

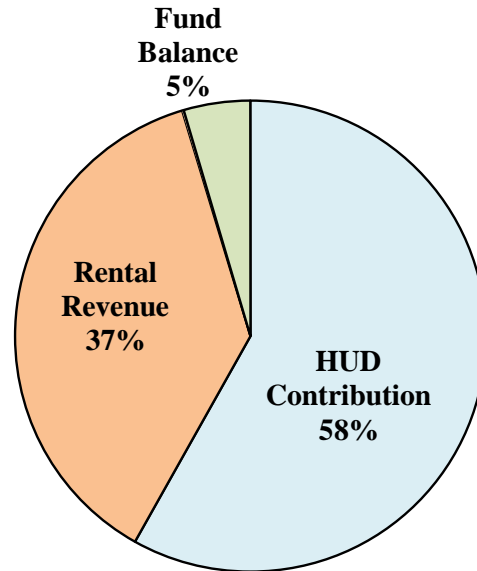
# ***PUBLIC HOUSING FUND***

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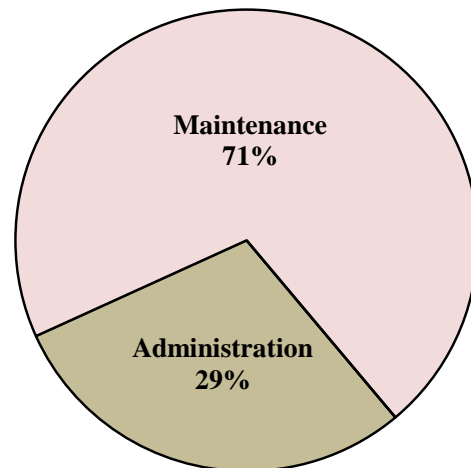
The Public Housing Fund is used to account for federal grants restricted for the Town's public housing programs.

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

## **Housing Revenues**



## **Housing Expenses**



# HOUSING DEPARTMENT

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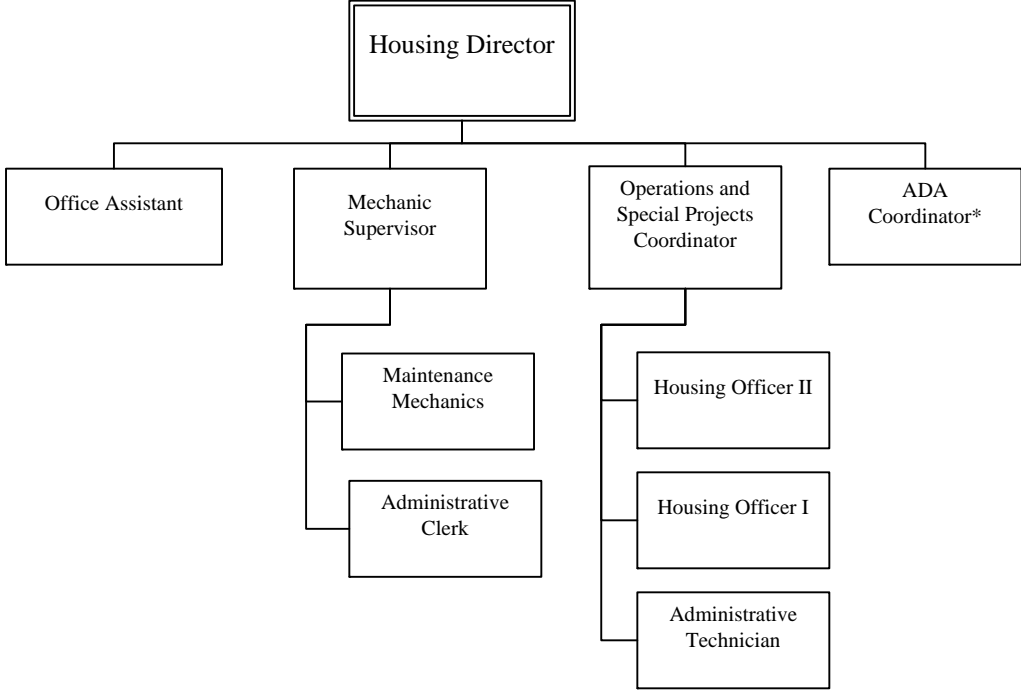
## MISSION STATEMENT:

*The mission of the Housing 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.*

As a first step towards Priority-Based Budgeting, the Housing Department identified the following primary programs that are included in the adopted budget for FY14.

