

Available ARPA Funds

\$1 million

Total Funds Requested

\$1.6 million



EmPOWERment, Inc. – 301 Homestead Rd. Project
\$600,000 requested



**Habitat for Humanity of Orange County – West
Rogers Rd. Project**
\$1 million requested

Overview of Projects

EmPOWERment, Inc.

Type	Acquisition
Units	10 existing units
Lot size	9 acres
Housing type	Rental
Purpose	Protect units (NOAH)
Total Cost	\$2,530,000

Habitat for Humanity of Orange County

Type	Pre-development
Units	75 new units
Lot size	15 acres
Housing type	Ownership
Purpose	Creates units
Total Cost	\$19,099,300

EmPOWERment, Inc.

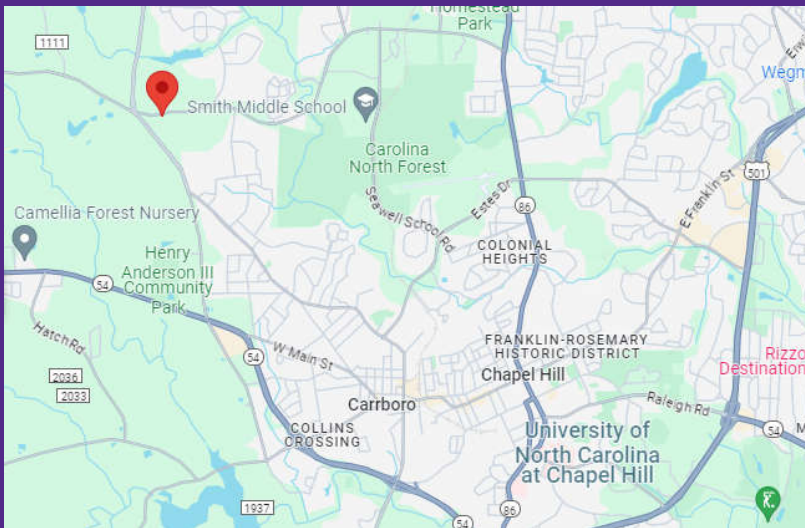
Amount of ARPA funds requested	\$600,000
Amount of ARPA funds requested as percentage of total project cost	23.7%
Cost per person using ARPA funds	\$30,000
Subsidy per unit	\$60,000
AMIs served	31%-60% = 10 units (100% of units)
Target populations served	Housing Choice Voucher families, veterans, homeless, older adults
Long-term Affordability – # of years / mechanism	99 / Deed restrictions

Habitat for Humanity of Orange County

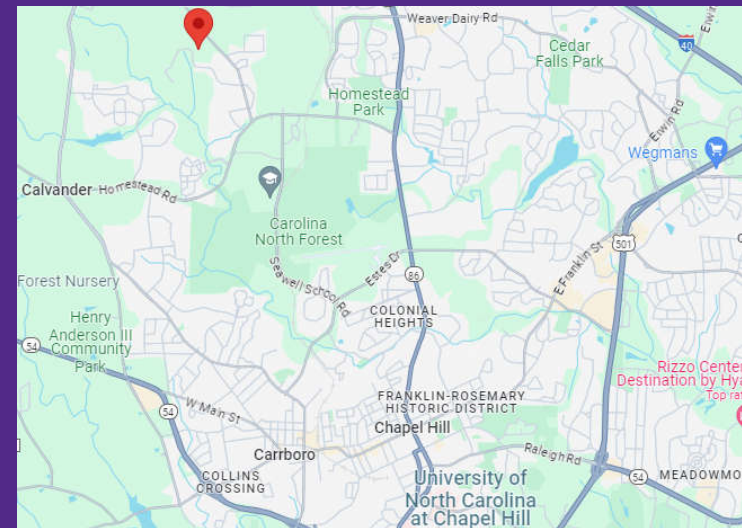
Amount of ARPA funds requested	\$1,000,000
Amount of ARPA funds requested as percentage of total project cost	5.24%
Cost per person using ARPA funds	\$3,333.33
Subsidy per unit	\$13,333
AMIs served	31%-60% = 40 units (53.33% of units) 61%-80% = 35 (46.66% of units)
Target populations served	Housing Choice Voucher families, veterans, homeless, older adults, disabled
Long-term Affordability – # of years / mechanism	99 / Deed restrictions

Location

EmPOWERment, Inc. (Homestead Rd.)



Habitat for Humanity (Rogers Rd.)



Habitat's property is about 2.7 miles northeast of the EmPOWERment property

Cover Sheet

Organization Legal Name	EmPOWERment, Inc.
Organization Unique Entity Identifier (UEI)	F74YP7B7E4RS
Organization Tax ID #	56-1965772
Organization Physical Address	109 N. Graham Street #200, Chapel Hill, NC 27516
Organization Mailing Address	109 N. Graham Street #200, Chapel Hill, NC 27516
Organization Website Address	www.empowermentinc.org
Contact Name, Title	La Tanya Davis, Operations Manager
Contact Email	empowermentincnc@gmail.com
Contact Phone	919-967-8779
Project Name (name of development)	301 Homestead Road Affordable Housing
Project Type	Acquisition
Project Description (100 words or less)	This project consists of the acquisition of 10 affordable single-family homes located off Homestead Road, Carrboro, NC. These single-family homes are nine (2) bedroom 1-bath and one (3) bedroom- 1 bath units that will be added to the affordable housing stock in Carrboro to serve people who earn less than 80 % Area Median Income. These homes will remain affordable for at least 20 years.
Project/Development Address	211,213,215,217,219,301,303,305,307,9014
Project Proposal Submission Date (mm/mm/mm)	7/31/2023
Total Project Cost	\$2,530,000.00
Total Amount of CSLFRF Funds Requested	\$600,000
# of Housing Units (Total Units/CSLFRF Funded Units)	10 units

A. ORGANIZATION PROFILE

1. Describe your organization's mission in 250 words or less.

EMPOWERment, Inc.'s mission is to empower individuals and communities to achieve their destiny through community organizing, affordable housing, and grassroots economic development. EMPOWERment's affordable housing mission is to reduce or remove housing barriers for the most vulnerable populations in Chapel Hill. Priorities are given to that population.

EMPOWERment, Inc. currently owns 62 affordable rental properties and manages those and 6 privately-owned homes in Orange County. All tenants earn less than 80% of the Area Median Income (AMI) and in addition to affordable housing, provides housing counseling, financial education, and utility fund assistance as needed to all households.

EMPOWERment, Inc. founded with the assistance of the predominantly African American community of Northside, led and operated by African American women, is a 501c-3 organization serving some of the most vulnerable community members. EMPOWERment Inc. was recognized as Landlord of The Year by Orange County in 2020 and awarded the Non-Profit of the Year Business Excellence Award in 2021.

2. Identify your organization's type (e.g. for-profit, non-profit, government, etc.).

Non-profit

3. Provide names of staff, contractors, and/or volunteers that will be involved with the project. Describe their responsibilities with the project and experience with successful completion of similar projects in the past.

- a. # of FTE – Full-Time Paid Positions: **4**

- b. # of FTE Part-Time (less than 40 hours/wk) Paid Positions: **2**

- c. # of Volunteers **2**

Delores Bailey (EMPOWERment Executive Director) has served as Executive Director of EMPOWERment, Inc since 2005. Under her leadership EMPOWERment has increased its rental inventory from 12 to 65 units including three manufactured homes. Ms. Bailey has managed ten new construction projects and numerous renovation projects during her seventeen years at the helm.

La Tanya Davis (EMPOWERment Operations Manager) has been part of the EMPOWERment's team since 2007. Prior to her current position, Ms. Davis was the Property Manager for EMPOWERment's rental program. Prior to property management, Ms. Davis was Finance Manager. LaTanya is also a Real Estate Broker.

As Operations Manager Ms. Davis will be responsible for management of timetables and project costs. Ms. Davis has worked alongside Ms. Bailey on acquisitions, new construction, and rehab projects.

Sharon Reid (EMPOWERment's lead HUD Certified Housing Counselor. Sharon maintains the files according to HUD standards, provide services to individual and families seeking housing counseling assistance in the areas of rental, pre-purchase, delinquency and foreclosure, advocate on behalf of clients by contacting landlords, mortgage companies and lenders to help resolve crisis situations. Collaborate with various agencies to connect clients with resources. Instructor of various housing related classes as needed.

Valencia Thompson (EMPOWERment's Property Manager). She holds an MBA in Accounting and Finance and is also a Real Estate Broker. Valencia became property manager, in 2019. She works with tenants, handles administrative rental duties, data collection, manages tenant rental software, and Website management of the Rental Program. Valencia is also a HUD certified Housing Counselor. She works alongside Ms. Reid.

Quintonia Thorpe holds a Bachelor of Arts degree in Accounting from North Carolina Central University and a master's in business administration & Health Administration from Pfeiffer University. As a seasoned financial analyst and money manager with over 25 years of accounting experience in the industry, she is a trusted partner to many who need help with their finances. Quintonia currently provides full accounting services for EMPOWERment Inc. She is reviewing procurement and cash management processes along with working to ensure EMPOWERment is in compliance with grants and projects.




4. Qualifications and History of Success

- a. Describe three (3) relevant and substantially similar affordable housing development or preservation



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projects completed by the organization in the last 5-10 years. The project description should include:


- i. Location
- ii. Scope and scale of project
- iii. Total development budget and financing sources
- iv. Indication of whether the projects were completed on budget and on time. If not completed on budget and on time, please describe why.
- v. Photos/illustrations of completed project.

