
Expedite and Incentivize Production of Affordable and Missing Middle Housing

Scope of Work

Overview

On September 22nd, four Town Council members submitted a [petition](#)¹ requesting that staff explore best practices and innovations from across the country, while focusing on feasibility, and permissibility under NC law for expediting and incentivizing production of affordable and missing middle housing. This scope of work outlines staff's approach to addressing the petition's interest in expediting and incentivizing production of affordable and missing middle housing.

Business Case

Affordable and missing middle housing is an identified need for the Chapel Hill community. Increasing access to housing for individuals across a range of incomes, and to constantly strive for more equitable outcomes and opportunities for historically underserved populations is a [strategic goal](#)² of Town Council. Implementing this scope of work would increase the Town's ability to meet Council's goal by:

- Assisting affordable housing projects in meeting deadlines for Low-Income Housing Tax Credits, decreasing the length and uncertainty in the development review process, and decreasing Town subsidy needs to make affordable housing projects feasible.
- Assisting in creating increased housing choices for Town residents by supplying additional housing types and densities.

Deliverables

1. New application pathway for missing middle housing projects
 - Working definition of Missing Middle
 - Completed Missing Middle Scan
 - Recommendations for creating pathway for missing middle housing
2. Create an expedited review process for affordable housing development projects
 - Pilot program recommendation for Council review
 - Pilot program review and lessons learned document
 - Recommendations for permanent changes

Project Management Roles and Responsibilities

- **Project Managers:**
 - **Colleen Willger, Director of Planning**
 - **Sarah Vinas, Director of Affordable Housing and Community Connections**

¹ <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=5146393&GUID=0711EF32-5F1D-4D45-AECF-823F900B86DE&Options=&Search=>

² <https://www.townofchapelhill.org/government/mayor-and-council/town-strategic-goals-objectives>

Responsible for a project throughout the life cycle. Builds project plan and schedule. Manages resources and project team.

▪ **Project Staff:**

- **Judy Johnson, Assistant Director of Planning**
- **Nate Broman-Fulks, Affordable Housing Manager**
- **Emily Holt, Affordable Housing Development Officer**

Responsible for supporting the Project Manager (PM) on specific project areas and in creating deliverables.

▪ **Consultants: TBD**

Provides technical and analytical assistance to the Project Management Team

Draft Project Timeline

See Project Work Plan

Resources and Procurements

- The implementation of the Scope of Work will require significant investment of Town staff time.
 - Deliverable 1: New application pathway for missing middle housing projects
 - We estimate it will take significant staff time to achieve this deliverable.
 - Funding for consultants for this deliverable has been identified through the Charting Our Future project.
 - Deliverable 2: Create an expedited review process for affordable housing projects
 - We estimate it will take significant staff time to achieve this deliverable.
 - No consultant needs have been identified for this deliverable.

Risks and Challenges

- Limited staff capacity is a major challenge to achieving the deliverables outlined in this scope
- Implementing this scope of work would likely mean some existing staff projects would be delayed, if additional staff capacity is not provided
- If the Expedited Review Pilot Program is not approved, affordable housing development projects would take longer to complete and some projects may not meet Low-Income Housing Tax Credit deadlines, delaying the projects and significantly increasing subsidy needs of projects.
- Limited resources available to support the development of future affordable and missing middle housing. Staff estimate a gap of about \$8 million in local subsidy to support affordable projects already in the pipeline.