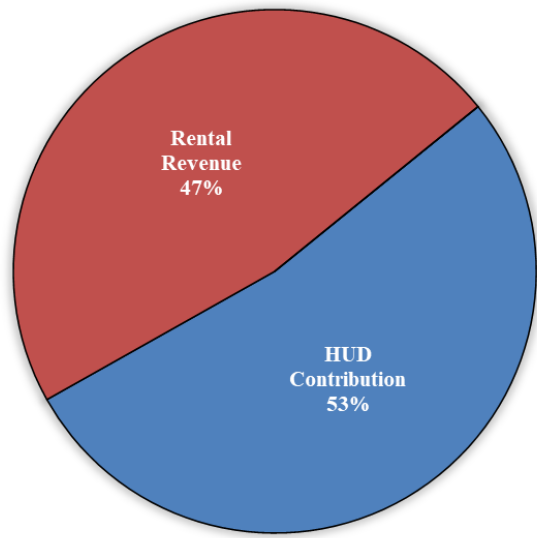


PUBLIC HOUSING FUND

The Public Housing Fund is used to account for federal grants restricted for the Town's public housing programs.

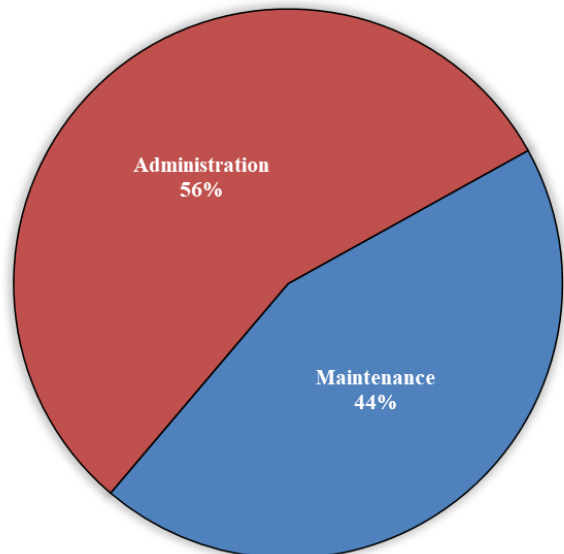
Since those with fewer than 400 units have been exempt each year from HUD's new funding model (AMPs) since 2007-08, we have returned to a simpler budget presentation comprised of Administrative and Maintenance divisions.

PUBLIC HOUSING REVENUES



Total \$2,176,756

PUBLIC HOUSING EXPENSES



PUBLIC HOUSING FUND DEPARTMENT

MISSION STATEMENT:

The mission of the Public Housing Fund Department is to provide decent, safe and well maintained affordable rental housing for Chapel Hill's 336 public housing families. Our mission is also to provide programs and services to help public housing families improve basic life skills and achieve economic independence.

The Public Housing Fund Department identified the following primary programs that are included in the adopted budget for 2021-22.

| Program | Description |
|---|---|
| Rental Housing for Low-Income Families | Manage the 336 public housing units (13 locations) overseen by the Public Housing Fund Department. Monitor resident eligibility and administer rental assistance programs. Calculate and collect rental payments and manage the waiting list of those requesting residency. |
| Maintenance Services | Respond to requests for repair of rental units, appliances and fixtures. Respond to emergency repair requests on a 24 hour 7 day per week basis. Manage comprehensive modernization program that retrofits units on a rotating basis, including upgrading electrical systems, replacing doors and windows, installing central a/c and upgrading appliances. |
| Resident Services | Refer residents to outside agencies for job training or budgeting assistance when residents have difficulty paying rent. Refer residents to outside agencies in order to deal with social issues such as alcohol and drug dependency. |

PUBLIC HOUSING FUND

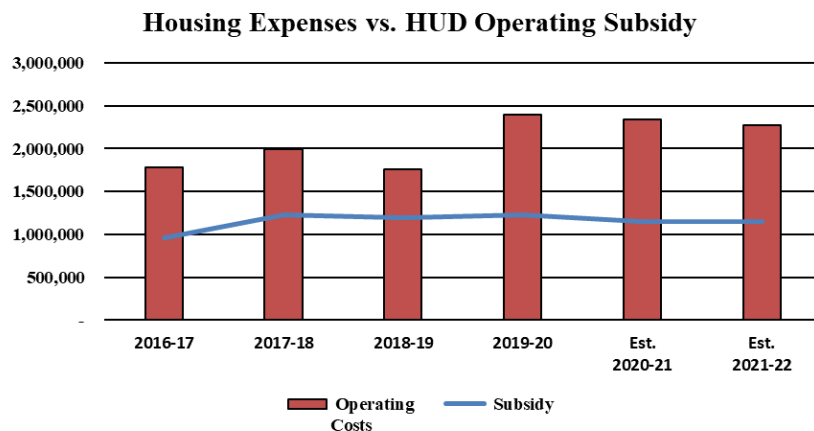
Major Revenue Sources - Descriptions and Estimates

The Town’s Public Housing program provides for the administration and operation of the Town's 336 public housing units, and is funded primarily through federal grants and rents paid by residents.

