintains special units for this purpose.



Deconcentration and Mobility Policies

Public housing authorities are required to comply with federal regulations for the deconcentration of poverty and income-mixing at general occupancy family public housing developments with 100 or more units, aside from developments that meet the exceptions at 24 CFR 903.2. Developments that house only elderly or disabled households and developments approved for demolition are among the exceptions.

For sites to which the regulations apply, PHAs must compare the average income of residents to an established income range. A PHA with covered developments outside of the range must justify the income range for those developments as furthering two sets of goals: a) deconcentration and income-mixing, and b) the local goals and strategies of the PHA's Annual Plan. When no justification is provided in the Annual Plan, the PHA must include in its ACOP a specific policy to provide for deconcentration of poverty and income mixing in applicable covered developments. Such policies can include:

- Incentives to encourage families with incomes below the established range to accept units in developments with incomes above the range, and vice versa

- Targeting investment and capital improvements toward developments below the established income range to encourage families above the range to accept units there
- Establishing an admission preference for working families below the range
- Skipping a family on the waiting list to reach another family in an effort to further the goals of the PHA's deconcentration policy

Raleigh Housing Authority

In its 2013 Admin Plan, RHA defined one of their three local objectives as "Promoting freedom of housing choice and spatial deconcentration of very low-income families of all races and ethnic backgrounds". In accordance with 24 CFR 903.2, RHA has only one public housing property that is covered under this policy. As a result, there are no communities with which to compare averages. RHA included this in the most recent FYE 2016 agency plan under the Plan Elements Section. While RHA does not have an income-based deconcentration policy detailed in its most recent Admin Plan, the Authority actively works to deconcentrate extremely low-income persons and affirmatively further housing choice. Since 1978, the City of Raleigh has applied a scattered site policy to the development of public housing, which the RHA has followed. Under current

statutes, at least 75% of the families admitted to the tenant based program during the Authority's fiscal year will be families whose annual income does not exceed 30% of the area median income, with adjustments for smaller and larger families (as determined by HUD).

RHA provides mobility counseling for all Section 8 HCV recipients in order to encourage HCV holders to look for units outside of areas of high poverty or minority concentration. RHA considers an area to be concentrated if it is located within a census tract with a rate 10% greater than the Wake County average. Resources RHA provides include:

- A map showing poverty rates by zip code from the year 2000
- Coverage area in Wake County
- A list of all PHAs in North Carolina to encourage mobility outside of Wake County
- A map of bus routes
- Translation services and Spanish-language vital documents

The poverty levels from the year 2000 are obsolete; a map containing the most recent data, such as the one included in this analysis, should be used to assist with RHA mobility initiatives.

In addition, RHA does not maintain a list of properties that will accept Section 8 vouchers. Their FAQ section states that “There is no list of properties...You will have to be creative”. This makes it significantly more difficult for persons already living in Raleigh’s racially concentrated areas of poverty to move to an area with higher opportunity, as their limited search radius and mobility makes it more difficult for them to conduct a housing search outside of their neighborhood. RHA suggests voucher receivers “tour neighborhoods [they] desire to live in to look for vacant unit or rental signs”, yet many voucher holders do not have adequate transportation to do so, or have disabilities that make this impossible.

One of the most significant barriers for voucher holders trying to find housing outside of racially concentrated areas of poverty is a criminal record. Stakeholders interviewed reported that many public housing residents and voucher holders have criminal records, often for minor, non-violent offenses, that automatically disqualify them from many rental housing options in higher opportunity areas. Stakeholders also cited the overall loss of affordable housing units in Raleigh: many older and less expensive units in the urban core are being replaced by higher-end units, with inadequate affordable new construction to replace them. This limits mobility within the City, and has pushed many voucher holders in South and Southeast Raleigh further

south into Garner. Two of the greatest impediments to mobility in Raleigh are the lack of affordable housing options overall and the lack of affordable housing options outside of RCAPs.

In the RHA’s agency plan, one of their stated goals is “to market RHA’s programs widely in the community to promote the programs to all races and ethnicities”. This is done primarily through participation on panels and boards and by making presentations when asked to do so. Although RHA manages two tax credit developments, the developments are owned by equity providers. There are affirmative marketing plans for both developments.

Housing Authority of the County of Wake

HACWNC’s Admission and Continued Occupancy Plan contains an explicit deconcentration policy that aims to prevent a concentration of poverty families and/or a concentration of higher income families in any one development. The specific objective is to fill no less than 40% of its public housing inventory—in terms of both overall inventory and specific developments—with families that have incomes at or below 30% of the area median income. To accomplish this, the Authority may utilize affirmative marketing efforts to encourage new applicants with appropriate income levels, consult and inform applicants on the waiting list of their deconcentration goals, and skip over certain families on the waiting list due to their lower income levels in order to achieve a balance between 0-30% and 30-50% income levels among tenant households in any single public housing community.

HACWNC provides free counseling services for Section 8 households. Attendance for an introductory briefing is required. During this briefing, participants are encouraged and counseled on how to find housing in areas outside of low-income or minority concentrations. Households are also briefed on fair housing and how to report housing discrimination, should they experience it.

As in Raleigh, the greatest impediments to mobility in Wake County are the lack of affordable housing opportunities overall and the lack of affordable housing options outside of RCAPs. Units coming onto the market are predominantly out of reach for low-income residents even with a voucher, and affordable rental units are shrinking as a proportion of the housing stock available. Many voucher holders in the Urban County are constrained to areas far from public transportation, jobs, and amenities. Stakeholders interviewed indicated that a large percentage of voucher holders are elderly, disabled, or otherwise not participating in the labor force, and thus may be selecting their housing locations for reasons other than employment and transportation. However, it remains important for voucher holders to be able to choose housing options that improve mobility, regardless of whether or not they require it for employment or medical services. Stakeholders interviewed also voiced concern over opposition to Section 8 voucher holders outside of Raleigh, which may make discrimination based on source of income more likely.



Assisted Housing Inventory

Assisted housing is concentrated in areas with lower opportunity

In addition to public housing, there are housing units across the County that have received public financing, but are owned by private entities. Sources of public financing include HOME program funds, CDBG owner-occupied rehab awards, Low-Income Housing Tax Credits (LIHTC), down payment assistance, Section 8 voucher subsidies, and more. LIHTC developments, which are assisted through the State's Housing Credit Program, form the bulk of privately-owned affordable housing stock. Wake County, the City of Raleigh, and the Town of Cary each contribute HOME funds to LIHTC developments in their respective jurisdictions. Regardless of the ownership arrangement, the assisted housing inventory in the County is a significant source of affordable housing.

In terms of fair housing, the location of assisted housing can expand access to community assets or it can perpetuate residential segregation patterns. For example, affordable housing units planned and developed in high opportunity areas can facilitate access to better schools and jobs. On the other hand, affordable housing that is located exclusively in low opportunity areas restricts housing choice and residents' access to higher quality community assets.

A total of 2,726 publicly and privately assisted housing locations were inventoried for this report – 1,291 public housing units, 754 Section 8 voucher holders, 431 Low-Income Housing Tax Credit (LIHTC) developments, and 674 developments assisted in other ways (new construction, second mortgages, rehab, etc.). ***This inventory is not complete:*** it reflects the current inventory for which there is address data that can be mapped.

Taken as a whole, assisted housing is not well distributed throughout the County. Almost 23% of the assisted housing inventory (for which geographic data is available) is located in one of

the nine identified RCAP tracts, despite those tracts containing only 5% of the County's population. Similarly, only 6% of the assisted housing is located within the 76 tracts that scored "high" or "very high" in the Communities of Opportunity Analysis, although those tracts hold 36% of the population. When considering only public housing, the trend is more slightly pronounced: 27.7% of developments are within an RCAP, while 5.0% are within a high/very high opportunity area. While the RHA and HACWNC both actively follow deconcentration policies, the current distribution remains concentrated.

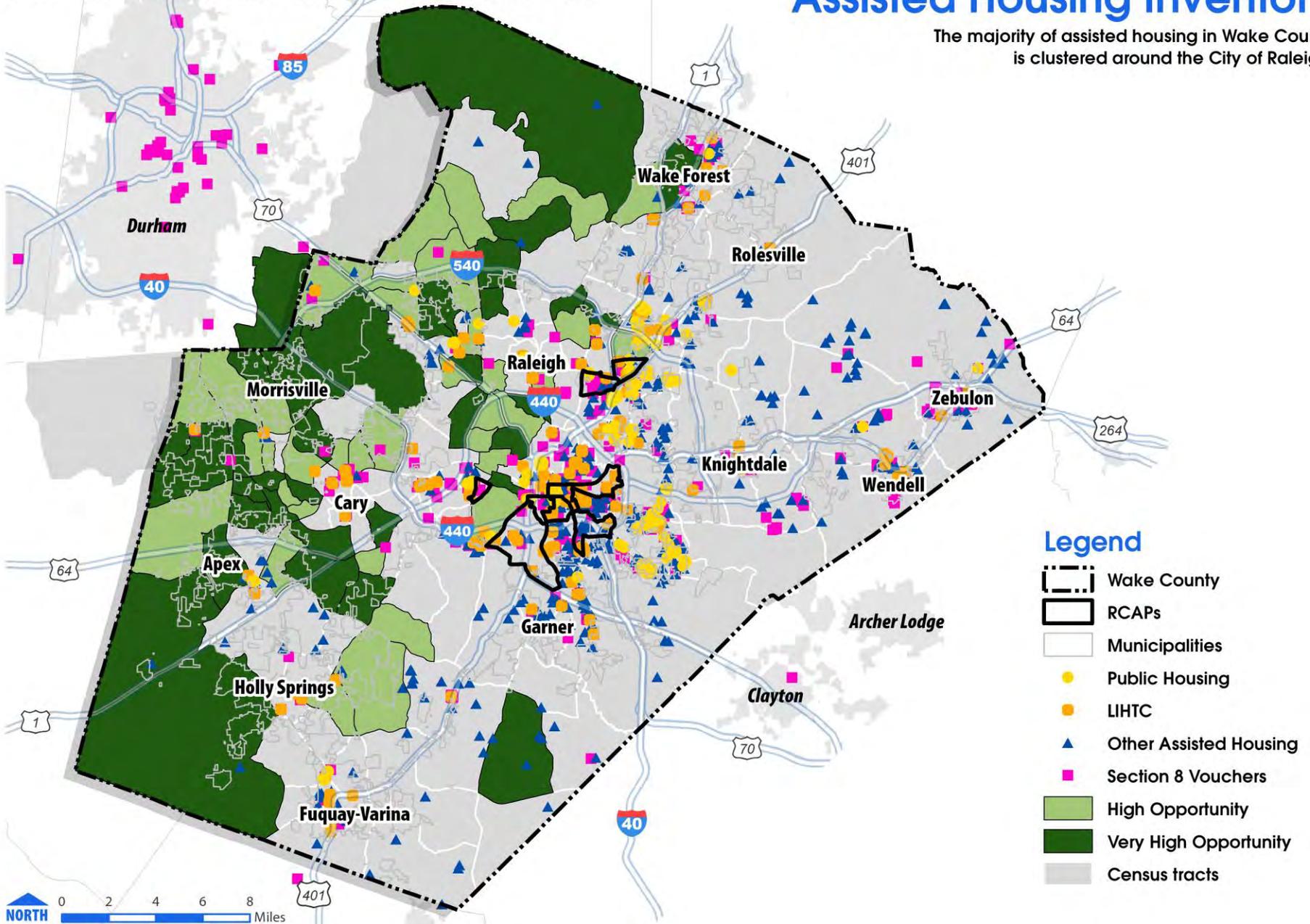
These results indicate that public financing resources may have been unduly concentrated in specific areas for reasons other than natural population distribution. In order to direct housing resources in ways that expand housing choice in higher opportunity areas, HACWNC and RHA, along with the County, Raleigh, and Cary, will need policies that specifically favor such locations.



