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AFFORDABLE HOUSING FUNDING PLAN
AFFORDABLE HOUSING BOND AND DEVELOPMENT RESERVE

Council Meeting
June 10, 2020



Affordable Housing Work Plan FY18-20

PROJECTS	FY 2018				FY 2019				FY 2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
DEVELOPMENT												
Develop Town-Owned Property at 2200 Homestead Road				★			★		★			
Pursue Affordable Housing on Prioritized Town Properties		★		★			★		★			★
Acquire Properties for Affordable Housing Development		★										
PRESERVATION												
Implement Manufactured Home Communities Strategy			★	★			★					
Naturally Occurring Affordable Housing (NOAH) Preservation Strategy												
Acquire and Rehab Properties for Affordable Housing Preservation					★							
POLICY												
Explore the Creation of Employee Housing Incentives			★			★						
Participate in the LUMO Re-Write Project							★					
Develop a Payment-in-Lieu Formula for Rental Housing			★									
Update Payment-in-Lieu for Homeownership Units												
Explore Affordable Housing Incentive Options							★					
FUNDING												

Implement Investment Plan for Affordable Housing

Jointly Manage the HOME Program				★		★	★		★			★
Manage the Community Development Block Grant Program		★	★	★		★	★	★				
MANAGING TOWN-OWNED HOUSING												
Create and Implement a Public Housing Master Plan		★		★	★		★					
Manage Public Housing Inventory					★							
Manage Transitional Housing Inventory												
MEASUREMENT & REPORTING												
Provide an Affordable Housing Quarterly Report		★	★	★	★	★	★	★	★	★	★	★
Provide an Annual Housing & Community Report	✓				★				★			
Update the County-wide Affordable Housing Database					✓							
Implement the Loans and Grants Tracking Tool			✓									
COLLABORATIONS												
Expand Collaboration with Developers, Providers, and Regional Partners												
Participate in the Affordable Housing Collaborative		★		★				★				★
Engage UNC, the School System, and UNC Health Care												
Serve as a Partner on the Northside Neighborhood Initiative			★									
COMMUNICATIONS												
Implement a Communications and Marketing Strategy				★								



