

# AFFORDABLE HOUSING QUARTERLY REPORT



## FISCAL YEAR 2019 QUARTER 3 PROGRESS REPORT (JANUARY 1, 2019 – MARCH 31, 2019)



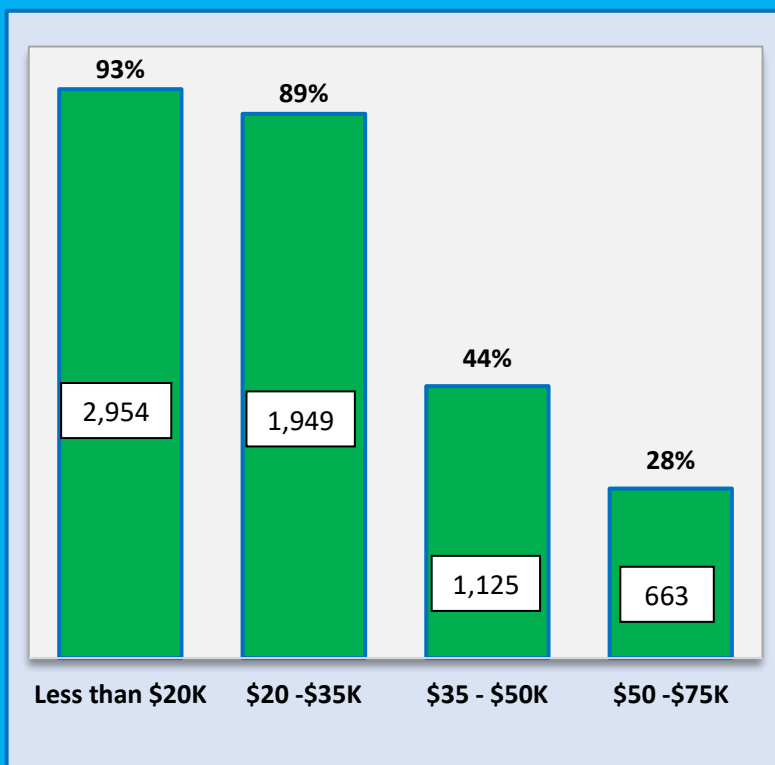
### OUR GOAL

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.

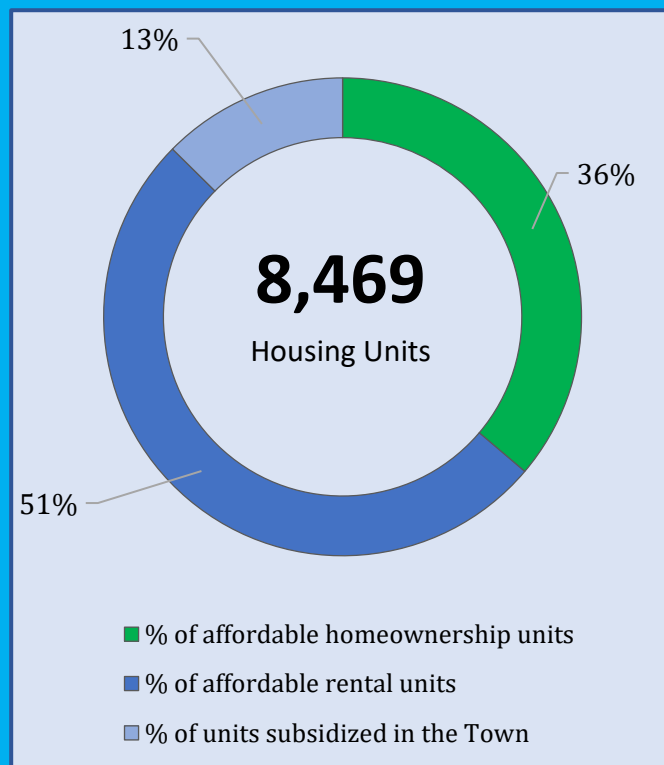
### COMMUNITY INDICATORS

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

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



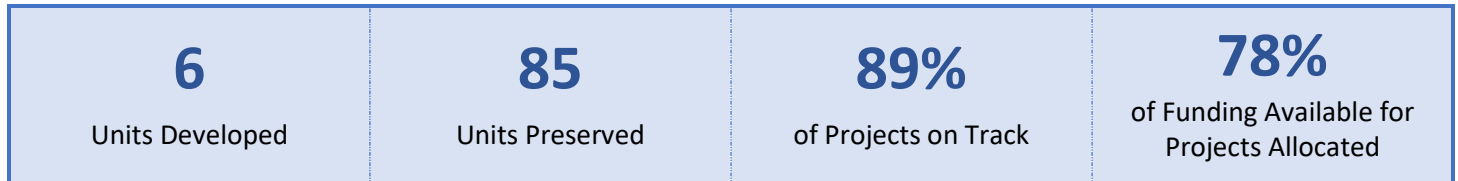
Number of Housing Units that are Affordable to Households with Income Under 80% AMI