Census tracts shown outside of Wake County contain portions of Raleigh or Cary

Assisted Housing Inventory

The majority of assisted housing in Wake County is clustered around the City of Raleigh.



Legend

- Wake County
- RCAPs
- Municipalities
- Public Housing
- LIHTC
- Other Assisted Housing
- Section 8 Vouchers
- High Opportunity
- Very High Opportunity
- Census tracts

NORTH 0 2 4 6 8 Miles

Language Access Plans

Over 4% of the County's population has limited English proficiency

North Carolina adopted English as its official language in 1987. Persons with limited English proficiency (LEP), including immigrants, may encounter obstacles to fair housing by virtue of language and cultural barriers within their new environment. To assist these individuals, it is important that a community recognizes their presence and the potential for discrimination, whether intentional or inadvertent, and establishes policies to eliminate barriers.

Title VI of the Civil Rights Act of 1964 is the federal law that protects individuals from discrimination based on their race, color, or national origin in programs that receive federal financial assistance. In certain situations, failure to ensure that persons with LEP can effectively participate in, or benefit from, federally assisted programs may violate Title VI's prohibition against national origin discrimination. Furthermore, recipients of federal financial

assistance must develop a plan for persons with LEP to ensure that they have meaningful access to all portions of their programs or activities, not just those portions that receive HUD funds (e.g. non-federally funded programs). This is called a Language Access Plan (LAP).

According to HUD, vital documents should be translated into other languages spoken in the area when both:

- More than 1,000 persons in the eligible population or among current beneficiaries have LEP, and
- More than 5% (or at least 50 persons) of the eligible population or beneficiaries have LEP

Vital documents include any document that is critical for ensuring meaningful access to the recipient's major activities and programs by beneficiaries generally and persons with LEP specifically. Determining whether or not these criteria are fulfilled is known as a safe harbor calculation.

One measurement of persons with LEP is the degree to which persons over the age of 5 years speak English. The Census reports on the

number of persons who speak English "very well," "well," "not well," and "not at all" by language category. Despite the prevalence of persons with LEP and the increased diversity among Wake County's population, some communities within the county have established very few provisions to accommodate persons with limited English proficiency. Many of the area's local government publications and other materials are not available in Spanish. The responsibility of identifying which documents are considered "vital documents" is left to each local unit of government.

The following table presents the results of a safe harbor calculation to determine the eligible population for persons with LEP in the municipalities in Wake County. While Spanish is by far the most widely spoken language after English in all parts of Wake County, other languages with high numbers of LEP speakers are also shown for reference. The estimated eligible population for each language group is based on the assumption that 100% of persons with LEP are potential recipients of city or regional services. Further analysis may reveal a smaller number. No safe harbor is assumed for oral interpretation.



As the table shows, there is a need to translate vital documents from English to Spanish in the City of Raleigh. There are also a high number of LEP Spanish-speakers located in Cary and the unincorporated areas of Wake County. The concentration of LEP persons exceeds 5% in the towns of Wendell and Zebulon, although none of these towns trigger the safe harbor threshold due to their low populations.

While there are many other languages spoken throughout Wake County, no other languages triggered HUD’s safe harbor threshold. The *Ancestry and Income* section of this report details the language profile of LEP persons in more detail.

Safe Harbor Calculation, LEP Spanish Speakers		
Municipality	Number of Speakers	Percentage of Total Population
Wake County	35,131	4.07%
Urban County of Wake County*	10,592	3.05%
Apex town	387	1.07%
Fuquay-Varina town	391	2.24%
Garner town	331	1.35%
Holly Springs town	140	0.60%
Knightdale town	487	4.32%
Morrisville town	203	1.13%
Rolesville town	172	4.65%
Wake Forest town	334	1.16%
Wendell town	284	5.05%
Zebulon town	286	6.70%
Remaining Unincorporated Area	7,577	4.35%
Cary town	5,150	3.91%
Raleigh city	19,389	5.04%

*Includes all of Wake County except the cities of Raleigh and Cary.

Source: 2009-2013 ACS (B16001)

Wake County

While there is not a Spanish version of the entire Wake County website, vital documents posted to the Wake County website are generally available in Spanish. However, other non-vital information that would be nonetheless useful to LEP persons is often available in English only. This includes listings of County Human Services programs and locations, and information about the County's affordable housing and homeownership programs.

Wake County arranges for free translation services for LEP persons using a third-party translation service. This includes accommodations for LEP persons as well as deaf-blind interpreting. However, neither Wake County Human Services nor Wake County Division of Housing has a formalized LAP, and neither has conducted a four-factor analysis since the last AI.

Town of Cary

The Town of Cary does not have a Language Access Plan related to its community development programs. While its Spanish-speaking population does not exceed the safe harbor threshold, the Hispanic population in the Town is growing rapidly. There is also a large Asian population in Cary, who may speak a variety of languages and require varied interpretation services. Although developing an LAP is not explicitly required, it is the only

method by which a municipality can document compliance with Title VI.

C-Tran, Cary's primary public transit service, developed a Language Access Plan in 2014 to ensure Title VI compliance.

City of Raleigh

The City of Raleigh Community Development Department created a LAP in 2010 to achieve Title VI compliance. If LEP persons contact the Department, the LAP dictates their right to free language assistance in Spanish and other significant languages in all outreach material. The Department is required to make funding available for interpretation, translation, and marketing services.

Raleigh last completed a four-factor analysis in 2009. Part of this analysis involved a survey of Community Development Department staff to gauge interaction with LEP persons. LEP persons account for about 0.67% of the total encounters between the Community Development Department and the City of Raleigh, which is much less than the 5.04% estimate of the population made by the Census. The largest LEP population in Raleigh speaks Spanish as their primary language. In its four-factor analysis, the Department indicated that, within the City's Hispanic LEP population, resident concerns regarding documentation and legal status may be a significant deterrent to

seeking assistance, including utilization of housing programs and fair housing resources. For translation services, current procedures involve utilizing existing City staff. The Community Development Department receives translation assistance from Spanish speaking staff members in the Community Services Department. Both departments are located in the same building and requests for verbal assistance are answered immediately. The City also encourages staff members to study Spanish and provides an incentive pay bonus if staff successfully complete the Spanish test.

All of the Department's vital documents for locally designed programs are translated into Spanish. The City of Raleigh's website is translated into at least 20 languages through an automatic translation service. This allows LEP users to easily navigate to vital documents and information.



Raleigh Housing Authority

Raleigh Housing Authority developed a LAP in 2007, utilizing guidance from HUD, in order to accommodate Spanish-speaking groups, whose presence triggers the safe harbor threshold. RHA also tracks the languages used by LEP persons in a spreadsheet, which is used for tracking purposes by the Authority's designated Section 504 Coordinator.

RHA has a staff member dedicated to Spanish-language assistance. To assist with identifying the language a particular contact may use, each reception staff member has been trained on the use of "I Speak" cards. These cards are given to clients and let RHA know what language RHA needs to use to communicate with the individual. If it is not a language with which RHA has proficiency, RHA uses a vendor that can translate and/or interpret in over 3,000 languages and dialects. RHA attempts to arrange a meeting with the customer and interpreter within 72 hours of initial contact.

As of June 2014, the only language that has reached the threshold necessary to require translation of documents is Spanish. Pertinent housing choice voucher and public housing documents were translated in 2014. This includes the Administrative Plan, the main policy document for the voucher program, and the lease agreement and Admissions and Occupancy Policy for public housing. RHA

recently added Spanish to several of its phone messages including the main agency greeting and the work order line. A notation is added to the bottom of written correspondence in both English and Spanish to inform participants of the availability of language assistance. Bilingual staff, particularly those who speak Spanish, provide assistance to RHA's customers. In addition, RHA continually tracks other languages spoken by LEP persons in order to determine whether vital documents need to be translated into other languages.

Housing Authority of the County of Wake

HACWNC has a policy to provide free translation services for LEP persons in need of assistance. It does not have a formalized LAP.



HMDA Analysis

Analyzing mortgage data can identify potential discriminatory lending practices

Homeownership can provide critical economic benefits for households and social benefits for the greater community. High rates of owner occupancy create stable communities by reducing the level of transience in the housing market. Unfettered access to affordable housing choice requires fair and equal access to the mortgage lending market regardless of income. It is also important from a fair housing perspective, because the Fair Housing Act prohibits lenders from discriminating against members of the protected classes in granting mortgage loans, providing information on loans, imposing the terms and conditions of loans (such as interest rates and fees), conducting appraisals, and considering whether to purchase loans.

An analysis of mortgage applications and their outcomes can identify possible discriminatory lending practices and patterns in a community. It can also identify geographic clusters of high-cost lending. Home Mortgage Disclosure Act (HMDA) data contains records for all residential loan activity reported by banks pursuant to the requirements of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989. Any commercial lending institution that makes five or more home mortgage loans annually must report all residential loan activity to the Federal Reserve Bank, including information on applications denied, withdrawn, or incomplete by race, sex, and income of the applicant. This information is used to determine whether financial institutions are serving the housing needs of their communities.

The most recent HMDA data available for Wake County is for 2013. The data included for this analysis is for three years, 2011 through 2013, and constitutes all types of applications received by lenders: home purchase, refinancing, or home improvement mortgage applications for one-to-four-family dwellings and manufactured housing units across the entire County. The demographic and income information provided pertains to the primary applicant only. Co-applicants were not included in the analysis. The following figures summarize three years of HMDA data by race, ethnicity, and action taken on the applications, followed by detailed analysis.



General Mortgage Lending Patterns

Minorities applying for a mortgage are denied more often than Whites. Black applicants are disproportionately given no reason for their mortgage denial.

Between 2010 and 2013, lenders in Wake County received 223,914 home purchase mortgage applications. Of these applications, 144,225 were for mortgage refinancing and 5,304 were for home improvement equity loans. Refinancing loans were slightly less likely to be approved than home purchase loans, with 52.5% of refinancing loans approved compared to 53.1% of purchase loans.

A much lower proportion (40.9%) of home improvement loans were approved. A significant number of home refinancing loans (13%) were withdrawn or incomplete as well. An additional 3.8% of home purchase loans were approved but not accepted by the applicant, and 7.2% were denied. Refinancing loans were more likely than home purchase loans to be withdrawn by the applicant or incomplete, at 13% versus 8.6% for home purchase loans. Home improvement loans were more likely to be denied out of any other type of loan, with a denial rate of 41.2%. This may be because of the impact of the recent recession, in which banks were reluctant to finance the addition of equity into a house that was no longer appreciating according to expectations.