- ★ Council Item Scheduled
- ★ Council Item Heard and/or Action Taken



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Council Consideration

- Consider approval of the recommended Affordable Housing Funding Plan



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Agenda

1. Background

2. Funding Requests

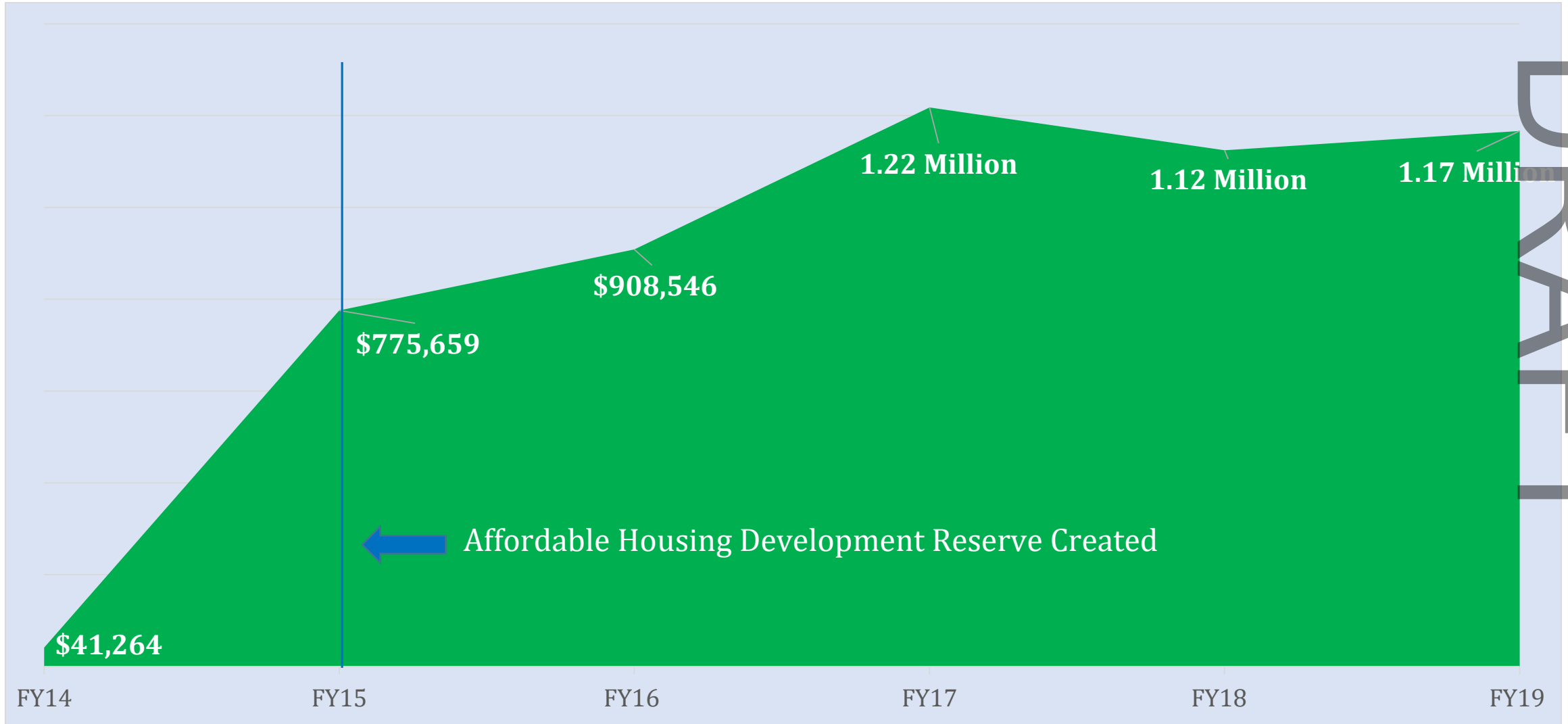
3. Recommended Funding Plan

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The Town has increased its support for affordable housing:

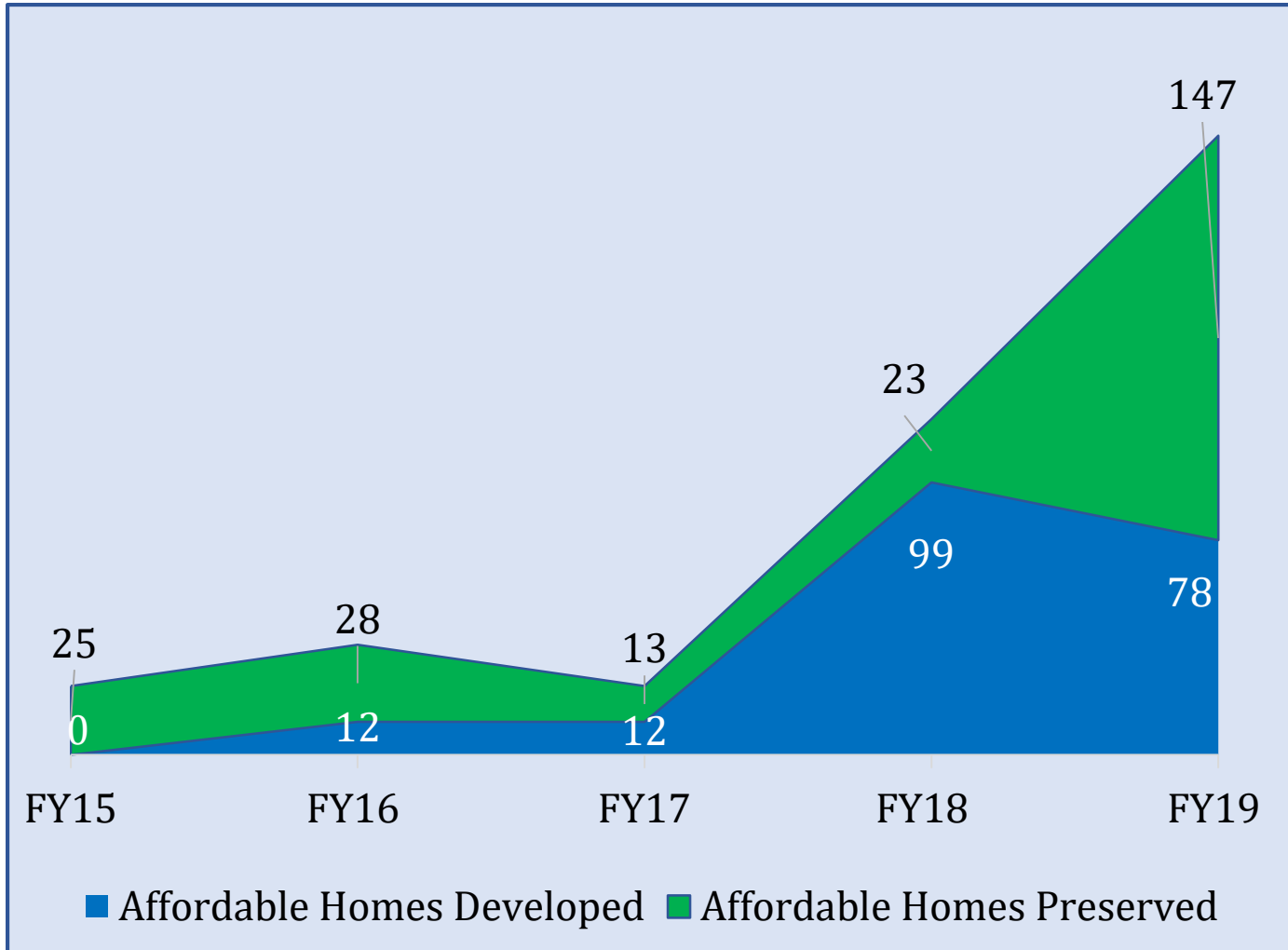
Affordable Housing Funding Available for Projects



