AFFORDABLE HOUSING QUARTERLY REPORT

FISCAL YEAR 2019 QUARTER 2 PROGRESS REPORT
### (OCTOBER 1, 2018 – DECEMBER 31, 2018)

OUR GOAL

To increase access to housing for individuals across a range of incomes, and to constantly strive for more equitable outcomes and opportunities for historically underserved populations.
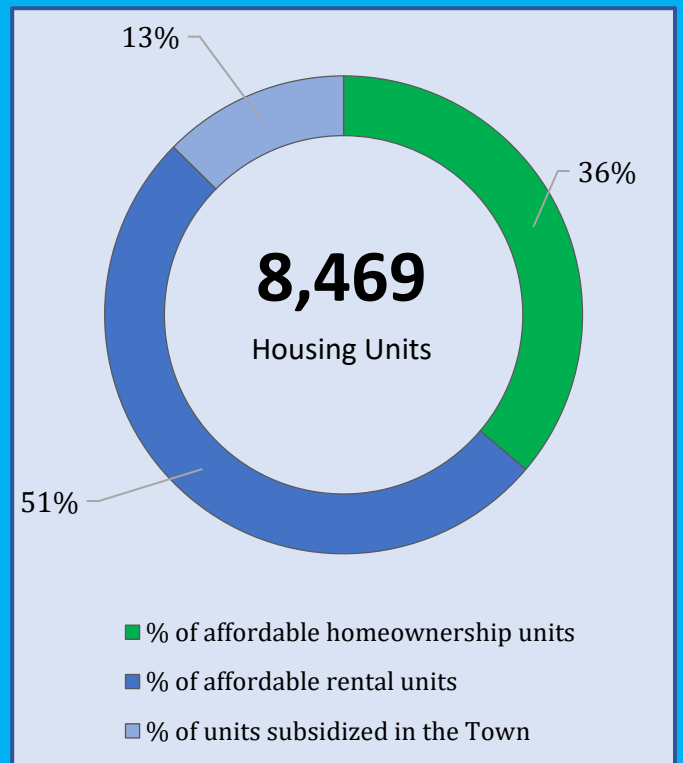
COMMUNITY INDICATORS

$5,646,000 Town Budget for Affordable Housing Strategies	**$80,600** Median Household Income	**54%** of Renters spend more than 30% of income on Housing	**39%** of Housing Units are affordable to households with income below 80% AMI
	$371,400 Median Home Value	**21%** of Homeowners spend more than 30% of income on Housing	**21,922** Total housing units in town

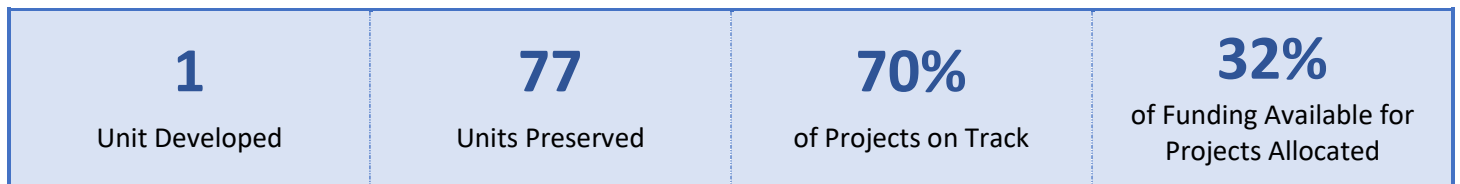### Number and Percent of Households that are Cost-burdened by Income Level