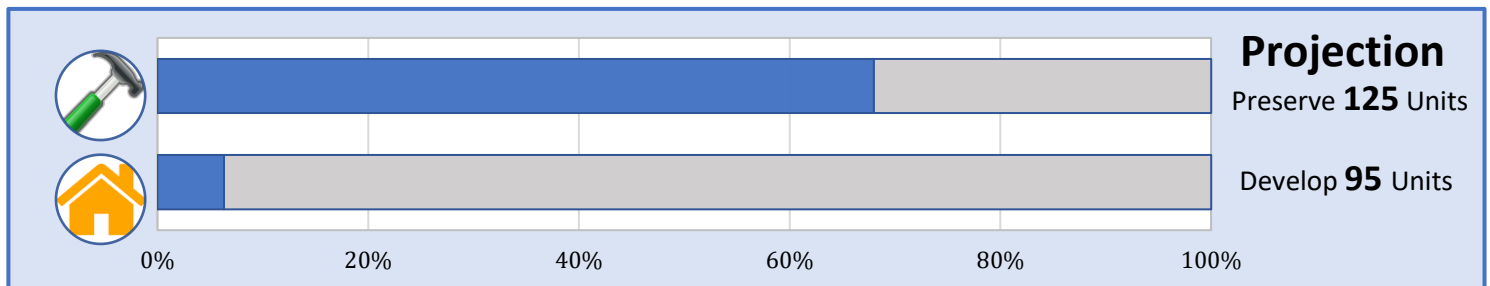
## FY19 Q3 Highlights

- Town supported the preservation of eight affordable homes and the development of five new affordable homes
- Town has allocated 78% of funding available for affordable housing projects, with Affordable Housing Development Reserve funding exhausted for this fiscal year
- 89% of projects are on track to be completed on schedule, with 76 new units now scheduled to come online in Q4 instead of Q3 due mainly to weather delays

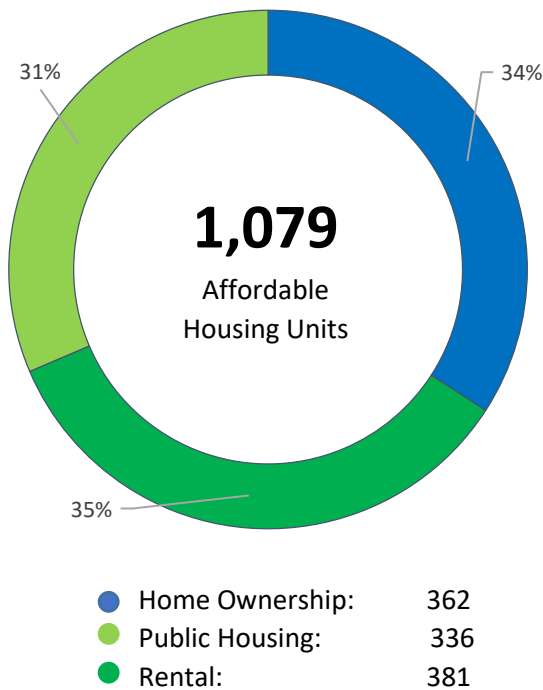
## FY19 Town Performance-to-Date



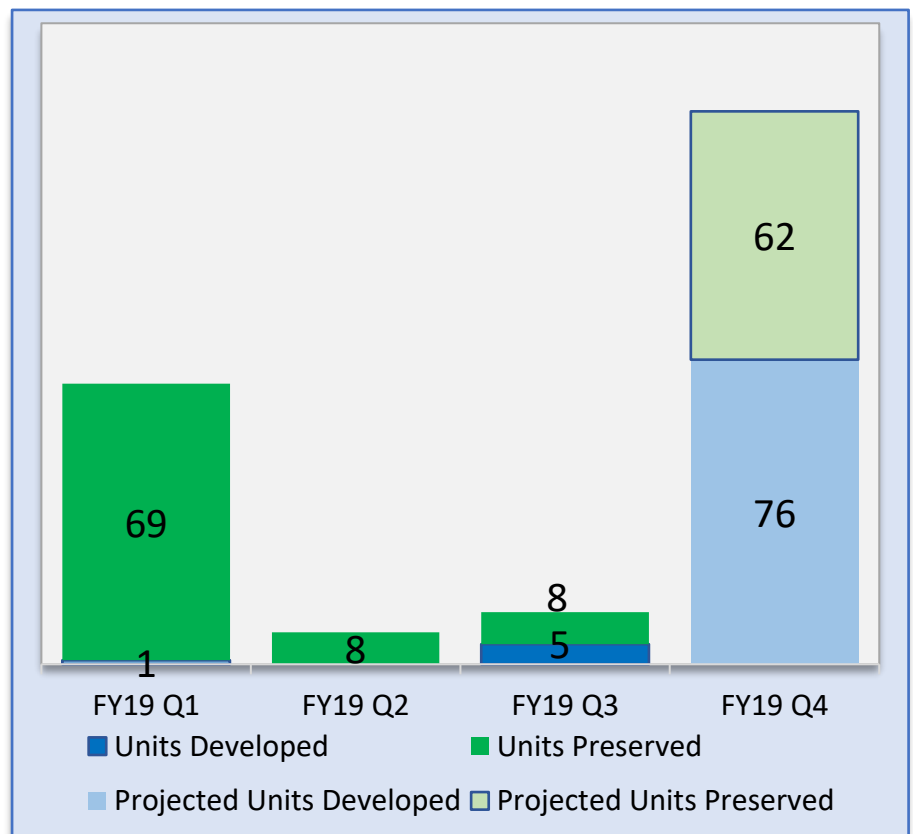
## Year-to-Date Progress Towards FY19 Projection

