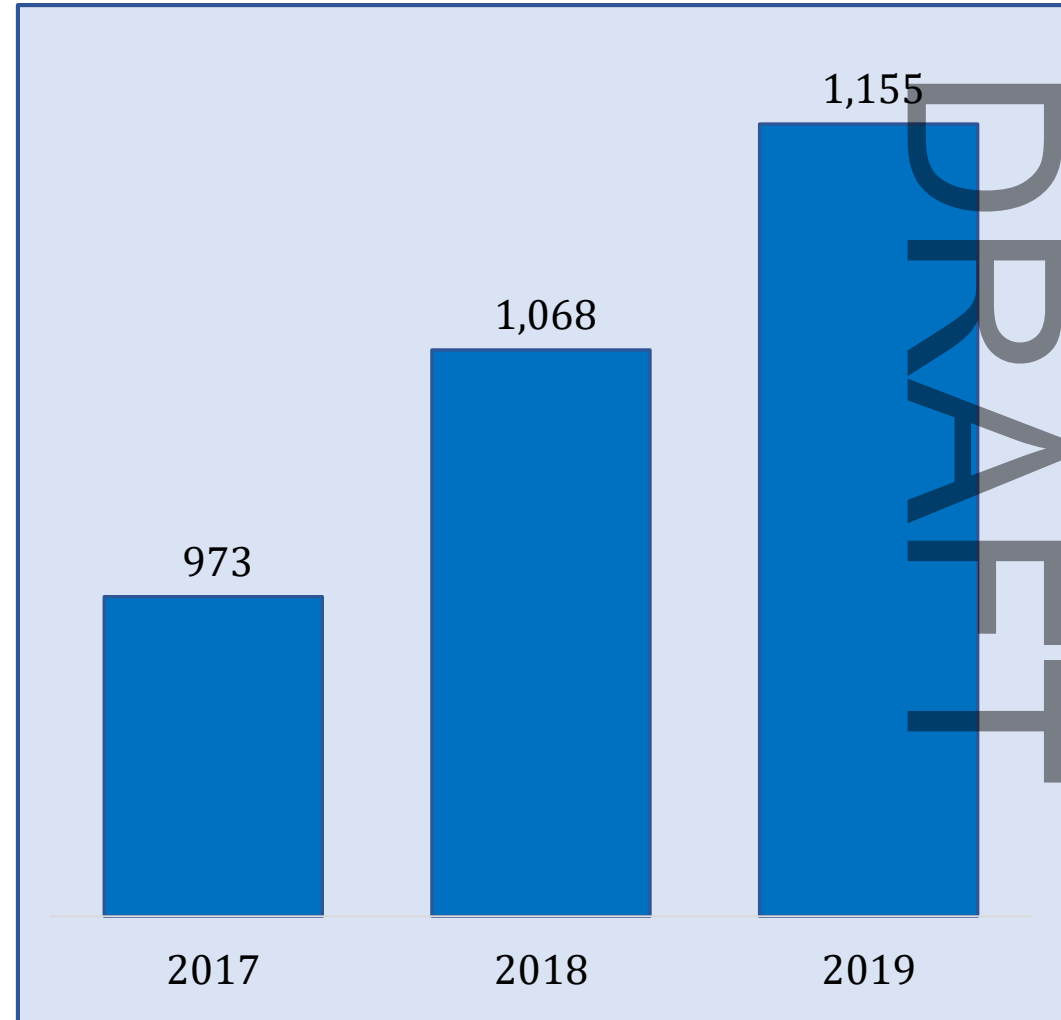
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Increased support has increased our impact:

