



Housing Affordability &
Community Revitalization

2023 ANNUAL HOUSING REPORT





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Executive Summary

Historians and housing scholars often refer to the *U.S. Housing Act of 1937* as the first government initiative to help low-income families access safe, decent and affordable housing.¹ In the years following the Great Depression, housing relief was critical to economic recovery and progress. In the nearly 90 years since the U.S. Housing Act, federal, state and local government continue to create new programs as the Affordable Housing Crisis² transformed. Through better data analysis and better financial planning, new solutions to end this crisis emerge every year.

Wake County released its first ever 20-Year Affordable Housing Plan in October 2017. Numerous stakeholders participated in months of meetings, discussion, planning, and dreaming of a county where all residents and neighbors have access to safe, affordable housing.

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The Wake County Affordable Housing Plan identified three key strategies and over 20 separate action items ranging from investment in Permanent Supportive Housing, to an Affordable Housing Preservation Fund, to new ways of using land and much more. It also spurred the creation of a brand-new housing department. After the Board of Commissioners unanimously approved this plan,

Wake County quickly transitioned housing from a division under Health and Human Services to an independent department. The Department of Housing Affordability and Community Revitalization (HACR; the Housing Department)³ serves as the epicenter for every new housing initiative related (and unrelated) to the 2017 plan, including:

Leveraged Programs:

To increase the amount of affordable housing, Wake County will establish new housing programs and modify existing housing programs to better use limited public funds, outside resources, and specialist expertise to meet residents' changing housing needs.

Land Use Policies:

Wake County will partner with all municipalities to create policies around land use that support housing development to keep pace with population growth. This strategy will help reduce the cost of housing and relieve the pressure to convert existing affordable housing into market-rate housing.

Additional Public Resources:

Wake County and our municipalities will increase the public resources dedicated to housing to match the magnitude of affordable housing need.

Before the Housing Department launched, the housing-side of the Housing and Transportation Division already managed millions of dollars in federal, state and county funding. It operated the largest Permanent Supportive Housing program in Wake County, Housing Rehabilitation Programs, and the largest men's emergency shelter in North Carolina. Wake County's Housing Department hit the ground running in 2018, adding to the existing programs by leading new initiatives grounded in research, best practice and the expertise of our community.

¹ National Low Income Housing Coalition: A Brief Historical Overview of Affordable Housing

² The term Affordable Housing Crisis describes the unprecedented gap between people in need of affordable housing and the availability of housing to meet that need.

³ Return to The Who's Who section of this report to understand how Wake County connects with other key contributors to affordable housing.

Accomplishments:

- Redesigned the Affordable Housing Development Program to incentivize developments targeting deeper affordability and negotiate access to units for vulnerable populations affected by the rapidly changing housing market.
- Added the Veteran Services Division to the Housing Department to address the spectrum of needs for Veterans from access to benefits to ending homelessness.
- Launched Wake County's largest and most comprehensive homelessness prevention program, Wake Prevent!, for individuals and families at risk of losing their homes.
- Launched the award-winning House Wake! Financial Assistance Program and strategic plan during the COVID-19 pandemic, which offered a comprehensive strategy to minimize the impact of COVID-19 on families at risk of losing their homes.
- Implemented the Affordable Homeownership Program offering 0% interest, 20-year loans to first-time low-income homebuyers to reduce the size of the mortgage and make their monthly payments more affordable.
- Created the Wake County Housing Preservation Fund, leveraging \$40+ million from banking partners to providing developers with low-interest loans to buy or rework existing rental units and keep them affordable.
- Designed and launched the Landlord Engagement Unit to quickly match tenant-seeking landlords with eligible tenants exiting homelessness along with a robust incentive program.
- Reimagined the Cornerstone program to operate as a best-practice, bridge housing program, with comprehensive on-site services and commitment to transitioning people experiencing long-term and chronic homelessness to permanent housing.
- Partnered with 11 different organization to implement the Bridge to Home program, designed to integrate adaptable, comprehensive services into the existing landscape of expert service providers in Wake County.
- Piloted the Well and Septic Repair program with the Department of Environmental Service for low- and moderate-income homeowners.

And so much more!

This report takes a critical look at each component of the affordable housing crisis in Wake County and examines the award-winning initiatives that bring our community closer to safe, decent, affordable housing for everyone.

A series called Affordable Housing Report Shorts will follow this reports publication. The Report Shorts will expand on each component of affordable housing, homelessness and equity, briefly mentioned in this report. Stay tuned!

Acknowledgments:

Wake County's Department of Housing Affordability and Community Revitalization would like to thank our incredible staff, Wake County colleagues and community partners for contributing to this first Annual Housing Report.

We would like to also acknowledge our Board of Commissioners for their commitment to addressing the critical issue of affordable housing within our community.



Shinica Thomas

Chair
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District 4



Vickie Adamson

District 7
Affordable Housing
Committee Chair



Matt Calabria

District 2



Don Mial

District 1



Cheryl Stallings

District 3



James West

District 5

We would also like to extend a special thank you to the Research, Data and Systems Division staff for bringing this report together.



MPNA

Lorena McDowell

Director of Wake
County Department of
Housing Affordability and
Community Revitalization



MSW

Vanessa Kopp

Lead Author, Division
Director for Research,
Data, and Systems



MSW Candidate

Sydney Hinds

Co-Author, Data and
Research Fellow

The Who's Who

Ending homelessness and increasing affordable housing takes a village. It requires constant collaboration between federal, state and local governments, non-profits, private sector organizations, faith-based partners, volunteer groups and residents.

This section outlines a small portion of organizations and departments partnering on housing issues. We will mention these entities again throughout the report.

Read through **The Who's Who** now or return to this section, as needed.

HUD

Department of Housing and Urban Development

For our community, HUD is the big-time funder that makes sure we are all fulfilling our responsibilities to the community. HUD makes sure anyone who uses its funding follows all rules, regulations, and policies.

HUD funding includes:

- Continuum of Care (CoC)
- Community Development Block Grant (CDBG)
- Emergency Solutions Grant (ESG)
- HOME Investment Partnerships (HOME)
- Housing Opportunities for People with HIV or AIDS (HOPWA), and more.

HUD provides federal funding to communities through state governments, local government, Public Housing Authorities, colleges, universities, or directly to non-profit organizations.

NCDHHS

North Carolina Department of Health and Human Services Division of Aging and Adult Services: NC Emergency Solutions Grant (NC-ESG)

The NC-ESG office receives an annual amount of money (allocation) from HUD to distribute to local governments and non-profits. NC-ESG funding helps communities provide emergency homeless services and prevent homelessness for resident at risk of losing their housing.

NC-ESG supports:⁴

- Street Outreach
- Emergency Shelter
- Rapid Rehousing
- Homelessness Prevention
- Data Collection; Homeless Management Information System

NCORR

North Carolina Department of Public Safety Office of Resiliency and Recovery

The NC ORR manages all funding connected to public emergencies like the COVID-19 pandemic and hurricane relief. NC ORR also operates the Affordable Housing Development Fund, which helps rebuild affordable housing in storm-damaged areas, specifically Hurricane Matthew and Hurricane Florence. This funding is periodically available, especially during major weather events.

⁴ See Learn the Lingo for more information about each intervention funded through NC-ESG.

NCHFA

North Carolina Housing Finance Agency

The North Carolina Housing Finance Agency provides funding and financing to communities across North Carolina to create more affordable housing for low-income families. NCHFA uses federal and state tools like the Low-Income Housing Tax Credit program, HOME Grant, and the Housing Trust Fund to meet statewide affordable housing needs.

CoC

Continuum of Care

The term Continuum of Care or CoC describes a community, defined by its geographic boundaries, that works together to end homelessness and increasing affordable housing. Our CoC is called NC-507-Raleigh/Wake County and includes every corner of Wake County.

CoC Program

Continuum of Care Program

The CoC Program provides HUD funding annually to local governments, non-profit agencies, and other entities within the CoC. Communities that receive CoC Program Funding are responsible for:

- Organizing a homeless response system that quickly connect households in need of emergency service and permanent housing support to a service provider. This process is called Coordinated Entry.

- Manage a community-wide database called the Homeless Management Information System (HMIS) for service providers to securely enter client information and make referrals. When homeless service providers enter data into HMIS, a CoC can use that information to identify service gaps, needs, and recommendations.
- Oversee the Notice of Funding Opportunity or NOFOs released by HUD. NOFOs notify communities of available HUD funding for housing and homeless services. The CoC Program NOFO is released annually.

CoC Membership

Continuum of Care Membership

The CoC Membership represents everyone working together to address housing affordability and homelessness. You are part of the NC-507 Continuum of Care Membership if:

- Organizing a homeless response system You live in Wake County
- You are a person experiencing homelessness in Wake County
- You are a housing/homeless service provider in Wake County
- You are an organization or business that interacts with people experiencing homelessness or housing insecurity.
- You are an elected official or staff member within Wake County Government or one of the 12 municipalities.

CoC Governance Board

The CoC Governance Board⁵

The CoC Governance Board aims to bring our community together through a Board made up of community representatives from service agencies, healthcare, law enforcement, businesses, community members, and more.

The Governance Board sets CoC policies, priorities, planning, and evaluation efforts so everyone involved in ending the affordable housing crisis can work together. communities through state governments, local government, Public Housing Authorities, colleges, universities, or directly to non-profit organizations.

CoC Collaborative Applicant

CoC Collaborative Applicant

The Collaborative Applicant is the agency designated by the CoC to lead the community application process for CoC Program funding. This includes the CoC Registration, CoC Consolidated Application (which includes the application and priority listing) and apply for CoC planning funds The CoC may assign additional responsibilities to the Collaborative Applicant so long as these responsibilities are documented in the CoC's governance charter.⁶

CoC Lead Agency

CoC Lead Agency

The Continuum of Care can choose an agency to serve as the Lead Agency. Currently, these responsibilities are spread over several agencies. Wake County does not, at this time, have a designated Lead Agency.

- Partners with county, city and town governments to coordinate services and address community needs
- Provides technical support and education to the CoC Governance Board
- Monitors operations, compliance, and reporting in the Homeless Management Information System (HMIS)^{3,4}
- Leads and submits all federal reports including the Point in Time Count, Housing Inventory Count, System Performance Measures, and more
- Submits community application for ongoing CoC funding from HUD
- Leads implementation of emergency weather shelters, also known as White Flag Shelters
- Coordinates communication and messaging to support affordable housing policies
- Provides training to community members and service providers
- And more!

Wake County, there is no Lead Agency and the above responsibilities are spread across several agencies, rather than centralized into one.

⁵ The CoC Governance Board Website

⁶ HUD Exchange: What is a Collaborative Applicant?

⁷ HUD Exchange: CDBG Entitlement Program

Entitlement Jurisdiction

Entitlement jurisdictions receive annual HUD grants directly to address housing affordability, homelessness, and other community development issues felt by those with less resources.

Entitlement Jurisdictions include:⁷

- Major cities in a Metropolitan Statistical Area (MSAs)
 - The City of Raleigh is our local MSA and Entitlement Jurisdiction.
- Other metropolitan cities with populations of at least 50,000 people.
 - The Town of Cary qualifies as an Entitlement Jurisdiction under this definition.
- Urban counties with populations of 200,000 or more, excluding the population of entitled cities.
 - Wake County qualifies as an Entitlement Jurisdiction under this definition.

HACR

Wake County Department of Housing Affordability and Community Revitalization The Housing Department

HACR previously operated as a division called “Housing and Transportation” under Wake County Human Services. Following the conclusion of the Wake County Affordable Housing Plan, Wake County

Government invested in building a Housing Department independent of Human Services.

HACR’s core mission is to improve the quality, affordability, and access to housing for families and communities whose needs are not met by the natural housing market. To fulfill that mission, HACR takes a complete look at homelessness and affordable housing through quality data, strong partnerships with expert service agencies, and listening closely to our impacted communities. HACR then distributes federal, state, and county funding under our responsibility to agencies or develops programs within the department to meet community needs.

HACR operates six core teams equipped with expertise to make improvements in every area of affordable housing and homelessness:

- Division for Homeless and Prevention Services
- Division for Permanent Supportive Housing and Support Services
- Division for Equitable Housing and Community Development
- Division for Veteran Services
- Division for Research, Data, and System
- Business, Operations, and Contracts

We explore each division and their programs throughout the report.

RHA & WCHA

Public Housing Authorities Raleigh Housing Authority (RHA) and Wake County Housing Authority (WCHA)

The Housing Act of 1937 created Housing Authorities to create affordable housing in local communities. Housing Authorities provide safe, decent, affordable housing options to low-income households in a designated geographic area.

Housing Authorities provide multiple housing options:

- *Rental Assistance* programs help low-income households pay rent by providing a monthly subsidy or amount of money to cover the gap between what the households can afford and the actual cost of rent. There are two types of rental assistance:
- *Public Housing* is owned and maintained by the Housing Authority for eligible low-income families, the older adults, and persons with disabilities. Public Housing comes in all sizes and types, from single-family houses to apartment buildings.

You may be familiar with terms like Housing Choice Vouchers (formerly Section 8 vouchers) and Emergency Housing Vouchers. Both voucher programs are examples of TBRA through local housing authorities. You may hear Public Housing and affordable housing used interchangeably, but Public Housing is a specific type of affordable housing.

Municipalities

Municipalities represent the heart of Wake County and provide their communities with public services like police, streets, transportation, recreation, garbage collection and recycling and land use planning.

Wake County works closely with municipalities to plan for future growth, which includes land use and zoning strategies for services that affect affordable housing and homelessness.

Wake County Municipalities includes:

- Raleigh
- Cary
- Apex
- Morrisville
- Fuquay-Varina
- Garner
- Knightdale
- Zebulon
- Rolesville
- Wake Forest
- Holly Springs
- Wendell

AHAWG

The Affordable Housing Advisory Work Group

AHAWG is an HACR-facilitated group designed to advise the Department and engage the public around affordable housing and homeless service efforts. The 17-member group includes representatives from the faith community, housing developers, human services, funding agencies, the CoC, and more. The AHAWG meets bi-monthly.

City/County Joint Housing Stability Coalition

City/County Joint Housing Stability Coalition

The City/County Joint Housing Stability Coalition is a joint effort between the City of Raleigh and Wake County Government made up of local leaders, community members, and service providers. The goal of the Task Force is to advocate for strategies to prevent homelessness. The group meets on the 2nd Thursday of each month.

Ending homelessness
and increasing affordable
housing takes a village.