Location	Scope and Scale of Project	Budget/Sources	Was the Project completed on time. If not Why?	Photos:
105 Fidelity Street A-20, Carrboro, NC	Acquisition of this unit to add to the affordable house stock to serve people at or below 80% AMI.	\$220,000-\$105,000(OC), \$100,000 (TOC), \$15,000 (EI)	Yes	
338 McMasters	This project was a collaboration with Town of Chapel Hill (TOCH), OC and EI to purchase this home and was a complete renovation. The renovation included making the home ADA compliant and including disability accessibility features for people with disabilities to live safely in the home. This home is occupied by a low-income couple who are disabled.	Budget: \$138,000-\$104,869(HOME), \$27,000 (AHDR), \$6,131 (EI)	Yes	
706 Gomains	Acquisition from Self-Help 2-bedroom 1-bath duplex. Grant funding was awarded for acquisition and exterior renovations.	Budget: \$210,000 - \$105,000 (HOME); \$135,000(CDBG)	Yes	




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<p>707 Gomains</p>	<p>This project was a collaboration with TOCH, OC, and EI. This home was donated by the TOCH to EI and relocated to a lot in the Northside Community that EI purchased with HOME funds. This home became a safe, quality, affordable home for a teacher's aide and her son from Northside Elementary experiencing homelessness.</p>	<p>Budget: \$215,529 - \$125,319 (HOME); \$26,395 (AHDR) \$63,815(EI)</p>	<p>Yes</p>	<p>Before:</p>  <p>Completed:</p> 
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- b. If you have received Town funding within the last 5 years, please provide the following for each project:
- i. Location
 - ii. Scope and scale of project
 - iii. Total development budget and financing sources
 - iv. Indication of whether the projects were completed on budget and on time. If not completed on budget

Location	Scope and Scale of Project	Budget/Sources	Was the project completed on time. If not Why?	Photos:
<p>Brighton Square</p>	<p>This grant was to assist low-income homeowners of Brighton Square with a special HOA assessment for repairs for roof and siding. There were 6 units that qualified for the assistance and provided repairs to improve the quality and safety of the homes.</p>	<p>\$64,020- \$58,200 HOA, \$5820 (EI)</p>	<p>Yes</p>	

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124 Fidelity St. #12, Carrboro, NC	Acquisition of this unit to add to the affordable house stock to serve households at or below 60% AMI. Provided housing for people experiencing homelessness.	\$44,000-\$35,000(TOC), \$9,000(EI)	Yes	
124 Fidelity St. #24, Carrboro, NC	Acquisition of this unit to add to the affordable house stock to serve people at or below 80% AMI.	\$75,000-\$72,500(HOME), \$2,500 (EI)	Yes	
124 Fidelity St. #45, Carrboro, NC	Acquisition of this unit to add to the affordable house stock to serve people at or below 80% AMI.	\$75,000-\$72,500(HOME), \$2,500 (EI)	Yes	

- c. Provide a summary of experience with federal grants including but not limited to; financial management; Uniform Guidance; knowledge of, and compliance with state and federal ethics rules; identification and reporting of waste, fraud and abuse; and oversight of disbursement and tracking of federal funds by state or federal agencies.

EMPOWERment Inc. staff has years of experience with federal funding through projects that required a variety of skills, knowledge of complex federal funding sources, identification and reporting of waste, fraud and abuse, compliance, and expertise in affordable housing preservation and development. In one project listed above (707 Gomains, Chapel Hill), EI was awarded HOME funds to purchase the lot, TOCH funds to relocate and then fully rehab a donated single-family home. This endeavor required knowledge and compliance with federal HOME regulations, federal and local protocols, knowledge of local permitting to work through each step of the process.

The projects listed above all involved the oversight of budgeted funds through the procurement of qualified contractors, supplies, and equipment in adherence with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) at 2 CFR Part 200. After each project, EI was responsible for the reporting, the accountability of the funds' disbursement, and the projects' satisfactory conclusion.

- d. If available, provide contact information for professional references whom the Town may contact regarding the proposer's services.

Lazarus Repair and Maintenance LLC.
109 N. Graham Street #100
Chapel Hill, NC 27516

New Start Development
P.O. Box 41043
Raleigh, NC 27629

Josh Gurlitz, Architect
308 W. Rosemary Street Ste 304
Chapel Hill, NC 27516

B. PROJECT INFORMATION

1. Project Profile					
<i>Insert project information below</i>					
Location <i>(insert address)</i>	Homestead			Carrboro Qualified Census Tract <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Size <i>(insert acreage of development site)</i>					
Development Type <i>(select one)</i>	<input type="checkbox"/> New construction of affordable and attainable housing (single-family or multifamily) <input checked="" type="checkbox"/> Acquisition and rehabilitation to preserve affordable and attainable housing (single-family or multifamily) <input type="checkbox"/> Conversion of an existing structure from another use to affordable rental housing <input type="checkbox"/> Demolition as it relates to the new construction, acquisition, or rehabilitation of above. <input type="checkbox"/> Project-related soft costs as reasonable and necessary (e.g., architecture, engineering)				
Total Number of Units					
	# of Total Housing Units	# of Bathrooms	Square Footage	Proposed Rent or Sale Price Per Unit	Projected Cost Per Unit Including Utilities
Studios					
One-bedroom					
Two-bedroom	9	1	900	\$1100/month	
Three-bedroom	1	1	1200	\$1500/month	
Four-bedroom					
Area Median Income Served <i>(insert # of units by AMI)</i>					
<30%					
31-60%	10				
61-80%					
81-100%					
>100%					
Target Population <i>(check all that apply)</i>	<input checked="" type="checkbox"/> xHCVFamily <input checked="" type="checkbox"/> xOlder Adults (Age 62+) <input type="checkbox"/> Disabled <input checked="" type="checkbox"/> xHomeless <input checked="" type="checkbox"/> xVeterans <input type="checkbox"/> Other (specify)				
ADA Accessibility <i>(insert # of total units)</i>	0				
Total Development Cost Per Unit	\$2,530,000				
Per Unit Subsidy	\$ 60,000/ unit				
Debt Coverage Ratio (DCR)	Lowest DCR N/A___ Highest DCR: <u>N/A</u>				
Town Planning Approvals Received <i>(as of the date of application)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA				

2. Project Description and Justification

- a. Provide a general overview of your project, including what you are planning to produce (100 words or less).

This project is an attempt to preserve naturally affordable housing (NOAH) in Carrboro, NC with the acquisition of 10 single-family homes located off Homestead Road community. These homes will house people who are earning below 80% AMI and will remain affordable for at least 20 years. EI will identify funds to make needed rehab and repairs and ensure quality, health, and safety of the homes over the affordability period. These homes are currently all occupied by low-income individuals and will not be displaced. This project will ensure that communities like this one will remain safe and affordable.

- b. Describe and explain how and why the project qualifies for CSLFRF funding and specify how the project is a program or service that addresses housing insecurity, or a lack of affordable housing suffered by the eligible population.

This project qualifies for CSLFRF funding under 2.1 of the RFP for eligible activities: “Acquisition and rehabilitation to preserve affordable and attainable housing (single-family or multifamily)”. According to the NC Housing Coalition¹, more than 15,000 households are cost-burdened in Orange County, with 52% of renters and 18% of homeowners reporting having difficulty affording their homes. Research² and experience show that homelessness is a due to a lack of affordable housing and it is well-documented the cost of homelessness on children, households, and communities.³ Further, homelessness has a disproportionate impact on Black, Indigenous, and (ALL) People of Color and is therefore also an important equity issue.⁴

EMPOWERment addresses these community issues is by providing safe, quality, affordable homes to people who are disabled, low-income, and/or experiencing homelessness. EI also provides stabilizing services to the households served through providing housing counseling to those struggling financially, and successfully keeping tenants from being evicted and facing foreclosure as a result of the economic downturn. EI works to provide safe, high quality, affordable housing to help mitigate the burdens of housing displacement. EI also works with non-English speaking communities (that often go underserved) to provide resources and bridge language, housing, transportation, and employment barriers.

If applicable, describe how the proposed project aligns with the Town of Carrboro’s Comprehensive Plan.

This acquisition will continue to add to the affordable housing stock following the Town of Carrboro 2022-2042 Comprehensive Plan “that there is a home for everyone in Carrboro”. The proposed project seeks to protect naturally occurring affordable housing, defined by the article “Preserving affordable housing” in the Washington Post written by Haisten Willis as “rental housing at least two decades old, short on amenities and affordable without a subsidy (2020)”.

3. Project Location

- a. Identify current zoning and any anticipated zoning relief required.

The Current zoning is Residential. No known anticipated zoning relief request at this time.

- b. Current Ownership: if acquisition will be required by the proposer, information related to how the property will be acquired including, but not limited to, anticipated acquisition price, feasibility and/or conditions that would be tied to acquisition, and acquisition time frames.

Acquisition will be required. The purchase will be from a single owner. In a Comparative Market Analysis (CMA) done by a licensed real estate broker the 2 bedrooms, 1 bath in that area average \$250,000. There are nine of those. For the 3-bedroom 1 bath the market analysis shows \$340,000. When combining all the units the cost amounts to \$2,590,000.00 The property cannot be acquired until all funds have been confirmed. EI anticipates applying to the State Employees Credit Union Foundation and Orange County Housing Bond funds in August’2023. Affordability will be maintained for at least 99 years.

¹ <https://nchousing.org/county-fact-sheets/>

² <https://homelessnesshousingproblem.com/>

³ <https://www.caringworksinc.org/our-impact/community-impact/>

⁴ [Data Review_2022.pdf \(ocpehnc.com\)](#) slide #18

4. Affordability

- a. Identify the length of the project’s affordability terms (20 year minimum).

This project will remain affordable in accordance with Carrboro Housing requirements for 99 years.

- b. **Describe any methods to ensure long-term affordability of housing units, including subsidy recapture, equity sharing, deed restrictions, etc.**

EMPOWERment will include the following documents when preparing the deeds for Carrboro to ensure long term affordability of housing units:

Deed Restrictions, Performance Agreements, and Development agreements.

- c. **Explain your agency’s marketing process to ensure an adequate pool of income-eligible renters to buyers.**

EI makes intentional marketing efforts to ensure an adequate pool of income-eligible renters. These efforts have successfully identified low-income community residents in need of affordable housing for more than twenty years. These efforts are led by the Rental Property Management team, which includes HUD-Certified Housing Counselors, and utilizes current relationships with tenants for effective word-of-mouth marketing strategies. EI’s vacancy rate continues to be maintained at less than 5%. When there is a vacant unit, it is marketed through word of mouth with tenants, EI’s website at empowermentinc.org as well as advertised on NCHousingSearch.org. Community partners are also notified about vacancies to include Community Empowerment Fund (CEF), Department of Social Services (DSS), Family Success Alliance (FSA), and local churches. EI also maintains a waitlist of eligible individuals. Further, EMPOWERment advertises in the neighborhood newsletters such as The Northside News and on social media. EI also posts flyers at community gathering locations such as the Hargraves Community Center and Carrboro Community parks where posting is allowed. Priority is given to those applications that fall into the “most vulnerable population” category.