Increase in Units Developed and Preserved



Increase in Number of Subsidized Units



Affordable Housing Bond

- Approved by Chapel Hill residents in November 2018
- **\$10 million**: Development and Preservation of Affordable Housing
- Eligible Activities
 - Acquisition
 - Home Repairs
 - New Construction



A PLACE FOR EVERYONE

AFFORDABLE HOUSING BOND REFERENDUM

This fall, Chapel Hill voters will decide on a proposed \$10 million in general obligation bonds to build and preserve housing for persons of low and moderate income.

VOTING DATES
Sept. 7–Oct. 30: Absentee Ballots
Oct. 17–Nov. 3: Early Voting
Tuesday, Nov. 6: Election Day

www.chapelhillaffordablehousing.org/bond

TOWN OF CHAPEL HILL



A PLACE FOR EVERYONE

Chapel Hill voters will consider the 2018 Affordable Housing Bond Referendum on the following dates:

Absentee Ballots
SEPT. 7 – NOV. 6

Early voting
OCT. 17 – NOV. 3

Election Day
NOV. 6

The referendum asks voters to decide on proposed \$10 million in general obligation bonds. The funds will be used to build and preserve housing for persons of low and moderate income in Chapel Hill.

What would the \$10 million be used for?

- Construction of new affordable housing
- Preservation of existing affordable housing
- Acquisition of property to be used for affordable housing

What is affordable housing?

- A home that costs no more than 30% of a household's income.
- Affordable housing typically serves households below 80% of the Area Median Income, which for a family of four in Chapel Hill is \$64,500 a year.

What is a Bond Referendum?

- A voting process that gives voters the power to decide if a municipality should be authorized to raise funds through the sale of bonds.
- Payment on the bonds would require an estimated tax increase of a penny per \$100 of property value.

For more about the Chapel Hill affordable housing bond referendum:
www.chapelhillaffordablehousing.org/bond

Information about Voting:
http://www.orangecountync.gov/departments/board_of_elections/ or 919-245-2350