Income and Inequity

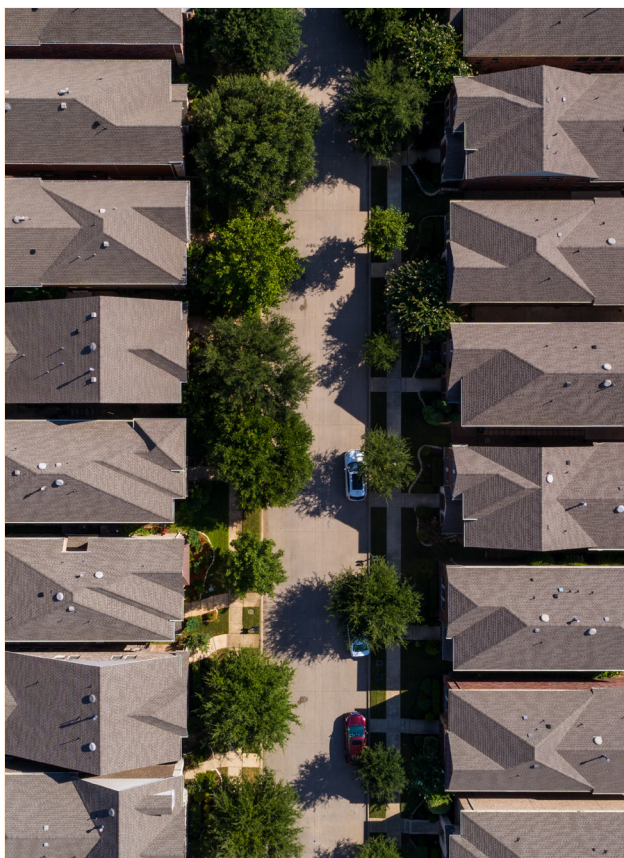
Housing is a monthly expense. A family's housing budget is directly tied to their income and when a household's income is low compared to the cost of housing, families end up spending a greater portion of their income just to keep a roof over their head.

The Median Household Income for all of Wake County is \$88,471.⁸ When a household's income is above or below the median, they are represented as a percent of Area Median Income (AMI). For example: A household with 10% AMI would bring home about \$8,847 per year and live in considerable poverty. Another household with 200% AMI would earn \$176,942 annually. A family is considered low-income if their household income is less than 50% of Area Median.

A home is considered "affordable" when a family pays 30% or less of their household income on housing expenses. **In 2023, the National Low**

Income Housing Coalition found that for every 100 extremely low-income households⁹ in North Carolina, there are only 39 homes affordable to them. Wake County is, unfortunately, no different.¹⁰ In Wake County, three out of every four (72%) low-income households pay more than 30% of their income on housing, compared to 24% of all Wake County regardless of income.

Families who pay more than 30% of their income on housing are considered cost burdened. For half of all low-income households in Wake County, the cost of housing results in severe cost burden, meaning a family pays more than 50% of their income on housing. **Consider this:** If a household gets paid twice a month, they will use one whole paycheck just to cover their housing costs. As housing costs increase, low-income households take the biggest hit as their budgets cannot accommodate even moderate increases.



The Housing Market in Action:

To understand the affordable housing crisis in Wake County, we can look at the housing market. The term *housing market* describes the need for housing (demand) compared to the availability of housing (supply). The cost of housing is connected to supply and demand. If there is one home and many people want it, the price increases. If there are 100 homes for sale and only one buyer, prices fall.

Between 2010 and 2020, Wake County's population grew by more than 228,000 people,¹² becoming the biggest county by population in North Carolina. In the same period, permits to build new housing included just over 108,000 new housing units in total.¹³ But not all people in Wake County require one unit each, like children who typically share the same unit with their caregivers. So how can housing creation be so high but housing itself is still inaccessible for many Wake County residents?

⁸ US Census Bureau Quick Facts ACS 5-year; Median Income according to the Raleigh Metropolitan Statistical Area is \$117,000. The Raleigh MSA is used to calculate income eligibility for housing programs, but is not representative of the entire Wake County Geography.

⁹ Household income is less than 30% of Area Median Income

¹⁰ National Low Income Housing Coalition: The Gap 2023

¹² 2020 Census (amazonaws.com) Page 33. See also, New Private Housing Units Authorized by Building Permits for Raleigh-Cary, NC (MSA) (RALE537BPPIVSA) | FRED | St. Louis Fed (stlouisfed.org)

¹³ HACR Data Analysis; American Community Survey (ACS) 1-year

Demand:

The rapid growth in Wake County shows a shift in who makes up the population of residents. The number of households making less than \$75k a year remained the same but now represent 43% of the population, down from 60% one decade ago. Despite this proportional decrease, the total number of people making under \$75k remains the same. On the other hand, the number of households making more than \$75k a year nearly doubled during that same timeframe.¹³ Put simply, more high-income households exist in Wake County while lower income households and their housing needs remain the same.

As Wake County grows so does the demand for housing. When there are not enough homes at affordable prices, competition for those homes increases. People who can pay more, do pay more, and landlords and property owners who can charge more, do charge more. Counties and municipalities must also make sure public services can accommodate the growing population.

Supply:

Between 2010 and 2020, homes renting for less than \$1,000 a month decreased by 46%, while homes renting for more than \$1,000 a month increased by 163% during that same time frame.¹⁴

This leaves low-income renters and homeowners in a lurch. They cannot afford to remain in their homes as costs rise and there is not enough affordable housing for them to move into. While a lower income does not automatically mean households will become homeless, it is a risk factor. Low-income families are more likely to experience homelessness than moderate or high-income households.¹⁵

For homeowners, the housing market is also challenging. In Wake County, 57% of low-income homeowners have lived in their homes for more than 10 years.¹⁶ This cuts in two ways as long-time low-income homeowners experience the difficulty of an aging home and increasing property costs that eat away at the income for home maintenance. Conversely, low-income renters struggle to transition to homeownership as home purchase costs increased by up to 55% since 2018.¹⁷

Who is the most impacted by the changing housing market?

More than 100 years of history of policies, programs and practices created our current racial and economic divide.¹⁸ Unfortunately, due to this history, Black, Indigenous and Latino/Hispanic households are disproportionately impacted by rising housing costs because they are more likely to have low-incomes, experience housing cost burden, live doubled-up or in overcrowded housing, and experience homelessness.¹⁹

AMI by Race

The table below shows the difference in AMI by race of Wake County residents.

Race	Median Income of Racial Group in Wake County	Percentage of Area Median Income
White	\$101,086	104% AMI
Black	\$55,473	54% AMI
Native American	\$65,636	67% AMI
Asian	\$135,046	138% AMI
Native Hawaiian or Other Pacific Islander	\$101,847	104% AMI

Consider a household must earn \$56,480 annually to afford the typical two-bedroom home in Wake County without being cost burdened by their residence.²⁰ The table above shows the median Black resident of Wake County would be cost burdened by the average two-bedroom home.

In Wake County, Black residents represent 21% of the population, yet account for 67% of people experiencing homelessness at any given time. This mismatch between the general population and the population of people impacted by economic hardship

¹³ 2020 Census (amazonaws.com) Page 6; Census Wake County Quick Facts

¹⁴ HACR Data Team; ACS 1-year

¹⁵ National Low Income Housing Coalition. (2019). The Problem. National Low Income Housing Coalition.

¹⁶ U.S. Census Bureau. Microdata Access Tool (MDAT). 2021 Public Use Microdata Sample (PUMS) data. Crosstabulation of tenure, household income, and length of occupancy in current housing unit for Wake County's eight (8) Public Use Microdata Areas (PUMAs).

¹⁷ HACR Data Team Analysis

¹⁸ Additional readings on this topic are available at here: Resources – A Better Wake, Race and Economic Opportunity in the United States: An Intergenerational Perspective | Opportunity Insights,

¹⁹ 2022 ACS 5 Year

²⁰ Out of Reach: | National Low Income Housing Coalition (nlihc.org)

is called overrepresentation or underrepresentation. Over or underrepresentation does not mean that a particular group is doing anything wrong. Instead, over/underrepresentation points to larger issues connected to systems that should treat everyone the same.

For example, instead of representing 21% of homeowners in Wake County, Black homeowners represent 13.2% of homeowners and 30.7% of renters. Black households are underrepresented among homeowners and overrepresented as renters. Conversely, White residents make up 67% of Wake County's population, but 71.7% of homeowners and 50.1% of renters.²¹

Consider this:



The median Certified Nursing Assistant in Wake County earns **\$15.98 per hour**, more than double minimum wage.²⁴ Still, to afford a typical one-bedroom unit without spending more than 30% of their income on housing, their wage would have to increase by almost **\$3 an hour**.

Full-Time Jobs and Housing

Many households in Wake County with full-time jobs are frequently cost burdened by their housing. To afford a two-bedroom in Wake County you need to make \$27.15/hour.²² At minimum wage, federally set at \$7.25/hour, you would need to work 144 hours or nearly six full days, to afford rent.²³ But comparisons to minimum wage are hardly fair in today's labor market, where wage growth has exceeded the minimum wage floor.

The examples below paint a picture of households well-above the legal minimum wage still burdened by the cost of their housing.



A 4th grade public school teacher²⁵ and a Wake County Sergeant Deputy Sheriff²⁶ with three children make a combined income of **\$143,504**. Based on estimates of the cost of living and housing by the Massachusetts Institute of Technology, the couple makes around **\$2,000** less annually than is required to avoid becoming cost burdened.²⁷

Unfortunately for many in Wake County, access to affordable housing is not simply tied to having the "right" job. Residents with jobs we hold in high-esteem, like teachers and deputy sheriffs, can easily find themselves cost-burdened in today's market. In the next section, we will explore exactly what today's housing market includes.

²¹ US Census Bureau S2502 2021 ACS-1year

²² Out of Reach: | National Low Income Housing Coalition (nlihc.org)

²³ New study finds it takes 4 people to afford apartment in Raleigh (wral.com) The National Low Income Housing Coalition calculated this number to be 133 hours in its 2022 Out Of Reach report.

Out of Reach: | National Low Income Housing Coalition (nlihc.org)

²⁴ Out of Reach: | National Low Income Housing Coalition (nlihc.org)

²⁵ Benefits / Compensation (wcpss.net) Wake County school teacher with Bachelor's Degree and National Board Certification \$52,691

²⁶ Job Titles & Salary Structure | Wake County Government Sergeant Deputy Sheriff \$90,813 median pay.job_title_market_range_inventory_-_july_2023.xlsx (live.com) (Row 765, Column G)

²⁷ Living Wage Calculator - Living Wage Calculation for Wake County, North Carolina (mit.edu)

The Built Environment

Despite the steady presence of residents in need of moderately priced housing and the most housing units built since 2010, affordable units continue to disappear. In the last decade, Wake County lost 46% of units renting for under \$1000, while units priced over \$1000 increased by 163%. In 2020, Wake County built units at the fastest rate in the last 10 years, permitting development of nearly 17,000 units in just one year.²⁸

The shrinking availability of homes to actual resident's income means finding affordable housing is like finding a needle in a haystack. The rental vacancy rate in Wake County is consistent with the state and national vacancy rates, meaning at any given time, 4.5%-7.3% of all Wake County rental units, not just affordable units, are vacant.²⁹

However, low vacancy rates mean more competition for housing. This competition between renters allows property owners to raise rents at a steady pace without losing business. In an affordable housing crisis with 65,860 fewer affordable homes than needed, low-income households disproportionately turn to living doubled up³⁰, staying in hotels through daily or weekly payments or paying more than half of their monthly income on housing alone.³¹

We cannot build units faster than we lose them. Instead, we must take a two-pronged approach: **Preserve what currently exists while building new units to help keep up with growth.**

Creating Affordable Housing:

Housing developers typically do not use their own money to build housing. Just like purchasing a home, housing developers also take out loans to build. These loans are usually provided by a bank or other private funding sources and the developer must pay

back the loan and any interest added to the original loan amount. This means that the property built with this loan must make enough money to pay back the loans and ensure that the developer makes a profit through a developer fee to continue building. According to the Urban Institute,³² it is almost impossible to pay back loans or make a profit if the units are affordable for low- or moderate-income families.

That's where HACR and the Affordable Housing Development Program step in to fill the gap. HACR, North Carolina Housing Finance Agency (NCHFA), and other funding partners offer low-interest, long-term loans to developers to cover the difference between the cost of building the property and the cost to rent units affordably.³³ In exchange, the developers agree to keep some or all of the units affordable to moderate, low, and extremely low-income households. Properties with this type of funding agreement are called *Legally Binding Affordable Rentals* or (LBAR).

Each year, HACR uses its limited public funds to make the biggest possible impact on affordable housing development. Unfortunately, construction costs have persistently increased over the last 5 years, especially during the COVID-19 pandemic.

In 2021 Wake County funded 1,032 units for a total of \$20,640,110 or \$20,000 per unit. In 2023, Wake County initially received funding requests totaling **\$26,970,248 to fund the development of 902 units, or \$29,900 per unit.** To support all the requests, Wake County would need to spend an additional \$6,330,138 to support 130 fewer units than in our most productive year.³⁴

²⁸ Wake County Housing Affordability and Community Revitalization Dashboard; U.S. Census Bureau Building Permits Survey (BPS)

²⁹ Total Year-Round Vacancy Rate, U.S. Census Bureau

³⁰ The U.S. Census Bureau and HUD define overcrowding or "doubled-up" as more than 1 person per room.

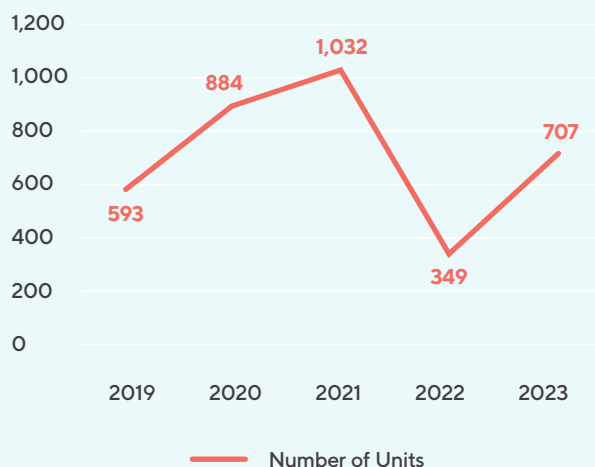
³¹ HUD Consolidated Plan/ CHAS Data

³² Urban Institute Online Tool

³³ North Carolina Housing Finance Agency 2023 Qualified Action Plan

³⁴ Division of Equitable Housing and Community Development Staff

Affordable Housing Development Program Number of Units Created and Preserved



In addition to financing strategies, land use policies greatly affect the affordability of development. These regulations set by local governments determine what can be built and where. Wake County's Housing Department works with municipalities to explore land use policies that encourage more affordable housing and generally increase the amount of housing to match the growth we are experiencing. This does not have to mean skyscrapers and sprawling apartment complexes! For example, municipalities can adopt land use policies that allow for *gentle density* which allows for townhomes, duplexes, or quadplexes. Often these can be designed to fit the context and character of existing neighborhoods. Land use policies can also allow Accessory Dwelling Units (ADUs). Your community can look and feel the same, but with more housing opportunities for your neighbors.

