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Chapel Hill / Carrboro Residents' Council

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ATTACHMENT 1

March 28, 2003

To: Tina Vaughn, Director
Town Housing Department
317 Caldwell Street
Chapel Hill, NC 27516

RE: Flat Rent Recommendation

The Residents' Council of Chapel Hill and Carrboro has worked with Bart Lewis, Consultant for NFC, Inc to resolve the questions of the residents and the Council may have had at this time. We know that the result of the analysis for the Flat Rent was sent to all households and residents asked questions during our February 12 meeting.

Based on the recommended rent flat rates for the different communities, the Residents' Council Board agreed with these recommendations. Even though the rates have increase in some communities, HUD new point system has made it possible for more residents to take advantage of the Flat Rent opportunity. However, we are still very much concerned that the rates are still based on market rent for a university town.

We will continue to work with the Department on polices that effects the residents and their rights. We are including the October 17, 2002 meeting report with the consultant and RC staff director to be attached to this recommendation.

Sincere

A handwritten signature in cursive script, appearing to read "Tunisia Muhammed".

Tunisia Muhammed
Chair, CHCRC

Flat Rent Meeting Report

Flat Rent Meeting with Bart Lewis of NFC Inc. on October 17, 2002.

This company specializes in HUD regulation of proposed rules for flat rent policy. NFC Inc. is the same company that produced the analysis for Town Housing Dept. in 2001. It is understood that the purpose of flat rent goal is (1). To allow residents an opportunity to save work toward self sufficiency or market rent or rental and (2). Allow and encouraged mix income and deconstruction of property.

Resident concerns that were addressed:

A. What does comparable rental development (housing) mean? Non-subsidized assistance (Guideline has changed since last year in the analysis, there were mixed developments used. Also, HUD now uses a point system that would help to improve fairness in comparison.

B. The Amenities comparison rating facts don't seem to be fair. The average amenities provided for public housing is free water (only because the entire development has one meter and the cost is too expensive to change it to individual apartments. The additional amenities state in the analysis is no different than any other developments in Chapel Hill. The only addition is referral services and police substations.

C. This policy is to provide opportunity for residents to take advantage of this program. HUD expects at least 5% of eligible residents to take advantage of the program. (Based on 2001 analysis 20 residents were eligible). We only have 5 residents using the flat rate program. We need a policy (program) that will benefit those residents with the yearly difference recommended by NFC (consultant). **Would the housing department survive or function on the amount to support the housing operation?** (Income that is subsidized by HUD) only the housing Department would know.

D. What support can be given to encourage the other (15 eligible residents) to use the flat rent program? He didn't know that would be up to the individual housing authority.

E. Why did NFC use 8 development for comparison why not 5 development? HUD requires that we use at least 8 to 10 developments to get an average. Anything less will not be fair market.