

From: Roger Stancil
Sent: Tuesday, February 20, 2018 10:19 PM
To: Allen Buansi; Donna Bell; Hongbin Gu; Jeanne Brown; Jess Anderson; Karen Stegman; Town Council; Michael Parker; Nancy Oates; Pam Hemminger; Rachel Schaevitz; Roger Stancil; Ross Tompkins
Cc: Loryn Clark; Sarah Vinas; Amy Harvey; Beth Vazquez; Carolyn Worsley; Catherine Lazorko; Christina Strauch; Dwight Bassett; Flo Miller; Mary Jane Nirdlinger; Rae Buckley; Ralph Karpinos; Ran Northam; Roger Stancil; Sabrina Oliver
Subject: Council Questions: Item 5: Affordable Housing Quarterly Report

Council Question: Based upon p. 48, is the following a correct characterization of the data?

- 82% of households at 30% or less than AMI are paying more than 30% of their income on housing
- 76% of households at 30% or less than AMI are paying more than 50% of their income on housing

Staff Response: *Yes, the characterization of the data on page 48 is accurate.*

The breakdown on page 55 contains a typo for the number of rental units. The total subsidized affordable rental housing units is 366, and not the 336 listed on page 55. We have corrected the presentation for the Council Meeting. The total number of subsidized units, 1,062 is correct.

The circles are color coded green, yellow, and red to indicate the status of projects and work plan items. The legend for the green/yellow/red light project tracker on pages 57 and 58 is the following:

- *ü: The project has been completed*
- *Green: The project is on track to meet its original project scope and schedule*
- *Yellow: The project has been delayed in meeting its original project scope and schedule*
- *Red: The project has stalled and will not meet its original project scope and schedule*

Council Question: If we know that our gap is approximately 2,000 units, why is our per year goal only 80? where did this goal number come from?

Staff Response: *At a work session in the fall, Council expressed an interest in having an estimate of the need for affordable housing for low-income households. Based on data from the American Community Survey, staff estimated the need for households below 50% AMI. This is the total gap, which we are working to address.*

Concurrently, Council supported the development of annual affordable housing targets. In developing these annual targets, staff used historical data and projections for the next 5 years to estimate the number of units that could be created with Town resources, and received input from our housing providers about projects they have underway and set an ambitious but realistic target for development of new housing units.

Council Question: On the work plan highlights, for "Engage UNC and UNC Healthcare" what does "managers discussions ongoing" mean? What are the goals of this discussion? and what is the status of our progress toward these goals?

Staff Response: *The Town Manager has regular conversations with UNC and UNC Health Care representatives regarding potential partnerships. Recent conversations with UNC have been about our on-going partnership that supports the Northside Neighborhood Initiative. The goal of these discussions has been how we continue to support the efforts of Self Help and the Jackson Center to preserve the Northside neighborhood. We updated the Council about the status of this partnership at the February 7 Work Session, and there was general agreement that the Town continue to support the efforts of the Northside Neighborhood Initiative. Staff has been engaged with UNC Health Care representatives about a potential partnership to develop housing on Homestead Road. We will keep the Council informed on the status of that potential partnership.*

Council Question: The AH second quarter report shows that we have already exceeded the annual goal of developing 80 units, but we are not on track to meet the preservation of 55 units (it appears we are projected to preserve 21 units). What is being done to adjust to try to meet the goal? Or does the goal need to be modified or pushed until next FY?

Staff Response: *We anticipate approximately 15 rental and utility assistance preservation projects to be completed through the remainder of this fiscal year. These projects, combined with the 24 preservation units projected for completion this fiscal year would bring us close (41 total units) to meeting our preservation target of 55 units for FY18. Due to the unpredictable nature of rental and utility assistance requests, we had not included them in the projections by quarter. We are actively exploring additional preservation project opportunities to help us reach our target. At the end of this fiscal year, we will re-evaluate our target figures and determine whether adjustments need to be made.*

Council Question: In the presentation, please clarify that the data on slide 7 reflects affordability for 120% AMI and below; on Slide 20, please provide cost data for the list of “Projects in Progress” including 1) total cost of each individual project, 2) the town’s share of the cost, 3) cost per unit to the town and 4) a grand total; please show the total budget for affordable housing (\$6.2+ million) for this year.