Currently, 10 out of 12 Wake County municipalities permit ADUs!

Preserve Affordable Housing:

To truly close the affordable housing gap, housing preservation is a top priority. New developments help residents access affordable housing even as Wake County's population continues to grow, but as investors buy existing LBAR units and naturally occurring affordable housing (NOAH)³⁵, the pool of affordable units continues to shrink. With scarce affordable housing, a competitive rental market, and expensive

home prices, keeping families in their existing affordable homes relieves pressure on the housing market and prevents displacement.³⁶

Affordable housing preservation is also a cost-effective approach that impacts renters and homeowners alike. Existing affordable housing is already appropriately zoned, construction costs are limited to fixing or restoring the property, and a resident likely already exists to cover the rental or mortgage costs.

³⁵ Naturally Occurring Affordable Housing (NOAH) refers to housing units that cost less than what is typically seen in the housing market. NOAH is affordable without the funding or subsidy to make it affordable. More here: NOAH Impact Fund

³⁶ Displacement occurs when residents must leave their homes out of necessity rather than choice. Displacement is typically related to rising housing costs, eviction, non-renewal of leases, or a home that is no longer livable: University of Texas Gentrification Project

Affordable Housing Development Program

AHDP is Wake County Government's longest running development program, redesigned in 2018 following the approval of Wake County Affordable Housing Plan. AHDP provides funding to cover the gap between the cost of housing development and the cost to keep that housing affordable.

Wake County Affordable Housing Preservation Fund

The Wake County Affordable Housing Preservation Fund provides multi-family⁹ property developers with low-interest loans to buy or rework existing rental units to keep them affordable.

Self-Help Ventures Fund, a non-profit bank focused on community development, serves as the fund administrator. Self-Help uses the funding from Wake County and the City of Raleigh to attract more funding from banking partners to create the now \$61.6 million Preservation Fund. Self-Help reviews the loan details through a process called underwriting, which allows transactions to move faster than if directly administered by Wake County.

Not only is this a huge investment and collaboration between the public and private sector, but the fund can also get loans quickly to the developer so they can truly compete with private market developers. The Wake County Affordable Housing Fund could help preserve more than 3,170 affordable units over the next 15 years, starting with the first development acquisition that preserved 62 units!

Homeownership as Housing Preservation

Homeownership is a wealth-building tool for those that can buy into the housing market and a key component of building generational wealth. But economic progress through real estate is only possible for those who can stay in their homes to reap the benefits of Wake County's prosperity. Current homeowners also feel the pressure of a changing housing market as they struggle to keep up with increasing property costs, home maintenance, and changes in their own income. According to popular real estate sites like Zillow, Redfin and Realtor.com, the median home value increased by up to 54% in the last 5 years in Wake County, directly translating to higher housing costs and other daily necessities that eat into budgets.



Wake County offers several solutions to help homeowners stay in their homes:



Visit wake.gov/housing to apply.

Housing Rehabilitation

Elderly and Disabled: If you are elderly or disabled and need modest repairs to your home to assist with mobility or retrofits needed after hospital stays, this grant program may be able to help. The program serves homeowners earning at or below 50% area median income (AMI)

Emergency Grant Repair: If you are a homeowner earning at or below 50% area median income, and you are in danger because of a problem with your home that needs to be fixed immediately, an emergency grant may be able to assist you. Eligible repairs include heating, well/septic, roof and electrical hazards.

Pilot: Well & Septic Repair: This pilot project, a collaboration between the Wake County Department of Environmental Services and HACR, provides funds to specifically cover well and septic system repairs. These funds can be used in addition to the HACR housing rehabilitation grant programs and allow qualifying homeowners to access as much funding as possible.

Affordable Homeownership Program

HACR and DHIC, Inc., offer the Affordable Homeownership Program. This program provides forgivable, no-monthly-payment loans up to \$20,000 to low- and moderate-income households serving all Wake County municipalities outside of Raleigh and Cary. Loans can be used for home purchase assistance and foreclosure prevention.

Unhoused: Understanding Homelessness

Americans googled homelessness more than racism, inequality, climate change and poverty between 2015 and 2020.³⁷ It's easy to understand why there is more interest in this issue than ever before. During the COVID-19 pandemic, housing insecurity and homelessness took center stage as mandates to "shelter-in-place" raised an important question: What if you don't have a place to go? Year after year, Wake County rivals Orange and Mecklenburg as the wealthiest county in North Carolina, yet a surprising and underreported number of residents live on the verge of losing their homes every day.³⁸

Homelessness is not inevitable.

The number of people that experience homelessness each year is not directly related to the number of people in your community. If that were true, then communities with the same population size would have the same amount of homelessness.¹ For example, an estimated 2.7 million people live in the city of Chicago and an estimated 880,000 people live in San Francisco, yet nearly twice as many people experience homelessness in San Francisco as do in Chicago.³⁹ In fact, high rates of homelessness occur in communities with low poverty, low unemployment and/or low housing vacancy.⁴⁰ Wake County embodies all of these characteristics. If homelessness is not inevitable, why does it exist and how can we truly end homelessness in our community?

If homelessness is not inevitable, why does it exist and how can we truly end homelessness in our community?

Homelessness Defined

Defining homelessness starts with the US Department of Housing and Urban Development (HUD). HUD uses four categories to describe housing situations ranging from living unsheltered to actively fleeing domestic violence. These categories help federal, state and local governments understand the range of service needs in each community and how to provide resources accordingly.

How many people experience literal homelessness in Wake County?

On any given night, around 916 people experience literal homelessness in Wake County, half of which (463) experience unsheltered homelessness. Around 3,000 people experience literal homelessness in Wake County each year.

³⁷ WColburn, G., & Clayton Page Aldern. (2022). Homelessness Is a Housing Problem. Univ of California Press.

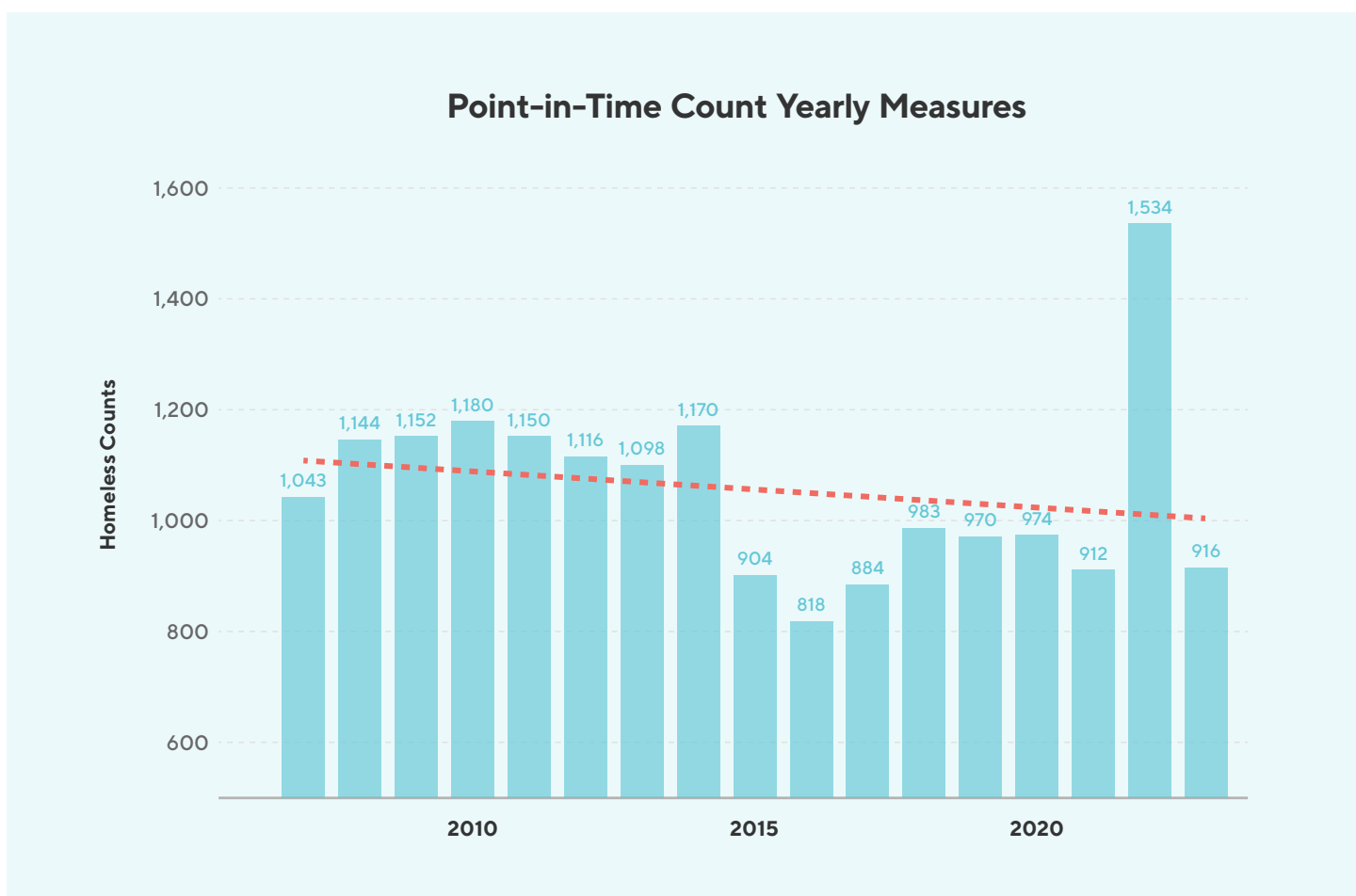
³⁸ Cataudella, K. (2023, June 16). These counties are the wealthiest in North Carolina. Do you live in one of them? The News & Observer. <https://amp.newsobserver.com/article276475891.html>

³⁹ United States Census Bureau. (2022a, July 1). U.S. Census Bureau QuickFacts: Chicago city, Illinois. www.census.gov/quickfacts/chicago; United States Census Bureau. (2022b, July 1). U.S. Census Bureau QuickFacts: San Francisco city, California; United States Department of Housing and Urban Development. (2022b). HUD 2022 Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations; United States Department of Housing and Urban Development. (2022b). HUD 2022 Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations.

⁴⁰ Colburn, G., & Clayton Page Aldern. (2022). Homelessness Is a Housing Problem. Univ of California Press.

On any given night....

Every Continuum of Care (CoC)³ across the country completes an annual Point in Time (PIT) count during the last week of January. The PIT count estimates the number of people experiencing Category 1-Literal Homelessness through a one-night snapshot, painting a picture of homelessness as it typically occurs in a community.



NOTE: Methods of counting for PIT can change significantly from year to year. In Wake County, changes in counting strategies due to COVID-19 restrictions led to an unusual increase in the PIT count in 2022, pulling data from new sources that did not reflect a single night snapshot. In 2023, counting strategies changed and the PIT count returned to pre-pandemic levels. The Raleigh/Wake County Continuum of Care continues to explore improvements in PIT count methodology.

The Many Faces of Homelessness:

According to the 2023 Point in Time count, around 916 people experience literal homelessness on any given night in Wake County. Compared to 2019 (considered pre-pandemic), overall homelessness decreased by a modest 6%, while unsheltered homelessness nearly doubled. (236 in 2019 to 463 in 2023).

Chronic Homelessness: Chronic homelessness describes people who experience homelessness repeatedly, for more than a year, and live with a disability like a severe mental illness, physical disability or substance use disorder.⁴¹ Homelessness both creates and worsens chronic or ongoing health conditions, making it even harder to get back to stable housing. Studies show that people experiencing homelessness die 12-17 years sooner than the general population.⁴²

In Wake County, 36% of people experiencing homelessness are Chronically Homelessness, higher than national estimates of 30%.⁴³ 93% of people experiencing chronic homelessness in Wake County are single adults. Chronically homeless single adults are five times more likely to be unsheltered.

Women: Women represent 40% (251) of all single adults experiencing literal homelessness, up from 16% in 2016, and 36% of all unsheltered adults in Wake County.

With no clear reason for this increase, national research gives some insight. A national study by the California Policy Lab found that 80% of unsheltered women report abuse as the reason for their homelessness, more than unsheltered men (38%) and sheltered women (34%). Unsheltered women also report more interactions with the police, more complex mental and

physical health conditions, and longer lengths of time homeless than sheltered women.⁴⁴

Families with Children: Consistent with national trends, families with children are less likely to be unsheltered, but more likely to experience long wait times to get into emergency shelter. Family shelters in Wake County are typically 93% full on any given night. Households with children represent 31% of all people experiencing homelessness. Unsheltered families represent 1.6% of all unsheltered households.

There are around 56 “units” or shelter spaces for families on any given night in Wake County. Many families in a housing crisis are not included in the PIT because they are not in emergency shelter but avoid becoming unsheltered because they pull together enough money to pay for a hotel or get temporary help from a family or friend. Families in this housing situation are considered Category 2 or 3 homeless and not counted under Category 1. However, the longer these households are without services and support, the longer their housing crisis may continue.

Veterans: On any given night, an estimated 34 veterans experience homelessness in Wake County. Persistence and community coordination decreased veteran homelessness by 69% between 2014 and 2022.⁴⁵ **See Why Veterans and Why Now? to learn more about veteran homelessness.**

Youth and Young Adults Ages 18-24: The PIT data captures youth over 18 in the single adult category, but young adults ages 18-24 experience homelessness differently than other adults. Nationally and in Wake County, youth are more likely to be unsheltered. In Wake 63% of literally homeless youth are unsheltered compared to 43% nationally.⁴⁶

⁴¹ National Alliance to End Homelessness. (2023a). Chronically Homeless. National Alliance to End Homelessness.

⁴² National Healthcare for the Homeless Council. (2019). Homelessness & Health: What's the Connection? National Healthcare for

⁴³ National Alliance to End Homelessness. (2023b). State of Homelessness: 2023 Edition ⁴⁴ Rountree, J., Hess, N., & Lyke, A. (2019). Health Conditions Among Unsheltered Adults in the U.S. 2014-2022 Point in Time Count

⁴⁶ National Alliance to End Homelessness. (2023b). State of Homelessness: 2023 Edition.

