

# AFFORDABLE HOUSING ANNUAL REPORT



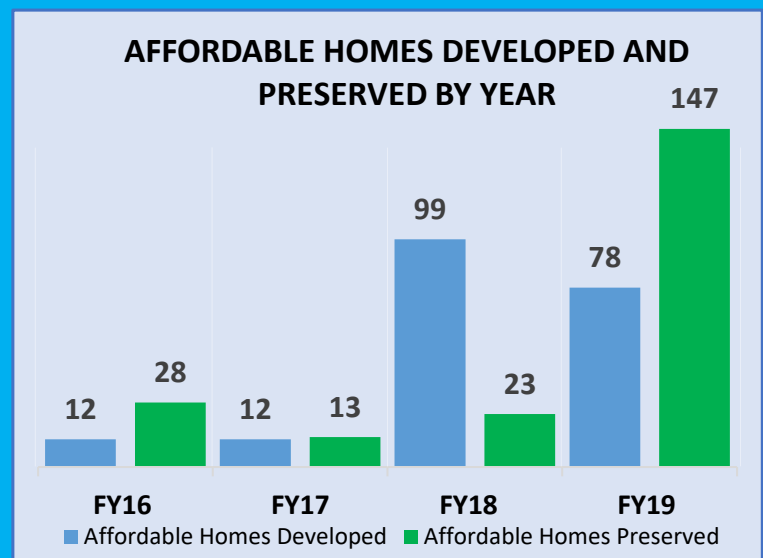
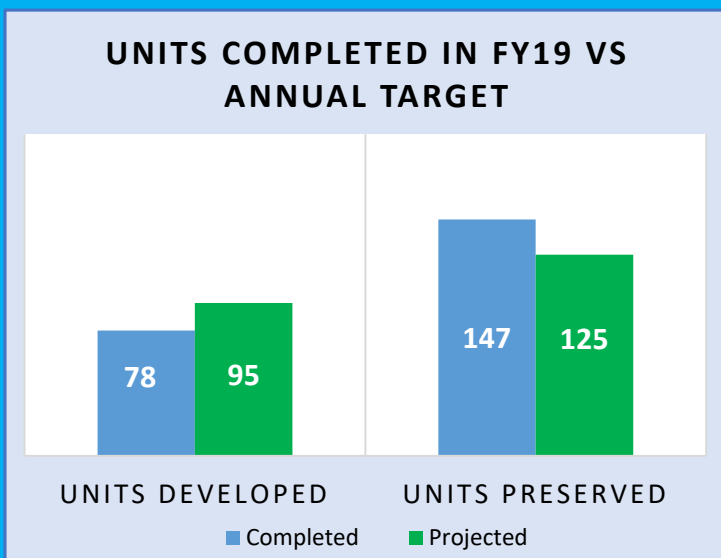
FISCAL YEAR 2019  
(JULY 1, 2018 – JUNE 30, 2019)



## OUR GOAL

To increase access to housing for individuals across a range of incomes, and to constantly strive for more equitable outcomes and opportunities for historically underserved populations.