Program	Description
<b>Rental Housing for Low-Income Families</b>	Manage the 336 public housing units (13 locations) overseen by the Housing Department. Monitor resident eligibility and administer rental assistance programs. Calculate and collect rental payments and manage the waiting list of those requesting residency.
<b>Maintenance Services</b>	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.
<b>Resident Services</b>	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.

**HOUSING**



\*ADA Coordinator position is grant-funded.

***PUBLIC HOUSING***  
***STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

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	<b>2011-12 ADOPTED</b>	<b>2012-13 ADOPTED</b>	<b>2013-14 ADOPTED</b>
<b>Administration</b>			
Director-Housing	1.00	1.00	1.00
Operations and Special Projects Coordinator	1.00	1.00	1.00
Office Assistant	1.00	1.00	1.00
Administrative Technician	0.00	1.00	1.00
ADA/Section 504 Coordinator <sup>1</sup>	1.00	0.00	0.00
Division Totals	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>
<b>Maintenance</b>			
Maintenance Services Manager	1.00	0.00	0.00
Mechanic Supervisor	0.00	1.00	1.00
Maintenance Mechanic (Repair Worker, I, II, III)	9.00	8.00	8.00
Administrative Clerk	1.00	1.00	1.00
Division Totals	<u>11.00</u>	<u>10.00</u>	<u>10.00</u>
<b>Resident Services</b>			
Housing Officer II	1.00	1.00	1.00
Housing Officer I	1.00	1.00	1.00
Division Totals	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
Housing Department Totals	<u><u>17.00</u></u>	<u><u>16.00</u></u>	<u><u>16.00</u></u>

<sup>1</sup> Grant-funded position.

## ***PUBLIC HOUSING FUND***

### ***Major Revenue Sources - Descriptions and Estimates***

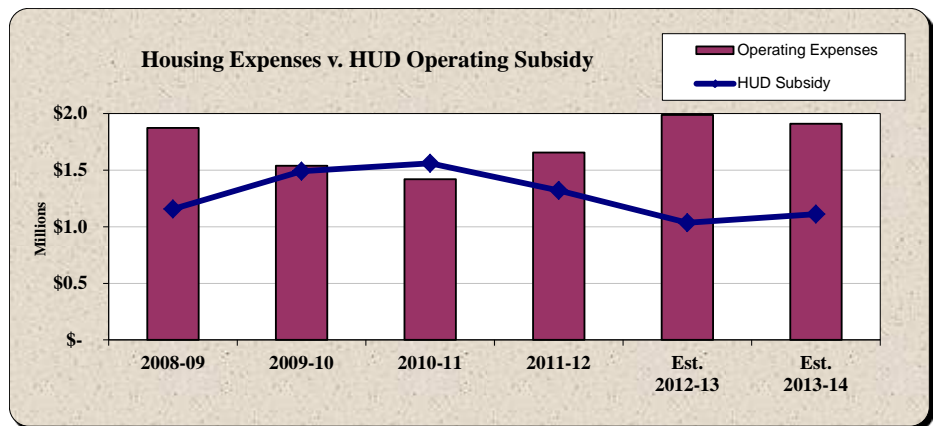
The Town's Public Housing program provides for the administration and operation of the Town's 336 public housing units, and is funded primarily through federal grants and rents paid by residents.

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 FY12 and FY13 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 2013 but we have no information about calendar 2014. Based on interim allocations, our estimate of HUD's subsidy for 2012-13 is \$1,207,451, about a 8% decrease from the FY12 subsidy of \$1,319,472.



In anticipation of HUD's continuation of reduced funding for calendar year 2014, we are estimating \$1,110,290 in subsidy for FY14.

The Housing Department estimates dwelling rents, the second largest revenue for the Public Housing Fund, at about \$709,000, an increase over current year estimates with the completion of a renovation project.

## ***Major Expenditures and Estimates***

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Major expenditure categories include about \$1,061,000 for salaries and benefits, \$164,000 for utilities, \$76,000 for liability and flood insurance and about \$493,000 for maintenance of the units.