The most commonly sought type of financing was a conventional loan, a category that comprised 79.3% of all loan applications. However, a large proportion of applications (13.3%) were for loans insured by the Federal Housing Administration (FHA), a type of federal assistance that has historically benefited lower-income residents due to less stringent down payment and credit history requirements. A small number of loan applications were backed by the Farm Services Administration or Rural Housing Service (FSA/RHS). There are also a high number of VA loans taken out in Wake County, particularly for a county that contains no large military bases. The popularity of VA loans may be an indicator of the impact of the recent recession, in which VA loans became much more preferable and/or attainable compared to conventional mortgages. There may also be active and effective veterans' marketing and support networks in the area that are able to connect candidates with these types of loans. Almost all (99.1%) of the 223,914 applications in Wake County involved one-to-four family housing structures, with only 1,816 applications requesting financing for manufactured units.

Cumulative Mortgage Data Summary Report

City of Raleigh	Total Applications		Originated		Approved Not Accepted		Denied		Withdrawn/Incomplete	
	#	%	#	%	#	%	#	%	#	%
Loan Purpose										
Home purchase	74,385	33.2%	39,528	53.1%	2,841	3.8%	5,386	7.2%	6,414	8.6%
Home Improvement	5,304	2.4%	2,170	40.9%	315	5.9%	2,183	41.2%	349	6.6%
Refinancing	144,225	64.4%	75,698	52.5%	6,216	4.3%	17,621	12.2%	18,708	13.0%



Loan Application Type by Race/Ethnicity							
	Total	White	Black	Asian**	Other**	No data	Hispanic*
Home purchase	74,385 33.2%	46,892 33.2%	6,884 35.2%	5,362 36.7%	370 30.9%	14,877 31.6%	2,611 40.8%
Home improvement	5,304 2.4%	3,247 2.3%	935 4.8%	151 1.0%	61 5.1%	910 1.9%	200 3.1%
Refinance	144,225 64.4%	91,276 64.5%	11,729 60.0%	9,107 62.3%	766 64.0%	31,347 66.5%	3,586 56.1%
Total	223,914 100.0%	141,415 63.2%	19,548 8.7%	14,620 6.5%	1,197 0.5%	47,134 21.1%	6,397 2.9%

Source: Federal Financial Institutions Examination Council

Note: Percentages within racial/ethnic groups are calculated within each group's total.

* Hispanic ethnicity is counted independently of race.

**Small sample size may make analysis unreliable.

The racial and ethnic composition of loan applicants differs somewhat from the region's general demographic distribution. While 20.7% of all Wake County households in 2013 were Black, only 8.7% of the loan applications for which racial/ethnic data was reported were Black. The denial rate for Black applicants was 23.7%, which is significantly higher than the average of 10.4% for White applicants and the county's average denial rate of 11.2%. While 9.7% of the population in Wake County was Hispanic or Latino ethnicity, only 2.9% of applications were submitted by Hispanic or Latino applicants and the denial rate of 17.9% was also higher than the countywide average. Black applicants had the highest denial rate in the county, while Asians had the lowest. Asians were slightly over-represented, submitting 6.5% of the applications while comprising 5.5% of the population.

Loan application types differed across racial and ethnic groups as well. Refinancing was the predominant application purpose across all racial and ethnic groups. However, Whites were the most likely to refinance, and Hispanics were the least likely to refinance. Higher shares of Asian and Hispanic households applied for home purchase loans compared to the general applicant pool. This is consistent with feedback from stakeholders interviewed, which indicated that Wake County contains several ethnic enclaves with stable homeowner populations.

Between 2011 and 2013, a total of 25,190 mortgage loan applications were denied in Wake County. The overall cumulative denial rate was 11.2% with denials by race and ethnicity ranging from 10.4% for Whites to 23.7% for Blacks.

In reporting denials, lenders are required to list at least one primary reason for the denial and may list up to two secondary reasons. As the following figure demonstrates, the most popular primary basis for rejection was poor credit history, accounting for 19.2% of all denials. The second most common denial category was “No Reason Given.” The “No Reason Given”

category represents applications that were denied, but information as to why the application was denied was not reported. This could either be an issue with the HMDA dataset or lenders not actually providing a reason for denial as required. Black applicants were most likely to be in the “No Reason Given” category. The next most common reason was insufficient collateral,

followed by an unacceptable debt/income ratio. Insufficient collateral was a more common reason for denial among Blacks and members of other races. Credit history disproportionately affected Blacks, Hispanics and members of other races, many of whom may be ethnically Hispanic.

Application Denials by Household Race/Ethnicity

		Total	White	Black	Asian**	Other**	No data	Hispanic*
Lower-Income	Total Applications	57,657	38,230	8,953	2,461	409	5,827	3,030
	Denials	10,311	5,507	2,635	459	116	1,594	655
	% Denied	17.9%	14.4%	29.4%	18.7%	28.4%	27.4%	21.6%
Upper-Income	Total Applications	135,851	94,776	7,873	11,775	684	15,232	2,809
	Denials	12,860	8,170	1,567	968	96	2,059	392
	% Denied	9.5%	8.6%	19.9%	8.2%	14.0%	13.5%	14.0%
Total	Total Applications	223,914	141,415	19,548	14,620	1,197	47,134	6,397
	Denials	25,190	14,719	4,632	1,497	236	4,106	1,144
	% Denied	11.2%	10.4%	23.7%	10.2%	19.7%	8.7%	17.9%

Source: Federal Financial Institutions Examination Council

Note: Total also includes 28,875 applications for which no income data was reported.

* Hispanic ethnicity is counted independently of race.

**Small sample size may make analysis unreliable.

Primary Reason for Application Denial by Race/Ethnicity

	Total	White	Black	Asian	Other	No Info	Hispanic*
Collateral	18.0%	20.2%	13.4%	16.7%	21.6%	15.2%	14.0%
Incomplete Application	10.6%	11.7%	5.8%	12.5%	6.4%	11.8%	9.0%
Debt/Income Ratio	16.7%	16.3%	15.5%	20.1%	19.9%	18.0%	19.3%
Other	9.4%	10.0%	7.3%	13.2%	8.5%	8.5%	8.7%
No Reason Given	18.1%	16.9%	20.9%	15.4%	16.5%	20.0%	17.8%
Credit History	19.2%	16.2%	31.1%	10.4%	22.0%	19.6%	22.6%
Unverifiable Information	4.1%	4.4%	2.6%	5.9%	2.1%	4.0%	5.1%
Insufficient Cash	2.3%	2.3%	2.6%	3.1%	1.7%	1.6%	2.4%
Employment History	1.6%	1.9%	0.8%	2.6%	0.8%	1.1%	1.0%
Insurance Denied	0.1%	0.2%	0.0%	0.1%	0.4%	0.0%	0.2%

Source: Federal Financial Institutions Examination Council

* Hispanic ethnicity is counted independently of race

Annual Trends in Mortgage Lending

	2011		2012		2013	
	#	%	#	%	#	%
Total loans						
Applications	64,562	100.0%	83,068	100.0%	76,284	100.0%
White	40,036	62.0%	53,632	64.6%	47,747	62.6%
Black	5,522	8.6%	6,552	7.9%	7,474	9.8%
Asian	4,129	6.4%	5,626	6.8%	4,865	6.4%
Other race	323	0.5%	428	0.5%	446	0.6%
No information/NA	14,552	22.5%	16,830	20.3%	15,752	20.6%
Hispanic*	1,688	2.6%	2,193	2.6%	2,516	3.3%
Originated	32,773	50.8%	44,782	53.9%	39,841	52.2%
White	24,103	60.2%	33,330	62.1%	29,251	61.3%
Black	2,341	42.4%	3,151	48.1%	3,556	47.6%
Asian	2,518	61.0%	3,504	62.3%	2,916	59.9%
Other race	152	47.1%	225	52.6%	231	51.8%
No information/NA	3,659	25.1%	4,572	27.2%	3,887	24.7%
Hispanic*	822	48.7%	1,166	53.2%	1,298	51.6%
Originated - High Cost	1,598	4.9%	1,130	2.5%	963	2.4%
White	1,239	5.1%	821	2.5%	639	2.2%
Black	255	10.9%	191	6.1%	242	6.8%
Asian	26	1.0%	35	1.0%	23	0.8%
Other race	15	9.9%	16	7.1%	5	2.2%
No information/NA	63	1.7%	67	1.5%	54	1.4%
Hispanic*	77	9.4%	82	7.0%	112	8.6%
Denied	7,406	11.5%	9,041	10.9%	8,743	11.5%
White	4,273	10.7%	5,405	10.1%	5,041	10.6%
Black	1,412	25.6%	1,524	23.3%	1,696	22.7%
Asian	434	10.5%	542	9.6%	521	10.7%
Other race	37	11.5%	56	13.1%	56	12.6%
No information/NA	1,210	8.3%	1,468	8.7%	1,369	8.7%
Hispanic*	308	18.2%	416	19.0%	420	16.7%

Source: Federal Financial Institutions Examination Council

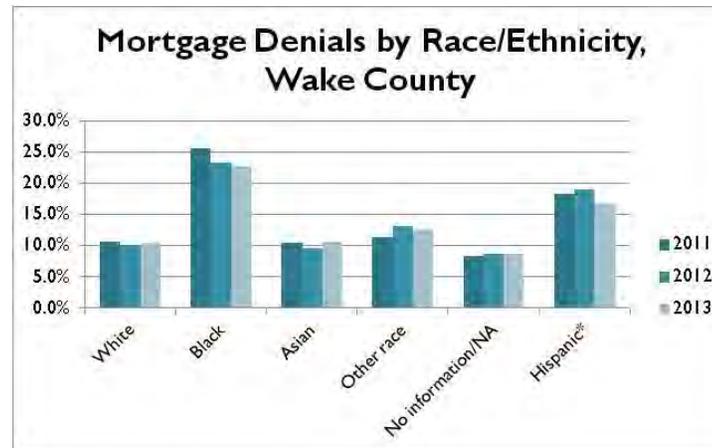
Note: Percentages in the Originated - High Cost category are calculated based on the number of Originated loans only. Percentages in the Originated and Denied categories are calculated from the Total Application figures.

* Hispanic ethnicity is counted independently of race.

During the three-year study period, origination and denial rates remained relatively constant while high-cost loans continually decreased. Denial rates ranged from a low of 10.9% in 2012 to a high of 11.5% in both 2011 and 2012. High-cost originated loans¹ declined each year, from a high of 4.9% in 2011 to a low of 2.4% in 2013. This is reflective of the national trend following the subprime mortgage crisis, in which banks strictly tightened access to credit and are cautiously relaxing lending practices gradually.

