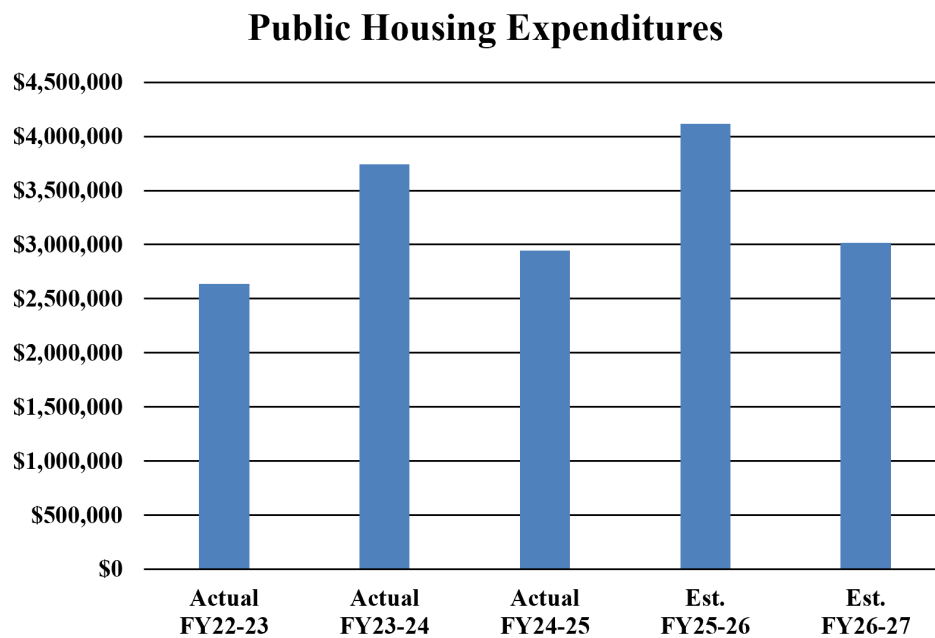


PUBLIC HOUSING FUND



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



PUBLIC HOUSING

VISION:

A vibrant and inclusive community where all residents have access to affordable housing and opportunities to thrive.

MISSION:

*Create Partnership
Catalyze Affordable Housing
Build Community*

The Public Housing Division identified the following primary programs that are included in the adopted budget for 2026-27.

Program	Description	Strategic Priority
Lease Management and Tenant Relations	- Manage Housing Applications - Ensure Compliance with Lease Agreements - Coordinate Resident Engagement and Self-Sufficiency	
Complete Federal Compliance and Reporting Requirements	- Complete HUD-Required Reports and Plans - Complete Routine Reports - Receive Reports from HUD	
Perform Maintenance and Renovations	- Complete preventative maintenance - Complete safety inspections and pest control - Oversee unit turnaround of vacant units - Complete work orders for units - Implement our Capital Plan - Complete HUD inspections - Implement Staff Training Plan - Complete special projects	

PUBLIC HOUSING

Performance Measures

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

Core Business Program	Performance Measure	FY24 Actual	FY25 Actual	FY26 Estimate	FY27 Target
Public Housing	HUD's PHAS rating	Troubled	High Performer	Substandard	High Performer
	Percentage of elected officials and staff who have completed "Lead the Way" training	100%	100%	89%	100%
	# of units inspected through Preventative Maintenance Inspections and repairs made	44	104	85	296 (12 communities)
	Average # of work orders opened (monthly)	551	192	222	175
	Average # of days to complete a routine work order	5	4	3	< 2
	% of Capital Fund Expenditures for HUD Grants	2020: 93% 2021: 50%	2020: 100% 2021: 93% 2022: 79% (21% of 2022 Grant Recaptured) 2023: 52%	2020: 100% 2021: 100% 2023: 99% 2024: 1% 2025: <1%	2020: 100% 2021: 100% 2023: 100% 2024: 90% 2025: 90%
	Average # of days to turnover a vacant unit	121	215	323	20
	Average # of calls received via the after-hours line	N/A	40 (Estimated)	49	35
	% of Public Housing residents employed	46%	54% (Estimated)	50%	> 65%
	% of new tenants homeless at time of admission	20%	25%	100% ¹	25%

¹ One tenant was accepted from the waitlist; they were experiencing homelessness.

