

# AFFORDABLE HOUSING FY22 MID-YEAR REPORT

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(JULY 1 – DECEMBER 31, 2021)

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Council Meeting Presentation  
January 26, 2022



# Agenda

1. Affordable Housing Quarterly Report

2. Public Housing Quarterly Report



# The Housing Market Has Seen Dramatic Price Increases

Businessweek

**Yes, Real Estate Prices Are Soaring, and No, It's Not a Bubble**

WRAL TechWire

**Triangle real estate reaches (another) new high with no slowdown in sight**

CNN BUSINESS

**Soaring home prices pushed the share of first-time buyers to historic lows**

THE WALL STREET JOURNAL

**The Cost of Rent Is Where Many Americans Are Feeling Inflation Most**

The Daily Tar Heel

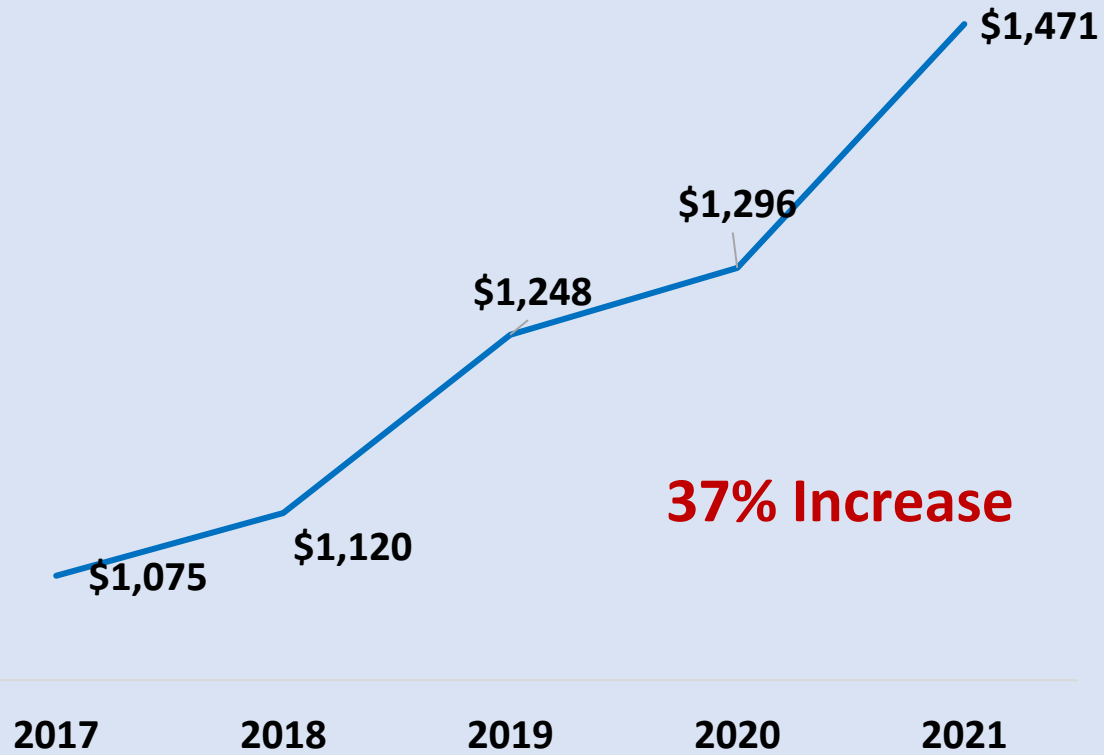
News

**Chapel Hill rent increase exceeds national average since January 2020**

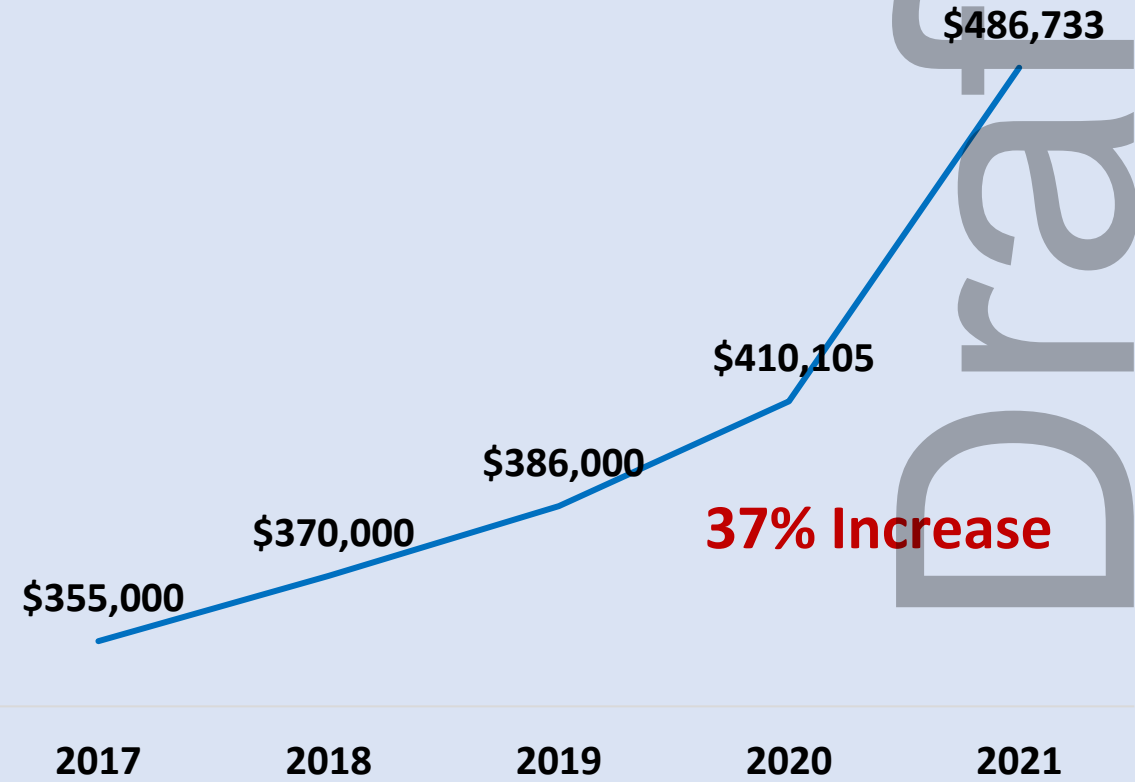