Briefly: How COVID-19 Changed Everything

As the COVID-19 pandemic continued beyond a national 2-week quarantine, the Wake County Continuum of Care pulled together to find solutions for our neighbors who could not “shelter-in-place.” Homeless service providers coordinated, communicated, and planned to meet the changing public health guidelines.

Calls for social distancing meant emergency shelters reduced the number of emergency shelter beds in their facilities so everyone could spread out. This reduction prevented overcrowding and lowered the risk of COVID-19 transmission.

The CDC provided a list of health conditions that put an individual at greater risk of health complications, and even death, if that person caught COVID-19. These health conditions, including diabetes, high blood pressure, COPD, heart disease, and asthma, occur at much higher rates in people who are homeless than those who are housed. These high-risk health conditions are often unmanaged because of the constant housing insecurity (National Healthcare for the Homeless, 2019).

Wake County’s Housing Department partnered with The Salvation Army, Triangle Family Services, InterAct, and Families Together to quickly implement a 220 room non-congregate shelter via two hotel sites. Non-congregate shelters offer private spaces, where guests occupy their own rooms in an emergency shelter. Non-congregate shelters offered an important resource to keep families together and prevent the spread COVID-19. The Hotels to Housing (H2H) program included on-site staff support and services for households experiencing homelessness and living with high-risk health conditions. The Hotels 2 Housing program not only helped 300 people get out of homelessness and into permanent housing in just 6 months, but no client at in the H2H program contracted COVID-19 while in residence.

Research shows that youth homelessness is often connected to family conflict, juvenile justice involvement, and “aging out” of foster care. Youth identifying as LGBTQ+, pregnant or parenting, living with a disability, and youth of color, particularly Black or Indigenous youth, are more likely to experience homelessness than other young adults.⁴⁷

An End to Homelessness: Make Homelessness Rare, Brief, and One Time

Efforts to Make Homelessness Rare:

Rare: To make homelessness rare, the homeless system⁴⁸ works to reduce to number of people entering homelessness, especially for the first time. Out of everyone who experienced literal homelessness in Wake County last year, 60% experienced homelessness for the first time.

Homelessness prevention and diversion practices help residents remain in or quickly identify affordable housing so that family does not experience literal homelessness.

Homelessness Diversion

When homelessness cannot be prevented, service providers turn to homelessness diversion. When a family already lost their home, homelessness diversion focuses on finding immediate alternatives to entering literal homelessness. This means brainstorming short and long-term options, mediating conflict that led to the housing loss, or offering financial assistance to help get someone to permanent housing.

⁴⁷ National Alliance to End Homelessness. (2022). Youth and Young Adults. National Alliance to End Homelessness.

⁴⁸ The term homeless system or homeless response system refers to all the people and organizations that interact with our neighbors in a housing crisis.

HouseWake!

2021 NACo ACHIEVEMENT AWARD WINNER

The Wake County Housing Department partnered with the City of Raleigh, Legal Aid of North Carolina, and the Telamon Corporation to launch the HouseWake! Strategic Plan at the start of the COVID-19 pandemic. Reduced work hours, job loss, and family illness or death meant housing costs were harder to pay, especially for low-income families. HouseWake! aimed to help families catch up on late payments, lead solution-focused conversations with landlords, or relocate families to more stable housing.

The House Wake! Three-Step intervention process included.

1. Eviction Prevention, which aims to provide financial assistance to tenants and landlords to cover rent shortfalls resulting from a loss of income;
2. Legal services, provided pro bono, for tenants who need legal counsel to negotiate filed evictions with landlords, and
3. Homelessness Prevention and Relocation Assistance, which will assist with relocating residents whose housing could not be stabilized through interventions 1 or 2.

Through a combination of local, state, and federal funding, HouseWake! prevented more than 5000 families from losing their homes because of the effects of COVID-19. On average, families received 5 months of rental arrears paid for and 9 months of rental assistance. Both payment of rental arrears and rental assistance going forward meant families could catch up from the financial impacts of COVID-19 and remain in their homes permanently.

WakePrevent! Homelessness Prevention Program

WakePrevent! a combination of agencies and faith partners used amount of private dollars or donations to prevent homelessness in their community. It was and still is an invaluable part of our community. As the affordable housing crisis continued to push more low-income families to the edge of homelessness. our community needed a one-stop shop style of homelessness prevention.

Wake County's Housing Department launched WakePrevent! in 2019 to meet this community need. WakePrevent! offers flexible support designed to prevent homelessness. Services include financial assistance for past-due rent or utilities, landlord negotiations, rehousing families who can't stay in their current residents, and working alongside families to plan for a future without a housing crisis.



**See Wake Prevent
Program Outcomes
in Category 2**

Access to Emergency Shelter and Transitional Housing:

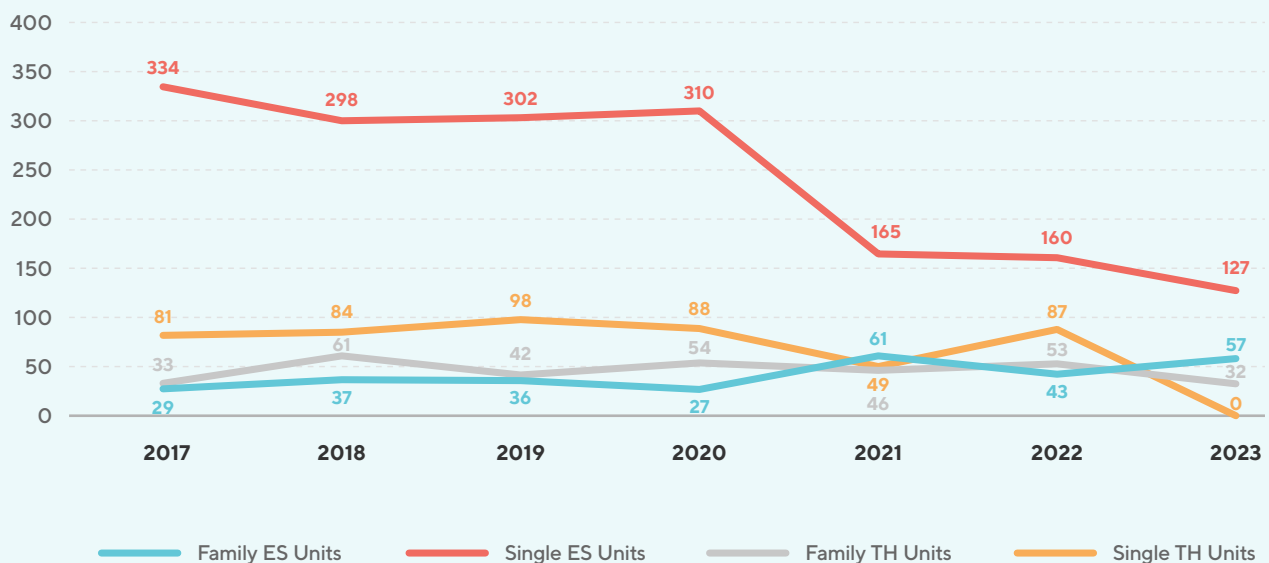
Emergency Shelter and Transitional Housing are two important interventions for people who need a safe place to go when there are no housing alternatives and their homelessness cannot be prevented.

2023 Housing Inventory Count:

The Housing Inventory Count (HIC) is an annual report used to assess our communities' capacity to temporarily and permanently house people experiencing literal homelessness. The HIC occurs at the same time as the PIT. Housing Inventory may change throughout the year as agencies adjust, get new funding, and restructure programs.

For example: Following the 2023 Housing Inventory Count, the Center for Disease Control (CDC) and HUD rolled back some COVID-19 requirements, which allowed shelters to add shelter beds. Emergency Shelter bed count for single adults is now up to 373, higher than pre-pandemic shelter capacity. This "return to normal" data will likely be reflected in the 2024 HIC. Raleigh Rescue Mission did not report Transition Housing units for single adults in 2023, resulting in 0 reported Transitional Housing beds.

**Housing Inventory County
Emergency Shelter & Transitional Housing: Family & Single Adults**



White Flag

In Wake County, White Flag adds seasonal shelter space when the temperature drops below 35 degrees or there is an emergency weather event, like a snowstorm or hurricane. Before COVID-19, all emergency shelters increased their capacity by adding cots to offices, common rooms, and cafeterias. During COVID-19, the community shifted to a separate White Flag shelter, because other emergency shelters could no longer squeeze people and risk overcrowding and COVID-19 transmission. White Flag data is inconsistent, but we do know that on a typical White Flag night, more than 100 individuals and families make use of White Flag shelter space.

South Wilmington Street Men's Center

SWSC provides low-barrier, emergency shelter adult men. SWSC services range from case management, budgeting and credit counseling, mental health substance abuse support, healthcare triage, housing navigation and permanent housing support. SWSC aims to provide safe shelter while guests develop plans for moving out of the shelter, and into employment and housing of their own.

- Operating the Bridge to Home model of services
- Served 650 men in 2022
- 127 received permanent housing
- Annually, approximately 30% of the men served transition to permanent housing each year



While families are less likely to immediately end up in emergency shelter, limited emergency shelter space and long wait times for a bed mean a family in need of shelter may struggle to get access. At any given time, Wake County family shelters report upward of 100 families waiting for a shelter opening. Service providers sometimes use private or temporary funds to support families in hotels,⁵⁰ which helps increase the number of family shelter spaces, as seen between 2020 and 2023 (27 to 57 units). This funding is normally limited and runs out quickly.

At any given time, Wake County family shelters report upward of 100 families waiting for a shelter opening.

For single adults, the near doubling of unsheltered homelessness between 2019 and 2023 occurred at the same time shelter space was cut in half. Services providers are also more connected to people experiencing unsheltered homelessness because of growing Street Outreach efforts.⁵¹ Street Outreach efforts resulted in enrollments in programs increasing by 275% between 2018 and 2022.

Currently, there are very few emergency shelter spaces for couples or families with adult children who want to stay together. These families either separate to find shelter or stay together while living unsheltered.

Is the solution to unsheltered homelessness more shelter beds?

In a homeless system⁵² with enough shelter space, Emergency Shelters provide immediate access to a safe place to sleep with the services and support someone may need to end their homelessness.

Emergency Shelters in Wake County generally offer case management and hands-on support, actively working with individuals and families to find permanent housing. However, they are not accessible after hours

and they do require at least some level of engagement and work towards housing placement from the guest. Drop-In Shelters are slightly different as this shelter type offers after hours access to a space to sleep, without programmatic requirements. Drop-In Shelters serve as a stepping stone for individuals who may struggle with the structure of an Emergency Shelter, but need respite from living unsheltered.

Ideally, if shelter bed counts go up, then unsheltered homelessness should go down. In Wake County, even when shelters are full, the number of people experiencing unsheltered homelessness is higher than the current emergency shelter bed capacity. To identify a path forward, Wake County's Housing Department partnered with CSH, a national housing expert, to conduct a Housing Facility Study. The study will recommend the best strategy to decrease unsheltered homelessness and advance an end to homelessness. **Stay tuned for the results in Winter 2023!**



⁵⁰ See Category 1 Definition- hotels paid for by an organization are categorized as shelter units.

⁵¹ Street Outreach (SO) is the key to homeless service connection. SO meets the immediate needs of people experiencing unsheltered homelessness by connecting them with emergency shelter, housing, and critical services. Street Outreach services include case management, emergency health and mental health services, and transportation assistance. Learn more from HUD

⁵² The term *homeless system* or *homeless response system* refers to all the people and organizations that interact with our neighbors in a housing crisis.

Efforts to Make Homelessness Brief:

The homeless system should act as a trampoline instead of a safety net. The length of time someone spends in a homeless episode must be as short as possible.

Brief homelessness means a homeless episode shorter than 30 days. In Wake County, households spend 78 days in emergency shelter, on average, but 24 days according to the median. The average length of time in emergency shelter increased by 32 days since 2016, but the median increased by just 5 days, indicating that people experiencing long-term or chronic homelessness are struggling longer than other households, impacting the system average.

Average vs. Median: Why use both?

The length of time someone experiences homelessness varies by household. The *average* length of time considers very short and very long lengths of homelessness. Unusually short and unusually long lengths of time are called outliers. Outliers can make the average look unusually long or unusually short.

The *median* length of time is less affected by outlier and shows a more typical length of time homeless.

Taken together, the average and median give us a more complete picture. In Wake County, there are a significant number of people experiencing long term and chronic homelessness, as shown in the Point in Time count, which makes the average length of time homeless **54 days longer** than the *median*.



Permanent Housing 101:

The length of time someone experiences Exiting homelessness quickly means immediate access to permanent, affordable, housing. Finding affordable housing in Wake County is challenging. Finding affordable housing while living with the uncertainty of where to sleep safely each night, makes it even harder. For example, if unemployment led to someone losing their housing, homelessness can extend the period of joblessness longer than if the person were housed.⁵³

To get back to stable housing, most people need

1. Support to identify a home they can afford
2. Financial assistance to get into that home
3. Case management to find their footing and stay housed permanently.

There are generally 3 ways a household exits literal homelessness:

Self Resolve/Rapid Exit

With housing-focused services, highly-trained case managers, and a little financial assistance, a household that doesn't qualify for dedicated housing resources can still exit homelessness to permanent housing.

Research shows that one-time financial assistance like a bus ticket to live with a family member, or housing application and deposit assistance, can quickly end a homeless episode.

Rapid Rehousing (RRH)

RRH services are customizable to the household's needs, including housing search, rent, and move-in assistance, and housing-focused case management for 1-24 months.

RRH provides support through a Housing First model and is shown to work well for the majority of people experiencing homelessness.

