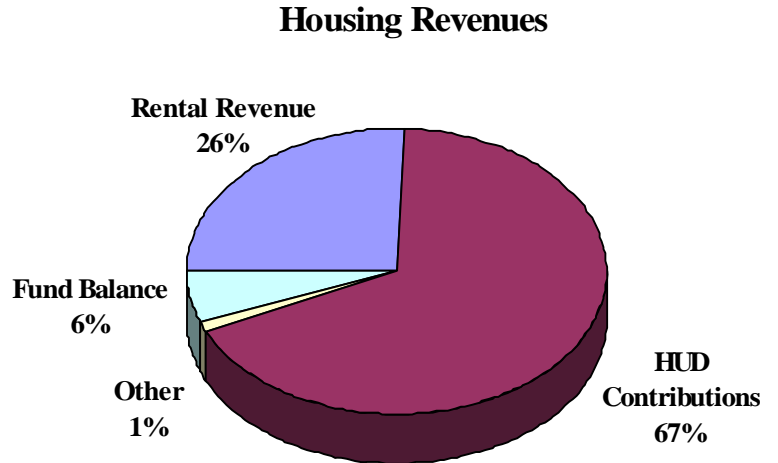
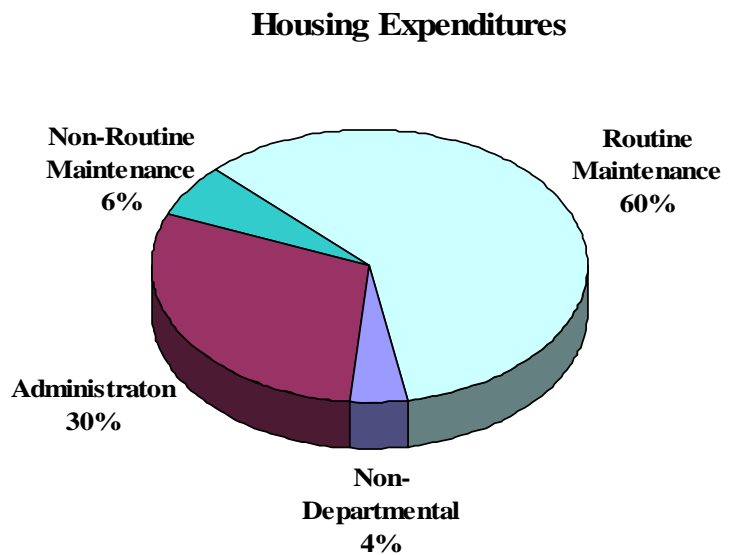


PUBLIC HOUSING FUND

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



Total \$1,600,750



NOTE: The Public Housing budget for 2005-06 was adopted by the Council on March 7, because of the budget schedule required by the federal Department of Housing and Urban Development (HUD).