In 1987, the Chapel Hill Public Housing Authority was abolished by the Chapel Hill Town Council. Since then, the Town’s public housing program has been operated as a Town Department administered by Town staff and a Public Housing Director.

Primary revenue sources include dwelling rents paid by residents and operating grants from the Department of Housing and Urban Development (HUD). In the fall of 2005, HUD adopted a “new Operating Fund final rule” which prescribed a phased series of changes to public housing management and reporting requirements. As a first step of implementation, HUD determined to begin budgeting on a calendar year basis. Difficulty with the new online reporting model delayed funding determination, and HUD has been funding housing agencies for a few months at a time since 2008.

Smaller housing agencies have been allowed to opt out of Asset Management since 2008. HUD has continued to provide the exception to smaller units, one a year at a time. We believe that “opting out” will continue permanently, and so have prepared the budget for 2021-22 under a simpler budget model that more closely reflects the way we are reporting to HUD, eliminating the necessity of separating expenditures into AMPs or Asset Management Projects.



HUD has provided funding estimates for calendar year 2021 but we have no information about calendar 2022. Based on interim allocations, our estimate of HUD’s subsidy for 2020-21 is \$1,145,793, about a 7% decrease from the 2019-20 subsidy of \$1,224,531.

The Housing Department estimates dwelling rents, the second largest revenue for the Public Housing Fund, at about \$1,029,048, which is in line with current year estimates.

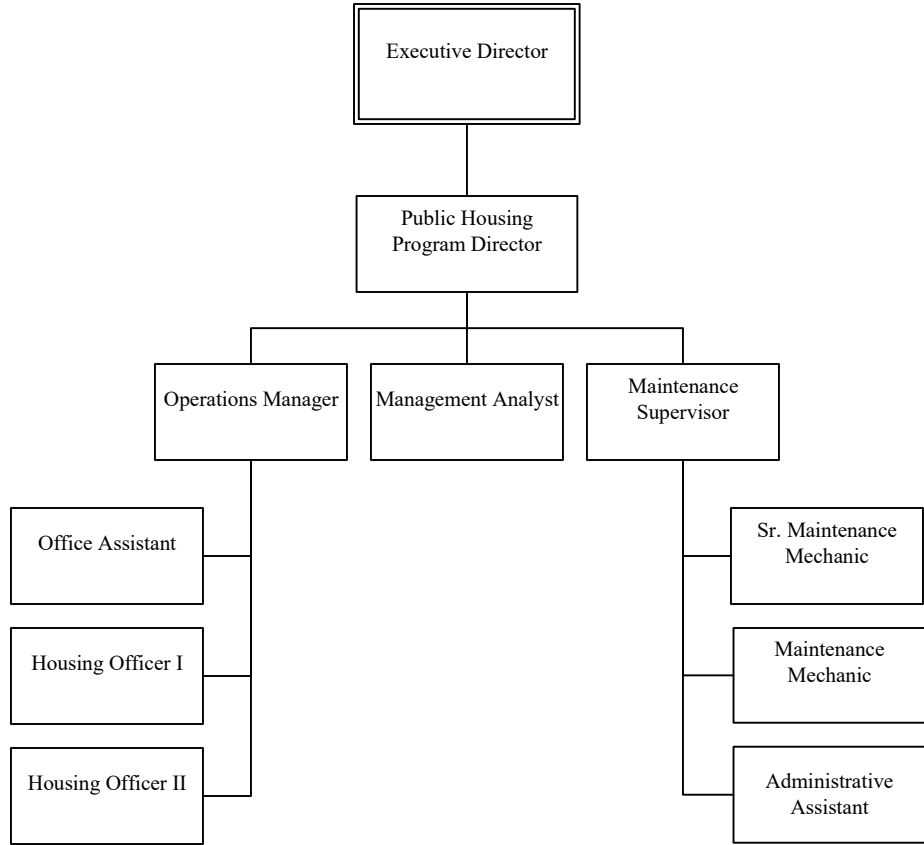
Major Expenditures and Estimates

Major expenditure categories include about \$1,213,455 for salaries and benefits, \$213,400 for utilities, \$75,000 for liability and flood insurance and about \$549,500 for maintenance of the units.