Permanent Supportive Housing (PSH)

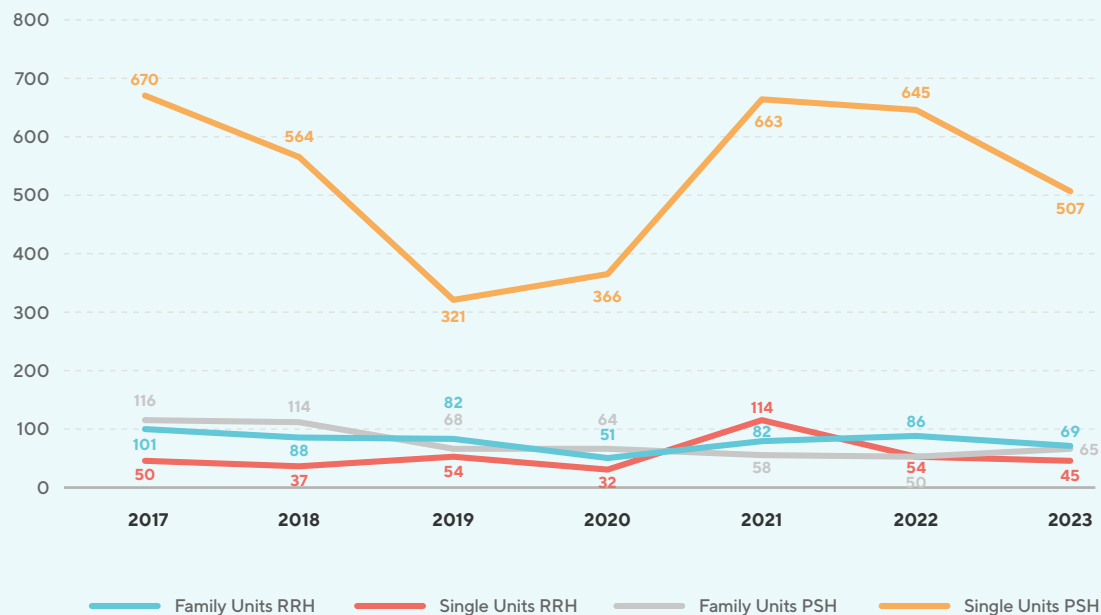
PSH is long-term rental assistance paired with intensive and comprehensive case management for as long as the client needs the assistance. Permanent is not synonymous with forever. With effective "move-on" or transition strategies, some residents will stabilize on their own.

PSH is designed for individuals and families experiencing long-term, chronic homelessness, with a complex physical or mental health need.

⁵³ Colburn, G., & Clayton Page Aldern. (2022). Homelessness Is a Housing Problem. Univ of California Press.

Permanent Housing Resources

Housing Inventory Count
Rapid Rehousing & Permanent Supportive Housing: Families & Single Adults



Most individuals and families experiencing homelessness would benefit from Rapid Rehousing if they cannot end their homelessness on their own.⁵⁴ However, there are less Rapid Rehousing resources for families and individuals than in 2017. A lack of RRH means families and single adults that do not need the intensive services of Permanent Supportive Housing but cannot end their homelessness without support, get stuck in the homeless system, increasing the length of their homeless episode.

In Wake County, 93% of households experiencing chronic homelessness on any given night are single adults and likely need Permanent Supportive Housing to end their homelessness. The Housing Inventory Count shows a significant investment in PSH and success for clients served in these programs. PSH is so effective at ending long-term and chronic

homelessness, that in Wake County 99% of people enrolled in PSH stay housed after 6 months year. (See PSH section to learn more).

This also means that PSH voucher availability is rare because clients stay in the PSH program. To meet the current population needs, Wake County may need additional Permanent Supportive Housing vouchers. (See CSH Housing Facility Study in Winter 2023).

NOTE: The 2019 and 2020 Housing Inventory Count did not include HUD-VASH. The 2023 Housing Inventory Count undercounted the number of HUD-VASH vouchers in the community. There are 328 HUD-VASH vouchers dedicated to Wake County with around 70% in use by a veteran exiting homelessness.⁵⁵

⁵⁴ U.S. Department of Housing and Urban Development. (2013). Rapid Re-housing Brief.

⁵⁵ Reported by HUD-VASH staff as of June 2023.

Efforts to Make Homelessness One Time:

An effective homeless system ensures that anyone who becomes homeless gets back to permanent housing and does not return.

Exits to Permanent Housing:

Around 24% of people exit homelessness to permanent housing in Wake County. This metric remains unchanged since 2016. If an individual or family is connected to Rapid Rehousing or Permanent Supportive Housing, they are more likely to remain in or exit those programs to permanent housing. The remaining 76% of households leaving literal homelessness may stay with a friend, reunite with family, or leave the homeless system altogether to an unknown destination. Community collaboration and programs all contribute to keeping exits to permanent housing stable, even in the face of COVID-19 and a rapidly changing housing market, with an eye toward increasing permanent housing exits overtime.

Housing Retention and Returns to Homelessness: An effective homeless system transitions households to permanent housing so well that no one returns to homelessness.

In Wake County, an estimated 19% of people who exit the homeless system to permanent housing return homelessness within 2 years. The data shows that an individual is more likely to return to homelessness in the first 6 months, but after 12 months, returns to homelessness drop to 5%. As shared earlier, 99% of individuals and families that exit to Permanent Supportive Housing, retain their housing for 6 months or longer.

To reduce the length of time someone experiences homelessness and increase the number of households that exit to Permanent Housing, Wake County's Housing Department developed the Landlord Engagement Unit.

The Landlord Engagement Unit

2023 NACo ACHIEVEMENT AWARD WINNER Best in Category

The Landlord Engagement Unit (LEU) works directly with homeless service providers to connect households exiting homelessness with landlords seeking tenants. The LEU staff, with a combined 80 years of property management and case management experience:

- Increase affordable housing access.
- Partner with landlords, property managers, and homeless service providers for seamless tenant matching to available units.
- Create and manage a comprehensive database of available rental homes.
- Assist the community with tenant relocation efforts when properties displace low-income residents at no fault of their own.
- Generate program and system level performance insights.

The LUE also offers a series of incentives for landlords and property management companies including:

- \$500 Lease Signing Bonuses; \$750 if the landlord accepts a Housing Choice Voucher.
- Up to \$1000 in Risk Mitigation to cover damages that exceed the security deposit.
- \$1000 Renewal Bonus for every lease renewed with an LEU program participant.

To Date the Lease to Home Program has:

- Successfully connected 163 clients to permanent housing.
- Enrolled 101 Landlords and Property Management Companies.
- An additional 113 landlords interested in enrolling.
- Enrolled 566 units in the LEU Program

Bridge to Home

2023 NACo ACHIEVEMENT AWARD WINNER

Bridge to Home is a comprehensive service model designed to help each agency meet the complete service needs of people experiencing homelessness with the right staff capacity and financial flexibility.

Wake County's Housing Department partnered with 11 different service providers to implement the **7 Pillars of Bridge to Home**:

- Flexible Financial Assistance
- Comprehensive Case Management
- Housing Navigation
- Access to Benefits
- Healthcare Connection
- Transportation
- Permanent Home Furnishings

A Full B2H Year One Analysis will be released in Winter 2023, but early findings show:

- B2H successfully served 923 households with over 1,800 separate services.
- Increased exits to permanent housing by 17%
- Increased exits with more income by 50%
- Increased access to benefits by 124%

Partner Bridge to Home Agencies

- The Salvation Army of Wake County
- Oak City Cares
- South Wilmington Street Center
- Haven House Services
- Triangle Family Services
- Families Together
- Urban Ministries Helen Wright Center
- Healing Transitions
- The Green Chair Project
- Passage Home/HOST
- InterAct



Other Forms of Housing Insecurity and Homelessness



Category 2

Imminent Risk of Homelessness:

An individual or family at risk of losing their primary nighttime residence within 14 days and does not have the support system to identify or move into other permanent housing. Individuals and families are included in this category regardless of whether they own, rent, or share their home with others.

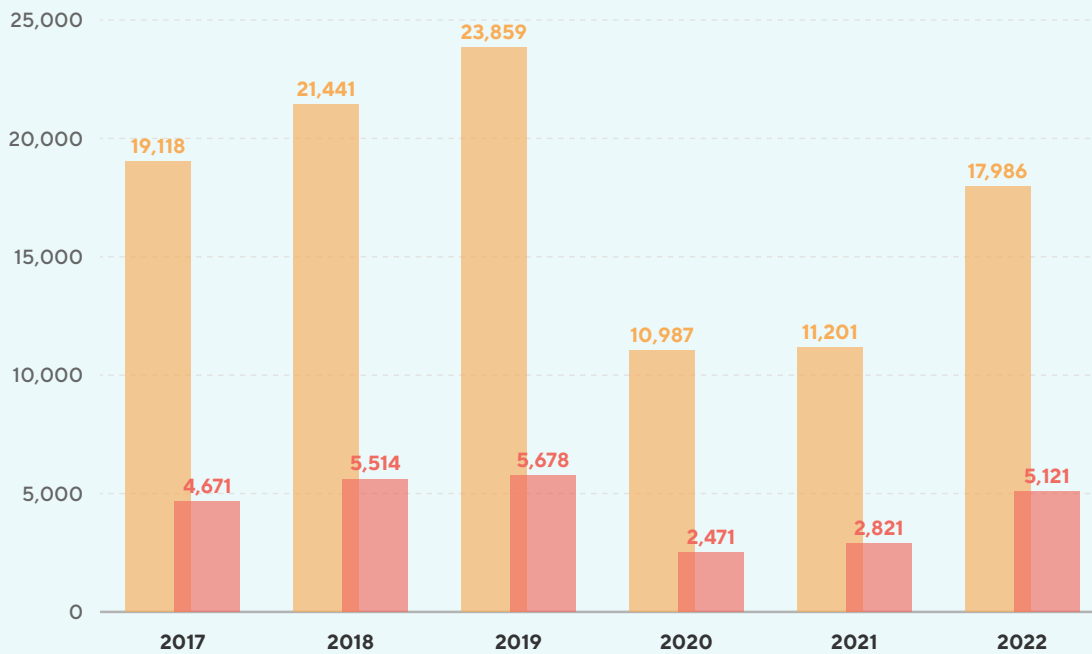
What does Category 2 look like?

Precipitating Events: The Income and Inequity section of this report identifies how many people in Wake County are cost-burdened by their housing costs. Housing cost-burden puts families at greater risk of losing their home and a phenomenon called “precipitating events” can create a slippery slope to housing loss. Precipitating event unexpected circumstances or situations that affect a household’s ability to keep their housing and start the path to homelessness. For instance, sudden job loss, a medical emergency, or unexpected car repair payment may cause an individual or family to make the difficult choice between addressing the emergency or falling behind on their rent or mortgage, especially when more than 30% of their income is already going towards housing costs.

Evictions: When a family falls behind on rent or mortgage costs, catching up is particularly challenging when household budgets are already stretched thin. For renters, an eviction is a precipitating event that can not only lead to homelessness but make renting again more difficult. Some evictions are outside of the renter’s control. Some households are forced to leave their homes through displacement, meaning a property changes ownership, rents increase beyond what a household can afford, the landlord changes tenancy requirements so the household no longer qualifies, or the building is condemned and not fit for families to live their safely.

In Wake County, the COVID-19 Eviction moratorium and HouseWake! COVID-19 Financial Assistance Program contributed to a significant decrease in the number of eviction notices (MSSEs) and completed evictions in 2020 and 2021. Following the end to the eviction moratorium (effective August 21, 2021), Wake County is seeing an uptick in both eviction notices and court issued evictions, approaching pre-pandemic figures. 10 In 2022, 28% of eviction notices resulted in court issued evictions, the highest percentage since 2017.

Municipality Eviction Figures



NOTE: The above figures do not include eviction notices or executed evictions that occurred in the county jurisdiction.

Couch surfing or living “doubled-up:” Without a lease or mortgage households are at a significantly higher risk of becoming homeless than other Category 2 housing situations.⁵⁶ Individuals and families may resort to living doubled-up following their housing loss because of a lack of available shelter beds, barriers to accessing homeless services, or safety concerns. Over the last five years, Wake County has seen a near 30% increase in residents living in overcrowded or doubled-up households.⁵⁷

Hotel and motel living as a form of temporary shelter: If the family or individual lacks the resources and support network to either find permanent housing or continue residing in the hotel/motel, the household is considered homeless under Category 2.

Leaving an institution: For households with long stays in the hospital, mental health facility, substance use recovery facility, or jail/prison, the permanent housing options they had before may not be available to them upon discharge. Homelessness can make physical, mental, and behavioral health conditions worse even if these conditions were well managed within the facility. For individuals leaving incarceration, housing is a key factor in preventing returns to incarceration. Much like the households with previous eviction, strict tenancy requirements from landlords makes permanent housing access even more challenging. People who are incarcerated more than once are 13 times more likely to experience homelessness than those who have not been incarcerated.⁵⁸

⁵⁶ National Alliance to End Homelessness. (2023b). State of Homelessness: 2023 Edition. In endhomelessness.org.

⁵⁷ NOTE: The United States Census Bureau defines overcrowding according to HUD's Persons-Per-Room (PPR) measurement of greater than one PPR. This table represents households with 1.01 or more Persons-Per-Room. Census Bureau data for this topic were not reported in 2020.

⁵⁸ Peiffer, E. (2020, September 16). Five Charts That Explain the Homelessness-Jail Cycle—and How to Break It. Urban Institute.

Category 3

Homeless Under other Federal Statutes:

Category 3 households represent the largest, most undercounted group of people experiencing housing insecurity. Unaccompanied youth under 25 years of age, or families, children, and youth in Category 3 who do not otherwise qualify as homeless under this definition, but who:

1. Have not had a lease or ownership of permanent housing during the 60 days prior to the submission of the application for homeless services.
2. Have experienced persistent instability as measured by two moves or more during preceding 60 days; and
3. Can be expected to continue in such status for an extended period of time due to special needs or barriers that make access to permanent housing particularly difficult.

There is no fool-proof way count everyone experiencing Category 3 homelessness, but there are some data sources that can give us insight into how many Wake County residents are affected by ongoing housing instability.

Students enrolled in K-12 public schools are a standout population of Category 3. The Wake County Public School McKinney-Vento Liaisons Office is our best source for understanding how many families and children experience Category 3 homelessness each year. Their experts report that of the over 5,000 identified homeless students during the 2022-2023 School Year, roughly 74% lived doubled-up and 21% resided in hotels or motels.

The McKinney-Vento Program dives deeper to identify why families experience ongoing housing insecurity. Their findings paint a picture of the invisible areas of Wake County's housing crisis.

