

Race and Equity Pocket Questions

Title and purpose of this initiative: Site Assessment Report on Town-Owned Land Identified for Possible Affordable Housing Use

Department: Housing and Community Services

What are the racial and equity impacts?

The town-owned land parcels located on Pathway Drive and Crest Street have been assessed for possible affordable housing use by Summit Design and Engineering, who will present their findings to Town Council and the public. Housing cost burden and lack of affordable housing are issues that disproportionately affect people of color.

In Orange County, the current Fair Market Rent (FMR) for a 2-bedroom apartment is \$1,631, around 37% higher than the average across North Carolina.¹ This requires an hourly wage of \$31.37 to afford. The FMR has increased in Orange County by 24% in the last year and 55% over the last five years, resulting in 54% of renters having difficulty affording their homes.² When looking at racial economic disparities across the US and in our area specifically, it is clear that the burden of high housing costs falls disproportionately on communities of color.

BIPOC residents earn less on average than their white counterparts. Due to the far-reaching impacts of systemic racism and both historical and current policy, Black, Latino, and Native American workers are more likely than white workers to be in lower-paying fields like service and production, while white workers have greater accessibility to, and more regularly hold, management and leadership roles.³ Even in the same professions, BIPOC workers earn less than their white counterparts. In 2024, Black workers made \$0.76 for every dollar made by white workers. For Latino workers it was \$0.73, and for Native American workers, \$0.77.⁴ In 2022, white households owned 85% of total household wealth in the US but made up only 66% of households.⁵

As a result of these disparities, BIPOC workers face lower wages and less capital to account for the cost of housing than white workers. Subsequently, BIPOC residents have lower rates of rental success and homeownership and, conversely, higher rates of housing insecurity and homelessness. Specifically, Black residents make up over 50% of those experiencing

¹ <u>FY 2024 Fair Market Rent Documentation System — Statewide Summary for North Carolina (huduser.gov)</u>

² The 2024 Housing Need in Orange County, North Carolina Housing Coalition, January 2024

³ Bureau of Labor Statistics, 2020a; Allard & Brundage, Jr., 2019

⁴ Earnings Disparities by Race and Ethnicity | U.S. Department of Labor (dol.gov)

⁵ U.S. Wealth Gaps Remain Despite Widespread Gains | St. Louis Fed (stlouisfed.org)



homelessness in Orange County, while only comprising 12% of the population. Comparatively, white residents represent 77% of Orange County's population and only 40% of those experiencing homelessness.⁶

Who is or will experience community burden?

Residents who may experience barriers to public participation or in accessing the report or the meeting recording may experience burden. Work schedules, unreliable or lack of transportation, childcare, eldercare, internet access, and language access are factors contributing to burden. Individuals experiencing certain disabilities affecting sight or hearing may also experience burden.

Who is or will experience community benefit?

Through the delivery of the site assessment report, Town Council, advisory board members, staff, and Carrboro residents will be provided with information that impacts the Town's affordable housing, climate action and environment, and race and equity priorities.

What are the root causes of inequity?

American political, social, and financial systems have worked to actively marginalize many different groups. This has often come in the form of denying rights or access to systems and institutions that greatly benefit one's livelihood, education, and health. For hundreds of years, intentional actions have been taken to deny humanity, wealth and equitable education and employment for BIPOC, women, and disabled people, creating cycles of poverty and social marginalization. This has resulted in large disparities in educational opportunity, wealth and asset accumulation, and social mobility.

What might be the unintended consequences of this action or strategy?

Barriers in accessing the report and in providing public comment, whether by email or in-person, may exist in the form of shift work, transportation, childcare, internet access, and in language – technical language may prove difficult for people whose first language is not English.

How is your department planning to mitigate any burdens, inequities, and unintended consequences?

The department will consult with the Town's Race and Equity office, the Communication and Engagement department, and the Language Access Plan to determine optimal approaches to raising awareness about the June 18th Town Council meeting and reducing barriers to participation, and in accessing the report.

⁶ <u>Homelessness in Orange County | ocpeh (ocpehnc.com)</u>