For this analysis, lower-income households include those with incomes between 0% and 80% of median family income (MFI), while upper-income households include those with incomes above 80% MFI. Applications made by lower-income households accounted for 40.9% of all denials between 2011 and 2013, although they accounted for only 25.7% of total applications for those three years. Denial rates were higher for lower-income households and for minorities, and highest overall for lower-income minorities. While the overall lower-income denial rate was 17.9%, the denial rates for lower-income Black and Hispanic households were 29.4% and 21.6%, respectively. Denial rates were generally lower for upper-income households, although differences in the denial rate persisted across racial and ethnic groups. The overall upper-

income denial rate for upper-income White applicants was 8.6%, compared to a denial rate of 19.9% for upper-income Blacks and 14% for upper-income Hispanics. In fact, lower-income White households were less likely to experience denial than upper-income Black households: the denial rate for upper-income Black households (19.9%) was higher than the denial rate of lower-income White households (17.9%).



¹ A precise definition and more analysis of high-cost lending appears later in this section



Geography of Mortgage Denial

Areas with higher concentrations of minorities have higher rates of mortgage denial

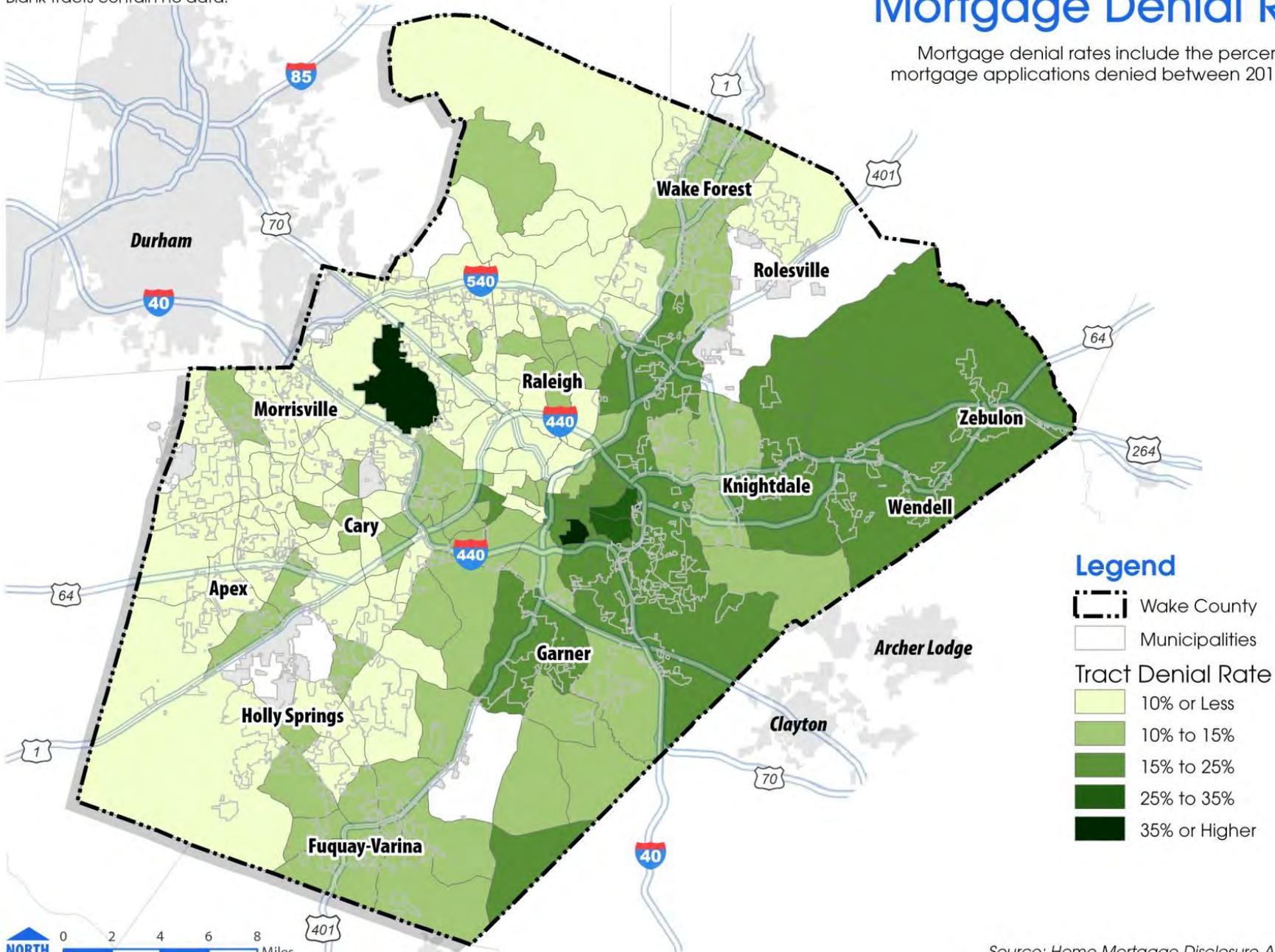
There was significant geographic variation in the origination and denial rates by census tract. The lowest denial rate was 5.6% (tract 534.1, in Cary) and the highest was 39.1% (tract 508, a designated RCAP tract located in southeast Raleigh). The tracts with the highest denial rates encompass several of the neighborhoods to the immediate south and east of Downtown Raleigh. These tracts also contain high percentages of low-income households and high percentages of racial and ethnic minorities. Similarly, tracts found to be RCAPs in the previous sections of this analysis had higher denial rates than Wake County as a whole.



Census tracts shown outside of Wake County contain portions of Raleigh or Cary.
Blank tracts contain no data.

Mortgage Denial Rates

Mortgage denial rates include the percentage of all mortgage applications denied between 2011 and 2013.

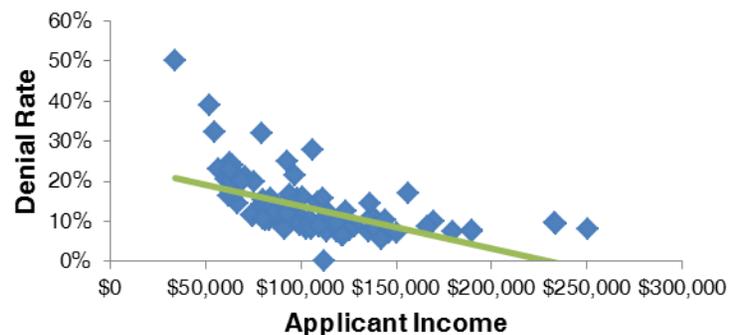


Legend

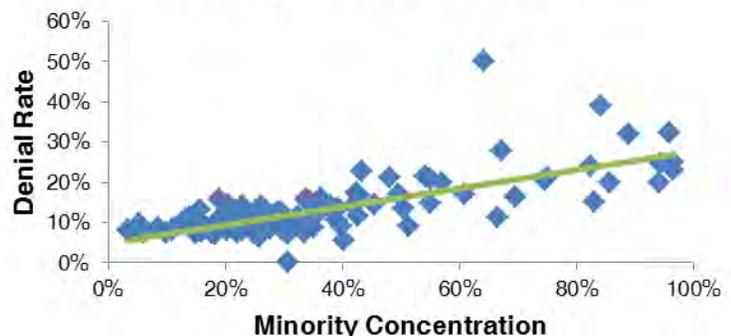
- Wake County
- Municipalities
- Tract Denial Rate**
- 10% or Less
- 10% to 15%
- 15% to 25%
- 25% to 35%
- 35% or Higher

Denials were correlated with the concentration of racial and ethnic minorities in the region. As the proportion of minorities increased, the denial rate for mortgage applications increased as well, even when applicant income was held constant. Specifically, a 1% increase in the percentage of non-White residents in a census tract was associated with a 20% increase in the mortgage denial rate. Conversely, a \$1 decrease in average applicant income in a Census tract was associated with less than a .00003% increase in the mortgage denial rate when minority concentration was held constant. Comparing these figures suggests that mortgage denial in census tracts is more strongly correlated with the concentration of racial and ethnic minorities in an area than average applicant income.

Mortgage Denial Rates and Applicant Income



Mortgage Denial Rates and Minority Concentration



High-Cost Lending

Black and Hispanic mortgage applicants in Wake County are more than twice as likely to receive a high-cost loan

The widespread housing finance market crisis of recent years has brought a new level of public attention to lending practices that victimize vulnerable populations. Subprime lending, designed for borrowers who are considered a credit risk, has increased the availability of credit to low-income persons. At the same time, subprime lending has often exploited borrowers, piling on excessive fees, penalties, and interest rates that make financial stability difficult to achieve. Higher monthly mortgage payments make housing less affordable, increasing the risk of mortgage delinquency and foreclosure and the likelihood that properties will fall into disrepair. Some subprime borrowers have credit scores, income levels, and down payments high enough to qualify for conventional, prime loans, but are nonetheless steered toward more expensive subprime mortgages. This is especially true of minority groups, which tend to fall disproportionately into the category of subprime borrowers. The practice of targeting minorities for

subprime lending qualifies as mortgage discrimination. Since 2005, HMDA data has included price information for loans priced above reporting thresholds set by the Federal Reserve Board. This data is provided by lenders via Loan Application Registers and can be aggregated to complete an analysis of loans by lender or for a specified geographic area. HMDA does not require lenders to report credit scores for applicants, so the data does not indicate which loans are subprime. It does, however, provide price information for loans considered “high-cost.” A loan is considered high-cost if it meets one of the following criteria:

- A first-lien loan with an interest rate at least three percentage points higher than the prevailing U.S. Treasury standard at the time the loan application was filed. The standard is equal to the current price of comparable-maturity Treasury securities
- A second-lien loan with an interest rate at least five percentage points higher than the standard

Not all loans carrying high APRs are subprime, and not all subprime loans carry high APRs. However, high-cost lending is a strong predictor of subprime lending, and it can also indicate a

loan that applies a heavy cost burden on the borrower, increasing the risk of mortgage delinquency. Between 2011 and 2013, there were 117,396 home purchases, refinance, or home improvement loans made for single-family or manufactured units in Wake County. Of these loans, 1,598 resulted in high-cost loans.

Overall, upper-income households were less likely to have high-cost mortgages than lower-income households. Analyzing loans in Wake County by race and ethnicity reveals that high-cost lending is more common among minority applicants, particularly Black and Hispanic applicants. These racial and ethnic minority groups were both more than twice as likely to receive a high-cost loan compared to the overall rate in Wake County. Among lower-income minority households, 14.3% of loans to Hispanics were high-cost and 9.4% of loans for low-income Black households were high-cost. These are significantly higher than the rate of 4.9% for lower-income White households, as well as the overall average of 3.1%. Rates of high-cost lending were lower in upper-income households compared to lower-income households for all races. However, the low sample size in some of these categories—specifically among the other race category—decreases the statistical significance of these findings for this group.



Loan Originations by Household Race/Ethnicity

		Total	White	Black	Asian**	Other**	No data	Hispanic*
Lower-Income	Total Originations	29,083	21,701	3,619	1,312	183	2,267	1,407
	High-Cost	1,524	1,074	341	24	20	65	201
	% High-Cost	5.2%	4.9%	9.4%	1.8%	10.9%	2.9%	14.3%
Upper-Income	Total Originations	80,053	59,897	3,983	7,448	379	8,344	1,577
	High-Cost	2,036	1,546	311	60	16	102	68
	% High-Cost	2.5%	2.6%	7.8%	0.8%	4.2%	1.2%	4.3%
Total	Total Originations	117,396	86,684	9,048	8,938	608	12,118	3,286
	High-Cost	3,691	2,699	688	84	36	178	271
	% High-Cost	3.1%	3.1%	7.6%	0.9%	5.9%	1.5%	8.2%

Source: Federal Financial Institutions Examination Council

Note: Total also includes 6,892 originated loans for which no income data was reported.