## Number of Subsidized Units in Town





## Actual and Projections by Quarter – Number of Units



## FY19 Q3 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              | ●      |
|  | Habitat for Humanity               | Homeowner Rehabilitation  | 11              | 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              | ●      |
|  | Self-Help                          | Land Bank Properties for Affordable Housing                       | 8               | FY19 Q4              | ●      |
|  | Community Home Trust               | Graham Street Acquisition   | 1               | FY20 Q1              | ●      |
|  | Self-Help                          | Grisham Cottages  | 4               | FY20 Q2              | ●      |
|  | Community Home Trust               | Chandler Woods  | 9               | FY20 Q2              | ●      |
|  | CASA                               | Merritt Mill Road Multi-Family Development                        | 24              | FY21 Q4              | ●      |
|  | Town of Chapel Hill                | 2200 Homestead Road   | 140             | FY23 Q2              | ●      |
|  | Habitat for Humanity               | Sunrise Road  | 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 Q3 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 issued Request for Qualifications to identify potential development partners and is currently evaluating responses</li> </ul>   |
| <b>Prioritized Parcels of Town-Owned Land</b>  | <ul style="list-style-type: none"> <li>Town staff issued Request for Proposals and has contracted with a firm to explore development potential of prioritized sites, with anticipated completion by June 2019</li> </ul>  |
| <b>Identify Properties for Affordable Housing Development</b>  | <ul style="list-style-type: none"> <li>Town completed donation of two parcels of Town-owned land to create permanently affordable housing through relocation of cottages in the Historic District</li> <li>The cottages are in the process of being relocated</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> </ul>  |
| <b>Affordable Housing Preservation Strategy</b>  | <ul style="list-style-type: none"> <li>Town staff continued developing an Affordable Housing Preservation Strategy with Town Council review scheduled for fall 2019</li> </ul>  |
| <b>Housing Displacement Assistance Program (HDAP)</b>  | <ul style="list-style-type: none"> <li>Town Manager approved program to provide rental assistance and housing locator services to residents of naturally occurring affordable housing facing displacement</li> </ul>  |
| <b>POLICY</b>  |   |
| <b>Explore creation of Employee Housing Incentives</b>   | <ul style="list-style-type: none"> <li>Town staff launched the Employee Housing Program and conducted 13 employee interest meetings – one employee has already received assistance through the program</li> </ul>   |
| <b>Participate in LUMO Re-Write Project</b>  | <ul style="list-style-type: none"> <li>Housing and Community staff continue participation in project as member of project team</li> </ul>   |
| <b>Tiny Home Exploration</b>   | <ul style="list-style-type: none"> <li>Town staff provided an update to Town Council on their exploration of Tiny Homes as an affordable housing solution in town</li> </ul>  |
| <b>FUNDING</b>   |   |
| <b>Implement investment Plan for Affordable Housing</b>  | <ul style="list-style-type: none"> <li>Staff developed the RFP process for bond funding with input from the Housing Advisory Board and affordable housing partners</li> <li>Staff anticipate providing Council with an update on the proposed process in May 2019</li> </ul>  |
| <b>Manage Affordable Housing Funding Programs – Affordable Housing Fund (AHF), Affordable Housing Development Reserve (AHDR), Community Development Block Grant (CDBG), and HOME</b> | <ul style="list-style-type: none"> <li>Town Council approved three funding applications to Affordable Housing Development Reserve, exhausting available funds in the AHDR for this year</li> <li>Staff developed draft funding plans for CDBG, which Town Council approved in April</li> </ul>                                |
| <b>MANAGING TOWN-OWNED HOUSING</b>   |   |
| <b>Public Housing Master Plan</b>  | <ul style="list-style-type: none"> <li>Staff provided an update to Council in April 2019</li> <li>Public Housing is considering multiple strategies beyond RAD for the rehabilitation and renovation of Trinity Court. Public Housing staff plan to discuss those alternative strategies with Council in the fall.</li> </ul> |
| <b>MEASUREMENT AND REPORTING</b>   |   |
| <b>Provide an Affordable Housing Quarterly Report</b>  | <ul style="list-style-type: none"> <li>Staff developed and provided Q2 report to the Council and community in February</li> </ul>   |
| <b>COMMUNICATIONS</b>  |   |
| <b>Implement a Communications and Marketing Strategy</b>   | <ul style="list-style-type: none"> <li>Town staff are developing a formal affordable housing communications plan</li> <li>Town staff continue to build out and update the affordable housing website, including monthly news stories</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.