

# Town of Carrboro Affordable Housing Goals and Strategies

The Town of Carrboro is devoted to providing opportunities for safe, decent and affordable housing for all residents no matter their age, ability or income level. The Affordable Housing Advisory Commission was created in 2017 to review goals, strategies and LUO policies and to make recommendations to further affordable housing goals to the Town Council. Progress toward the Town's Affordable Housing Goals and Strategies is reviewed annually by the Affordable Housing Advisory Commission (AHAC) and the Town Council.

Goal	Strategies	Target Completion Date	Partners/Resources Needed	Updates and Plans
<b>1. Affordable Homeownership (Target income range is 60%-115% AMI)</b>				
1.1 Increase number of homeownership units that are permanently affordable in Carrboro. 2024 goal is to have 85 affordable ownership homes. <b>In July 2022, there were 75 affordable homeownership units.</b>	A. Gather more data from the developers about what percentages will work to both incentivize them and respond to the market condition.	FY2026	Developers, non-profit housing developers, staff	<b>The Comprehensive Plan Task Force included representation from developers. A priority project was identified in the Comprehensive Plan for Land Use: Improve the development approval process to be more predictable and efficient while continuing to offer vibrant community participation.</b>
	B. Request that the BOCC continue to fund impact, permitting fees for non-profits.	Ongoing	Orange County	County is working closely with jurisdictions on affordable housing projects.
	C. Analyze modifying the ordinance to reflect a model that will both incentivize developers and respond to market conditions. Ex. Expedited development review process.	FY2025	Advisory boards, staff, public	<b>Comprehensive Plan identified Land Use priority project: Update the Land Use Ordinance to be consistent with the goals of the Comprehensive Plan.</b>
	D. Identify/build dedicated subsidy source to assist with land trust transactions.	FY2025	Advisory boards, Orange County Affordable Housing Coalition, community, staff	1. The Affordable Housing Special Revenue Fund is a dedicated funding source to support affordable housing initiatives, including subsidizing land trust transactions. The Town Council has dedicated 1.5¢ of property tax revenue to affordable housing - ~\$337,500 per year. <b>2. Comprehensive Plan identified Affordable Housing priority project: Engage the community on the need for affordable housing and explore passage of an Affordable Housing Bond.</b>
1.2 Fully evaluate and reduce housing density restrictions to slow the climb of housing prices and diversify housing stock, particularly in high transit areas.	A. Schedule a community discussion to examine open space requirements and their implications on housing prices and the feasibility for inclusion of affordable units.	FY2023	For and non-profit housing providers, citizens, environmental advocates, recreation advocates, staff, Town and County elected officials	1. Based on findings of 1.1A, reevaluate and incorporate findings into The Comprehensive Plan. <b>The Comprehensive Plan Task Force held several community meetings and pop up events to discuss affordable housing. Public input was incorporated into the adopted Comprehensive Plan.</b>
	B. As a component of the parking plan, determine whether modifications to parking requirements could materially affect homeownership prices, development opportunities, and density. Unbundled parking for condominiums and townhouses should be included in this analysis.	FY2025	Staff, Advisory Boards	<b>Comprehensive Plan identified Land Use Priority Project: (1) Update the Land Use Ordinance to be consistent with the goals of the Comprehensive Plan. Develop a process to update the Land Use Ordinance including the following Priority topics: Accessory Dwelling Units (ADUs), parking standards, short-term rental, bulk standards for residential development, and consideration of new overlay districts.</b>
