

Defining County –Wide Goals

EXCERPT FROM SHAPING ORANGE COUNTY'S FUTURE

Focus Area 3. Housing

GOAL 1: *Ensure Availability of Affordable, Quality Housing*

Background/Rationale

Local housing affordability and quality, and housing policies that can help all citizens obtain these necessities, are crucial to Orange County's quality of life and to its economy. Housing affordability and the ability of families to own a quality home, and thereby build an asset base, are critical issues. In our society, where the income gap has been steadily increasing, expanding the ability of residents to buy, rather than rent, a home is a fundamental and important step to narrowing this gap by enabling those with low incomes to build assets.



Orange County's supply of affordable housing is dictated by a variety of factors, the most significant being project profitability, and availability of land and infrastructure. Affordable housing in Chapel Hill and Carboro is also significantly affected by the presence of the University. The pressure UNC students put on the affordable housing market is immense.

Additionally, because of land use policies that discourage urban services outside of municipal areas, and stringent development regulations, traditional affordable housing (apartments, single family homes) is limited to areas within or adjacent to municipalities. Within rural Orange County, mobile homes constitute the greatest source of affordable housing. But these homes, though more affordable up-front, depreciate rather than appreciate in value over time, and being subject only to federal standards rather than the more stringent state standards, are less well-designed in terms of insulation and fire safety.

Nearly 10% of the county's housing supply is considered to be substandard. Substandard housing is commonly characterized by excessive cost burden, overcrowding, and structural problems such as inadequate heating, plumbing, etc.

A wide mix of housing types and options is needed for the county, and provision of safe, durable, affordable housing to meet the needs of all people should be a top, countywide priority.

Encourage Ensure Assist

Recommendation 1: *Encourage public and private initiatives to provide and develop a wide range of affordable housing options.*

Action Strategies:

- A. **Encourage support of a range of housing options, including:**
- Homeownership for those at HUD guidelines (currently 80% of median income), as well as those from 80-100% of median;
 - Homeless emergency housing;
 - SROs (Single Room Occupancy units);
 - Low cost multi-family rental housing especially within Urban Service Districts that have none;
 - A large portion of rental housing with an option to buy;
 - Tax credit rental housing that is affordable to those conforming with HUD guidelines (currently 50% of median income);
 - Low income homeownership opportunities, such as those provided by Habitat for Humanity;
 - Modular homes as a viable option for low income homeownership;
 - Increased construction and availability of handicapped units, both subsidized and at market rates.
- B. Encourage the University to develop options for UNC employees to have **affordable homes on University land.**
- C. Encourage the University to **increase considerably the proportion of students housed on campus** as a means of freeing up private housing for others.
- D. Work with the legislative delegation to **pass legislation on:**
- Impact taxes, rather than fees;
 - Inclusionary zoning; and
 - A real estate transfer tax.
- E. Examine means such as a moderated regulatory process, expedited review, increased density, flexible infrastructure and street standards to see if any of them will **promote construction of affordable housing that will remain affordable for the long term.**
- F. Continue to **support the development of a land trust** to maintain affordability and encourage making public land available to non-profits.
- G. **Develop a dedicated source of revenue from public and private sources** (e.g. lending institutions), **or from adequate and substantive bond issues**, to provide funding for non-profit ventures for low-income housing for both rural and urban residents.

Recommendation 2: *Ensure safe, quality housing.*

Action Strategies:

- A. **Increase funding for housing rehabilitation** and repair programs for seniors, low income, and persons with disabilities.
- B. **Strengthen and enforce the Housing Code** to bring sub-standard housing up to standards.
- C. Strive for excellence in product design, and **produce homes that are safe, durable, comfortable, cost effective, energy efficient, and appropriate to the existing community.**

Recommendation 3: *Assist low income individuals to develop an asset base.*

Action Strategy:

- A. Work with lending institutions to **establish innovative financial asset guarantee programs** to make it possible for low-income individuals to qualify for loans.

FIVE-YEAR STRATEGIC PLAN

Part I - Overview

This five-year Strategic Plan for housing and community development is the result of an extensive needs assessment and community outreach process by Orange County and the Town of Chapel Hill. By gathering and applying a wide variety of research data and community input, the Town has developed this comprehensive approach to housing and community revitalization. This strategic plan will outline the goals and priorities that will serve as the overall framework for the five-year strategy and provide a linkage between these identified priorities and the adopted strategies and programs. The final section of this strategic plan portion of the Plan will highlight other relevant public policies as required by HUD.