- d. Describe any supportive services, if any, that will be provided through this project.

By creating more affordable housing, EI has been able to foster a sustainable community environment through several support services available for tenants. EI offers Homebuyers Education Classes, rental counseling, eviction counseling, and financial counseling provided by HUD certified counselors. There is also access to the EMPOWERment Inc. MOM Utility fund for those facing financial hardships. EI has created a Tenant Association that meets to share information and resources with all EMPOWERment Tenants.

5. Project Financing

- a. Description of the financing arrangements required for the proposal and time frames for securing all necessary funding. Indicate which funds are committed or pending and include the percentage of committed funds toward this project.

EMPOWERment is applying for ARAPA funding for this project (7/31/23)- **23%**. It will apply for funding from State Employees Credit Union Foundation-**40%** and Orange County Housing Bond-**36%** funding (8/23). None of these funds have been committed. EI is committed to **1%**.

- b. A description of any equity and/or other funding sources brought to the project by the proposer.

Housing segregation creates inequity in living conditions particularly for low wealth and underserved communities which this community mimics. EI is engaging in conversation with Orange County and State Employees Credit Union Foundation (SECUF). Both have dedicated funds to the preservation of affordable housing and pressing community causes. Orange County has long supported EI’s affordable housing acquisitions. SECF has supported affordable housing like The IFC Community House.

- c. If applicable, provide a description and explanation of how any funds granted by the Town of Carrboro will be used to leverage receipt of additional funding or will be partnered with other sources of funding and equity.

EMPOWERment is applying for ARAPA funding for this project (7/31/23)- **23%**. It will apply for funding from State Employees Credit Union Foundation-**40%** and Orange County Housing Bond-**36%** funding (8/23).

- d. If applicable, provide a copy of the property's appraisal. See attached CMA.

6. Construction

- a. Description of the construction requirements for the proposed project. **No Construction needed.**
- b. Proposed construction schedules for the project. **N/A**
- c. Description of how the proposed use relates to the existing community/neighborhood features, including onsite amenities and distance to public transit, high quality schools, grocery stores, parks, and services.
This is an existing single-family community. The intention is to preserve this community as rental housing that is decades old, short on amenities and affordable without a subsidy- NOAH. By maintaining the affordability of these housing units, the existing community has the opportunity to thrive and develop further through EI's supportive services.
- d. Describe the use of energy efficient principles, universal design, and/or materials with extended life span.
N/A. This is an existing 10-unit single family community built in 1986. Once EI acquires the properties, the current appliances will be changed out for energy efficient units as it becomes necessary.

7. Community Partnerships

- a. Description of all proposed community partnerships, including time frames and/or schedules for the partners to begin working with one another.
EI will continue to partner with several community organizations in order to provide aid to prospective tenants. These are relationships that have existed for years. The Jackson Center, Interfaith Council, Habitat for Humanity, Community Home Trust, and CEF have existing partnerships with EI, and will continue to work together to provide affordable housing for community members. We are all partners in Orange County Affordable Community Housing Coalition.
- b. Description of any proposed community/neighborhood engagement to facilitate support for and/or to determine opposition to the project.
EI intends to reach out to existing renters in the Homestead community. We will meet with them to introduce ourselves and the amenities we bring to the table as landlords. We will invite each tenant to become a member of the Tenant Association. We will survey the tenants for their suggestions or concerns that should bring out support or opposition to the project.

Description of how intended beneficiaries of the proposed project will be involved in the planning and design process (in 100 words or less).
Our intended beneficiaries include the current tenants and prospective tenants on the EI waitlist. Monthly meetings with housing partners from the Orange County Affordable Housing Coalition are primary forms of communication between stakeholders. Other than the preliminary outreach EI will establish call/email outreach to beneficiaries about attending events, enrolling in housing counseling, and connecting with additional resources. These responses help EI understand problems tenants face and create additional programs to support them.

8. Social Equity

- a. Describe whether your project subject to any policies that restrict any external funding sources for rent, security deposits, and/or other tenant costs (e.g., Emergency Housing Assistance, Housing Choice Vouchers, Rapid Re-Housing, family contributions, etc.). If yes, please explain what will not be accepted and why.

EI is not subject to any policies that restrict any external funding sources for rent, security deposits and /or other tenant cost (EHA, HCV, RRH, Family Contributions, etc.).

Identify whether or not the project will accept all types of housing vouchers (i.e., HCV, EHV, RRH, PSH, etc) If not, explain which type(s) of housing voucher will be accepted and why? do you not accept and why?

EI will accept all kinds of housing vouches including VASH for veterans, Housing Choice Vouchers, and other special voucher types. EI’s goal is to provide low-barrier housing access for people who are the most vulnerable in our community. Because many landlord- owners do not accept vouchers in Orange County and Carrboro, these units will add crucial access to people with or without housing vouchers. to access safe, quality, affordable homes.

- a. Describe how the project will address health and education disparities, increase access to opportunity, and build a stronger community through an investment in the neighborhood, especially to Town of Carrboro residents that have been negatively impacted in the past, due to inequity.

Securing affordable housing reduces housing instability, overcrowding and the chance of facing homelessness.⁵ Access to safe and affordable housing is closely linked to positive outcomes for physical and mental health⁶ and living in affordable and stable housing reduces the likelihood of experiencing poor health outcomes.⁷ As for educational outcomes, children in families receiving rental assistance experience lower risks of health problems and miss fewer days of school.⁸ Further, children who live in affordable rental housing have higher earning potentials and lower incarceration rates as young adults compared to similarly situated individuals.⁹

Home rehabilitation and repair not only improves the safety and stability of an existing house but is also associated with reduced crime rates and improved public health for the surrounding neighborhood.¹⁰

This project will help increase the supply of affordable housing in Carrboro and in turn will help strengthen the community, educational outcomes, and equity efforts. Making an investment in affordable housing will help many individuals in all aspects of life. Affordable, stable living is the key to limiting health and education disparities while also providing additional opportunities to residents.

- b. Complete the below questions and provide any additional context on the racial composition of the organization and board leadership:

- i. % of staff that are people of color: **100%**
- ii. % of board that are people of color **60%**
- iii. % of staff that have attended racial equity training: **100%**

- c. Describe your organization’s racial, equity and inclusion goals and any recent training activities.

Securing this property is key for addressing the inequities in housing funding. As a minority led organization EI has found competing against non-minority led housing non-profits challenging an unbalanced. EMPOWERment Inc. is a founded, led, and operated entirely by people of color. It is connected to state and local equity efforts through

⁵ <https://www.huduser.gov/portal/sites/default/files/pdf/Family-Options-Study-Full-Report.pdf>

⁶ <https://pubmed.ncbi.nlm.nih.gov/31675514/>

⁷ <https://publications.aap.org/pediatrics/article/141/2/e20172199/38056/Unstable-Housing-and-Caregiver-and-Child-Health-in?autologincheck=redirected>

⁸ <https://read.dukeupress.edu/demography/article/58/4/1171/173456>

⁹ https://www.nber.org/system/files/working_papers/w22721/w22721.pdf

¹⁰ <https://www.pennmedicine.org/news/news-releases/2021/july/city-funded-housing-repairs-in-low-income-neighborhoods-associated-with-drop-in-crime>

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providing affordable housing and services to disproportionately impacted community members in need of affordable housing as well as through partnerships with organizations such as NAACP, Kidzu Children's Museum, and Carol Woods Retirement Center.

EMPOWERment Inc. is dedicated to creating a more equitable community in Orange County through affordable housing, economic development, and community engagement. EI aims to provide all individuals with access to an affordable place of living as that is what helps strengthen the community.

One of these goals is in progress as we continue our work on the P.E.A.C.H Apartments in the Pine Knolls community. This will be a multi-family, multi-generational, affordable housing complex for individuals earning less than the Orange County Living Wage. By raising over 3.5 million dollars, the P.E.A.C.H apartments are set to break ground in the next few months. This is one step in promoting equity in housing in our community, however, much more needs to be done. Operations manager, LaTanya Davis attended a town sponsored training on Racial Equity in June 2023. The entire staff participates in DEI training twice a year to maintain the HUD certified housing counseling status.

d. Please describe any additional activities your organization is doing to address racial equity.

As people of color, EI understands that racial discrimination and bias has created barriers to generational wealth for marginalized communities. Because of this first-hand and historical knowledge, EI serves disproportionately impacted communities of color that have not had access historically to wealth building opportunities and safe, quality, affordable housing. Further, EI has created infrastructure addressing racial equity goals by supplying renters with housing counseling, financial education, and personalized advocacy.

Another way EI is addressing wealth inequities is through the BrightPath Solutions Initiative. EI has been able to empower BIPOC business owners with the needed skills for a prosperous business. Free classes have been held both in-person and virtually to allow a wider audience and greater access to information. After completion of the program, all participants become eligible for micro-grants, providing an additional opportunity for further business growth. As with affordable housing, investing in the success of BIPOC owned businesses creates significant benefits to communities of color as well as the local economy. As an organization EI continues to battle the racial injustices of Orange County through advocacy for communities and individuals with our make-up.

9. Risk Assessment

a. Identify any and all anticipated obstacles to successful completion of the project and describe your plan to overcome those obstacles.

The most significant obstacle to completing this project will be securing an ample amount of funding to make sure the housing units remain affordable for individuals earning less than 80% AMI. By applying for grants such as this one, we believe it is possible to secure the appropriate amount of funding. The project cannot be done if the funding without the procurement of these funds.

b. Provide description of any and all municipal requests or requirements (including permitting and inspections) that might be needed in order to overcome any and all such obstacles and/or facilitate the timely completion of the project on or before the project expenditure deadline stated in the RFP Timeline.

NA

10. **Proposed Measurement Tracking:** As there are no prescribed methods of reaching the goals outlined in this RFP, the proposal should include the proposer's suggested performance measures in line with the proposed project that achieve compliance with CSLFRF guidelines.

