

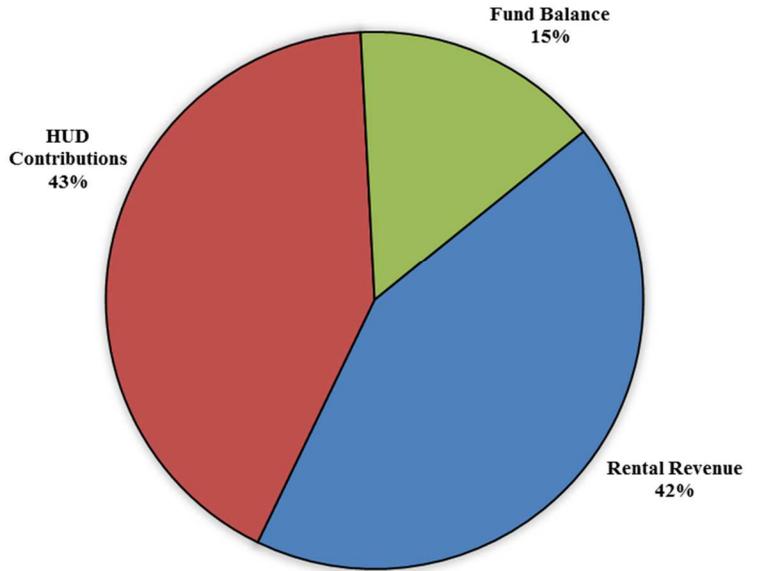
# ***PUBLIC HOUSING FUND***

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

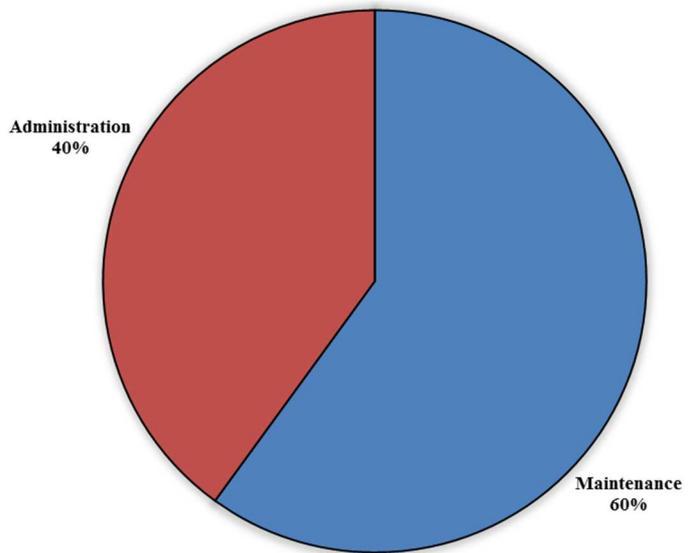
Since those with fewer than 400 units have been exempt each year from HUD's new funding model (AMPs) since 2007-08, we have returned to a simpler budget presentation comprised of Administrative and Maintenance divisions.

