NOTE: Please use the points below to compose a letter to the Raleigh City Council.

They will vote on the bond on Tuesday, June 2.

❖ Urge them to commit to vote for an Affordable Housing Bond that targets our neighbors living at or below 30% of Area Median Income (AMI)

For a household of four:
- Area Median Income in Raleigh is $94,100
- 50% of AMI is $47,050 which is considered by HUD to be “very low income”
- 30% of AMI is $28,230 of AMI which is considered by HUD to be “extremely low income”
- Minimum wage in NC for 40 hours/week is $15,080/year which is 16% of AMI
- $10/hour for 40 hours/week is $20,800 which is 22% of AMI
- These low-wage essential workers are most impacted by Covid-19

❖ Include these points:

1. The Affordable Housing Bond should target those most impacted by the need for affordable housing.

2. The Low Income Housing Tax Credit (LIHTC) typically used to develop affordable housing rarely targets incomes below 50% of AMI. Between 2015 and 2019, only 319 of 2709 apartments built in Raleigh (11.7%) targeted persons at 50% of AMI and below. This means the City must find additional strategies and resources to develop housing for those at 30% of AMI and below, our neighbors with the greatest need.

3. Residents most in need of affordable housing deserve an opportunity to learn details about how funds from the bond will be used.

4. Affordable Housing should be an integral part of the City’s growth strategy and spending since this bond will assist only a fraction of Raleigh residents in need of housing they can afford.

5. Fair Housing should be a meaningful priority in shaping the intended results of the bond. Gentrification is not revitalization.

THANK YOU!
Dear Raleigh City Council:

On June 2, will you please vote in favor of an Affordable Housing Bond that targets our neighbors living at or below 30% of Area Median Income (AMI)?

I am especially concerned about our neighbors living at or below 30% AMI because:

For a household of four (4):
- Area Median Income in Raleigh is $92,700
- 50% of AMI is $46,350 which is considered by HUD to be “very low income”
- 30% of AMI is $27,810 of AMI which is considered by HUD to be “extremely low income”
- Minimum wage in NC for 40 hours/week is $15,080/year which is 16% of AMI
- $10/hour for 40 hours/week is $20,800 which is 22% of AMI
- These low-wage essential workers are most impacted by Covid-19

The proposed Affordable Housing Bond should target those most impacted by the need for affordable housing.

The Low Income Housing Tax Credit (LIHTC) typically used to develop affordable housing rarely targets incomes below 50% of AMI. Between 2015 and 2019, only 319 of 2709 apartments built in Raleigh (11.7%) targeted persons at 50% of AMI and below. This means the City must find additional strategies and resources to develop housing for those at 30% of AMI and below, our neighbors with the greatest need.

Our neighbors most in need of affordable housing deserve an opportunity to learn details about how this bond money will be used.

Addressing Affordable Housing should not be limited to this bond; it should be an integral part of the City’s growth strategy and spending since this bond will assist only a fraction of Raleigh residents in need of housing they can afford.

Fair Housing should be a meaningful priority in shaping the intended results of the bond. Gentrification is not revitalization.

Sincerely,
AFFORDABLE HOUSING IN RALEIGH

FACTS TO KNOW

In early May 2020 the North Carolina Housing Finance Agency and HUD published the latest Low Income Housing Tax Credit (LIHTC) Income limits. These limits are to be used to determine eligibility and rents in most LIHTC apartments in Wake County.

The median income for a family of four in Wake County is $94,100. This means ½ of the families in Wake County earn more and ½ of the families in Wake County earn less than this amount.

Because Wake county has so many high paying jobs, the LIHTC program and HUD (using the $94,100 figure) describes as “Extremely Low Income” (30% Median Income) a family of four making $28,230 per year.

The LIHTC program seldom targets 30% median Income families for apartments – in Raleigh only 87 of 2709 apartments constructed or planned in the time-period 2015 – 2019 or 3.2 % were targeted to 30% Income limited families.

LIHTC targeting usually begins at 40 - 50% median income – in Raleigh 232 of 2709 apartments constructed or planned in the time-period 2015 – 2019 or 8.6% were targeted to 40 – 50% income limited families.

Wake county estimated a need of 17,000 30% and less apartments and 5,000 30% - 50% apartments in 2015 (Wake County Affordable Housing Plan (2/27/2017).

A family of four with a full time equivalent minimum wage job ($15,080 per year) makes 16% or the Median Income. A family of four with a full time equivalent $10.00 per hour job ($20,800 per year) makes 22% of the Median Income. Even a family of two adults with both having full time minimum wage jobs ($30,160) per year) makes just over 40% of the Median Income. Finally, a single mother with 3 children with a full time $15.00 per hour job ($32,100 per year) makes just under 35% Median Income.

These families and incomes reflect our essential workers and a growing number of families in our community. We must do better in providing affordable housing options for these families.