The goal of this project is to provide safe, high quality, affordable housing for individuals making less than 80% AMI and to preserve this community as affordable. The following measures will be used to track progress:

- a. Collaborate with other nonprofits and local government agencies to reach underserved and disenfranchised populations.
- b. Encourage tenants who are experiencing rental hardships to attend counseling with EI's HUD Certified Housing Counselors.

C. REQUIRED ATTACHMENTS

File names should be in the following form: YYYYMMDD_ARPA_Affordable Housing_Development Name_Description (e.g, 230325_ARPA_Housing_HarvardCourt_Site_Plan).

1. Financial Audit

Please include your organization's most recent financial audit.

2. Completed W-9 Form

3. Organization Budget

Please submit an organizational budget. Among other relevant revenue and expenditure information, please include line items on any government grants or loans by jurisdiction. If your organization has run a deficit, please include that information here.

4. Project Financials

Please submit the following information about the project in a Microsoft Excel document, as relevant:

- a. Project Budget/Development Costs
- b. Sources and Uses
- c. Operating pro forma (rental projects):
 - i. must show 20+ year cash flow projections that includes documentation of key operating assumptions, estimated rental income, operating expenses, net operating income, and any anticipated debt service, including a separate line item for any debt service (principal and/or interest) associated with Town loans requested as part of this application. Pro forma should project expenses far enough out to show when debt service ends (i.e., more than 20 years if necessary). Applicants may use the attached template or a similar version of their own.
 - ii. Rental Income Breakdown: must show rent and utilities by bedroom size and AMI level, using the attached template or something similar.
- d. Housing Affordability and Sale Proceeds (homeownership projects): must show sales price by bedroom size and AMI level and mortgage sources and amounts, using the attached template or something similar. If the applicant is the lender, also include the mortgage amortization schedule.

5. Articles of Incorporation

6. List of Board of Directors

Provide the following information about each board of director's member: name, occupation or affiliation of each member, officer positions, gender, race/ethnicity.

7. Market Analysis

Proposals should provide a market analysis specific to the property.

See CMA for market analysis.

8. Project Information

- a. For all projects, please submit a detailed timeline showing when each work task will be completed over the duration of the project. Please include when you plan to expend the Town's funding for the project. For ARPA funding applications, project funding must be obligated by December 31, 2024 and expended by 12/31/26.
- b. Submit the rental income policy that will be used for the project
- c. Submit the background check policy that will be used to screen potential tenants
NA; EI does not do background checks.
- d. For development and renovation projects, please submit the following:
 - i. Site map showing lot boundaries, locations of structure(s), and other site features
 - ii. General location map (at least ½ mile radius)
 - iii. Floor plan(s)

- iv. Elevation(s)
- v. Property Appraisal **See CMA**
- vi. Evidence of zoning compliance **NA**
- vii. Map showing proximity to bus stops, grocery store, schools and other amenities (including distance in miles from project site and amenities)
Surrounding Transportation

9. IRS Federal Form 990

A copy of the organization's most recent Form 990 is required for nonprofit applicants. The specific form depends upon the organization's financial activity. Review the IRS' table guide, for more details. For Form 990-N (e-postcard) filers, include a copy of the postcard, with the organization's application materials. If Form 990 filings are not current, please explain.

10. NC Solicitation License

A copy of the organization's current solicitation license is required. Organizations that solicit contributions in North Carolina, directly or through a third party, must renew their licenses annually. For more details, refer to the NC Secretary of State's licensing website and its Frequently Asked Questions Guide (PDF), about exemptions. If exempt per N.C.G.S. § 131F-3, include a copy of the exemption letter with the organization's application materials.

11. IRS Federal Tax-Exemption Letter

A copy of the organization's **current** IRS tax-exempt letter that confirms its nonprofit status is required.

D. SUPPLEMENTAL ATTACHMENTS---

Responders are encouraged to include additional information such as maps, site plans, elevations, photos, qualitative and quantitative data. File names should be in the following form: YYMMDD_ARPA_Affordable Housing_Development Name_Description (e.g, 230325_ARPA_Housing_HarvardCourt_Site_Plan). List the supplemental files that are being submitted with this proposal below.

1. Supplemental Attachment
2. Supplemental Attachment

Agency Budget

Operating Budget for entire Agency

AGENCY NAME:	EMPOWERment			
PROGRAM REVENUE	Actual 2021-2022	Projected 2022-2023	Projected 2023-2024	Percent Change
Private Donations	\$ 155,624	\$ 163,405	\$ 171,575	5%
Program Generated Revenue	\$ 677,868	\$ 711,761	\$ 747,349	5%
Local Government Grants:				
Human Services - Town of Carrboro	\$ 19,200	\$ 25,000	\$ 30,000	20%
Other - Town of Carrboro	\$ -	\$ -	\$ -	0
Human Services - Town of Chapel Hill	\$ 40,000	\$ 40,000	\$ 25,000	-38%
Other - Town of Chapel Hill	\$ -	\$ -	\$ -	0
Human Services - Orange County	\$ 40,000	\$ 40,000	\$ 60,000	50%
Other - Orange County	\$ -	\$ -	\$ -	0
Other - Town of Hillsborough	\$ -	\$ -	\$ -	0
Other Government Grants				
Triangle United Way	\$ -	\$ -		0
State Government	\$ 25,080.00	\$ 100,000.00	\$ 105,000.00	\$ 0.05
Federal Government (CDBG/HOME/etc.)	\$ 86,734.00		\$ -	\$ (1.00)
Private Foundation Grants	\$ 44,000.00	\$ 55,000.00	\$ 53,000.00	\$ (0.04)
Other Revenue	\$ 5,600	\$ 5,880	\$ 6,174	\$ 0.05
Total Program Revenue	\$ 1,094,106	\$ 1,141,046	\$1,198,098	5%
PROGRAM EXPENSES				
Compensation	\$ 382,772	\$ 401,910	\$ 422,006	5%
Rent & Utilities	\$ 177,764	\$ 186,652	\$ 195,984	5%
Supplies & Equipment	\$ 19,658	\$ 20,640	\$ 21,672	5%
Travel & Training	\$ 816	\$ 857	\$ 897	5%
Other Expenses:	\$ 496,094	\$ 520,898	\$ 546,943	5%
Total Program Expenses	\$ 1,077,104	\$ 1,130,957	\$1,187,502	5%
SURPLUS/(DEFICIT) FOR PERIOD:	\$ 17,002	\$ 10,089	\$ 10,596	5%

Please explain Other Grants

Does your program budget show a surplus or deficit? Please provide a brief explanation for the surplus or deficit.

The agency 17,002 surplus is due to a grant given for El's Bright Path Solutions. All the funds were not expensed before the cycle ended.

Program Budget

Operating Budget for Specific Program

If you are requesting funds for more than one program, a program budget worksheet should be provided for each program.

PROGRAM NAME: **EMPOWERment's Affordable Rental Program**

	Actual 2021-2022	Projected 2022-2023	Projected 2023-2024	Percent Change
PROGRAM REVENUE				
Private Donations			\$ -	0
Program Generated Revenue	\$ 585,493	\$ 614,767	\$ 645,506	5%
Local Government Grants:				
Human Services - Town of Carrboro	\$ 19,200	\$ 25,000	\$ 30,000	20%
Other - Town of Carrboro	\$ -	\$ -	\$ -	0
Human Services - Town of Chapel Hill	\$ 40,000	\$ 40,000	\$ 25,000	-38%
Other - Town of Chapel Hill	\$ -	\$ -	\$ -	0
Human Services - Orange County	\$ 40,000	\$ 40,000	\$ 60,000	50%
Other - Orange County	\$ -	\$ -	\$ -	0
Other - Town of Hillsborough	\$ -	\$ -	\$ -	0
Other Government Grants				
Triangle United Way	\$ -	\$ -	\$ -	0
State Government		\$ -	\$ -	0
Federal Government (CDBG/HOME/etc.)		\$ -	\$ -	0
Private Foundation Grants	\$ -	\$ -	\$ -	0
Other Revenue				
	\$ -	\$ -	\$ -	0
Total Program Revenue	\$ 684,693	\$ 719,767	\$ 760,506	6%
PROGRAM EXPENSES				
Compensation	\$ 111,089	\$ 116,643	\$ 122,475	5%
Rent & Utilities	\$ 62,410	\$ 65,530	\$ 68,807	5%
Supplies & Equipment	\$ 231,100	\$ 242,655	\$ 254,787	5%
Travel & Training	\$ -	\$ -	\$ -	0
Other Expenses:	\$ 156,385	\$ 164,204	\$ 172,414	5%
Total Program Expenses	\$ 560,984	\$ 589,032	\$ 618,483	5%
SURPLUS/(DEFICIT) FOR PERIOD:	\$ 123,709	\$ 130,735	\$ 142,023	9%

Please explain Other Grants

Does your program budget show a surplus or deficit? Please provide a brief explanation for the surplus or deficit.

The program budget indicates a surplus because the mortgages are reflected in the agency budget.

EMPOWERMENT, INC. ACQUISITION OF HOMESTEAD ROAD COMMUNITY, CHAPEL HILL, NC

301 Homestead Road Housing

This will add 10 houses to Carrboro's affordable housing inventory.

2,500,000.00	Acquisition Price
<u>30,000.00</u>	Upgrades
2,530,000.00	

FUNDING SOURCES

		<u>Percentages</u>
Town of Carrboro	600000	25
SECU Foundation	1000000	40
Orange County ARAPA	900000	34
EMPOWERment Inc	30000	1
Acquisition Price + Upgrades	2530000	100

20-YEAR PRO FORMA, 301 Homestead Road, CHAPEL HILL, NC

EmPOWERment, Inc accepts housing vouchers. We also rent to families without vouchers. Our target tenant population earns 30% to 80% of the area median income. The pro forma is based on initial rent at \$1100 per month for 9 units, \$1500 for 1 unit. Rental increase is calculated at 3% every five years.

