

Authorization to Approve up to \$250,000 in Allocations from local Affordable Housing Funding Program

DRAFT

Town Council Meeting
April 15, 2026



TOWN OF
**CHAPEL
HILL**

Recommended Action

Adopt R-# to grant the Town Manager the authority to approve allocations of up to \$250,000 from the local Affordable Housing Funding Program (AHFP).

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Legislative Context

- On January 29, 2025, Council granted Manager authority to establish and administer a unified local affordable housing funding program.
- Approved resolution limited Manager authorizations to \$100,000 at a time, and up to \$400,000 per year.
- In November 2025, Council approved a modification to the Hillmont conditional zoning permit to include a \$1,150,000 contribution to affordable housing activities.

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AHFP Priorities

- Rental housing for households earning less than 50% AMI
- High impact projects
- Shovel ready projects (completed within 3 years)
- Projects accessible to frequent public transit
- Projects with high leverage from other funding sources
- Projects that incorporate environmentally friendly and sustainable building and site design

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AHFP Priorities

- Construction of New Affordable Housing
- Land Acquisition and Land Banking
- Rehabilitation and Redevelopment
- Future Development Planning
- Rental, Utility, and Relocation Assistance
- Financial Assistance to Homeowners

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Background and Context

- Manager authorization allows staff to respond quickly to time-sensitive affordable housing funding needs.
- Authorization would be limited to \$1,150,000 from Hillmont contribution
- Any approved activities would align with Council-approved activities, priorities, or plans.

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Potential Activities

- Supporting public housing residents displaced by Tropical Storm Chantal
- Renovation and rehabilitation of Town-owned affordable housing properties
- Implementation of the Manufactured Homes Action Plan, such as unit rehabilitation
- Creation of a downpayment assistance program
- Rental subsidy programs

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