

# AFFORDABLE HOUSING ANNUAL REPORT



**FISCAL YEAR 2021**  
 JULY 1, 2020 - JUNE 30, 2021



## FY21 Key Results



**535**

households provided Emergency Housing Assistance



**\$6.3 million**

Town Budget for affordable housing strategies



**198**

affordable housing units approved by Council



Approval of the 2200 Homestead Road Affordable Housing Development Project



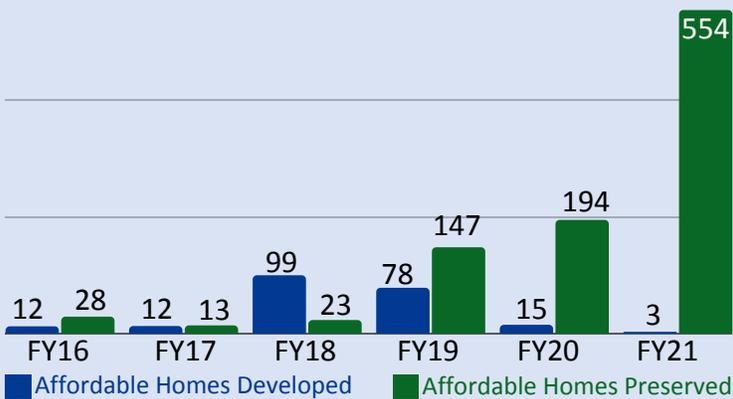
Making significant progress on development projects including Jay Street and Trinity Court



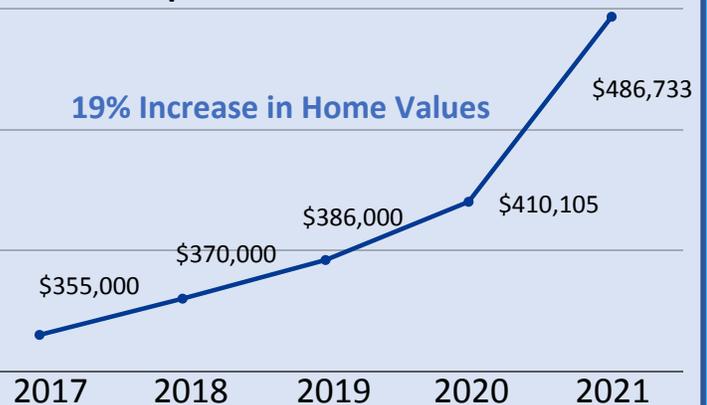
Awarded the 2020 Housing North Carolina Award for the Greenfield Project



