

CHAPEL HILL Public Housing



MASTER PLAN UPDATE: Focus on Trinity Court

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Where we are.....

- 336 units: 306 Chapel Hill, 30 Carrboro
- 2017 - 2019 Staff developed Master Plan to address Maintenance, Renovations, and Preservation of all units.
- 2017 Trinity Court found unsafe for residents
- 2018 last resident relocated from Trinity
- \$1.4M restoration price tag
- With Council authorization staff pursued other options for Trinity Court



2019

Public Housing Master Plan



Town of Chapel Hill

Proposed Agenda

Options for Trinity Court

1. Sell
2. Deconstruct
3. Renovate
4. Rebuild



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1. Sell

“Release”

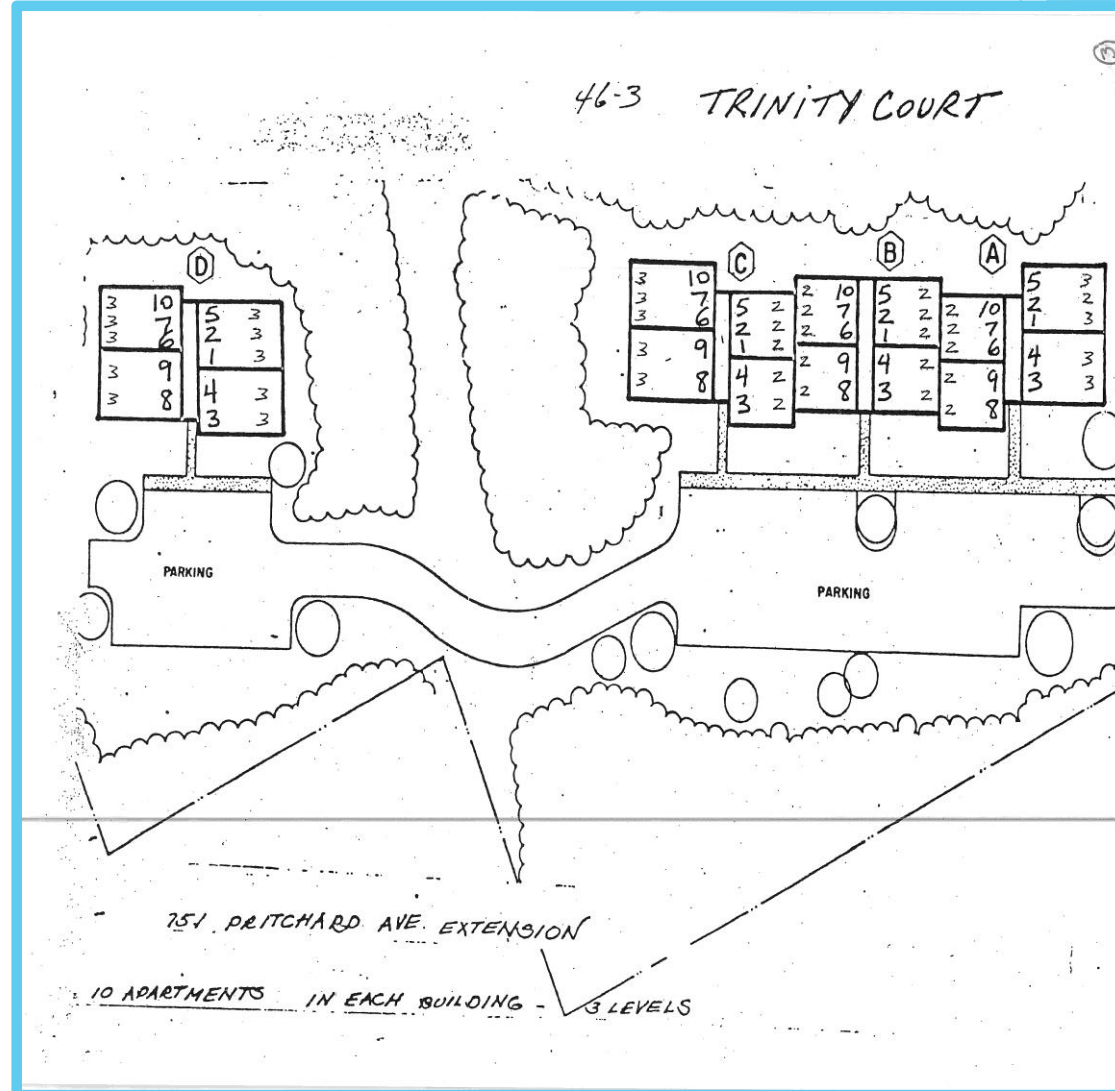
- Doesn't include buildings on the property.
- Requires investment

Pro(s):

- Find affordable housing developer.

Con(s):

- Lower than expected due to the condition of the buildings.
- Less Town owned land to develop affordable housing units.



2. Deconstruct

“Removal”

- Estimate **\$1M** to demolish
 - **\$800,000** incidentals
 - Requires asbestos removal
 - Amount of asbestos will affect cost
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- Pro: Clean slate to rebuild
 - Con: Requires HUD authorization



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3. Renovate

“Habitability”

- Correct deficiencies on the property, inside the units, and remediate hazardous materials: **\$7.5M**
 - **Pro:** Continuing operating funds, preservation of 40 units of affordable housing.
 - **Cons** - No increase in density or design. Cost exceeds 2020 appraised value.