	C. Explore opportunities to modify zoning and land-use ordinances related to in-fill residential, connected housing, zero lot-line housing, and mixed-use developments.	FY2025-2026	Staff, Advisory Boards, community	1. With 1.2A above, reevaluate and incorporate completed study findings into Comprehensive Plan. 2. In FY2020-21, Land Use Ordinance Amended Relating to the Historic Rogers Road Neighborhood <b>3. Comprehensive Plan Land Use priority projects: (1) Develop small area land use plans for strategic nodes that promote principles including affordable housing, land conservation and improved walkability; (2) Pursue rezoning for greater density along key corridors and transit nodes and/or investigate creating a new overlay district for greater density in areas with high levels of transit and amenities; (3) Increase the amount of land available for commercial and mixed-use development.</b>

1.3 Decrease barriers to first-time homeownership and to homeownership retention, particularly among seniors	A. Develop and implement a clear set of priorities and policies for the use of dedicated funding that includes opportunities to support this goal.	FY2022	Affordable Housing Advisory Commission, Town Council, Racial Equity Core Team, Staff	<b>Racial Equity Analysis of AHSRF will inform its policies, practices and procedures to address disparate outcomes in housing.</b>
	A1. Down payment assistance for families participating in local homebuyer education programs.	Ongoing	Federal and state funding for down payment assistance; nonprofit counseling services, staff, advisory boards	1. Council approved the Buyer Identified Homeownership Program and staff worked with CHT to implement. <b>2. In June 2021, Town Council set aside \$50,000 to explore an Employer Assisted Housing program, which could provide down payment assistance. Human Resources and HCS staff are examining approaches to this program and plan to bring to Council soon.</b> <b>3. Comprehensive Plan Affordable Housing priority project: Seek funding and resources to expand the capacity of organizations that provide homeownership counseling services.</b>
	A2. Grants for critical home repairs, energy efficiency, up fits to accommodate changing mobility, etc. +opportunities to decrease utility payments.	Ongoing	Affordable Housing Advisory Commission, Town Council and staff, Orange County Preservation Coalition	1. Annually award grants from the Affordable Housing Special Revenue Fund to nonprofits conducting critical repairs, improvements in energy efficiency and/or universal design upgrades on behalf of qualifying individuals. <b>In FY2021-22, 13 units were repaired, weatherized or rehabbed through this fund.</b> 2. Participation in OWASA's Affordability Outreach Program to decrease water bill payments for residents. 3. Engagement in Orange County Home Preservation Coalition <b>4. Researched the costs to weatherize all Carrboro homes owned by low-income households.</b>
1.4 Continuously improve public transit access, with a particular eye to moderate-income homeownership communities and developments with an affordability component.	A. Determine whether subsidizing transit access should be an approved use for dedicated housing funds.	Ongoing	Orange County Affordable Housing Coalition, Town Council, Consolidated Plan partners	With 1.3 above. Not currently an approved use of funds in the Affordable Housing Special Revenue Fund but access to public transit is measured when reviewing applications to the Affordable Housing Special Revenue Fund.
	B. Partner with CHT, and homeowners associations to identify and pursue opportunities to fund or otherwise make practical greater transit service to growing areas, including feeder systems to main routes.	Ongoing	Chapel Hill Transit, Transit Partners Committee, developers, HOAs, GoTriangle, staff, community	1. "Provide geographic equity" and "Support transit-oriented land use" are long term goals of the Orange County Transit Plan. <b>2. Comprehensive Plan Land Use priority: Pursue rezoning for greater density along key corridors and transit nodes and/or investigate creating new overlay district for greater density in areas with high levels of transit and amenities</b>
	C. Play a leadership role at local and regional transit 'tables' to ensure future transit priorities and policies support affordable housing goals.	Ongoing	Transit Partners, DCHC MPO	1. Council Member Seils, Council Member Haven-O'Donnell and Town staff serve on the Partners Transit Committee 2. Carrboro Transit Partners connected CHT to both Carolina Spring and IFC to facilitate inclusion of their client's needs in the SRTP. 3. Facilitated the repair and replacement of bus stops along major transit corridors and near communities with affordable housing.
