



Legislation Text

File #: [23-0639], Version: 1

Approval of the Affordable Housing Plan and Investment Strategy

Staff:

Sarah O. Viñas, Director
Emily Holt, Affordable Housing Manager
Megan Culp, Community Development Programs Manager

Department:

Affordable Housing and Community Connections

Overview: In [April 2023 <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=6179411&GUID=21FA17CB-C10E-45B8-B529-50D6CE8E1EC6&Options=&Search=>](https://chapelhill.legistar.com/LegislationDetail.aspx?ID=6179411&GUID=21FA17CB-C10E-45B8-B529-50D6CE8E1EC6&Options=&Search=>) and [June 2023 <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=6255541&GUID=51A41A00-C8D8-48A1-9C65-4553737360FE&Options=&Search=>](https://chapelhill.legistar.com/LegislationDetail.aspx?ID=6255541&GUID=51A41A00-C8D8-48A1-9C65-4553737360FE&Options=&Search=>), Town Council received updates on progress to creating a new Affordable Housing Plan designed to set a path forward for the Town’s affordable housing efforts over the next five years. This item will provide the Council with an overview of the proposed Affordable Housing Plan and Investment Strategy to consider approving.

☆ **Recommendation(s):**

That the Council approve the proposed Affordable Housing Plan and Investment Strategy.

Affordable Housing Plan Overview:

The Affordable Housing Plan is designed to incorporate the existing strategies, data, reports, and Work Plan the Town has used to study and address the need for affordable housing in Chapel Hill. The Plan identifies additional implementation tools and strategies to assist in creating an investment plan that will allow the Town to comprehensively address its affordable housing needs into the future. Below is a table of the recommended additional strategies and focus areas identified in the proposed Affordable Housing Plan.

Goal	Recommendations
Decrease Barriers to Building Homes	Continue to pursue regulatory changes to remove barriers to housing supply and encourage new development of housing to meet the needs of a range of residents.
Expand and Preserve Affordable Homeownership	Expand down payment assistance program, refine the inclusionary zoning policy, and evaluate asset building initiatives to increase homeownership opportunities.
Expand and Preserve Affordable Rental Housing	Ensure low-income renters have access to affordable and secure housing by enhancing rental assistance programs and bolstering tenants’ rights, while continuing to increase the supply of affordable rental homes.

Increase Staffing and Funding Capacity	Dedicate consistent streams of funding to support affordable housing programs, establish tools that increase the impacts of local funding, and align staff capacity and other resources to maintain a high level of affordable housing services and development.
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The Plan also includes an Investment Strategy that outlines the resources and sources needed to implement the Plan. Our consultant team that developed the Plan recommends the Town consider dedicating \$10 million annually towards affordable housing over the next five years, which would support the development of as many as 900 affordable homes and the preservation of over 200 affordable homes.



Attachments:

- Resolution
- Draft Affordable Housing Plan and Investment Strategy
- Housing Advisory Board Recommendation

**A RESOLUTION APPROVING THE AFFORDABLE HOUSING PLAN AND INVESTMENT STRATEGY
(2023-09-13/R-7)**

WHEREAS, the Town of Chapel Hill has a long-standing commitment to affordable housing and has been a leader among municipal governments in our state and region in developing solutions to addressing this important community issue; and

WHEREAS, the Town Council's previously adopted Affordable Housing Strategy (2011), Affordable Rental Housing Strategy (2014), 5-Year Work Plan (2017), and Investment Strategy (2017) have been largely accomplished and yielded meaningful results, including the development of 131 units and preservation of 924 units over the last five years and the establishment of a pipeline of more than 800 additional units of affordable housing anticipated to come online over the next five years; and

WHEREAS, the Town's substantial funding commitments to affordable housing have been fully allocated, including the \$10 Million Bond approved in 2018 and \$11.6 in other local and federal sources over the last five years; and

WHEREAS, the Town Council continues to identify Affordable Housing and Housing Production as one of their primary goal areas; and

WHEREAS, sustaining and deepening the Town's efforts to address the need for affordable housing requires that the Town continue to use a strategic approach that includes a clear and comprehensive plan and investment strategy; and

WHEREAS, in February of 2023 the Town engaged HR&A Advisors to assist with the development of an updated affordable housing plan, consistent with Council's interest; and

WHEREAS, in [April 2023 <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=6179411&GUID=21FA17CB-C10E-45B8-B529-50D6CE8E1EC6&Options=&Search=>](https://chapelhill.legistar.com/LegislationDetail.aspx?ID=6179411&GUID=21FA17CB-C10E-45B8-B529-50D6CE8E1EC6&Options=&Search=>) and [June 2023 <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=6255541&GUID=51A41A00-C8D8-48A1-9C65-4553737360FE&Options=&Search=>](https://chapelhill.legistar.com/LegislationDetail.aspx?ID=6255541&GUID=51A41A00-C8D8-48A1-9C65-4553737360FE&Options=&Search=>), Town Council received updates on progress to creating a new Affordable Housing Plan designed to set a path forward for the Town's affordable housing efforts over the next five years; and

WHEREAS, on August 8, 2023, the Housing Advisory Board unanimously recommended that Council approve the Affordable Housing Plan with the condition that the investment strategy include a \$50 million affordable housing bond; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council approves the Affordable Housing Plan and Investment Strategy as described in the September 13, 2023 meeting materials.

This the 13th day of September, 2023.

The Agenda will reflect the text below and/or the motion text will be used during the meeting.

PRESENTER: Sarah O. Viñas, Affordable Housing and Community Connections Director

RECOMMENDATION: That the Council approve the proposed Affordable Housing Plan and Investment Strategy.