

Affordable Housing Fiscal Year 2023 Mid-Year Report

(July 1 – December 31, 2022)



Council Meeting Presentation
February 22, 2023



AGENDA

1) Current Landscape

2) FY23 Report and Project Highlights

3) What's Ahead



Benchmark Year for Affordable Housing

- Expanding affordable housing incentives
- Allocating most funding ever in a single year
- Reaching key milestones on development projects
- Increasing community support for affordable housing
- Attracting strong partners
- Leveraging new funding sources
- Key stakeholders acknowledging role in addressing need

Pivotal Point in Town Affordable Housing Work



Strategy for Addressing Affordable Housing Need



Fund Affordable Housing Projects



Initiate Development & Preservation



Own & Manage Housing



Create & Implement Housing Policies

Affordable Housing Funding

- \$10 million allocated to support affordable housing in first half of year



 Fund Affordable Housing Projects

Northside Neighborhood Initiative

- 42 permanently affordable homes created to date
- More than 60 homes have been repaired
- Seeing first increase in families and African American population in decades



Town-Funded Development Projects

- Perry Place nearing construction completion
- Weavers Grove preparing to begin vertical construction this spring



Development on Town Land

- Trinity Court awarded 9% LIHTC, expected to break ground this summer
- Homestead Gardens received ~\$3M in Town funding
- Council approved 8-9 acres for affordable housing on Legion Road
- Jay Street submitted preliminary 9% LIHTC application

