

AFFORDABLE HOUSING QUARTERLY REPORT



FISCAL YEAR 2021 QUARTER 3
(JANUARY 1 – MARCH 31, 2021)



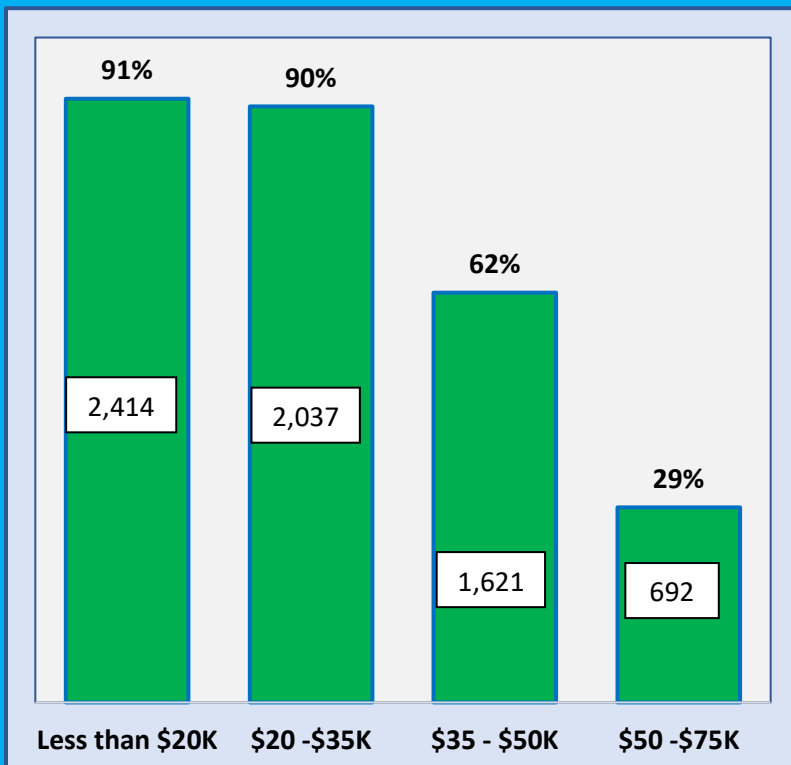
OUR GOAL

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

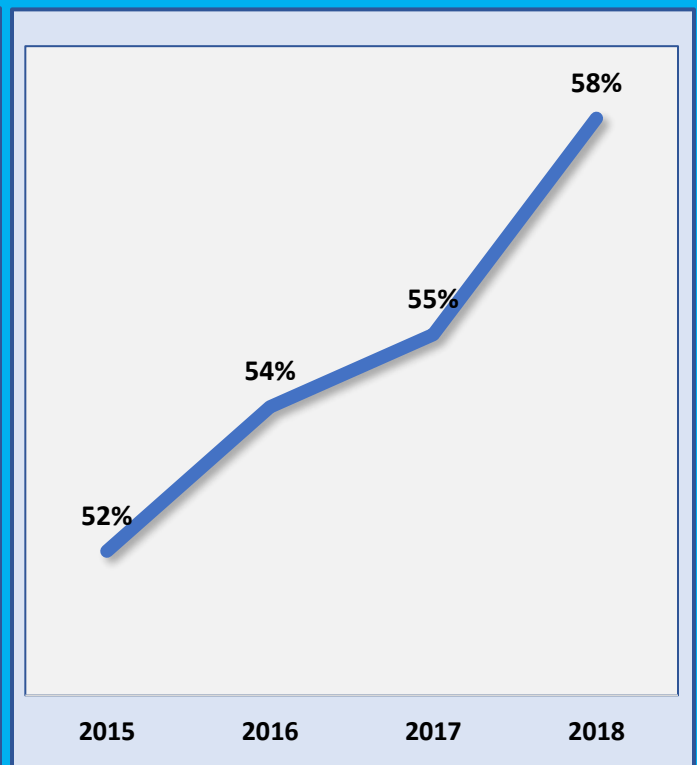
COMMUNITY INDICATORS

<p>\$6,226,205</p> <p>Town Budget for Affordable Housing Strategies</p>	<p>\$90,900</p> <p>Median Household Income</p>	<p>58%</p> <p>of Renters spend more than 30% of income on Housing</p>	<p>40%</p> <p>of Housing Units (7,459) affordable to households with income at 80% AMI</p>