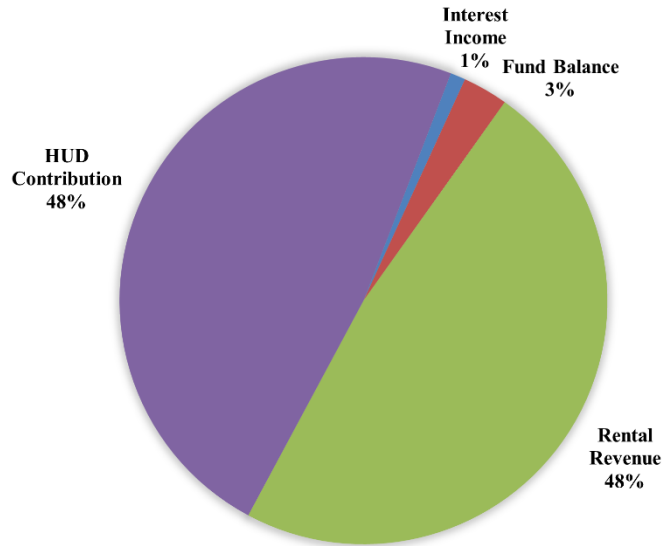
PUBLIC HOUSING FUND

Major Expenditures and Estimates

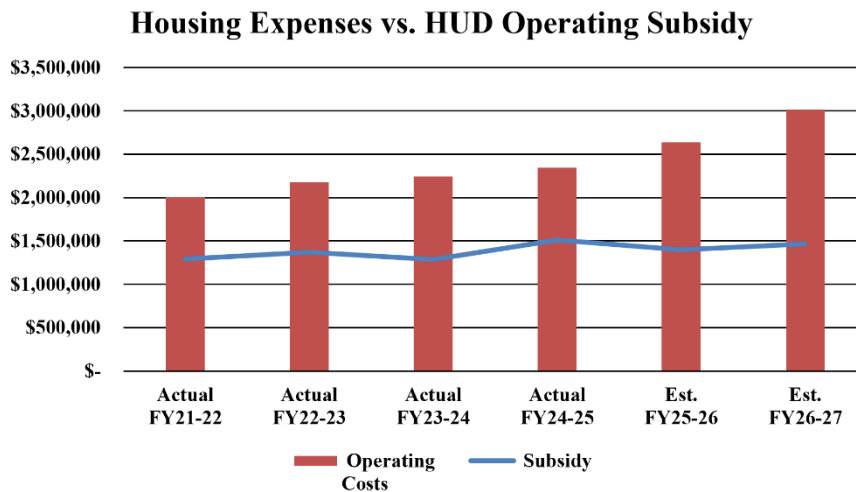
The Public Housing program provides for the administration and operation of the Town's 296 public housing units and is funded primarily through federal grants and rents paid by residents.

In 1987, the Chapel Hill Public Housing Authority was abolished by the Chapel Hill Town Council. The Town's Public Housing program was then operated as a Town department administered by Town staff. During FY2023-24, the Public Housing department became part of the Housing & Community Development department, with the Public Housing Fund remaining a separate enterprise fund.

PUBLIC HOUSING REVENUES



Primary revenue sources include dwelling rents paid by residents and operating grants from the Department of Housing and Urban Development (HUD). HUD has provided funding estimates for calendar year 2026 but we have no information about calendar year 2027. Based on interim allocations, our estimate of HUD's subsidy for 2025-26 is \$1,399,400, a 7% decrease from the 2024-25 subsidy of \$1,508,347.

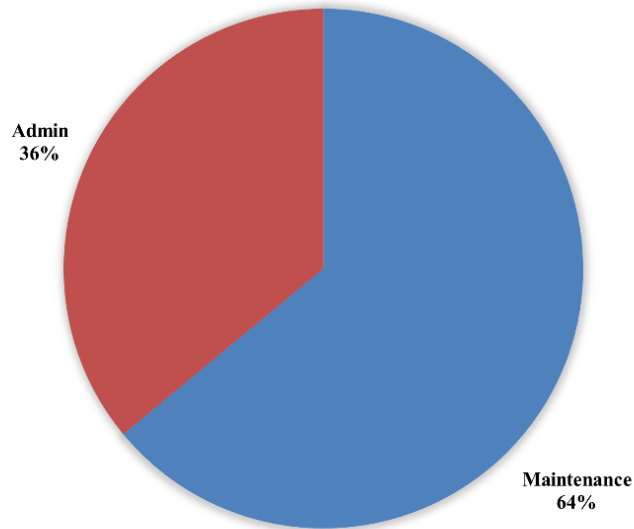


The Public Housing division estimates dwelling rents, the largest source of revenue for the Public Housing Fund, at about \$1,445,100 for 2026-27, which is a 2.5% increase from current year estimates.