The personnel costs include a 2% increase in employee pay effective October 2013, and the implementation of Phase I and II of the Compensation and Classification Study. FY14's budget also reflects the hiring of an administrative technician and a maintenance mechanic supervisor, and increases in medical insurance of 4% and slight increase in retirement costs. About \$45,000 of personnel costs are budgeted to be paid through Housing Capital and Community Development Block Grants, both subject to federal grant awards that are pending.

One-time costs in FY13 (\$98,000 for the Fiber project alone and purchase of a replacement maintenance vehicle) are not repeated in FY14, reflected in the reduction of Capital and Maintenance costs for FY14. Maintenance costs include funding for the continuation of about \$100,000 for contracted landscaping services, a reduction from the \$138,000 estimated in FY13.

	<b>2012-13 Original Budget</b>	<b>2013-14 Adopted Budget</b>	<b>% Change from 2012-13</b>
Salary and Benefits - Administration	\$ 439,250	\$ 419,418	-4.51%
Salary and Benefits - Maintenance	552,887	642,426	16.19%
Maintenance Costs	548,401	493,382	-10.03%
Utilities	172,300	163,900	-4.88%
Liability and Flood Insurance	76,500	76,500	0.00%
Capital Expense	79,200	-	-100.00%
Other Expenses	118,865	113,963	-4.12%
<b>Total Budget</b>	<b>\$ 1,987,403</b>	<b>\$ 1,909,589</b>	<b>-3.92%</b>

## ***PUBLIC HOUSING BUDGET SUMMARY***

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*The Town's 336 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 2013-14 retains a simpler model that includes an Administrative Division and a Maintenance Division.*

*The budget for FY14 reflects an estimate of the HUD subsidy anticipated for calendar year 2013. As yet, there has been no indication of HUD's funding for calendar year 2014 and no information about the effect of sequestration on public housing subsidy. Rental revenue reflects an increase with the anticipated reopening of apartments that were closed for renovation and an increase in the flat rent schedule.*

### **REVENUES**

	<b>2011-12 Actual</b>	<b>2012-13 Original Budget</b>	<b>2012-13 Revised Budget</b>	<b>2012-13 Estimated</b>	<b>2013-14 Adopted Budget</b>	<b>% Change from 2012-13</b>
Revenue Summary						
HUD Contributions	\$ 1,319,472	\$ 1,035,588	\$ 1,035,588	\$ 1,207,451	\$ 1,110,290	7.2%
Rental Revenue	617,421	496,160	496,160	712,710	709,706	43.0%
Other Revenues	43,195	250	250	9,718	200	-20.0%
Interest Income	2,194	2,200	2,200	2,240	2,100	-4.5%
Approp. Fund Balance	(325,735)	453,205	517,471	(50,907)	87,293	-80.7%
Total Revenues	\$ 1,656,547	\$ 1,987,403	\$ 2,051,669	\$ 1,881,212	\$ 1,909,589	-3.9%

### **EXPENDITURES**

	<b>2011-12 Actual</b>	<b>2012-13 Original Budget</b>	<b>2012-13 Revised Budget</b>	<b>2012-13 Estimated</b>	<b>2013-14 Adopted Budget</b>	<b>% Change from 2012-13</b>
Personnel	\$ 922,634	\$ 992,137	\$ 968,870	\$ 888,058	\$ 1,061,844	7.0%
Operating	733,913	916,066	1,003,599	967,762	847,745	-7.5%
Capital	-	79,200	79,200	25,392	-	-100.0%
Total	\$ 1,656,547	\$ 1,987,403	\$ 2,051,669	\$ 1,881,212	\$ 1,909,589	-3.9%

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## ***PUBLIC HOUSING DIVISION BUDGETS***

*The Town's 336 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. It appears likely the waiver will be made permanent, so the budget presentation for 2013-14 remains with the simpler model of an Administrative Division and a Maintenance Division.*

*Revenues anticipated for the 2013-14 fiscal year reflect a continuation of HUD's calendar year 2013 reduction in grants to agencies with reserves or fund balance, about an 8.5% drop from FY12 to FY13. The Adopted Budget for FY14 proposes the use of about \$87,000 in fund balance to compensate for the continued reduction in federal funding.*