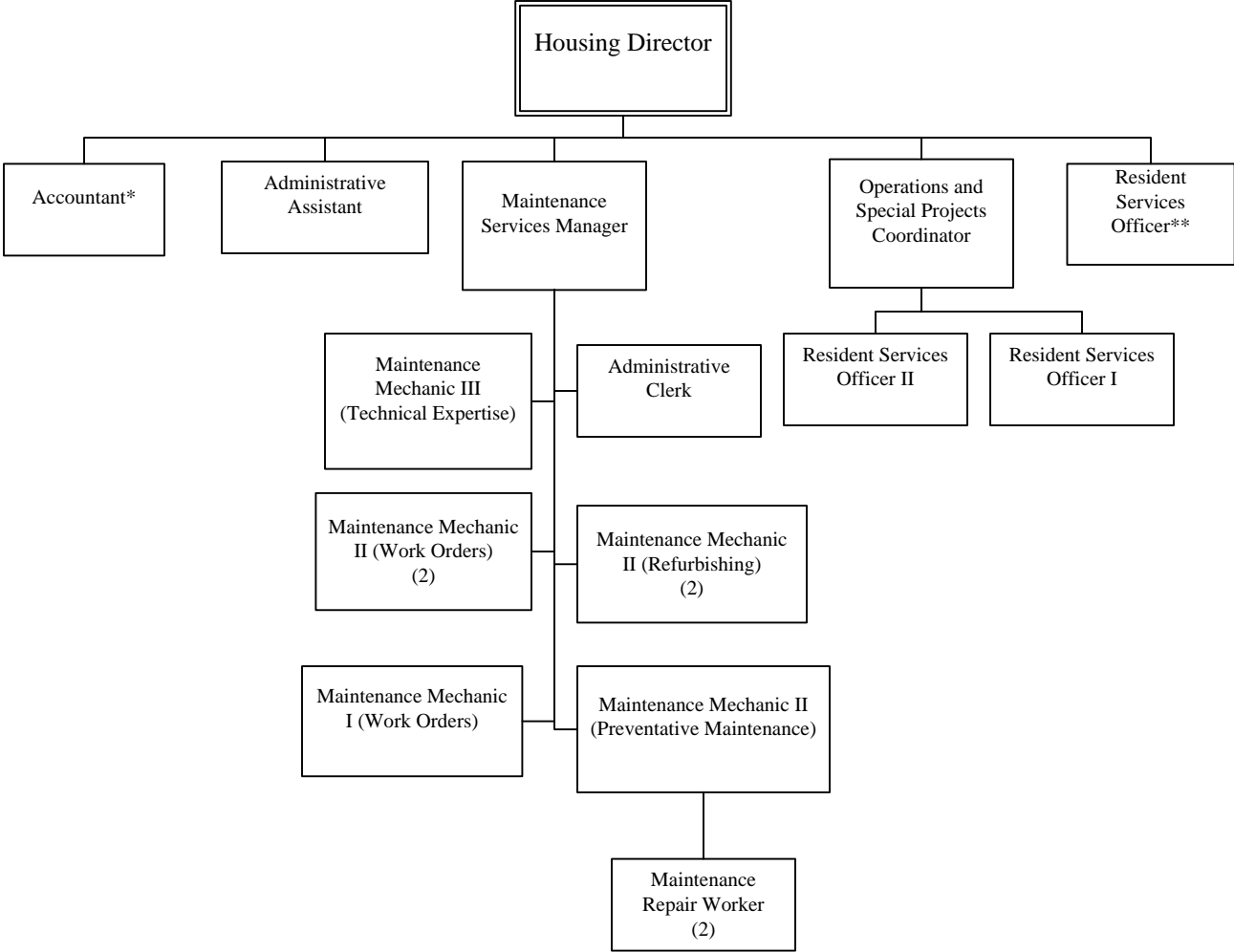
PUBLIC HOUSING DEPARTMENT

MISSION STATEMENT: *The primary mission of the Public Housing Department is to provide decent, safe, and affordable rental housing for low-income families and to provide services to help public housing families improve basic life skills in an effort to achieve economic independence.*

The Public Housing Department manages the 336 public housing apartments owned by the Town of Chapel Hill. The Public Housing Department provides:

- Low cost or no cost rental housing for low-income families.
- 24-hour emergency maintenance repair services seven days a week.
- Information and referral about the public housing program, other federal housing programs, and area human service resources.
- Financial counseling to help residents manage money responsibly.
- Conflict resolution to help residents resolve family or neighborhood disputes.
- Comprehensive orientation for new residents.
- Technical and general assistance to support programs and activities of the Residents' Council.
- Staff support to the Housing and Community Development Advisory Board.
- Referral services for residents with alcohol or drug dependency problems.
- Home visits to complete determinations of eligibility or receive rental payments from elderly or disabled residents who can not come to the office.

HOUSING



*Position is funded by the Housing Department and supervised by the Finance Department.