## 2019 KEY RESULTS



**78** new affordable homes developed

**147** affordable homes preserved with Town support, exceeding our projection

**3** permanently affordable tiny homes developed

**2** new Town programs launched: Employee Housing Program and Housing Displacement Assistance Program

**69** senior housing units completed through the first Low Income Housing Tax Credit project in over a decade.



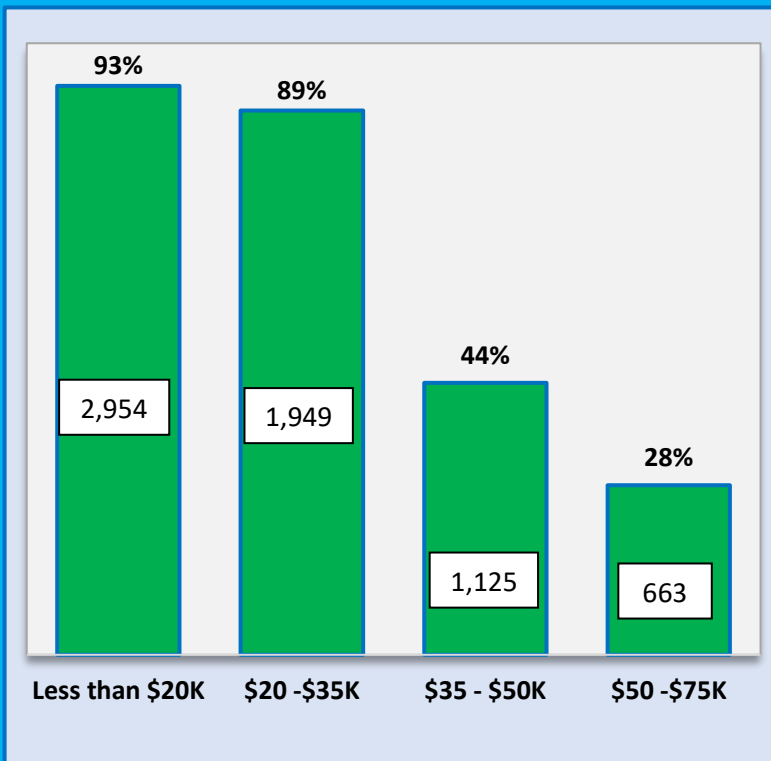
Town purchased and rehabbed a quadraplex and incorporated it into the Town's Transitional Housing Program, bringing the number of Transitional homes managed by the Town to 16 and freeing up Public Housing units for new residents.

**TO LEARN MORE:** [www.chapelhillaffordablehousing.org](http://www.chapelhillaffordablehousing.org)

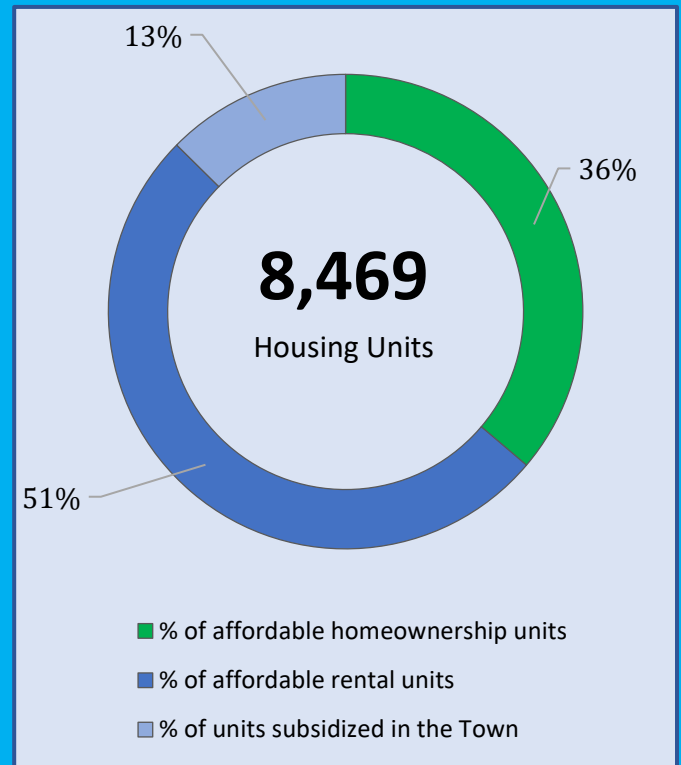
# COMMUNITY INDICATORS

<b>\$5,646,000</b> Town Budget for Affordable Housing Strategies	<b>\$80,600</b> Median Household Income	<b>54%</b> of Renters spend more than 30% of income on Housing	<b>39%</b> of Housing Units are affordable to households with income below 80% AMI
	<b>\$371,400</b> Median Home Value	<b>21%</b> of Homeowners spend more than 30% of income on Housing	<b>21,922</b> Total housing units in town