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>
Income	136,800.00	136,800.00	136,800.00	136,800.00	142,272.00	142,272.00	142,272.00	142,272.00	142,272.00
Vacancy 3% per yr (1 month)	<u>(4,104.00)</u>	<u>(4,104.00)</u>	<u>(4,104.00)</u>	<u>(4,104.00)</u>	<u>(4,268.16)</u>	<u>(4,268.16)</u>	<u>(4,268.16)</u>	<u>(4,268.16)</u>	<u>(4,268.16)</u>
Total Income	132,696.00	132,696.00	132,696.00	132,696.00	138,003.84	138,003.84	138,003.84	138,003.84	138,003.84
Expenses									
Management fee	9,600.00	9,600.00	9,600.00	9,600.00	10,200.00	10,200.00	10,200.00	10,200.00	10,200.00
Maintenance & Repair	18,000.00	18,720.00	19,468.80	20,247.55	21,057.45	21,899.75	22,775.74	23,686.77	24,634.24
Administrative/Legal	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,360.00	12,730.80	12,730.80
Insurance	12,000.00	12,480.00	12,979.20	13,498.37	14,038.30	14,599.83	15,183.83	15,791.18	16,422.83
Property Taxes	6,000.00	6,240.00	6,489.60	6,749.18	7,019.15	7,299.92	7,591.91	7,895.59	8,211.41
Utilities	14,400.00	14,976.00	15,575.04	16,198.04	16,845.96	17,519.80	18,220.59	18,949.42	19,707.39
Rental Reserves	20,000.00	20,000.00	20,000.00	18,000.00	18,000.00	18,720.00	18,720.00	18,720.00	18,720.00
Turn-over Costs	<u>25,000.00</u>	<u>25,000.00</u>	<u>25,000.00</u>	<u>18,000.00</u>	<u>18,720.00</u>	<u>18,720.00</u>	<u>18,720.00</u>	<u>18,720.00</u>	<u>18,720.00</u>
Total Expenses	117,000.00	119,016.00	121,112.64	114,293.15	117,880.87	120,959.31	123,772.08	126,693.76	129,346.68
Annual Income	132,696.00	132,696.00	132,696.00	132,696.00	138,003.84	138,003.84	138,003.84	138,003.84	138,003.84
Less Expenses	<u>117,000.00</u>	<u>119,016.00</u>	<u>121,112.64</u>	<u>114,293.15</u>	<u>117,880.87</u>	<u>120,959.31</u>	<u>123,772.08</u>	<u>126,693.76</u>	<u>129,346.68</u>
Net Operating Income	15,696.00	13,680.00	11,583.36	18,402.85	20,122.97	17,044.53	14,231.76	11,310.08	8,657.16

<u>Year 10</u>	<u>Year 11</u>	<u>Year 12</u>	<u>Year 13</u>	<u>Year 14</u>	<u>Year 15</u>	<u>Year 16</u>	<u>Year 17</u>	<u>Year 18</u>	<u>Year 19</u>
149,385.60	149,385.60	149,385.60	149,385.60	156,854.88	164,697.62	164,697.60	164,697.60	164,697.60	172,932.48
<u>(4,481.57)</u>	<u>(4,481.57)</u>	<u>(4,481.57)</u>	<u>(4,481.57)</u>	<u>(4,705.65)</u>	<u>(4,940.93)</u>	<u>(4,940.93)</u>	<u>(4,940.93)</u>	<u>(4,940.93)</u>	<u>(4,940.93)</u>
144,904.03	144,904.03	144,904.03	144,904.03	152,149.23	159,756.70	159,756.67	159,756.67	159,756.67	167,991.55
10,200.00	10,200.00	10,200.00	10,200.00	10,200.00	10,200.00	10,200.00	10,200.00	10,200.00	10,200.00
25,619.61	26,644.40	27,710.17	28,818.58	29,971.32	31,170.18	32,416.98	33,713.66	33,713.66	33,713.66
12,730.80	12,730.80	13,112.72	13,112.72	13,112.72	13,112.72	13,506.11	13,506.11	13,506.11	13,506.11
17,079.74	17,762.93	18,473.45	19,212.39	19,980.88	20,780.12	21,611.32	22,475.77	23,374.81	23,374.81
8,539.87	8,881.47	9,236.72	9,606.19	9,990.44	10,390.06	10,805.66	11,237.89	11,237.99	11,687.40
20,495.69	21,315.52	22,168.14	23,054.86	23,977.06	24,936.14	25,000.00	25,000.00	25,000.00	25,000.00
18,720.00	18,720.00	18,720.00	18,720.00	18,720.00	18,720.00	18,720.00	18,720.00	18,720.00	18,720.00
<u>18,720.00</u>	<u>19,468.80</u>	<u>20,247.55</u>	<u>21,057.45</u>	<u>21,899.75</u>	<u>22,775.74</u>	<u>22,775.74</u>	<u>22,775.74</u>	<u>22,775.74</u>	<u>25,619.61</u>
132,105.72	135,723.91	139,868.76	143,782.20	147,852.18	152,084.96	155,035.81	157,629.17	158,528.30	161,821.59
144,904.03	144,904.03	144,904.03	144,904.03	152,149.23	159,756.70	159,756.67	159,756.67	159,756.67	167,991.55
<u>132,105.72</u>	<u>135,723.91</u>	<u>139,868.76</u>	<u>143,782.20</u>	<u>147,852.18</u>	<u>152,084.96</u>	<u>155,035.81</u>	<u>157,629.17</u>	<u>158,528.30</u>	<u>161,821.59</u>
12,798.32	9,180.12	5,035.27	1,121.83	4,297.05	7,671.74	4,720.86	2,127.50	1,228.37	6,169.96

Year 20

172,932.48

(4,940.93)

167,991.55

10,200.00

33,713.66

13,506.11

23,374.81

11,687.40

25,000.00

18,720.00

25,619.61

161,821.59

167,991.55

161,821.59

6,169.96

HOMESTEAD ROAD TIMELINE



EMPOWERment INC

Cover Sheet

Organization Legal Name	Habitat for Humanity, Orange County, N.C., Inc.
Organization Unique Entity Identifier (UEI)	H4C2Z4HVEZM1
Organization Tax ID #	58-1603427
Organization Physical Address	88 Vilcom Center Drive, Suite L110, Chapel Hill, NC 27514
Organization Mailing Address	88 Vilcom Center Drive, Suite L110, Chapel Hill, NC 27514
Organization Website Address	www.orangehabitat.org
Contact Name, Title	Jennifer Player, President & CEO
Contact Email	jplayer@orangehabitat.org
Contact Phone	(919) 932-7077 ext. 215
Project Name (name of development)	West Rogers Road Project
Project Type	Construction of Affordable Homeownership
Project Description (100 words or less)	Habitat for Humanity of Orange County recently purchased 15 acres off of Rogers Road in the Town of Carrboro. Habitat will soon begin phase one of its plan to build 75 affordable homes on the property.
Project/Development Address	7723, 7727, 7729, 7733, 7811, 7815, and 7817 Rogers Road
Project Proposal Submission Date (mm/dd/yy)	07/31/2023
Total Project Cost	\$19,099,300
Total Amount of CSLFRF Funds Requested	\$1,000,000
# of Housing Units (Total Units/CSLFRF Funded Units)	75

A. ORGANIZATION PROFILE

1. Describe your organization's mission in 250 words or less.

Seeking to put God's love into action, Habitat for Humanity of Orange County brings people together to build homes, communities, and hope. Our vision is an Orange County where everyone has a decent place to live.

2. Identify your organization's type (e.g. for-profit, non-profit, government, etc.).

Nonprofit 501(c)3

3. Provide names of staff, contractors, and/or volunteers that will be involved with the project. Describe their responsibilities with the project and experience with successful completion of similar projects in the past.

a. # of FTE – Full-Time Paid Positions: 25

b. # of FTE Part-Time (less than 40 hours/wk) Paid Positions: 3

c. # of Volunteers: Approximately 1,000 volunteers on an annual basis

Habitat's leadership structure, detailed below, demonstrates the distribution of responsibilities that has allowed the organization to successfully build and repair more than 600 homes in Orange County by effectively leveraging funds from Town of Carrboro and other local government funding sources.

Jennifer Player, President & CEO, holds chief oversight responsibilities for the organization. Player has served Habitat in a leadership capacity for more than nine years and assumed the position of CEO in 2019. Richard Turlington, VP of Construction, holds oversight responsibility for the land purchase, project design, infrastructure, preparation of the site and construction of the homes. Turlington has acted in the VP capacity for five years and has thirteen years of Habitat experience, with more than twenty years in the construction industry. Laine Staton, VP of Homeowner Services, brings six years of experience with Habitat in Durham and Orange County. Staton is responsible for recruitment and screening of potential homebuyers, as well as providing homebuyer education for approved applicants and support for community-building where Habitat constructs homes. Habitat's VP of Finance & Administration, Grace Johnston, brings more than a decade of experience with Habitat's Development and Finance operations and will lead long-term monitoring and reporting requirements. Alice Jacoby, VP of Policy & Advocacy, leads government relations and has more than ten years of experience with Habitat. Jacoby manages Habitat's government funding portfolio and acts as liaison with Town staff. Shanell Smaw, VP of Development, holds overall responsibility for securing annual funding from individual donors, organizations, corporations, churches, and foundations to cover the cost of vertical construction. She has nine years of development experience, including Habitat for Humanity in Cabarrus County, NC.

Habitat has a successful history of working with well-respected local contractors, architects, and engineers including Ballentine Associates, Summit Design and Engineering, Civil Consultants, Cline Design Architects, Scott Murray Land Planning, Soil and Environmental Consultants, and TerraQuest. Once Habitat construction begins, a diverse range of community partners and volunteers will help to build and fund the homes through Habitat's proven and unique model, including faith partners, civic groups, University of North Carolina faculty and students, UNC Health employees, and the local business community.