<b>2. Affordable Rentals (Target income is 60% or less of AMI)</b>				
2.1 Increase number of rental units that are permanently affordable to individuals and families earning less than 60% of AMI. 2024 goal is to have 470 affordable rental units. <b>By July 2022, there were 380 affordable rental units.</b>	A. Modify ordinance to reflect a model that will both incentivize developers to include affordable units in their rental developments while also responding to market conditions.	FY2026	Developers/Property Owners, Orange County Affordable Housing Coalition, Town Council, Staff	1. With 1.1 and 1.2 plans <b>2. The Comprehensive Plan Task Force included representation from developers. A priority project was identified in the Comprehensive Plan for Land Use: Improve the development approval process to be more predictable and efficient while continuing to offer vibrant community participation.</b>

	B. Work with Orange County, the University, and other landowners to examine, identify and reserve one or more tracts for future LIHTC and/or HUD-restricted rental communities.	Ongoing	Local governments, property owners, University, Orange County Affordable Housing Coalition	<ol style="list-style-type: none"> <li>1. Staff created a map to identify possible LIHTC parcels and met with a developer to analyze the map.</li> <li>2. Have worked with OC and Chapel Hill to identify publicly owned land that could be suitable for affordable housing development</li> <li>3. CASA LIHTC development off Merritt Mill Road approved in 2018, and in 2020 CASA was awarded a 9% LIHTC project. Construction began in 2021.</li> <li>4. As part of the Chamber's Big Bold Ideas affordable housing committee, staff has been working with officials from the University, and other partners to discuss future affordable housing growth and priority parcels.</li> </ol>
	C. Better position the town for future affordable rental development /redevelopment opportunities by cultivating relationships with experienced non-profit affordable rental housing developers.	Ongoing	OC Housing Coalition, NC Housing Coalition, DHIC, CH-Carrboro Chamber of Commerce Big Bold Ideas Group	<ol style="list-style-type: none"> <li>1. Staff engaged with nonprofit affordable housing agencies in OC and state level. Continuously working to build relationships.</li> <li>2. Staff participates in monthly Orange County Affordable Housing Coalition Meetings and serve on its subcommittees.</li> <li>3. Staff worked with a nonprofit and an owner of a parcel of land that currently has affordable housing and is at risk of redevelopment. <b>Land is not a risk for redevelopment in the near future and staff maintains a relationship with the owner.</b></li> <li>4. <b>Linked private seller to Empowerment and supported the purchase of a unit in the White Oak community through a \$100,000 grant from the AHSRF.</b></li> </ol>
2.2 Reduce negative effects of parking requirements on rental prices.	A. Fully examine research and data regarding parking density and "bundling" to determine best approaches to achieve this goal.	FY2025	Staff, advisory boards	<b>Comprehensive Plan Land Use Priority Project: Update the Land Use Ordinance to be consistent with the goals of the Comprehensive Plan. Develop a process to update the Land Use Ordinance including the following Priority topics: Accessory Dwelling Units (ADUs), parking standards, short-term rental, bulk standards for residential development, and consideration of new overlay districts.</b>
	B. Utilize Town's parking management policy to support this goal.	FY2025	Planning staff, Comprehensive Plan Committees	<b>Comprehensive Plan Land Use Priority Project: Update the Land Use Ordinance to be consistent with the goals of the Comprehensive Plan. Develop a process to update the Land Use Ordinance including the following Priority topics: Accessory Dwelling Units (ADUs), parking standards, short-term rental, bulk standards for residential development, and consideration of new overlay districts.</b>
2.3 Slow the pressure on rental prices by increasing rental housing stock, particularly in high-transit areas.	A. Examine and consider reducing restrictions on accessory dwelling units. This strategy has the potential to support homeownership affordability by enabling homeowners to generate income to support their homeownership costs.	FY2025	Developers, Orange County Affordable Housing Coalition, non-profit housing developers, planning staff	<p>With 1.1, 1.2, and 2.1 plans</p> <ol style="list-style-type: none"> <li>1. Research and consider tiny homes and modular homes in this strategy, in progress, Orange County Affordable Housing Coalition</li> <li>2. In FY21, Pee Wee Homes requested a rezoning to build 3 tiny homes on Town-owned 106 Hill Street. <b>In FY22, the Town donated the property to Pee Wee Homes with deed restrictions guaranteeing affordability.</b></li> <li>3. <b>Comprehensive Plan Land Use Priority Project: Update the Land Use Ordinance to be consistent with the goals of the Comprehensive Plan. Develop a process to update the Land Use Ordinance including the following Priority topics: Accessory Dwelling Units (ADUs), parking standards, short-term rental, bulk standards for residential development, and consideration of new overlay districts.</b></li> </ol>

2.4 Reduce erosion of rental housing quality and affordability	A. Research effective voluntary rental registry models and determine the efficacy of a similar program in Carrboro. If feasible, determine opportunities to implement a registry or rating system through a non-profit or other civic organization, with Town support.	FY2023	Orange County Affordable Housing Coalition, staff	1. Can be explored further through the OCAHC. 2. 2. In conjunction with the new Communication and Outreach Director, staff members are working on better communication strategies with both renters and management companies. This tactic forms relationships and increases transparency and accountability and could pave the way for ready acceptance of a registry.
	B. Require all landlords with more than one unit of rental property to register for a business privilege license, and examine use of business regulations to enforce better stewardship of housing and neighborhoods.	FY2024		Can be explored.
	C. Gather and examine rental housing data to better anticipate and monitor opportunities/conditions for redevelopment/rehabilitation.	Ongoing	OC Housing Coalition, Orange County HHRC/Chapel Hill (Consolidated Plan partners), Triangle J Council of Govt.	Publicly available housing data has been collected and analyzed to gain a better understanding of the housing and affordable housing market in Carrboro. Reviewed annually. Comprehensive Plan has updated data and an issues and opportunities report.
