

9-05-18 Town Council Meeting Responses

ITEM #10: Consider Authorization to Submit a Rental Assistance Demonstration (RAD) Application to the U.S. Department of Housing and Urban Development for the Redevelopment of Public Housing

Council Question: Has the addition of units been contemplated for the rehabilitation of the Trinity Court neighborhood, as in the case of Craig Gomains?

Staff Response: *Yes, we are working with the Planning staff to determine if additional units could be developed on the site.*

Council Question: Hypothetically speaking, if in the redevelopment of Craig Gomains, 40 units of public housing were simply replaced and units would not be added, would there still be a need for an SUP and rezoning?

Staff Response: *A rezoning may not be needed but a Special Use Permit could be depending on what the replacement looked like.*

Council Question: P. 222 references the three meetings (2 w/ residents of Craig Gomains and 1 with all residents of Chapel Hill Public Housing). When were these meetings held? How many were at each of the three meetings? Were any residents from the Carrboro public housing invited and in attendance?

Staff Response: *All Residents were invited to the first meeting held on June 14th at the Hargraves Recreation Center to share information with all residents about the potential submission of a Rental Assistance Demonstration (RAD) program application and our vision for the future of Chapel Hill Public Housing. 38 residents attended this meeting. Staff has actively sought to engage and involve residents in the development of the Public Housing Master Plan and RAD application since their inception. Five meetings were held between June and December of 2017 at the Community Connect Center in the South Estes neighborhood, the community room in the Craig Gomains neighborhood, and our Administrative Offices on Caldwell Street. Twenty-one residents attended these meetings.*

Residents from the Craig Gomains property were specifically invited to the 2nd meeting held on July 11th at the centrally located Hargraves Community Center. Residents were notified and invited in writing 14 days prior to the meeting, with a reminder flyer distributed 5 days before the meeting. Sixty-three residents attended this meeting.

On July 24th, Residents with limited English proficiency were invited to a separate meeting at the Hargraves Community Center to talk about the RAD program with the assistance of both a Burmese and Karen interpreter. Fifteen residents attended this meeting.

Council Question: What kind of arrangements can be made for residents whose units are set for renovation?

Staff Response: *A renovation plan including options for relocation for affected residents will be prepared and offered for review to the Council before any family is relocated.*

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Council Question: When could we expect to hear back from HUD on whether it approves the application and grant of RAD funds?

Staff Response: *We expect to receive word from HUD by January 2019.*

Council Question: Can you provide for us the locations of Trinity Court and Craig Gomains on a map?

Staff Response: *We will provide a map of the sites during our presentation Wednesday evening*

Council Question: Timing - To clarify, the Town has already submitted the RAD application? If so, can we have a copy to review?

Staff Response: *Yes, the Town submitted the RAD application yesterday (September 4th). A copy is attached.*

Council Question: Are we seeking PBV or PBRA conversion?

Staff Response: *In our application, we indicated that we would seek Project Based Rental Assistance (PBRA) conversion. We have the option to change our approach if we feel that seeking Project Based Vouchers (PBV) is a better option. A brief description of the two options is provided below.*

PBRA (Project Based Rental Assistance) – RAD Conversions are overseen by HUD's Office of Multifamily Housing Programs for an initial term of 20 years. As part of the tax credit transaction, the Housing Agency can retain ownership of both the land and the buildings (the units) within a partnership with a non-profit development agency.

PBV (Project-Based Vouchers) is administered by the agency that administers the voucher contract. Housing Agencies that don't operate Housing Choice Vouchers would need to locate an agency willing to administer the vouchers.

Council Question: May we please see the Summary of Resident Comments at PHA Responses that is required as part of the application?

Staff Response: *A summary of the comments are attached.*

Council Question: The Background section of the memo indicates that the process of identifying a private partner has already begun - what is the status of that effort?

Staff Response: *We are working with our consultant, David Paul Rosen and Associates, to finalize a Request for Qualifications/Request for Proposals to identify a private partner. Once we receive responses, we would return to the Council to consider proposals and recommendations for selection of a development partner.*

Council Question: What are other financing options if we don't get LIHTCs?

Staff Response: *We recognize that the 9% Low Income Housing Tax Credit program is very competitive. Our preliminary plan is to prepare an application for submission to the NC Housing Finance Agency in January, 2019. We plan to coordinate an application for 9% Low Income Housing Tax Credits with our development partners so we are not in competition for these*

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funds. One alternative is to considering applying for 4% Low Income Housing Tax Credits should we not be successful with an application for the 9% program. We will continue to work with our consultants to identify alternative funding sources and return to the Council to share information about financing options.

Council Question: Does our current plan include having the Town retain ownership of the properties?

Staff Response: *The RAD application does not require us to make this decision at this time. Our preliminary thinking is that the Town would retain ownership of our properties.*