

# AFFORDABLE HOUSING QUARTERLY REPORT



FISCAL YEAR 2022 QUARTER 1  
(JULY 1 – SEPTEMBER 30, 2021)



## OUR GOAL

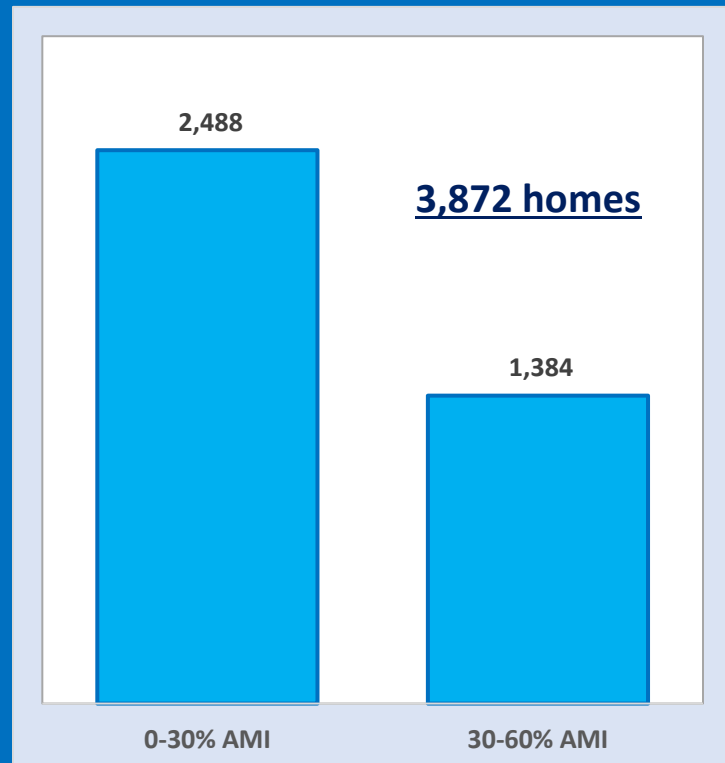
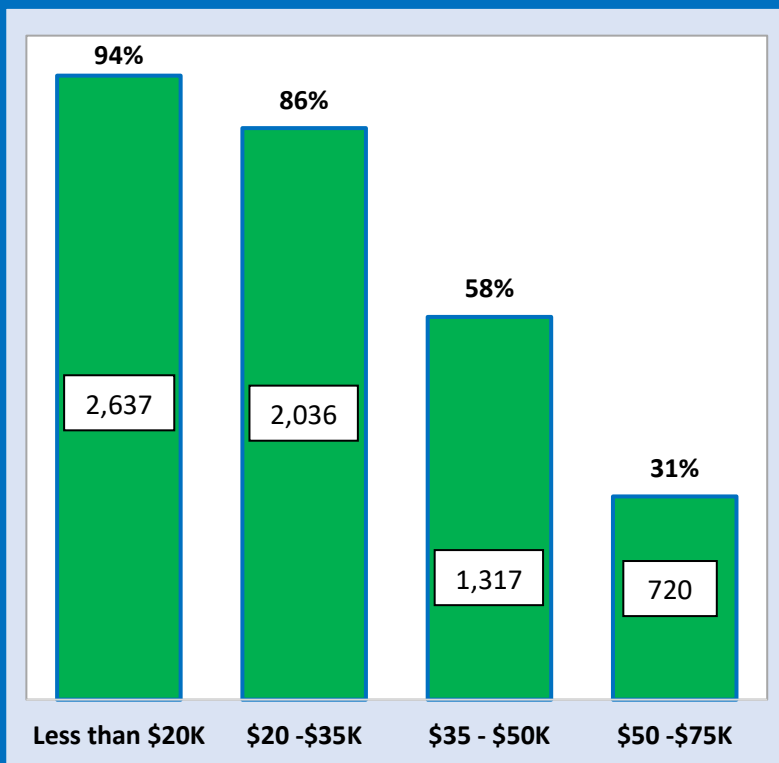
To increase access to housing for residents across a range of incomes, and to constantly strive for more equitable outcomes and opportunities for historically underserved populations.

