

SEPTEMBER 10, 2025

DURHAM HOUSING INITIATIVE TASK FORCE



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Introduction

In 2019, the City of Durham made a historic commitment to affordable housing with the official launch of the Forever Home, Durham initiative. Funded through a \$95 million voter-approved housing bond and bolstered by \$65 million in local investment and federal support through the American Rescue Plan Act (ARPA) and other federal funding sources. Forever Home, Durham represented an ambitious effort to increase access to affordable housing, backfill critical projects, and address long-standing gaps in the city's housing landscape. Simultaneously, Durham County constructed two large affordable housing projects on county-owned land.

While Forever Home through the City of Durham and Durham County affordable housing projects provided momentum, it also exposed key limitations. In response to COVID-related construction cost increases, the City and County allocated an additional \$20 million in ARPA funding for increasing costs in housing-related projects to get them over the finish line. While Durham Public Schools (DPS) did not have the infrastructure to build housing, the district began robustly discussing staff retention and its ties to a growing cost of living in Durham. With consideration of leveraging their significant land assets to provide affordable housing to their workforce, DPS worked to gain clarity around legislation and requirements of building housing on school-owned land.

Despite the financial investment, barriers and fragmented efforts across institutions raised questions about the sustainability and impact of separate housing strategies. The siloed nature of these efforts prompted growing calls for a unified, Durham-wide approach to address the resource challenge once Bond and ARPA dollars were deployed and to address process and coordination systems issues to enhance use of taxpayer investment. Collectively this gave way to a broader understanding: public land, regardless of the entity, should be part of a collaborative strategy. This shift highlighted the need for cross-agency alignment, shared planning, and community-driven priorities.

To move beyond isolated efforts, Durham created a Housing Initiative Task Force to develop a comprehensive housing strategy encompassing short-, medium-, and long-term recommendations from a large body of representatives across the housing ecosystem. On September 10, 2024 Mayor Leonardo Williams, County Commissioner Chair Nida Allam and Durham Public Schools Board of Education former Chair Millicent Rogers formally appointed representatives to envision a unified comprehensive housing strategy for Durham. City Council Member Javiera Caballero was designated the lead to manage and coordinate the Housing Initiative Task Force.

Next Steps

On September 10, 2025 the Housing Initiative Task Force wrapped up its work with an overview of the Task Force recommendations and a celebration for all Task Force and Subcommittee Members at the Durham Armory.

The report that follows presents a host of recommendations intended to address the wide range of the affordable housing challenges facing Durham, from addressing homelessness to expanding homeownership. The next step of this process must involve a prioritization of these recommendations, Durham needs to identify the most urgent priorities, lay out a plan to achieve them and align available resources to support this plan.

To achieve the greatest impact, this plan needs to become Durham's plan – not the City of Durham's Plan or Durham County's Plan, but the Durham plan. The greatest impact can be achieved if Durham applies all of its available resources and capacity – public, private, philanthropic and nonprofit – towards the achievement of shared goals.

We request that the elected officials of the City, County and Schools empower the City Manager, County Manager, and School Superintendent to work collectively to prioritize these recommendations through cross collaboration of departments and engagement with the larger community.

We ask that these leaders provide consistent updates regarding prioritization and planning at the newly created Joint City, County, Schools meeting that occurs biannually as well as to the community in a transparent and timely manner. We also request that community and philanthropic partners convene and fundraise private dollars to augment government efforts to help achieve Durham's housing goals.

Housing Initiative Appointees and Task Force Contributors

Elected Liaisons:

- Javiera Caballero (Lead, City of Durham)
- Emily Chávez (Board of Education)
- Heidi Carter & Wendy Jacobs (Durham County)

Subcommittee Chairs:

- Christina Barrow: Report Coordinator
- Eliza Mathew: Pre-housing Shelter
- David Crispell & Soleir Gordon: Supportive Services
- Karen Lado: Subsidy Gap
- Dan Jewell: Workforce Housing
- Ted Heilbron: Land Use

Appointees:

- | | | |
|--------------------|--------------------|----------------------|
| • Ann Oshel | • Ketty Thelemaque | • Stelfanie Williams |
| • Anthony Nelson | • Luke Smith | • Tasha Melvin |
| • Anthony Scott | • Rob Emerson | • Tiana Joyner |
| • Cynthia Williams | • Russell Pierce | • Topher Thomas |
| • Geoff Durham | • Sally Wilson | • Tucker Bartlett |
| • Grace Jones | • Sarah D'Amato | • Yolanda Winstead |
| • JB Buxton | • Sheldon Mitchell | |
| • Jess Brandes | • Sherry Taylor | |

Appointed Organizations:

- | | |
|--|---|
| • Alliance Health | • Families Moving Forward |
| • CASA | • Habitat for Humanity of Durham |
| • Coalition for Affordable Housing and Transit | • Housing for New Hope |
| • Coram Houses | • Homeless Services Advisory Committee |
| • DHIC | • Jubilee Home |
| • Duke University | • Kelly Development Company |
| • Durham CAN | • Legal Aid of North Carolina |
| • Durham Chamber | • NCCU School of Business |
| • Durham Community Land Trustees | • Project Access of Durham County |
| • Durham Housing Authority | • Durham Regional Association of Realtors |
| • Durham Tech | • Self-Help |
| • El Futuro | • Thomas & Hutton |
| • Emerson Land Planning | • Urban Ministries of Durham |

Housing Initiative Appointees and Task Force Contributors

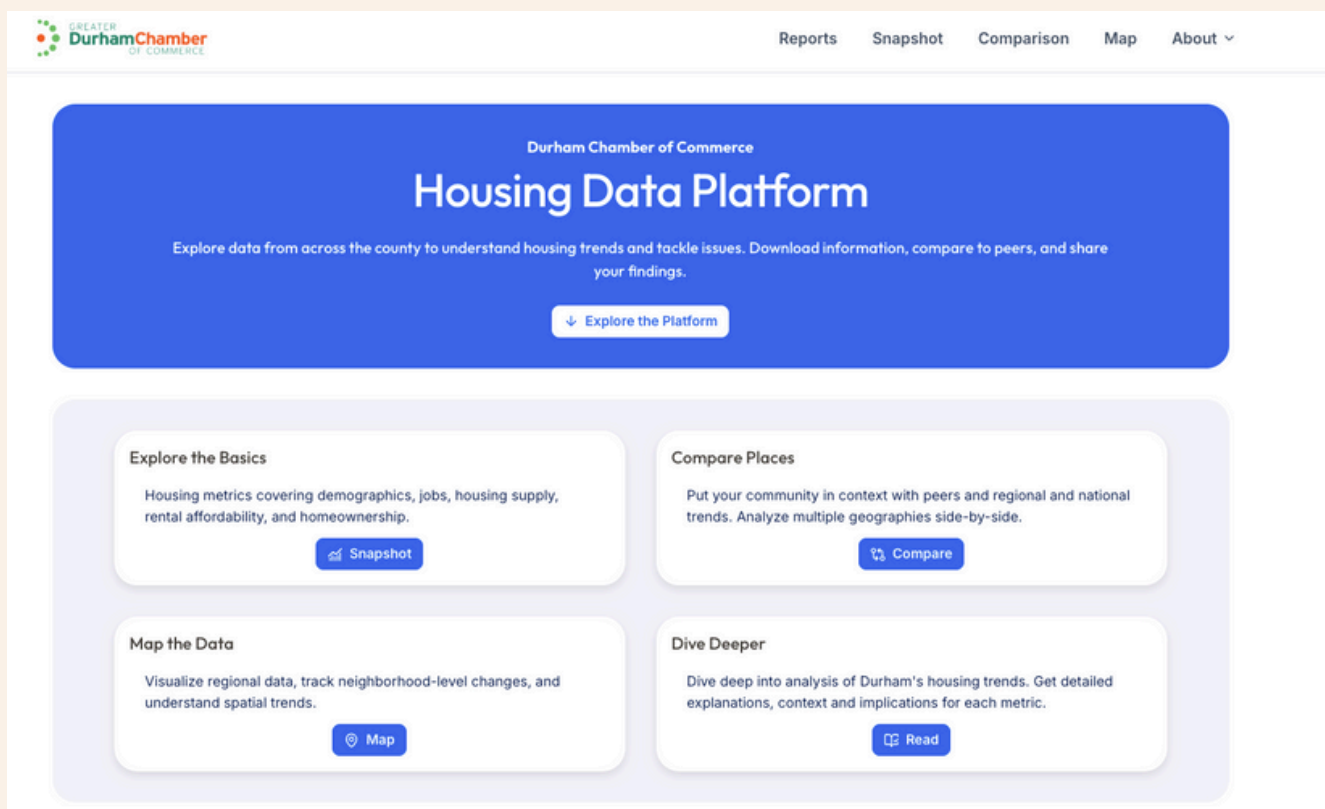
Subcommittee Member and Other Contributors

- Aaron Cain
- Adam Klein
- Anise Vance
- Anthony Henderson
- Arthur Payne
- Dan Levine
- Drew Woten
- Ebony Ross
- Elias Jimenez-Mata
- Gernynii Gatacombe
- Heidi Grable
- Candace Rashad
- Jason Brenner
- Jennette Mehta
- Julia Gamble
- Kay Sanford
- Laura Steed Lorino
- Dr. Lauren Brinkley-Rubinstein
- Loftin Wilson
- Maddie Sachtler
- Mathew Palmer
- Natale Suchy
- Nicole Lamb
- Nora Sautan
- Ontario Joyner
- Paige Allen
- Rachel Weissman
- Roshanna Parker
- Ryan Smith
- Samantha Smith
- Sean Egan
- Shanta Addison
- Shay Castro
- Sheisha Bell
- Tremaine Sawyer
- Zaire Cullins

Housing Data Platform

The Durham Chamber Foundation, with funding from the City of Durham, Durham County, and Duke, contracted with HR&A Advisors to create the Housing Data Platform.

This data dashboard consists of snapshot data, maps, diving deeper on trends, and allows for comparison views. As new data is available from platform data sources it will immediately populate into the platform. The interface is designed to be user friendly with easily downloadable features. It is also has the capability to add additional local data sources in the future.



Additional current data sources:

The North Carolina Chamber Foundation in partnership with the North Carolina Home Builders Association and NC Realtors also released a statewide Housing Gap Analysis in February 2025. Findings include information on all 100 counties within North Carolina for a five-year projection period from 2024-2029.¹

Table of Recommendations

Pre-Housing Subcommittee				
#	Recommendation	Type	Implementors	Status
1.1	Strategic Planning for Homelessness	Short	City of Durham Community Safety Housing and Neighborhood Services Durham County Social Services County Manager's Office- Management Analyst focused on Homelessness Justice Services Community Durham Familiar Face Initiative Nonprofits focused on supporting housing insecure Supportive Communities (faith, mutual aid, civic etc.) engaged in ongoing Housing Stability financial assistance Local Health/ Mental Health Institutions	In Progress
1.2	Enhancing Coordinated Entry & Diversion Services	Short		Not yet implemented
1.3	Flexible Housing Subsidies: 30% AMI Units for Homeless System	Short		Not yet implemented
1.4	Expanding Medical Respite and Case Consultation Services	Short		Not yet implemented
1.5	Temporary Day Shelter	Short		Not yet implemented
1.6	Piloting New Non-Congregate Shelter Strategies	Short		Not yet implemented

Supportive Services Subcommittee

2.1	Increase funding for new CE contract and increase funding to create resource coordinator position	Short	City of Durham Community of Safety Dept. Durham County Durham Social Services Dept. of Public Health Justice Services Community Local Health/Mental Health Institutions Housing Nonprofits Supportive Communities (faith, mutual aid, civic etc.) engaged in ongoing Housing Stability financial assistance	Not yet implemented
2.2	Empower CE to create/manage a dynamic and comprehensive and accessible Durham resource guide.	Medium		Not yet implemented
2.3	Resource CE to serve as a hub, convener, information/resource guide manager for full systems of unsheltered and housing vulnerable Durhamites	Long		Not yet implemented
2.4	Begin quarterly gatherings focused on networking	Short		Not yet implemented
2.5	Refresh and expand the Durham County Sequential Intercept Map	Medium		Not yet implemented
2.6	Advocate, educate, and incentivize providers to utilize a shared platform	Medium		Not yet implemented
2.7	Develop policies to ensure transparency around funding availability, sourcing, and decision making	Medium		Not yet implemented