Typical existing furnace



4. Rebuild

“Re-imagine”

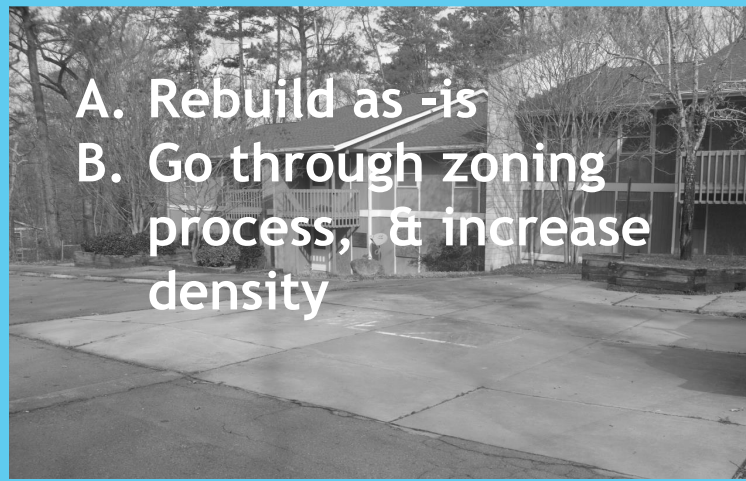
- Cost of **\$7.1M** at to rebuild a complex to house 40 families
- Includes cost of deconstruction and hazardous material abatement (**\$2.5M**)

Pros:

- Development Partner
- Consistent w/ the Council’s goals
- Increase density

Cons:

- Lengthy development process
- Rezoning process necessary to increase density



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Summary of Options (Cost)

Summary of Options	Estimated Income/Cost
Sell	Investment needed to realize profit
Deconstruct	(\$1,819,000)
Renovate	(\$7,500,000)
Rebuild	(\$9,600,000)

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Financing Options

Regardless of which option the Town pursues, it will need to utilize a variety of funding sources to finance the work.

- Town Financing
- Conventional Debt
- FHA Financing
- Low Income Housing Tax Credits (LIHTC)

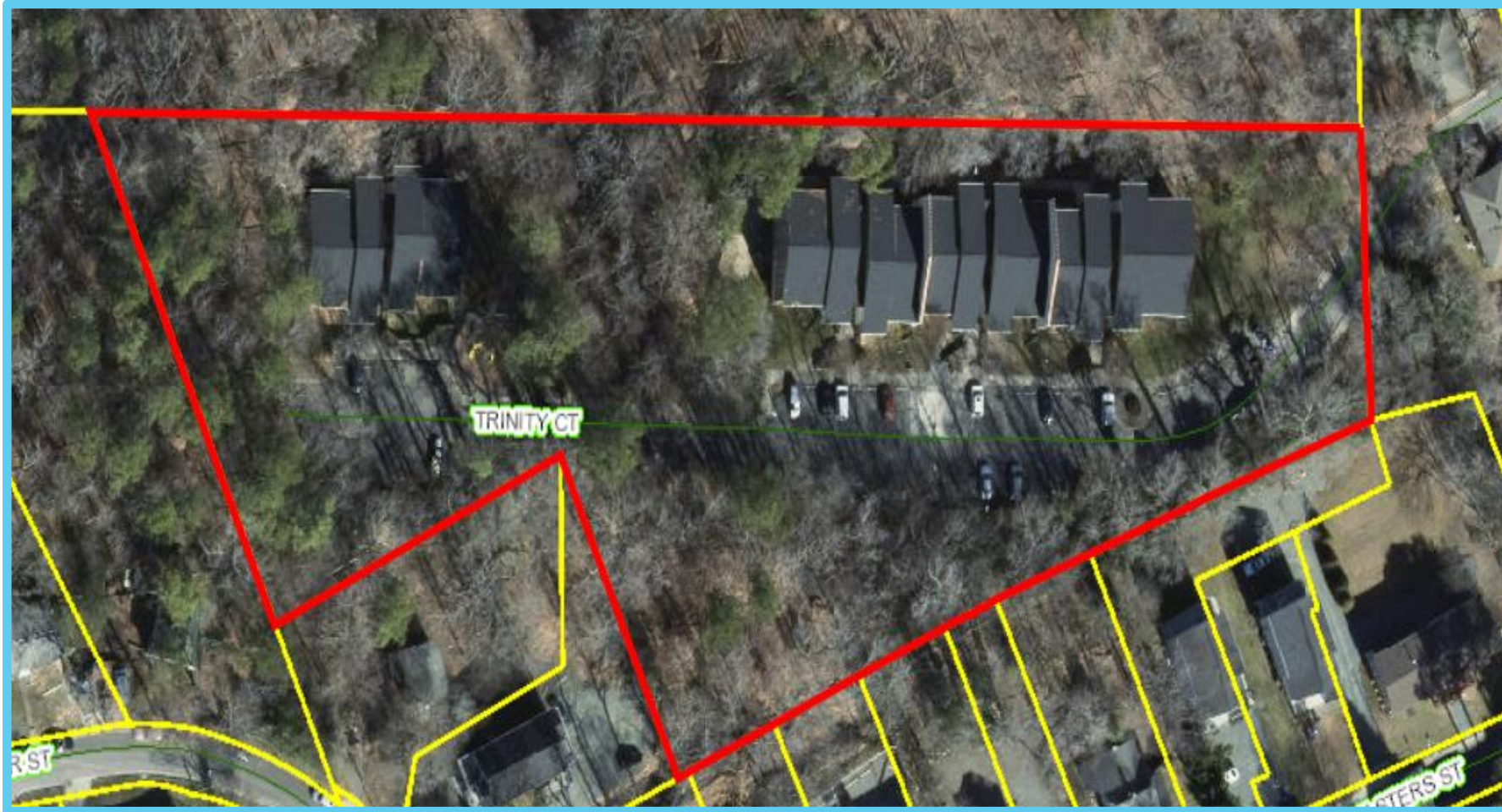


RECOMMENDATION

- ▶ Staff recommends continued pursuit of a RAD Conversion



Questions?



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