PUBLIC HOUSING FUND

Major Revenue Sources - Descriptions and Estimates

PUBLIC HOUSING EXPENDITURES

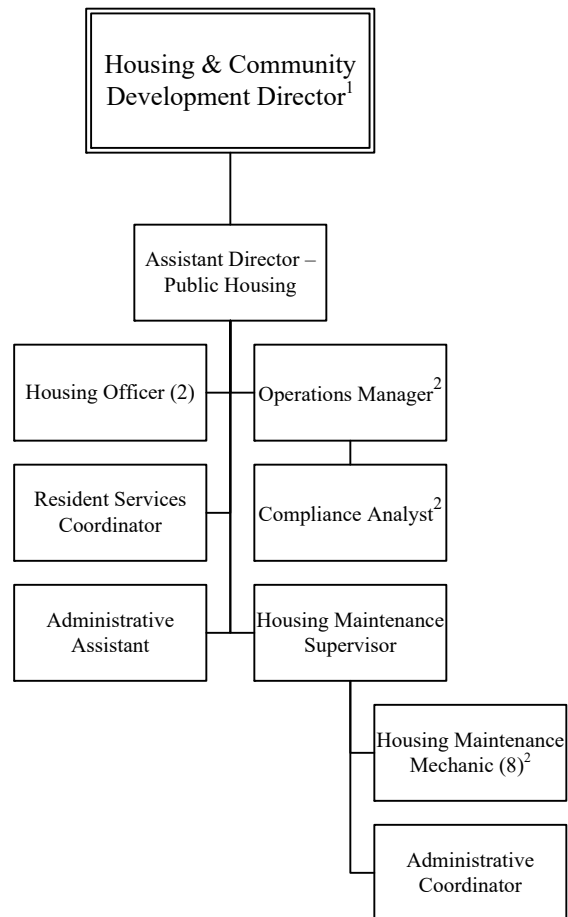


For the 2026-27 Adopted Budget, major expenditure categories include \$1,745,018 for personnel salaries and benefits, \$705,184 for maintenance of the housing units \$246,500 for utilities, and \$100,000 for liability and flood insurance.

The personnel costs include a 4% of market pay increase, a 0.75% retirement contribution increase, and an increase in insurance costs.

	2025-26 Original Budget	2026-27 Adopted Budget	% Change from 2025-26
Salary & Benefits - Administration	\$ 754,757	\$ 747,605	-0.9%
Salary & Benefits - Maintenance	927,969	997,413	7.5%
Maintenance Costs	604,911	705,184	16.6%
Utilities	213,450	246,500	15.5%
Liability & Flood Insurance	77,500	100,000	29.0%
Other Expenses	303,737	219,661	-27.7%
Total Budget	\$ 2,882,324	\$ 3,016,363	4.7%

PUBLIC HOUSING



¹ This position is funded by the Housing & Community Development department.

² These positions are split between H&CD and the Public Housing Fund, including one Housing Maintenance Mechanic.

PUBLIC HOUSING

STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS

	2024-25 ADOPTED	2025-26 ADOPTED	2026-27 ADOPTED
Administration			
Director - Housing & Community Development ¹	0.20	0.20	0.00
Assistant Director (1) ¹	0.50	0.50	0.00
Assistant Director (2)	0.50	0.50	0.00
Assistant Director - Public Housing	1.00	1.00	1.00
Operations Manager ²	0.50	0.50	0.80
Administrative Coordinator ¹	0.20	0.20	0.00
Administrative Assistant	1.00	1.00	1.00
Housing Officer	2.00	2.00	2.00
Resident Services Coordinator	1.00	1.00	1.00
Compliance Analyst ²	0.00	0.00	0.50
Division Totals	6.90	6.90	6.30
Maintenance			
Housing Maintenance Supervisor	1.00	1.00	1.00
Housing Maintenance Mechanic (I, II, III) ³	7.50	7.50	7.50
Administrative Coordinator	1.00	1.00	1.00
Division Totals	9.50	9.50	9.50
Public Housing Fund Totals	16.40	16.40	15.80

¹ The portions of these positions formerly paid out of the Public Housing Fund have moved to H&CD for FY26-27.