2.8	Leverage local funding and support to ensure collaborative projects designed with best practices	Long		Not yet implemented
2.9	Pick a strategy and continue with a plan for daytime and supportive services delivery	Long		Not yet implemented
Subsidy Gap Subcommittee				
3.1	Fast-Track City Review for Affordable Housing Projects	Short	City of Durham Housing and Neighborhood Services Durham City Manager’s Office City/County Planning and Development Durham County Durham County Manager’s Office Durham Public Schools Operational Services	In Progress
3.2	Create a City Affordable Housing Navigator	Short		Not yet implemented
3.3	Create a County Homelessness & Housing Coordinator	Short		Not yet implemented
3.4	Flag affordable projects in City development tracking	Short		Not yet implemented
3.5	Streamline City/County review processes	Medium		In Progress
3.6	Enhance oversight of developer proffers	Medium		Not yet implemented
3.7	Prioritize public land for affordable housing	Short		In Progress
3.8	Engage faith communities in affordable housing	Medium		Not yet implemented

3.9	Expand land use incentives for affordable housing	Medium	Community Affordable Housing Developers Faith Organizers Philanthropic and Private Funders	In Progress
3.10	Create new leveraged financing tools	Short/ Medium		In Progress
3.11	Pursue a new city/county Affordable Housing Bond	Medium		Not yet implemented
3.12	Pursue alternative infrastructure financing options	Medium		Not yet implemented
3.13	Advocate for greater stat support for affordable housing	Long		Not yet implemented

Workforce Housing Subcommittee

4.1	Streamlining housing development and access through re-writes to the UDO	Short	City of Durham Environmental & Street Services Transportation City/County Planning and Development	In Progress
4.2	Re-examine regulatory agency capacity and current zoning policies that hinder providing more housing in a timely manner in appropriate locations, pre-approved building plans	Medium		Not yet implemented
4.3	Building institutional capacity for housing non-profits and their development partners	Medium		Not yet implemented

4.4	Strategic land use and infrastructure planning to enable sustainable, large-scale housing growth	Long	Durham County Transportation Engineering & Environmental Services	Not yet implemented
4.5	Assess Comprehensive Plan to potentially identify expanding areas for sensitive housing development	Long	County Public Works Department State Agencies Community Local Housing Nonprofits	Not yet implemented

Land Use Subcommittee

5.1	Improve Development Review Process	Short	City of Durham Transportation	Not yet implemented
5.2	Reprogram Durham's Density Bonus	Short	City/County Planning and Development Durham County Transportation	Not yet implemented
5.3	Improve Affordable Housing and Local Transit Together	Short	Community Affordable Housing Developers	Not yet implemented
5.4	Expanding Accessory Dwelling Units (ADU)	Short		Not yet implemented

Tenant Subsidy Housing				
6.1	Flexible Subsidy Pool	Medium	City of Durham Community Safety Housing and Neighborhoods	Yet to be Implemented
6.2	Dispute Resolutions	Short	Durham County Durham Social Services Community Landlord	In Progress
Community Trust Fund				
7.1	Investigate the creation of an independent nonprofit Housing Trust Fund	Short	City of Durham Housing & Neighborhood Services General Services Durham County County Manager's Office Durham Public Schools Operational Services Community Major Employers (Duke, Fidelity, IBM etc) Philanthropy Advocacy groups	Yet to be Implemented

Pre-Housing Shelter Subcommittee

Overview

The Pre-housing Shelter Subcommittee was tasked with focusing on if, when, and how Durham residents transition from experiencing homelessness to temporary shelter or more permanent housing options.

The importance of this area of focus is clear: as Durham has grown, the number of chronically homeless individuals, many of whom experience severe and persistent mental health challenges, has grown as well. A review of recent PIT Count data trends have indicated that there has been a 300% increase in unsheltered individuals since 2018.^[2] From 2024, to 2025, the number of unsheltered persons is up by 12%.

Notably, there is also significant opportunity to intervene in the worrisome growth of homelessness in Durham. In the process of having more in-depth conversation across silos it became evident that systems were built reactively during the COVID 19 pandemic while there was an influx of investment. In reflection, the Pre-housing subcommittee saw a clear need for emphasis on process evaluation to create refined systems, processes and solutions so that infusing significant dollars in the future would align with increased impact.

As a result of the advocacy efforts of the subcommittee group, alongside the efforts of the Homeless Services Advisory Committee, Durham residents, and local businesses, the City is currently stewarding a Homeless Strategic Plan Process. Durham's Strategic Plan to End Homelessness³ will rely on robust community and local stakeholder engagement and marks a renewed commitment to building a more coordinated and effective system to make homelessness rare and brief in Durham. Strategy is organized into three phases: laying foundational partnerships and infrastructure, implementing and refining targeted strategies, and driving population-level change with a focus on measurable equity outcomes. The Strategic Planning and implementation timeline spans mid 2025 through 2026.

Reports and Recommendations

#	Recommendation	Type	Implementors	Status
1.1	Strategic planning for homelessness	Short	City of Durham Community Safety Housing and Neighborhood Services Durham County Social Services County Manager's Office- Management Analyst focused on Homelessness Community Durham Familiar Face Initiative Nonprofits focused on supporting housing insecure Supportive Communities (faith, mutual aid, civic etc.) engaged in ongoing Housing Stability financial assistance Local Health/ Mental Health Institutions	In Progress
1.2	Enhancing coordinated entry & diversion services	Short		Not yet implemented
1.3	Flexible housing subsidies: 30% AMI units for homeless system	Short		Not yet implemented
1.4	Expanding medical respite and case consultation services	Short		Not yet implemented
1.5	Temporary day shelter	Short		Not yet implemented
1.6	Piloting new non-congregate shelter strategies	Short		Not yet implemented

1.1 Strategic Planning for Homelessness

Type of Recommendation: Short Term

The City and County should establish a comprehensive, community-led strategic planning process to address homelessness, a process that has not been revisited since Durham's 10-Year Plan to End Homelessness concluded in 2016.

Recommended Steps:

- **Elevate** a homelessness strategic planning process within both City and County governments during Q1 FY2026. Launched July 2025
- **Include a formal presentation** to elected bodies detailing the use of dedicated housing funds, with an emphasis on supporting residents earning at or below 30% AMI.
- **Realign** the Homeless Services Advisory Committee (HSAC⁴) governance and revise the Interlocal Agreement (ILA) to ensure all efforts are directly tied to strategic priorities and actionable plans.
 - *HSAC advises the Durham City Council and the Board of County Commissioners of Durham County on matters related to homelessness, serves as the Board of the Durham Continuum of Care, and leads Durham's community-wide efforts to address homelessness.*

Status: In Progress

1.2 Enhancing Coordinated Entry & Diversion Services

Type of Recommendation: Short Term

Entry Point

Durham Entry Point⁵, established by Durham's Continuum of Care in 2019 and run through an RFP with the City, creates a "front door" where a trained team helps people facing homelessness resolve their housing crisis. Entry Point helps to provide equitable access to resources and match neighbors to the resources that best meet their needs. Due to rising travel and rent costs during the COVID pandemic, initial projection costs on a multi-year contract had decreased overall impact and program funds were depleted 6 months prior (Dec 2024) to contract completion. Reasons for depletion included rising cost of security deposits, rising cost of rent, rising requests for security deposit for permanent supportive housing, and rising cost of bus/train tickets and gas cards. Average one-time assistance and travel assistance also increased. To stabilize and further improve these services, the following action is recommended:

Recommendation:

- Increase funding to cover rising costs such as elevated security deposits, rental assistance, and transportation expenses. Utilize most recent data related to this intervention to designate areas of highest need. Targeting transportation expenses allows for the lowest cost and lowest barrier solution to be consistently implemented.
**This recommendation is endorsed by the Supportive Services Subcommittee*
- Create strategic communications and alignment structure to support current private funders (faith philanthropy etc.) and pursue new partnerships to support remaining gaps.

Currently, there has been a six-month extension for the contract that was awarded in 2022 and was planned to expire the end of June. The extension is until the end of the 2025 year. For the next six months, the total increase in diversion funds is \$35,000 and the total for move in assistance is \$70,000. This is not likely a sufficient amount, but it is important to analyze the usage and impact of the funds and the need relative to other programs.

Status: Not yet implemented

Arrears

Rent arrears are unpaid rent claimed by landlords. While support programs exist, their effectiveness, overlap and funding allocations remain unclear. Legal Aid of North Carolina's Eviction Diversion Program⁶ offers legal support to low-income Durham residents facing eviction, aiming to prevent eviction judgments and promote housing stability. Legal Aid raised concerns about the accuracy of arrears and the shifting expectations of landlords and Entry Point users during policy changes. The following recommendation responds to these issues:

- **Compile and analyze arrears data** from sources like Legal Aid Durham's Eviction Diversion Program, DSS, nonprofit partners (Families Moving Forward, UMD, etc.), and City Homeless Team to build a shared understanding of financial challenges faced by clients.

Status: Not yet implemented

Cross Sector Communication

Funded diversion efforts occur across several sectors beyond Entry Point Coordinated Entry and Diversion. The subcommittee chairs across the three 30% and below Task Force Committees gathered to discuss the importance of a facilitated conversation to illuminate a sequential intercept map highlighting opportunities to address systemic changes to better address needs and utilize funds more efficiently. The following recommendation is to enhance the efficiency of diversion funded across both City and County :

- **Hire a skilled facilitator** to lead cross-jurisdictional discussions between city and county stakeholders, thereby streamlining diversion funding and improving referral processes.

In hopes of moving the work forward as a part of the Task Force's work, members agreed to connect with local, trusted organization, Partners for Impact to explore implementing this facilitation. There was not capacity for the work to move beyond this step.

Status: Not yet implemented

1.3 Flexible Housing Subsidies: 30% AMI Units for Homeless System

Type of Recommendation: Short Term

Ensuring consistent access to affordable housing remains a critical concern. Some developers who received Affordable Housing Bond dollars committed contractually to designate 30% and below units for referral through the Homeless System. (For example, a development at Hardee Street has 13 units set aside for this purpose.) It is crucial to ensure that there is a system set in place as we see a growing population of people who need subsidized units. A clear, nimble, and proactive system for matching people to units is necessary so nonprofits can specifically pinpoint who will qualify for which units. In addition, some people may need more financial and/or case management support to qualify for and successfully maintain units. To address this, the following is recommended:

- Develop a transparent, accessible, and regularly updated list of units available for us by the homelessness system. The list should include eligibility requirements and application procedures.
- Additional units, including targeted state or tax credit-funded properties (e.g., at Cedar Trace), be considered to expand the pool of designated homes.
- The successful aspects of the CASA pilot referral system are scaled-up and standardized across willing landlords, thereby enhancing the streamlined application process connected to Coordinated Entry

Status: Not yet implemented

1.4 Expanding Medical Respite & Case Consultation Services

Type of Recommendation: Short Term

Medical respite is post-acute care for people experiencing homelessness who are too ill or frail to recover from illness or injury on the street or in shelter, but not sick enough to warrant hospital level care.

Medical respite is not a skilled nursing facility, nursing home, assisted living, behavioral health step-down, or supportive housing option but rather involves short-term residential placement that allows people the opportunity to rest, recover, and heal in a safe environment while accessing medical care and supportive services. There is a continuing need to provide safe, temporary environments for individuals too ill or unstable to recover on the street or in shelter settings. Expand services to unsheltered persons referred by Entry Point by

- **Enhancing comprehensive intake and care coordination** for around 40–60 unsheltered individuals annually, including medical-history collection, consent, primary and specialty provider linkage, bridge prescriptions, medication reviews, teaching, and pharmacy collaboration.
- **Asses and secure optimal housing disposition** (independent living, group home, or skilled nursing facilities), and conduct advance-care discussions for those who opt in.
- **Formalize data sharing protocols** with local healthcare providers to ensure timely coordination and continuity of care from intake to discharge.

Status: Not yet implemented

1.5 Temporary Day Shelter

A temporary day shelter addresses an immediate need and allows system stakeholders to test outcomes and utilization without more expensive upgrades required for a permanent day shelter. The recommendation for a temporary day shelter aims to provide a dignified space for unsheltered neighbors to safely be indoors and away from outdoor elements during daytime hours. It also increases overflow capacity during inclement weather. Importantly, a temporary day shelter would be a space for navigating daytime services including social services, mail, and identity documents. Opportunities to communicate with other homeless service providers and connect medically vulnerable neighbors with case consultation and respite care could be available as well. To set up temporary shelters, identifying underutilized or empty short-term spaces is essential. Previously, Durham had a temporary shelter led by Nehemiah Church while the downtown library was under construction.