### **REVENUES**

	<b>2011-12 Actual</b>	<b>2012-13 Original Budget</b>	<b>2012-13 Revised Budget</b>	<b>2012-13 Estimated</b>	<b>2013-14 Adopted Budget</b>	<b>% Change from 2012-13</b>
<b>AMP 1</b>						
HUD Contributions	\$ 670,777	\$ 501,462	\$ 501,462	\$ 590,639	\$ 540,614	7.8%
Rental Revenue	293,058	237,500	237,500	367,313	364,561	53.5%
Other Revenues	75	125	125	6,795	125	0.0%
<b>Total AMP 1</b>	<b>\$ 963,910</b>	<b>\$ 739,087</b>	<b>\$ 739,087</b>	<b>\$ 964,747</b>	<b>\$ 905,300</b>	<b>22.5%</b>
<b>AMP 2</b>						
HUD Contributions	\$ 648,695	\$ 534,126	\$ 534,126	\$ 616,812	\$ 569,676	6.7%
Rental Revenue	324,363	258,660	258,660	345,397	345,145	33.4%
Other Revenues	635	125	125	75	75	-40.0%
<b>Total AMP 2</b>	<b>\$ 973,693</b>	<b>\$ 792,911</b>	<b>\$ 792,911</b>	<b>\$ 962,284</b>	<b>\$ 914,896</b>	<b>15.4%</b>
<b>Central Office Cost Center</b>						
Interest Income	\$ 2,194	\$ 2,200	\$ 2,200	\$ 2,240	\$ 2,100	-4.5%
Other Revenues	42,485	-	-	2,848	-	N/A
Approp. Fund Balance	(325,735)	453,205	517,471	(50,907)	87,293	-80.7%
<b>Total Central Office</b>	<b>\$ (281,056)</b>	<b>\$ 455,405</b>	<b>\$ 519,671</b>	<b>\$ (45,819)</b>	<b>\$ 89,393</b>	<b>-80.4%</b>
<b>Total Revenues</b>	<b>\$ 1,656,547</b>	<b>\$ 1,987,403</b>	<b>\$ 2,051,669</b>	<b>\$ 1,881,212</b>	<b>\$ 1,909,589</b>	<b>-3.9%</b>



## ***PUBLIC HOUSING DIVISION BUDGETS***

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*The budget for FY14 includes a 2% employee pay allowance and the implementation of Phases 1 & 2 of the Class & Compensation study, both effective in October 2013. The FY14 budget also reflects an increase of 4% in medical insurance costs and a slight increase in the state retirement contribution. One-time maintenance costs in the FY13 budget are not repeated in FY14, accounting for the reduction in operating costs.*

*Revenues are expected to exceed expenditures by \$50,907 in the current year FY13, with the difference shown as negative appropriated fund balance on the previous page in order to present a balanced budget. These reserves will in large part provide for the use of fund balance in FY14.*

### **EXPENDITURES**

	<b>2011-12 Actual</b>	<b>2012-13 Original Budget</b>	<b>2012-13 Revised Budget</b>	<b>2012-13 Estimated</b>	<b>2013-14 Adopted Budget</b>	<b>% Change from 2012-13</b>
<b>Central Maintenance</b>						
Personnel	\$ 494,134	\$ 552,887	\$ 529,620	\$ 489,442	\$ 642,426	16.2%
Operating	609,852	761,201	845,768	823,632	707,682	-7.0%
Capital	-	79,200	79,200	25,392	-	-100.0%
<b>Total</b>	<b>\$ 1,103,986</b>	<b>\$ 1,393,288</b>	<b>\$ 1,454,588</b>	<b>\$ 1,338,466</b>	<b>\$ 1,350,108</b>	<b>-3.1%</b>
<b>Central Office Cost Center</b>						
Personnel	\$ 428,500	\$ 439,250	\$ 439,250	\$ 398,616	\$ 419,418	-4.5%
Operating	124,061	154,865	157,831	144,130	140,063	-9.6%
Capital	-	-	-	-	-	N/A
<b>Total</b>	<b>\$ 552,561</b>	<b>\$ 594,115</b>	<b>\$ 597,081</b>	<b>\$ 542,746</b>	<b>\$ 559,481</b>	<b>-5.8%</b>
<b>Total Expenses</b>	<b>\$ 1,656,547</b>	<b>\$ 1,987,403</b>	<b>\$ 2,051,669</b>	<b>\$ 1,881,212</b>	<b>\$ 1,909,589</b>	<b>-3.9%</b>

