



The City of Raleigh  
Community Development Division  
Department of Housing and Neighborhoods  
[Raleighnc.gov](http://Raleighnc.gov)

# ***DRAFT* Consolidated Annual Performance and Evaluation Report (CAPER) Summary**

FY 2018-2019

Updated: September, 5, 2019

**FY 2018-2019 Results-At-A-Glance**

Infill houses built	35
Substantial rehab	14
Limited repair	19
New or preserved rental units	369
Job training	15
Home-buying counseling	337
Homebuyer Assistance	57
Benefit from Community Enhancement Grants	96
Emergency shelter	1,212
Rapid rehousing	17
Homelessness prevention	185

## FY 2018-2019 CAPER Goals and Outcomes

The City’s 2016-2020 Consolidated Plan (ConPlan) contained three priorities for the City’s use of federal and local housing funds. They are as follows:

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

Also, within the ConPlan are geographic focus areas that the City has prioritized for resource allocation purposes. The focus areas are College Park and South Park areas. FY 2018-2019 is the fourth year covered by the 2016-2020 ConPlan.

The FY 2018-2019 Annual Action Plan was consistent with the ConPlan priorities and geographic focus areas in that expenditures were concentrated in the 2016 Neighborhood Revitalization Strategy Area (NRSA)— particularly East College Park (ECP). ECP consumed a significant amount of staff time and financial resources as infrastructure work was nearly completed, job training and housing rehabilitation resources were provided, and development of new infill housing continues. Citywide, Community Development Block Grant (CDBG) resources were provided to nonprofit partners for public services that made positive impacts on low-income populations. City Council continued its financial commitment to increase affordable housing with the penny on the property tax - which generates over \$6 million annually. The intent of the penny is to increase the supply of affordable housing and preserve low-cost units that might be lost to conversion to market rate housing.

The City’s three priorities identified in its 2016-2020 Consolidated Plan, and summaries of the City’s use of funds to address them in FY 2018-2019, were:

### **Increase the supply of affordable housing**

In FY 2018-2019 the City spent \$1,948,310 in CDBG and \$1,051,690 in local funds to preserve 135 affordable senior rentals and another \$6,705,000 in local funds for 234 new affordable rentals (total completed new or preserved units: 369). Also, \$817,987 in HOME funds were provided for Capital Towers which is still under construction, and \$2,328,263 in local funds were allocated to four other apartment communities in varying stages of completion. In addition, \$881,442 of local funds were invested in nine (9) single-family rehab, supplementing the \$310,285 in HOME funds for another four (4) rehabs, and \$177,839 CDBG for one (1) City-owned rental unit (total: 14 completed rehabs). In addition, \$168,695 CDBG was provided for nineteen (19) Limited Repair rehabs. The City spent a total of \$510,155 in local, \$569,844 in HOME, and \$280,000 in CDBG to enable 57 low-income families to purchase their first house in the City, and \$70,000 CDBG funds in first-time homebuyer counseling.

A summary of the City’s investment in completed subsidized apartment communities follows:

<u>Affordable Apartments</u>	<u>CDBG</u>	<u>Local</u>	<u># Units</u>	<u>Unit Type</u>
Sir Walter Apartments	\$1,948,310	\$1,051,690	135	Seniors
Booker Park South	0	\$1,650,000	72	Seniors

Villages of Washington Terrace	<u>0</u>	<u>\$5,055,000</u>	<u>162</u>	Family
Totals	\$1,948,310	\$7,756,690	369	

In addition to these investments, the following developments were approved for City financing during the FY 2018-2019 fiscal year:

<u>Rental Development</u>	<u>City Assistance</u>	<u>No. Units</u>	<u>Unit Type</u>
Abbingon Square	\$ 205,000	82	Family
Abbingon Village	\$ 603,000	85	Family
The Summit at Sawyer	\$3,000,000	154	Family
Toulon Place	<u>\$2,017,704</u>	<u>200</u>	Family
Total	\$5,825,704	521	

In FY 2018-2019 the City continued to work with selected builders to produce infill housing on lots acquired over several years with CDBG and local bond funds, including the ten-block redevelopment area (East College Park) within the NRSA. Twenty-four of the thirty-five infill single-family houses were sold to low- and moderate-income (LMI) buyers. These lots were acquired in the past by the City with CDBG and bond funds. The NRSA program promotes mixed-income development. Therefore, an additional seven single family homes were sold as non-income restricted. Staff also worked to provide homeownership opportunities in other neighborhoods. A total of nine houses were sold in the Martin-Haywood area and two in West Idlewild area- all to LMI buyers.

#### **Enhance the homeless to housing continuum**

The City continued its partnership with Wake County, the Partnership to End and Prevent Homelessness, and Catholic Charities for the Diocese of Raleigh. A site was acquired to construct a facility that would provide for a more effective means of serving the City and County’s homeless population. Local City funds were spent to help build the “Oak City Cares” homeless services facility that opened in April 2019.

\$100,000 in City CDBG funds were provided to the South Wilmington Street Men’s Shelter for shelter operations, benefiting 1,212 persons.

In the past fiscal year, the City continued its partnership with Wake County in the commitment of its Emergency Solutions Grant (ESG) funds for local homelessness service agencies through a Combined Request for Proposals process.