Part II - Priority Analysis and Strategy Development

As a growing community, Orange County and the Town of Chapel Hill must successfully balance a diverse array of housing and community development issues. Given the range of competing needs, the community must invest its scarce public resources wisely. Therefore, as a general principle, the County will attempt to expend public funds in a way that leverages the commitment of private sector support whenever possible. Through the public participation and consultation process, the County has identified the community's overall goals and priorities as follows:

- Provide decent and affordable housing for lower-income households
- Provide housing and services for homeless populations with special needs
- Facilitate non-housing community development activities

Goal 1 – Provide Decent and Affordable Housing for Lower-Income Households

This goal includes retaining existing affordable housing stock, increasing the availability of affordable permanent housing in standard condition without discrimination, and providing affordable housing that is accessible to job opportunities.

Priority Needs

- 1.1 Low income (< 80% AMI) homeowners that live in substandard housing
- 1.2 Low income (<60% AMI) renters that live in substandard housing
- 1.3 Low income (<80% AMI) homeowners that do not have indoor plumbing or adequate connections to existing public water and sewer systems
- 1.4 Low income (60-80% AMI) renters that are potential homebuyers
- 1.5 Eliminate barriers to affordable housing

Part III – Geographic Priorities

During the term of this Strategic Plan, the Town of Chapel Hill may target a portion of housing and community development funding in selected neighborhoods. The balance of housing and community development assistance will be widely dispersed throughout the Town. To promote increased housing choice and opportunity, efforts will be made to increase the number of public and assisted housing units located outside areas of minority and low-income concentration. The County will utilize its funds on a county-wide basis.

Part IV - Objectives, Strategies and Performance Indicators

Strategic planning is the process of looking toward the future, identifying why an organization exists, what it would look like if it achieved its mission and the concrete steps it must take to

achieve that vision. Data that tell if you are achieving results on your strategic plan are performance measures. Performance measurement helps translate an organization's strategy into tangible objectives and performance indicators. Output indicators measure performance in the shorter term and include items such as the number of applications received, houses rehabilitated, etc. It is important to note that output indicators will generally be within the control of the community and its partners. This integrated process, known as Managing for Results, is based on:

- Identifying goals, objectives and strategies as well as relevant measures;
- Determining what resources are necessary to achieve them;
- Analyzing and evaluating performance data; and
- Using that data to drive improvements in an organization.

The following charts utilize this performance-centered approach to outline the local approach to housing and community development in the upcoming five years. All objectives and performance indicators are based on a five-year time frame.

Goal 1 – Decent and Affordable Housing for Lower-Income Households

<i>Priority 1.1 – Low income (< 80%AMI) homeowners that live in substandard housing</i>	
Strategies:	<ul style="list-style-type: none">- Continue to fund urgent repairs for qualified units- Continue to fund substantial rehabilitation for qualified units- Continue to incorporate handicap, weatherization and lead-based paint improvements into all substantial rehabilitations
Output Indicators:	<ul style="list-style-type: none">- 25 substantially rehabilitated units (Orange County/Chapel Hill)- 50 units with urgent repairs (Orange County)
<i>Priority 1.2 – Low income renters (<60% AMI) that live in substandard housing</i>	
Strategies:	<ul style="list-style-type: none">- Continue to fund the rehabilitation of existing rental housing units- Monitor and enforce rent and property standards for completed projects- Leverage existing Town and County resources by utilizing the federal low income tax credit, HUD Section 202 and 811, and other programs to construct new rental housing- Provide educational opportunities related to fair housing, tenant rights, etc.- Continue to dialogue with the University of North Carolina – Chapel Hill on issues that affect affordable rental opportunities in the area
Output Indicators:	<ul style="list-style-type: none">- 50 additional affordable rental units (Orange County/Chapel Hill)- 20 low income renters receive HOME funded rental assistance for up to 2 years each (Orange County)- 100 units of renovated public housing (Chapel Hill)- 150 units of refurbished public housing (Chapel Hill)
<i>Priority 1.3 – Low income (<80% AMI) homeowners that do not have indoor plumbing or adequate connections to existing public water and sewer systems</i>	
Strategies:	<ul style="list-style-type: none">- Continue to fund the connection of lower income homeowners to existing water and sewer facilities.- Continue to fund the construction of complete indoor plumbing facilities