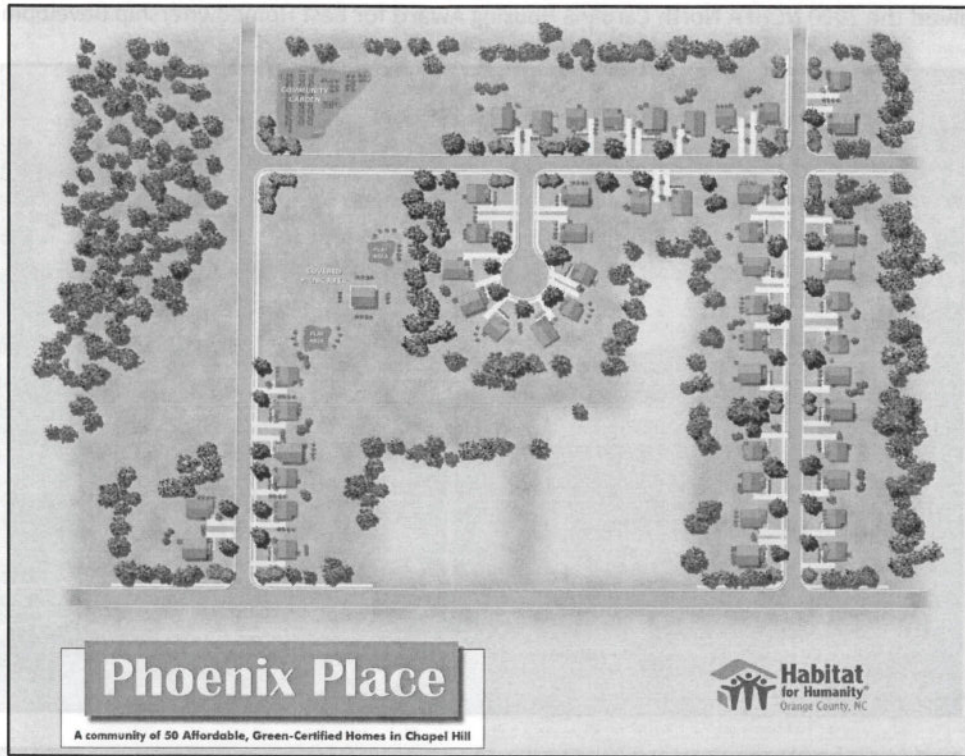
4. Qualifications and History of Success

a. Describe three (3) relevant and substantially similar affordable housing development or preservation projects completed by the organization in the last 5-10 years. The project description should include:

- i. Location
- ii. Scope and scale of project
- iii. Total development budget and financing sources
- iv. Indication of whether the projects were completed on budget and on time. If not completed on budget and on time, please describe why.
- v. Photos/illustrations of completed project

Phoenix Place (completed in 2014)

- 50-unit new construction development of single-family homes off of Rogers Road in Chapel Hill, NC.
- Habitat donated the land for the new Rogers Eubanks Neighborhood Association, dedicated in 2014.
- Community amenities include an open-air picnic pavilion, community garden, and playground.
- Total cost approximately \$7,000,000
- Funding sources include Orange County, NCHFA, community donations, and Orange Habitat.
- Project was completed on budget and on time.
- Received the 2016 NCHFA North Carolina Housing Award for Best Homeownership Development.



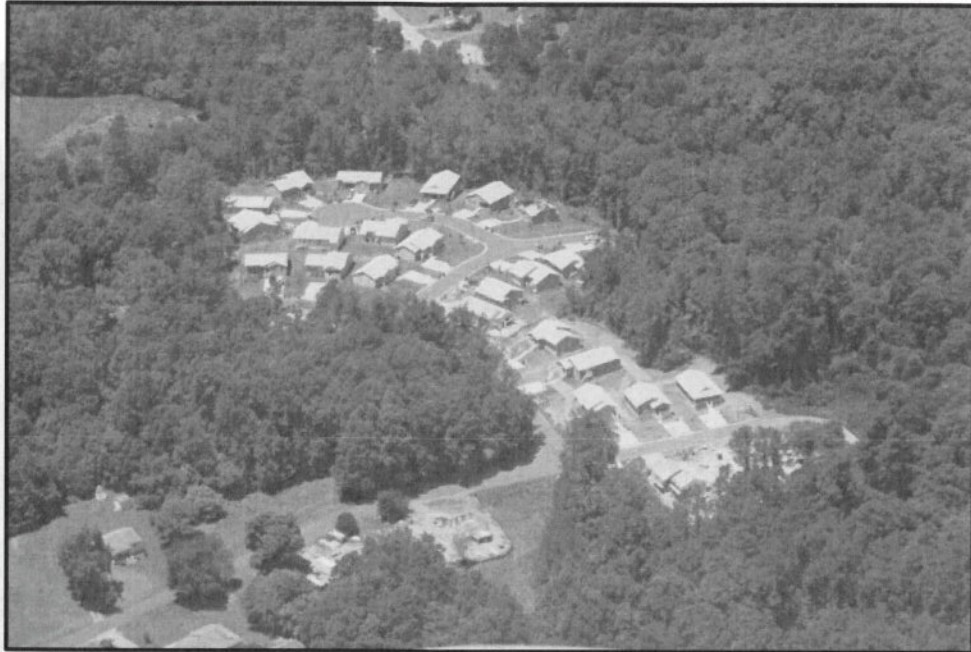
Crescent Magnolia (completed in 2020)

- 24-unit new construction townhome development located in Hillsborough, NC.
- All 24 units are one-bedroom homes targeted at seniors ages 55+ and designed specifically to help seniors age in place and make efficient use of space.
- Community amenities include shared green space and an open-air pavilion.
- Total cost approximately \$2.5 million.
- Funding sources include Orange County, Town of Hillsborough, NCHFA, community donations, and Orange Habitat.
- Project was completed on budget and on time.
- Received the 2020 NCHFA North Carolina Housing Award for Best Homeownership Development.



Tinnin Woods (completed in 2019)

- A neighborhood of 30 single-family homes located in Efland, NC.
- Community is adjacent to the local elementary school and community center.
- Total cost \$3.755 million.
- Funding sources include Orange County, HOME funds, NCHFA, community donations, and Orange Habitat.
- Project was completed on budget and on time.



- b. If you have received Town funding within the last 5 years, please provide the following for each project:
- i. Location
 - ii. Scope and scale of project
 - iii. Total development budget and financing sources

- iv. Indication of whether the projects were completed on budget and on time. If not completed on budget

Cobb Street Duplexes (completed in 2022)

- i. Located in downtown Carrboro, NC at the corner of Lloyd Street and Cobb Street.
- ii. Demolition of one home, construction of two duplexes with four affordable units.
- iii. Total cost approximately \$650,000 with \$100,000 from Town of Carrboro. Additional funding sources include Orange County, NCHFA, community donations, and Orange Habitat.
- iv. Project was completed on budget. The initial completion timeframe was delayed due to a reduction of available volunteers during COVID-19.



Home Repair (completed in 2023)

- i. 124 Beechwood Drive
- ii. Fixed a wastewater line compromised by roots from nearby pine tree, and replaced plumbing, drywall, and floor damages from the backup of the waste line.
- iii. Total costs of the project, \$9,875. Sources include: \$5,000 from Carrboro Affordable Housing Special Revenue Fund, \$4,000 from Orange County Outside Agency Funding, and \$875 from Orange Habitat.
- iv. Project was completed on budget and on time.

Home Repair (completed in 2020)

- i. 105 Fowler Street Unit A
- ii. Replaced rotting floor in a bathroom and the hallway beyond.
- iii. Total costs of the project, \$9,383. Sources include: \$7,523 from Carrboro Affordable Housing Special Revenue Fund, \$1,710 from Orange County Outside Agency Funding, and \$150 in payment from the homeowner.
- iv. Project was completed on budget and on time.

Home Repair (completed in 2020)

- i. 218 Broad Street
- ii. Replaced a failing roof.
- iii. Total costs of the project, \$9,133. Sources include: \$7,223 from Carrboro Affordable Housing Special Revenue Fund, \$1,710 from Orange County Outside Agency Funding, and \$200 in payment from the homeowner.
- iv. Project was completed on budget and on time.

Home Repair (completed in 2020)

- v. 116 Eugene Street
- vi. Replaced a failing roof.
- vii. Total costs of the project, \$13,203. Sources include: \$5,000 from Carrboro Affordable Housing Special Revenue Fund, \$1,710 from Orange County Outside Agency Funding, \$6,293 from Orange Habitat, and \$200 in payment from the homeowner.
- viii. Project was completed on budget and on time.

- c. Provide a summary of experience with federal grants including but not limited to; financial management; Uniform Guidance; knowledge of, and compliance with state and federal ethics rules; identification and reporting of waste, fraud and abuse; and oversight of disbursement and tracking of federal funds by state or federal agencies.

Orange Habitat has extensive experience as a federal sub-grantee, including with HOME Funds through Orange County, CDBG Funds through the Town of Chapel Hill, and SHOP Funds through Habitat for Humanity International. Habitat works closely with the grantee organization to ensure that all requirements and deadlines are met, responding fully and promptly to any requests for additional information or documentation.

- d. If available, provide contact information for professional references whom the Town may contact regarding the proposer's services.

- George Retschle, Ballentine Associates, (919) 796-1131, georger@ballentineassociates.com
- Scott Murray, Scott Murray Land Planning, (252) 213-9504, smurray@stmlandplan.com
- Dan Levine, Self-Help, (919) 417-2323, dan.levine@self-help.org

B. PROJECT INFORMATION

1. Project Profile					
<i>Insert project information below</i>					
Location <i>(insert address)</i>	7723, 7727, 7729, 7733, 811, 7815, and 7817 Rogers Road			Carrboro Qualified Census Tract <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Size <i>(insert acreage of development site)</i>	15.961 acres				
Development Type <i>(select one)</i>	<input checked="" type="checkbox"/> New construction of affordable and attainable housing (single-family or multifamily) <input type="checkbox"/> Acquisition and rehabilitation to preserve affordable and attainable housing (single-family or multifamily) <input type="checkbox"/> Conversion of an existing structure from another use to affordable rental housing <input type="checkbox"/> Demolition as it relates to the new construction, acquisition, or rehabilitation of above. <input checked="" type="checkbox"/> Project-related soft costs as reasonable and necessary (e.g., architecture, engineering)				
Total Number of Units					
	# of Total Housing Units	# of Bathrooms	Square Footage	Proposed Rent or Sale Price Per Unit	Projected Cost Per Unit Including Utilities
Studios					
One-bedroom					
Two-bedroom	8	1.5	1250	\$325,000	\$850
Three-bedroom	37	2	1550	\$375,000	\$950
Four-bedroom	30	2.5	1650	\$415,000	\$1050
Area Median Income Served <i>(insert # of units by AMI)</i>					
<30%	0				
31-60%	40				
61-80%	35				
81-100%	0				
>100%	0				
Target Population <i>(check all that apply)</i>	<input checked="" type="checkbox"/> Families <input checked="" type="checkbox"/> Older Adults (Age 62+) <input checked="" type="checkbox"/> Disabled <input checked="" type="checkbox"/> Homeless <input checked="" type="checkbox"/> Veterans <input type="checkbox"/> Other (specify)				
ADA Accessibility <i>(insert # of total units)</i>	All units will have universal design features. Units with full ADA accessibility will be built if identified as a need of the buyer.				
Total Development Cost Per Unit	\$254,657				
Per Unit Subsidy	\$13,333/unit				
Debt Coverage Ratio (DCR)	Lowest DCR <u>13.64</u> Highest DCR <u>13.64</u>				
Town Planning Approvals Received <i>(as of the date of application)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA				

Note:

The projected monthly cost per unit is based on a \$750-\$950 mortgage payment and \$100 in utility costs. The monthly mortgage payment represents an average, as Habitat mortgages are priced individually based on family income. Habitat homeowners' monthly mortgage, HOA, taxes, and insurance will not exceed 30% of their income at closing.