### Affordable Homes Developed and Preserved



### Chapel Hill Home Value Index



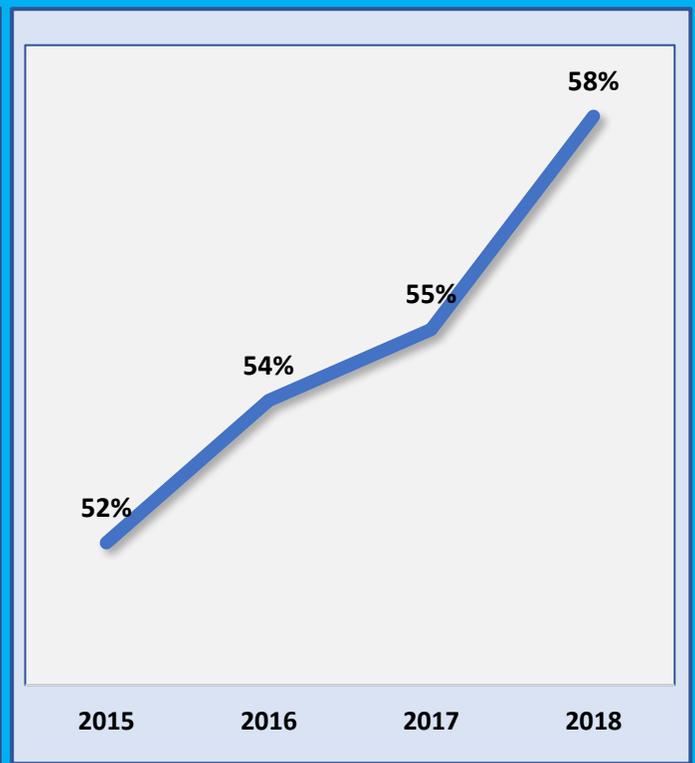
# COMMUNITY INDICATORS

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



**TO LEARN MORE:**

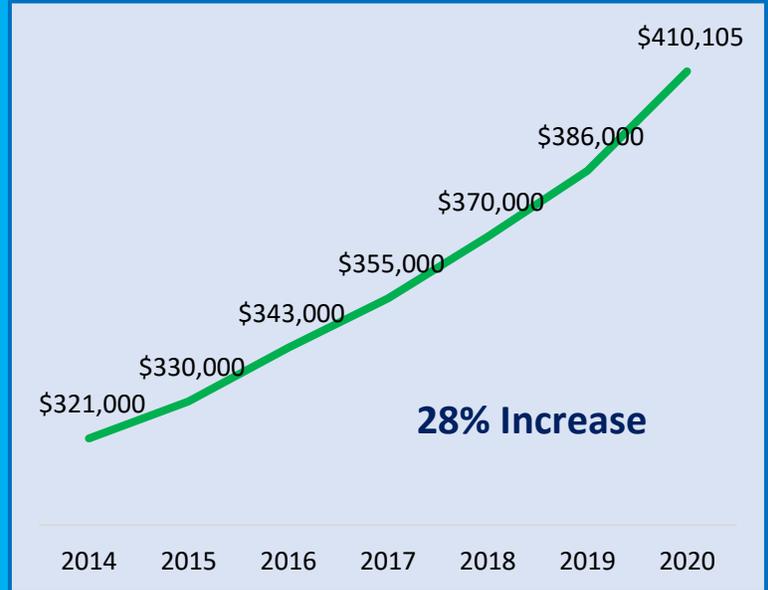
[HTTP://WWW.CHAPELHILLAFFORDABLEHOUSING.ORG](http://www.chapelhillaffordablehousing.org)