Recommendation:

- **Release an RFP** for a temporary day shelter
- **Evaluate impact and effectiveness** of intervention to inform potential medium-term implementation of a permanent day shelter

Status: Not yet implemented

1.5 Piloting New Non Congregate Shelter Strategies

Durham is currently experiencing a significant rise in homelessness, particularly among families and individuals with complex needs, including mental health issues and substance use disorders. Many of these neighbors are living unsheltered outdoors or in vehicles for extended periods, often exceeding one year, which exacerbates their challenges and increases their vulnerability to harm. The goal of piloting new non-congregate shelter strategies is to diversify the options available beyond traditional congregate shelters to reduce barriers to accessing shelter. This recommendation offers several options that prove immediate, safe and dignified alternatives through the implementation of temporary living spaces. More in depth background on each of these recommendations is available in Appendix A.

Recommendation 1: Safe Sleeping Area with Supportive Programs

Some cities offer safe sleeping programs that provide a legal space for people to sleep in tents as an alternative to traditional congregate shelters. San Diego⁷ offers two sites that accommodate individuals, couples, and households. A growing number of communities also use safe parking programs to provide a safe, fixed location for people to park vehicles overnight in a locally sanctioned space. These sites remove the risk of citations and fines associated with illegal parking, provide safety and security, increase connections to services, decrease interactions with law enforcement, and build community and trust. Santa Barbara⁸, one of the earliest known safe parking program sites, manages 200 spaces in 31 parking lots throughout the city.

Type of Recommendation: Short Term

Status: Not yet implemented

Recommendation 2: Pallet Villages

Pallet shelters offer rapid, dignified individual, couple or family shelters for people experiencing homelessness. The pallet village model stands out for several reasons. Each unit can be assembled in under an hour and does not require permanent foundations; they have a lifespan of 15-20 years and are equipped with security features; they include climate control with heating and air conditioning; and the design acknowledges the importance of personal space and autonomy. Greensboro, NC⁹ is one of over 150 communities utilizing this strategy.

Type of Recommendation: Medium Term

Status: Not yet implemented

Recommendation 3: Stabilization Centers

For people who are unsheltered, experiencing mental illness or co-occurring disorders, and/or are highly familiar with public safety or the criminal justice system, a non-congregate shelter (like pallet villages) provides several benefits that aid in stabilization. These sites would aim at immediate stabilization of these neighbors through high touch supportive services. Stabilization sites seek to reduce chronic unsheltered homelessness by establishing a safe temporary living environment, promote recovery and self-sufficiency by ensuring access to essential health and support services without barriers, and enhance public safety and community health. Originally, money for Stabilization Grants¹⁰ came from the American Rescue Plan Act of 2021 (ARPA), a federal response to the COVID-19 pandemic. This funding ended June 30, 2024, and the North Carolina General Assembly continued a reduced rate through December 2024. The North Carolina Emergency Solutions Grant Office¹¹ is a grant funder for local government entities and non-profit organizations located across the state. The State of North Carolina receives an annual Emergency Solutions Grant Program (ESG) grant award from the U.S. Department of Housing and Urban Development. The State subsequently allocates these funds to qualified local governments and non-profit organizations which provide assistance, shelter or services to the homeless or those individuals or families at risk of becoming homeless.

Type of Recommendation: Long Term

Status: Not yet implemented

Supportive Services Subcommittee

Overview

The Supportive Services Subcommittee noticed that in Durham, the problem is not a lack of supportive services or providers but rather barriers to accessing the appropriate services in an efficient, logical, and timely manner.

They looked at the question “What are the barriers that keep folks in our community on the financial margins from accessing supportive services they need to obtain or maintain safe and stable housing?” When answering this question, the group found 4 points of friction: a lack of centralized information hub for citizens and providers, barriers to collaboration between organizations and providers, a lack of clarity on governmental role, and recognizing that some service gaps still exist.

Reports and Recommendations

#	Recommendation	Type	Implementors	Status
2.1	Increase funding for new CE contract and increase funding to create resource coordinator position	Short	City of Durham Community of Safety Dept. Durham County Durham Social Services Dept. of Public Health Community Alliance Local Health/Mental Health Institutions	In Progress
2.2	Empower CE to create/manage a dynamic and comprehensive and accessible Durham resource guide.	Medium		Not yet implemented
2.3	Resource CE to serve as a hub, convener, information/resource guide manager for full systems of unsheltered and housing vulnerable Durhamites	Long		Not yet implemented
2.4	Begin quarterly gatherings focused on networking	Short		Not yet implemented
2.5	Refresh and expand the Durham County Sequential Intercept Map	Medium		Not yet implemented

Reports and Recommendations

#	Recommendation	Type	Implementors	Status
2.6	Advocate, educate, and incentivize providers to utilize a shared platform	Medium	Housing Nonprofits Supportive Communities (faith, mutual aid, civic etc.) engaged in ongoing Housing Stability financial assistance	Not yet implemented
2.7	Develop policies to ensure transparency around funding availability, sourcing, and decision making	Medium		Not yet implemented
2.8	Leverage local funding and support to ensure collaborative projects designed with best practices	Long		Not yet implemented
2.9	Pick a strategy and continue with a plan for daytime and supportive services delivery	Long		Not yet implemented

Lack of Centralized Information/Resource Hub

Different divisions of government service providers, nonprofits, and faith-based providers use a range of case management databases. While clients' needs may vary and necessitate use of different databases for different services, every provider uses a different database without visibility among or across providers. This landscape makes it hard to provide comprehensive services. In determining the most appropriate organizational placement for bridging information gaps, the subcommittee determined it was most logical to situate this function within the Coordinated Entry System. Coordinated Entry (CE) serves as the gateway to Durham's homelessness response network and often constitutes an individual's first or second point of contact with the system, thereby providing a strategic advantage for it to operate as the central information hub for all stakeholders. Alternative hosts could include the Homeless Services Advisory Council (HSAC), the Continuum of Care (CoC), the City of Durham's Community Development Department, the Department of Social Services (DSS), or nonprofit providers such as Urban Ministries of Durham or Housing for New Hope. Each carry distinct challenges related to capacity constraints, potential conflicts of interest, and risks of mission drift. The following recommendations are proposed to establish and maintain a truly centralized information repository:

Short term Recommendations

2.1 Increased funding for new Coordinated Entry System contract including increased funding for diversion and one-time assistance. As well as funding increase to create a resource coordinator position to serve as a community information conduit and expert for both residents in need for providers.

***The short term recommendation is endorsed by the Pre-housing Shelter Subcommittee; the following medium-term and long-term recommendations do not align.*

Status: In Progress

Medium term Recommendations

2.2 Empower CE to create/manage a dynamic and comprehensive and accessible Durham resource guide.

- *Resource guide should be comprehensive, accessible, and regularly updated and maintained.*

Status: Not yet implemented

Long term Recommendations

2.3 Resource CE appropriately to serve as hub, convener, information/resource guide manager for full systems of unsheltered and housing vulnerable Durhamites and set up appropriate oversight body

Status: Not yet implemented

Barriers to Collaboration Amongst Providers

During a recent audit conducted by the Supportive Services group, each member submitted their personal roster of required meetings, thereby exposing the fragmented nature of the current communication framework. Durham's homelessness response system is supported by at least five distinct housing committees convened by various governmental entities. Although these bodies are nominally diverse, their agendas frequently overlap, resulting in repetitive discussions across multiple venues.

Compounding this inefficiency is the way funding decisions are made. The lack of clarity has undermined trust among partner organizations and contributed to elevated employee turnover. Enhancing transparency in both meeting coordination and resource allocation is therefore imperative. The following recommendations outline strategies to remove operational barriers, streamline communication, and foster greater transparency across providers and agencies:

Short term Recommendations

2.4 Begin quarterly gatherings focused primarily on networking; could be provider led but a government facilitator is encouraged.

Schedule proposal includes Q1: block grant information; Q2: local government funding opportunities; Q3: foundation partner opportunities; Q4: corporate funding partners

Status: Not yet implemented

Medium term Recommendations

2.5 Refresh and expand the Durham County Sequential Intercept Map, focusing on housing vulnerable and unhoused citizens .

Status: Not yet implemented

2.6 Advocate, educate, and incentivize providers to utilize a shared platform.

- *Unite Us and NCCares360 platforms are current examples of platforms used in our community.*

Status: Not yet implemented

Understanding What is the Government's Role

An evaluation of daytime service provisions in Durham underscores an unmet demand for expanded supports. Potential service models under review include a dedicated day center, respite “pre-living” accommodations, pallet villages, and additional complementary initiatives. The subcommittee was charged with defining how these services should be structured and delivered to best serve Durham’s population.

There is also a limited understanding of the processes by which public funds are allocated and disbursed. Improving transparency in funding mechanisms will be critical to building trust and facilitating more effective stakeholder communication. Although no immediate recommendations are offered at this time, the following long-term strategies will help clarify the government’s role in the delivery of supportive services:

Medium term Recommendations

2.7 Develop policies to ensure transparency around funding availability, sourcing, and decision making on local level.

Status: Not yet implemented

2.8 Leverage local funding and support to ensure collaborative projects designed with best practices

Status: Not yet implemented

Long term Recommendations

2.9 Pick a strategy and continue with a plan for daytime supportive services delivery.

Status: Not yet implemented

Additional Items

- Discussed *briefly in subcommittee requiring more in depth facilitated conversation*

Lack of Centralized Information or a Resource Hub

- Liberate DSS funds from being tied to housing that includes a lease. This would allow support to flow to people who are getting into places like Oxford houses, Just a Clean House, etc.
- As part of the resource guide or app recommendation, design a real time waitlist feature
- Providing culturally humble resources for Latinos
- Creating culturally competent outreach, support, and materials including bilingual case managers and volunteers

Barriers to collaboration

- Placing case managers and peer support specialists in both CE and jail reentry services to streamline pathways to housing

Understanding what is the role of the government?

- Leveraging influence of elected and government staff to coordinate the local communities (houses of worship, civic orgs, etc.) around services that could happen without public funds. Examples include volunteers providing transportation and donating items like old phones and food cards.
- Providing safe housing shelters for LGBTQ+ individuals
- Identify/Increase Permanent Supportive Housing Stock
- Increasing Emergency Shelter Beds
- Providing clinical beds for folks in mental health crisis
- Background friendly permanent housing

Subsidy Gap Subcommittee

Overview

The cost of building affordable housing is similar to market-rate housing, but the ability of low-income households to pay for that housing is lower. This creates a financing 'gap' for affordable housing that has only grown in recent years due to rising land costs, higher construction costs and rising interest rates. In addition, lengthy entitlement and City/County review processes, longer wait time for inspections and inconsistency in rule of interpretation add cost and create uncertainty in affordable housing development.

The only way to bridge the financing gap in affordable housing development is with some form of subsidy. The Subsidy Gap Financing Subcommittee was specifically charged with identifying ways to close the subsidy gap for the development and preservation of housing serving households with incomes between 30% and 80% of Area Median Income, or AMI. Area Median Income, AMI, is the common standard for determining eligibility for affordable housing programs. Households with incomes between 30 - 80% AMI are very low to low-income.

The subcommittee identified three forms of subsidy that impact affordable housing development and preservation: process improvements, non-monetary support and monetary subsidy. The subcommittee focused strictly on potential sources of subsidy and did not address how the subsidy should be used (e.g. homeownership vs. rental, new construction vs. rehabilitation etc.).