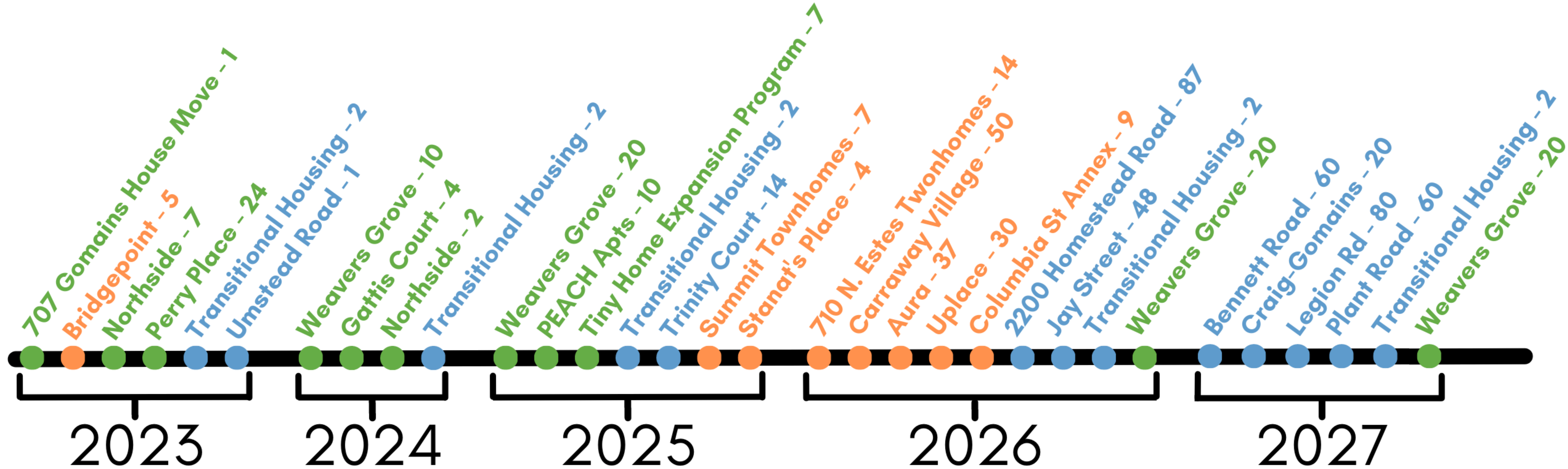


Initiate Development & Preservation



Affordable Housing Project Pipeline

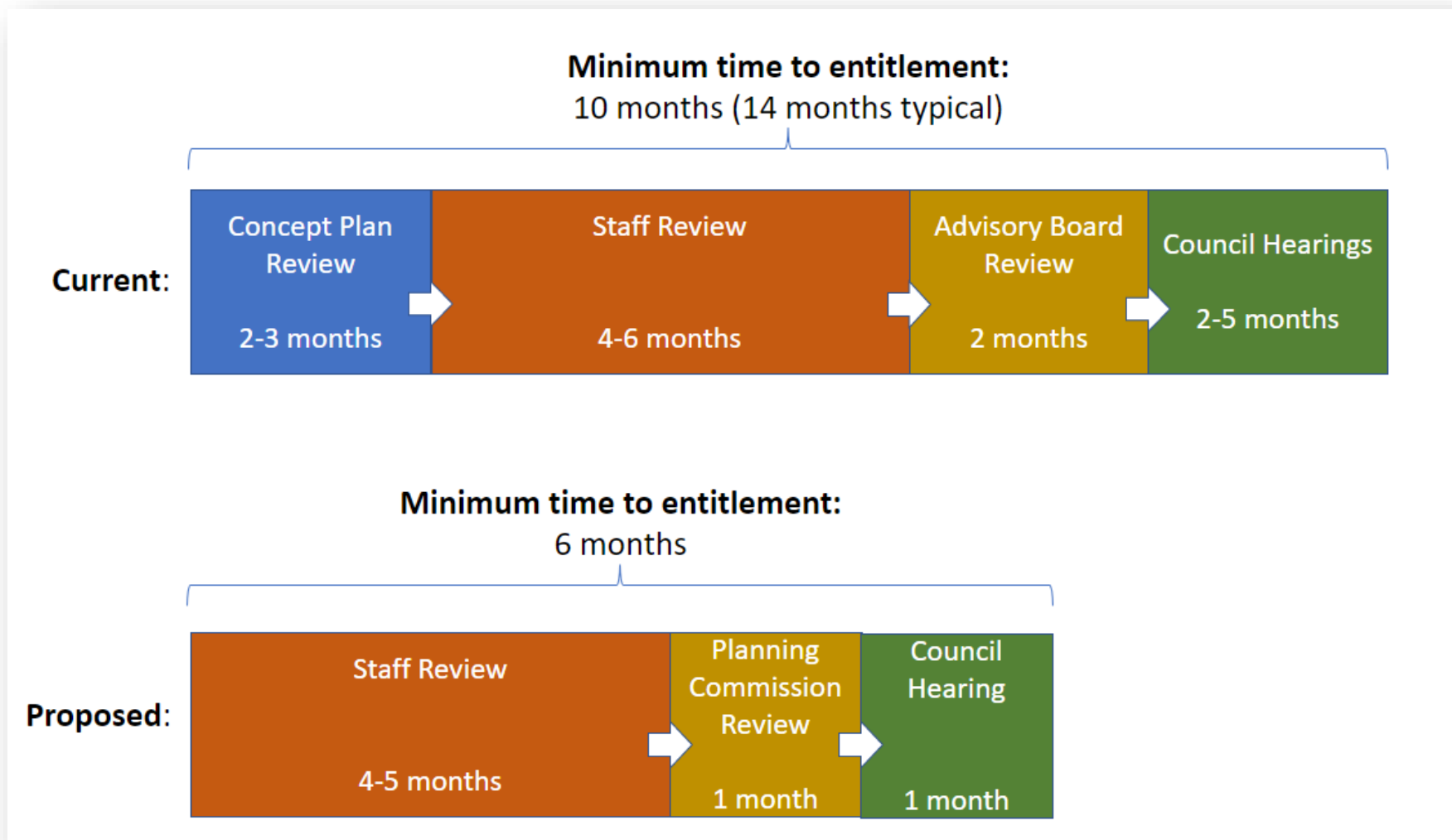
Projected Completion Date



- Town Initiated
- Partner Project
- Inclusionary Housing

Affordable Housing Development Review

- LUMO text amendment approved for Community Priority Process
- Projects with at least 25% affordable units are eligible for a maximum 6-month rezoning process.



TOWN OF CHAPEL HILL

Community Priority Process: Affordable Housing Development Review

The slide features the Town of Chapel Hill logo in the top left corner. The main title is centered at the top in large white font. Below the title are two photographs of housing developments: a row of townhomes on the left and a multi-story apartment building on the right.

Affordable Homes Approved

- 18 affordable townhomes approved in 2 market rate projects
- Under Review:
 - 6 proposed market-rate projects
 - 165+ affordable homes being proposed



Employee Housing

- 11 employees have received assistance to date
 - 5 since program updates in 2022
- % of employees living in Town has increased

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?