# Housing costs have been rising in Chapel Hill since 2014:

## Rise in Rental Rates

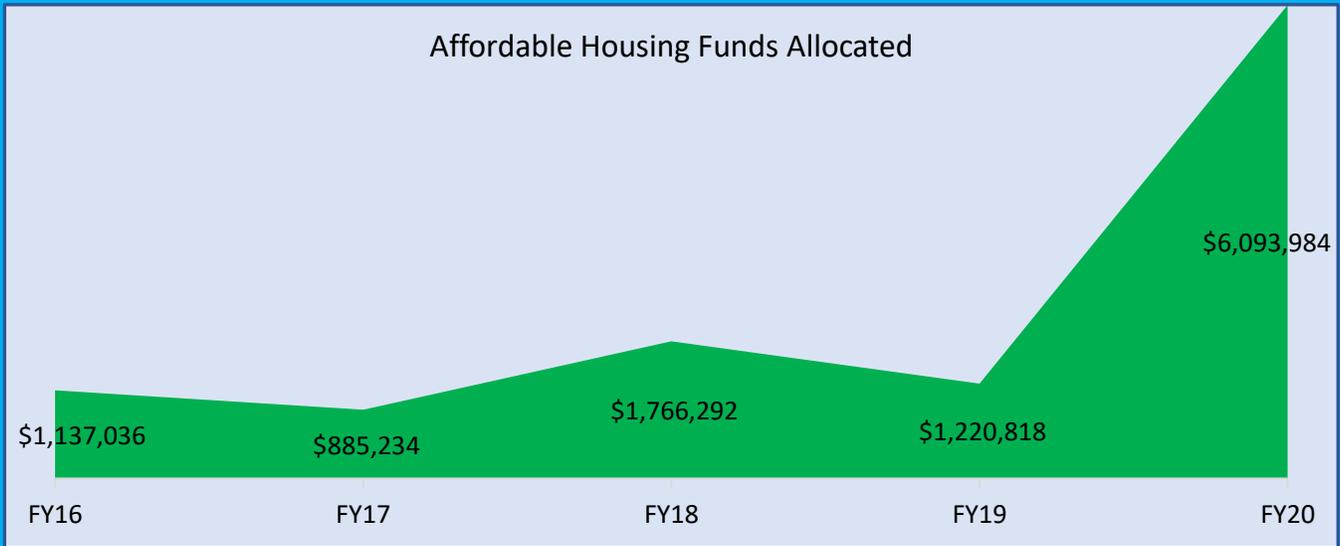


## Rise in Home Values

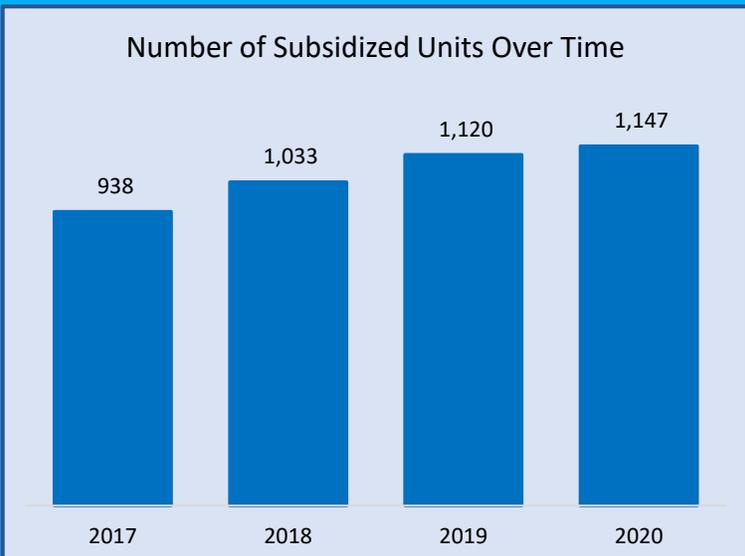


# The Town has increased its support for affordable housing to address housing needs:

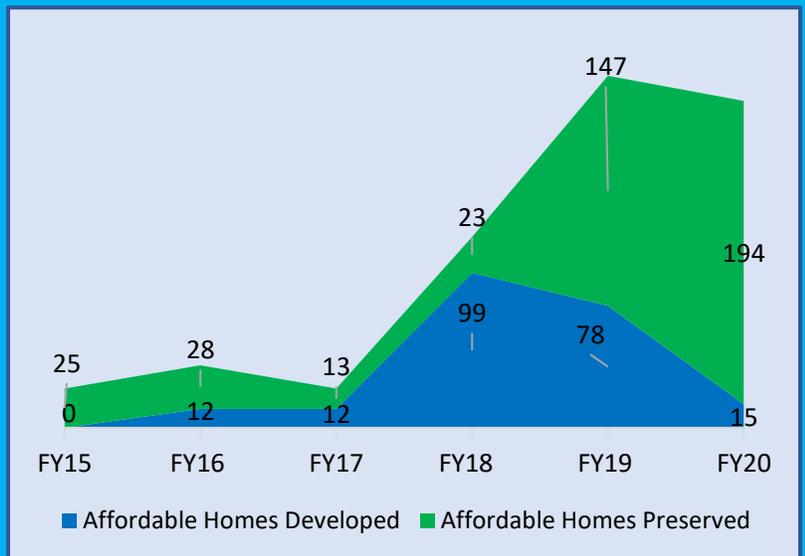
## Affordable Housing Funds Allocated



## Increase in Number of Subsidized Units

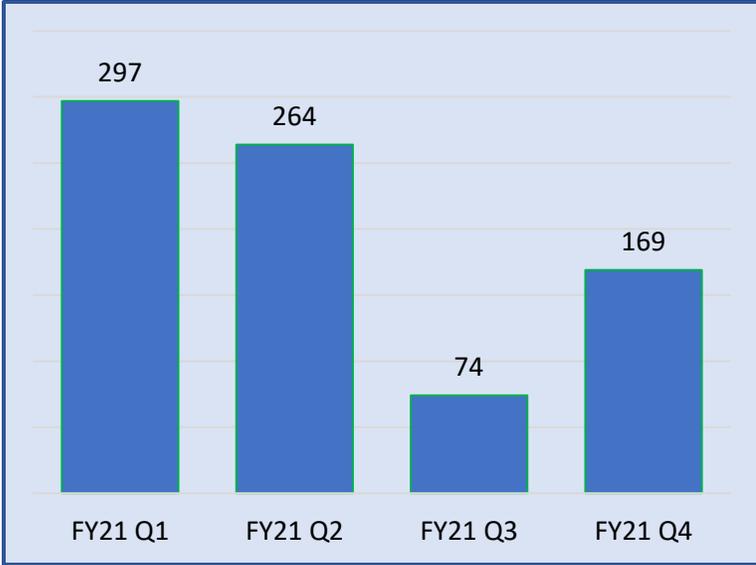


## Increase in Units Developed and Preserved

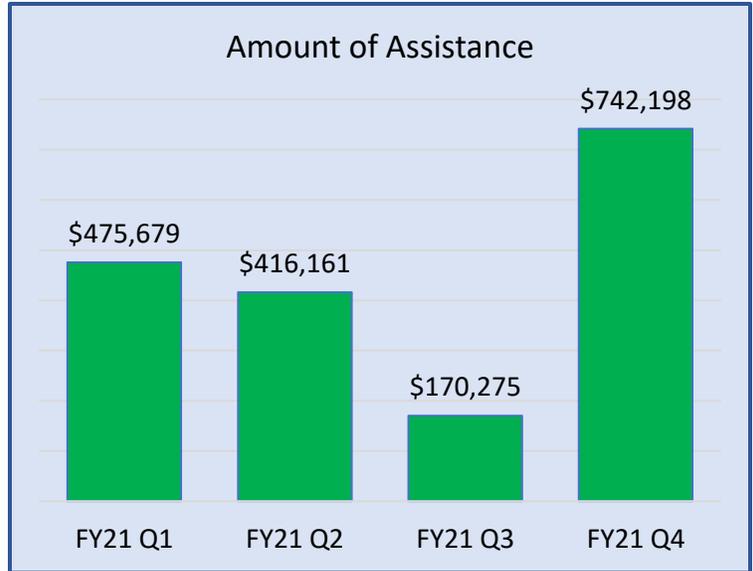


# Emergency Housing Assistance

Number of Rental Payments Made

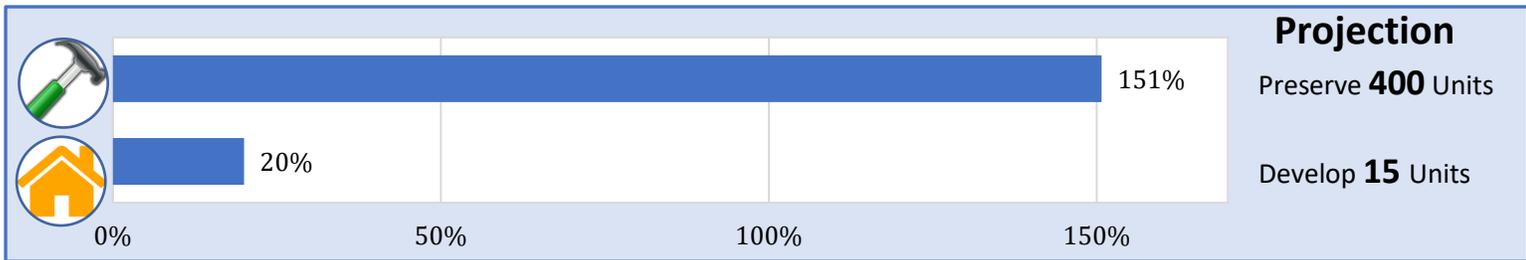


Amount of Assistance Provided

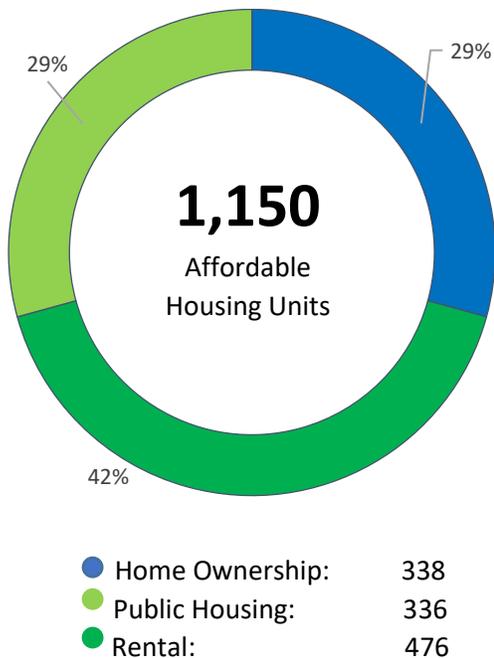


## FY21 Town Performance-to-Date

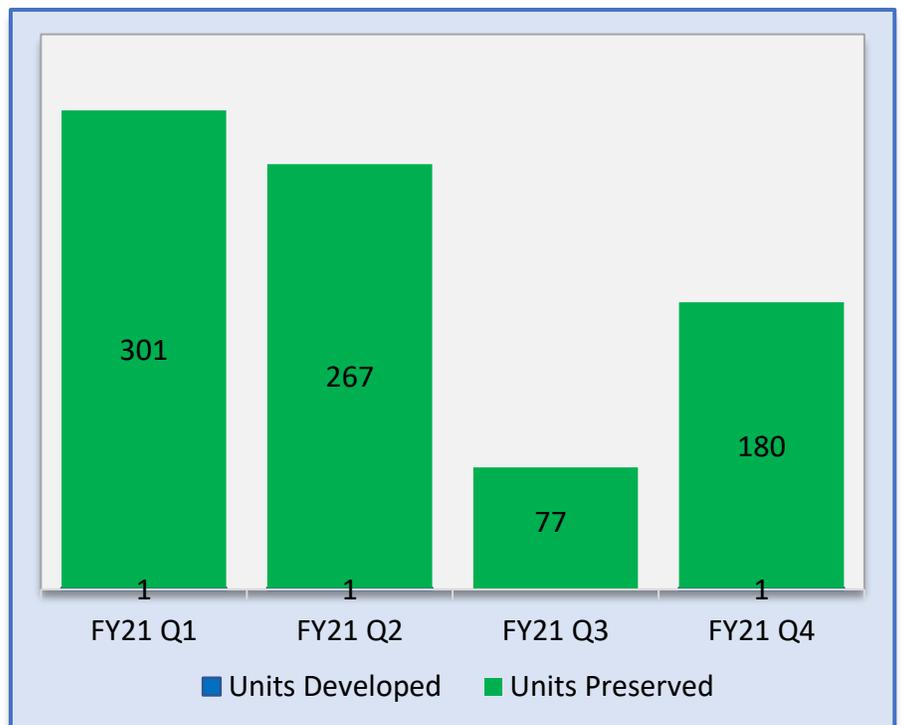
### Progress Towards FY21 Projection



Number of Subsidized Units in Town



Units Developed and Preserved by Quarter



## 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	Emergency Housing Assistance	400	FY21 Q4	✓
	Self-Help	Northside Neighborhood Initiative Housing Rehabilitation	7	FY21 Q4	✓
	Habitat for Humanity	Sunset Drive Home Construction	1	FY21 Q4	✓
	Community Home Trust	Homebuyer Subsidy	1	FY21 Q4	✓
	Self-Help	Grisham Cottages	2	FY22 Q2	●
	Town of Chapel Hill Public Housing	Oak Avenue Furnace Replacement and Fire Repair	3	FY22 Q2	●
	Orange County Preservation Coalition	Homeowner Rehab	3	FY22 Q2	●
	Town of Chapel Hill Transitional Housing	Ashley Forest Renovation	1	FY22 Q2	●