Approved homebuyer applicants earn between 30-80% AMI. In Habitat's most recent application cycle, 50% of approved applicants fell between thirty and fifty percent AMI while 50% of the applicants fell between fifty to eighty percent AMI. This mirrors the AMI distribution of previous application cycles, and we predict similar trends for Rogers Road. Habitat continues to explore options to target specific income ranges in the face of rising house costs and sales prices. Providing homeownership opportunities at the lower end of the AMI range in the current market climate requires robust ongoing support from local government partners.

2. Project Description and Justification

a. Provide a general overview of your project, including what you are planning to produce (100 words or less). Habitat for Humanity of Orange County recently acquired 15 acres of land off Rogers Road in Carrboro. Our vision is to continue our long-time investment in this community by constructing 75 new affordable units, bringing much needed housing options to Rogers Road and the broader Carrboro community. Habitat uses donations and volunteer labor to construct energy-efficient, green-certified, high-quality homes, and then sells those homes to qualifying families. The buyers receive an affordable mortgage, priced so that they pay no more than 30% of their gross monthly income for their monthly mortgage payment, which includes taxes, insurance, and any HOA dues.

b. Describe and explain how and why the project qualifies for CSLFRF funding and specify how the project is a program or service that addresses housing insecurity, or a lack of affordable housing suffered by the eligible population.

During the COVID-19 pandemic, a significant number of households lost their housing — a disproportionate number of them from communities of color. The pandemic had a major effect on both the rental and mortgage market, particularly on low income and minority households. Families that do not have access to safe, affordable, and stable housing, face a host of negative outcomes. Housing insecurity has been associated with higher rates of depression, higher rates of suspension and expulsion from school, and increased risks of chronic health conditions, to name a few. In addition, during the pandemic the local housing costs increased by more than 20% with the current median home price in the area exceeding \$600,000. Federal, state, and local policymakers took major steps to help households navigate housing insecurity during the COVID-19 pandemic—from stimulus payments and enhanced unemployment assistance, to forbearance and moratoria on foreclosure and eviction. While those actions temporarily reduced foreclosures and evictions, many households continue to face difficulties navigating housing insecurity in the long-term. Habitat for Humanity seeks to provide a stable, affordable home on Rogers Road for 75 local families, which could ultimately impact more than 300 individuals including a significant number of children.

c. If applicable, describe how the proposed project aligns with the Town of Carrboro's Comprehensive Plan.

The Town of Carrboro's comprehensive plan has the goals of building community, intentionally addressing race and equity, and advancing climate action. The proposed project advances all of those goals. Specific alignment with the plan includes:

Affordable Housing

- Habitat for Humanity will increase the number of homeownership units that are permanently affordable with targeted strategies to serve households earning 80% of Area Median Income (AMI) or below with priority to historically disadvantaged households.
- Habitat for Humanity will expand a variety of housing options by constructing a variety of affordable housing types which could include but is not limited to smaller homes for seniors and larger duplexes or townhomes for young families,

- Habitat for Humanity homeowners experience reduced utility expenses in their homes, especially those with solar power.

Climate and Environment

- Habitat for Humanity will enable lower-income residents to financially participate and benefit from climate resiliency by building SystemVision certified energy efficient homes. As a result, homeowners pay less than \$30/month for heating and cooling. Habitat also will continue the solar program for all homes with sufficient sun exposure to support solar panels.

Transportation and Mobility

- Habitat for Humanity will sell homes to many of Orange County's BIPOC, lower-income, and differently-abled populations. Many of these homebuyers work in Chapel Hill and Carrboro yet drive from long distances to their jobs. This new community will allow residents to live close to where they work and long a fare-free bus line.
- Habitat for Humanity will also connect to any locations of the current or future greenway plan in addition to ensuring the community roads are safe for pedestrians and cyclists.
-

Economic Sustainability

- Habitat for Humanity makes a tremendous impact on the lives of their homeowners by working toward a world in which everyone has a decent place to live. But the work that Habitat does also contributes to local economies by creating jobs and purchasing local goods and services.
- Habitat for Humanity will create a more inclusive economy by paying a living wage for the organization's employees and creating jobs for BIPOC and minority led sub-contractors. In each fiscal year, Habitat invests millions of dollars in the local economy.

Recreation, Parks, & Culture

- Habitat for Humanity promotes recreational programming and cultural resources by creating green space and other recreational amenities within the development that will be accessible to a variety of ages, genders, races, and abilities.

Land Use

- Habitat for Humanity will promote the design of new development that adds to the character of the existing Rogers Road community and promotes diversity. Habitat will share house designs and plans to the current residents for their input.
- Habitat for Humanity will help the Town of Carrboro expand new affordable housing opportunities and will ensure that all architecturally significant and historic properties are preserved.

3. Project Location

- a. Identify current zoning and any anticipated zoning relief required.

The properties are currently zoned HR-R, which would allow for 65 units with the Affordability Bonus. We would be requesting a rezoning to increase the number of affordable homeownership opportunities as well as an SUP to adjust the lot sizes and setbacks.

- b. Current Ownership: if acquisition will be required by the proposer, information related to how the property will be acquired including, but not limited to, anticipated acquisition price, feasibility and/or conditions that would be tied to acquisition, and acquisition time frames.

The properties are currently owned by Habitat.

4. Affordability

- a. Identify the length of the project's affordability terms (20 year minimum).

Habitat homes in Weavers Grove will be sold in compliance with Orange County's deed of restrictive covenants, which requires 99-year affordability to buyers who earn 80% or less of AMI.

- b. Describe any methods to ensure long-term affordability of housing units, including subsidy recapture, equity sharing, deed restrictions, etc.

Habitat holds a right of first refusal on all properties. Habitat also uses a shared appreciation model that allows buyers to share a percentage of the appreciation of their property based on the ratio of their first mortgage, which is provided by Habitat, and the original sales price of the home, which is determined by a market appraisal at the time of sale. Homes will be sold in compliance with the HOME Program Development/Written Agreement, including the Orange County Resale Provisions and HOME Affordability Period, Declaration of Restrictive Covenants, and the County's 99-Year Affordability Period.

- c. Explain your agency's marketing process to ensure an adequate pool of income-eligible renters to buyers.

Habitat strives to attract a diverse pool of homebuyer applicants. Prior to accepting applications, Habitat distributes flyers to other local housing organizations like EmPOWERment, CASA, and the Community Home Trust, and to affordable rental programs such as Orange County's Housing Choice Voucher program and Chapel Hill's public housing. Habitat also reaches out to community organizations, businesses, schools, and churches where income-eligible families may work, worship, or receive services. Habitat holds interest sessions throughout the community at local churches and community centers including the RENA center and the Hargraves center. Word-of-mouth marketing through designated community leaders has also been effective, as are presentations in the community where building will take place. Habitat promotes upcoming orientations and application availability on our website and through social media. All written information is available in both Spanish and English, and Habitat provides translations in Burmese, Karen, and other languages as needed. During the last application cycle, Habitat received more than 250 applications for fewer than 10 homes.

- d. Describe any supportive services, if any, that will be provided through this project. N/A

5. Project Financing

- a. Description of the financing arrangements required for the proposal and time frames for securing all necessary funding. Indicate which funds are committed or pending and include the percentage of committed funds toward this project.
- b. A description of any equity and/or other funding sources brought to the project by the proposer.
- c. If applicable, provide a description and explanation of how any funds granted by the Town of Carrboro will be used to leverage receipt of additional funding or will be partnered with other sources of funding and equity.

Habitat has a strong track record of leveraging limited government subsidies to raise private funds. This demonstration of community support and increased visibility in turn helps to advance the Town's affordable housing goals. The West Rogers Road Project will be a high-density community with a total project cost of more than \$19,000,000. To bring this ambitious vision to fruition requires robust funding support from diverse public and private sources. This need has only grown due to supply-chain issues and inflationary pressure impacting the cost of materials and subcontracted labor for housing developers. Habitat is seeking \$1,000,000 in ARPA funds, an investment of \$13,133 per unit. If Habitat receives this award, the investment from the Town of Carrboro will represent approximately 5% of the total project cost. Even in the face of rapidly increasing development costs, Habitat remains committed to the smart leveraging of public dollars.

Habitat completed the land acquisition in late June 2023 through the use of the organization's capital reserves, specifically a portion of the recent donation from philanthropist MacKenzie Scott, which has been restricted by Habitat's Board of Directors. Habitat will also complete related repairs and demolition of existing homes on the properties using capital reserves.

Habitat proposes to use \$1,000,000 in ARPA funding from the Town of Carrboro to cover soft costs related to the project. Habitat plans to obtain short-term financing to cover hard costs related to development and infrastructure, which will be secured by the end of 2025. In the past, Orange Habitat has secured financing through Habitat for Humanity International. Habitat also has experience securing a construction line of credit to complete infrastructure and development work at its Weavers Grove community in Chapel Hill. Vertical construction costs will be covered as part of Habitat’s annual operating budget, including annual fund donations and other regular sources of income.

At this time, 10% of project funds are fully committed (land acquisition and related costs). Additional commitments will be secured as needed as the project progresses. Habitat as the proposer is bringing over \$14 million in its own funds to the project.