**Position is funded through November 2005.

PUBLIC HOUSING
STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS

	2003-04 ADOPTED	2004-05 ADOPTED	2005-06 ADOPTED
Administration			
Director-Housing	1.00	1.00	1.00
Operations and Special Projects Coordinator	0.00	1.00	1.00
Accountant - Housing*	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00
Assistant Housing Director	1.00	0.00	0.00
	<hr/>		
Division Totals	4.00	4.00	4.00
	<hr/>		
Maintenance			
Maintenance Services Manager	0.00	1.00	1.00
Mechanic-Maintenance III	1.00	1.00	1.00
Mechanic-Maintenance II	5.00	5.00	5.00
Mechanic-Maintenance I	1.00	1.00	1.00
Maintenance Repair Worker	2.00	2.00	2.00
Administrative Clerk	1.00	1.00	1.00
Housing Maintenance Program Superintendent	1.00	0.00	0.00
	<hr/>		
Division Totals	11.00	11.00	11.00
	<hr/>		
Resident Services			
Resident Services Officer**	1.00	1.00	1.00
Housing Officer II	1.00	1.00	1.00
Housing Officer I	1.00	1.00	1.00
	<hr/>		
Division Totals	3.00	3.00	3.00
	<hr/>		
Housing Department Totals	18.00	18.00	18.00
	<hr/> <hr/>		

*The Accountant position is supervised by the Finance Department.

**Position is funded through November 2005.

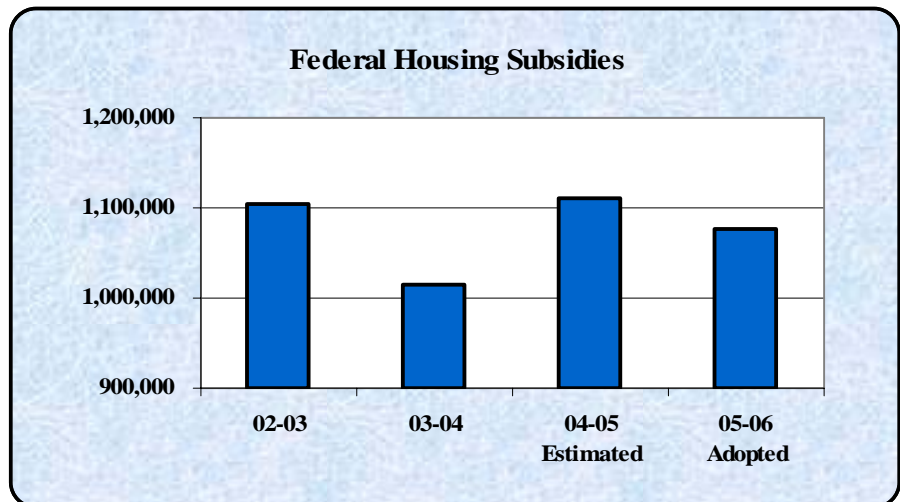
PUBLIC HOUSING FUND

Major Revenue Sources - Descriptions and Estimates

The Town's Public Housing programs provide for the administration and operation of the Town's 336 public housing units, and is funded primarily through federal grants from the U.S. Department of Housing and Urban Development and rents paid by residents.

In most other jurisdictions, public housing programs are legally organized as independent Public Housing Authorities and are administered directly by the Department of Housing and Urban Development through contractual agreements with the Authorities. Since 1987 when the Chapel Hill Public Housing Authority was abolished by the Chapel Hill Town Council, the Town's public housing program has been operated as a Town Department administered by the Town staff and the Public Housing Director.

The public housing program is funded almost entirely by federal funding. Primary revenue sources include dwelling rents paid by residents and an operating grant from the Department of Housing and Urban Development (HUD). Because of the budget schedule required by HUD, the Town Council adopted a budget for the 2005-06 public housing program on March 7, 2005, totaling \$1,600,750. Since the budget was adopted, the Town has been notified that federal operating assistance may decrease from the original estimate. We also estimate that dwelling rents may increase over the adopted budget by about \$13,000. We may need to modify the Housing Department budget once we receive final notification from HUD on the amount of the federal operating assistance for fiscal year 2005-06. The total budget for 2005-06 of about \$1.6 million is balanced by the use of about \$92,500 from fund balance.



Major Expenditures and Estimates

Expenditures for the housing program are primarily for the operation and maintenance of the 336 public housing units. For the 2005-budget totaling \$1,600,000, major expenditure categories include about \$1,058,000 for the routine and non-routine maintenance of the units, \$477,000 for administration and \$66,000 for non-departmental operations.