Number and Percent of Households that are Cost-burdened by Income Level



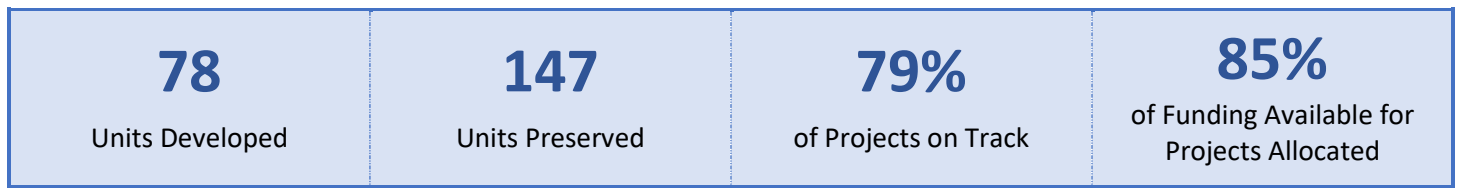
Number of Housing Units that are Affordable to Households with Income Under 80% AMI



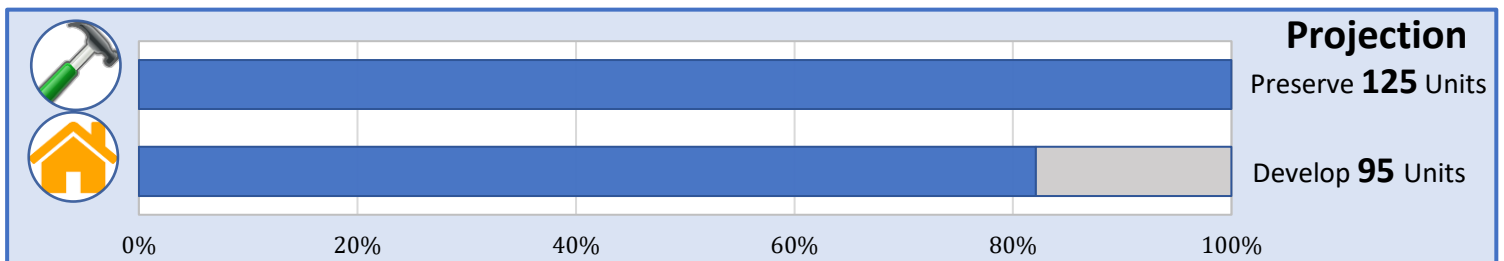
## FY19 Q4 Highlights

- Town supported the development of 78 new affordable homes and the preservation of 147 affordable homes in fiscal year 2019. We fell just short of our projection for development, and hit 118% of our preservation projection.
- Town has allocated 85% of funding available for affordable housing projects, with the only remaining funding located in the Opportunity Fund, designed to support unanticipated opportunities.
- 79% of FY19 projects were completed or are on track to be completed on schedule.