	<p>\$410,105</p> <p>Median Home Value</p>	<p>22.5%</p> <p>of Homeowners spend more than 30% of income on Housing</p>	<p>21,708</p> <p>Total housing units in town</p>

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

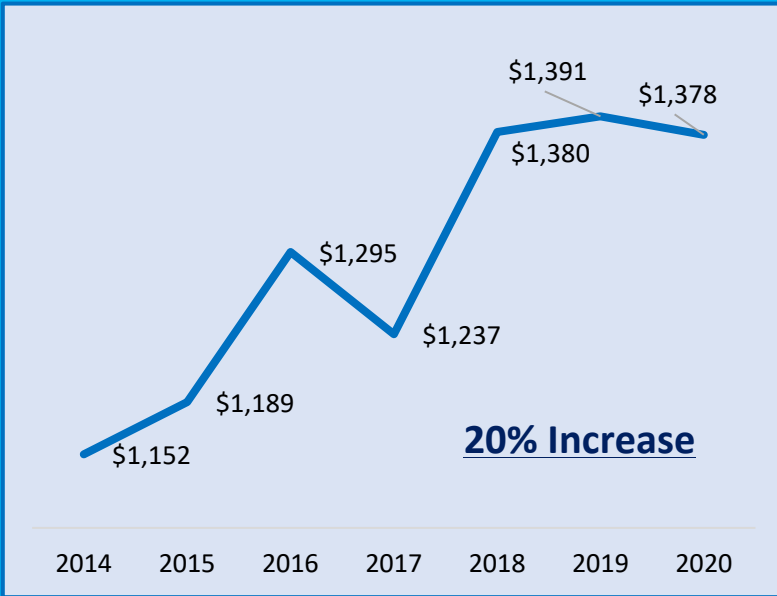


Percentage of Renters Cost-Burdened by Year

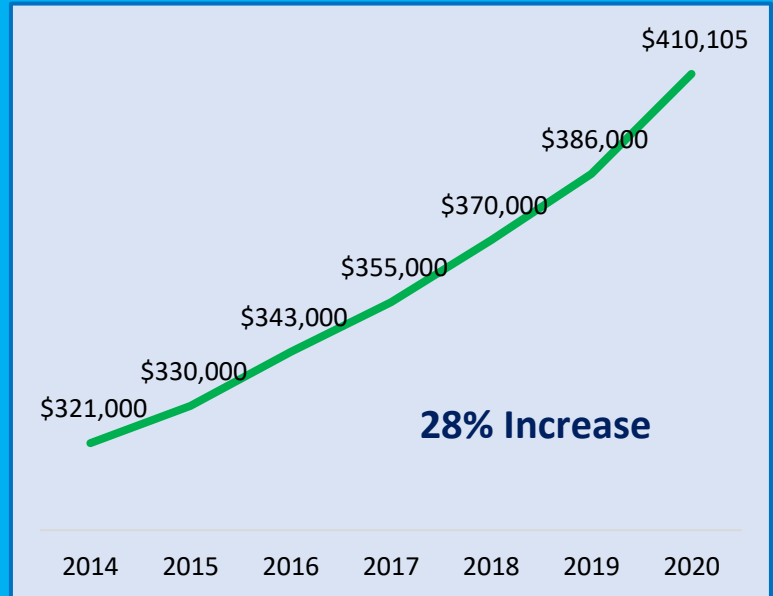


Housing costs have been rising in Chapel Hill since 2014:

Rise in Rental Rates

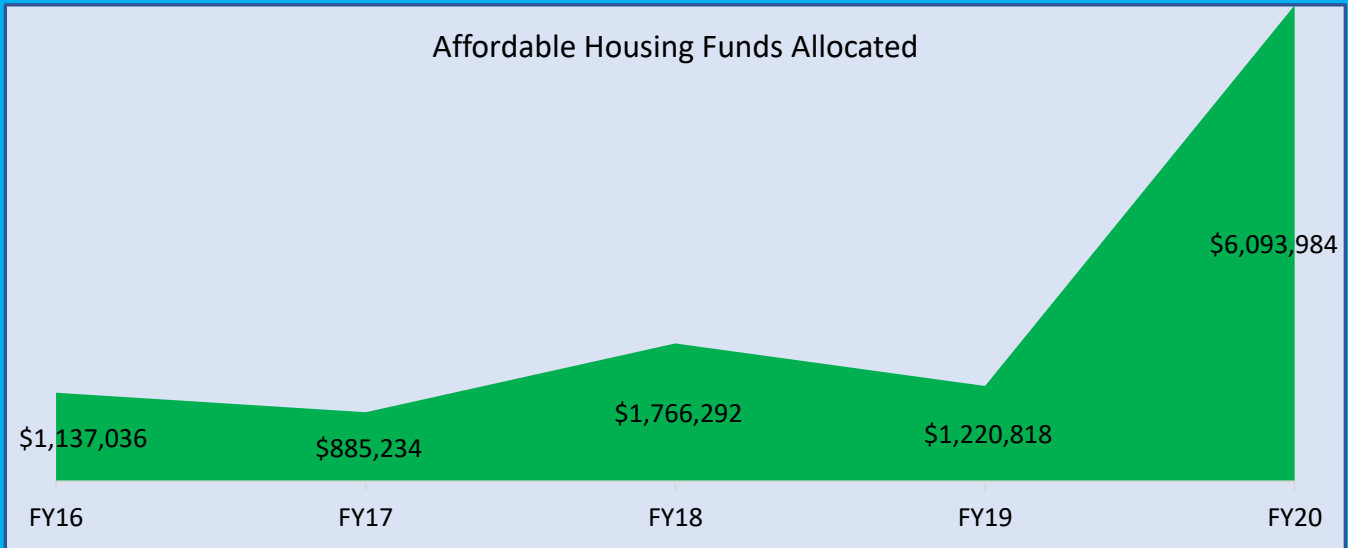


Rise in Home Values

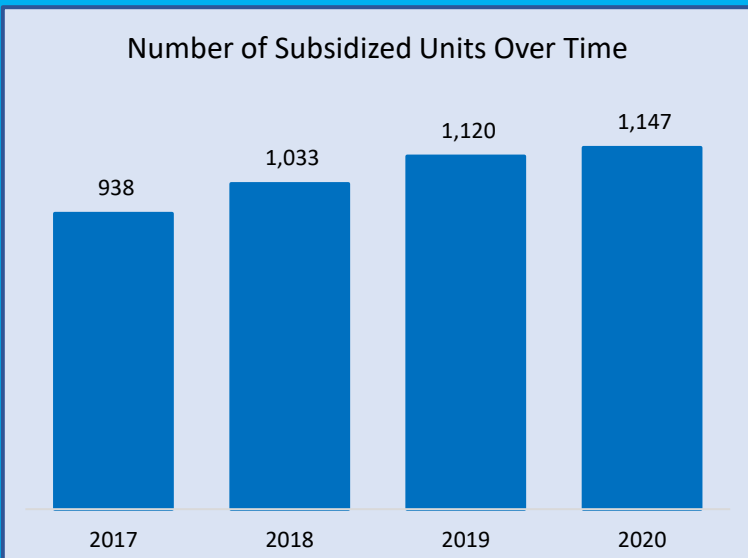


The Town has increased its support for affordable housing to address housing needs:

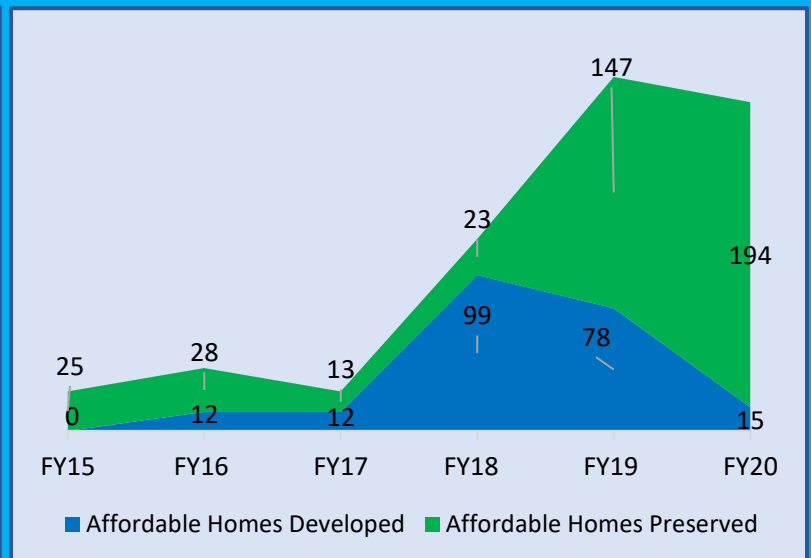
Affordable Housing Funds Allocated



Increase in Number of Subsidized Units



Increase in Units Developed and Preserved

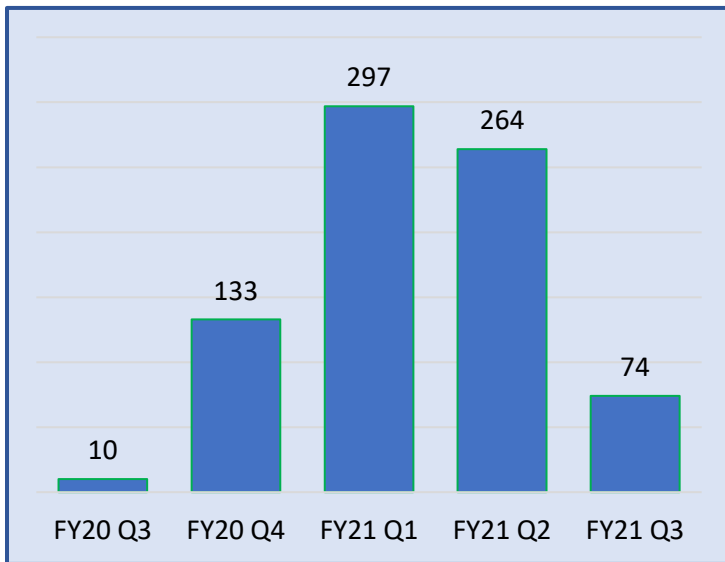


FY21 Q3 Highlights

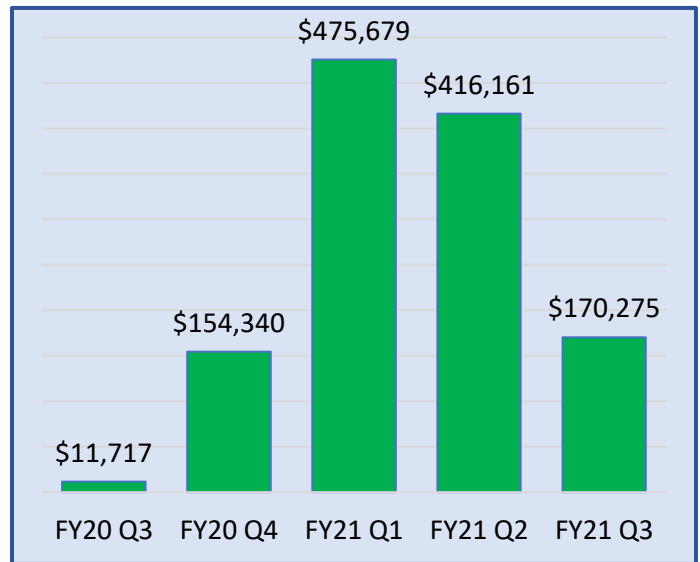
- The Town has continued to focus on COVID-19 response efforts and supported 74 Emergency Housing Assistance payments for Town residents. This assistance is reflected in the total units preserved.
- The 2200 Homestead Road affordable housing development project began Advisory Board review
- The Jay Street development team began community engagement and submitted an affordable housing concept plan
- Three affordable home repair projects were completed in the Northside Neighborhood