	D. Convene landlords and property managers on an annual (regular) basis to build positive relationships, educate about Carrboro's housing expectations and policies, and encourage transparency about redevelopment/rehab/sale plans.	Ongoing	Orange County Affordable Housing Coalition, staff	1. Master leasing being explored and evaluated by Orange County Affordable Housing Coalition. 2. Staff initiated landlord outreach at the beginning of the COVID-19 pandemic and continues sharing information such as EHA and building relationships. Staff also assists constituents, when feasible, with housing issues.
2.5 Examine the current marketplace for mobile and modular homes.	A. Educate the Town Council about the difference between the housing styles and regulations that apply.	FY2022	The Towns and County, Orange County Affordable Housing Coalition, Orange County Collaborative, staff	1. OCAHC recreated the mobile home subcommittee for FY2020-21. 2. <b>Regional plan to preserve existing manufactured home parks and mitigate displacement adopted by Town Council.</b>
<b>3. Overarching Priorities</b>				
3.1 Concerted Land Use Planning/small land use plan for three high priority/high potential areas.	A. Identify the three high priority/potential areas that are ripe for development or re-development. Could include: downtown, Jones Ferry Corridor, Estes Drive.	Ongoing	Affordable Housing Advisory Commission, Town Council, and staff	1. Staff worked with Northside Initiative and Pee Wee Homes to determine feasibility of building 3 tiny homes tiny homes on a Town-owned parcel in the Northside community. 2. Four Habitat for Humanity homes to be built on Cobb St. in 2021. 3. Due to COVID-19, a recorded webinar was created to share the results of the environmental assessment of the Greene Tract. 4. <b>Town-owned land use for affordable housing process adopted by Town Council.</b> 5. <b>Comprehensive Plan Land Use Priority Project: Update the Land Use Ordinance to be consistent with the goals of the Comprehensive Plan. Develop a process to update the Land Use Ordinance including the following Priority topics: Accessory Dwelling Units (ADUs), parking standards, short-term rental, bulk standards for residential development, and consideration of new overlay districts. Critical to the update is a review of zoning along priority corridors to allow for greater density, particularly along Jones Ferry Road, Main St., N. and S. Greensboro and Route 54.</b>
	B. Consider the current planning processes that are underway and share coordination and overlap.	FY2022-2023	Affordable Housing Advisory Commission, Orange County Affordable Housing Coalition, staff, Comprehensive Plan Committees	<b>Discussion of the Local Affordable Housing Collaborative to commission a comprehensive regional affordable housing plan that takes into consideration each jurisdiction's resources and its associated plans. Ex. For Carrboro, Comprehensive Plan, Affordable Housing Goals and Strategies.</b>

3.2 Improve opportunities for developers and potential partners to identify affordability in a project.	A. Include members of OCAHC in initial development review to encourage creative solutions/opportunities for affordable housing to be integrated into projects, and/or identify best opportunities to secure payment-in-lieu.	Ongoing	Affordable Housing Advisory Commission, Orange County Affordable Housing Coalition, staff	1. Staff provides information to OCAHC on proposed developments to allow an opportunity to receive their input . The OCAHC has an active Development Review Committee and non-jurisdictional members advocate on behalf of affordable housing.
3.3 Develop dedicated funding source--in partnership with county and peer municipalities	A. Explore the parameters of an AH Bond.	Ongoing	HOME Consortium, Consolidated Plan Partners, Orange County Affordable Housing Coalition, and Downtown Housing Improvement Corporation (DHIC).	1. The Town's Affordable Housing Special Revenue Fund currently provides \$337,500 annually to support affordable housing projects. 2. Federal CARES funding was used to provide emergency housing assistance to Carrboro renters affected by COVID. The Town received an award of \$900,000 in CDBG-CV funds for rental assistance. <b>These funds were depleted in FY22. The Town Council will consider how to allocate \$6.7M in American Rescue plan Act Funds in Fall 2022. Rental assistance is a possible use.</b>
	B. Explore a public private fund for example TCF.	Ongoing		Staff discussed with the Chamber Big Bold Ideas Affordable Housing Sub-Committee and UNC about the creation of such a fund for regional housing priorities.