PUBLIC HOUSING

BUDGET SUMMARY

Public Housing functions include administration of the Housing program, routine and non-routine maintenance and non-departmental operations for the Town's 336 public housing units, funded primarily through federal grants from the U.S. Department of Housing and Urban Development and rents paid by residents. The 2005-06 recommended budget includes a decrease in rental revenue based on the established HUD occupancy formula and a decrease in the use of appropriated fund balance.

EXPENDITURES

	2003-04 Actual	2004-05 Original Budget	2004-05 Revised Budget	2004-05 Estimated	2005-06 Adopted Budget	% Change from 2004-05
Administration	459,284	500,724	492,637	492,637	476,805	-4.8%
Routine Maintenance	837,765	927,310	932,865	928,302	956,148	3.1%
Non-Routine Maintenance	164,622	159,820	147,572	154,277	101,966	-36.2%
Non-Departmental	44,250	65,831	67,973	65,831	65,831	0.0%
Total	1,505,921	1,653,685	1,641,047	1,641,047	1,600,750	-3.2%

REVENUES

	2003-04 Actual	2004-05 Original Budget	2004-05 Revised Budget	2004-05 Estimated	2005-06 Adopted Budget	% Change from 2004-05
Rental Revenue	329,380	376,018	376,018	376,018	410,676	9.2%
HUD Contributions	1,014,675	1,135,085	1,109,767	1,109,767	1,077,089	-5.1%
Other Revenues	64,376	4,661	9,648	9,648	10,130	117.3%
Interest Income	7,382	6,103	8,148	8,148	10,364	
Appropriated Fund Balance	-	131,818	137,466	137,466	92,491	-29.8%
Total	1,415,813	1,653,685	1,641,047	1,641,047	1,600,750	-3.2%

PUBLIC HOUSING - ADMINISTRATION DIVISION

MISSION STATEMENT: *The primary mission of the Administration Division is to manage the Public Housing program for the Town of Chapel Hill in an effort to provide decent, safe, and affordable rental housing for low-income families and to provide services to help public housing families improve basic life skills in an effort to achieve economic independence.*

The Administration Division supervises services including rentals, renovations and maintenance; and prepares applications for and administers federal grants including annual operating assistance. Duties of the Administration Division include:

- Communications with public housing residents and coordination of participation by residents in decisions on policy changes, maintenance, renovations and other improvement projects and new programs and services affecting the residents.
- Assurance of compliance with federal requirements for grants including annual operating assistance.

PUBLIC HOUSING - Administration
BUDGET SUMMARY

The adopted budget for Public Housing Administration reflects a 13.4% decrease in operating costs made up of several components. The expenditures for personnel agency payments are expected to decrease by approximately \$2,250. Business meetings and training decreased by \$5,400, the costs for postage decreased by \$4,000 and miscellaneous contracted services decreased by about \$2,200.

EXPENDITURES

	2003-04 Actual	2004-05 Original Budget	2004-05 Revised Budget	2004-05 Estimated	2005-06 Adopted Budget	% Change from 2004-05
Personnel	373,321	395,691	390,328	390,328	385,845	-2.5%
Operating Costs	85,963	105,033	102,309	102,309	90,960	-13.4%
Capital Outlay	-	-	-	-	-	N/A
Total	459,284	500,724	492,637	492,637	476,805	-4.8%

***PUBLIC HOUSING - Non-Departmental
BUDGET SUMMARY***

The adopted budget for Public Housing - Non-Departmental operations remains unchanged from last year.

EXPENDITURES

	2003-04 Actual	2004-05 Original Budget	2004-05 Revised Budget	2004-05 Estimated	2005-06 Adopted Budget	% Change from 2004-05
Personnel	-	-	-	-	-	N/A
Operating Costs	44,250	65,831	67,973	65,831	65,831	0.0%
Capital Outlay	-	-	-	-	-	N/A
Total	44,250	65,831	67,973	65,831	65,831	0.0%

PUBLIC HOUSING - MAINTENANCE DIVISION

MISSION STATEMENT: *The primary mission of the Maintenance Division is to maintain and repair public housing apartments.*

Duties of the Maintenance Division include:

- Response to residents' requests for repair services, including 24-hour emergency repair service.
- Repair, painting and cleaning services on vacant apartments for new residents.
- Renovations to apartments for residents with disabilities or other special needs.
- Preventive maintenance and safety inspections.
- Refurbishment of public housing apartments on a five-year schedule.