## **PUBLIC HOUSING REVENUES**



**Total \$2,304,199**

## **PUBLIC HOUSING EXPENSES**



# ***PUBLIC HOUSING FUND DEPARTMENT***

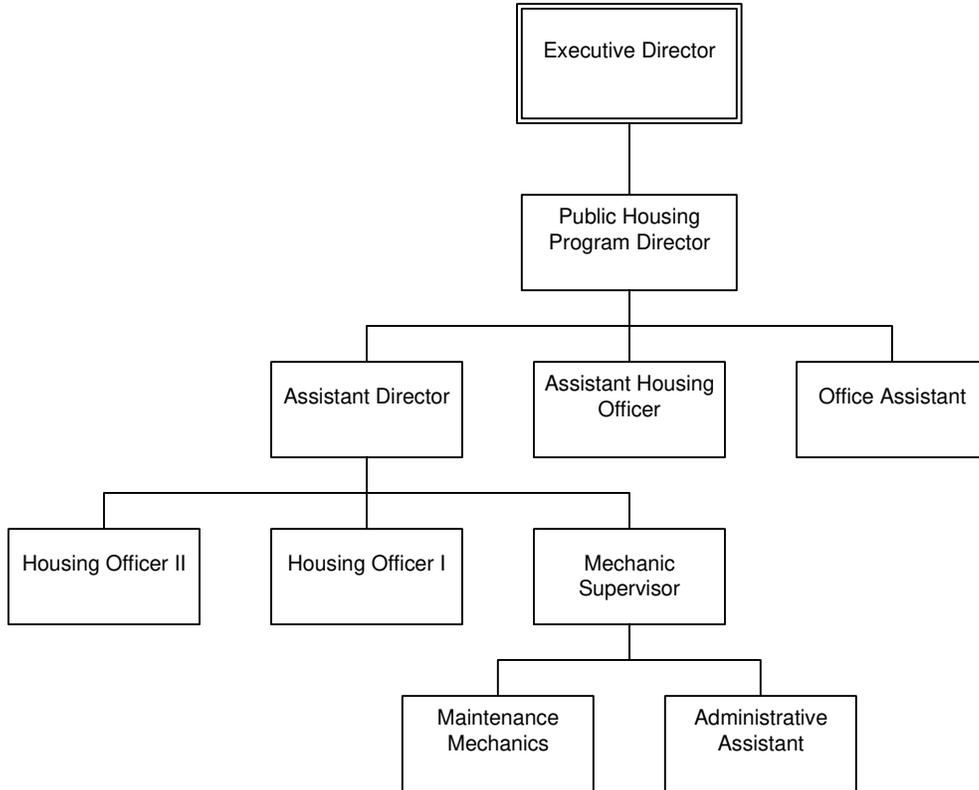
## **MISSION STATEMENT:**

*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 2017-18.

<b>Program</b>	<b>Description</b>
<b>Rental Housing for Low-Income Families</b>	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.
<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.

PUBLIC HOUSING FUND



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

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	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
	<b>ADOPTED</b>	<b>ADOPTED</b>	<b>ADOPTED</b>
<b>Administration</b>			
Director-Housing	1.00	1.00	1.00
Assistant Director	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
Assistant Housing Officer	1.00	1.00	1.00
Division Totals	6.00	6.00	6.00
<b>Maintenance</b>			
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

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

# ***PUBLIC HOUSING FUND***

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

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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.

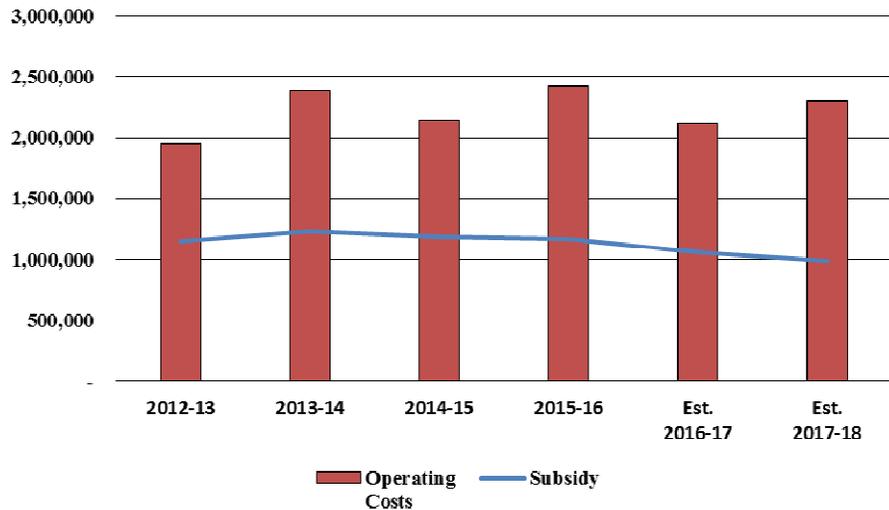
In 1987, the Chapel Hill Public Housing Authority was abolished by the Chapel Hill Town Council. Since then, the Town’s public housing program has been operated as a Town Department administered by Town staff and a Public Housing Director.

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 2017-18 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 2017 but we have no information about calendar 2018. Based on interim allocations, our estimate of HUD’s subsidy for 2016-17 is \$1,058,675, about a 9.5% decrease from the 2015-16 subsidy of \$1,169,986. Due to this decrease, we are estimating \$990,360 in subsidy for 2017-18.

**Housing Expenses vs. HUD Operating Subsidy**



The Housing Department estimates dwelling rents, the second largest revenue for the Public Housing Fund, at about \$956,166 an increase over current year estimates with the

completion of renovation projects, the reopening of apartments, and an increase in the flat rent schedule.

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

Major expenditure categories include about \$1,259,337 for salaries and benefits, \$169,200 for utilities, \$84,044 for liability and flood insurance and about \$546,760 for maintenance of the units.

The personnel costs include a 2.5% pay adjustment, a 12.0% increase in health insurance costs, and moving three employees to a higher job classification through the implementation of recommendations from an independent pay study.

There is a \$50,000 increase in the operating budget to pay for the continuation of a Public Housing Master Plan. Capital expenses saw a decrease due to the completion of one-time projects.