TOWN OF CHAPEL HILL TOWNOFCHAPELHILL.ORG

DEVELOPMENT

Affordable Housing Goals

400

Development



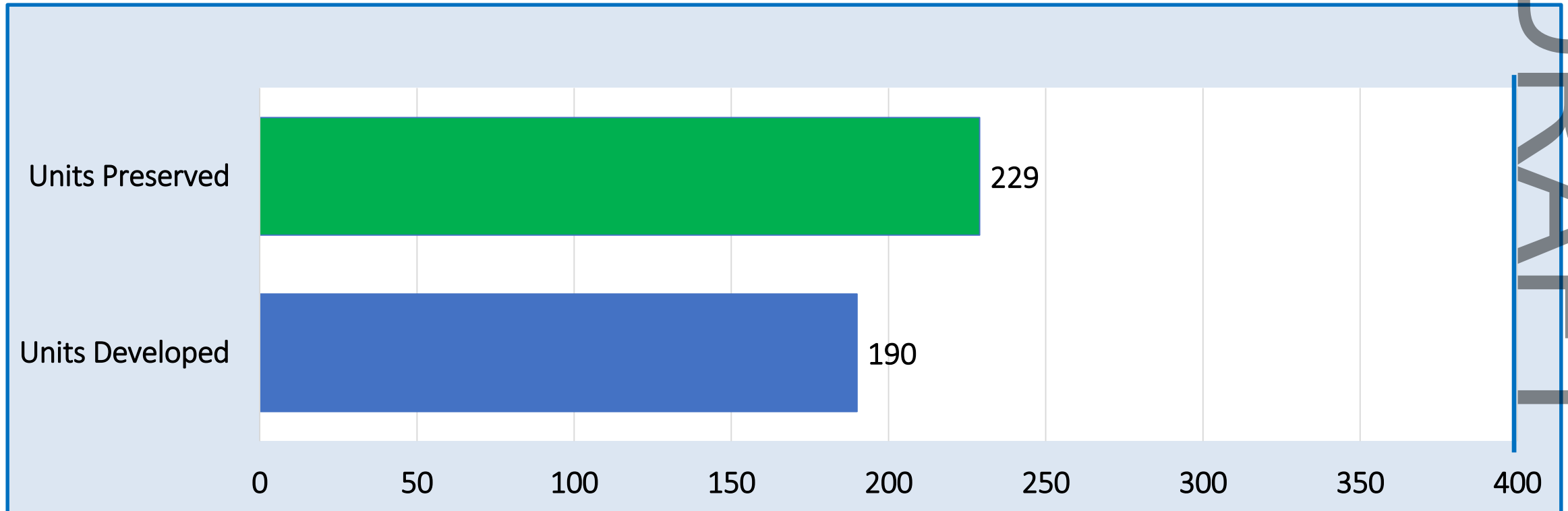
300

Preservation



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Progress Towards Our Affordable Housing Targets



Bond Funding for First Cycle

- \$5.25 million made available, including AHDR funding
- \$1.75 million Request for Proposal Process for outside agencies
 - HAB review and recommendation
- 3.5 million available for Town initiated projects

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A PLACE FOR EVERYONE

**AFFORDABLE HOUSING
BOND REFERENDUM**

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The poster features a photograph of an elderly couple standing in front of a modern house with a white railing. The text is arranged in a clean, professional layout with a blue header and footer.

Funding Requests

	Organization	Project	Request	Units
	CASA	Merritt Mill	438,995	48
	EmPOWERment	Johnson Street	350,000	8
	Habitat for Humanity	Weavers Grove	1,500,000	100
	Pee Wee Homes	Mitchell Lane Tinyplex	55,313	2
	Town of Chapel Hill	2200 Homestead Road	3,500,000	120
Total			\$5,844,308	278

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Recommended Funding Plan

	Organization	Project	Request	Recommendation	Units
	CASA	Merritt Mill	438,995	438,995	48
	EmPOWERment	Johnson Street	350,000	-	-
	Habitat for Humanity	Weavers Grove	1,500,000	1,255,692	100
	Pee Wee Homes	Mitchell Lane Tinyplex	55,313	55,313	2
	Town of Chapel Hill	2200 Homestead Road	3,500,000	3,500,000	120
Total			\$5,844,308	\$5,250,000	270

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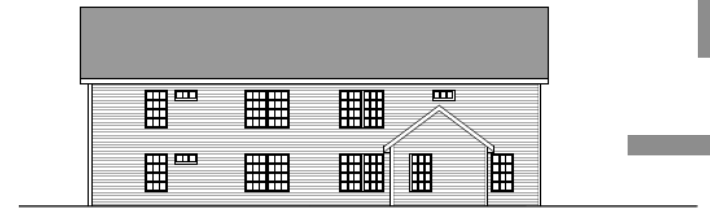
EmPOWERment, Inc. Johnson St.

- Request: \$350,000
- Recommended Amount: \$0 at this time

- ❑ 8 affordable homes
- ❑ AMI Served: 0-60%
- ❑ % Funded by Town: 20%
- ❑ Subsidy Per Unit: \$56,375



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Habitat for Humanity Weavers Grove



- Request: \$1,500,000
- Recommendation: \$1,255,692

- ❑ 100 affordable homeownership homes
- ❑ AMI Served: 31-80%
- ❑ % Funded by Town: 13%
- ❑ Subsidy Per Unit: \$33,750