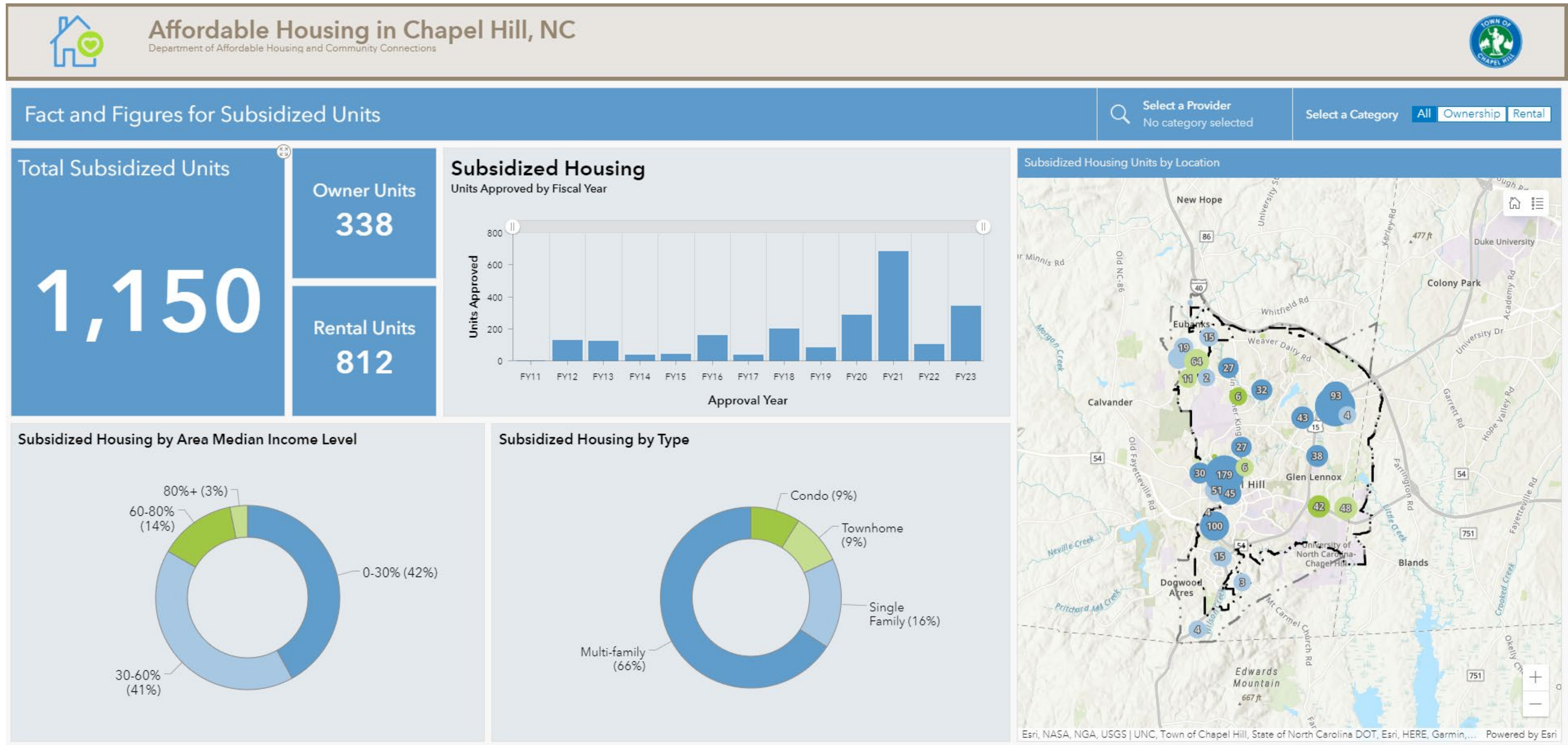
Apply for up to **\$4,200** for deposits, fees, and future rent.

Eligibility Criteria

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



Dashboard 2.0



Affordable Housing Plan Update

- Incorporate existing strategies, data, reports, and Work Plan into comprehensive plan for next 5 years
- Identify new approaches to addressing need
- Include an investment strategy to comprehensively address Town affordable housing needs moving forward



What's Ahead

1. Perry Place to be completed in coming weeks
2. Continue making progress on Town-initiated development projects
3. Implement Transitional Housing Sustainability Plan
4. Update our Affordable Housing Plan and Investment Strategy
5. Approve Community Development Block Grant Annual Action Plan



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Pivotal Point in Town Affordable Housing Work

The Moment

- Significant housing needs
- Market has changed
- Largest affordable housing sources depleted

Planning for the Future

- Continue to build on past successes
- Identify new approaches to addressing need
- Create investment plan to resource the strategies identified

Projected Affordable Housing and Homelessness Funding Gap

