

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

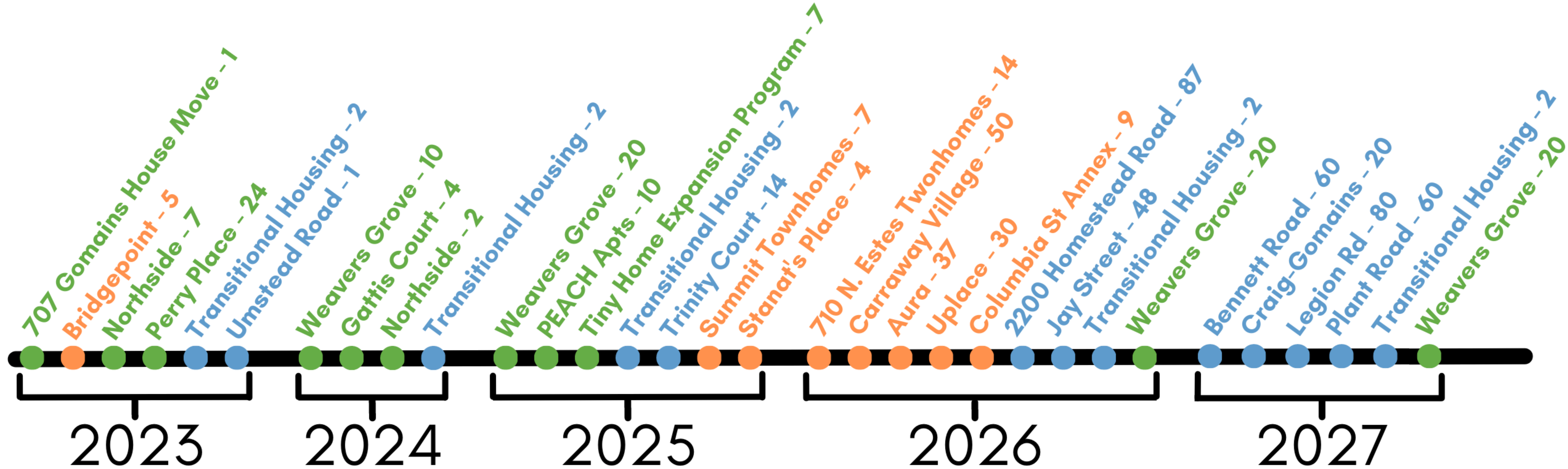




Affordable Housing Project Pipeline



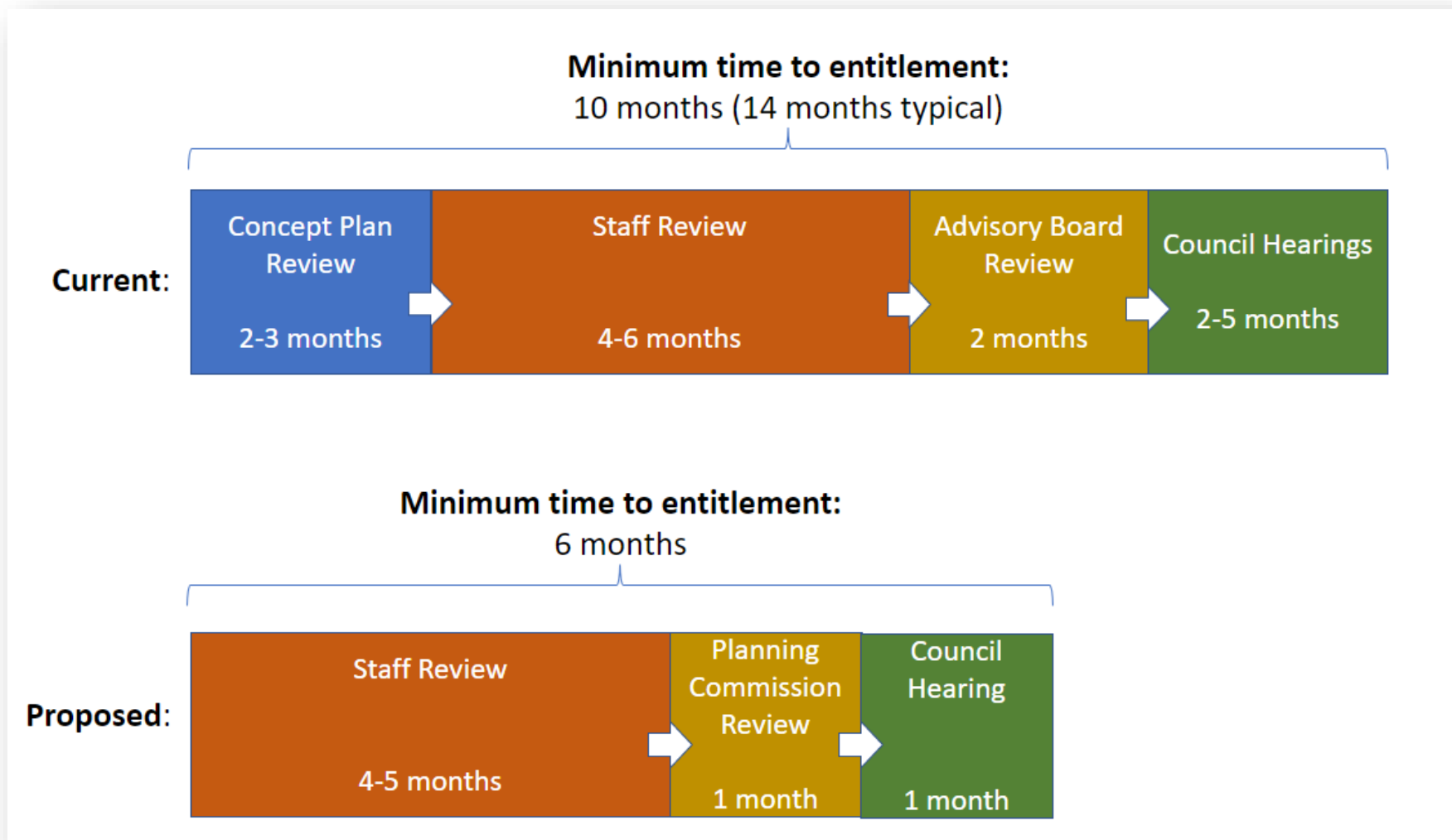
Projected Completion Date



- 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.



