

Affordable Housing Funding Plan



Town Council Meeting



April 24, 2024



Agenda

1. Background

2. Application Review

3. Recommended Funding Plan



Background

Council Consideration

- Consider approval of the recommended Affordable Housing Funding Plan as outlined in Resolution R-3



Funding Recommendation Highlights

- Allocates \$1,668,800
- Supports development of 66 new affordable units, preservation of 10 affordable units
- About 20% of units will serve 0-30% AMI households
- Leverages over \$20 million dollars, or 92% of project funds
- Advance Council's affordable housing goals & Complete Community vision



Application Review

Funding Process

- RFP launched in February 2024
- Funding available:
 - Affordable Housing Development Reserve (AHDR): **Up to \$800,000**
 - Reallocated Affordable Housing Bond funds: **\$1.55 million**
- Staff evaluated and scored applications using scoring rubric



**Affordable Housing
Common Funding
Application**



Affordable Housing Bond
Affordable Housing Development Reserve
Affordable Housing Fund
American Rescue Plan Act (ARPA)



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Funding Requests

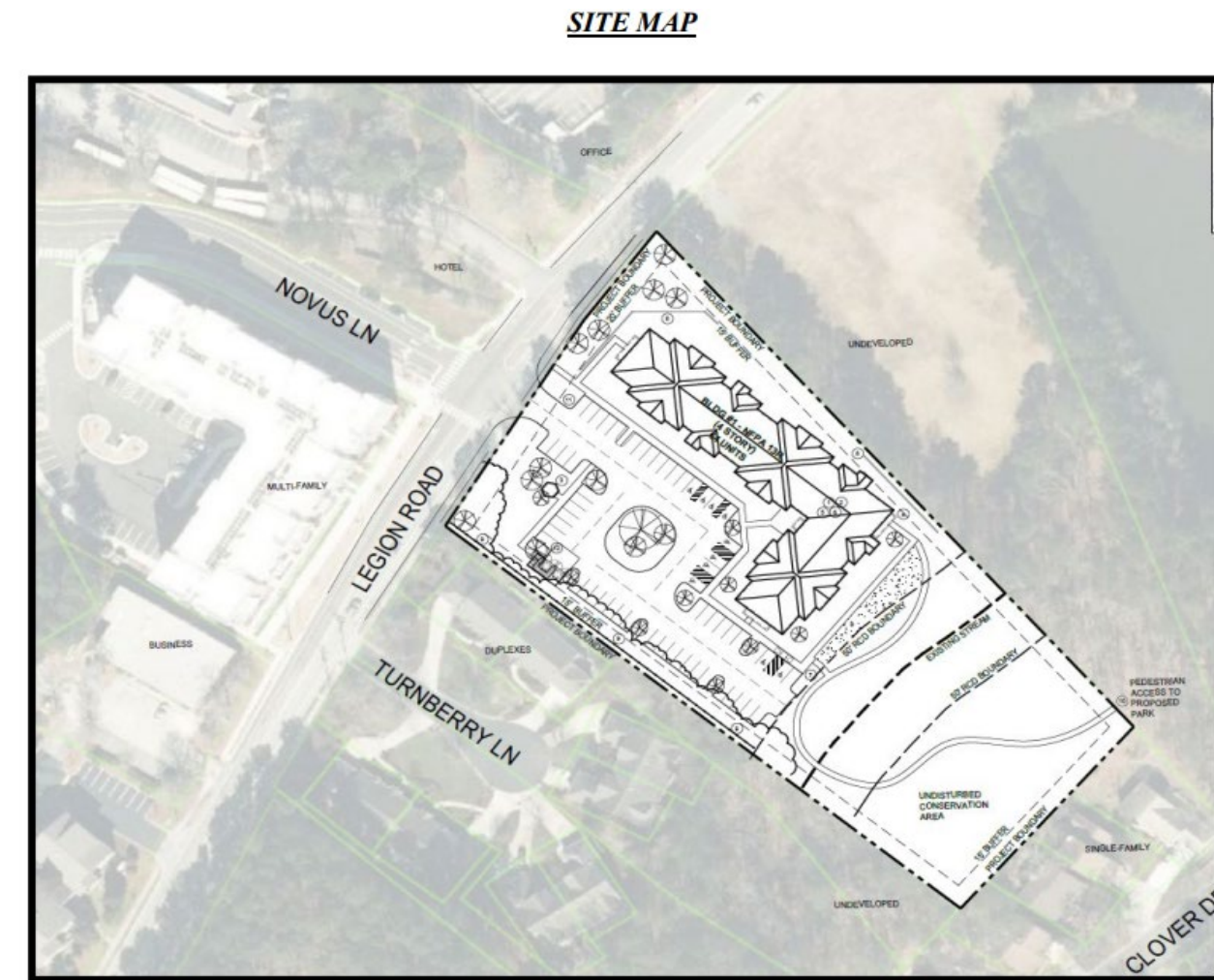
Organization	Project	Units	Request
Community Home Trust	Everam Court Repair	2	\$33,800
EmPOWERment, Inc.	Davie Circle Acquisition	8	\$200,000
Habitat for Humanity	Pine Knolls Repairs	1	\$45,000
Habitat for Humanity	Carver St. Acquisition	12	\$375,000
Residential Services Inc. (RSI)	Cedar Hills Renovation	6	\$110,000
Taft-Mills Group/ Community Home Trust	Longleaf Trace LIHTC Project	48	\$950,000
		77	\$1,713,800