# What We're Seeing in Chapel Hill

## Chapel Hill Average Rent

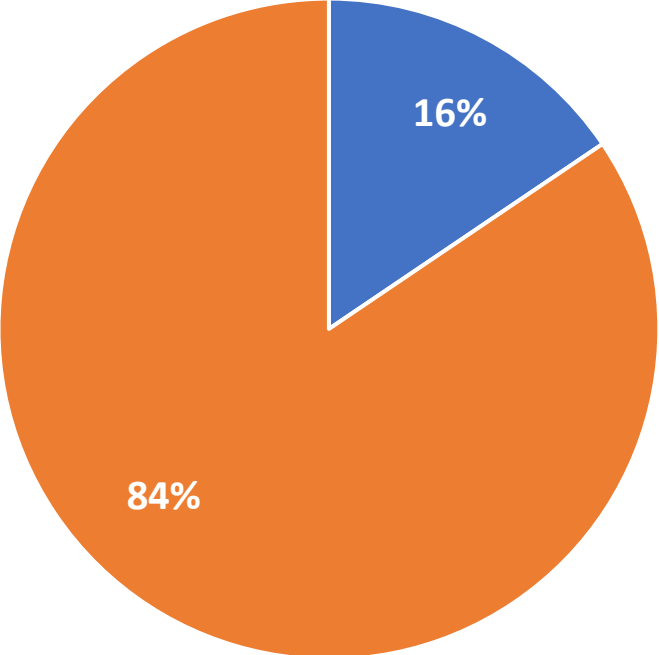


## Chapel Hill Home Value Index

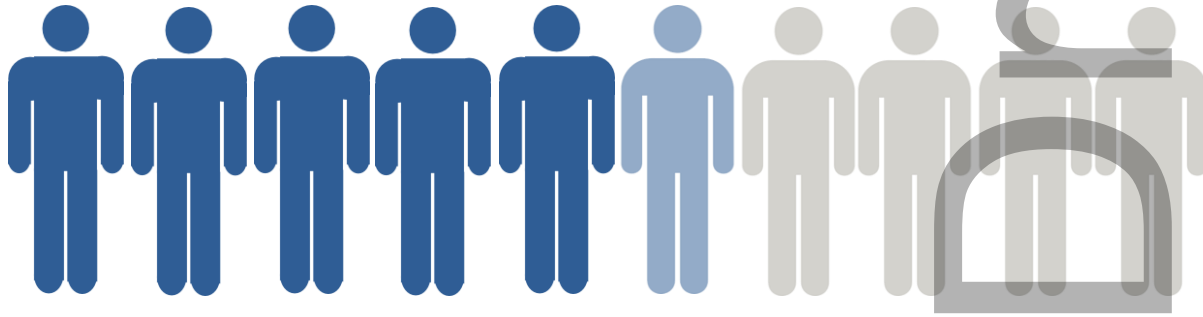


# Impacts on Chapel Hill Residents

**84% of Rentals are Unaffordable for Households Making Less than \$50k**

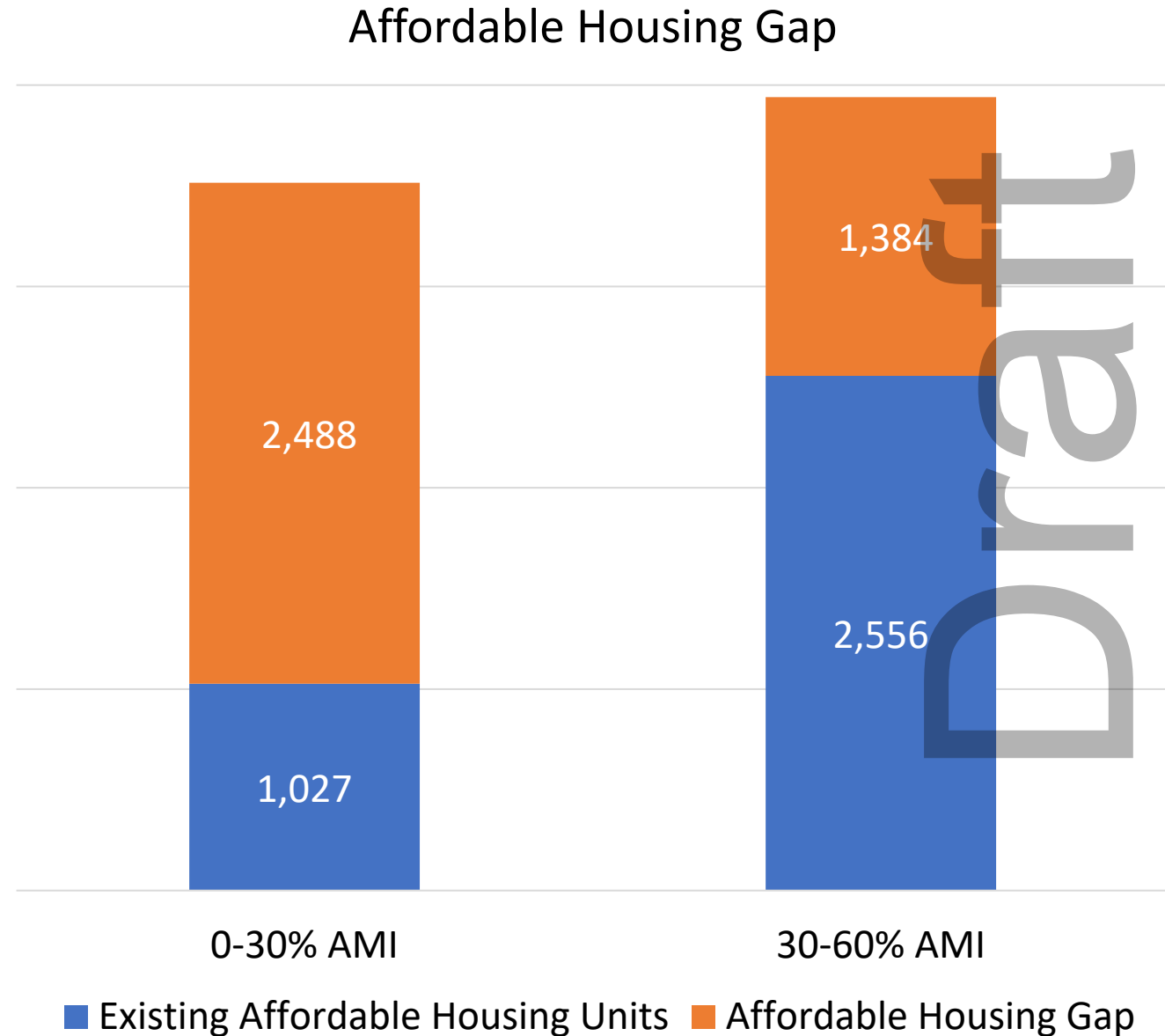


**57% of Renters are Cost-Burdened**



# Gap in Affordable Housing

- 3,800 more homes needed for households making less than \$52,000 per year
- Need to double our existing inventory to close the gap