Output Indicators:	- 100% of all County residents have adequate indoor plumbing (Orange County/Chapel Hill)
Priority 1.4 – Low-income renters (<80% AMI) that are potential homebuyers	
Strategies:	<ul style="list-style-type: none"> - Provide down-payment and closing cost assistance to qualified homebuyers - Provide homebuyer education and counseling with an emphasis on credit - Provide acquisition, infrastructure, predevelopment and/or construction funding to eligible non-profits and for-profits to develop affordable housing opportunities - Establish homeownership program to assist existing Section 8 recipients
Output Indicators:	- 75 additional lower income homebuyers (Orange County/Chapel Hill)
Priority 1.5 – Eliminate barriers to affordable housing	
Strategies:	<ul style="list-style-type: none"> - Challenge and encourage non-profit and for-profit affordable housing providers to share resources and collaborate - Seek legislation that would require all local governments to require new residential and commercial developers in the County and Towns seeking zoning approval and/or permits to contain at least 15% affordable units in residential projects - Declare 2006 "The Year of Affordable Housing" and implement a public education that defines affordable housing - Utilize equity sharing and community land trust concepts to limit the dramatic escalation of housing costs
Output Indicators:	<ul style="list-style-type: none"> - 100 units of new affordable housing in mixed income developments (Orange County/Chapel Hill) - Increased awareness of barriers to affordable housing (Orange County/Chapel Hill)

Goal 2 – Provide Housing and Services for Populations with Special Needs

Priority 2.1 – Service-enriched transitional housing for homeless persons with special needs	
Strategies:	<ul style="list-style-type: none"> - Promote and make public service funds available to homeless agencies that operate emergency shelters - Partner with other funding agencies to encourage the development of transitional housing (SRO's, group homes) that is service-enriched - Continue to strengthen partnership with the local Continuum of Care - Provide property acquisition funding to eligible non-profits and for-profits to develop transitional housing
Output Indicators:	- Provide financial assistance to support the construction of a residential center for homeless men (Orange County/Chapel Hill)
Priority 2.2 – Continuum of services for special populations including older adults, disabled, mentally ill, persons with AIDS and at-risk youth	
Strategies:	<ul style="list-style-type: none"> - Promote and make public service funds available to agencies that serve identified special populations - Partner with other funding agencies to encourage the development of transitional housing (SRO's, group homes) that is service-enriched - Continue to strengthen partnership with local service providers - Support applications for federal supportive housing funds - Provide property acquisition funding to eligible non-profits and for-profits to develop permanent

	housing for those with special needs
Output Indicators:	<ul style="list-style-type: none"> - 20 additional permanent housing units for those with special needs (Orange County) - Provide community services to 100 area youth (Chapel Hill)

Goal 3 – Promote Neighborhood and Economic Development

<i>Priority 3.1 – Promote revitalization in selected Chapel Hill neighborhoods and economic development in general throughout the County</i>	
Strategies:	<ul style="list-style-type: none"> - Strengthen partnerships with neighborhood associations (community pride, education, family services, etc.) - Work with neighborhoods to design and implement specific beautification strategies, including neighborhood cleanups - Promote recreational opportunities for area youth - Prioritize one to two neighborhoods located in Chapel Hill and develop revitalization plans accordingly - Concentrate Town funding in selected neighborhoods to create maximum impact. Programs may include redevelopment activities, CHDO Development-Infill and various rehabilitation programs. - Build community capacity and better coordinate neighborhood services through the regular dissemination of information. Examples may include Community Development Day workshops, self-help workshops, activity updates, etc. - Continue to work with area Chambers of Commerce and others to promote the economic development of the community - Coordinate effort of various Town departments to concentrate resources into selected neighborhoods
Output Indicators:	<ul style="list-style-type: none"> - Development of a small area plan for the Rogers Road Neighborhood and a Neighborhood Conservation District for the Pine Knolls neighborhood (Chapel Hill) - Promote county wide partnerships that are dedicated to the economic development of the County