	Town of Chapel Hill	Employee and Transitional Housing Program Master Leasing	5	FY22 Q2	●
	Pee Wee Homes	Mitchell Lane Tiny-plex	2	FY22 Q3	●
	CASA	Merritt Mill Road Multi-Family Development	24	FY23 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
<b>DEVELOPMENT</b>	
<b>2200 Homestead</b>	<ul style="list-style-type: none"> <li>Draft development contract between the Town and Homestead Collaborative scheduled for Council review October 13.</li> <li>Development team plans to break ground in spring/summer of 2022.</li> <li>Hosted Rep. David Price for a site visit in August as part of a Community Project Funding request in the FY22 federal budget.</li> </ul>
<b>Jay Street</b>	<ul style="list-style-type: none"> <li>Development team received feedback on a preliminary concept plan from the Community Design Commission, Housing Advisory Board, and Town Council in the spring.</li> <li>Development team is working with the Jackson Center and Town staff for Phase 2 of its community engagement activities, with focus on gathering input to inform final site plan.</li> <li>Development team is anticipating a conditional zoning application submission in late fall.</li> </ul>
<b>Trinity Court</b>	<ul style="list-style-type: none"> <li>In June, the Town executed a memorandum of understanding (MOU) with the recommended development partner, Community Housing Partners (CHP).</li> <li>Staff are working with CHP to conduct project due diligence and assemble a concept plan application for submission by October 2021. Advisory Boards and Town Council will review the concept in October and November.</li> <li>CHP and its partners are finalizing a community engagement plan.</li> </ul>