The City spent \$270,006 in over the last year in ESG funds. These funds assisted households with Homelessness Prevention. Those numbers are as follows:

<u>Homelessness Prevention</u>	
Triangle Family Services	103
Passage Home	77
Catholic Charities	<u>5</u>
Total Prevention	185 households

A portion of the City's ESG funds were also used to support the Wake County Homeless Management Information System (HMIS). We provided \$68,000 in local funds to Catholic Charities' for the Support Circles program, which assisted 17 households for rapid rehousing and another 5 with homelessness prevention.

### **Neighborhood revitalization**

A total of \$177,295 in non-homeless CDBG public services was spent in 2018-2019. Training was provided to 15 low-income youth in a construction trades apprenticeship program, homebuyer training was provided to 337 households, and 96 households received assistance from the CDBG-funded Community Enhancement Grant program.

Following is a summary of the City's CDBG public works investment last year:

East College Park Infrastructure: This is a multi-year project, with \$358,582 in CDBG spent last year. It involves the replacement of the water and sewer lines, the storm drain on eight city blocks, and stormwater infrastructure for the forthcoming townhomes. All existing homeowners are being tied into the new system as the project progresses. Infill mixed income housing is being built in this part (East College Park Redevelopment Area) of the 2016 Neighborhood Revitalization Strategy Area (NRSA) on the 140 lots the City assembled with CDBG and city bond funds over the course of ten years. The infrastructure work is nearly complete, and houses are being built and sold. See NRSA section below.

### **Neighborhood Revitalization Strategy Area (NRSA) UPDATE**

The City of Raleigh's 2016-2020 Consolidated Plan (ConPlan) is a document created with staff and community input outlining the City's goals for a five-year period guiding its use of federal housing and community development funds. The ConPlan calls for City housing and community development investments to be directed into focus areas such as a Neighborhood Revitalization Strategy Area (NRSA). An NRSA is a primarily low-income area selected for specialized investment for greater impact and primarily for residents who fall under income levels of 80% of Area Median Income. The NRSA approach allows for flexible use of federal funds awarded through the Community Development Block Grant (CDBG) program and supports job creation and reduces restrictions on housing activities supported by federal and local tax dollars. In 2015 the City created the NRSA Plan for the area south and east of St. Augustine's University, including College Park and the former Washington Terrace Apartments. (Read the 2016 Neighborhood Revitalization Strategy Area (NRSA) Plan on the "Community" section of [www.raleighnc.gov](http://www.raleighnc.gov).)

In the NRSA, the City is facilitating the development of 98 single-family homes and 51 townhome units in East College Park. This area lies in the southeastern portion of the NRSA (see map). Infrastructure improvements including water lines, sewer lines, storm drains, stormwater infrastructure, new streets, and sidewalks are complete. Single-family home construction began in the winter of 2017.



At the beginning of the construction process, each builder was allocated two initial lots that had to be sold to low- to moderate-income buyers. Once the initial lots were constructed and sold to the homebuyers, each builder was allowed to purchase and own no more than 5 lots at a time. During the entire project, each builder is required to sell 60% of the homes for low- to moderate- income buyers (80% or below of Area Median Income). To construct the homes, the builders must purchase the individual lots and then provide their own construction financing. After the home is built, the builder then sells the home directly to the buyer with a 10-year equity sharing deed restriction provided by the City of Raleigh to help preserve future affordability.

In 2018-2019, the builders purchased 30 lots and 24 homes were sold in East College Park, two of which were built by Habitat for Humanity of Wake County. By the end of June 2019, 17 homes had been completed and sold to low- to moderate- income buyers in ECP and seven houses were sold to non-income restricted buyers. Twelve houses were built and sold the previous year, 36 being the total ECP houses sold to date. The ECP townhomes are anticipated to begin construction in the Winter of 2019.

Raleigh's Housing and Neighborhoods Department created an East College Park webpage (<http://ecp.raleighnc.gov/>) that houses information about all the opportunities in East College Park. The webpage was created to help citizens stay up-to-date on the project, including a current progress map, steps to becoming a homeowner, and housing floor plans by builder. Also, the webpage provides programmatic guidelines to the City's rehab programs. To address the home repair needs of existing NRSA homeowners, the City revised its housing rehabilitation loan program, making up to \$90,000 available to low-income homeowners with 0% interest, no payments, forgiven after five (5) years for seniors or disabled, fifteen (15) years for others.

In addition to the City’s actions within the NRSA, DHIC, Inc. owns and is redeveloping the former Washington Terrace Apartments site primarily for affordable housing in the northeast section of the NRSA. In this area, 145 existing units were demolished, 162 new affordable family apartments and 72 new elderly units were completed.

**Raleigh’s Neighborhood Revitalization Strategy Area**

**NRSA Investments in FY 2018—2019: CDBG & HOME Expenditures**

Activity Type	Expenditure
Homebuyer Assistance	\$340,000.00
Public Works / Site Improvements	\$358,582.80
Homeowner Rehab	\$98,775.00
<b>Total CDBG &amp; HOME spent in NRSA, FY18-19</b>	<b>\$797,357.80</b>

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