The personnel costs include a 5.5% increase in health insurance costs, a 3% of market pay increase, and a 1.2% retirement contribution increase.

| | 2020-21 Original Budget | 2021-22 Adopted Budget | % Change from 2020-21 |
|------------------------------------|-------------------------------|------------------------------|-----------------------------|
| Salary & Benefits - Administration | \$ 487,535 | \$ 492,874 | 1.1% |
| Salary & Benefits - Maintenance | 728,862 | 720,581 | -1.1% |
| Maintenance Costs | 517,680 | 549,564 | 6.2% |
| Utilities | 184,700 | 213,400 | 15.5% |
| Liability & Flood Insurance | 100,500 | 75,000 | -25.4% |
| Other Expenses | 157,479 | 125,337 | -20.4% |
| Total Budget | \$ 2,176,756 | \$ 2,176,756 | 0.0% |

PUBLIC HOUSING FUND



PUBLIC HOUSING
STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS

| | 2019-20 | 2020-21 | 2021-22 |
|--|----------------|----------------|----------------|
| | ADOPTED | ADOPTED | ADOPTED |
| Administration | | | |
| Director-Housing | 1.00 | 1.00 | 1.00 |
| Operations Manager - Housing | 1.00 | 1.00 | 1.00 |
| Management Analyst | 1.00 | 1.00 | 1.00 |
| Office Assistant | 1.00 | 1.00 | 1.00 |
| Housing Officer II | 1.00 | 1.00 | 1.00 |
| Housing Officer I | 1.00 | 1.00 | 1.00 |
| Division Totals | 6.00 | 6.00 | 6.00 |
| Maintenance | | | |
| Mechanic Supervisor | 1.00 | 1.00 | 1.00 |
| Maintenance Mechanic (Repair Worker, I, II, III) | 8.00 | 8.00 | 8.00 |
| Administrative Assistant | 1.00 | 1.00 | 1.00 |
| Division Totals | 10.00 | 10.00 | 10.00 |
| Housing Department Totals | 16.00 | 16.00 | 16.00 |

¹ Grant-funded position.

PUBLIC HOUSING BUDGET SUMMARY

The Town's public housing units are funded primarily through federal grants from the U.S. Department of Housing and Urban Development and rents paid by residents. HUD's funding formula changed to implement Asset Based Budgeting in 2007-08, but each year, HUD has waived many Asset-based requirements for housing authorities of our size. We believe it is likely the waiver will be made permanent, so the budget for 2021-22 retains a simpler model that includes an Administrative Division and a Maintenance Division.

The 0.2% decrease in personnel is the result of a 5.5% increase in health insurance, a 1.2% retirement increase, and a 3% salary increase, which is offset by turnover. The budget for 2021-22 reflects an estimate of the HUD subsidy anticipated for calendar year 2021. The Town anticipates level HUD subsidies and rental revenues. The town is anticipating it will have a higher fund balance appropriation in 2021-22.

REVENUES


| | 2019-20 Actual | 2020-21 Original Budget | 2020-21 Revised Budget | 2020-21 Estimated | 2021-22 Adopted Budget | % Change from 2020-21 |
|---------------------------|---------------------------|--|---------------------------------------|------------------------------|---------------------------------------|--------------------------------------|
| Revenue Summary | | | | | | |
| HUD Contributions | \$ 1,224,531 | \$ 1,145,793 | \$ 1,145,793 | \$ 1,145,793 | \$ 1,145,793 | 0.0% |
| Rental Revenue | 998,645 | 1,029,048 | 1,029,048 | 1,029,048 | 1,029,048 | 0.0% |
| Other Revenues | 267 | 200 | 162,370 | 162,370 | 200 | 0.0% |
| Interest Income | 1,841 | 1,715 | 1,715 | 1,715 | 1,715 | 0.0% |
| Insurance Claims | 173,205 | - | - | - | - | N/A |
| Appropriated Fund Balance | - | - | 1,500 | - | - | N/A |
| Total Revenues | \$ 2,398,489 | \$ 2,176,756 | \$ 2,340,426 | \$ 2,338,926 | \$ 2,176,756 | 0.0% |