Emergency Housing Assistance

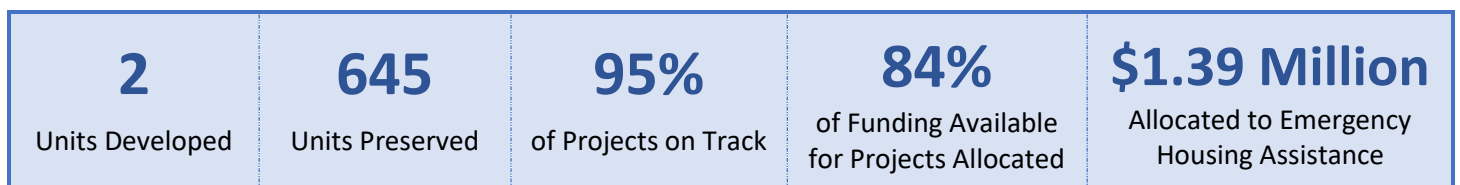
Households Provided Emergency Housing Assistance



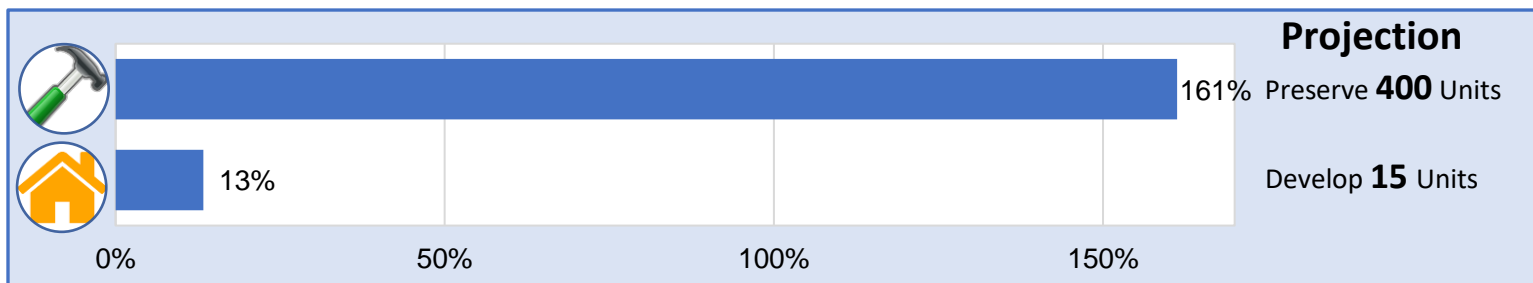
Amount of Assistance Provided



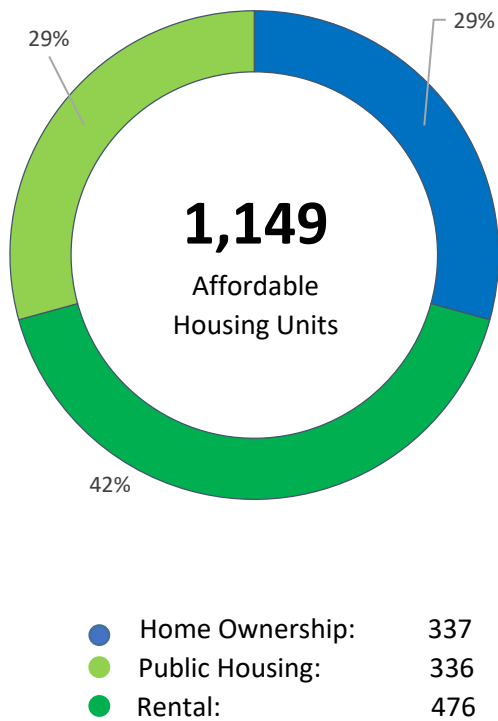
FY21 Town Performance-to-Date



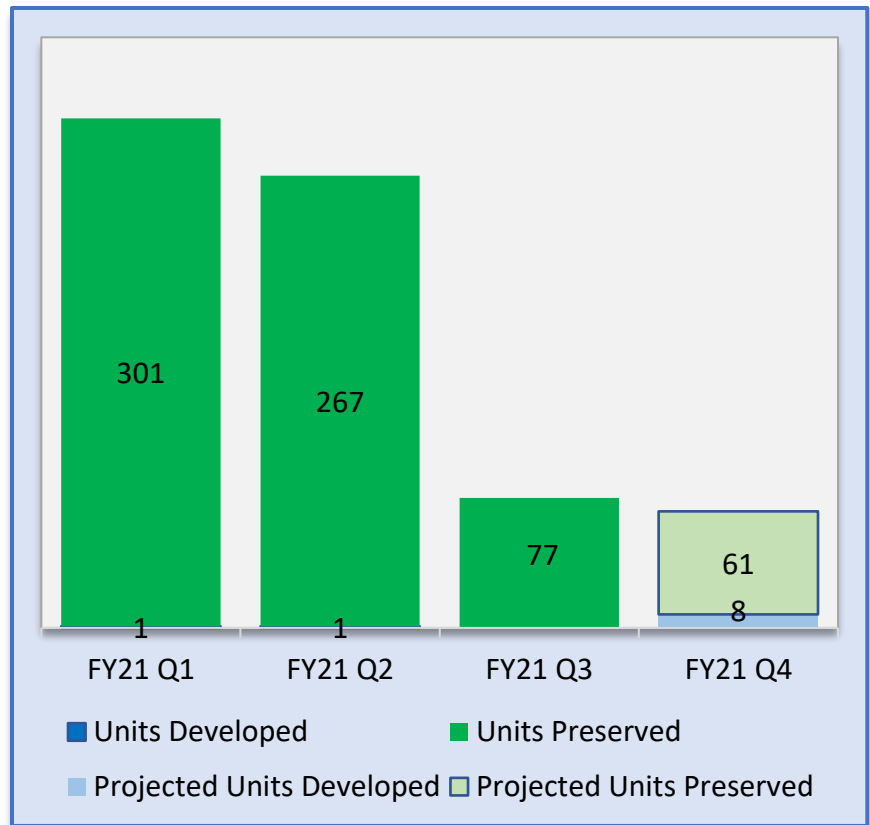
Progress Towards FY21 Projection



Number of Subsidized Units in Town



















Actual and Projections by Quarter – Number of Units








Affordable Housing Projects Underway Supported by the Town

Project Type	Provider	Project Name	Number of Units	Projected Completion	Status
	Community Home Trust	Culbreth Park Acquisition	1	FY21 Q1	✓
	Community Home Trust	Graham Street Acquisition	1	FY21 Q2	✓
	Town of Chapel Hill Public Housing	Church Street Renovation	1	FY21 Q2	✓
	Town of Chapel Hill Transitional Housing	Sykes Street Renovation	1	FY21 Q4	✓
	Orange County Preservation Coalition	Homeowner Rehab	3	FY21 Q4	●
	Self-Help	Grisham Cottages	2	FY21 Q4	●
	Town of Chapel Hill Public Housing	Oak Avenue Furnace Replacement and Fire Repair	3	FY21 Q4	●
	Orange County	Emergency Housing Assistance	400	FY21 Q4	●
	Self-Help	Northside Neighborhood Initiative Housing Rehabilitation	10	FY21 Q4	●
	Town of Chapel Hill Transitional Housing	Ashley Forest Renovation	1	FY21 Q4	●
	Town of Chapel Hill	Employee and Transitional Housing Program Master Leasing	5	FY21 Q4	●
	Habitat for Humanity	Sunset Drive Home Construction	1	FY21 Q4	●
	Community Home Trust	Homebuyer Subsidy	2	FY21 Q4	●