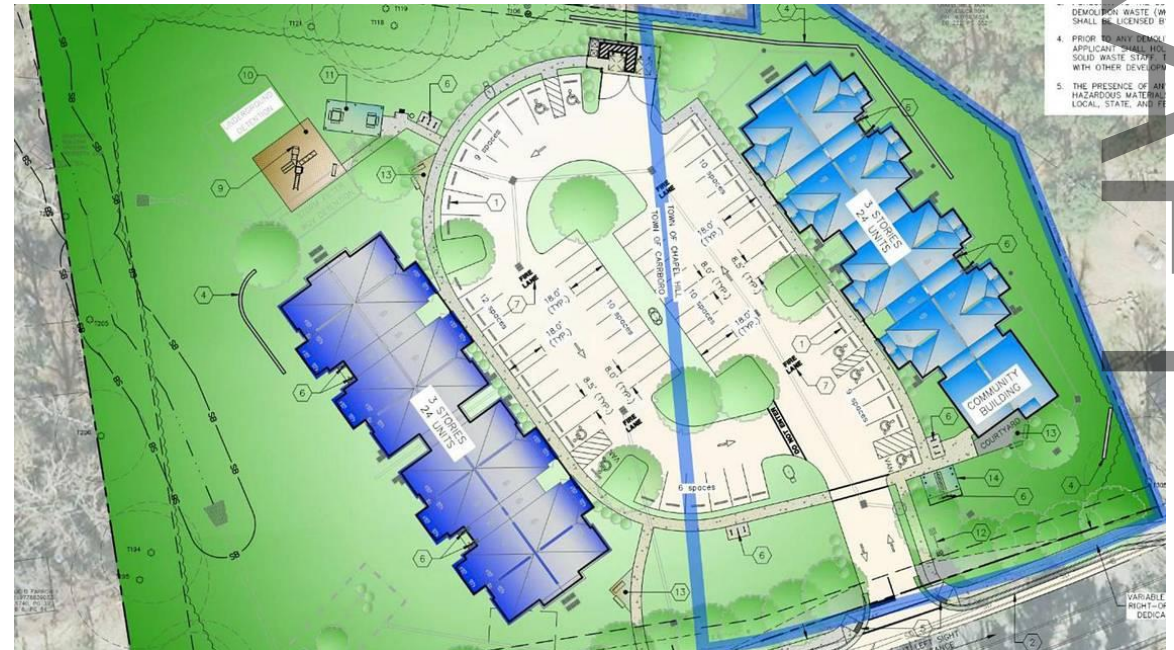


CASA Merritt Mill

- Request: \$438,995
 - Recommendation: \$438,995
-
- ❑ 48 affordable rental homes
 - ❑ AMI Served: 0-60%
 - ❑ % Funded by Town: 10%
 - ❑ Subsidy Per Unit: \$20,642



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Pee Wee Homes Mitchell Lane Tiny Duplex



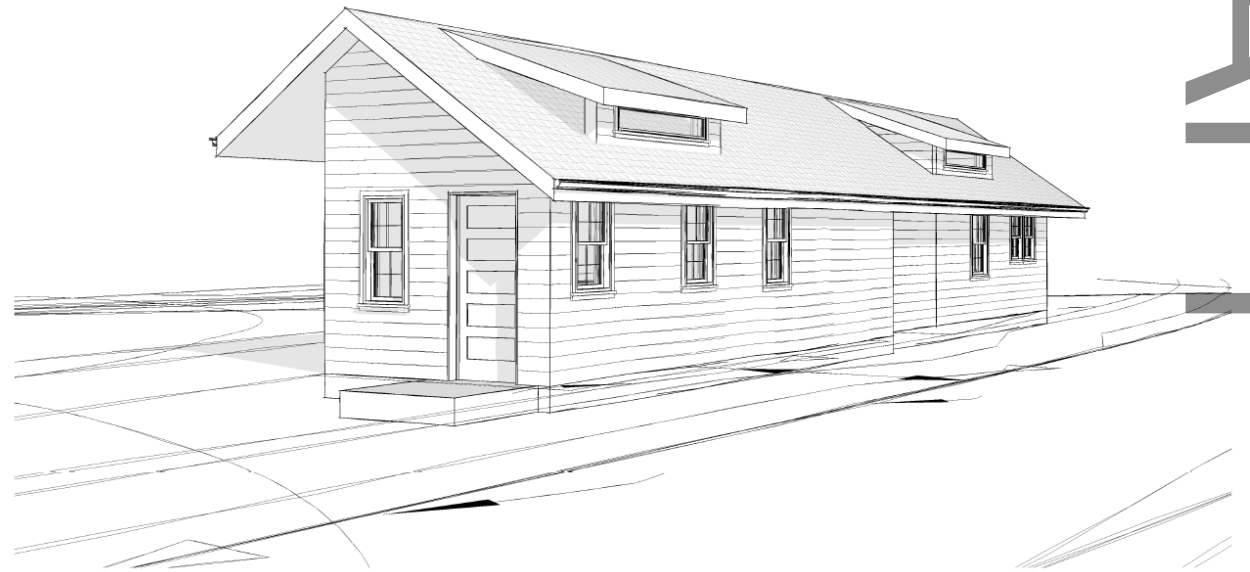
- Request: \$55,313
- Recommendation: \$55,313