	2016-17 Original Budget	2017-18 Adopted Budget	% Change from 2016-17
Salary & Benefits - Administration	\$ 476,381	\$ 534,393	12.2%
Salary & Benefits - Maintenance	689,236	\$ 724,944	5.2%
Maintenance Costs	516,071	\$ 546,760	5.9%
Utilities	169,200	\$ 169,200	0.0%
Liability & Flood Insurance	83,044	\$ 84,044	1.2%
Capital Expense	34,834	\$ -	-100.0%
Other Expenses	473,350	\$ 244,858	-48.3%
<b>Total Budget</b>	<b>\$ 2,442,116</b>	<b>\$ 2,304,199</b>	<b>-5.6%</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 2017-18 retains a simpler model that includes an Administrative Division and a Maintenance Division.*

*The budget for 2017-18 reflects an estimate of the HUD subsidy anticipated for calendar year 2017. The Town anticipates a 12.4% decrease in HUD subsidies due to declining federal support and administrative changes in the federal government. Rental revenue reflects an increase with the reopening of apartments that were closed for renovation and an increase in the flat rent schedule. \$50,000 is included in order to continue development of a Housing Master Plan.*

### **REVENUES**

	<b>2015-16 Actual</b>	<b>2016-17 Original Budget</b>	<b>2016-17 Revised Budget</b>	<b>2016-17 Estimated</b>	<b>2017-18 Adopted Budget</b>	<b>% Change from 2016-17</b>
Revenue Summary						
HUD Contributions	\$ 1,169,986	\$ 1,130,127	\$ 1,130,127	\$ 1,058,675	\$ 990,360	-12.4%
Rental Revenue	939,897	907,043	907,043	909,572	956,166	5.4%
Other Revenues	326	250	250	250	250	0.0%
Interest Income	1,464	1,950	1,950	1,480	1,950	0.0%
Capital Contribution	59,118	-	-	-	-	N/A
Appropriated Fund Balance	253,461	402,746	445,921	152,902	355,473	-11.7%
<b>Total Revenues</b>	<b>\$ 2,424,252</b>	<b>\$ 2,442,116</b>	<b>\$ 2,485,291</b>	<b>\$ 2,122,879</b>	<b>\$ 2,304,199</b>	<b>-5.6%</b>

### **EXPENDITURES**

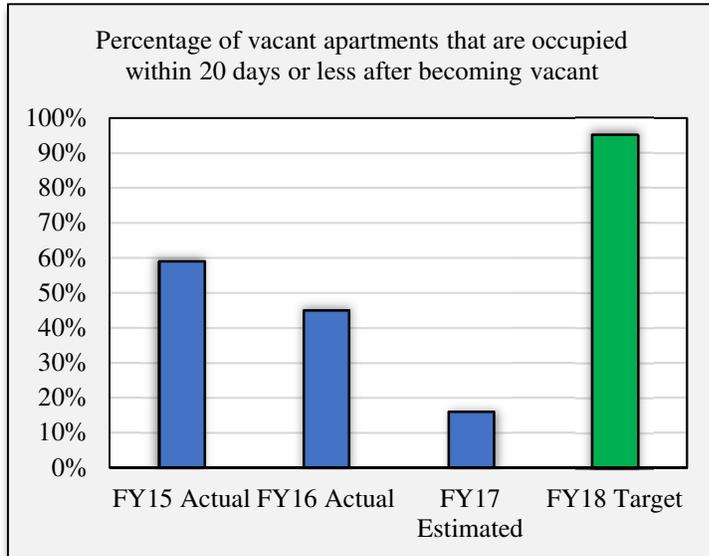
	<b>2015-16 Actual</b>	<b>2016-17 Original Budget</b>	<b>2016-17 Revised Budget</b>	<b>2016-17 Estimated</b>	<b>2017-18 Adopted Budget</b>	<b>% Change from 2016-17</b>
Personnel	\$ 1,032,628	\$ 1,165,617	\$ 1,166,617	\$ 844,355	\$ 1,259,337	8.0%
Operating	916,342	1,241,665	1,266,375	1,226,225	1,044,862	-15.8%
Capital	475,282	34,834	52,299	52,299	-	-100.0%
<b>Total</b>	<b>\$ 2,424,252</b>	<b>\$ 2,442,116</b>	<b>\$ 2,485,291</b>	<b>\$ 2,122,879</b>	<b>\$ 2,304,199</b>	<b>-5.6%</b>

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# PUBLIC HOUSING

## MISSION-LEVEL MEASURES

 Create a Place for Everyone	<b>Program:</b>	Rental Housing for Low-Income Families
	<b>Objective:</b>	Prepare vacant apartments for occupancy
	<b>Mission Measure:</b>	Percentage of vacant apartments that are occupied within 20 days or less after becoming vacant



### Departmental Analysis & Insights

In fiscal year 2015-16, the Housing & Community Department did not achieve this goal. Approximately 75% of vacant apartments became occupied within 20 days or less.

### Initiatives - What will we do to take action?

1. We have a new contractor for the unit turn around process.
2. We have reorganized our staff and tasked the Housing Officer I with oversight of this measure.
3. We will share and analyze data results monthly to create a culture of systemic thinking between the administrative and maintenance divisions.

***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 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 \$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, and homelessness case management.