Reports and Recommendations

**Recommendations predate the city's reorganization of the development review process*

Subsidy Gap Subcommittee				
#	Recommendation	Type	Implementors	Status
3.1	Fast-track city review for affordable housing projects	Short	City of Durham Housing and Neighborhood Services Durham City Manager's Office City/County Planning and Development Durham County Durham County Manager's Office Durham Public Schools	In Progress
3.2	Create a City affordable housing navigator	Short		Not yet Implemented
3.3	Create a County homelessness & housing coordinator	Short		Not yet Implemented
3.4	Flag affordable projects in City development tracking	Short		Not yet Implemented
3.5	Streamline City/County review processes	Medium		In Progress
3.6	Enhance oversight of developer proffers	Medium		Not yet Implemented

3.7	Prioritize public land for affordable housing	Short	Community Affordable Housing Developers Faith Organizers Philanthropic and Private Funders	In Progress
3.8	Engage faith communities in affordable housing	Medium		Not yet Implemented
3.9	Expand land use incentives for affordable housing	Medium		In Progress
3.10	Create new leveraged financing tools	Short/ Medium		In Progress
3.11	Pursue a new city/county Affordable Housing Bond	Medium		Not yet Implemented
3.12	Pursue alternative infrastructure financing options	Medium		Not yet Implemented
3.13	Advocate for greater state support for affordable housing	Long		Not yet Implemented

3.1 Fast-Track City Review for Affordable Housing Projects

Type of Recommendation: Short Term

City processes for entitlements, plan review, permitting and inspections can add cost and increase uncertainty for affordable housing development. In addition, the time associated with City review can limit the parcels on which affordable housing can be developed. Projects that utilize 9% Low Income Housing Tax Credits (LIHTC) – one of the key financing tools for affordable rental housing - have specific completion deadlines that do not allow sufficient time for a parcel to be rezoned in Durham. This means that 9% LIHTC projects can currently only be built on parcels that are already appropriately zoned, because affordable housing developers can't afford to incur the cost of entitlements until they know they have secured tax credits.

Prioritizing and expediting affordable housing projects in the entitlement process, plan review, permitting and inspections would reduce costs for projects and make it easier for developers to use tools like the 9% LIHTC. The City of Durham has already made progress towards prioritizing the review of affordable housing at some parts of the review process (e.g. site plan review). The goal of this recommendation is to ensure that affordable housing projects are prioritized across every part of the entitlement, plan review, permitting and inspections process.

Status: In Progress

3.2 Create a City Affordable Housing Navigator

Type of Recommendation: Short Term

Development review involves city staff from multiple teams and different city departments. The role of the proposed navigator would be to monitor affordable projects through the review process and ensure that expedited timelines are being met. For this role to be effective, the navigator will need to have a degree of authority/influence over all of the teams involved in development review.

Status: Not yet implemented

3.3 Create a County Homelessness and Affordable Housing Coordinator

Type of Recommendation: Short Term

Although affordable housing is not seen as a county function, there are in fact many ways that Durham County touches affordable housing. For example, Durham County is a key player in the homeless system, a source of emergency housing funding, a provider of services funding that can be coordinated with housing, a manager of property tax relief programs, and the owner of land that can be used for affordable housing. Despite the importance of Durham County's role, there is no dedicated county staff person focused on affordable housing and homelessness. The subcommittee recommends that the County establish a dedicated staff position to coordinate the county response on housing and homelessness.

Status: Not yet implemented

3.4 Flag Affordable Projects in City Development Tracking

Type of Recommendation: Short Term

The city has a software system to track planning application, rezoning applications and permitting processes. There is no way to flag a project as an affordable housing project in a way that is easily visible to all users. The subcommittee recommends that City modify its current software to allow for affordable housing projects to be flagged and prioritized.

Status: Not yet implemented

3.5 Streamline City/County Review Process

Type of Recommendation: Medium Term

The saying 'time is money' is true for affordable housing development, and development in general. In recent years, the timeframes for City/County approval of rezonings, site plans and permitting have gotten longer. There are multiple factors impacting these time frames, including staffing shortages and an increase in the number of projects to be reviewed. The complexity of the process and the number of players involved is also part of the equation. The subcommittee recommends that the City assess current processes with the goal of streamlining the entitlement and plan review processes, reducing approval times, and increasing predictability. A key part of this effort would be to establish and enforce timeframes for plan review, permitting and inspections. A comprehensive reform would reduce the need for affordable housing 'work-arounds' such as the affordable housing navigators described in Recommendation 1.2.

In addition, the subcommittee flagged the need to increase consistency of rule interpretation across inspectors during the construction process. There is currently significant variability in interpretation among inspectors, which creates uncertainty and adds time (when reinspection is needed).

Status: In Progress

3.6 Enhance Oversight of Developer Proffers

Type of Recommendation: Medium Term

The City of Durham is increasingly entering into agreements with private developers who have proffered affordable units as part of their application for rezoning. Each proffer is unique and has to be separately negotiated and memorialized. Given the growing volume of proffers, the subcommittee recommends establishing a central point of contract for developers who wish to proffer affordable units. This person would be well-versed in the types of proffers that the City was prepared to accept and would track the project through completion. In addition, there is a need to ensure that the City has sufficient staff capacity to monitor compliance with proffers during the agreed-upon affordability period. The City's Community Development Department has been charged with monitoring compliance and as the volume of proffers grows there may be a need to increase staff capacity on the compliance side as well.

Status: Not yet implemented

Non-Monetary Support

3.7 Prioritize Public Land for Affordable Housing

Type of Recommendation: Short Term

One way to provide subsidy without it actually being cash is to make public land available at no cost. This is something the City and the County are already doing, and the subcommittee wants to encourage them to continue doing this, and to encourage Durham Public Schools to get involved as well.

Status: In Progress

3.8 Engage faith communities in Affordable Housing

Type of Recommendation: Medium Term

The intent of this recommendation is to get churches more involved and more educated around housing. Some churches want to use their surplus land for affordable housing but lack the internal capacity to put a deal together. Since these will generally be one-off developments for the churches, it does not make sense for churches to build the internal capacity. The subcommittee recommends providing resources to help churches assess whether it makes sense to pursue housing development on their land and helping them identify potential nonprofit developer partners to work with. Two examples of potential strategies are Enterprise Community Partner's Washington DC Faith Based Initiative¹² and the work of the nonprofit Sympara¹³. These programs provide training and coaching to help faith organizations decide how to develop housing on their land.

Status: Not yet implemented

3.9 Expand Land Use Incentives for Affordable Housing

Type of Recommendation: Medium Term

The City of Durham and Durham County have actively pursued opportunities to create and enhance incentives for affordable housing development in the City/County zoning code, referred to as Unified Development Ordinance (UDO). The subcommittee encourages the City and County to continue and/or expand these incentives as part of the rewrite of the UDO that is underway.

Status: In Progress

Monetary Subsidy Support

3.10 Create New Leverage Financing Tools

Type of Recommendation: Short Term (DAHLF)/ Medium Term (new tools)

The City and County have a finite pool of money to address affordable housing challenges. One way to achieve a greater impact is to leverage City and County funds with capital from the private sector and foundations. The Durham Affordable Housing Loan Fund (DAHLF) is an example of such a leveraged fund. DAHLF combines \$2 million from the City with \$8 million raised from the private sector and philanthropy to make \$10 million in acquisition loan funds available to affordable housing developers.

The City and County should pursue opportunities to create or expand leveraged loan funds. For example, the initial \$10 million pool of capital at DAHLF has been fully deployed. An expansion of DAHLF from \$10 million to \$30 million would enable the fund to continue to provide acquisition funds for affordable housing developers. Durham also has the opportunity to look at other types of loan funds for affordable housing. For example, Charlotte created its Housing Opportunity Fund¹⁴ capitalized with a \$50 million city bond matched by an additional \$53 million from private and philanthropic sources to provide financing for a range of affordable housing projects.

Status: In Progress

3.11 Pursue a New City/County Affordable Housing Bond

Type of Recommendation: Medium Term

The City's 2019 Affordable Housing Bond had a tremendous impact on affordable housing development in Durham. This \$95 million bond helped make several large and transformative projects available, from the redevelopment of the Durham Housing Authority's 501 E. Main and Liberty Street development to the redevelopment of the Veterans of Foreign Wars site in Bragtown as a mixed-used development serving veterans and non-veterans alike. The bond also expanded funding for downpayment assistance, homeowner rehabilitation and homeless programs.

A new affordable housing bond would enable the City and County to continue the momentum begun in 2019 and provide much-needed resources to address the continuing need for affordable housing in our community.

Status: Not yet implemented

3.12 Pursue Alternative Infrastructure Financing Options

Type of Recommendation: Medium Term

Like many communities, Durham requires developers to contribute to or complete certain types of infrastructure improvements, such as sidewalk and road improvements, or wastewater system expansion. This strategy enables the local government to cover the cost of infrastructure improvements as they are needed. These required infrastructure improvements do, however, increase overall project cost, which is a particular challenge in the case of affordable housing development. Affordable housing developers have to raise subsidy to make deals work and since the City is a key subsidy provider, this means that at times grant and loan funds from the City are used to pay for infrastructure improvements required by the City. The subcommittee recommends that the City and County pursue alternative financing strategies for infrastructure improvements associated with affordable housing development, to mitigate the impact on the delivery of affordable housing.

Status: Not yet implemented

3.4 Advocate for Greater State support for Affordable Housing

Type of Recommendation: Long Term

Affordable housing is a national, state and local issue and comprehensive solutions will require national, state, local and community response. Just as the City and County of Durham have expanded their support for affordable housing, there is a need for the State of North Carolina to play a bigger role. The subcommittee recommends that the City and County partner with other urban cities and counties in North Carolina to advocate for state-level changes, including:

- Creation of a state housing department to consolidate housing programs
- Changes to the State's Low Income Housing Tax Credit program to address the needs of high-cost urban areas (such as higher project/developer caps, reduced parking requirements, more flexible design guidelines)
- Expansion of state funding for affordable housing such as the reintroduction of the state housing tax credit and creation of state affordable housing trust fund.

Status: Not yet implemented

Workforce Housing Subcommittee

Overview

The Workforce Housing Committee was convened to identify the barriers to delivering “workforce housing”, or homes targeted to households earning roughly 80–100 percent of area median income (AMI), who typically fall outside traditional affordable-housing programs. Its membership included city and county staff, first responders, teachers, healthcare workers, first-time homebuyers, and growing families in need of larger homes.

In its analysis, the committee pinpointed a range of challenges, led by the widening gap between housing costs and household incomes. Other obstacles it uncovered included a shortage of housing units at mid-market price points, down-payment and mortgage-qualification hurdles, rising interest rates and unfavorable financing terms, limited availability of developable land, regulatory and permitting constraints, construction cost pressures and contractor capacity limits.

Reports and Recommendations

#	Recommendation	Type	Implementors	Status
4.1	Streamlining housing development and access through re-writes to the UDO	Short	City of Durham Environmental & Street Services Transportation City/County Planning and Development Durham County Transportation Engineering & Environmental Services County Public Works Department State Agencies Community Local Housing Nonprofits	In Progress
4.2	Re-examine regulatory agency capacity and current zoning policies that hinder providing more housing in a timely manner in appropriate locations, pre-approved building plans	Medium		Not yet implemented
4.3	Building institutional capacity for housing non-profits and their development partners	Medium		Not yet implemented
4.4	Strategic land use and infrastructure planning to enable sustainable, large-scale housing growth	Long		Not yet implemented
4.5	Assess Comprehensive Plan to potentially identify expanding areas for sensitive housing development	Long		Not yet implemented

4.1 Streamlining housing development and access through re-writes to the UDO

Type of Recommendation: Short Term

When looking at the short-term recommendations for the workforce group, one of the goals is to be able to re-examine some of the policies Durham currently has to help streamline things that do not need to go directly to city council or reflect in a change to the current housing ordinance.

The following recommendations are short-term steps to re-examine and streamline Durham policies:

- Assisting first-time homebuyers
- Reduce permitting timeline by 50%
- Allow more by-right housing without rezoning
- Ensure consistency in plan-review comments
- Allow subdivision plats to be submitted and reviewed concurrently with construction plans
- Impose limitation on merchant housing buyers
- Incentivize construction of ADUs through pre-approval of standard plans, allowing an easier process to connect water and sewer service of an ADU to the primary dwelling rather than new (and expensive) connections to the street, and even a low interest revolving loan program.

Status: In Progress

4.2 Re-examine regulatory agency capacity and current zoning policies that hinder providing more housing in a timely manner in appropriate locations, pre-approved building plans

Type of Recommendation: Medium Term

4.3 Building institutional capacity for housing non-profits and their development partners

Type of Recommendation: Medium Term

Medium-term recommendations look at ideas that are currently being proposed now that can be implemented in the future. There is a good amount of input from all over the community especially as the City of Durham is currently redoing the zoning ordinance. Examples include more by-right zoning without the need of going to city council, streamlining approval processes, and reexamining things like mass grading, tree coverage, and more.