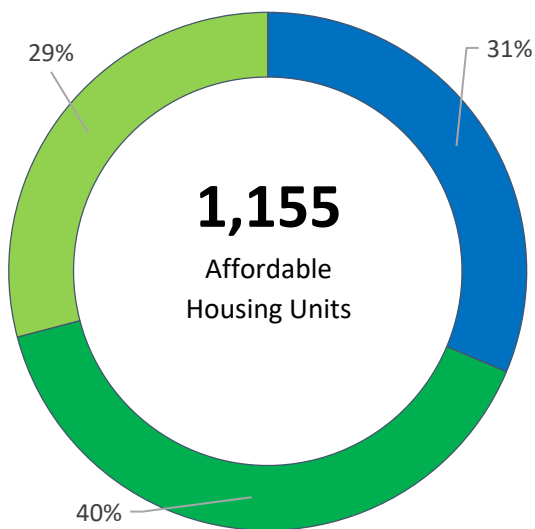
## FY19 Town Performance-to-Date



### Year-End Progress Towards FY19 Projection

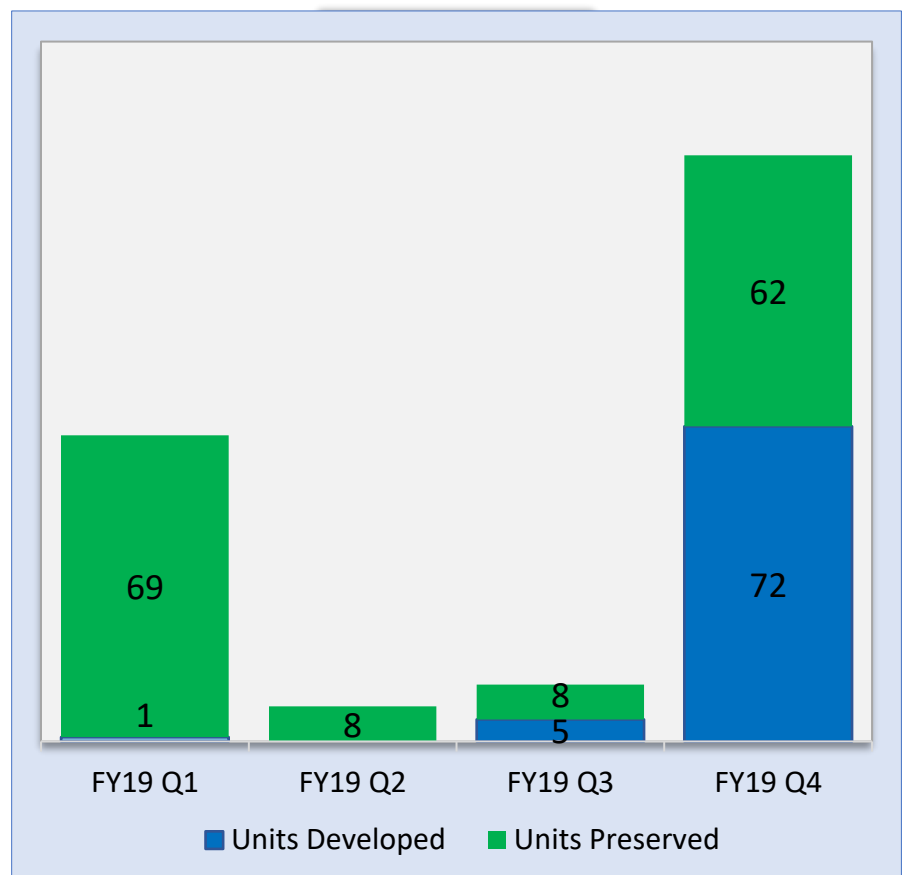


### Number of Subsidized Units in Town



● Home Ownership:	362
● Public Housing:	336
● Rental:	457



### Actual and Projections by Quarter – Number of Units



## FY19 Q4 Update | Affordable Housing Projects Underway Supported by Town Funds

Project Type	Provider	Project Name	Number of Units	Projected Completion	Status
	Town of Chapel Hill Public Housing	Oakwood Roof Replacement	30	FY19 Q1	✓
	Town of Chapel Hill Public Housing	Rainbow Heights Roof Replacement	24	FY19 Q1	✓
	Town of Chapel Hill	Transitional Housing Acquisition from CASA	4	FY19 Q1	✓
	Community Home Trust	Courtyards Acquisition	2	FY19 Q1	✓
	Rebuilding Together	Homeowner Rehabilitation	4	FY19 Q2	✓
	Town of Chapel Hill	Sykes Street Transitional Housing Acquisition	4	FY19 Q3	✓
	Habitat for Humanity	Northside Land Acquisition and Second Mortgage Assistance Project	7	FY19 Q3	✓
	Habitat for Humanity	McMasters St Homes	1	FY19 Q3	✓
	Community Home Trust	Homebuyer Subsidy	3	FY19 Q3	✓
	Self-Help	Northside Emergency Repairs	5	FY19 Q3	✓