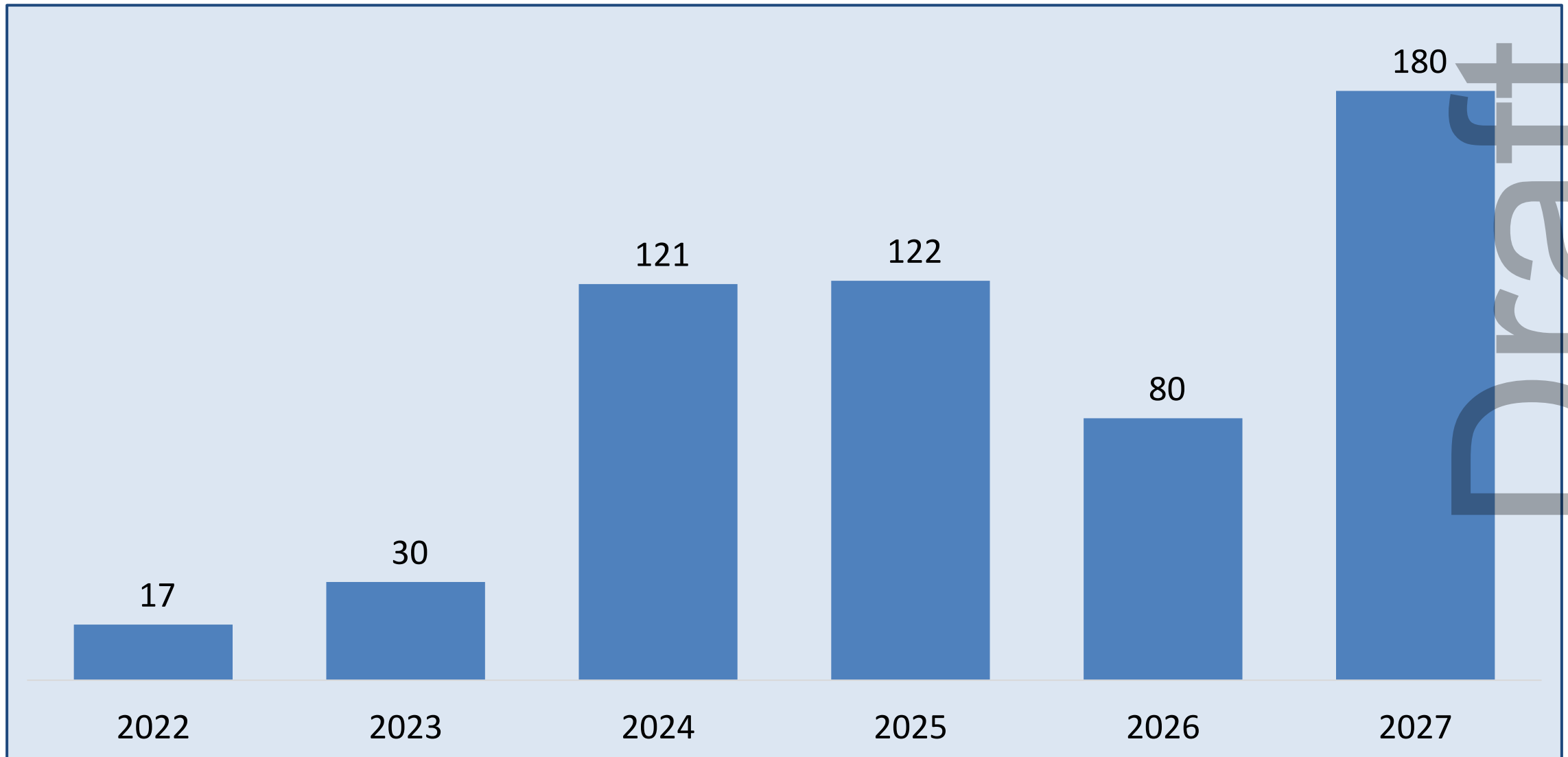


# Town Investment

- Over \$12 million invested in affordable housing projects over the last 5 years
  - 200+ units developed
  - 900+ units preserved
  - 550 homes projected to be developed in the next 5 years