The following information was reported by Wake County families:

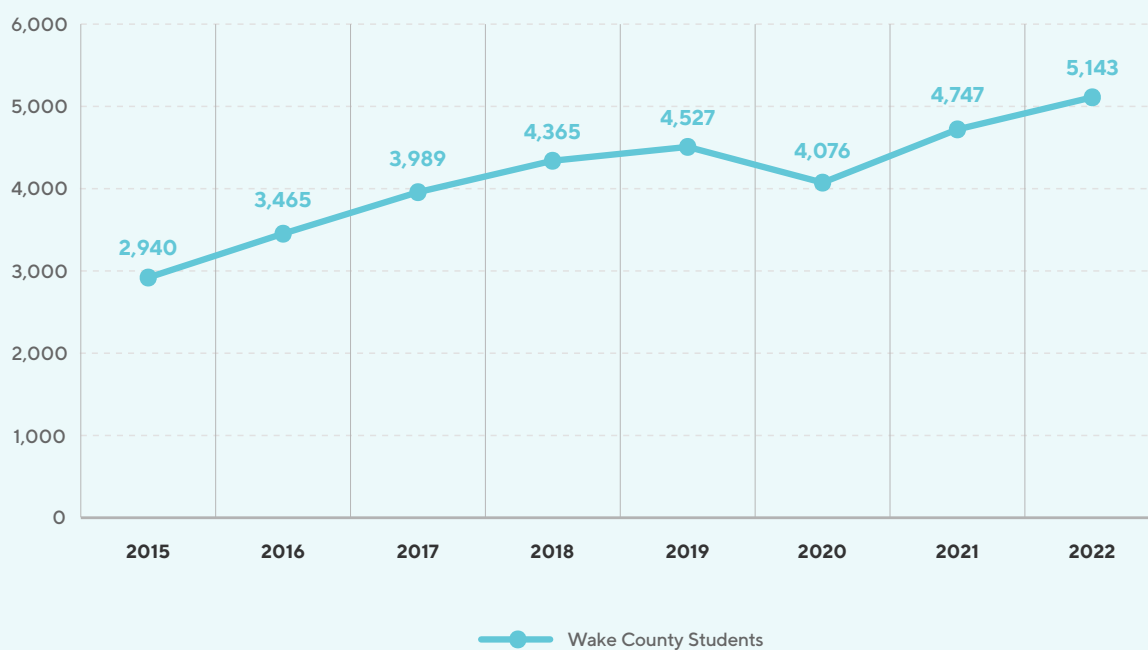
Top Four Reasons for Housing Loss:

- Eviction or Foreclosure
- Landlord sold property or drastically increased rent
- Landlord neglected home repairs to the point of unsafe living conditions
- Fled due to domestic violence or kicked out of stable doubled-up living situations

Top Four Reasons Family Cannot Access Alternative Housing:

- No affordable options
- Unable to pay deposit and first month's rent
- Parent or householder makes minimum wage earnings
- Family is on waitlists for housing programs

Students Experiencing Homelessness in Wake County



NOTE: COVID-19 significantly impacted the ability to identify students in a housing crisis as students attended school remotely. 2020 is a known undercount of homelessness in Wake County



Relying on public school data, means unaccompanied youth 18-25 households are not included in this analysis. An area of further research our community includes a better understanding of Category 3 homelessness among unaccompanied youth 18-25 households.

Category 4

Fleeing / Attempting to Flee Domestic Violence:

An individual or family who is fleeing or attempting to flee domestic violence, has no other residence, and does not have the resources or support networks to move into other permanent housing.

In Category 4, “domestic violence” includes:

1. Dating violence
2. Sexual assault
3. Stalking
4. Other dangerous conditions relating to violence that takes place in, or makes them afraid to return to, their primary residence (including human trafficking).

Category 4 recognizes that an unsafe home is not a place to live permanently. Survivors may technically have a place to live but that place is not livable. If a person experiences Category 4 homelessness, they can access services designed for Category 1 and 2 homelessness, but the complexity of their housing situation means they may benefit from services provided by experts in Category 4 homelessness.

InterAct

InterAct serves as the Wake County’s largest comprehensive provider for individuals and families affected by domestic violence. This includes wrap-around support through 24/7 crisis lines, court advocacy, case management, counseling, sexual assault forensic exams, emergency shelter, and much more.

InterAct’s successful partnerships and highly trained staff result in 67% households served moving on to safe and stable housing and 86% who do not return to their abusive partner.

Between 2019 and 2022, crisis calls to InterAct increased by 54%. National data suggests that the COVID-19 pandemic contributed to isolation with abusers, movement restrictions, and economic uncertainty which fueled and intensified instances of domestic violence across the country. Compared to pre-pandemic rates, InterAct staff documented a 50% increase in crisis calls from individuals at high risk of serious injury or death, known as Lethality Assessment Protocol.



Home for Good: Permanent Supportive Housing

For individuals and families stuck in homelessness, the stability of instability emerges as the new normal. This is particularly true for people experiencing chronic homelessness. Chronic homelessness describes people who experience homelessness repeatedly, for more than a year, and live with complex disabilities like a severe mental illness, physical disability, or substance use disorder.⁵⁹

The trauma of homelessness worsens chronic physical, mental, and health conditions. Studies show that people experiencing chronic homelessness die 12-17 years sooner than the general population.⁶⁰ Unmanaged health conditions are directly related to increased hospital stays and high use of emergency medical care. Chronic homelessness is also associated with more frequent interactions with law enforcement over small charges related to homelessness (*trespassing, city ordinance violations, disorderly conduct, etc*). The cycle of homelessness, hospitalization, and incarceration without intervention means housing stability is persistently out of reach.

Chronic Homelessness in Wake County:

- According to the 2023 Point in Time County, 36% of people experiencing homelessness on any given night⁶¹ are Chronically Homeless.
- Chronic Homelessness in Wake County is higher than national estimates of 30%.
- 93% of people experiencing chronic homelessness in Wake County are single adults.
- Chronically homeless single adults in Wake County are 5 times more likely to be unsheltered.

An end to chronic homelessness requires a comprehensive intervention that taps into expertise across multiple systems including housing, healthcare, and the criminal justice system.

What is Permanent Supportive Housing?

Permanent Supportive Housing (PSH) pairs low-barrier, long-term rental assistance with healthcare and support services to help individuals and families get back to stable housing. Services are voluntary and comprehensive, designed to address each barrier to housing stability including childcare, healthcare connection, therapeutic and psychiatric counseling, housing search and move in assistance, and more.⁶²

Over a decade of research shows that PSH achieves 4 main goals:

- Quickly connects people experiencing chronic homelessness to affordable housing in their community.
- Lowers the use of expensive systems like emergency shelter, hospitals, and jails.
- Connects people with disabilities to regular healthcare, including primary care doctors, substance use recovery support, and medication management. Combined, healthcare connection improves healthcare outcomes.
- Ensures individuals and families connected to PSH do not return to homelessness.

⁵⁹ National Alliance to End Homelessness. (2023a). Chronically Homeless. National Alliance to End Homelessness. endhomelessness.org/homelessness-in-america/who-experiences-homelessness/chronically-homeless/

⁶⁰ Community Solutions. (2021, April 6). Do Built for Zero communities only focus on veteran or chronic homelessness? Community Solutions ; (NHCHC, 2019)

⁶¹ See Unhoused section of this report for more information on the Annual Point in Time Count

⁶² Full list of services available here <https://www.hudexchange.info/homelessness-assistance/coc-esg-virtual-binders/coc-eligible-activities/supportive-services/>

RAHP

Rental Assistance Housing Program

Wake County's Housing Department operates the largest and longest running Permanent Supportive Housing program in Wake County.

The RAHP program includes 320 Permanent Supportive Housing vouchers specifically designed to serve people experiencing chronic homelessness or long-term homelessness related to a mental health issue.

RAHP Program Outcomes:

- 30% of RAHP clients enter the program without income, but 50-60% of participants increase their income before leaving the program.
- 99% of permanent supportive housing clients remained housed after 6 months.
- 96% retain housing after 1 year.



Why does it work?

PSH uses a Housing First model,⁶³ meaning there are no requirements or contingencies that a person must fulfill before getting the life-saving support of permanent supportive housing. Research and practitioner expertise shows that making housing contingent on treatment participation that a person may not even understand they need or are not yet ready to accept, decreases the likelihood that they will remain housed or even in treatment. Withholding housing assistance for these individuals is punitive and will only prolong their homelessness.⁶⁴

In PSH, clients voluntarily participate in services, choosing from a full suite of services while permanently housed. Once housed, clients still pay 30% of their income toward rent, while the PSH subsidy covers the rest. If a client does not have any income, the program will work with them to access income through vocational training and job placement or applying for Social Security Disability Income (SSDI) for those unable to work due to a disability.

PSH is not only beneficial for the client, but for landlords and property managers, as well. Landlords and property managers benefit from PSH because rental payments are guaranteed through the program and their tenants receive ongoing support to maintain their housing. This partnership between the tenant, their PSH service provider, and the landlord is so effective that 99% of permanent supportive housing clients remain housed after more than 6 months.

While PSH is not time limited, some clients are so stable in the PSH program that they are able to leave to program to future housing stability and that PSH voucher becomes available for the next person in need.

To understand Wake County's PSH needs in order to truly end chronic and long-term homelessness, Wake County's Housing Department partnered with CSH, national housing experts, to conduct a Housing Facility Study. **Stay tuned for the published Housing Facility Study in Winter 2023!**

⁶³ U.S. Department of Housing and Urban Development: Office of Policy Development & Research. (2023, August 10). Housing First Works. huduser.gov/portal/periodicals/em/spring-summer-23/highlight1.html

⁶⁴ Pam Floyd, LCSW, Permanent Supportive Housing Social Worker

Why Veterans and Why Now?

In 2022, the Veteran Services Division found a permanent home with Wake County's Housing Department. The Veteran Services Division established a renewed focus on ending veteran homelessness and connecting Wake County veterans to the federal benefits that they earned through their military service. Equipped with highly trained Veteran Service Officers (VSO), this division serves all veterans and their families with the highest level of customer service.

VSOs are the backbone of Veteran Services. They assist eligible veterans, their dependents and/or surviving spouses, children of deceased Veterans, members of the Reserves or National Guard, and active-duty service members to apply for benefits and services from the Department of Veterans Affairs (VA) and North Carolina Department of Military & Veterans Affairs (NCDMVA). VSO support includes obtaining DD-214s, requesting medical and military personnel records, applying for benefits earned through military service, disabled veteran license plates, applying for VA home loans, and more. To see a full list of VSO services, go to the [Wake County Veteran Services webpage](#).

The Wake County Veteran Services Division also supports veterans and their families who are experiencing housing crises. The Veteran Housing team includes one Veterans Services Supervisor and one Veteran Services Social Worker, both located at South Wilmington Street Center (SWSC). SWSC is the largest men's emergency shelter in Wake County. The shelter provides some short-term emergency dorms with overnight shelter only, while other dorms offer longer-term shelter to men who engage in services. Those services range from case management, budgeting and credit counseling, mental health/substance abuse treatment and referrals to other programs. The goal is to provide safe shelter while the men develop realistic plans for moving out of the shelter, and into employment and housing of their own. The center provides a specific dorm for male veterans who work closely with the assigned Veteran Services Social Worker.

The Veteran Services Division established a renewed focus on ending veteran homelessness.



Wake County holds the honor of 55,000 veterans living in our communities, more than any other county in North Carolina. Veterans connected to benefits can directly impact local economies. More household income means greater stability and a higher likelihood that veterans remain in their homes, even in a changing housing market.

The VA advises counties to connect at least 40% of their veterans to their federal benefits. Currently, 35% of veterans in Wake County are connected to their VA benefits. If Wake County reached 40%, that 5% would add an additional \$50million dollars to our community. This additional income would bring the total amount of veteran benefits in Wake County to \$384 million.

The VA also increased healthcare and benefits for Veterans exposed to burn pits, Agent Orange, and other toxic substances during their service. The PACT Act of 2022⁶⁵ adds to the list of benefit-eligible conditions veterans and their families can access. Wake County's Veterans Services Office can assist in filing PACT Act compensation claims and VSOs are available to answer questions by phone, in-person, or virtually about this new legislation.

HUD-VASH

Formally created in 1992 but most active since 2008, the Veterans Affairs Supportive Housing program (HUD-VASH) pairs rental assistance from a local housing authority with case management support and healthcare access from the VA. HUD-VASH focuses on connecting low-income veterans and their families to sustainable, permanent housing and long-term support to ensure veterans can stay in their homes and in their communities. The Wake County Housing Authority⁷⁰ and Durham VA Healthcare Systems are responsible for the 328 HUD-VASH vouchers in Wake County.⁷¹

Veterans and Homelessness:

Research shows that veterans are at an increased risk of experiencing homelessness compared to non-veterans, but the reasons are still unclear.⁶⁶

A substance use disorder, severe mental or physical health condition, and/or a low-income are all known to increase the risk of homelessness among adults (veteran or non), but researchers speculate that veteran-specific risks are often related to military paygrade and their military discharge status.^{67,68,69} Military paygrade and discharge status both impact whether a veteran can access benefits and ultimately find stability in civilian life.

There are two major permanent housing programs dedicated to ending homelessness for veterans and their families: HUD-VASH and HUD-SSVF

To prevent homelessness among veterans and to quickly move veterans to permanent housing, including VASH and SSVF, working together is better than working alone. In June 2014, multiple federal departments and agencies collaborated to create the Mayor's Challenge. The United States Interagency

HUD-SSVF

Established in 2012, Support Services for Veteran Families (SSVF) uses short-term financial assistance and case management to help low-income veterans find sustainable housing. In Wake County, Passage Home and Volunteers of America serve veterans with the \$554,735 in SSVF funding received each year.

⁶⁵ The Sergeant First Class (SFC) Heath Robinson Honoring our Promise to Address Comprehensive Toxics (PACT) Act.

⁶⁶ WTsai J, Rosenheck RA. Risk factors for homelessness among US veterans. *Epidemiol Rev.* 2015;37:177-95. doi: 10.1093/epirev/mxu004. Epub 2015 Jan 16. PMID: 25595171; PMCID: PMC4521393

⁶⁷ Thomas Byrne, John Schinka. 2018. "Aging and Life Expectancy in Homeless Veterans: Nine Questions.";

⁶⁸ Fargo JD, Brignon E, Metraux S, Peterson R, Carter ME, Barrett T, Palmer M, Redd A, Samore MH, Gundlapalli AV. Homelessness following disability-related discharges from active duty military service in Afghanistan and Iraq. *Disabil Health J.* 2017 Oct

⁶⁹ Gundlapalli AV, Fargo JD, Metraux S, Carter ME, Samore MH, Kane V, Culhane DP. Military Misconduct and Homelessness Among US Veterans Separated From Active Duty, 2001-2012. *JAMA.* 2015 Aug 25;314(8):832-4. doi: 10.1001/jama.2015.8207.

⁷⁰ See The Who's Who for more information on the Wake County Housing Authority

⁷¹ HUD VASH AWARDS

Council to End Homelessness (USICH) partnered with HUD and the VA to challenge every community in the country to end veteran homelessness, once and for all. The Mayor's Challenge marked an important shift in the way communities approach homelessness.

First: The Mayor's Challenge called for a workgroup made of agencies serving veterans in each community. The Wake County Mayor's Challenge Work Group convenes each month and includes agencies with expertise and dedicated resources for unhoused veterans. These veteran-specific services range from homelessness prevention and emergency shelter to rapid rehousing and permanent supportive housing.⁷²

Next: The Mayor's Challenge Work Group uses HMIS73 to create a list of every veteran experiencing homelessness, known as a By Name List. The By Name List keeps the workgroup informed about veterans in need of services at any given time. The By Name List also provides important data to measure progress toward ending veteran homelessness.