* Hispanic ethnicity is counted independently of race.

**Small sample size may make analysis unreliable.

Top Lending Institutions

The following table shows the top ten lending institutions in Wake County. These ten institutions reviewed 52.5% of all loan applications and were responsible for 52.5% of all originations within the county. Wells Fargo Bank was by far the largest lending institution, accounting for 17.9% of all originations.

Lending Institution	# of Applications	% of Total Applications	# of Loans Originated	% of Total Originations
Wells Fargo	43,913	19.6%	20,964	17.9%
Regions Bank	16,024	7.2%	8,076	6.9%
JP Morgan Chase	12,086	5.4%	3,922	3.3%
Bank of America	9,423	4.2%	6,058	5.2%
Compass Bank	8,386	3.7%	4,229	3.6%
Branch Banking and Trust	7,848	3.5%	3,638	3.1%
Hometown Mortgage Services	5,809	2.6%	3,650	3.1%
Quicken Loans	4,938	2.2%	3,862	3.3%
Embrace Home Loans	4,841	2.2%	3,423	2.9%
Vanderbilt Mortgage	4,279	1.9%	1,564	1.3%
Subtotal	117,547	52.5%	59,386	50.6%

Source: Federal Financial Institutions Examination Council

CHAPTER 4: DETERMINANTS OF FAIR HOUSING

The following determinants, or impediments, were identified as factors that contribute to housing discrimination in Wake County, Raleigh, and Cary. Determinants that affect the entire study area are listed in the General section. Determinants specific to Wake County, Raleigh, and Cary are discussed in their own sections.

General

The following determinants, or impediments, apply generally to the study area, and may require coordinated action from Wake County, the City of Raleigh, or the Town of Cary.

Determinant: *There is a lack of affordable housing in high-opportunity areas throughout Wake County, which disproportionately affects members of the protected classes. Due to rapid population growth, housing developers find the private market more lucrative than subsidized housing development.*

Goal: Make affordable housing development in higher opportunity areas a Countywide priority.

Priority Action: Continue to utilize Wake County's scattered site policy to encourage affordable and mixed-income housing development in non-impacted areas.

Priority Action: Ensure the City of Raleigh's new housing placement plan will address the affordable housing issues highlighted in this document.

Priority Action: The City of Raleigh should assemble city staff and stakeholders to evaluate the feasibility of a Neighborhood Revitalization Strategy Area (NRSA). In addition to focusing on neighborhood revitalization, the NRSA designation also fosters residential integration.

Priority Action: Ensure the City of Raleigh's Unified Development Ordinance permits accessory dwelling units, which can provide affordable housing opportunities, in at least one residential zoning category.

Priority Action: Provide technical assistance for developers interested in utilizing federal or state funds for affordable housing development.



Determinant: Members of the protected classes are more likely to have lower incomes, higher unemployment rates and higher poverty rates. Disparity in access to community assets restricts housing choice for members of the protected classes. These trends include the following:

- Unemployment rates among Blacks (13.1%) and Hispanics (10.2%) were higher than among Whites (6.4%) and Asians (6.0%).
- Poverty rates among Blacks (17.8%) and Hispanics (27.8%) were higher than among Whites (11%) and Asians (8.4%).
- Median household incomes for Blacks (\$43,883) and Hispanics (\$40,272) was approximately half that of Whites (\$75,097) and Asians (\$90,393).
- The poverty rate for persons with disabilities was 6.7% higher than for persons without disabilities.

- The poverty rate for foreign-born residents (16.8%) exceeds that of native-born residents (10.1%).
- The poverty rate for female-headed households with children (34.1%) is significantly higher than for married couples with children (5.4%).

Goal: Remove barriers to access of community assets for members of the protected classes.

Priority Action: In future transportation route development and planning, prioritize linking higher opportunity areas and job centers with lower opportunity neighborhoods.

Priority Action: If proposed market-rate housing developments require negotiation with a governing body, ensure new developments will not discriminate based upon source of income (i.e. Section 8 vouchers)

Determinant: The public transportation system in Wake County, which disproportionately serves members of the protected classes, is fragmented and does not necessarily connect RCAPs to higher opportunity areas.

Goal: Ensure public transit systems connect lower income neighborhoods with major employment centers.

Priority Action: Ensure future actions undertaken as a result of the new Wake County Extended Choices Report provide increased transit access for members of the protected classes. In particular, areas containing affordable housing should be connected to the region's major employment centers in ways that enable lower income individuals to access employment opportunities.

Priority Action: Consider prioritizing transit coverage over ridership to improve transit access for persons with mobility limitations and extend access for more lower income individuals

seeking employment opportunities outside of their neighborhoods.

Priority Action: Coordinate future transportation route developments with affordable housing developments. Take action to preserve affordability in areas planned for transit-oriented development, as housing costs may increase in response to new transit routes.

Priority Action: Acquire parcels in the vicinity of transit-oriented developments for the specific purpose of creating affordable housing. Public acquisition of such parcels can assist affordable housing developers to create units in higher cost locations.

Priority Action: Establish a formal policy of locating public service facilities for City and County agencies on bus lines whenever possible. Actively encourage non-profits serving transit-dependent clientele to do the same.

Priority Action: Incorporate Wake County's transportation initiatives with current transit-oriented development efforts in Durham and Chapel Hill to expand access to regional employment centers.

***Determinant:** Members of the protected classes—particularly those living in RCAPs—are disproportionately denied mortgages in the private sector.*

Goal: Increase the competitiveness of mortgage applications among members of the protected classes.

Primary Action: Continue to support homebuyer education and financial literacy efforts, particularly for RCAP residents.

***Determinant:** Fair housing education and outreach efforts may not satisfy need*

Goal: Increase education and outreach within all of Wake County.

Priority Action: Expand Raleigh's Fair Housing Hearing Board's education and outreach efforts.

Priority Action: Educate elected officials and department staff responsible for CDBG funds in Wake County's subrecipient communities on their legal obligation to affirmatively further fair housing.

Priority Action: Target education and outreach to small landlords, who may be unaware of fair housing laws and their legal responsibilities.

Priority Action: Conduct paired real estate testing in the local rental market. Publish the results in local newspapers as a means of public education and deterrence against future discrimination by landlords.

Priority Action: Target fair housing education and outreach to Wake County's growing Hispanic and Asian populations, of whom



significant numbers have limited English

proficiency

Wake County

The following determinants, or impediments, apply specifically to Wake County, not including the City of Raleigh or Town of Cary.

Determinant: *Wake County subrecipients' zoning ordinances and attitudes towards affordable housing development are restricting housing choice for members of the protected classes. This jeopardizes Wake County's ability to affirmatively further fair housing choice.*

Goal: Increase stakeholder awareness of fair housing and ensure their actions are in

compliance with HUD regulations and consistent with fair housing laws.

Priority Action: Monitor and evaluate the zoning ordinances and housing development priorities of local governments applying for federal funds from the County to ensure they are meeting their legal obligation to affirmatively further fair housing in a manner consistent with Wake County's fair housing objectives and HUD's certification to affirmatively further fair housing.

Priority Action: Reach out to stakeholders in subrecipient communities and provide education and outreach on zoning issues, NIMBYism, the importance of affordable housing in all communities and neighborhoods, and other obstacles to fair housing choice.



Priority Action: Adopt a formal policy to withhold CDBG and HOME funding from local units of government with discriminatory language in local zoning or other municipal ordinances, or which have engaged in discriminatory behavior by denying affordable housing development.

Priority Action: Continue to prioritize affordable housing developments in areas of Wake County, which have lower rates of assisted housing. Continue increasing per-unit subsidies, as necessary, in order to expand affordable housing in higher opportunity, high-cost areas of Wake County.

Determinant: *The availability of resources to process and investigate housing discrimination throughout Wake County, according to stakeholders, is impeded by a lack of resources—financial, human and technical. A county-wide fair housing commission with enforcement and investigative powers would enable residents to file complaints locally rather than with the North Carolina Human Relations Commission or HUD.*

Goal: Work collaboratively to establish a Wake County Human Relations Commission with appropriate investigative and enforcement authority for housing discrimination complaints filed by all residents.

Priority Action: Adopt a local countywide ordinance establishing a commission with appropriate rights and responsibilities, including the authority to process and investigate housing discrimination complaints, enforce settlements, and provide education and outreach.

Priority Action: Add source of income as a protected class to a countywide ordinance, thereby expanding opportunity for households with legal third-party sources of income (e.g., child support, spousal support, Housing Choice Vouchers, disability payments and other public subsidies)



City of Raleigh

The following determinants, or impediments, apply specifically to the City of Raleigh.

Determinant: *Racially concentrated areas of poverty are clustered in the City of Raleigh, found primarily where lower income Black and Hispanic residents live. All of these areas are located within very low and low opportunity areas. Public housing units are clustered in RCAPs as well.*

Goal: Improve overall living conditions in RCAPs while expanding affordable housing options in higher opportunity areas.

Priority Action: Allocate CDBG funding for public facilities and infrastructure improvements in RCAP areas.

Priority Action: In an effort to preserve the City's existing affordable housing stock, the City should work with developers to incorporate affordable housing units into market rate projects where the City subsidizes public infrastructure improvements related to the housing development.

Priority Action: Continue to partner with Raleigh Housing Authority in creating affordable housing developments in higher opportunity areas.

Priority Action: Raleigh Housing Authority should continue to adhere to its deconcentration policy and mobility counseling services. This will work toward deconcentration of assisted housing, which is concentrated largely due to legacy factors such as previous federal housing policies.

Determinant: *The City's Fair Housing Hearing Board does not have adequate capacity to enforce the City's fair housing ordinance or other fair housing issues. According to stakeholders, the North Carolina Human Relations Commissions is backlogged, cannot resolve complaints in the time required by law, and has an extremely low resolution rate. A local fair housing resource with enforcement and resolution power is needed in Raleigh.*



Goal: Increase local capacity to process, investigate and enforce settlements for housing discrimination complaints.

Priority Action: Join with Wake County to establish a countywide human relations commission with adequate enforcement and investigative authority to resolve local complaints. At the very least, employ a full-time paid staff member to supplement the Fair Housing Hearing Board's current part-time and volunteer staff.

Priority Action: Reinstate subpoena power to the Fair Housing Hearing Board to allow fair housing issues to be resolved locally rather than pushing complaints to the North Carolina Human Relations Commission.

Determinant: Many Section 8 voucher holders are housed in areas that have poor access to public transportation systems.

Goal: Increase housing choice for Section 8 Housing Choice Voucher holders.

Priority Action: Raleigh Housing Authority should reach out to private landlords in areas with high transit access to increase their participation in the Section 8 program.

Priority Action: Adopt a formal policy of considering public transportation access in the City's criteria for affordable housing development projects.

Determinant: Raleigh Housing Authority's mobility counseling relies on obsolete data from the year 2000.