## COMMUNITY INDICATORS

<p><b>\$5,729,606</b></p> <p>Town Budget for Affordable Housing Strategies</p>	<p><b>\$86,400</b></p> <p>Median Household Income</p>	<p><b>57%</b></p> <p>of Renters spend more than 30% of income on Housing</p>	<p><b>36%</b></p> <p>of Housing Units affordable to households with income at 80% AMI</p>
	<p><b>\$486,733</b></p> <p>Median Home Value</p>	<p><b>22%</b></p> <p>of Homeowners spend more than 30% of income on Housing</p>	<p><b>23,713</b></p> <p>Total housing units in town</p>

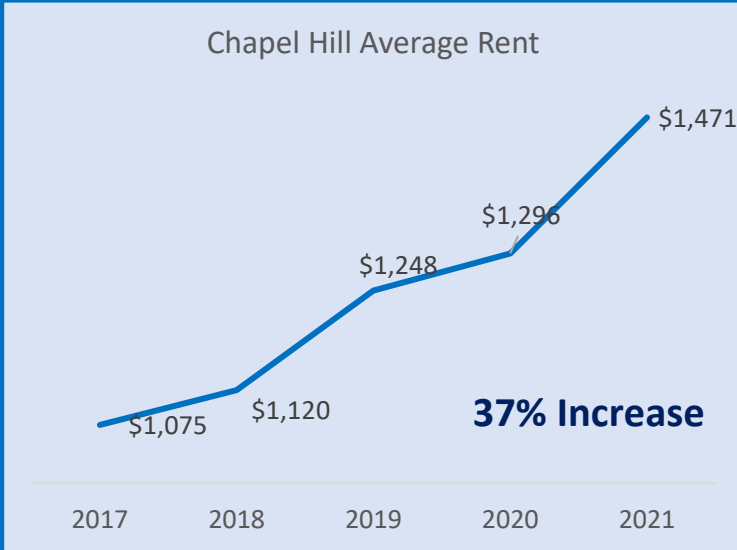
Number and Percent of Households that are Cost-Burdened by Income Level