- ❑ 2 affordable rental homes

- ❑ AMI Served: 0-30%

- ❑ % Funded by Town: 33%

- ❑ Subsidy Per Unit: \$27,656



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Town Project: 2200 Homestead Road

- Recommendation: \$3,500,000
 - ❑ 120 affordable rental and homeownership homes
 - ❑ AMI Served: 0-115%
 - ❑ % Funded by Town: 25%
 - ❑ Subsidy Per Unit: \$43,549




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Recommended Affordable Housing Funding Plan

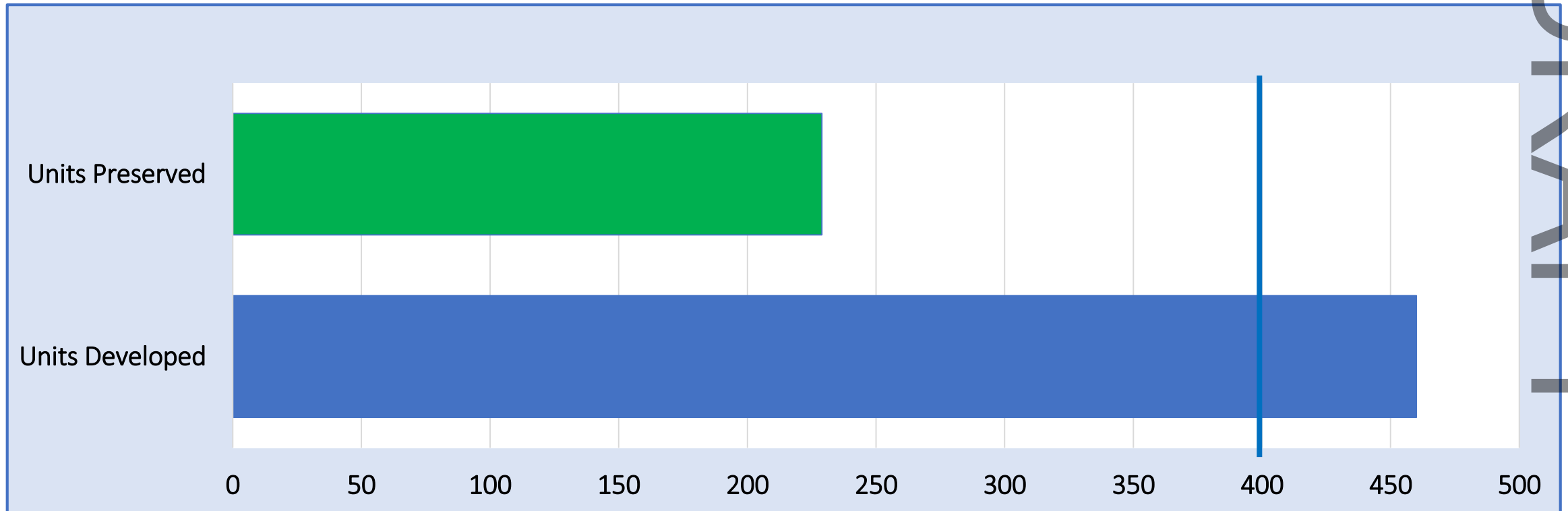
Bond Priority Highlights

- Support the development of 270 new affordable housing units in town
 - 194 serving households below 60% AMI
- Town funds would leverage \$46 million dollars from outside organizations
- Housing located near transit services
- Long-term affordable housing

Organization	Project	Recommendation	Units
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Total		\$5,250,000	270

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Progress Towards Our Affordable Housing Targets



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Council Consideration

- Consider approval of the recommended Affordable Housing Funding Plan
- Approve Resolution R-



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AFFORDABLE HOUSING BOND AND DEVELOPMENT RESERVE

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