Goal: Provide mobility counseling using the most recent data available.

Priority Action: The Authority should update all data used for the purposes of mobility counseling, deconcentration policies, and other data-driven operations.

Priority Action: The Authority should establish a protocol to periodically update its maps based on the newest available data.

Determinant: The City of Raleigh owns affordable housing, but does not have a monitoring and evaluation system in place for ensuring that the property management companies in charge receive proper training.

Goal: Ensure that staff managing City-owned housing units are aware of fair housing laws and practices in order to ensure fair housing choice for potential and existing residents.

Priority Action: The City should ensure proper fair housing training is provided on a regular basis (i.e., no less than annually) for property management agents contracted by the City



Town of Cary

The following determinants, or impediments, apply specifically to the Town of Cary.

Determinant: *The Cary Department of Housing and Community Development is currently without a formal policy for ensuring that persons with limited English proficiency, a rapidly-growing demographic in the Town, can access its housing and community development services and programs.*

Goal: Ensure that persons with limited English proficiency can access the affordable housing services and programs offered by the Town.

Priority Action: Establish a Language Access Plan in Cary.

Priority Action: The Town of Cary's staff should continue collaborating with stakeholders and advocates in communities with large populations of persons with limited English proficiency to ensure that their housing choice is not restricted as a result of limited English proficiency. In response to Cary's growing first-generation Hispanic community, fair housing rights as they relate to ethnicity and country of origin should be emphasized.

Determinant: *Some elements of Cary's comprehensive plan and zoning ordinance could potentially reduce integration.*

Goal: Revise Cary's *Affordable Housing Toolkit* and zoning ordinance to connect the Town's fair housing requirements with its affordable housing needs.

Priority Action: Redesign the toolkit to emphasize creating affordable housing in higher opportunity and high employment areas, regardless of household income in an effort to stop further concentration of lower income minorities in certain neighborhoods.

Priority Action: Incentivize affordable housing development in Cary's 35 mixed-use centers, which provide the option for affordable medium-density housing connected to public transit.

Priority Action: Re-evaluate the exterior design standards required in Cary's zoning ordinance to ensure that the standards do not increase the cost of affordable housing construction to the point where it becomes prohibitively expensive.





GLOSSARY

Affordable Housing: Generally defined as housing in which the occupant is paying no more than 30 percent of gross income for gross housing costs, including utility costs.

Assisted Household or Person: An assisted household or person receives benefits through Federal funds, either alone or in conjunction with the investment of other public or private funds.

CDBG: Community Development Block Grant, a program administered by the United States Department of Housing and Urban Development to fund housing and community development activities nationwide.

Clustered: Being close together in a group, especially geographically. The opposite of dispersed or scattered.

Disabled Household: A household composed of one or more persons, at least one of whom is an adult (a person of at least 18 years of age) who has a disability. A person shall be considered to have a disability if that person is determined to have a physical, mental, or emotional impairment that:

- Is expected to be of long-continued and indefinite duration
- Substantially impeded his or her ability to live independently
- Is of such a nature that the ability could be improved by more suitable housing conditions.

A person shall also be considered to have a disability if he or she has a developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001-6006). The term also includes the surviving member or members of any household described in the first sentence of this paragraph who were living in an assisted unit with the deceased member of the household at the time of his or her death.

Elderly Household: For HUD rental programs, a one or two person household in which the head of the household or spouse is at least 62 years of age.

Entitlement Community: A city, town, or urban county that receives CDBG funding for housing and community development activities. Communities are determined to be entitlement communities based on a formula calculated by the United States Department of Housing and Urban Development.

Family: The Census Bureau defines a family as a householder (head of household) and one or more other persons living in the same household who are related by birth, marriage, or adoption. The National Affordable Housing Act of 1992 adds: "Family" includes but is not limited to (a) an elderly family or single person, (b) the remaining member of a tenant family, and (c) a displaced person.

For Rent: Year-round housing units that are vacant and offered/available for rent. (U.S. Census definition)

For Sale: Year-round housing units that are vacant and offered/available for sale only. (U.S. Census definition)



HOME: The HOME Investment Partnership Program, which is authorized by Title II of the National Affordable Housing Act.

Household: One or more persons occupying a housing unit. (U.S. Census definition) **Housing Unit:** An occupied or vacant house, apartment, or a single room (SRO housing) that is intended as separate living quarters. (U.S. Census definition)

HUD: The United States Department of Housing and Urban Development, a Cabinet department in the Executive branch of the United States federal government.

Language Access Plan (LAP): An internal municipal document that provides a systematic protocol for enabling persons with limited English proficiency

Limited English Proficiency (LEP): Speaking English “less than very well,” as determined by the individual being surveyed.

Low-Income: Households whose incomes do not exceed 80 percent of the median family income for the area, as determined by HUD with adjustments for smaller and larger families. HUD income limits are updated annually.

Manufactured Home: A structure, transportable in one or more sections, which is built on a permanent chassis, designed to be used as a dwelling without a permanent foundation, and constructed no earlier than 1976.

Mobile Home: A Manufactured Home (see above) constructed before 1976.

Moderate-Income: Households whose incomes are between 51 and 80 percent of the median family income for the area, as determined by HUD, with adjustments for smaller and larger families.

Multi-Family Housing: A single housing structure containing multiple single-family housing units. Common multi-family housing types are apartment buildings, duplexes, and triplexes.

Overcrowded: A housing unit containing more than one person per habitable room. (HUD definition)

Poverty Level: Households with incomes below the poverty line as defined by the Office of Management and Budget and revised annually. For the Consolidated Plan, HUD defines poverty level as at or below 30 percent of median income.

Racially/Ethnically Concentrated Area of Poverty (RCAP/ECAP): A geographic area where both high poverty rates and a high percentage of minorities are clustered. A racially concentrated area of poverty (RCAP) or ethnically concentrated area of poverty (ECAP) is generally defined by HUD as a geographic area where the total non-White population in an area is greater than 50% and the poverty rate is greater than 40%. While there are several other viable calculation methods that may be utilized, this Analysis of Impediments uses this common HUD-given definition as well, at the block group



geography. References to RCAPs in this research refer to block groups where the total non-White population, non-Hispanic population, and poverty rates are greater than double the average for that specific entitlement community.

Rental Assistance: Payments provided as either project-based rental assistance or tenant-based rental assistance.

Renter: A household that rents the housing unit it occupies, including both units rented for cash and units occupied without cash payment of rent. (U.S. Census definition)

Rural: A partially settled area containing low-density housing, some road networks, and large amounts of undeveloped or agricultural land.

Section 8 Housing Choice Voucher Program: A form of tenant-based rental assistance, this is the federal government's major program for assisting very low-income families, the elderly and the disabled to afford decent, safe, and sanitary housing in the private market. Participants receive a voucher to find their own housing, including single-family homes, townhouses and apartments. Housing choice vouchers are administered locally by public housing agencies (PHAs). The PHAs receive federal funds from the U.S. Department of Housing and Urban Development (HUD) to administer the voucher program.

Suburban: A settled area with medium-densities of housing, road networks, and other developments, located on the outer edges of an urban area. Definitions in text are based on those utilized by stakeholders interviewed.

Supportive Housing: Housing, including Housing Units and Group Quarters that have a supportive environment and includes a planned service component.

Tenant-based Rental Assistance (TBRA): A form of rental assistance in which the assisted tenant may move from a dwelling unit with a right to continued assistance. The assistance is provided for the tenant, not for the project. The Section 8 Housing Choice Voucher program is one form of TBRA.

Urban: A settled area with higher-density housing, road networks, and other developments. Definitions in text are based on definitions utilized by stakeholders interviewed.



APPENDIX A: ZONING RISK ASSESSMENT TOOL

The following tool was used to evaluate zoning ordinances from a fair housing standpoint for each jurisdiction. Results appear in Chapter 4. Details for each jurisdiction appear on the following appendix pages.

Zoning Ordinance Regulatory Provision				Score
1	Ordinance defines "family" inclusively, without cap on number of unrelated persons, with focus on functioning as a single housekeeping unit	Yes (1)	No (2)	
2	Ordinance defines "group home" or similarly named land use comparatively to single family dwelling units	Yes (1)	No (2)	
3	Ordinance allows up to 6 unrelated people with disabilities to reside in a group home without requiring a special use/conditional use permit or public hearing	Yes (1)	No (2)	
4	Ordinance regulates the siting of group homes as single family dwelling units without any additional regulatory provisions	Yes (1)	No (2)	
5	Ordinance has a "Reasonable Accommodation" provision or allows for persons with disabilities to request reasonable accommodation/modification to regulatory provisions	Yes (1)	No (2)	
6	Ordinance permits multi-family housing of more than 4 units/structure in one or more residential zoning districts by-right	Yes (1)	No (2)	
7	Ordinance does not distinguish between "affordable housing/multi-family housing" (i.e., financed with public funds) and "multi-family housing" (i.e., financed with private funds)	Yes (1)	No (2)	
8	Ordinance does not restrict residential uses such as emergency housing/homeless shelters, transitional housing, or permanent supportive housing facilities exclusively to non-residential zoning districts	Yes (1)	No (2)	
9	Ordinance provides residential zoning districts with minimum lot sizes of ¼ acre or less	Yes (1)	No (2)	
10	Ordinance does not include exterior design/aesthetic standards for all single family dwelling units regardless of size, location, or zoning district	Yes (1)	No (2)	
11	Ordinance permits manufactured and modular housing on single lots like single family dwelling units	Yes (1)	No (2)	

Scoring: 1 – low risk for discrimination; 2 – high risk for discrimination. To calculate Zoning Risk Score, divide total score by 11. 1.00 – 1.24 – ordinance is at low risk relative to discriminatory provisions for housing and members of the protected classes; 1.25 – 1.49 – ordinance is at moderate risk; 1.50 – 2.00 – ordinance is at high risk.