Recommended Funding Plan

Recommended New Construction Projects

Taft-Mills Group / Community Home Trust – Longleaf Trace: \$950,000

- 48 affordable units for seniors
- 0-60% AMI



■ Recommended Funding Plan

Recommended Rehabilitation Projects

Community Home Trust – Everam Court: \$33,800

- Critical foundation repairs
- 2-unit duplex
- 80-100% AMI



Residential Services Inc. (RSI) – Cedar Hills Home: \$110,000

- Conversion of single-family unit to group home
- 6 affordable units for individuals with intellectual & developmental disabilities
- 0-60% AMI



■ Recommended Funding Plan

Recommended Acquisition Projects

EmPOWERment, Inc – Davie Circle: \$200,000

- Acquisition of 8 Naturally Occurring Affordable Housing units
- 30-60% AMI



Habitat for Humanity – Carver Street: \$375,000

- Acquisition of two lots from Northside Land Bank
- 30-80% AMI



■ Recommended Funding Plan

Council Consideration

- **Consider approval of the recommended Affordable Housing Funding Plan as outlined in Resolution R-3**



Affordable Housing Funding Plan



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Evaluation Criteria

Scoring Criteria:

1. Income Target – 30 points
2. Financing and Leverage – 55 points
3. Project Feasibility – 25 points
4. Applicant Experience – 20 points
5. Design – 30 points
6. Project Impact – 45 points
7. Social and Racial Equity – 25 points
8. 15 possible bonus points

1. Income Target		30	maximum points
a. The households to be served through the proposed project fall within the household income ranges.			
	Household Income Range	Points	See Question 7
	0-30% AMI	30	
	31-60% AMI	25	
	61-80% AMI	15	
	> 80% AMI	0	
2. Financing and Leverage		55	maximum points
a. The degree to which the proposed project includes other sources of funds.			
	Percent Funded by Town Source	Points	See Question 6
	41-100%	0	
	21 - 40 %	5	
	11 - 20 %	10	
	0 - 10 %	15	
b. Total Town Subsidy Per Unit			
	Less than \$20,000	15	See Question 7
	\$20,001-\$30,000	10	
	\$30,001-\$50,000	5	
	\$50,001+	0	
c. Total Development Cost Per Unit			
	\$200,000 +	0	
	\$125,000 - \$199,999	5	
	< \$125,000	10	
d. Town subsidy will be repaid to the Town			
	No	0	
	Yes, principal only repayment	10	
	Yes, principal and interest repayment	15	
3. Feasibility		25	maximum points
a. The applicant can demonstrate zoning compliance.			
		2	Information
b. Planning approval already received.			
		4	See Question 7
c. 50% of other financing has been committed by other sources.			
		4	See Attachment- Budget
d. The project is projected to be completed within 5 years			
		15	See Attachment - Project Information

Application Scoring

Scoring Category	Maximum Score	Pine Knolls	RSI	Longleaf Trace	Davie Circle	Carver St	Everam Court
1. Income Target	30	25	28	26	25	20	0
2. Financing and Leverage	55	20	40	45	30	20	25
3. Feasibility	25	19	23	15	19	15	15
4. Experience	20	16	6	10	18	20	14
5. Design	30	25	22	30	7	30	10
6. Impact	45	0	25	35	25	30	25
7. Social Equity	25	20	20	14	20	25	21
8. Bonus Points	20	5	10	5	5	5	0
TOTAL	230	130	174	180	149	165	110
Percentage*	100%	57%	79%	82%	93%	72%	54%

*Each project's percentage score is based on the maximum score the project could receive. Some aspects of the scoring criteria may not be applicable to an individual project and are not counted in their maximum score.

OVERVIEW OF ELIGIBLE USES BY FUNDING SOURCE

Uses	CDBG	HOME	AHF	AHDR	BOND/ ARPA	HOME- ARP**
Acquisition/Land Banking*	✓	✓	✓	✓	✓	✓
New Construction		✓	✓	✓	✓	✓
Demolition	✓			✓	✓	✓
Future Development Planning				✓		
Homebuyer/Second Mortgage Assistance	✓	✓	✓	✓		
Redevelopment/ Reconstruction	✓	✓	✓	✓	✓	✓
Rehabilitation/Renovation	✓	✓	✓	✓	✓	✓
Housing Relocation	✓	✓		✓		
Rental Assistance	✓	✓	✓	✓	✓	✓
Rental Subsidy			✓	✓		
Site Improvements	✓	✓	✓	✓	✓	✓

**HOME-ARP funds are to be used only for projects serving the following Qualifying Populations:

- Homeless
- At-risk of homelessness
- Fleeing or attempting to flee domestic violence, human trafficking
- Veterans