The following recommendations are medium-term steps to look at current proposals in Durham:

- Add staffing to planning, Public Works, NCDOT
- Enable a development ombudsman
- Pre-approved infill building plans
- Re-examine ordinance requirements that limit lot area or density
- Assist affordable-housing nonprofits in increasing capacity
- Launch skilled-trades training, recruitment, and small-business incentives

Status: Not yet implemented

4.4 Strategic land use and infrastructure planning to enable sustainable, large-scale housing growth

Type of Recommendation: Long Term

4.5 Assess Comprehensive Plan to potentially identify expanding areas for sensitive housing development

Type of Recommendation: Long Term

Long-term goals would be to take another look at the comprehensive plan and future areas of growth for Durham. The last comprehensive plan occurred in 2005 and the most recent in 2023. Hopefully without having to wait another 18 years, the city can come together in 5 years to complete an update and/or evaluation of the comprehensive plan to focus on efficiencies and providing pathways for building housing to be less costly.

The following recommendations are necessary in looking into the comprehensive plan in Durham:

- Increase supply of developable land; Land acquisitions, rezonings, and site preparation span 5+ years
- Proactive planning and investment in public infrastructure (major capital projects like pump stations, water upgrades, street work require multi-year planning and construction)
- Allow higher by right densities where public water and sewer are available or nearby

Status: Not yet implemented

Land Use Subcommittee

Overview

The Land Use Subcommittee worked together to understand how we can use Durham's land use process to generate more affordable housing without solely relying on city investment.

The following recommendations combine anecdotal and experiential insights from staff and developers. The lived experiences provide valuable guidance on barriers and opportunities. Durham faces significant staffing and procedural constraints that slow down even fully entitled housing projects. Streamlining these steps could reduce risk, time, and cost for both market rate and affordable developers, ultimately benefiting every developer in the city and future Durham residents.

Reports and Recommendations

Land Use Subcommittee				
#	Recommendation	Type	Implementors	Status
5.1	Expedite the Development Review Process	Short	City of Durham Transportation City/County Planning and Development Durham County Community Affordable Housing Developers	Not yet implemented
5.2	Strengthen Durham's Density Bonus	Short		Not yet implemented
5.3	Improve Affordable Housing and Local Transit Together	Medium		Not yet implemented
5.4	Expanding Accessory Dwelling Units	Medium		Not yet implemented

5.1 Expedite the Development Review Process

Type of Recommendation: Short Term

There is a public benefit to making sure that developments which meet UDO requirements, particularly (but not limited to) those that include affordable housing, are built as quickly as possible. Currently, the soonest that any Durham project that requires a rezoning can be built is ~four (4) years from concept to completion. One (1) year for a rezoning process, eighteen (18) months for site planning and permitting and another eighteen (18) months for construction. Any opportunity to shorten this time frame is worth exploring.

That being said, enhancements to the development review process need to be sufficiently comprehensive and informed by the realities of Durham's staffing/budget needs and North Carolina state law. The following action is recommended to improve the review process.

- The city to hire a third-party consultant from outside of the Durham community familiar with national best practices and applicable NC laws and regulations to study the City's current process for reviewing, approving, permitting, and inspecting development projects and provide the City with specific, comprehensive recommendations to compress approval timelines.

Status: Not Yet Implemented

5.2 Strengthen Durham's Density Bonus

Type of Recommendation: Short Term

To answer the question, "Can we use land policy to get more affordable housing built," the answer is absolutely yes. But before discussing a land use strategy to generate affordable housing without public investment, it's necessary to agree to a few shared truths and ground rules about the private development process.

- Affordable housing is not financially feasible without subsidy. New development must generate a return that at least equals the cost of land and construction. In Durham, if projects pay full market costs for both affordable rents or sale prices do not produce sufficient returns. Subsidy, usually in the form of City gap funding, reduces costs enough to make projects feasible.

- The City cannot control construction costs, but it can influence land costs. Land values are based on entitlements. As a simple example, a parcel with approvals to build 8 market rate townhomes would be worth roughly twice as much as the same parcel approved instead for 4 market rate townhomes. And taking that example a step further; a parcel with approvals to build 4 market rate townhomes and a requirement to build 1 affordable townhome is worth less than if the same parcel was entitled for 4 market rate townhomes with no affordability requirement. Most development projects in the City require a rezoning and therefore Durham does have meaningful influence over how land is valued.
- Nearly every rezoning that ends up before Council starts with a competitive bidding process to purchase the land. The landowner hires a broker and multiple developers bid for the right to develop the site. Developers guess what type of rezoning the City might allow (how much density, what type of housing product, how many affordable units) and then bid the most amount of money they think the project can afford subject to these assumptions. The most aggressive developer who bids the most for the site (and leaves themselves the least amount of room to make concessions to the City for items like affordability during the rezoning process) wins the opportunity to attempt to develop the project.
- Rezoning in Durham are long, complex and expensive undertakings. Developers often spend hundreds of thousands of dollars over the course of a year plus to get to City Council for a vote on a rezoning. Sites that don't successfully get rezoned means the developer loses money and the seller doesn't get to sell their site. Both developers and land sellers are motivated to avoid a rezoning process if possible.
- The biggest beneficiaries from Durham's current development process aren't developers. Instead, it's real estate owners across the City. For owners willing to sell land, the lack of clarity on rezoning outcomes leads to developers overbidding for their parcels. For owners that aren't sellers, the supply deficit continues to push prices and valuations higher and higher. Durham County's revaluation earlier this year indicates that real estate values have nearly doubled since 2019.

In the current Durham development status quo, affordable housing is built in one of two ways. Either the project is 100% affordable and receives subsidy from the City to make its numbers work or the development makes affordable housing proffers during the rezoning process for an otherwise market rate housing development. Although Durham does have a density bonus, it has seen very limited use because most projects that would ever consider using it need to secure a rezoning regardless. The challenge for the City is that few of the proffered affordable units provided come with a timing requirement for their delivery and to date very few have been constructed. Market rate housing developers are paying so much money to purchase the land for their projects that it makes it financially infeasible to commit to robust affordability proffers with the teeth necessary to make sure they get built.

Our general proposal here is to reshape the development process in Durham to create more affordable housing by subsidizing projects with lower real estate purchase prices instead of subsidizing projects with City investment. We recommend the City strengthen the density bonus so that developers building 100% residential projects don't need to secure a rezoning to proceed. Conceptually, this increase in the power of the density bonus would have to be sufficient to enable developers to build townhouses and multifamily apartments on all land currently zoned City-wide for lower density, single family housing. In return for allowing projects to skip a rezoning process and proceed directly to site planning, every project using the new/improved density bonus would need to commit to building a clearly defined minimum percentage of the units (say 5-10%) at affordable rents/prices with a timing mechanism that guarantees they get built, and deed restrict the units for affordability for a minimum of 30 years.

Our proposal is an attempt to shift the subsidy necessary to guarantee the construction of affordable housing from the City (which only has a finite amount of gap funding resources) and market rate residential developers (who are subject to the financial realities described above) to land sellers who can afford to sell vacant land sites for lower prices. If this new density bonus was instituted, developers would be bidding against one another for land subject to the affordable requirements of the density bonus. As an example, if 40 units of affordable housing required by the density bonus within a much larger market rate residential project necessitated ~\$2M of subsidy to be built, that would need to come out of the sale price of the land because no developer could bid to purchase the land at a price that didn't contemplate the affordable requirement. The result would be projects proceeding that know they have room for the cost of affordable housing in their proforma from the day they begin, vs. guessing what the requirement/costs might be in the future and inevitably finding out they're coming up short. A reprogrammed affordable density bonus like the one described above would give developers the leverage they need up front to acquire land at the lower purchase prices necessary to actually deliver affordable housing in their projects. Landowners who wish to sell their land at higher prices and want to gamble on using the rezoning process to dodge meaningful affordable housing proffers are always welcome to come before Council and plead their case.

We recognize this is an uncomfortable proposal for Council to consider as would involve significantly decreasing the input Council currently has into every detail of most residential projects proposed City-wide by significantly decreasing the number of rezonings. But despite sincere best efforts over many years from Durham Electeds and City Staff the housing gap continues to widen and there simply isn't enough bonding capacity for the City to gap fund the tens of thousands of affordable housing units needed locally.

Existing real estate owners have gotten significantly wealthier while increasingly larger percentages of existing Durham residents can no longer afford to live in the City. Something has to change, and we believe using an enhanced density bonus to trade guaranteed affordable units for avoiding rezonings is a bold, progressive proposal that can actually get affordable units on the ground without City subsidy.

Status: Not Yet Implemented

5.3 Improve Affordable Housing and Local Transit together

Type of Recommendation: Medium Term

Access to frequent, reliable transit services can enable Durham households to reduce or eliminate the costs of vehicle ownership such as insurance, gas, repairs, taxes and fees, estimated at more than \$4K annually in North Carolina (NC), before any loan or lease payments. The GoDurham transit system suffers from crowding rates 50% higher than peers in NC, with riders regularly forced to stand for long journeys. Crowding is not only uncomfortable for riders but also degrades on-time performance as boardings and exits at each stop require more time for a full bus. The 1/2-Cent sales tax for transit in Durham County is supporting service increases through 2028 to alleviate crowding, however, service increases implemented to date have resulted in higher ridership, so crowding levels have not fallen. Growth in housing supply along transit routes will increase demand for transit services. The following action is recommended:

- Durham should set standards for crowding and ensure that transit planning efforts identify the resources needed to meet those standards.

Status: Not Yet Implemented

2.2 Expanding Accessory Dwelling Units (ADUs)

Type of Recommendation: Medium Term

Accessory dwelling units represent another tool in Durham's kit to address affordable housing shortages. Our general recommendation is for Planning Staff to study the following proposals that we've solicited from local Durham ADU developers.

- Consider allowing up to 4 units on residential lot in urban tier
 - Could be triplex + ADU, duplex + duplex ADU, single family home + triplex ADU
- Consider water and sewer tap fee rebates if the units themselves meet the City's definition of affordable housing
- Consider the possibility of reducing flag lot widths or allowing zero-frontage lots with shared access and utility agreements
- Have pre-approved ADU plans and small lot plans and fast track permitting (already implemented in Raleigh)
- Consider allowing ADUs on Commercial Lots

Status: Not Yet Implemented

Tenant Subsidy Subcommittee

Overview

The Tenant Subsidy subcommittee convened with more limited capacity compared to other working groups. A thorough examination of North Carolina's statutory framework for rental assistance is warranted to inform future policy development. This area of recommendations is most challenging because of the limit of tenant rights controlled at the state level.

Tenant-Based Rental Assistance (TBRA)

Tenant-Based Rental Assistance provides flexible subsidies that accompany eligible households into the private rental market. Key characteristics include:

- Participants select housing units and execute individual leases with property owners.
- Subsidy levels adjust according to household income, unit type, and local rent standards.
- Recipients or sub recipients may impose residency requirements such as initial placement in designated facilities or specified geographic zones to facilitate service delivery.

The most prevalent TBRA model covers the difference between what a household can afford and the community's rent standard.

Reports and Recommendations

Tenant Subsidy Housing				
6.1	Dispute Resolutions	Short	City of Durham Community of Safety Housing and Neighborhoods	In Progress
6.2	Flexible Subsidy Pool	Medium	Durham County Durham Social Services	Not yet implemented

6.1 Dispute Resolutions

Type of Recommendation: Short Term

In the aftermath of *City of Grants Pass v. Johnson*, eviction consequences for at-risk tenants have intensified, creating an urgent need for alternative dispute resolution. Mediation emerges as a critical tool to prevent evictions and outcomes that harm tenants, landlords, courts, and public health alike.

HousingShield Program Design

HousingShield integrates mediation into lease agreements through:

- Pre-Dispute Mediation Clauses
 - Lease riders require parties to mediate before filing eviction
 - Proactive education ensures stakeholders understand both process and value
- Ombuds-to-Mediation Continuum
 - Initial confidential conflict coaching by a neutral ombudsperson
 - Formal mediation if escalation is needed
- Data-Driven Cost Calculations
 - Utilizes eviction data (Princeton Eviction Lab; Texas Housers)
 - Quantifies eviction's financial impact (25–50% loss of annual rental revenue)
- Subscription-Based Funding
 - Annual fees shared by landlords and tenants preserve neutrality
 - Keeps a vetted panel of mediators available

As evictions are prevented and other disputes are resolved, the program works to quantify the value added, both in terms of soft metrics (e.g. increased morale) and hard metrics (e.g. financial savings), to ultimately demonstrate that promises made were indeed fulfilled, securing subscription renewal and program sustainability—a lot like organizational ombuds do with annual reports.

