
Increase Availability and Affordability of Rental Units

Scope of Work

Overview

On September 22nd, four Town Council members submitted a [petition](#)¹ requesting that staff explore best practices and innovations from across the country, while focusing on feasibility, and permissibility under NC law for expediting and incentivizing production of affordable and missing middle housing. This scope of work outlines staff's approach to addressing the petition's interest in increasing availability and affordability of rental housing units.

Business Case

57% of all renters in Chapel Hill are housing cost-burdened, meaning they pay more than 30% of their household income on housing costs. 86% of households with incomes at or below \$35,000 are housing cost-burdened. In addition, only 16% of the rental housing stock in Chapel Hill is affordable to households with income at 60% AMI.

Increasing access to housing for individuals across a range of incomes, and to constantly strive for more equitable outcomes and opportunities for historically underserved populations is a [strategic goal](#)² of Town Council. Implementing this scope of work would increase the Town's ability to meet Council's goal by:

- Creating a commonly understood definition of affordable rental housing that focuses on long term housing opportunities for households at or below 60% AMI, considers comprehensive housing costs, and reflects real wages.
- Considering how to apply the new affordable rental housing definition to Town policies and ordinances related to affordable housing and development projects.
- Expanding housing opportunities in Chapel Hill for those with housing vouchers by incentivizing landlord participation.

Deliverables

1. Revised definition of affordable rental housing
 - Draft recommendations for revising affordable rental definition
 - Revised ordinance and other Town policies/documents
2. Increased acceptance of housing vouchers in Chapel Hill
 - Draft recommendations for regulating source of income discrimination
 - Draft recommendations for improving Orange County's voucher incentives program

Project Management Roles and Responsibilities

- **Project Manager: Sarah Vinas, Director of Affordable Housing and Community Connections**

¹ <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=5146393&GUID=0711EF32-5F1D-4D45-AECF-823F900B86DE&Options=&Search=>

² <https://www.townofchapelhill.org/government/mayor-and-council/town-strategic-goals-objectives>

Responsible for a project throughout the life cycle. Builds project plan and schedule. Manages resources and project team.

▪ **Project Staff:**

- **Nate Broman-Fulks, Affordable Housing Manager**
- **Emily Holt, Affordable Housing Development Officer**

Responsible for supporting the Project Manager (PM) on the project on specific project areas and in creating deliverables.

▪ **Consultants: TBD**

Provides technical and analytical assistance to the Project Management Team

Draft Project Timeline

See Project Work Plan

Resources and Procurements

- The implementation of the Scope of Work will require significant investment of Town staff time.
 - Deliverable 1: Revised definition of affordable rental housing
 - We estimate it will take significant staff time to achieve this deliverable.
 - Outside legal counsel may be needed for this deliverable.
 - Deliverable 2: Increased acceptance of housing vouchers in Chapel Hill
 - We estimate it will take significant staff time to achieve this deliverable.
 - Outside legal counsel may be needed for this deliverable.

Risks and Challenges

- Even with a revised affordable rental definition, the Town has limited legal authority to require projects to include affordable units in rental development projects.
- Achieving these deliverables will require substantial legal input and consultation with the Town Attorney's Office and/or trusted outside legal counsel with a strong understanding of NC statute on rent control and source of income discrimination. Limited capacity of the Town Attorney's office could be a challenge and/or funds needed to pay outside counsel legal fees may present challenges to achieving the deliverables outlined in this scope.