Affordable Housing Units Needed by Income Level

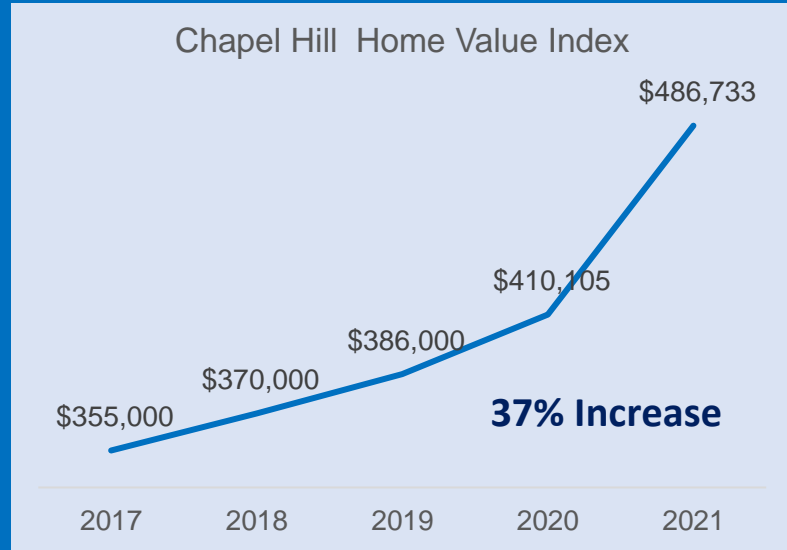


# Housing costs have been rising in Chapel Hill since 2017:

## Rise in Rental Rates

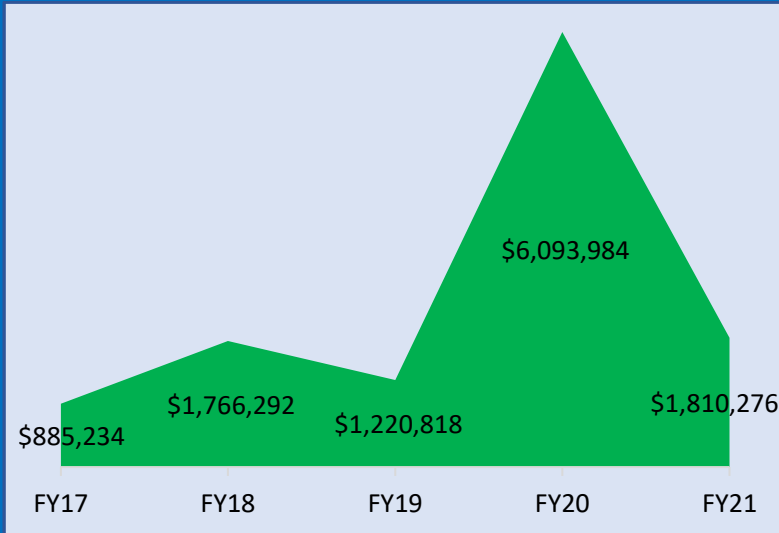


## Rise in Home Values

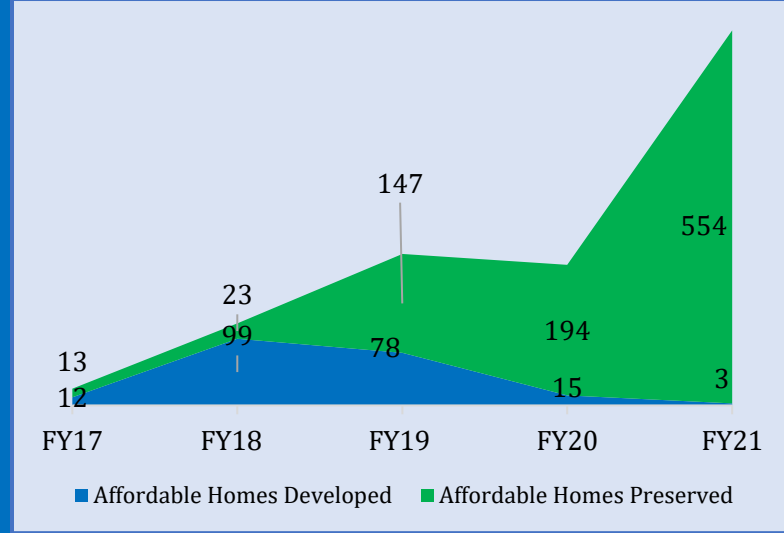


# The Town has increased its support for affordable housing to address housing needs:

## Affordable Housing Funding Allocated to Projects

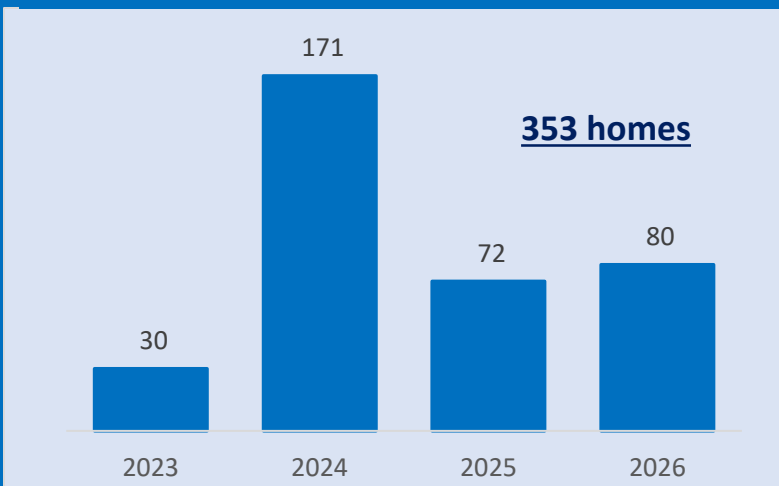


## Development and Preservation Units Completed

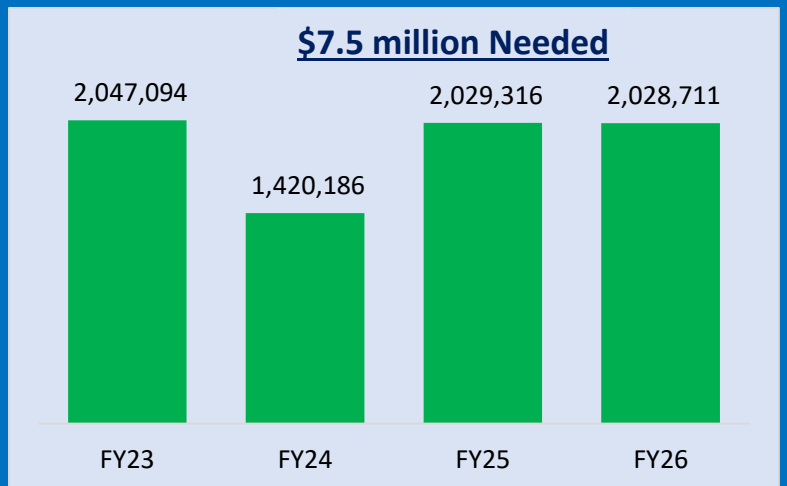