EXPENDITURES

| | 2019-20 Actual | 2020-21 Original Budget | 2020-21 Revised Budget | 2020-21 Estimated | 2021-22 Adopted Budget | % Change from 2020-21 |
|-------------------------|---------------------------|--|---------------------------------------|------------------------------|---------------------------------------|--------------------------------------|
| Personnel | \$ 954,535 | \$ 1,216,397 | \$ 1,220,431 | \$ 1,131,674 | \$ 1,213,455 | -0.2% |
| Operating | 871,286 | 949,893 | 1,109,529 | 926,086 | 963,301 | 1.4% |
| Contribution to Reserve | 572,668 | 10,466 | 10,466 | 281,166 | - | -100.0% |
| Total | \$ 2,398,489 | \$ 2,176,756 | \$ 2,340,426 | \$ 2,338,926 | \$ 2,176,756 | 0.0% |

PUBLIC HOUSING

Performance Measures

| | |
|--|--|
|  AFFORDABLE HOUSING | Strategic Objectives ➤ To provide decent, safe, and well maintained affordable rental housing for low-income residents |
|--|--|

| Core Business Program | Performance Measure | FY19 Actual | FY20 Actual | FY21 Actual | FY22 Target |
|-----------------------|---|-------------|-------------|-------------|-------------|
| Public Housing | 1. HUD's PHAS rating | 73% | 73% | 54% | 70% |
| | 2. Average number of days to complete a routine work order | 1.8 | 1.8 | 1.5 | 2 |
| | 3. % of work orders initiated by residents | 32% | 32% | 34% | 25% |
| | 4. % of Public Housing units with access/use to free High-Speed Wi-Fi | * | * | * | * |
| | 5. % of work orders initiated by Public Housing Staff | 67% | 67% | 33% | 75% |
| | 6. % of vacant units occupied within 20 days or less | 0% | 0% | 1% | 50% |
| | 7. Average # of calls received via the after-hour line monthly | N/A | N/A | 71 | 30 |
| | 8. Average number of persons attending a food bank in Public Housing | N/A | N/A | 4,075** | 3,000 |
| | 9. % of Public Housing Residents employed | 45% | 45% | 25% | 40% |
| | 10. % of new admissions homeless at the time of admission | 17% | 17% | 5% | 20% |

* This is a new measure. Data for previous reporting periods is not available.

** Food bank numbers were very high due to increased food insecurity during COVID-19 pandemic.

COMMUNITY DEVELOPMENT PROJECT ORDINANCES
U.S. Department of Housing and Urban Development
Community Development Program
Summary of Activities

The Town became an "entitlement" Community Development city in 1984, which means that the Town is entitled to receive Community Development grant funds annually upon submission of a final statement. Community Development grants awarded by Housing and Urban Development are implemented pursuant to grant project ordinances authorized by General Statute 159-13.12. Budgets are adopted throughout the year as the grant awards are received.

The 2014 project ordinance budgets a \$403,505 grant and \$7,338 program income, for public housing improvements, homeownership assistance, code enforcement, after school programs, community and homelessness outreach, and youth skills development programs.

The 2015 project ordinance budgets a \$404,761 grant and \$7,338 program income, for public housing improvements, homeownership assistance, code enforcement, after-school programs, summer youth employment programs, and youth skills development programs, community and homelessness outreach, homeowner housing improvements.

The 2016 project ordinance budgets a \$387,702 grant and \$7,338 program income, for public housing improvements, homeownership assistance, homeowner housing improvement programs, code enforcement, neighborhood revitalization activities, summer youth employment programs, homelessness outreach and case management, youth skills development and community literacy programs.

The 2017 project ordinance budgets a \$380,825 grant and \$38,046 program income, for public housing improvements, homeownership assistance, homeowner housing improvement programs, code enforcement, neighborhood revitalization activities, summer youth employment programs, and homelessness case management.

The 2018 project ordinance budgets a \$418,344 grant and \$21,777 program income, for public housing improvements, homeownership assistance, homeowner housing improvement programs, code enforcement, neighborhood revitalization activities, summer youth employment programs, and homelessness case management.

The 2019 project ordinance budgets a grant of \$386,584 for homeownership assistance, housing improvement programs for homeowners, code enforcement, neighborhood revitalization activities, the summer youth employment program, youth counseling services, and homelessness case management.

The 2020 project ordinance budgets a \$417,591 grant and \$7,339 program income, for homeownership assistance, homeowner housing improvement programs, emergency housing assistance, the summer youth employment program, youth counseling services,

and homelessness case management. There were also two COVID-19 related CDBG-CV ordinances in 2020:

- The Coronavirus funding round 1 project ordinance budgets a grant of \$245,693 for emergency housing assistance and homelessness case management.
- The Coronavirus funding round 3 project ordinance budgets a grant of \$290,902 for remote learning scholarships, neighborhood support centers and staffing and supplies for the food bank.