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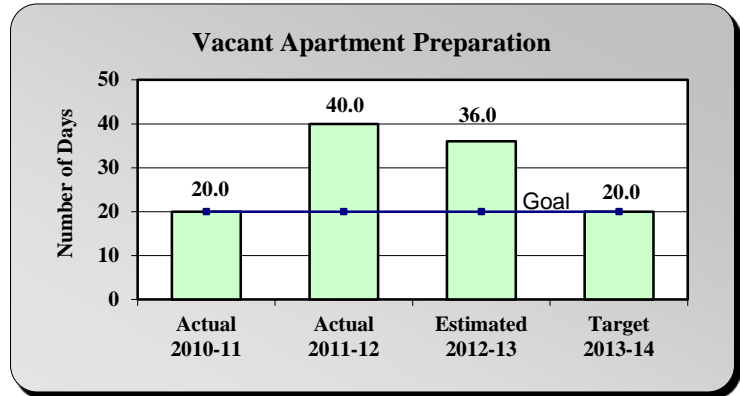
# HOUSING TRENDS

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

**GOAL :** Maximize livable housing stock.

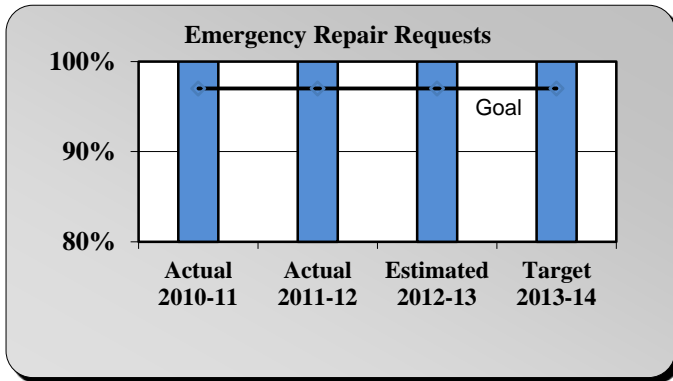
**OBJECTIVE :** Prepare vacant apartments for occupancy within 20 days.

In fiscal year 2012-13, the Housing Department did not achieve this goal. Seventy-four units were vacant. It took an average of 36 days to prepare units for occupancy.



**GOAL :** Maximize livable housing stock.

**OBJECTIVE :** Complete or abate 97% of emergency repairs within 24 hours.



In fiscal year 2012-2013, the Housing Department completed or abated 100% of its 178 emergency repairs within 24 hours, following standards set forth by the U.S. Department of Housing and Urban Development.

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

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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 2007 project ordinance budgets a \$596,282 grant for rehabilitation of public housing, homeownership assistance, a comprehensive housing rehabilitation program for the Northside and Pine Knolls neighborhoods, neighborhood revitalization activities, and community services.

The 2008 project ordinance budgets a \$574,804 grant for rehabilitation of public housing, homeownership assistance, neighborhood revitalization activities, rehabilitation of rental units for individuals with disabilities and at risk of homelessness, and community services.

The 2009 project ordinance budgets a \$584,379 grant and \$7,338 of program income for rehabilitation of public housing, predevelopment costs for the development of a residential facility for homeless men, infrastructure development, homeownership assistance and community services.

The project ordinance for the 2009 American Reinvestment Recovery Act grant of \$156,110 budgets funds for public housing renovations and infrastructure development at Habitat for Humanity's Phoenix Place subdivision.

The 2010 project ordinance budgets a \$633,405 grant and \$7,338 of program income for rehabilitation of public housing, predevelopment costs for the development of a residential facility for homeless men, rehabilitation of affordable rental properties, rehabilitation of a public facility, homeownership assistance and community services.

The 2011 project ordinance budgets a \$529,660 grant, and \$18,410 of program income and residual funds for rehabilitation of public housing, predevelopment costs for the development of a residential facility for homeless men, homeownership assistance, neighborhood revitalization and community services.

The 2012 project ordinance budgets a \$410,687 grant, and \$42,780 of program income for rehabilitation of public housing, predevelopment costs for the development of a residential facility for homeless men, homeownership assistance, code enforcement, after school programs and community services.