# Affordable Housing Development Pipeline





## Five Year Targets – 2023

**400**

Development



**300**

Preservation



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# FY22 Projection

**15**

Development



**350**

Preservation



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# FY22 Progress

**5**

Units Developed

**296**

Units Preserved

**84%**

of Projects on Track

**17%**

of Funding Available  
for Projects Allocated

**\$1.12 Million**

Allocated to Projects



85%

33%

0%

20%

40%

60%

80%

100%

## Projection

Preserve **350** Units

Develop **15** Units

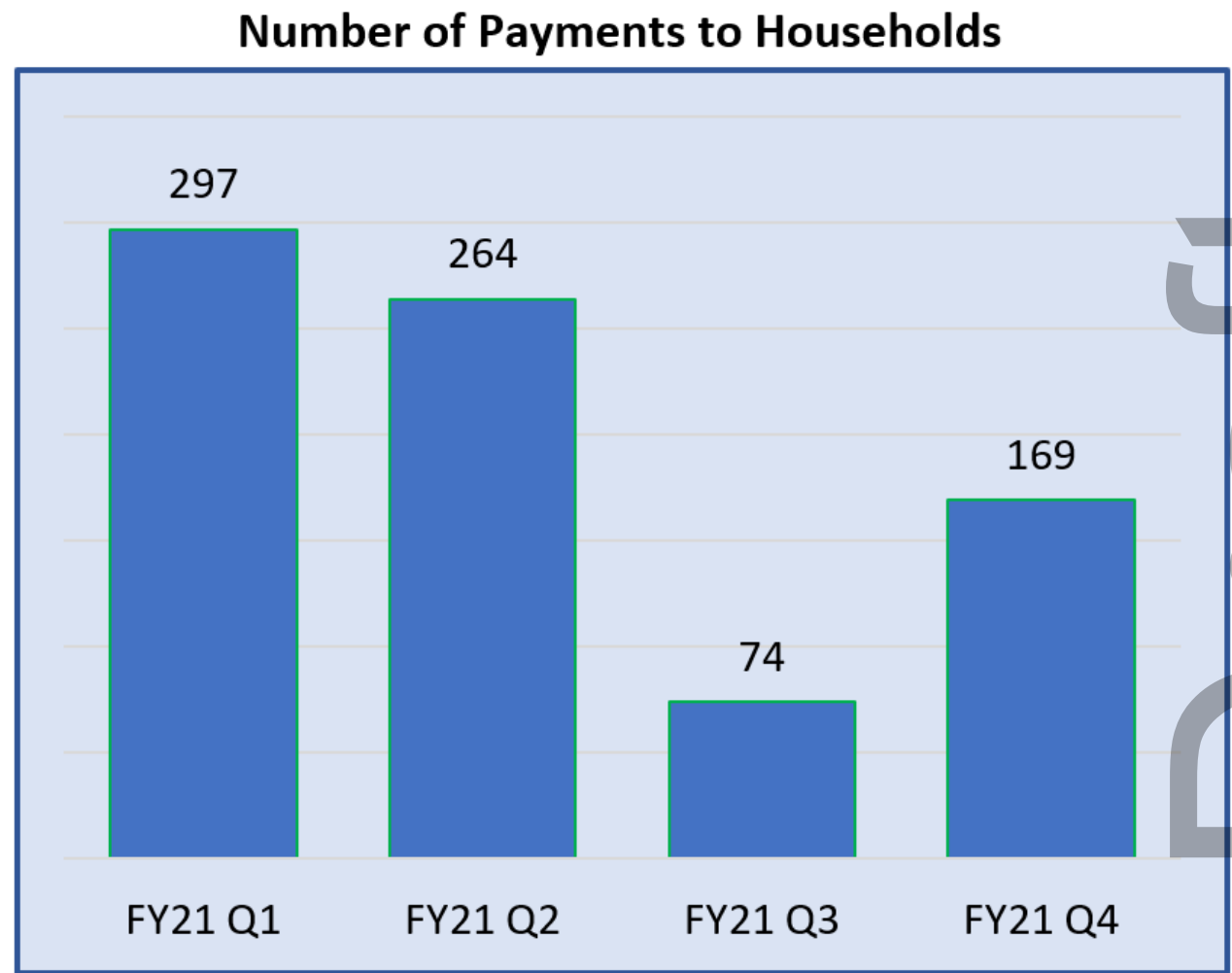
# Empowerment House Move

- Northside  
Neighborhood
- Permanently affordable
- Serving household  
below 60% AMI
- \$26,000 from the Town
- Town-donated home



# Emergency Housing Assistance Program

- 535 unique households assisted
- Serving very low-income households
- \$ 1.3 million contributed by the Town



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# Employee Housing Program

## Council approved updates in October

- Program materials updated
- Employee engagement sessions scheduled
- Will report back to Council on progress

## Employee Housing Incentive Program



### Looking to Own a Home in Chapel Hill?

Apply for up to **\$12,500** in down payment and closing cost assistance.

### Looking to Rent in Chapel Hill?

Apply for up to **\$4,200** for deposits, fees, and future rent.

### Eligibility Criteria

- Permanent employee of the Town of Chapel Hill
- Housing is within 5 miles of Town limits
- Meet certain income requirements