City of Raleigh

Zoning Ordinance Regulatory Provision	Score	Notes
Ordinance defines "family" inclusively, without cap on number of unrelated persons, with focus on functioning as a single housekeeping unit	2	Definitions for "Family" and "Household" cap the number of unrelated persons living together at four.
Ordinance defines "group home" or similarly named land use comparatively to single family dwelling units	1	Definition of family care home uses the term "family environment."
Ordinance allows up to 6 unrelated people with disabilities to reside in a group home without requiring a special use/conditional use permit or public hearing	1	Up to 6 are allowed in family care home.
Ordinance regulates the siting of group homes as single family dwelling units without any additional regulatory provisions	2	Dispersal requirements.
Ordinance has a "Reasonable Accommodation" provision or allows for persons with disabilities to request reasonable accommodation/modification to regulatory provisions	2	No reasonable accommodation provision.
Ordinance permits multi-family housing of more than 4 units/structure in one or more residential zoning districts by-right	1	Permitted by right in R-10; "Limited Use" (special requirements, but no permit/hearing) in R-4 and R-6.
Ordinance does not distinguish between "affordable housing/multi-family housing" (i.e., financed with public funds) and "multi-family housing" (i.e., financed with private funds)	1	Ordinance defines "affordable housing" separately, but there are no practical restrictions.
Ordinance does not restrict residential uses such as emergency housing/homeless shelters, transitional housing, or permanent supportive housing facilities exclusively to non-residential zoning districts	1	These uses are all permitted as either a limited or special use in certain mixed-use districts, and supportive housing facilities are permitted as a limited use in all residential-only districts as well.
Ordinance provides residential zoning districts with minimum lot sizes of ¼ acre or less	1	Minimum lot size for R-4, R-6, and R-10 is 10,000 square feet or less.
Ordinance does not include exterior design/aesthetic standards for all single family dwelling units regardless of size, location, or zoning district	1	Exterior standards do not apply to residential uses.
Ordinance permits manufactured and modular housing on single lots like single family dwelling units	1	Mobile/modular homes permitted in all residential districts.
TOTAL SCORE		1.27

Town of Cary

Zoning Ordinance Regulatory Provision	Score	Notes
Ordinance defines "family" inclusively, without cap on number of unrelated persons, with focus on functioning as a single housekeeping unit	1	Not defined.
Ordinance defines "group home" or similarly named land use comparatively to single family dwelling units	1	Definition of family care home uses the term "family environment."
Ordinance allows up to 6 unrelated people with disabilities to reside in a group home without requiring a special use/conditional use permit or public hearing	1	Up to 6 are allowed in family care home.
Ordinance regulates the siting of group homes as single family dwelling units without any additional regulatory provisions	2	Dispersal and screening requirements; zoning compliance permit is necessary.
Ordinance has a "Reasonable Accommodation" provision or allows for persons with disabilities to request reasonable accommodation/modification to regulatory provisions	1	Ordinance contains reasonable accommodation provisions.
Ordinance permits multi-family housing of more than 4 units/structure in one or more residential zoning districts by-right	1	Permitted by right in Residential Multi-Family.
Ordinance does not distinguish between "affordable housing/multi-family housing" (i.e., financed with public funds) and "multi-family housing" (i.e., financed with private funds)	1	No distinction.
Ordinance does not restrict residential uses such as emergency housing/homeless shelters, transitional housing, or permanent supportive housing facilities exclusively to non-residential zoning districts	1	Not defined.
Ordinance provides residential zoning districts with minimum lot sizes of ¼ acre or less	1	Minimum lot size in R-8, TR, and MFR is 8,000 square feet or less.
Ordinance does not include exterior design/aesthetic standards for all single family dwelling units regardless of size, location, or zoning district	2	Aesthetic requirements applicable in Walnut Street Corridor.
Ordinance permits manufactured and modular housing on single lots like single family dwelling units	1	N/A
TOTAL SCORE		1.18



Wake County (covers all unincorporated areas)

Unified Development Ordinance Regulatory Provision	Score	Notes
Ordinance defines "family" inclusively, without cap on number of unrelated persons, with focus on functioning as a single housekeeping unit	2	Number of unrelated persons living together capped at 7.
Ordinance defines "group home" or similarly named land use comparatively to single family dwelling units	1	Definition of family care home uses the term "family environment."
Ordinance allows up to 6 unrelated people with disabilities to reside in a group home without requiring a special use/conditional use permit or public hearing	1	Up to 6 are allowed in family care home.
Ordinance regulates the siting of group homes as single family dwelling units without any additional regulatory provisions	2	Dispersal requirements.
Ordinance has a "Reasonable Accommodation" provision or allows for persons with disabilities to request reasonable accommodation/modification to regulatory provisions	2	No reasonable accommodation provision.
Ordinance permits multi-family housing of more than 4 units/structure in one or more residential zoning districts by-right	1	Permitted in R-5.
Ordinance does not distinguish between "affordable housing/multi-family housing" (i.e., financed with public funds) and "multi-family housing" (i.e., financed with private funds)	1	Not defined.
Ordinance does not restrict residential uses such as emergency housing/homeless shelters, transitional housing, or permanent supportive housing facilities exclusively to non-residential zoning districts	1	Not defined.
Ordinance provides residential zoning districts with minimum lot sizes of ¼ acre or less	1	R-5, R-10, R-15, and R-20 have minimum lot sizes of 6,000 square feet or less.
Ordinance does not include exterior design/aesthetic standards for all single family dwelling units regardless of size, location, or zoning district	1	No exterior design standards for single family dwelling units.
Ordinance permits manufactured and modular housing on single lots like single family dwelling units	1	N/A
TOTAL SCORE	1.27	



Town of Apex

Zoning Ordinance Regulatory Provision	Score	Notes
Ordinance defines "family" inclusively, without cap on number of unrelated persons, with focus on functioning as a single housekeeping unit	2	Number of unrelated persons living together capped at 5.
Ordinance defines "group home" or similarly named land use comparatively to single family dwelling units	1	Definition of family care home uses the term "family environment."
Ordinance allows up to 6 unrelated people with disabilities to reside in a group home without requiring a special use/conditional use permit or public hearing	1	Up to 6 are allowed in family care home.
Ordinance regulates the siting of group homes as single family dwelling units without any additional regulatory provisions	1	No conditions.
Ordinance has a "Reasonable Accommodation" provision or allows for persons with disabilities to request reasonable accommodation/modification to regulatory provisions	2	No reasonable accommodation provision.
Ordinance permits multi-family housing of more than 4 units/structure in one or more residential zoning districts by-right	1	Permitted in HDMF and MORR districts.
Ordinance does not distinguish between "affordable housing/multi-family housing" (i.e., financed with public funds) and "multi-family housing" (i.e., financed with private funds)	1	Affordable housing is not defined.
Ordinance does not restrict residential uses such as emergency housing/homeless shelters, transitional housing, or permanent supportive housing facilities exclusively to non-residential zoning districts	1	Not defined.
Ordinance provides residential zoning districts with minimum lot sizes of ¼ acre or less	1	Average lot size requirement in residential districts other than RA and RR is 10,000 square feet or less.
Ordinance does not include exterior design/aesthetic standards for all single family dwelling units regardless of size, location, or zoning district	2	Design standards apply to residential development in the MORR district and in planned development districts.
Ordinance permits manufactured and modular housing on single lots like single family dwelling units	2	Only allowed in special district.
TOTAL SCORE		1.36



Town of Fuquay-Varina

Zoning Ordinance Regulatory Provision	Score	Notes
Ordinance defines "family" inclusively, without cap on number of unrelated persons, with focus on functioning as a single housekeeping unit	1	Defined as one or more persons occupying premises and living as a single housekeeping unit.
Ordinance defines "group home" or similarly named land use comparatively to single family dwelling units	1	Definition of family care home uses the term "family environment."
Ordinance allows up to 6 unrelated people with disabilities to reside in a group home without requiring a special use/conditional use permit or public hearing	1	Up to 6 are allowed in family care home.
Ordinance regulates the siting of group homes as single family dwelling units without any additional regulatory provisions	2	Dispersal requirements.
Ordinance has a "Reasonable Accommodation" provision or allows for persons with disabilities to request reasonable accommodation/modification to regulatory provisions	2	No reasonable accommodation provision.
Ordinance permits multi-family housing of more than 4 units/structure in one or more residential zoning districts by-right	1	Permitted by right in R8, R6, R4, and RA districts.
Ordinance does not distinguish between "affordable housing/multi-family housing" (i.e., financed with public funds) and "multi-family housing" (i.e., financed with private funds)	1	Affordable housing is not defined.
Ordinance does not restrict residential uses such as emergency housing/homeless shelters, transitional housing, or permanent supportive housing facilities exclusively to non-residential zoning districts	1	Not defined.
Ordinance provides residential zoning districts with minimum lot sizes of ¼ acre or less	1	Minimum lot size requirement in R10, R8, R6, R4 and RA districts is 10,000 square feet or less.
Ordinance does not include exterior design/aesthetic standards for all single family dwelling units regardless of size, location, or zoning district	1	No residential design standards.
Ordinance permits manufactured and modular housing on single lots like single family dwelling units	2	Manufactured homes are not permitted except within a mobile home park or manufactured home subdivision.
TOTAL SCORE	1.27	



Town of Garner

Zoning Ordinance Regulatory Provision	Score	Notes
Ordinance defines "family" inclusively, without cap on number of unrelated persons, with focus on functioning as a single housekeeping unit	2	Defines family as two or more related persons living together.
Ordinance defines "group home" or similarly named land use comparatively to single family dwelling units	1	Definition of family care home uses the term "family environment."
Ordinance allows up to 6 unrelated people with disabilities to reside in a group home without requiring a special use/conditional use permit or public hearing	1	Up to 6 are allowed in family care home.
Ordinance regulates the siting of group homes as single family dwelling units without any additional regulatory provisions	2	Dispersal requirements.
Ordinance has a "Reasonable Accommodation" provision or allows for persons with disabilities to request reasonable accommodation/modification to regulatory provisions	2	No reasonable accommodation provision.
Ordinance permits multi-family housing of more than 4 units/structure in one or more residential zoning districts by-right	1	Permitted by right in MF-1 and MF-2.
Ordinance does not distinguish between "affordable housing/multi-family housing" (i.e., financed with public funds) and "multi-family housing" (i.e., financed with private funds)	1	Affordable housing is not defined.
Ordinance does not restrict residential uses such as emergency housing/homeless shelters, transitional housing, or permanent supportive housing facilities exclusively to non-residential zoning districts	2	"Other community service" only permitted in nonresidential districts.
Ordinance provides residential zoning districts with minimum lot sizes of ¼ acre or less	1	The R-9, RMH, MF-1, and MF-2 districts have minimum lot sizes of 9,000 square feet or less.
Ordinance does not include exterior design/aesthetic standards for all single family dwelling units regardless of size, location, or zoning district	1	No residential design standards.
Ordinance permits manufactured and modular housing on single lots like single family dwelling units	2	Requires overlay district outside of R-40 and RMH.
TOTAL SCORE		1.45



Town of Holly Springs

Zoning Ordinance Regulatory Provision	Score	Notes
Ordinance defines "family" inclusively, without cap on number of unrelated persons, with focus on functioning as a single housekeeping unit	2	Number of unrelated persons living together capped at 4.
Ordinance defines "group home" or similarly named land use comparatively to single family dwelling units	1	Definition of family care home uses the term "family environment."
Ordinance allows up to 6 unrelated people with disabilities to reside in a group home without requiring a special use/conditional use permit or public hearing	1	Up to 6 are allowed in family care home.
Ordinance regulates the siting of group homes as single family dwelling units without any additional regulatory provisions	2	Dispersal requirements.
Ordinance has a "Reasonable Accommodation" provision or allows for persons with disabilities to request reasonable accommodation/modification to regulatory provisions	2	No reasonable accommodation provision.
Ordinance permits multi-family housing of more than 4 units/structure in one or more residential zoning districts by-right	1	Permitted by right in R-MF-8, and R-MF-15.
Ordinance does not distinguish between "affordable housing/multi-family housing" (i.e., financed with public funds) and "multi-family housing" (i.e., financed with private funds)	1	Not defined.
Ordinance does not restrict residential uses such as emergency housing/homeless shelters, transitional housing, or permanent supportive housing facilities exclusively to non-residential zoning districts	1	Not defined.
Ordinance provides residential zoning districts with minimum lot sizes of ¼ acre or less	1	Minimum lot size in R-10 and R-8 is 10,000 square feet or less.
Ordinance does not include exterior design/aesthetic standards for all single family dwelling units regardless of size, location, or zoning district	2	Design standards exist for manufactured homes.
Ordinance permits manufactured and modular housing on single lots like single family dwelling units	2	Not permitted on single lots in all districts.
TOTAL SCORE		1.45