Legal Aid of North Carolina is in process of implementing a mediation program, per current funding through the City of Durham. Durham Social Services is often the first point of contact for many who need rental assistance. Understanding pain points for landlords, within DSS and Legal Aid regarding mediation will be essential to getting pre-filing mediation up and rolling more robustly. It is also essential for mediation to be managed by an entity that is fully neutral in the eviction process.

Status: In Progress

6.1 Flexible Subsidy Pool (FHSP)

Type of Recommendation: Medium Term

Flexible Housing Subsidy Pools represent an emerging, system-level strategy designed to streamline housing placements for individuals experiencing homelessness by:

- Pooling public and private funding streams into a single entity.
- Integrating financial assistance for rent with coordinated supportive services.
- Developing eligibility criteria in collaboration with Black, Indigenous, and people of color (BIPOC) and individuals with lived homelessness experience.
- Eliminating redundant waitlists and disparate application processes across multiple programs.

Steps and Recommendations for Establishing an FHSP

- **Conduct a Needs Analysis**
 - Perform a comprehensive assessment with housing providers to identify unmet service needs and aligned funding sources and co create solutions with community representatives
- **Recruit a Champion**
 - Identify one or more influential leaders (public or private sector) capable of convening partners and resources and leverage their political or financial capital.
- **Engage Funding Partners**
 - Secure contributions from philanthropic foundations, healthcare systems, and insurance entities.
 - Align public funding streams (local, state, and federal) toward core rental assistance, while private capital underwrites non-traditional supports (e.g., furniture, unit hold fees, landlord incentives).
- **Establish Financial Infrastructure and Inter-Organizational Agreements**
 - Formalize partnerships with the Continuum of Care (CoC) and Coordinated Entry (CE) processes, particularly when management responsibilities differ across entities.
 - Establish unit requirement metrics including regular inspections for habitability.
- **Recruit Property Owners and Develop a By-Name List**
 - Build a centralized database of available units matched against a prioritized list of participants to prevent unwanted competition.

- **Coordinate Housing Placements and Performance Management**

- Integrate FHSP prioritization into the local CE process, or maintain a parallel, well-coordinated track.
- Define eligibility criteria and service interventions to address varied participant needs.

The Hilton Foundation's seed funding for Los Angeles's FHSP offers critical insights such as initial philanthropic investment attracted public and private partners such as the Probation Department and L.A. Care, philanthropy funded program elements often overlooked by government budgets (e.g., client move-in costs, capacity building), and sustained private investments enabled scalable evaluation, oversight, and service enhancements.

Status: Not yet implemented

Community Trust Fund

Overview

Durham is experiencing mounting housing affordability challenges as population growth, rising construction costs and speculative land values push rents and home prices higher. A Housing Trust Fund (HTF) offers a dedicated and flexible financing tool to preserve and create affordable housing. Peer Cities and Counties across the U.S. have successfully implemented HTFs as standalone nonprofits with varying structures and funding streams. Durham should draw on these experiences to build a locally tailored model. An HTF offers the following advantages compared to affordable housing funding via traditional City and County channels:

- **Pooling Combined Resources and Perspectives**

- Currently, the City County and DPS each set their own priorities- whether gap funding, land donations, downpayment assistance or preservation projects- without a unified framework. This creates duplication, inefficiency and competition for limited resources. A combined HTF would allow Durham to establish shared priorities and ensure that dollars are deployed strategically rather than piecemeal. The presence of DPS is particularly critical: with a significant land portfolio and a direct stake in the stability of students and families, the school system brings unique assets and perspectives that can transform housing strategies into community wide outcomes.

- **Leverage Public and Private Capital**

- Durham has strong anchor institutions (particularly Duke as a philanthropic convener). An HTF creates a structured, transparent, tax deductible vehicle for philanthropic institutions and corporations to contribute alongside government. For every \$1 Durham contributes, well-designed HTF's in peer communities have leveraged between \$5 and \$10 in outside capital. A Durham HTF would be able to solicit private donations, foundation grants, CRA bank dollars or corporate contributions in ways that a City or County department cannot. This approach would not only expand resources but also distribute responsibility for affordable housing more broadly across the Community.

- **Flexible Deployment of Funds**

- A Durham HTF structured as an independent nonprofit would provide far greater flexibility in deploying affordable housing dollars compared to traditional City or County channels, which are bound by lengthy procurement rules, budget cycles and political approvals. By operating outside of municipal bureaucracy, the HTF could issue loans or grants on a rolling basis, customize terms to meet the unique needs of LIHTC developers, preservations buyers or supportive housing providers and respond quickly to opportunities such as land acquisition or naturally occurring affordable housing at risk of displacement. This nimbleness truly reduces red tape but also makes Durham a more competitive partner for developers and financial institutions, ensuring dollars are deployed faster and with greater impact in a rapidly changing housing market.

- **Funded Incubator for Affordable Housing Strategies**

- Because municipal dollars are usually tied to narrowly defined programs, federal pass-through requirements or bond covenants, they tend to favor tried and true approaches like LIHTC gap funding and standard subsidy structures. An HTF, by contrast, can set aside a portion of its capital for pilot programs, new financing models and smaller scale initiatives that might not yet fit with the City or County's formal budget categories. For example, the fund could launch a preservation acquisition pool to move quickly on at risk naturally occurring affordable housing, seed an HTF-supported affordable home building arm that could partner with market rate developers for the purpose of building true mixed income for-sale communities, or piloting publicly or quasi publicly owned social housing models widely used in Vienna and other European Cities on a trial scale.

Recommendation

Durham should move quickly to investigate the creation of an independent nonprofit Housing Trust Fund. The City, County, and DPS are currently operating in parallel, but a combined vehicle would eliminate duplication, align priorities, and maximize impact. An HTF would also unlock substantial private and philanthropic resources that are not available to municipal departments, while providing the flexibility to deploy funds efficiently and test new housing strategies. Given the scale of Durham's affordability challenges, traditional approaches alone are insufficient. A nonprofit HTF offers a proven, practical, and accountable structure to meet today's housing needs and prepare for tomorrow's demands.

Appendix A

Proposal to Increase and Diversify Shelter in Durham, NC

December 2024

Prepared by members of Durham Housing Taskforce's subcommittee on Pre-Shelter Housing

I. Overview

Purpose:

Durham is currently experiencing a significant rise in homelessness, particularly among families and individuals with complex needs, including mental health issues and substance use disorders. Many of these neighbors are living unsheltered outdoors or in vehicles for extended periods, often exceeding one year, which exacerbates their challenges and increases their vulnerability to harm. The existing infrastructure for homeless services is inadequate, with a notable shortage of supportive housing options. Current waitlists for supportive housing average one unit available per month, while traditional congregate shelters are often unsuitable for those with severe mental health challenges. This leaves many individuals with no choice but to sleep outdoors, which can result in interactions with law enforcement and increased rates of detention.

This project offers 3 options that provide an immediate, safe, and dignified alternative through the implementation of non-congregate shelters. We identified partners who are already serving Durham's unsheltered neighbors who would be prepared to advance them now. The options – pallet villages, safe sleeping and supportive parking programs, and stabilization centers – utilize cost-effective, evidenced based strategies employed by dozens of cities across the United States. These options prioritize individual safety by providing shelter in private accommodations rather than traditional shared facilities. The approach recognizes the importance of maintaining personal dignity and privacy, which can significantly impact the mental and emotional well-being of individuals seeking assistance and increase utilization of services by addressing barriers that often accompany congregate settings.

The proposal aims to:

1. Increase the supply of shelter.
2. Diversify the options available beyond the traditional congregate shelter to reduce barriers to accessing shelter for people.
3. Provide a place to sleep and protect one's possessions that is safer and offers greater dignity than sleeping outdoors while a person is waiting for appropriate housing to come available.

If all four options outlined in this proposal were advanced as outlined below, we estimate that it would enable Durham to shelter and support an additional 70 adults and 21 families above current capacity.

Needs:

We seek to address 3 major areas of unmet need among Durham's unsheltered population:

1. **Durham does not have enough shelter generally.** In recent months, Durham's primary congregate shelter option has been full. Over the past year, the waitlist for entering shelter has ranged between 40 to 120 single adults and 30 to 50+ families. Notably, this waitlist only represents a fraction of the Durham's unsheltered population because it only includes those people who have called into Entry Point and asked for shelter.

a. Durham shelter capacity has not kept up with the growing need. While Durham has experienced a rising number of people living unsheltered (up to 172 in the 2024 PIT Count compared to 81 in 2019), our shelter capacity is smaller today than it was six years ago (70% of its capacity in 2019).

2. **Durham has an extremely limited, insufficient supply of non-congregate shelter.**

Congregate shelters are designed to serve as a mass shelter where a large number of people can sleep in one space. While they are an essential part of a city's continuum of care, they are not appropriate or accessible for some of our most vulnerable neighbors, especially those experiencing severe persistent mental illness (SPMI) and/or actively using substances. The most recent Point in Time (PIT) Count noted that the number of people with severe mental illnesses and substance use disorders increased by 23% and 21%, respectively, since 2023.

Additionally, Durham shelters do not accommodate couples or people with pets who may be their only source of companionship.

a. In 2023, the Durham Community Safety Department conducted a survey of 47 neighbors who were living unsheltered in Durham to better understand potential barriers to accessing shelter. People cited the following barriers to accessing shelter, many of which point to the need for more non-congregate options.

- 57% cited having to enter at a certain time
- 38% cited not being able to stay during the day
- 19% cited their substance use
- 32% cited having to split up from their partner
- 13% cited having to leave their pet
- 34% cited safety concerns
- 40% cited the group setting of the shelter
- 36% cited concerns over their possessions being stolen

3. **While waiting for more stable shelter options, neighbors forced to live outdoors lack safety, stability, or protection from the elements.** As a result, some of the people most familiar to public safety are unsheltered neighbors who may have severe persistent mental illness and co-occurring disorders. The City of Durham's current strategic plan includes an initiative (2.11) that is focused on reducing public safety interactions with and improving outcomes for Durham familiar neighbors – a term used to refer to people who, often due to complex range of needs including mental illness, homelessness and substance use, continue to be the subject of public safety responses to 9-1-1 calls for service.

Strategies:

To advance these goals, we propose piloting the following strategies in Durham that can expand non-congregate shelter options for people experiencing homelessness:

1. **Pallet shelter site:** deploys quick to assemble, durable, moveable non-congregate units.
2. **Safe sleeping and supportive parking program:** offers a safer, legal space for people to sleep without formal shelter.
3. **High needs stabilization site:** offers a high-touch site with non-congregate units for neighbors highly familiar to public safety and experiencing severe mental health challenges.

We propose these shelter strategies to immediately increase safety and dignity in the face of a significant lack of supportive housing, while also affirming an unwavering support for the principles of Housing First. These strategies are not a substitute for housing and are not intended to meet the long-term housing needs of Durham neighbors who are currently unsheltered. These strategies reflect Durham's commitment to reducing the harmful effects of experiencing homelessness on all neighbors.

Critically, the strategies outlined above have been successfully deployed in cities across the country. The table below provides additional background on each strategy.