- 93% — 2,954 — Less than $20K
- 89% — 1,949 — $20 -$35K
- 44% — 1,125 — $35 - $50K
- 28% — 663 — $50 -$75K
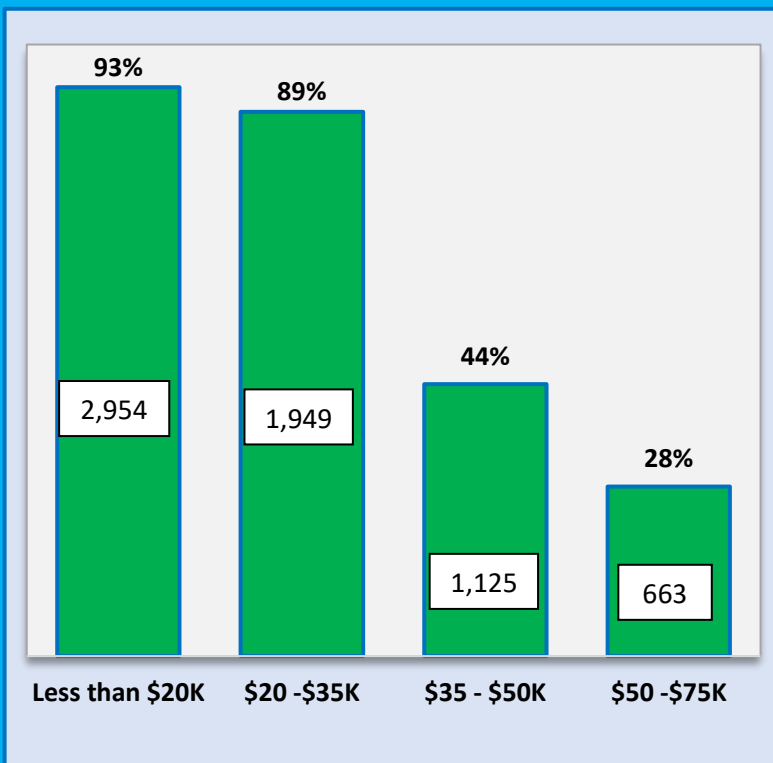
Number of Housing Units that are Affordable to Households with Income Under 80% AMI

8,469 Housing Units

- 13%
- 36%
- 51%

- ■ % of affordable homeownership units
- ■ % of affordable rental units
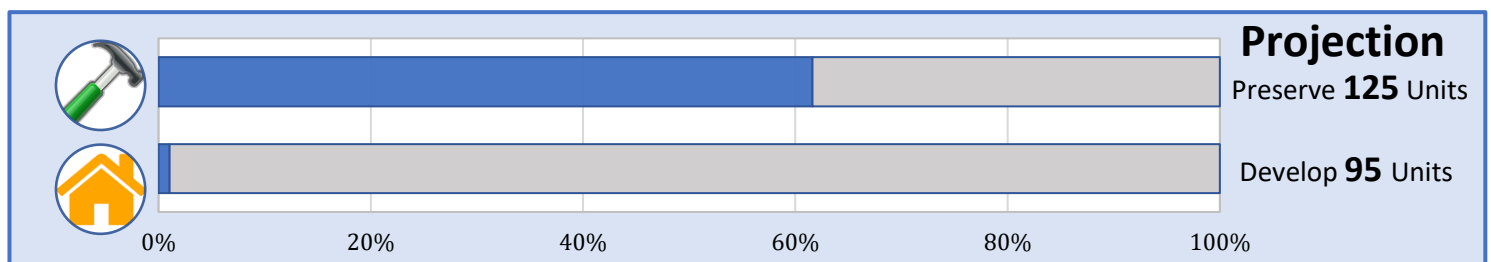- ■ % of units subsidized in the Town

FY19 Q2 Highlights

- Town supported the preservation of eight affordable housing units, totaling 77 units preserved this year
- Town has allocated 32% of funding available for affordable housing projects, with substantial funding scheduled to be allocated in the third quarter of this fiscal year
- Town Council allocated $150,000 from the Affordable Housing Development Reserve for future development planning on Town-owned sites
- Seventy percent of Town-funded projects are on track, a decrease of 25% from last quarter. The projects delays were due to inclement weather, impacts of the federal government shut down, and other minor unforeseen project issues.
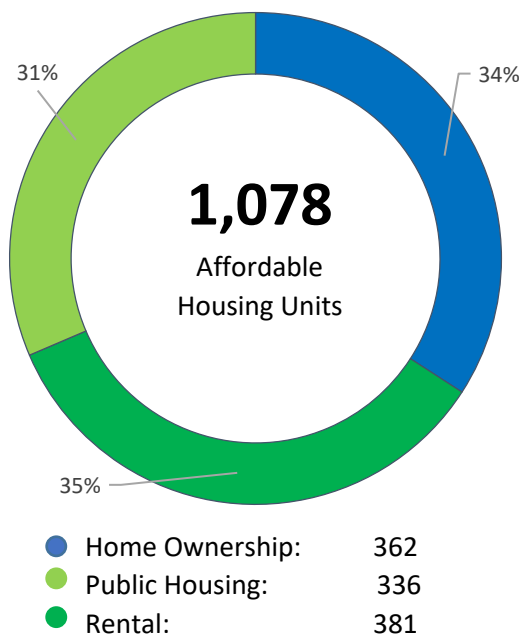
FY19 Town Performance-to-Date

1	**77**	**70%**	**32%**
Unit Developed	Units Preserved	of Projects on Track	of Funding Available for Projects Allocated

**Year-to-Date Progress Towards FY19 Targets**

Projection
Preserve **125** Units

Develop **95** Units

Number of Subsidized Units in Town

1,078 Affordable Housing Units

- Home Ownership: 362
- Public Housing: 336
- Rental: 381

*The number of subsidized units in town increased by 9 from last quarter due to an update to the County Wide Data Inventory.