PUBLIC HOUSING - Routine Maintenance
BUDGET SUMMARY

The adopted budget for routine maintenance projects an increase of 8.3% in operating costs because of planned increases in uniform rentals, water and sewer charges and stormwater management fees. These increases are necessary in order to conform with HUD projections.

EXPENDITURES

	2003-04 Actual	2004-05 Original Budget	2004-05 Revised Budget	2004-05 Estimated	2005-06 Adopted Budget	% Change from 2004-05
Personnel	517,942	616,128	567,945	567,945	619,073	0.5%
Operating Costs	319,823	311,182	364,920	360,357	337,075	8.3%
Capital Outlay	-	-	-	-	-	N/A
Total	837,765	927,310	932,865	928,302	956,148	3.1%

PUBLIC HOUSING - Non-Routine Maintenance ***BUDGET SUMMARY***

The adopted budget for Non-Routine Maintenance remains largely unchanged from last year with minimal changes in operating costs. The 80.1% decrease in capital outlay is the result of reductions in anticipated expenditures for motor vehicles in accordance with the established vehicle replacement schedule.

EXPENDITURES

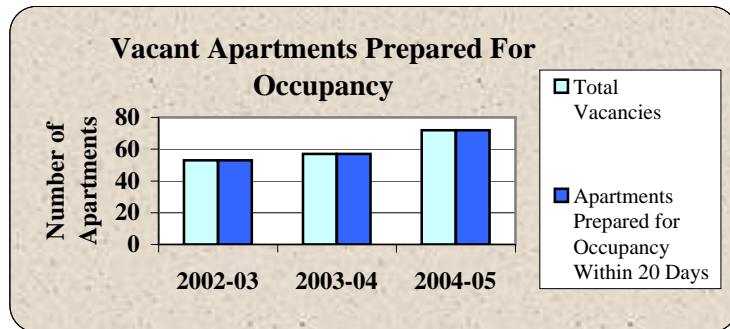
	2003-04 Actual	2004-05 Original Budget	2004-05 Revised Budget	2004-05 Estimated	2005-06 Adopted Budget	% Change from 2004-05
Personnel	77,207	-	-	-	-	N/A
Operating Costs	50,402	84,520	97,711	90,799	86,966	2.9%
Capital Outlay	37,013	75,300	49,861	63,478	15,000	-80.1%
Total	164,622	159,820	147,572	154,277	101,966	-36.2%

HOUSING TRENDS

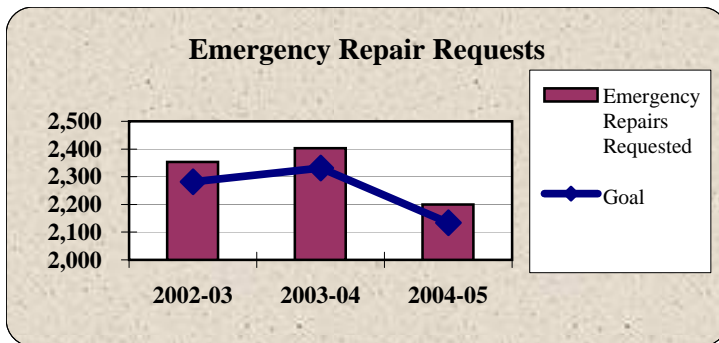
COUNCIL SERVICE GOALS: Offer secure, reliable and affordable services. Maintain safe and attractive public facilities.

GOAL : To prepare vacant apartments for occupancy in 20 days or less.

In 2004-05, all vacant apartments were prepared for occupancy within 20 days.



GOAL : Complete or abate 97% of emergency repairs within 24 hours, in keeping with standards set by the Department of Housing and Urban Development .