Town of Knightdale

Zoning Ordinance Regulatory Provision	Score	Notes
Ordinance defines "family" inclusively, without cap on number of unrelated persons, with focus on functioning as a single housekeeping unit	2	Number of unrelated persons living together capped at 4.
Ordinance defines "group home" or similarly named land use comparatively to single family dwelling units	1	Definition of family care home uses the term "family environment."
Ordinance allows up to 6 unrelated people with disabilities to reside in a group home without requiring a special use/conditional use permit or public hearing	1	Up to 6 are allowed in family care home.
Ordinance regulates the siting of group homes as single family dwelling units without any additional regulatory provisions	2	Dispersal requirements.
Ordinance has a "Reasonable Accommodation" provision or allows for persons with disabilities to request reasonable accommodation/modification to regulatory provisions	2	No reasonable accommodation provision.
Ordinance permits multi-family housing of more than 4 units/structure in one or more residential zoning districts by-right	1	Permitted by-right in UR, RMX, NMX, and TC districts.
Ordinance does not distinguish between "affordable housing/multi-family housing" (i.e., financed with public funds) and "multi-family housing" (i.e., financed with private funds)	1	Not defined.
Ordinance does not restrict residential uses such as emergency housing/homeless shelters, transitional housing, or permanent supportive housing facilities exclusively to non-residential zoning districts	1	Permitted in residential districts as office/service.
Ordinance provides residential zoning districts with minimum lot sizes of ¼ acre or less	1	Minimum lot size 1/4 acre or less in all residential districts except RR.
Ordinance does not include exterior design/aesthetic standards for all single family dwelling units regardless of size, location, or zoning district	1	Single-family dwelling units are exempt from design standards.
Ordinance permits manufactured and modular housing on single lots like single family dwelling units	1	Permitted on single lots in residential districts.
TOTAL SCORE		1.27



Town of Morrisville

Zoning Ordinance Regulatory Provision	Score	Notes
Ordinance defines "family" inclusively, without cap on number of unrelated persons, with focus on functioning as a single housekeeping unit	2	Number of unrelated persons living together capped at 4.
Ordinance defines "group home" or similarly named land use comparatively to single family dwelling units	1	Definition of family care home uses the term "family environment."
Ordinance allows up to 6 unrelated people with disabilities to reside in a group home without requiring a special use/conditional use permit or public hearing	1	Up to 6 are allowed in family care home.
Ordinance regulates the siting of group homes as single family dwelling units without any additional regulatory provisions	2	Dispersal requirements.
Ordinance has a "Reasonable Accommodation" provision or allows for persons with disabilities to request reasonable accommodation/modification to regulatory provisions	2	No reasonable accommodation provision.
Ordinance permits multi-family housing of more than 4 units/structure in one or more residential zoning districts by-right	1	Permitted in HDR by right.
Ordinance does not distinguish between "affordable housing/multi-family housing" (i.e., financed with public funds) and "multi-family housing" (i.e., financed with private funds)	1	Not defined.
Ordinance does not restrict residential uses such as emergency housing/homeless shelters, transitional housing, or permanent supportive housing facilities exclusively to non-residential zoning districts	1	Not defined.
Ordinance provides residential zoning districts with minimum lot sizes of ¼ acre or less	1	Minimum lot size 1/4 acre or less in all residential districts except VLDR.
Ordinance does not include exterior design/aesthetic standards for all single family dwelling units regardless of size, location, or zoning district	1	No design standards for single family dwelling units.
Ordinance permits manufactured and modular housing on single lots like single family dwelling units	2	Only permitted in RNP district.
TOTAL SCORE		1.36



Town of Rolesville

Zoning Ordinance Regulatory Provision	Score	Notes
Ordinance defines "family" inclusively, without cap on number of unrelated persons, with focus on functioning as a single housekeeping unit	2	Number of unrelated persons living together capped at 5.
Ordinance defines "group home" or similarly named land use comparatively to single family dwelling units	1	Definition of family care home uses the term "family environment."
Ordinance allows up to 6 unrelated people with disabilities to reside in a group home without requiring a special use/conditional use permit or public hearing	1	Up to 6 are allowed in family care home.
Ordinance regulates the siting of group homes as single family dwelling units without any additional regulatory provisions	2	Dispersal requirements.
Ordinance has a "Reasonable Accommodation" provision or allows for persons with disabilities to request reasonable accommodation/modification to regulatory provisions	2	No reasonable accommodation provision.
Ordinance permits multi-family housing of more than 4 units/structure in one or more residential zoning districts by-right	2	Multi-family housing is not permitted by right in any district.
Ordinance does not distinguish between "affordable housing/multi-family housing" (i.e., financed with public funds) and "multi-family housing" (i.e., financed with private funds)	1	Not defined
Ordinance does not restrict residential uses such as emergency housing/homeless shelters, transitional housing, or permanent supportive housing facilities exclusively to non-residential zoning districts	1	Not defined.
Ordinance provides residential zoning districts with minimum lot sizes of ¼ acre or less	2	Only lot sizes less than 1/4 acre are in "urban manufactured home district."
Ordinance does not include exterior design/aesthetic standards for all single family dwelling units regardless of size, location, or zoning district	1	No design standards for single family dwelling units.
Ordinance permits manufactured and modular housing on single lots like single family dwelling units	2	Only permitted in manufactured home districts.
TOTAL SCORE		1.55



Town of Wake Forest

Zoning Ordinance Regulatory Provision	Score	Notes
Ordinance defines "family" inclusively, without cap on number of unrelated persons, with focus on functioning as a single housekeeping unit	1	Family is not defined.
Ordinance defines "group home" or similarly named land use comparatively to single family dwelling units	1	Definition of family care home uses the term "family environment."
Ordinance allows up to 6 unrelated people with disabilities to reside in a group home without requiring a special use/conditional use permit or public hearing	1	Up to 6 are allowed in family care home.
Ordinance regulates the siting of group homes as single family dwelling units without any additional regulatory provisions	2	Dispersal requirements.
Ordinance has a "Reasonable Accommodation" provision or allows for persons with disabilities to request reasonable accommodation/modification to regulatory provisions	2	No reasonable accommodation provision
Ordinance permits multi-family housing of more than 4 units/structure in one or more residential zoning districts by-right	1	Permitted by right in GR10 and all "Urban" residential districts.
Ordinance does not distinguish between "affordable housing/multi-family housing" (i.e., financed with public funds) and "multi-family housing" (i.e., financed with private funds)	1	Not defined.
Ordinance does not restrict residential uses such as emergency housing/homeless shelters, transitional housing, or permanent supportive housing facilities exclusively to non-residential zoning districts	1	"Community Support Facility" permitted with supplemental standards in several residential districts.
Ordinance provides residential zoning districts with minimum lot sizes of ¼ acre or less	1	Minimum lot size less than 1/4 acre in GR5 and GR10 districts.
Ordinance does not include exterior design/aesthetic standards for all single family dwelling units regardless of size, location, or zoning district	1	No design standards for single family dwellings.
Ordinance permits manufactured and modular housing on single lots like single family dwelling units	2	Some types of manufactured homes are only allowed in mobile home parks.
TOTAL SCORE		1.27



Town of Wendell

Zoning Ordinance Regulatory Provision	Score	Notes
Ordinance defines "family" inclusively, without cap on number of unrelated persons, with focus on functioning as a single housekeeping unit	2	Defines "family" as two or more related persons.
Ordinance defines "group home" or similarly named land use comparatively to single family dwelling units	1	Definition of family care home uses the term "family environment."
Ordinance allows up to 6 unrelated people with disabilities to reside in a group home without requiring a special use/conditional use permit or public hearing	1	Up to 6 are allowed in family care home.
Ordinance regulates the siting of group homes as single family dwelling units without any additional regulatory provisions	2	Dispersal requirements.
Ordinance has a "Reasonable Accommodation" provision or allows for persons with disabilities to request reasonable accommodation/modification to regulatory provisions	2	No reasonable accommodation provision.
Ordinance permits multi-family housing of more than 4 units/structure in one or more residential zoning districts by-right	2	Multi-family housing of more than 4 units is not permitted by-right in any district.
Ordinance does not distinguish between "affordable housing/multi-family housing" (i.e., financed with public funds) and "multi-family housing" (i.e., financed with private funds)	1	Not defined.
Ordinance does not restrict residential uses such as emergency housing/homeless shelters, transitional housing, or permanent supportive housing facilities exclusively to non-residential zoning districts	1	Not defined.
Ordinance provides residential zoning districts with minimum lot sizes of ¼ acre or less	1	Minimum lot size in R3, R4, and R7 is 10,000 square feet or less.
Ordinance does not include exterior design/aesthetic standards for all single family dwelling units regardless of size, location, or zoning district	2	Ordinance contains design/aesthetic standards for single family dwelling units.
Ordinance permits manufactured and modular housing on single lots like single family dwelling units	1	Permitted with supplementary regulations.
TOTAL SCORE		1.45



Town of Zebulon

Zoning Ordinance Regulatory Provision	Score	Notes
Ordinance defines "family" inclusively, without cap on number of unrelated persons, with focus on functioning as a single housekeeping unit	1	Defines family as "single housekeeping unit."
Ordinance defines "group home" or similarly named land use comparatively to single family dwelling units	1	Definition of family care home uses the term "family environment."
Ordinance allows up to 6 unrelated people with disabilities to reside in a group home without requiring a special use/conditional use permit or public hearing	1	Up to 6 are allowed in family care home.
Ordinance regulates the siting of group homes as single family dwelling units without any additional regulatory provisions	2	Dispersal requirements.
Ordinance has a "Reasonable Accommodation" provision or allows for persons with disabilities to request reasonable accommodation/modification to regulatory provisions	2	No reasonable accommodation provision.
Ordinance permits multi-family housing of more than 4 units/structure in one or more residential zoning districts by-right	1	Permitted by right in RMF district.
Ordinance does not distinguish between "affordable housing/multi-family housing" (i.e., financed with public funds) and "multi-family housing" (i.e., financed with private funds)	1	Not defined.
Ordinance does not restrict residential uses such as emergency housing/homeless shelters, transitional housing, or permanent supportive housing facilities exclusively to non-residential zoning districts	1	Not defined.
Ordinance provides residential zoning districts with minimum lot sizes of ¼ acre or less	1	Minimum lot size in R8, R10, RMF, RMH, and TR is 1/4 acre or less.
Ordinance does not include exterior design/aesthetic standards for all single family dwelling units regardless of size, location, or zoning district	2	Design standards for "site built, modular, pre-fabricated and metal buildings."
Ordinance permits manufactured and modular housing on single lots like single family dwelling units	2	Manufactured homes only permitted in existing manufactured home parks.
TOTAL SCORE		1.36