	Pee Wee Homes	Mitchell Lane Tiny-plex	2	FY22 Q1	
	CASA	Merritt Mill Road Multi-Family Development	24	FY22 Q4	
	Town of Chapel Hill	Transitional Housing at Umstead Road	1	FY22 Q4	
	Town of Chapel Hill	2200 Homestead Road	120	FY24 Q2	
	EmPOWERment, Inc.	PEACH Apartments	10	FY24 Q2	
	Town of Chapel Hill	Jay Street	48	FY25 Q2	
	Town of Chapel Hill	Trinity Court	54	FY25 Q2	
	Habitat for Humanity	Weavers Grove	100	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

Affordable Housing Work Plan Highlights

Project	Progress Update
DEVELOPMENT	
2200 Homestead	<ul style="list-style-type: none"> • Staff and the Homestead Collaborative submitted a Conditional Zoning Application in October to develop around 120 affordable homes • Advisory boards unanimously recommended approval of project • Council Public Hearing held in April • Council to consider project approval in May
Jay Street	<ul style="list-style-type: none"> • Town executed a Memorandum of Understanding with a development partner • Development team submitted a Concept Plan Application in March and began community engagement • Housing Advisory Board, Community Design Commission, and Council review in May
Trinity Court	<ul style="list-style-type: none"> • Staff finalizing a memorandum of understanding with potential development partner • Development team to be implementing community engagement over the summer • Anticipate submitting Concept Plan application in late summer
Bennett Road	<ul style="list-style-type: none"> • Staff are finalizing a proposed visioning process designed to engage the Council and community, assess development options, and create a concept plan for the site
PRESERVATION	
Implement Manufactured Home Communities Strategy	<ul style="list-style-type: none"> • In collaboration with the other jurisdictions in Orange County, staff in the process of re-working existing strategy into a County-wide Manufactured Home Action Plan.
Affordable Housing Preservation Strategy	<ul style="list-style-type: none"> • The Town continues to support the County-wide Emergency Housing Assistance (EHA) program • Staff is conducting additional research on implementation options for the Preservation Strategy based on Council's feedback
POLICY	
Implement Employee Housing Program	<ul style="list-style-type: none"> • Conducted employee survey and interviews to evaluate the program in March and April • Anticipate providing Manager with update on findings of program evaluation in spring
FUNDING	

Implement Investment Plan for Affordable Housing – Affordable Housing Bond	<ul style="list-style-type: none"> • Council approved bond sale for projects previously awarded funding in April • Staff planning for next RFP process this summer for second half of bond funding
Manage Funding Programs <ul style="list-style-type: none"> ▪ Affordable Housing Fund (AHF) ▪ Development Reserve (AHDR) ▪ CDBG 	<ul style="list-style-type: none"> • The Town Council has allocated all available funding from the Affordable Housing Development Reserve for the remainder of this fiscal year • Public Forum held for CDBG program plan at April meeting. Anticipate Council approval of CDBG, HOME and Capital Fund grants in May
MANAGING TOWN-OWNED HOUSING	
Transitional Housing Program	<ul style="list-style-type: none"> • Renovations of Ashley Forest units underway • Identifying tenants for Union units with anticipated move in date by May

Notes & Citations

- 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, 2014-2018 American Community Survey 5-Year Estimates
- HUD defines cost-burdened families as those who pay more than 30% 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 2020 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 and average rent rate is RentJungle.com
- The total budget this fiscal year for affordable housing strategies captures all Town expenditures for affordable housing. This includes the Affordable Housing Fund, CDBG Funds, the affordable housing bond, 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.
- The number of subsidized units listed in this report has decreased by 35 units from the FY20 Q4 Report as an error in the jurisdictional classification of some units was discovered and corrected.