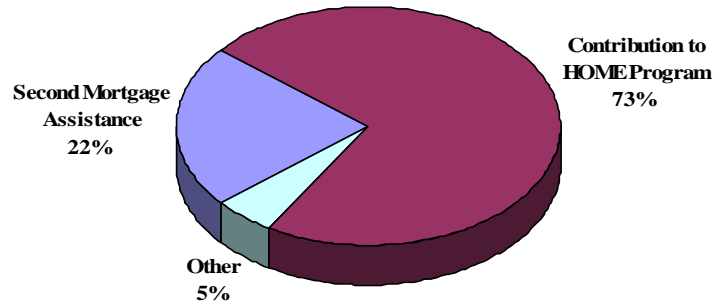
The Town of Chapel completed or abated 100% of emergency repairs within 24 hours in fiscal year 2005.

OBJECTIVES	PROGRESS/STATUS
To recertify eligibility for public housing tenancy every 12 months	Public housing tenancy was recertified every 12 months. A total of 300 recertifications were completed
To complete refurbishing work in 38 public housing apartments.	Refurbishing work was completed in 38 public housing apartments.
To provide resources and training opportunities through the ACHIEVE! Family Self-Sufficiency Program to help public housing residents move towards economic independence.	There continued to be regular meetings with the 3 Program participants to review progress in meeting goals. No Program participants were employed.
To provide financial and homeownership training opportunities for participants in the Transitional Housing Program.	The Transitional Housing Program has 2 participants. One participant has continued to participate in a homeownership and financial counseling program. The other participant will begin participation in these programs during the next quarter.
To purchase the second home for the Transitional Housing Program.	The second home for the Transitional Housing Program was purchased in February, 2005. We expect to purchase a third home during the next quarter

HOUSING LOAN TRUST FUND

The Housing Loan Trust Fund accounts for the Town's loan programs for the purchase and renovation of homes for lower income families.

Housing Loan Trust Expenditures



HOUSING LOAN TRUST FUND

BUDGET SUMMARY

The Housing Loan Trust Fund reflects a continuation of existing programs for mortgage assistance in 2005-06 and includes funding for the Town's share of matching funds for the HOME program administered by Orange County.

EXPENDITURES

	2003-04 Actual	2004-05 Original Budget	2004-05 Revised Budget	2004-05 Estimated	2005-06 Adopted Budget	% Change from 2004-05
Other Expenses	(8,781)	-	-	180	180	N/A
2nd Mortgage Assistance	55,237	26,000	40,762	40,762	20,000	-23.1%
Interest	4,265	4,600	4,600	4,300	4,600	0.0%
Contributions to Agencies:						
HOME Program Match	44,557	68,177	180,776	180,776	65,300	-4.2%
Habitat for Humanity	22,725	-	38,387	38,387	-	N/A
Total	118,003	98,777	264,525	264,405	90,080	-8.8%

REVENUES

	2003-04 Actual	2004-05 Original Budget	2004-05 Revised Budget	2004-05 Estimated	2005-06 Adopted Budget	% Change from 2004-05
Interest Income	4,167	900	900	2,500	900	0.0%
Program Income	11,188	-	-	7,854	-	N/A
2nd Mortgage Payoff	133,366	-	-	48,500	-	N/A
Appropriated Fund Balance	-	97,877	263,625	205,551	89,180	-8.9%
Total	148,721	98,777	264,525	264,405	90,080	-8.8%

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.

The 2001 project ordinance budgets a \$441,000 grant and \$35,000 of program income for rehabilitation of public housing, Meadowmont Affordable Townhomes, neighborhood revitalization, property acquisition for a Habitat for Humanity subdivision, and community services.

The 2002 project ordinance budgets a \$445,000 grant and \$16,000 of program income for rehabilitation of public housing, neighborhood revitalization, community services, and acquisition of property for a Habitat for Humanity subdivision.

The 2003 project ordinance budgets a \$723,000 grant and \$5,250 of reallocated funds for rehabilitation of public housing, neighborhood revitalization, a comprehensive rehabilitation program, and community services.

The 2004 project ordinance budgets a \$711,000 grant and \$91,318 of program income for rehabilitation of public housing, neighborhood revitalization, homeownership assistance, and community services.