Finally: The Mayor's Challenge Work Group holds a Case Conferencing-style meeting, where the agencies review every veteran on the By Name List and plan to connect that veteran to services and overcome barriers that keep the veteran from moving into permanent housing.



How do we know if we ended veteran homelessness?

Over 80 communities and three states are ending veteran homelessness using the same strategies including New Orleans, Houston, Miami-Dade County and many more. To know if Wake County successfully ended veteran homelessness, we start with the same metrics we use to measure an end to all homelessness: Is Veteran Homelessness rare, brief and one time?

RARE

Veteran homelessness must be so rare that the number of veterans entering homelessness is smaller than the number of veterans exiting homelessness.

On any given day, around 34 veterans are literally homeless in Wake County.⁷⁴ The number of unhoused veterans decreased by 69% since 2014, which is more than double the national decrease of 33% during that same time. Unfortunately, 2022 marked Wake County's first increase in veteran homelessness since 2018. Currently, for every veteran moving to permanent housing, two more enter homelessness. In a 90-day period, around 60 veterans enter the homeless system while 35 exit to permanent housing.

ONE TIME

Once a veteran exits homelessness, they do not return.

Staying in permanent housing is central to ending the cycle of homelessness. In 2018, veterans returned to homelessness at the same rate as everyone else. At that time 27% of veterans who exited homelessness returned to homelessness within 2 years. Since then, veteran housing outcomes continue to improve. As of 2022, 14% of veterans that exit homelessness return within two years, compared to 19% for all other homelessness exits.

BRIEF

If a veteran experiences homelessness, they regain permanent housing as quickly as possible.

USICH sets the standard that, with services and support, unhoused veterans should move to permanent housing in less than 90-day, while HUD sets a more aggressive goal of less than 30 days. In Wake County, it takes 33 days for a veteran to begin working with⁷⁵ a permanent housing program like HUD-VASH or SSVF⁷⁶ but 71 days, on average, to end their homeless episode.⁷⁷

⁷² See Learn the Lingo: A Glossary of Terms to learn more about these program types.

⁷³ See Learn the Lingo to learn more about the Homeless Management Information System (HMIS)

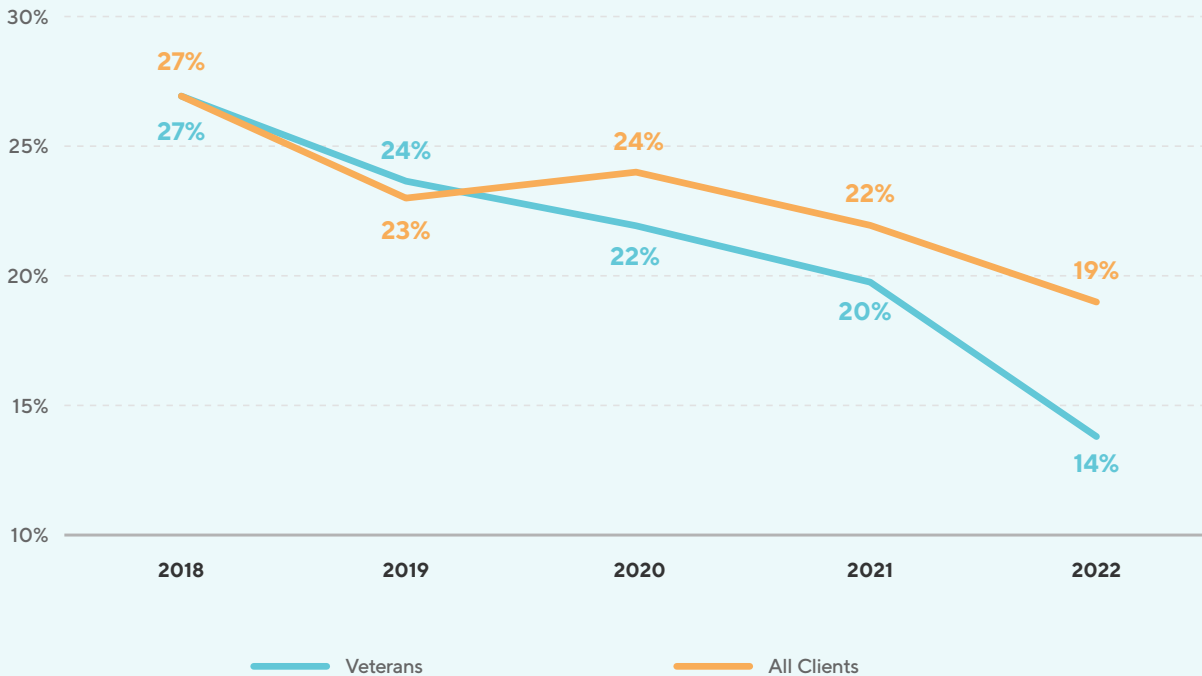
⁷⁴ 2022 Point in Time Count

⁷⁵ Enroll in program

⁷⁶ See Learn the Lingo to learn more about Rapid Rehousing and Permanent Supportive Housing

⁷⁷ From the first day a veteran becomes homeless to entry into permanent housing

Veterans Return to Homelessness



End Chronic and Long-Term⁷⁸ Homelessness for all veterans.

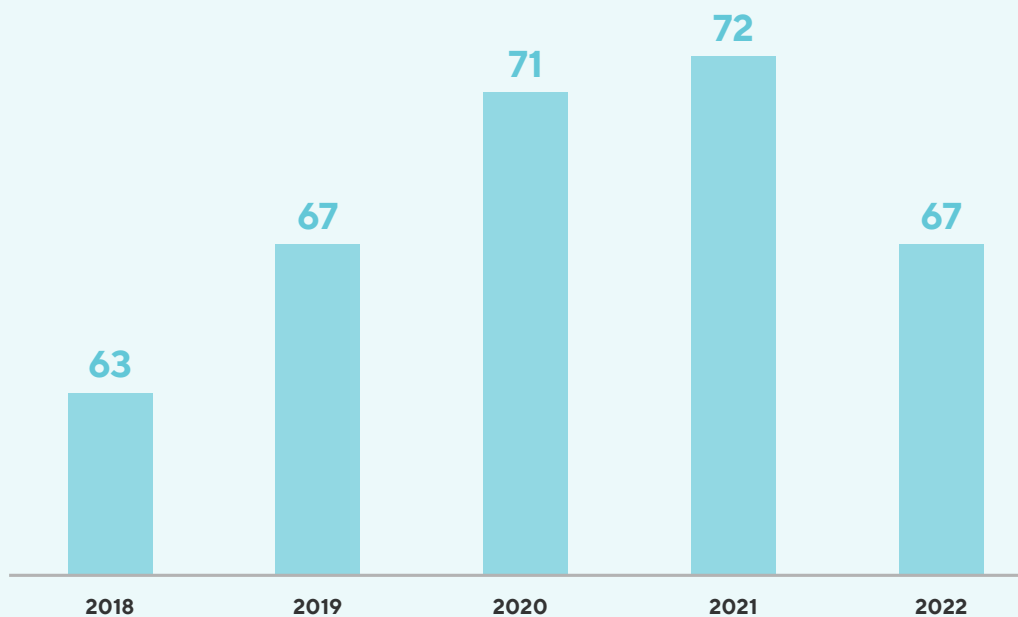
In Wake County, around 70 veterans experience chronic homelessness each year, increasing or decreasing by 1%-6% since 2018. In the last 90-day, 23 veterans experiencing chronic homelessness touched Wake County's homeless system. Chronic and long-term homelessness can make physical, mental, and behavioral health issues worse.

The HUD-VASH program is uniquely designed to meet the complex needs of veterans with a long history of homelessness and health conditions that make it difficult to regain permanent housing. HUD-VASH is not time-limited, meaning veterans can receive this assistance as long as they need it. As of

the 2023 HIC, 42% of HUD-VASH vouchers currently assigned to veterans, however recent estimates show a 77% utilization (down from 82% in 2022 and 89% in 2021). The decreasing utilization of HUD-VASH is not connected to the Wake County Community getting more VASH vouchers. The Wake County community has not received additional VASH vouchers since 2019 (5 Vouchers) and before that in 2016 (11 vouchers). Without additional study, we don't have enough information to know why VASH voucher use is not at 100%. We do know that, as veterans move on from the HUD-VASH program, clients and service providers are struggling to coordinate and fill vacant vouchers despite the persistent, year-over-year needs for these vouchers. This issue is top priority for Wake County's Mayor's Challenge Workgroup in 2023!

⁷⁸ Long-term homelessness means a person has experienced homelessness for more than a year. Chronic homelessness means a person has experienced homelessness for more than a year AND that person has a long-term disability.

Chronically Homeless Veterans Served Annually



Veteran Services for Unhoused or At-Risk Veterans

Wake County offers supportive services for Veterans, including homelessness prevention, employment education, application assistance for Veteran benefits, and connection to services such as emergency shelter, healthcare or mental healthcare referrals, advocacy, or other financial assistance programs.

Permanent Supportive Housing for Veterans

Wake County offers 10 Housing Vouchers for Veterans who are low-income and ineligible for the HUD-VASH program. These vouchers help veterans pay for housing, receive comprehensive support, and work toward long-term stability. The voucher program mirrors HUD-VASH and is not time-limited.

Partnerships Drive an End to Veteran Homelessness:

The Durham VA Healthcare System: At the Durham VA Healthcare System, healthcare teams are deeply experienced and guided by the needs of Veterans, their families, and caregivers. The VA Durham Healthcare System is one of the leading healthcare systems serving Veterans in the Mid-Atlantic Region. Along with the main Durham VA Medical Center, there are three VA Clinics in Raleigh that are convenient for our Wake County residents.

Volunteers of America: As one of the nation's largest comprehensive human services organizations, Volunteers of America is dedicated to those in need to rebuild their lives and reach their full potential.

Volunteers of America has the capacity to provide a wide array of Veteran services that include but are not limited to behavioral and mental health counseling, community outreach programs such as food pantries and food assistance plans, housing and homelessness prevention, moral injury support, and support services for Veteran family members.

Passage Home: Passage Home is Wake County's Community Action Agency and anti-poverty organization serving families living in poverty, families at risk of falling into the vicious cycle of poverty, and Veterans. Passage Home has staff trained to work specifically with Veterans to help them maintain stable housing and increase their income, either through better employment or connecting them with resources.



The Role of the Community, How Can You Help?

Creating and preserving housing affordability, as well as, preventing and ending homelessness in Wake County is a community – wide effort. We need the support of non-profit service providers, faith-based organizations, elected officials, businesses, friends, families, and neighbors across our community to make meaningful changes in the lives of those experiencing homelessness and housing insecurity.

Here are some steps you can take to get involved:

EDUCATE

Inform yourself about housing affordability and homelessness in Wake County. The first step was reading this report!

Research our local resources. Learn about what our community has to offer and familiarize yourself with local shelters, outreach programs, rental assistance programs, etc.

Have a conversation and educate others about what housing affordability looks like across the community and what they can do to help.

SUPPORT

Overcome negative perceptions of homelessness and affordable housing and advocate for the implementation of appropriate plan tools.

Encourage local businesses to create employment opportunities, invest in affordable housing projects, or hold donation drives for essential items like clothing, toiletries, and school supplies.

Reach out to elected officials to express your support for affordable housing initiatives and explain the positive impact such initiatives would have on the community.

USE YOUR VOICE

Attend community meetings to discuss homelessness and affordable housing with countywide stakeholders and elected officials. Volunteer to share your thoughts and perspective on new initiatives and the needs of your community.

Volunteer with community organizations to support the critical work they do every day.

Donate in any way that you can. Donate money to our housing and homeless services agencies, or donate essential items like blankets, clothes, shoes, canned goods, etc.

Appendix A: The Who's Who

Ending homelessness and increasing affordable housing takes a village. It takes constant collaboration between federal, state, and local governments, non-profits, private sector organizations, faith-based partners, volunteer groups, and residents.

This section outlines a small portion of organizations and departments partnering on housing issues. We will mention these entities again throughout the report.

Read through **The Who's Who** now or return to this section, as needed.

Department of Housing and Urban Development *HUD*

For our community, HUD is the big-time funder that makes sure we are all fulfilling our responsibilities to the community. HUD makes sure anyone who uses its funding follows all rules, regulations, and policies.

HUD funding includes:

- Continuum of Care (CoC)
- Community Development Block Grant (CDBG)
- Emergency Solutions Grant (ESG)
- HOME Investment Partnerships (HOME)
- Housing Opportunities for People with HIV or AIDS (HOPWA), and more.

HUD provides federal funding to communities through state governments, local government, Public Housing Authorities, colleges, universities, or directly to non-profit organizations. Wake County receives all the funding listed above as a HUD Entitlement Jurisdiction (See Entitlement Jurisdiction) HUD also enforces all federal housing policy and requirements for all recipients of HUD funding.

North Carolina Department of Health and Human Services (NCDHHS) *Division of Aging and Adult Services: NC Emergency Solutions Grant (NC-ESG)*

The NC-ESG office receives an annual amount of money (allocation) from HUD to distribute to local governments and non-profits. NC-ESG funding helps communities provide emergency homeless services and prevent homelessness for resident at risk of losing their housing.

NC-ESG supports:⁷⁹

- Street Outreach
- Emergency Shelter
- Rapid Rehousing
- Homelessness Prevention
- Data Collection; Homeless Management Information System

⁷⁹ See Learn the Lingo for more information about each intervention funded through NC-ESG.

North Carolina Department of Public Safety *Office of Resiliency and Recovery; NCORR*

The NC ORR manages all funding connected to public emergencies like the COVID-19 pandemic and Hurricane Relief. NC ORR also operates the Affordable Housing Development Fund, which helps rebuild affordable housing in storm-damaged areas, specifically Hurricane Matthew and Hurricane Florence. This funding is periodically available, especially during major weather events.

North Carolina Housing Finance Agency *NCHFA*

The North Carolina Housing Finance Agency provides funding and financing to communities across North Carolina to create more affordable housing for low-income families. NCHFA uses federal and state tools like the Low-Income Housing Tax Credit program, HOME Grant, and the Housing Trust Fund to meet statewide affordable housing needs.

NCHFA Programs:

- Allocate Low-Income Housing Tax Credits and Bonds
- Offers low-cost mortgages and down payment assistance for qualified home buyers
- Provide financing (funding, loans) for local governments, nonprofits organizations, and property owners to develop affordable housing.
- Provide financing for low-income homeowners to repair or rehabilitate their homes.
- Offer housing counseling services and foreclosure prevention assistance
- Work with agencies providing rental assistance through Section 8, the Transitions to Community Living Voucher, and Key Rental Assistance.