	Community Empowerment Fund	Rental and Utility Assistance Program	12	FY19 Q3	✓
	Church of the Advocate	Pee Wee Homes Tiny Homes	3	FY19 Q4	✓
	DHIC	Greenfield Commons	69	FY19 Q4	✓
	Town of Chapel Hill Public Housing	South Estes Rehabilitation	44	FY19 Q4	✓
	Town of Chapel Hill Public Housing	North Columbia Rehabilitation	1	FY19 Q4	✓
	Community Home Trust	Master Leasing at Glen Lennox	5	FY19 Q4	✓
	Habitat for Humanity	Homeowner Rehabilitation	11	FY19 Q4	●
	Self-Help	Land Bank Properties for Affordable Housing	8	FY19 Q4	●
	Community Home Trust	Graham Street Acquisition	1	FY20 Q3	●
	Self-Help	Grisham Cottages	4	FY20 Q4	●
	Community Home Trust	Chandler Woods	9	FY20 Q4	●
	CASA	Merritt Mill Road Multi-Family Development	24	FY21 Q4	●
	Town of Chapel Hill	2200 Homestead Road	140	FY23 Q2	●
	Habitat for Humanity	Weavers Grove	95	FY28 Q2	●

### Legend:

- ✓: The project has been completed
- : The project is on track to meet its project scope and schedule
- : The project has been delayed in meeting its previous quarter project scope and schedule
- : The project has stalled and may not be completed
- : Development Project
- : Preservation Project