# Affordable Housing Investment Plan

## Affordable Housing Development Reserve

- \$688,395 allocated after the first RFP process
- Second year in a row where funds fully allocated in first round

## Affordable Housing Bond

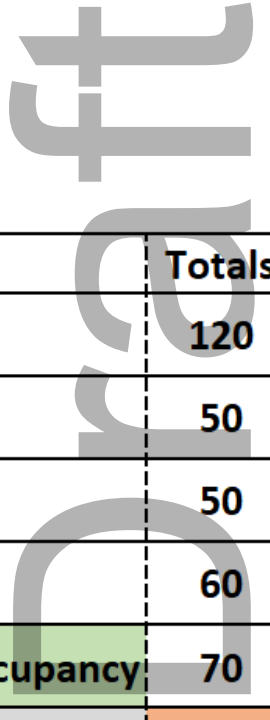
- Plan to bring a recommended funding plan to Council in the spring for the remaining \$5 million

A flyer for the Affordable Housing Bond Referendum. The flyer features a photo of an elderly couple standing in front of a house. The text includes the title "A PLACE FOR EVERYONE", the subtitle "AFFORDABLE HOUSING BOND REFERENDUM", a description of the \$10 million bond, voting dates, and the website [www.chapelhillaffordablehousing.org/bond](http://www.chapelhillaffordablehousing.org/bond). The flyer also includes the Town of Chapel Hill logo.



# Pipeline of Affordable Housing Development on Town Land

5 projects to deliver >350 affordable units over 5 years:



Calendar Year	2022		2023		2024		2025		2026		Totals
2200 Homestead	Approvals	Construction			Occupancy						120
Jay Street	Approvals		Construction		Occupancy						50
Trinity Court	Approvals		Construction		Occupancy						50
Bennett Road		Visioning	Approvals		Construction		Occupancy				60
Craig Gomains				Visioning	Approvals		Construction		Occupancy		70
Units Delivered	0		0		220		60		70		350

# What's Ahead

1. Final round of \$5M in Affordable Housing Bond Funding
2. Council review the County-Wide Manufactured Home Strategy Action Plan
3. Council review CDBG and HOME Annual Plans
4. Council review Trinity Ct and Jay St conditional zoning applications
5. Break ground at 2200 Homestead Road
6. Roll out updated Employee Housing Program



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