Table 1: Strategy background table

Strategy A: Pallet Shelters
<u>Pallet shelters</u> offer rapid, dignified individual, couple or family shelters for people experiencing homelessness. Over 150 communities across North America are utilizing this strategy, including in <u>Greensboro, NC</u>, where the Doorway Project provides 30, two-person units with bedding along with restroom and bath facilities. The Pallet Village model stands out due to its adaptability, cost-effectiveness, and rapid deployment potential: • Rapid Assembly and Minimal Infrastructure Requirements: Each unit can be assembled in under an hour without extensive groundwork, ensuring swift implementation. The units do not require permanent foundations, which facilitates easier relocation or scaling of the village as needed. • Durable, Secure Shelters: Designed for longevity, Pallet units have a lifespan of 15-20 years. They are equipped security features such as lockable doors, Low-E insulated windows, and pest-resistant materials, providing residents with a comfortable, safe, and hygienic living space. • Safe Space in All Seasons: Each Pallet unit includes climate control with heating and air conditioning. Privacy and Dignity: The design acknowledges the importance of personal space and autonomy. With private, lockable units, residents can enjoy a sense of dignity and security, contributing to their overall well-being and readiness to engage with recovery efforts.
Strategy B: Safe Sleeping & Supportive Parking Site
<i>Safe Sleeping</i> Some cities now offer safe sleeping programs that provide a legal space for people sleep in tents as an alternative to traditional congregate shelters. We know from experience that some neighbors feel more comfortable and safe sleeping outdoors and in tents instead of in enclosed buildings. <u>San Diego, CA</u> offers two such sites. One accommodates 133 tents and the other up to 400 tents. Both sites accommodate individuals, couples and households. In addition to a legal place to sleep in tents, both sites offer showers, meals, 24-hour security, restrooms, and housing navigation services. Those accessing the sites must be homeless as defined by HUD and be willing to self-certify so as part of the enrollment process; further, they must be at least 18 years of age, reside in San Diego, and acknowledge the Rules and Regulations. Walk-up enrollment is not allowed, and people can be referred by Street Outreach or Public Safety or by dialing 2-1-1. San Diego's sites allow pets, couples to stay together, personal belongings and for people enter and exit freely.

San Diego's sites do not allow on-site drug or alcohol use, violent behavior, or registered sex offenders.

Supportive Parking

A growing number of communities use safe parking programs to provide a safe, fixed location for people to park vehicles overnight in locally sanctioned spaces. These sites remove the risk of citation and fines associated with illegal parking, provide safety and security, increase connections to services, decrease interactions with law enforcement, and build community and trust.

One of the earliest known safe parking programs was in Santa Barbara in 2004. As of 2022, an estimated 30 programs exist—primarily across California and Washington state, with a few in Colorado, Minnesota, and Oregon. Santa Barbara's New Beginnings' Safe Parking Program currently manages 200 spaces in 31 parking lots throughout the city. Each of these lots has a written agreement with the provider who has indemnified them against any liability. Since the program's inception in 2004, there have been no major incidents or damage. The program provides safe overnight parking and requires those using the program to have a driver's license, vehicle registration and vehicle insurance to enroll. The program provides staffing support to help people transition into safer more stable housing environments. The program provides food and case management.

Typical features of safe parking programs include sanitation (portable or indoor toilets, handwashing, showering), food, Wi-Fi, childcare/tutoring, documentation services, counseling, financial help for housing or vehicular issues, and housing placement services.

The design of safe parking programs varies. They use a mix of city, county, state, nonprofit, faith-based, and private funding to offer resources like basic hygiene and connections to mainstream and housing resources. Programs also differ in the intended populations served (e.g., older Americans or families with children), restrictions for entrance (e.g., allowable vehicle type, background checks), level of on-site staffing (e.g., security and supportive services staff), physical capacity (number of spaces offered), and hours of operation (e.g., overnight only, 24/7).

Strategy C: High-needs Stabilization Site

For people who are unsheltered, experiencing mental illness or co-occurring disorders, and/or who are highly familiar with public safety or the criminal justice system, a non-congregate shelter like those provided by pallet, provide several benefits that aid in stabilization:

1. They provide privacy, security, and the dignity of personal space.
2. They provide a mailing address that jumpstarts familiar neighbors' ability to apply for benefits and housing.
3. They offer a consistent space in which a dedicated team could meet with the neighbor to develop trust and safety, health, and housing plans.
4. They allow neighbors to feel more comfortable with leaving personal items, pets, and other owned items for longer periods of time to engage in services or engage in treatment programs.
5. They offer a site at which mobile services could consistently come to engage with high-needs neighbors.

Stabilization sites seek to:

- **Reduce Chronic Unsheltered Homelessness:** Establish a safe and dignified temporary living environment for individuals who have been experiencing long-term unsheltered homelessness, especially those with co-occurring mental health and substance use disorders.
- **Promote Recovery and Self-Sufficiency:** Implement a model based on Housing First principles, ensuring access to essential health and support services without barriers related to sobriety or program participation. This will provide residents with the tools they need to stabilize, recover, and transition to permanent housing options.
- **Enhance Public Safety and Community Health:** By minimizing the frequent intersections of unsheltered neighbors with public safety services, this project will align with Durham's strategic objectives to improve outcomes for familiar neighbors while enhancing overall community health and safety.

I. Plan Details

Description of sites

We propose to pilot the four strategies described above at three different sites in Durham:

Site A (aligned with Strategy A) will support unsheltered families and young adults using pallet homes.

- We have seen a growing number of unsheltered families over the past year and currently have over 50 families on a waitlist to get into shelter. The family site would include at least 20 Pallet units large enough for families and one pallet unit as an office space for staff. This site does not include tents which may be less appropriate for children.
- This site would include three staff assigned to support the families. These staff members would include one social worker (or equivalent behavioral health licensure) and two peer support specialists (or equivalent). These three staff will have backgrounds particular to family and child services.
- The three staff members would work Monday through Friday, from 9am to 5pm. Responsibilities for these staff would include assisting with camp operations (e.g., checking in new residents, keeping supply inventory, etc.), maintaining cleanliness of site (e.g., picking up trash), and connecting people with larger housing continuum (e.g., Coordinated Entry). Additionally, the staff would support maintaining the safety of the site, which includes de-escalating neighbors, administering Narcan, and enforcing the site rules (see below).

Site B (aligned with Strategy B) will support adults, including single men, single women, and couples.

- This site would include up to 45 raised platforms for tents and a designated area for supportive parking.
- This site would include two staff assigned to support these neighbors. These staff members would include one social worker (or equivalent behavioral health licensure) and one peer support specialist.
- These two staff members would work Monday through Friday, from 9am to 5pm. Responsibilities for these staff would include assisting with camp operations (e.g., checking in new residents, keeping supply inventory, etc.), maintaining cleanliness of site (e.g., picking up trash), and connecting people with larger housing continuum (e.g., Coordinated Entry). Additionally, the staff would support maintaining the safety of the site, which includes de-escalating neighbors, administering Narcan, and enforcing the site rules (see below).

Site C (aligned with Strategy C) will support neighbors with especially high needs that are very familiar to our public safety systems.

- This site would aim at immediate stabilization of these neighbors through high-touch supportive services. This is an enormous gap in our current systems: there is no place for stabilization for those folks with severe and persistent mental health challenges. They should not be housed in jails, where their trauma is worsened. They often do not meet the criteria for involuntary commitment to be housed at a hospital. And they are not well enough to enter the homelessness services system through a standard shelter option.
- This site would include three staff assigned to support these high needs neighbors. These staff members would include one social worker (or equivalent behavioral health licensure) and two peer support specialists.

Locations

The subcommittee requests assistance from City and County staff to identify any potential land where the above pilots might be located. Strategies employed by other cities include repurposing parking lots or near-level open space. Based on general guidance, we recommend site A operate on a third acre, site B operate on two-thirds acre, and site C on less than a third acre.

The subcommittee has discussed multiple potential locations of interest but do not know if any of these are viable. Example of locations discussed include:

- A city-owned parcel of land near Durham Central Park at Hunt & Broadway (potential Site A).
- City-owned “paper streets” that are small, undeveloped parcels of land scattered across Durham (potential for Sites B, C)
- City or County owned parking lots or top of parking garages. The parking lot adjacent to old Police headquarters (any site).
- The land behind the new Police Headquarters (potential Site A).
- The old Northern High School location.
- The old Boys and Girls Club (County-owned; any site)

Any site would require some site prep work, which might include but is not limited to: preparing a professional site plan, leveling, building fences, and preparing electricity to run to each pallet. The subcommittee also request support from City or County staff in assessing sites for costs associated with prep, as well as for any zoning related issues. Additionally, most sites would likely involve community engagement with any surrounding residents and businesses to understand and mitigate possible concerns.

Site Features

We recommend the following features wherever possible for sites:

- **Essential Facilities:** Both sites will include portable restrooms and hygiene stations. Initially, partnerships with organizations such as Fresh Start will allow for portable shower facilities to be on site at least once per week. Future plans could include more permanent installations **depending on the pilot’s success and additional funding.**
- **Secure Storage Solutions:** Lockers will be installed for residents to securely store personal belongings and potentially hazardous items. This will mitigate safety risks and provide residents peace of mind.
- **Accessibility and Aesthetic Elements:** Thoughtful environmental design will guide the layout, including painted wooden fencing to create a welcoming atmosphere, communal spaces for social interaction, and defined pathways to promote safety and ease of movement. BMS has partnered with the NC State School of Design to assist with design plans for the site (an early rendering is included below).
- **Pet-Friendly Policies:** Recognizing that pets can be a vital source of companionship, where possible, we recommend that site feature separate areas for pets to roam, alongside provisions for secure pet accommodation.
- **24/7 Access and Stability:** Unlike traditional shelters, we also recommend the sites not require residents to vacate during the daytime or adhere to a curfew, allowing them to maintain stability and access necessary services without disruption. Length of stay guidelines may vary by site, but we recommend that all sites consider the length of time it can take people to stabilize and find appropriate housing. For that reason, a hard a fast time limit may not make sense.

III. Program Budget

A detailed budget has been included in the Appendix.

- We estimate the initial first, full year of this proposal, inclusive of one-time costs to procure infrastructure and prepare land, across all three sites would cost between \$1.5 - \$1.7 million.
- Recurring costs would decrease significantly in year two with infrastructure already purchased. We estimate recurring annual costs would range between \$630,00 to \$850,00.
- If there was support for advancing all three strategies outlined in this proposal this fiscal year; we estimate the total cost could be up \$1.2 million for FY2025.

IV. Implementation Timeline

While the proposed timeline below may seem aggressive, it is modest in comparison to a recent initiative in Denver, Co. Denver demonstrated that projects like the ones described above can move on an accelerated timetable of coming online over a couple of months (Denver created a pallet village housing 54 people in 45 days).

Project Phases and Key Milestones

Work already completed as part of this collaborative planning effort	
Phase 1 Jan - Aug '24	Neighbor Engagement and Problem Identification • Conduct survey of neighbors currently unsheltered in Durham to understand barriers to shelter • Conduct follow up focus groups to unpack survey results with neighbors and to identify potential solutions to address barriers
Phase 2 Aug '24 - Jan '25	Project Planning • Convene planning committee to include local homeless service providers, members of the Homeless Services Advisory Council (HSAC), and other City staff to explore possibility of creating a non-congregate shelter pilot. • Learn about other models across the country. • Review data to understand existing gaps. • Based on local needs and informed by national models, develop draft proposals.

Next Steps -- please note, this is a timeline for completing the most complex options outlined in this proposal. Some strategies could advance more quickly. In terms of length of time to launch, the sites listed in order from fastest to slowest to operationalize are: Site D, Site C, Site B, Site A.

Phase 3 Jan '25 - Mar '25	Share proposals with City/County leadership • Submit proposals to City, County and other relevant organization an potential funder for consideration • Refine porposals based on feedback and interest • Secure necessary funding to start pilot
Phase 4 Jan '25 - Mar '25	Site Selection • Work with City staff and other non-profit partners to select sites for the pilot. Sites should be within proximity to essential services, be relatively flat, be appropriately zoned, and provide access to emergency services as well as electrical services • Engage community members who reside or work near potential site to answers questions and build greater buy-in • Finalize site selection
Phase 5 Feb '25 - May '25	Site Preparation • Complete site assessment and finalize environmental design features • Complete site prep work, which might include but is not limited to leveling, building fences, preparing electricity to run to each pallet. • Acquire necessary permits and complete site preparations. • Pallet units delivered and assembled. • Install essential site features, including hygiene stations and communal spaces. • Inspections of sites.

Phase 6 Feb '25 - May '25	Operational Setup • If necessary, through RFP process, select local service provider to manage site. • Recruit, hire, and train staff with a focus on trauma-informed care and crisis management. • Set up administrative and operational policies and processes
Phase 7 June '25	Pilot Launch • All sites operational (again, some could open earlier than this)
Phase 8 June '25 - June '26	Learning, Iteration and Evaluation • Monitor and evaluate program outcomes and adjust operational strategies as needed to improve service delivery and resident satisfaction. • Provide regular reports to HSAC's Policy and Planning subcommittee as well as to any other departments or funders, per their request. • Provide a six-month report that could help inform future budget needs and decisions.