<b>Bennett Road</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>
<b>PRESERVATION</b>	
<b>Implement Manufactured Home Communities Strategy</b>	<ul style="list-style-type: none"> <li>Staff updated the draft County-wide Manufactured Home Action Plan (MHAP) and shared the latest version with the elected representatives of the Local Government Affordable Housing Collaborative.</li> <li>Each jurisdiction has shared the draft County-wide MHAP with their housing advisory boards, the OCAHC, and Preservation Coalition in September for review and input.</li> <li>Staff continuing to explore options for applying the Resident Owned Community model to MH communities in Orange County.</li> </ul>
<b>Affordable Housing Preservation Strategy</b>	<ul style="list-style-type: none"> <li>The Town continues to support the County-wide Emergency Housing Assistance (EHA) program.</li> <li>The EHA partnership was selected by <a href="https://www.changelabsolutions.org/">ChangeLabSolutions</a><sup>1</sup> to participate in their Housing Solutions Collaborative peer learning cohort to evaluate EHA program success and sustainability. Staff from each jurisdiction and Empowerment are serving on that team.</li> <li>Staff is conducting additional research on implementation options for the Preservation Strategy based on Council's feedback.</li> </ul>
<b>POLICY</b>	
<b>Implement Employee Housing Program</b>	<ul style="list-style-type: none"> <li>Staff have completed an evaluation of program.</li> <li>Staff plan to provide Housing Advisory Board and Council with update on findings in October.</li> </ul>
<b>FUNDING</b>	
<b>Implement Investment Plan for Affordable Housing – Affordable Housing Bond</b>	<ul style="list-style-type: none"> <li>Staff planning for next Bond RFP process in winter for remaining \$5 million.</li> <li>Staff exploring eligible uses of American Rescue Plan Act funds and how other communities are using ARPA to support affordable housing efforts.</li> </ul>
<b>Manage Funding Programs</b> <ul style="list-style-type: none"> <li>Affordable Housing Fund (AHF)</li> <li>Development Reserve (AHDR)</li> <li>CDBG</li> </ul>	<ul style="list-style-type: none"> <li>Staff released RFP for the Affordable Housing Development Reserve on August 30, with applications due Oct. 1<sup>st</sup>. The town received 5 applications requesting a total of \$751,000 in funding. Town Council is scheduled to review in October 27th.</li> <li>CDBG Annual Action Plan submitted to HUD in May and Comprehensive Annual Performance and Evaluation Report (CAPER) submitted in early October</li> </ul>
<b>MANAGING TOWN-OWNED HOUSING</b>	
<b>Transitional Housing Program</b>	<ul style="list-style-type: none"> <li>Renovations of Ashley Forest units underway.</li> <li>Households moving into the Union units within the next month</li> </ul>

<sup>1</sup> <https://www.changelabsolutions.org/>

## 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.