Actual and Projections by Quarter – Number of Units

Units Developed   Units Preserved
Projected Units Developed   Projected Units Preserved
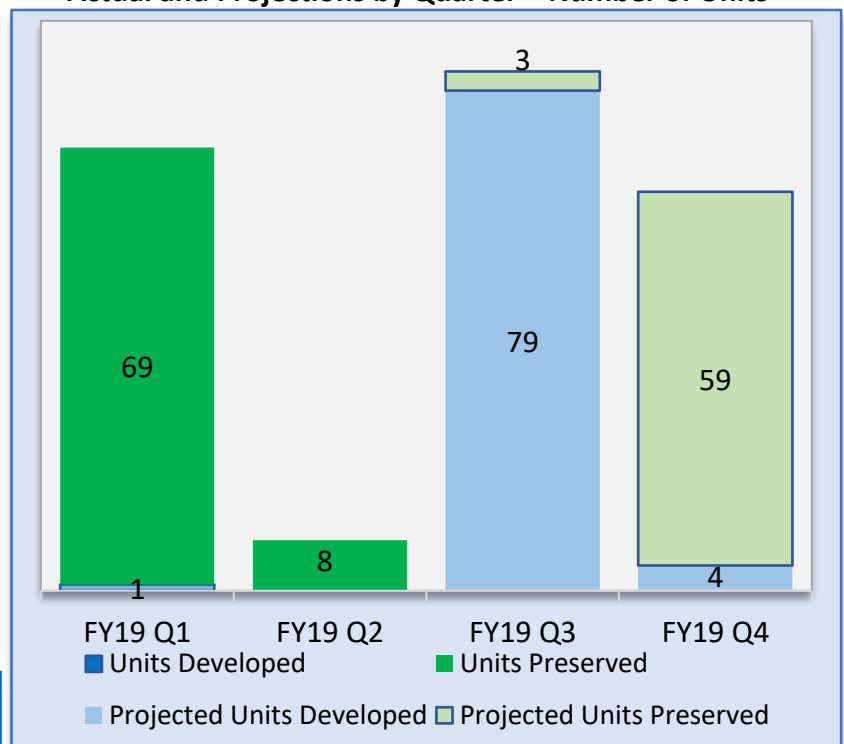
FY19 Q2 Update | Affordable Housing Projects Underway Supported by Town Funds

Project Type	Provider	Project Name	Number of Units	Projected Completion	Status
🔧	Town of Chapel Hill Public Housing	Oakwood Roof Replacement	30	FY19 Q1	✔
🔧	Town of Chapel Hill Public Housing	Rainbow Heights Roof Replacement	24	FY19 Q1	✔
🔧	Town of Chapel Hill	Transitional Housing Acquisition from CASA	4	FY19 Q1	✔
🏠	Community Home Trust	Courtyards Acquisition	2	FY19 Q1	✔
🔧	Rebuilding Together	Homeowner Rehabilitation	4	FY19 Q2	✔
🏠	DHIC	Greenfield Commons	69	FY19 Q3	🟢
🏠	Town of Chapel Hill	Sykes Street Transitional Housing Acquisition	4	FY19 Q3	🟡
🏠	Habitat for Humanity	Northside Land Acquisition and Second Mortgage Assistance Project	7	FY19 Q3	🟡
🏠	Habitat for Humanity	McMasters St Homes	1	FY19 Q3	🟡
🏠	Church of the Advocate	Pee Wee Homes Tiny Homes	3	FY19 Q3	🟡
🔧	Self-Help	Northside Emergency Repairs	5	FY19 Q4	🟢
🔧	Habitat for Humanity	Homeowner Rehabilitation	11	FY19 Q4	🟢
🔧	Community Home Trust	Homebuyer Subsidy	3	FY19 Q4	🟢
🔧	Town of Chapel Hill Public Housing	South Estes Rehabilitation	44	FY19 Q4	🟡
🔧	Community Empowerment Fund	Rental and Utility Assistance Program	12	FY19 Q4	🟢
🏠	Self-Help	Land Bank Properties for Affordable Housing	8	FY19 Q4	🟢
🏠	Community Home Trust	Graham Street Acquisition	1	FY20 Q1	🟡
🏠	CASA	Merritt Mill Road Multi-Family Development	24	FY21 Q4	🟢
🏠	Town of Chapel Hill	2200 Homestead Road	140	FY23 Q2	🟢