# More affordable housing is planned to be created but funding is still needed:

## Affordable Housing Development Pipeline

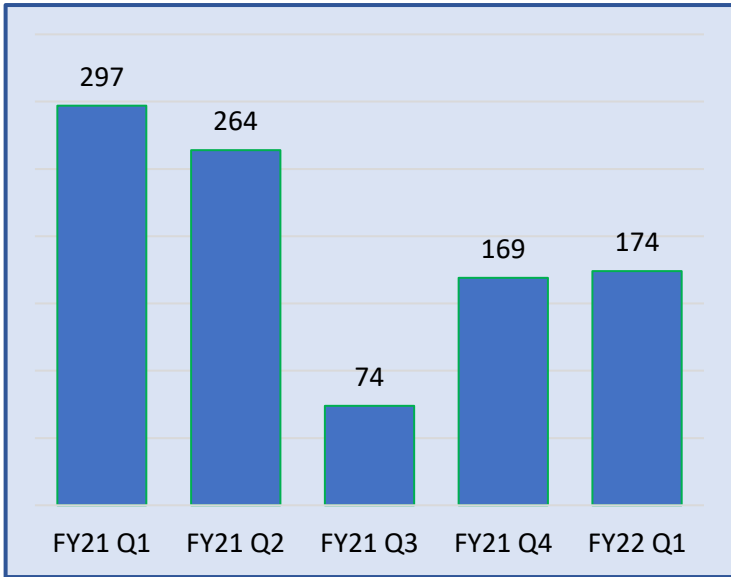


## Additional Funding Need to Support Projects

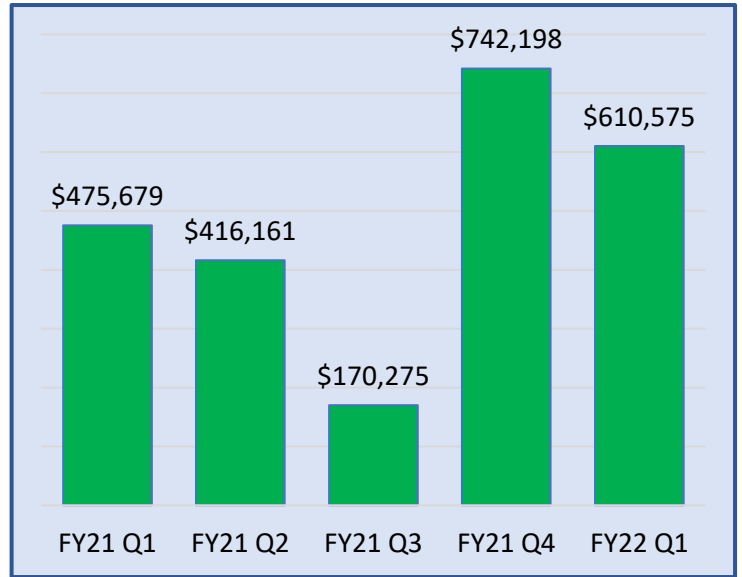


# Emergency Housing Assistance

### Number of Rental Payments Made

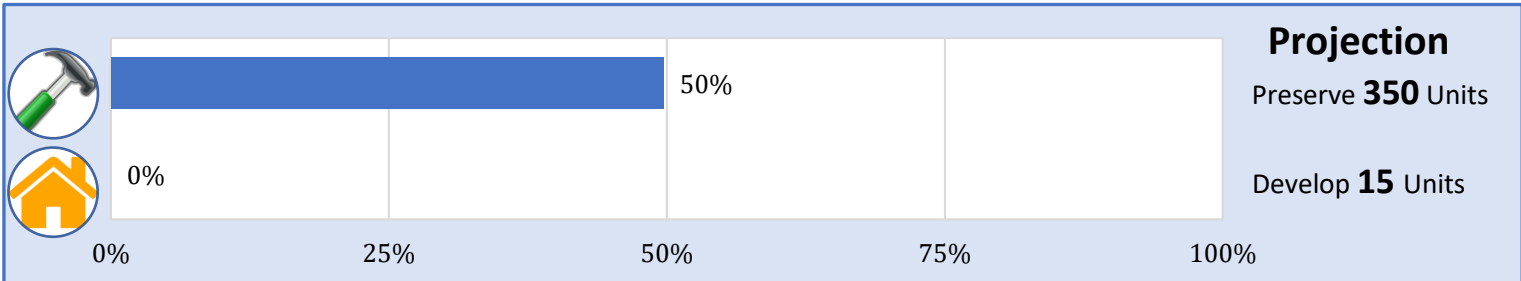


### Amount of Assistance Provided

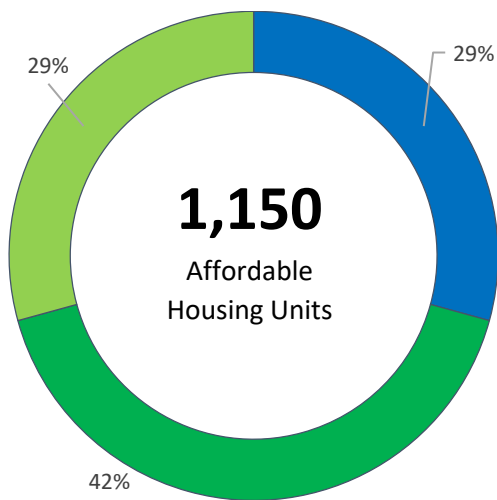


## FY22 Town Performance-to-Date

### Progress Towards FY22 Projection

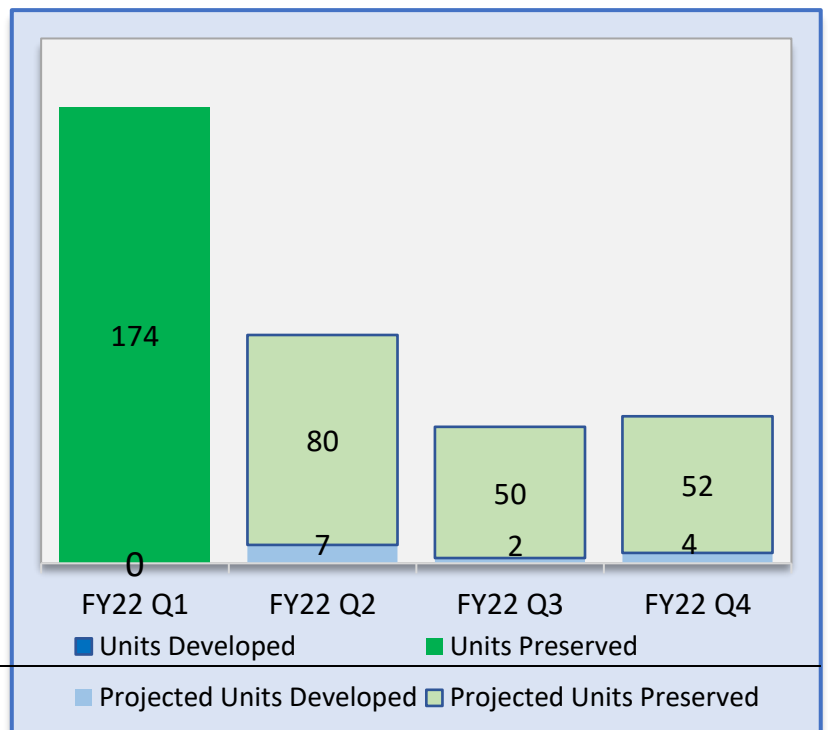


### Number of Subsidized Units in Town





































Home Ownership:	338
Public Housing:	336
Rental:	476