V. Pilot Evaluation

We present these options worthy of piloting in Durham based on the needs our community is experiencing and emerging evidence and examples from other communities. One of the benefits of these strategies is that while there are infrastructure investments, they are modest and could be deployed in other ways -- especially if local governments maintain ownership of the structures -- were any of the pilots described above found to be ineffective. A second benefit is that the kind of infrastructure called for in these pilots is movable, so if a particular site faces challenges due to location, sites could be relocated. Finally, if governments maintain ownership of the sites, they could decide to terminate an agreement to work with a particular organization and select a new partner through an RFP process to manage the site.

To assess the efficacy of these proposed pilots, we have outlined below some of the high-level outcomes and performance measures that can inform our understanding of what is working. Our aim in adding more non-congregate shelter options in Durham is achieve the following outcomes:

- Decrease the number of people who live unsheltered in Durham.
- Decrease the number of days someone lives unsheltered after expressing an interest in shelter and housing.
- Decrease the number interactions with public safety and times detained in jail.
- Increase the number of people who connect to and remain connected to important services and providers that can support medication, recovery, benefit enrollment, and housing navigation.
- Successfully transition people from non-congregate shelter to housing with appropriate supports.

We recommend that those managing the various sites track and report to HSAC's Policy and Planning Committee the following items, where applicable (a few of these may make more sense of certain sites):

- The number of people (including number of families) who stay at each site.
- Demographics and needs of those staying at each site.
- Where applicable, the length of time between first contact with a first responder or street outreach team and first stay.
- The length of time they have been known to be unsheltered in Durham.
- The barriers, if any, they experienced to accessing housing and traditional shelter.
- The length of stay at each site.
- The support services they received during their stay at the shelter.
- The reason for exit and where they exited to (e.g. into permanent housing, return to homelessness, with a family member, etc.).
- Number of public safety interactions, including times detained in jail, in the 6 months prior to staying at a site, during their stay at the site, and in the 6 months after leaving the site.

VI. Proposed Process for Moving Forward

This proposal was developed with input from numerous homeless service providers over the course of several months and nearly a dozen meetings. The sub-committee has discussed the tension between competitive processes that involve RFPs and being able to quickly respond to community need with appropriate urgency. There are tradeoffs involved in foregoing RFPs in favor of moving quickly, and vice versa with delaying responses to time sensitive needs impacting historically marginalized populations in favor of competition. Both of these approaches can center and respond to equity, but they place emphasis differently. The subcommittee looks for guidance and direction from City and County leaders as to whether the sense of urgency necessitates an expedited process.

We present one option for how to advance this work in an expedited manner that balances a sense of urgency with an opportunity for multiple agencies to submit proposals to manage sites. Under this option:

- The City/County would proceed as soon as possible with identifying land, procuring infrastructure, and preparing the sites.
- In parallel, while this work was occurring, the City/County would begin an RFP process, soliciting proposals from organizations to manage the site.

A process like this would accomplish both of the stated equity goals above.

VI. Next Steps

These proposals are presented for consideration. They have been developed by organizations and agencies actively serving Durham's unsheltered population. Were local governments interested in moving any of these forwards in coming months, we have listed a few questions where we seek guidance or support.

1. Is City or County leadership supportive of a joint public-private partnership that would include the following elements?
2. The proposal is funded by a combination of City and County funds with additional support from Health Partners, and local philanthropic foundations. The group has not confirmed that any partners are prepared to provide funding.
3. City/County identifies land where pilots can occur.
4. City/County purchases, owns, and maintains the infrastructure located on this land (to include pallets, tents, etc.).
5. City/County oversees some operational functions across all sites (for economy of scale); this might include managing a vendor who provides food across all sites.
6. City/County contract out with experienced non-profit homeless service providers to manage the sites. One additional option could be exploring whether Durham Community Safety Department could manage Site C since they are already engaging with the target population. DCSD staff have shared that managing such a micro site is currently outside the scope of their department, and that any expansion of scope would need approval from City leadership. If City/County leaders were interested in this option, DCSD's involvement could potentially reduce the amount of additional funding needed to support this pilot as they have 3 grant funded positions dedicated to familiar neighbors (3-year grant).
7. If leadership were interested in ways to expedite any of the pilots outlined above while maintaining an RFP process, one such option could be:
8. City/County could move forward with identifying land.
9. City/County could purchase infrastructure.
10. City/County could work on preparing the site.
11. While the above steps are occurring, the City/County could hold an RFP process for site managers.

Such an option depends on City/County support for (a) placing such a project on public land and (b) owning and maintain infrastructure.

1. Would the City/County be willing to assign staff with expertise who can assist in identifying and vetting locations, in considering land use and zoning issues, in issues pertaining to inspections and fire code, and in developing plans for site preparation?
2. It is our understanding the City of Greensboro received guidance from the State that their pallets could only be up for six months at a time. As result, they put their site up for six months per year, covering winter months. This has not dissuaded Greensboro from utilizing this strategy. Pallet villages are used by over 150 municipalities across the country, and to our knowledge, NC is the only state that has provided this guidance. South Carolina, for example, has a site that runs year-round in Columbia. It may be possible to engage the State on this topic. Sites A and C could still be viable strategies even if this limitation remained in place, but this is a topic where City/County staff could help us gain clarity.
3. As City/County leadership have interest, the group recommends continued conversations with Alliance Health.

APPENDIX: Expanded Shelter Proposal

Table 2: Overview of sites

Site	Eligibility	Duration of stay	Capacity	Staffing & hours	Key Infrastructure	Food
A: Family pallet village	Mirrors eligibility requirements of Families Moving Forward's current shelter.	Mirrors duration of stay of Families Moving Forward's current shelter. (30 days, renewable.)	Up to 21 families at a time	3 FTEs / 9 to 5 M-F	21 pallet shelters 3 hygiene stations	TBD
B: Adult safe sleeping	Unsheltered neighbors on waitlist or who prefer to sleep outdoors	Six months with option to extend	Up to 55 individuals* at a time	3 FTEs / 9 to 5 M-F	45 platforms / 45 tents / 5 port-a-pots	TBD
C: High needs stabilization center	Unsheltered neighbors with SPMI and history of interaction with public safety, identified through joint City-County Familiar Neighbors initiative.	Six months with option to extend	Up to 10 individuals at a time	3 FTEs / 9 to 5, 7-days-per-week	10 pallet shelters / 1 hygiene station / 1 port-a-pot	TBD

*Please note that while the site will have 45 platforms with 45 tents, up to 10 couples will be permitted for a total capacity of 55.

Table 3A: Draft Annual Budget, by site

Inclusive of infrastructure, staffing, and operational run-costs

	Infrastructure (one-time)	Staffing + Benefits (Annual)	Operational run costs	Site clearance** / preparation (one-time)	Insurance	Food	Year 1 Totals	Year 2 Recurring Annual costs (minus one-time)
A: Family pallet village	\$567,668	\$220,000	\$45,000	\$30,000	\$35,000	TBD	\$897,688	\$300,000
B: Adult Safe sleeping	\$27,000	\$220,000	\$25,000	\$20,000	\$30,000	TBD	\$322,000	\$275,000
C: High-needs stabilization center	\$270,318	\$0 - \$220,000*	\$25,000	\$20,000	\$30,000	TBD	\$345,318 - \$565,318	\$55,000 - \$275,000
Totals	\$865,006	\$660,000	\$80,000	\$70,000	\$95,000	TBD	\$1,565,006 - \$1,785,006	\$630,000 - \$850,000

*Cost for staffing Site C could decrease were it possible for HEART to staff this site using its familiar neighbors team that has grant funding for 3 years.

**These estimates could increase or decrease based on the actual site selected and the amount of work needed to be done to prepare the site. For example, sites with a significant slope or without any electricity would cost more.

Table 3B: Budget for FY25, by site (assumes mid-year adjustment) ****Inclusive of infrastructure, staffing for six months, and operational run-costs for six months*

	Infrastructure (one-time)	Staffing + Benefits (Annual)	Operational run costs (6 mos.)	Site clearance and preparation	Insurance	Food	Totals
A: Family pallet village	\$567,668	\$55,000	\$10,000.00	\$30,000	\$20,000	TBD	\$682,688
B: Adult Safe sleeping	\$27,000	\$55,000	\$10,000	\$20,000	\$15,000	TBD	\$127,000
C: High-needs stabilization center	\$270,318	\$0 - \$55,000*	\$10,000	\$20,000	\$15,000	TBD	\$315,318- \$370,318
Totals	\$865,006	\$165,000	\$30,000	\$70,000	\$50,000	TBD	\$1,125,006 - \$1,180,006

*Cost for staffing Site C could decrease were it possible for HEART to staff this site using its familiar neighbors team that has grant funding for 3 years.

**These estimates could increase or decrease based on the actual site selected and the amount of work needed to be done to prepare the site. For example, sites with a significant slope or without any electricity would cost more.

***Assumes staffing begin in April of this fiscal year and that operational and insurance costs are lower given sites are operating only a quarter of the first year.

Table 4: Infrastructure for Pallets*Non-Congregate Pallet Pilot (13- and 26-unit pilot options – these options are selected because one truck can hold)*

Unit types	Per unit unless otherwise noted	Opt. 1	Opt. 2	Opt. 1 Cost	Opt. 2 Cost
S2 Sleeper (120 sq feet)	\$20,600	13	26	\$267,800	\$535,600
Assembly					
1-3 units	\$ 5,000 total	n/a	n/a	n/a	n/a
4-10 units	\$1,500	13	n/a	\$19,500	n/a
11-60 units	\$1,100	n/a	26	n/a	\$28,600
Shipping	\$ 11,000 per 13 sleepers			\$11,000	\$22,000
Add-ons					
Twin frame	\$150	26	52	\$3,900	\$7,800
Twin mattress	\$350	26	52	\$9,100	\$18,200
Desk	\$335	13	26	\$4,355	\$8,710
Exterior Lighting	\$300	13	26	\$3,900	\$7,800
Digital Lock	\$135	13	26	\$1,755	\$3,510
120V electrical kit	\$635	13	26	\$8,255	\$16,510
A/C unit	\$600	13	26	\$7,800	\$15,600
Other					
Piedmont Portable Toilet	\$2,588	4	8	\$10,352	\$20,704
Piedmont Hand washing	\$2,224	4	8	\$8,896	\$17,792
TOTAL (infrastructure only)				\$356,613	\$702,826

Table 5: Infrastructure for Adult Safe Sleeping Site

Unit types	Cost per unit	Number of units	Total cost
Single person tent plus raised wooden platform as a base	\$ 600	45	\$ 27,000

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- [1] **Housing Data Platform;** <https://ncchamber.com/foundation/nc-housing-analysis/>
- [2] **Point-in Time data;** https://applewebdata/B891B151-D33A-483A-BF0B-08F3B560227A#_ftn1
- [3] **Durham Strategic Plan for Homelessness;**
<https://www.durhamnc.gov/5438/Strategic-Plan-to-End-Homelessness>
- [4] **HSAC website;** <https://www.google.com/search?client=safari&rls=en&q=hsac+durham&ie=UTF-8&oe=UTF-8>
- [5] **Durham Entry Point;** <https://www.durhamnc.gov/4990/Entry-Point>
- [6] **Legal Aid of North Carolina;** <https://legalaidnc.org/office/durham/>
- [7] **San Diego;** <https://www.sandiego.gov/homelessness-strategies-and-solutions/services/safe-sleeping-program>
- [8] **Santa Barbara;** <https://sbnbcc.org/safe-parking/>
- [9] **Greensboro, NC;** <https://www.greensboro-nc.gov/departments/housing-neighborhood-development/housing-services/doorway-project>
- [10] **Money for stabilization grants;** <https://www.ednc.org/05-01-2025-child-care-programs-consider-closing-after-stabilization-grants-end/>
- [11] **North Carolina Emergency Grant Office;**
<https://www.ncdhhs.gov/divisions/aging/nc-emergency-solutions-grant/nc-emergency-solutions-grant-grantee-information>
- [12] **Washington DC Faith Based Initiative;**
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- [13] **Sympara;** <https://www.sympara.org/home>
- [14] **Housing Opportunity Fund;** <https://www.lisc.org/charlotte/what-we-do/affordable-housing/choif/>
- [15] **FHSP;** <https://brilliantcorners.org/fhsp/>