Continuum of Care *CoC*

The term Continuum of Care or CoC describes a community, defined by its geographic boundaries, that works together to end homelessness and increasing affordable housing. Our CoC is called NC-507-Raleigh/Wake County and includes every corner of Wake County.

Continuum of Care Program *CoC Program*

The CoC Program provides HUD funding annually to local governments, non-profit agencies, and other entities within the CoC. Communities that receive CoC Program Funding are responsible for:

- Organizing a homeless response system that quickly connect households in need of emergency service and permanent housing support to a service provider. This process is called Coordinated Entry.

- Manage a community-wide database called the Homeless Management Information System (HMIS) for service providers to securely enter client information and make referrals. When homeless service providers enter data into HMIS, a CoC can use that information to identify service gaps, needs, and recommendations.
- Oversee the Notice of Funding Opportunity or NOFOs released by HUD. NOFOs notify communities of available HUD funding for housing and homeless services. The CoC Program NOFO is released annually.

Continuum of Care Membership

CoC Membership

The CoC Membership represents everyone working together to address housing affordability and homelessness.

You are part of the NC-507 Continuum of Care Membership if:

- You live in Wake County
- You are a person experiencing homelessness in Wake County
- You are a housing/homeless service provider in Wake County
- You are an organization or business that interacts with people experiencing homelessness or housing insecurity.
- You are an elected official or staff member within Wake County Government or one of the 12 municipalities.

The CoC Governance Board⁸⁰

As a community, we aspire to work so well together that everyone knows the who, what, and how of serving our community. Unfortunately, with over 100 independent agencies working to address homelessness and housing insecurity in Wake County, moving in the same direction can be difficult.

The CoC Governance Board aims to bring our community together through a Board made up of community representatives from service agencies, healthcare, law enforcement, businesses, community members, and more.

The Governance Board sets CoC policies, priorities, planning, and evaluation efforts so everyone involved in ending the affordable housing crisis can work together.

CoC Collaborative Applicant

The Collaborative Applicant is the agency designated by the CoC to lead the community application process for CoC Program funding. This includes the CoC Registration, CoC Consolidated Application (which includes the Application and Priority Listing, and apply for CoC planning funds The CoC may assign additional responsibilities to the Collaborative Applicant so long as these responsibilities are documented in the CoC's governance charter.⁸¹

⁸⁰ The CoC Governance Board Website <https://wakecoc.org/>

⁸¹ HUD Exchange: What is a Collaborative Applicant?

CoC Lead Agency

The Continuum of Care can choose an agency to serve as the Lead Agency. Currently, these responsibilities are spread over several agencies. Wake County does not, at this time, have a designated Lead Agency

In Wake County, the role of Lead Agency typically includes the following responsibilities:

- Partners with county, city, and town governments to coordinate services and address community needs.
- Provides technical support and education to the CoC Governance Board
- Monitors operations, compliance, and reporting in the Homeless Management Information System (HMIS)^{3,4}
- Leads and submits all federal reports including the Point in Time Count, Housing Inventory Count, System Performance Measures, and more.
- Submits community application for ongoing CoC funding from HUD
- Leads implementation of emergency weather shelters, also known as White Flag Shelters
- Coordinates communication and messaging to support affordable housing policies
- Provides training to community members and service providers
- And more!

In Wake County, there is no Lead Agency and the above responsibilities are spread across several agencies, rather than centralized into one.

Entitlement Jurisdiction

Entitlement jurisdictions receive annual HUD grants directly to address housing affordability, homelessness, and other community development issues felt by those with less resources.

Entitlement Jurisdictions include:⁸²

- Major cities in a Metropolitan Statistical Area (MSAs) The City of Raleigh is our local MSA and Entitlement Jurisdiction.
- Other metropolitan cities with populations of at least 50,000 people. The Town of Cary qualifies as an Entitlement Jurisdiction under this definition.
- Urban counties with populations of 200,000 or more, excluding the population of entitled cities.

Wake County qualifies as an Entitlement Jurisdiction under this definition.

As an Entitlement Jurisdiction, Wake County receives the Community Development Block Grant (CDBG) funding for all non-municipal jurisdictions⁸³ and all municipalities except the City of Raleigh and Town of Cary who receive their own grant CDBG grant.

⁸² <https://www.hudexchange.info/programs/cdbg-entitlement/>

⁸³ *Non-municipal jurisdictions*: Geographic areas in Wake County that are not included in one of the 12 municipalities.

Wake County also receives the HOME Investment Partnership (HOME) and Emergency Solutions Grant (ESG) for non-municipal jurisdictions and all municipalities except the City of Raleigh who gets their own grant.

Wake County also receives the Housing Opportunities for Persons with AIDS grant on behalf of Wake, Johnston, and Franklin Counties.

Wake County Department of Housing Affordability and Community Revitalization

HACR; The Housing Department

HACR previously operated as a division called “Housing and Transportation” under Wake County Human Services. Following the conclusion of the Wake County Affordable Housing Plan, Wake County Government invested in building a Housing Department independent of Human Services.

HACR’s core mission is to improve the quality, affordability, and access to housing for families and communities whose needs are not met by the natural housing market. To fulfill that mission, HACR takes a complete look at homelessness and affordable housing through quality data, strong partnerships with expert service agencies, and listening closely to our impacted communities. HACR then distributes federal, state, and county funding under our responsibility to agencies or develops programs within the department to meet community needs.

HACR operates 6 core teams equipped with expertise to make improvements in every area of affordable housing and homelessness:

- Division for Homeless and Prevention Services
- Division for Permanent Supportive Housing and Support Services
- Division for Equitable Housing and Community Development
- Division for Veteran Services
- Division for Research, Data, and System
- Business, Operations, and Contracts

We explore each division and their programs throughout the report.

Public Housing Authorities

Raleigh Housing Authority (RHA) and Wake County Housing Authority (WCHA)

The CoC Membership represents everyone working together to address housing affordability. The Housing Act of 1937 created Housing Authorities to create affordable housing in local communities. Housing Authorities provide safe, decent, affordable housing options to low-income households in a designated geographic area.

Housing Authorities provide multiple housing options:

- Rental Assistance programs help low-income households pay rent by providing a monthly subsidy or amount of money to cover the gap between what the households can afford and the actual cost of rent. There are two types of rental assistance:
 1. Tenant-Based Rental Assistance: (TBRA) follows the tenant, so the tenant can choose where they want to live and receive rental assistance.
 2. Project Based Rental Assistance: (PBRA) means that a specific unit is required to remain affordable, and the tenant living in the unit will receive the rental assistance.
- Public Housing is owned and maintained by the Housing Authority for eligible low-income families, the older adults, and persons with disabilities. Public Housing comes in all sizes and types, from single-family houses to apartment buildings.

You may be familiar with terms like Housing Choice Vouchers (formerly Section 8 vouchers) and Emergency Housing Vouchers. Both voucher programs are examples of TBRA through local housing authorities. You may hear Public Housing and affordable housing used interchangeably, but Public Housing is a specific type of affordable housing. There are other tools available to Housing Authorities to create affordable housing, such as Rental Assistance Demonstration (RAD) which allows preservation of properties through public-private partnerships.

Municipalities:

Raleigh Housing Authority (RHA) and Wake County Housing Authority (WCHA)

Municipalities represent the heart of Wake County. Municipalities provide their communities with public services like police, streets, transportation, recreation, garbage collection and recycling, and land use planning.

Wake County works closely with municipalities to plan for future growth, which includes land use and zoning strategies for services that affect affordable housing and homelessness.

Wake County Municipalities includes:

- | | |
|-----------------|-----------------|
| • Raleigh | • Knightdale |
| • Cary | • Zebulon |
| • Apex | • Rolesville |
| • Morrisville | • Wake Forest |
| • Fuquay-Varina | • Holly Springs |
| • Garner | • Wendell |

The Affordable Housing Advisory Work Group *AHAWG*

AHAWG is an HACR-facilitated group designed to advise the Department and engage the public around affordable housing and homeless service efforts. The 17-member group includes representatives from the faith community, housing developers, human services, funding agencies, the CoC, and more. The AHAWG meets bi-monthly to plan.

City/County Joint Homelessness Task Force *Homelessness Taskforce*

The Homelessness Taskforce is a joint effort between the City of Raleigh and Wake County Government made up of local leaders, community members, and service providers. The goal of the Task Force is to advocate for strategies to prevent homelessness. The group meets on the 2nd Thursday of each month.

Appendix B: Learn the Lingo

Glossary of Terms

There are a lot of acronyms and terms to describe programs, community groups, funding sources and more. As you read through the Annual Report, you can always return to this glossary for quick overview.

The Housing Community

CoC - *Continuum of Care*: a regional group made up of local homeless services providers that work together to coordinate how the community helps people experiencing homelessness, including applications for federal grants and funding

NC-507 - the geographically defined Continuum of Care covering Wake County and the City of Raleigh

Collaborative Applicant - an agency chosen by the Continuum of Care (CoC) to coordinate the CoC's annual application for federal funding. The Collaborative Applicant can also manage other duties within the CoC, such as long-term planning or project monitoring.

HACR - *Wake County Housing Affordability and Community Revitalization*: The Wake County Government Department dedicated to helping Wake County residents gain and maintain safe, affordable housing.

RHA - *Raleigh Housing Authority*: the Raleigh-based organization that manages public housing and provides low-rent or no-rent apartments for qualified people, such as low-income, elderly, or people with disabilities.

WCHA - *Wake County Housing Authority*: the Wake County-based organization that manages public housing and provides low-rent or no-rent apartments for qualified people, such as low-income, elderly, or people with disabilities.

Types of Assistance Programs

TBRA – *Tenant-Based Rental Assistance*: assistance to individuals or families to help afford housing costs, including rent and move-in fees. This assistance amount depends on each household's income and rent cost, and is still available even if the tenant decides to move to a new home.

PBRA – *Project-Based Rental Assistance*: assistance to landlords and property owners to help low-income tenants afford rental homes. Properties will dedicate a certain number of units specifically to rent to low-income earners.

Prevention or STRMU – *Short-Term Rent, Mortgage, and Utility*: temporary assistance designed to prevent homelessness that can be used for rent, mortgage, or utility bills.

HOPWA – *Housing Opportunities for Persons With AIDS*: programs designed to provide housing assistance to low-income people living with HIV/AIDS and their families

Permanent Supportive Housing: rental assistance combined with supportive services for low-income tenants with disabilities to help tenants live independently.

Rapid Rehousing – a type of assistance that is designed to move people into housing quickly after they fall into homelessness. Assistance is often short-term until the person becomes self-sufficient again.

Street Outreach – programs targeted towards people experiencing unsheltered homelessness to help them access and navigate services within the CoC.

Emergency Shelter – places that provide temporary shelter for people in homelessness. Shelters can also provide additional support to guests, including job training, budgeting, etc.

Transitional Housing or Bridge Housing – a temporary supportive housing program that is intended to help transition people from homelessness to permanent housing. Transitional or Bridge housing can provide life skills or employment training, medical and mental health support, or other support, as needed.

Public Housing – Rental housing managed by local housing authorities for low-income families, elderly persons, and people with disabilities. Rent is often determined by the household's income.

Funding for Housing Programs

ESG – *Emergency Solutions Grant*: a federal grant that provides funding for emergency shelter facilities and services.

ESG CV – *Emergency Solutions Grant- CARES Act*: federal grant funding via the CARES Act (Coronavirus Aid, Relief, and Economic Security Act) to support additional homeless services and eviction prevention assistance to mitigate the impacts created by coronavirus

CDBG - *Community Development Block Grant*: a federal grant that helps develop communities by providing housing, and expanding economic opportunities, principally for low- and moderate-income persons. Wake County uses this funding to support land acquisition, community investment, housing rehabilitation, affordable homeownership, job training, street outreach, and emergency shelter operations.

CDBG CV - *Community Development Block Grant CARES Act*: federal grant that provides additional support to mitigate impacts created by coronavirus by funding activities that provide infrastructure, housing, and services to low or moderate-income households.

ARPA - *American Rescue Plan Act*: federal funding available to local governments to provide an array of COVID-19 relief efforts which can include housing development, rental assistance, and supportive services to reduce homelessness and increase housing stability.

HOME - *HOME Investment Partnerships Program*: federal grant funds dedicated to creating affordable housing for low-income households. Funds can be used for building, buying, and/or fixing up affordable housing for rent or homeownership or providing direct rental assistance to people with low income.

HOME ARP - *HOME Investment Partnerships American Rescue Plan Program*: funding for homelessness assistance and supportive services from the American Rescue Plan Act, which grants money to help mitigate the effects of COVID-19

HOPWA - *Housing Opportunities for Persons With AIDS*: federal funding to support programs designed to provide housing assistance to low-income people living with HIV/AIDS and their families.

HOPWA-CV - *Housing Opportunities for Persons With AIDS CARES Act*: provides funding to eligible recipients to address housing needs of persons living with HIV/ AIDS and their families related to COVID-19.

CoC - *Continuum of Care funding*: federal HUD funding granted to CoC members to support programs and services to end homelessness.

ERA - *Emergency Rental Assistance*: federal funding available to local governments to provide an array of COVID-19 relief efforts such as assisting people with rent or utility bills and developing affordable housing.

Tax Revenue - local Wake County tax revenue used to support affordable housing programs, such as homeless assistance, supportive services, and affordable housing development.

LIHTC - *Low-Income Housing Tax Credit*: IRS tax credits to reduce taxed income for corporations who provide money to developers to who purchase, rehabilitate, or build new affordable housing targeted for low-income households.

Housing Data

PIT – *Point-in-Time Count*: an annual count of people experiencing homelessness in a single night in January, including both sheltered (those in emergency shelters or other temporary situations), and people who are unsheltered.

HIC – *Housing Inventory Count*: an annual inventory of housing during the last 10 days of January. It is a count of all beds, apartments, homes, and living spaces available during the report period. It includes both beds and units available to persons experiencing homelessness and units in Permanent Supportive Housing programs.

System Performance Measures – specific ways to track progress towards meeting the needs of people experiencing homelessness. These measures track 1) the length of time people experience homelessness, 2) the number of people who return to homelessness after finding permanent housing, 3) the number of people who are homeless throughout the year, 4) the number of people who are experiencing homelessness for the first time, 5) the number of people who are able to find a job or increase their income while in a supportive program, and 6) the number of successful placements into permanent housing.

LSA – *Longitudinal System Analysis*: a system-wide report that includes information about people served within the Continuum of Care over the course of a year. The LSA includes information about exits to permanent housing, returns to homelessness, and the length of time people experience homelessness.