### Units Developed and Preserved by Quarter



## Affordable Housing Projects Underway Supported by the Town

Project Type	Provider	Project Name	Number of Units	Projected Completion	Status
	Self-Help	Grisham Cottages	2	FY22 Q2	
	Town of Chapel Hill Public Housing	Oak Avenue Furnace Replacement and Fire Repair	3	FY22 Q2	
	Orange County Preservation Coalition	Homeowner Rehab	3	FY22 Q2	
	Town of Chapel Hill Transitional Housing	Ashley Forest Renovation	1	FY22 Q2	
	Town of Chapel Hill	Employee and Transitional Housing Program Master Leasing	5	FY22 Q2	
	Pee Wee Homes	Mitchell Lane Tiny-plex	2	FY22 Q3	
	Town of Chapel Hill	Transitional Housing at Umstead Road	1	FY22 Q4	
	Self-Help	Northside Housing Rehab	4	FY22 Q4	
	Self-Help	Northside Acquisition and Development	4	FY22 Q4	
	Orange County	Emergency Housing Assistance	300	FY22 Q4	
	CASA	Perry Place at Merritt Mill	24	FY23 Q4	
	EmPOWERment, Inc.	Gomains St House Move	1	FY23 Q4	
	Town of Chapel Hill	2200 Homestead Road	120	FY24 Q2	
	EmPOWERment, Inc.	PEACH Apartments	10	FY24 Q2	
	Town of Chapel Hill	Jay Street	48	FY25 Q2	
	Town of Chapel Hill	Trinity Court	54	FY25 Q2	
	Habitat for Humanity	Weavers Grove	100	FY28 Q2	

### Legend:

- ✓: The project has been completed
-  : The project is on track to meet its 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