## FY19 Update | Town of Chapel Hill Affordable Housing Work Plan Highlights

Project	Progress Update
<b>DEVELOPMENT</b>	
<b>2200 Homestead</b>	<ul style="list-style-type: none"> <li>Town staff evaluated responses to the Request for Qualifications to identify potential development partners and plans to enter into a Memorandum of Understanding by fall 2020</li> </ul>
<b>Prioritized Parcels of Town-Owned Land</b>	<ul style="list-style-type: none"> <li>Town staff contracted with a local engineering firm to explore development potential of prioritized sites</li> <li>Staff update to the Council on results of the analysis in fall 2020</li> </ul>
<b>Identify Properties for Affordable Housing Development</b>	<ul style="list-style-type: none"> <li>Town staff is currently conducting an analysis of small, publicly-owned parcel to identify opportunities for small site development, including tiny homes</li> <li>The Grisham cottages are in the process of being relocated, with anticipated relocation and renovation completed by end of FY20</li> </ul>
<b>Acquisition and Rehab at 624 Sykes</b>	<ul style="list-style-type: none"> <li>Town staff managed rehabilitation of quadraplex, and the homes were incorporated into the Town's Transitional Housing Inventory</li> </ul>
<b>PRESERVATION</b>	
<b>Implement Manufactured Home Communities Strategy</b>	<ul style="list-style-type: none"> <li>Town staff continue to implement Manufactured Home Strategy and explore additional preservation strategies</li> <li>Town staff are assisting with outreach to Tar Heel (1200 MLK) residents, as there is an development application under consideration for the site</li> </ul>
<b>Affordable Housing Preservation Strategy</b>	<ul style="list-style-type: none"> <li>Housing Advisory Board Reviewed the draft Strategy</li> <li>Staff will present the strategy to the Council in the fall 2019</li> </ul>
<b>Housing Displacement Assistance Program (HDAP)</b>	<ul style="list-style-type: none"> <li>The Town partnered with Community Empowerment Fund to provide assistance to low-income residents displaced from affordable housing</li> <li>Eight households have received assistance</li> </ul>
<b>POLICY</b>	
<b>Explore creation of Employee Housing Incentives</b>	<ul style="list-style-type: none"> <li>Town staff continue implmenting the pilot program and analyzing results</li> <li>Staff will be conducting enhanced marketing and outreach to employees and will begin evaluating the Pilot Program in FY20</li> </ul>
<b>Blue Hill Incentive options</b>	<ul style="list-style-type: none"> <li>Council approved expanding district purpose statement to including affordable housing in June 2019</li> <li>Staff continue to explore additional strategy options</li> </ul>
<b>Create Goals for Affordable Housing in New Rental Development</b>	<ul style="list-style-type: none"> <li>Housing Advisory Board reviewed and made recommendation to Council on draft Goals and Guiding Principles</li> <li>Town staff updated the Town Council in June 2019 and are continuing to research based on the Council's feedback</li> </ul>
<b>FUNDING</b>	
<b>Implement investment Plan for Affordable Housing</b>	<ul style="list-style-type: none"> <li>Staff designed application process for the \$10 Million affordable housing bond, which was shared with the Council May 2019</li> <li>Staff anticipate first request for funding proposals in the winter or spring of 2020</li> </ul>
<b>Manage Funding Programs</b> <ul style="list-style-type: none"> <li>Affordable Housing Fund (AHF)</li> <li>Affordable Housing Development Reserve (AHDR)</li> <li>CDBG</li> <li>HOME</li> </ul>	<ul style="list-style-type: none"> <li>Town Council approved funding plans for CDBG and HOME</li> <li>The Town Manager approved \$54,000 for a Housing Displacement Assistance Program and \$20,000 for affordable housing land acquisition on Sunset Drive for Habitat for Humanity</li> <li>Following Council approval of the Housing Advisory Board's recommended funding plan for the second funding cycle of the year, the AHDR was exhausted for FY19.</li> </ul>
<b>MANAGING TOWN-OWNED HOUSING</b>	
<b>Public Housing Master Plan</b>	<ul style="list-style-type: none"> <li>Staff considering multiple strategies for the rehabilitation and renovation of Trinity Court and plan to discuss those alternative strategies with Council in the fall.</li> </ul>
<b>COMMUNICATIONS</b>	
<b>Implement a Communications and Marketing Strategy</b>	<ul style="list-style-type: none"> <li>Manufactured home outreach and mapping work featured on international ESRI blog</li> <li>Staff led measurement and reporting webinar for national Alliance for Innovation organization attended by staff of ~30 cities across the country</li> </ul>

## Notes & Citations

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- The percentage of renters and homeowners that pay more than 30% of their income on Housing, the number and percentage of cost-burdened housing, and total occupied housing units in town data source is U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates
- HUD defines cost-burdened families as those who pay more than 30 percent of their income for all housing related expenses and may have difficulty affording necessities such as food, clothing, transportation, and medical care.
- The median household income data source is the HUD FY2018 Median Family Income Estimates based on American Community Survey data for the Durham-Chapel Hill Metropolitan Statistical Area.
- The median home value data source is Zillow.com
- The total budget for affordable housing strategies captures all Town expenditures for affordable housing. This includes the Affordable Housing Fund, CDBG Funds, and operating funds, among others.
- The percentage of housing units that are affordable to households with income under 80% AMI includes naturally occurring affordable housing and units subsidized by the Town. The data source for this metric and corresponding chart is the commercial real-estate research firm Co-Star and the County-wide data inventory created through the Orange County Affordable Housing Coalition.
- The percent of budget allocated metric displays the percentage of the Town budget for affordable housing projects allocated as of the date of the quarterly report.
- The data source for the number of units subsidized by the Town is the County-wide Data Inventory created through the Orange County Affordable Housing Coalition.
- The data source for subsidized housing unit development projections is the County-wide data inventory created through the Orange County Affordable Housing Coalition.