 **Community Priority Process:
Affordable Housing
Development Review**



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?

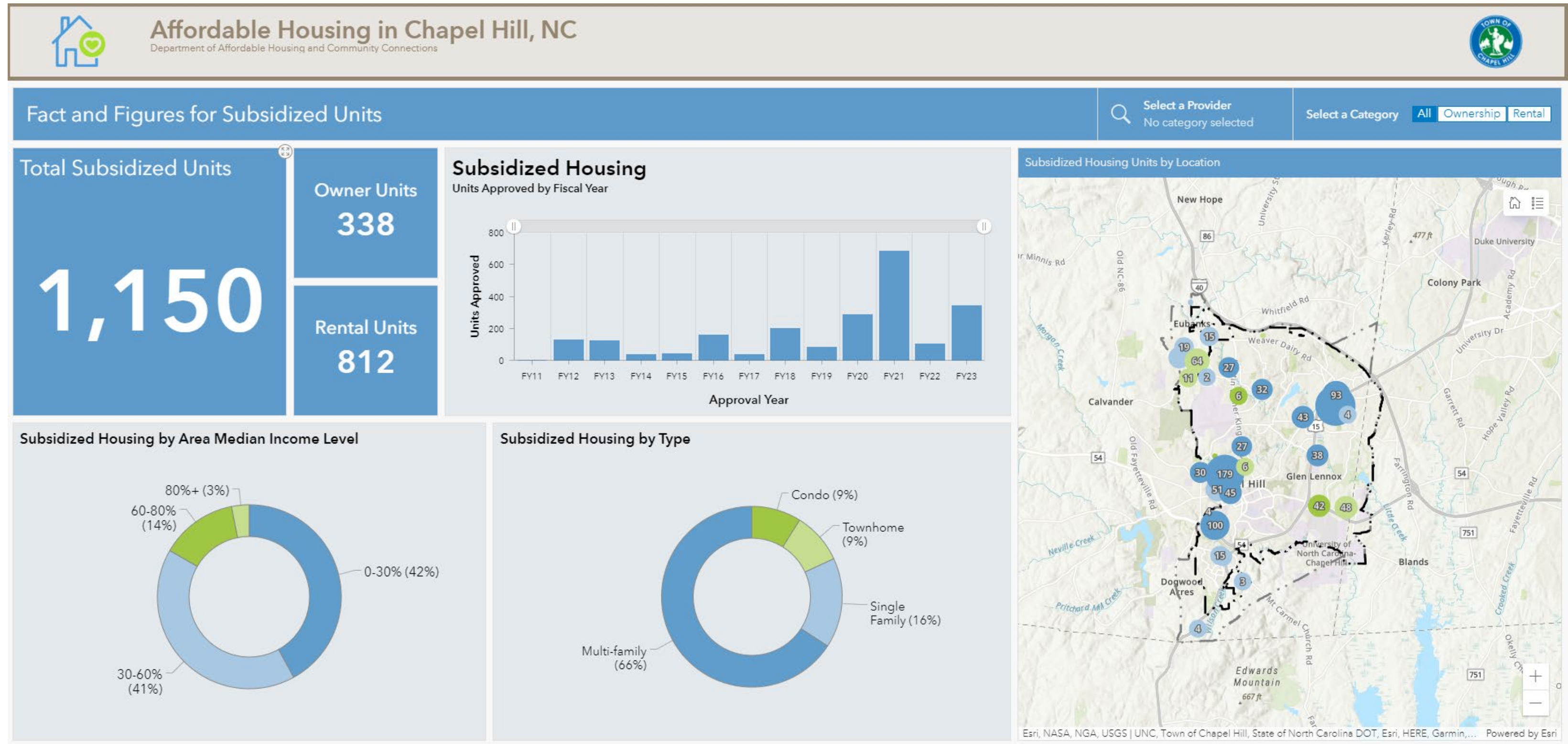
Apply for up to **\$4,200** for deposits, fees, and future rent.

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