	C. Find out about tax deduction.	Ongoing		CASA is building a tax credit development on Merritt Mill Road, supported by the Affordable Housing Special Revenue Fund. The County is examining their tax appraisal and assessment policy. <b>A property tax relief program for negatively impacted low-income homeowners was created by the County.</b>
	D. Look to identify complimentary external funding that could be better leveraged with municipal participation.	Ongoing	Orange County Affordable Housing Coalition, local governments, staff	Additional funding opportunities, including federal and state grants, are assessed through the Orange County Affordable Housing Coalition and local government staff. The coordination between the County, Carrboro and Hillsborough with CDBG-CV funding is a prime example, bringing \$2.4M in rental assistance into the community.
	E. Assessment of the most cost effective strategies-if we had a pot of money what is the best way to use it.	FY21-22	Staff, Comp. Plan committees	<b>Comprehensive Plan Affordable Housing Priority Project: Engage the community on the need for affordable housing and explore passage of an Affordable Housing Bond.</b>
3.4 Ensure implementation of the Affordable Housing Strategy	A. Affordable Housing Advisory Commission meets monthly.	Ongoing		Town Affordable Housing Advisory Commission established in 2018 and meets monthly. Includes a Council liaison and a staff liaison.
	B. Ensure operationalization and monitor progress of affordable housing plan by staffing at least 1/2 time.	Ongoing		Housing & Community Services Department has 3 FTE positions.
	C. Continue to look at data and continuing to understand it-existing stock-number of affordable units and distribution-including transit access, non-motorized travel, overlaid with the distribution of housing.	Ongoing	Affordable Housing Advisory Commission, Orange County Affordable Housing Coalition, staff	1. Staff collects data on existing permanent affordable housing and updates on an annual basis 2. Creating a GIS map which strives to reflect current affordable housing and its proximity to resources 3. Comprehensive Plan has updated data and an issues and opportunities report.
3.5 Provide greater incentives for developers to include affordable housing in their projects	A. Expedited review for projects that include affordable housing component.	FY2025	Affordable Housing Advisory Commission, Orange County Affordable Housing Coalition, Comprehensive Plan Committees, staff	With 1.1, 1.2, 2.1, and 2.3 plans 1. Include Affordable Housing Advisory Commission in review process. <b>2. A priority project was identified in the Comprehensive Plan for Land Use: Improve the development approval process to be more predictable and efficient while continuing to offer vibrant community participation.</b>

	B. Ask 3-5 developers to do an assessment of the costs for all of the LUO requirements-how much does this increase the cost per unit, or the rent per unit.	Ongoing	Affordable Housing Advisory Commission, Orange County Affordable Housing Coalition, Comprehensive Plan committees, staff	1. With 1.1, 1.2, 2.1, and 2.3 plans <b>2. Developers were part of the Comprehensive Plan process and contributed to the development of priorities for the LUO to implement.</b>
	C. Evaluate the provision of public sector assistance for infrastructure in exchange for the provision of some percentage of affordable units (scaled).	Ongoing	Affordable Housing Advisory Commission, Orange County Affordable Housing Coalition, staff	With 1.1, 1.2, 2.1, and 2.3 plans <b>1. The Town conveyed a town-owned lot to the Pee Wee Homes project, which has an affordability deed restriction.</b>
3.6 Reduce utility costs	A. Work with OWASA, explore grants for energy efficiency.	Ongoing	OWASA, staff	1. Extension of Rogers Road sewer completed in June 2019. Providing public assistance to eligible households. <b>2. Emergency Housing Assistance funds have been used to support those who are behind in their utility payments.</b> <b>3. Staff revisited the Energy Efficiency Revolving Loan Fund for use with housing projects.</b> <b>4. The Town Council will consider how to allocate \$6.7M in American Rescue plan Act Funds in Fall 2022. Repairs and weatherization is a possible use.</b>
3.7 Acquisition of land/property-be proactive with OWASA in the land or parcels they are saying they will offer to municipalities first-Start to engage with them	A. OWASA-example but there are other options.	Completed	OWASA, staff	1. Staff has worked with OWASA to identify and evaluate potential sites. 2. All sites in Carrboro are mission critical and are not available to be sold or used for affordable housing.
	B. Consider condemned properties -provide an incentive for homeowner to sell loan fund for Habitat, Empowerment to allow for the property to be renovated and fixed up.	Ongoing	Affordable Housing Advisory Commission, Orange County Affordable Housing Coalition, staff	Staff has researched the process for acquiring condemned properties for the use of affordable housing but further work is needed to determine incentives and possible policy changes. The market has thus far precluded this as a viable option.