² These positions are split between the Public Housing Fund and Housing & Community Development.

³ One Mechanic position is split between the Public Housing Fund and Housing & Community Development.

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.

The 3.7% increase in personnel is the result of a retirement increase, an increase in insurance costs, and a salary increase, all of which are somewhat offset by turnover, vacancies, and positions that were partially funded out of the Public Housing Fund moving to the General Fund. The operating budget increased 6% primarily due to various increases in the Maintenance Division, including utility costs, fleet use charges, contracted services, and maintenance supplies. The budget for 2026-27 reflects an estimate of the HUD subsidy anticipated for calendar year 2026. The Town anticipates HUD subsidies and rental revenues will increase. The Town anticipates using \$86,163 in fund balance appropriation in 2026-27.

REVENUES

	2024-25 Actual	2025-26 Original Budget	2025-26 Revised Budget	2025-26 Estimated	2026-27 Adopted Budget	% Change from 2025-26
Revenue Summary						
HUD Contributions	\$ 1,508,347	\$ 1,295,000	\$ 1,295,000	\$ 1,399,400	\$ 1,465,000	13.1%
Rental Revenue	1,395,493	1,410,000	1,410,000	1,244,400	1,445,100	2.5%
Other Revenues	18,034	10,400	663,857	693,345	100	-99.0%
Interest Income	22,776	28,000	28,000	28,000	20,000	-28.6%
Appropriated Fund Balance	-	138,924	1,735,699	750,000	86,163	-38.0%
Total Revenues	\$ 2,944,650	\$ 2,882,324	\$ 5,132,556	\$ 4,115,145	\$ 3,016,363	4.7%

EXPENDITURES

	2024-25 Actual	2025-26 Original Budget	2025-26 Revised Budget	2025-26 Estimated	2026-27 Adopted Budget	% Change from 2025-26
Personnel	\$ 1,283,914	\$ 1,682,726	\$ 1,568,726	\$ 1,332,952	\$ 1,745,018	3.7%
Operating	1,004,764	1,199,598	3,133,188	2,782,193	1,271,345	6.0%
Capital	57,619	-	430,642	-	-	N/A
Contribution to Reserve	598,353	-	-	-	-	N/A
Total	\$ 2,944,650	\$ 2,882,324	\$ 5,132,556	\$ 4,115,145	\$ 3,016,363	4.7%

COMMUNITY DEVELOPMENT PROJECT ORDINANCES

U.S. Department of Housing and Urban Development

Community Development Program

Summary of Activities

The Town of Chapel Hill 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 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 3 project ordinance budgets a grant of \$290,902 for remote learning scholarships, neighborhood support centers, and staffing and supplies for the food bank.

The 2021 project ordinance budgets a \$418,300 grant and \$7,339 program income for affordable rental acquisition and rehabilitation, homeowner housing improvement programs, neighborhood revitalization activities, youth counseling services, and homelessness case management.

The 2022 project ordinance budgets a \$419,755 grant and \$51,964 program income for homeownership assistance, homebuyer counseling, homeowner housing improvement programs, neighborhood revitalization, summer youth employment programs, youth counseling services, and homelessness case management.

The 2023 project ordinance budgets a \$421,755 grant and \$12,817 program income, for homeownership assistance, homebuyer counseling, homeowner housing improvement programs, neighborhood revitalization, summer youth employment programs, youth counseling services, and homelessness case management.

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

The 2024 project ordinance budgets a \$437,331 grant and \$7,338 program income, for homeownership assistance, homeowner housing improvement programs, summer youth employment programs, microenterprise development, and homelessness case management.

The 2025 project ordinance budgets a \$415,188 grant and \$21,270 program income, for homeowner housing improvement programs, rental housing improvement projects, a summer youth employment program, microenterprise development, and homelessness case management.