Legend:

✔ : The project has been completed

🟢 : The project is on track to meet its original project scope and schedule

🟡 : The project has been delayed in meeting its previous quarter project scope and schedule

🔴 : The project has stalled and may not be completed

🏠 : Development Project

🔧 : Preservation Project

Project	Progress Update
DEVELOPMENT	
2200 Homestead	• Town Council approved issuing RFQ to identify potential development partners – release of RFQ scheduled for February 2019
Prioritized Parcels of Town-Owned Land	• Town Council approved funding application to Affordable Housing Development Reserve for future development planning
Identify Properties for Affordable Housing Development	• Town Council approved donating two parcels of Town-owned land to create permanently affordable housing through relocation of cottages in the Historic District
PRESERVATION	
Implement Manufactured Home Communities Strategy	• Town staff continue to implement Manufactured Home Strategy • Town staff attended a national manufactured housing conference to identify additional preservation strategies
Affordable Housing Preservation Strategy	• Staff began work to develop an Affordable Housing Preservation Strategy
POLICY	
Explore creation of Employee Housing Incentives	• Town Council approved creation of Pilot Program • Housing Advisory Board reviewed draft Pilot Program • Staff plan on implementing pilot program in Q3 of this year
Participate in LUMO Re-Write Project	• Housing and Community staff continue participation in project as member of project team
FUNDING	
Implement investment Plan for Affordable Housing	• Town residents voted to approve a $10 million Affordable Housing Bond • Staff are in the process of developing the RFP process for bond funding; the Housing Advisory Board provided preliminary input at their January 2019 meeting
Manage Affordable Housing Funding Programs - CDBG, HOME, AHDR, AHF	• Town Council approved funding application to Affordable Housing Development Reserve for future development planning • Town staff released the CDBG and HOME funding application and held information sessions for potential applicants
MANAGING TOWN-OWNED HOUSING	
Public Housing Master Plan	• Staff provided update to Council – next update scheduled for March • HUD approved the Town's RAD application • Staff Issued RFQ to identify potential development partners for Public Housing sites at Craig-Gomains and Trinity Court
MEASUREMENT AND REPORTING	
Provide an Affordable Housing Quarterly Report	• Staff developed and provided Q1 report to the Council and community
Update County-wide Affordable Housing Database	• Staff and Affordable Housing Coalition partners updated and refined database with latest data from providers and Town. There was an increase of nine subsidized units from last year's data now captured in the 'Number of Subsidized Units in Town', due the refinement in partner data during this update.
COMMUNICATIONS	
Implement a Communications and Marketing Strategy	• Town implemented information campaign for the 2018 Affordable Housing Bond Referendum • Town staff continue to build out and update the affordable housing website

Notes & Citations

- The percentage of renters and homeowners that pay more than 30% of their income on Housing, the number and percentage of cost-burdened housing, and total occupied housing units in town data source is U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

- HUD defines cost-burdened families as those who pay more than 30 percent of their income for all housing related expenses and may have difficulty affording necessities such as food, clothing, transportation, and medical care.

- The median household income data source is the HUD FY2018 Median Family Income Estimates based on American Community Survey data for the Durham-Chapel Hill Metropolitan Statistical Area.

- The median home value data source is Zillow.com

- The total budget for affordable housing strategies captures all Town expenditures for affordable housing. This includes the Affordable Housing Fund, CDBG Funds, and operating funds, among others.

- The percentage of housing units that are affordable to households with income under 80% AMI includes naturally occurring affordable housing and units subsidized by the Town. The data source for this metric and corresponding chart is the commercial real-estate research firm Co-Star and the County-wide data inventory created through the Orange County Affordable Housing Coalition.

- The percent of budget allocated metric displays the percentage of the Town budget for affordable housing projects allocated as of the date of the quarterly report.

- The data source for the number of units subsidized by the Town is the County-wide Data Inventory created through the Orange County Affordable Housing Coalition.

- The data source for subsidized housing unit development projections is the County-wide data inventory created through the Orange County Affordable Housing Coalition.