## Affordable Housing Work Plan Highlights

Project	Progress Update
<b>DEVELOPMENT</b>	
<b>2200 Homestead</b>	<ul style="list-style-type: none"> <li>Council approved the development agreement with Self-Help for site development.</li> <li>Development team plans to break ground in spring/summer of 2022.</li> </ul>
<b>Jay Street</b>	<ul style="list-style-type: none"> <li>Development team is working with the Jackson Center and Town staff for Phase 2 of its community engagement activities, with focus on gathering input to inform final site plan.</li> <li>Development team is anticipating a conditional zoning application submission in late fall.</li> <li>Staff plans to discuss financing plan and next steps for the project in November.</li> </ul>
<b>Trinity Court</b>	<ul style="list-style-type: none"> <li>In June, the Town executed a memorandum of understanding (MOU) with the recommended development partner, Community Housing Partners (CHP).</li> <li>Development team submitted a concept plan for redevelopment of the site and Advisory Boards and Town Council will review the concept in October and November.</li> <li>Staff plans to discuss financing plan and next steps for the project in November.</li> </ul>
<b>Bennett Road</b>	<ul style="list-style-type: none"> <li>Staff are finalizing a proposed visioning process designed to engage the Council and community, assess development options, and create a concept plan for the site.</li> </ul>
<b>PRESERVATION</b>	
<b>Implement Manufactured Home Communities Strategy</b>	<ul style="list-style-type: none"> <li>Each jurisdiction has shared the draft County-wide Manufactured Home Action Plan with their housing advisory boards, the OCAHC, and Preservation Coalition in September for feedback. Staff will bring the Action Plan for Council after sharing feedback with the Local Government Affordable Housing Collaborative.</li> <li>Staff continuing to explore options for applying the Resident Owned Community model to MH communities in Orange County.</li> </ul>
<b>Affordable Housing Preservation Strategy</b>	<ul style="list-style-type: none"> <li>The Town continues to support the County-wide Emergency Housing Assistance (EHA) program.</li> <li>The EHA partnership was selected by <a href="https://www.changelabsolutions.org/">ChangeLabSolutions</a><sup>1</sup> to participate in their Housing Solutions Collaborative peer learning cohort to evaluate EHA program success and sustainability. Staff from each jurisdiction and Empowerment are serving on that team.</li> <li>Staff is conducting additional research on implementation options for the Preservation Strategy based on Council's feedback.</li> </ul>
<b>POLICY</b>	
<b>Implement Employee Housing Program</b>	<ul style="list-style-type: none"> <li>Council approved updates to the program in October.</li> <li>Staff are updating the program guidelines and will implement program changes beginning in the winter.</li> </ul>
<b>FUNDING</b>	
<b>Implement Investment Plan for Affordable Housing – Affordable Housing Bond</b>	<ul style="list-style-type: none"> <li>Staff planning for next Bond RFP process in winter for remaining \$5 million.</li> <li>Staff exploring eligible uses of American Rescue Plan Act funds and how other communities are using ARPA to support affordable housing efforts.</li> </ul>
<b>Manage Funding Programs</b>	<ul style="list-style-type: none"> <li>Staff released RFP for the Affordable Housing Development Reserve on August 30, with applications due Oct. 1<sup>st</sup>. The town received 5 applications requesting a total of \$751,000 in funding. Town Council is scheduled to review in November.</li> <li>CDBG Annual Action Plan submitted to HUD in May and Comprehensive Annual Performance and Evaluation Report (CAPER) submitted in early October.</li> </ul>
<ul style="list-style-type: none"> <li>Affordable Housing Fund (AHF)</li> <li>Development Reserve (AHDR)</li> <li>CDBG</li> </ul>	
<b>MANAGING TOWN-OWNED HOUSING</b>	
<b>Transitional Housing Program</b>	<ul style="list-style-type: none"> <li>Renovations of Ashley Forest units underway.</li> <li>Households moving into the Union units within the next month.</li> </ul>

<sup>1</sup> <https://www.changelabsolutions.org/>

## Notes & Citations

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- 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, 2015-2019 American Community Survey 5-Year Estimates
- HUD defines cost-burdened families as those who pay more than 30% of their income for all housing-related expenses and may have difficulty affording necessities such as food, clothing, transportation, and medical care.
- Staff calculated the need for affordable housing units by income level by comparing the number of households with incomes that fall within the specified AMI levels to the number of affordable units available to households at those income levels. The data source for household income level was the American Community Survey. The unit count data was pulled from the Co-Star Naturally Occurring Affordable Housing database and the Orange County Subsidized Affordable Housing Inventory.
- The median household income data source is the HUD 2021 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 and average rent rate is from Co-Star data.
- The total budget this fiscal year 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.