- d. If applicable, provide a copy of the property’s appraisal. n/a

6. Construction

- a. Description of the construction requirements for the proposed project.

The first requirement of the proposed project will be to create an illustrative plan of what Habitat will build on this property. Since we began looking at these parcels, Habitat has been aware of the Mapping Our Communities work that was done in 2016. Building upon that work, Habitat will continue to work with the neighborhood to create a community that meets the needs of the Rogers Road Neighborhood. This may include adding Senior Housing, or 2-bedroom units for smaller families. This work would be the highest priority as it will affect the plan and zoning request Habitat will bring to the Town.

Once the illustrative plan is completed, Habitat will need to develop the land to provide Water and Sewer, Stormwater Management and Roads. Work completed by OWASA in the past five years allows for us to connect this neighborhood to Public Water and Sewer. Once the infrastructure is completed, Habitat will function as the general contractor and bring in their mix of Volunteers from the community as well as local subcontractors to build the homes as well as amenities for the neighborhood.

- b. Proposed construction schedules for the project.

- June 2023 – Habitat Closed on 6 Lots on Rogers Road
- May 2024 – Submit Concept Plan to the Town of Carrboro
- June 2025 - Approval of SUP
- December 2025 – Approval of ZCP and Award
- December 2026 – Completion of Infrastructure
- December 2029 – Vertical Construction Completed

- c. Description of how the proposed use relates to the existing community/neighborhood features, including onsite amenities and distance to public transit, high quality schools, grocery stores, parks, and services. The proposed West Rogers Road Project would be within the nationally recognized Chapel Hill/Carrboro school district. The site is within walking distance to the fare-free bus stop on Rogers Road, as well as the RENA Community Center. Two grocery stores, Food Lion and Harris Teeter, are within 2.5 miles. The Homestead Road Park is within 2.2. miles of the site.

- d. Describe the use of energy efficient principles, universal design, and/or materials with extended life span. Green building simultaneously addresses climate change and preserves affordability for buyers by reducing monthly energy costs. With these goals in mind, for decades Orange Habitat has built houses that exceed the environmental standards of the typical new house built today. As a result, homeowners pay on average less than \$30 per month for heating and cooling. The Habitat houses in Rogers Road will continue to meet the following certifications, which exceed industry standards for new residential construction:

- Advanced Energy Corp’s SystemVision Certification
- National Association of Home Builders (NAHB) Research Center: Bronze Level
- National Green Building Standards (NGBS) Certification: Silver Level

In addition to our usual green-building practices, Habitat plans to install solar panels on all houses with sufficient sun exposure. This will be the first large-scale affordable homeownership community incorporating residential solar in Carrboro. Participating homebuyers will gain approximately \$65 in solar-generated free electricity per month, for an estimated annual savings of \$780. This is a savings of \$23,400 over the anticipated 30-year life span of the solar panels.

Habitat homes will feature extensive universal design and accessibility features, including:

- 3-foot exterior and interior doors, including closets where possible, for improved wheelchair access
- Loop-handle drawer pulls and lever-handle doorknobs for ease of opening
- Offset tub/shower controls to allow easy access for caretakers from outside the tub
- 3-foot-4-inch-wide hallways for wheelchair mobility
- Height-adjustable access to breaker panel and whole house water shut off
- HOA maintenance of house exterior and yards, allowing ease of maintenance and less need for ladder use

Additional Universal Design and accessibility features are tailored to meet the needs of individual homebuyers, including roll-in low-threshold shower, grab bars in the shower and toilet area, oversize tubs, and other customized modifications. Habitat's award-winning Crescent Magnolia community in Hillsborough features 24 fully ADA-compliant units, demonstrating our commitment and expertise in integrating these design features.

7. Community Partnerships

- a. Description of all proposed community partnerships, including time frames and/or schedules for the partners to begin working with one another.

Orange Habitat is excited to continue its ongoing partnership with the Rogers Road Eubanks Neighborhood Association (RENA) to collaboratively address community needs and foster equitable housing development. Having successfully worked together on previous projects, including the "Rogers Road: Mapping Our Community's Future" research, we aim to build upon this foundation to create a more inclusive and responsive housing development project. In the next phase of our partnership, we will initiate meetings with RENA's resident leadership to revisit the findings and insights from the "Rogers Road: Mapping Our Community's Future" research. This step will allow us to gain a deeper understanding of the community's evolving priorities and needs, considering any changes or new challenges that have arisen since the initial research was conducted. By engaging with community leaders during these meetings, we will solicit their feedback and valuable input to collaboratively define the design and scope of our housing development project. This participatory approach will ensure that the project aligns with the genuine aspirations of the residents and reflects the collective vision for the neighborhood's future. As we move forward, regular communication and engagement with RENA's resident leaders will remain a key aspect of our partnership. We will maintain an open dialogue throughout the project's development and implementation phases, seeking feedback and insights at critical junctures to ensure that the project continues to meet the community's needs and expectations. The timeline for the housing development project will be flexible and responsive to the iterative nature of community-led initiatives. We recognize that establishing trust and building consensus takes time, and we are committed to dedicating the necessary resources and effort to develop a project that stands as a true reflection of the community's desires and aspirations. Overall, the continued partnership between Orange Habitat and RENA represents our shared commitment to community-led development and equitable housing solutions. By working together, we aim to create a lasting positive impact on the Rogers Road Eubanks neighborhood, fostering inclusivity, empowerment, and sustainable progress.

- b. Description of any proposed community/neighborhood engagement to facilitate support for and/or to determine opposition to the project.

1. Description of how intended beneficiaries of the proposed project will be involved in the planning and design process (in 100 words or less).

While specific homebuyers have not yet been identified, we will hold a series of focus groups during the design phase with current Habitat homeowners to receive feedback and ideas representative of future residents. This includes more than 75 current Habitat homeowners who live in the Rogers/Eubanks community (Phoenix Place, Rusch Hollow, New Homestead Place). Habitat homebuyers also serve on various Habitat committees and the Board of Directors, providing input and guiding organizational decisions.

8. Social Equity

- a. Describe whether your project subject to any policies that restrict any external funding sources for rent, security deposits, and/or other tenant costs (e.g., Emergency Housing Assistance, Housing Choice Vouchers, Rapid Re-Housing, family contributions, etc.). If yes, please explain what will not be accepted and why.

- a. Identify whether or not the project will accept all types of housing vouchers (i.e., HCV, EHV, RRH, PSH, etc.)? YES

If not, explain which type(s) of housing voucher will be accepted and why? do you not accept and why? NA

Habitat does not discriminate against any source of income and will accept housing choice vouchers for homeownership.

Increasing the supply of affordable homeownership units can help to ease the burden on local rental subsidy programs. Skyrocketing rental rates in Carrboro make it extremely challenging for renters to save money to purchase a home, especially in the current for-sale housing market. By building 75 new houses that are priced affordably, Habitat provides a path for working class renters to purchase a home centrally located to community amenities, schools and employment hubs. In a recent pool of Habitat homebuyers, nearly 1 out of 4 of approved applicants were current Department of Housing and Urban Development (HUD) Section 8 Housing Choice Voucher recipients. Once approved for Habitat, these applicants create a vacancy in the affordable rental market or the voucher wait list, freeing space for another household to secure housing through these high-demand programs.

- b. Describe how the project will address health and education disparities, increase access to opportunity, and build a stronger community through an investment in the neighborhood, especially to Town of Carrboro residents that have been negatively impacted in the past, due to inequity.

Habitat recently finalized a 5-year strategic plan to guide our work. These organizational goals include plans to conduct a review of Habitat's applicant demographics as compared to County, state and national data and to create a local strategy to address systemic barriers to Black Homeownership. We have taken inspiration from models throughout the Habitat network and hope to collaborate with the North Carolina Housing Coalition for maximum impact. Also included in the strategic plan is a goal to create a formalized scoring system by which to prioritize Habitat's advocacy and policy priorities, with racial equity impacts included as a priority consideration for how to focus our efforts.

Orange Habitat is also part of a nation-wide collaborative of Habitat affiliates sharing resources and best practices with the goal to promote Black homeownership. Homeownership is a critical tool for building intergenerational wealth and stability. Black Americans continue to face significant barriers to homeownership due to the ongoing impact of racist policies such as redlining, compounded by entrenched discriminatory practices in housing and finance systems. The resulting gap in homeownership rates can be seen in our own community: in Orange County 67% of white households own their home compared to 44% of Black households. This racial gap in homeownership rates is a primary driver of the wealth gap in America, with white households holding a median net wealth 10 times greater than that of Black families (\$171,000 vs. \$17,600). As a result, Black parents have dramatically less wealth, assets, and economic security to pass on to their children, driving economic, educational, and housing disparities for the next generation. In Orange County, more than 150 Black-led households have partnered with Habitat to purchase their first home. Habitat homeowners in Orange County who identify as Black own a combined \$14 million in equity, or an average of \$116,000 per homeowner.

- c. Complete the below questions and provide any additional context on the racial composition of the organization and board leadership:
- i. % of staff that are people of color: 23%
 - ii. % of board that are people of color: 31%
 - iii. % of staff that have attended racial equity training: 81%

Note: Habitat staff are required to participate in the Racial Equity Institute's "Phase 1" training within 90 days of hire (if it is offered in that timeframe). The few staff people who have not participated are newer employees.

- d. Describe your organization's racial, equity and inclusion goals and any recent training activities.

As a housing non-profit, Habitat recognizes our responsibility to actively center racial equity in organizational strategy and goals. To help lay this groundwork, funding and paid time off is provided for all staff to participate in racial equity training through the Racial Equity Institute (REI). In 2021, Habitat implemented a new onboarding policy which requires racial equity training for all new hires with a 100% staff participation standard. We have partnered with the racial equity consultant group BIWA | Emergent Equity to guide staff and board members in an intentional, multi-year process of understanding and identifying characteristics of white supremacy that may persist within our organizational culture and perpetuate harm.

- e. Please describe any additional activities your organization is doing to address racial equity.

In 2021, Habitat amended organizational policy to better serve the Latinx population by expanding the definition of qualifying households to include those with TPS or DACA status, in addition to U.S. citizens and legal permanent residents. Habitat can now offer the stability of homeownership to a vulnerable and marginalized segment of the Orange County population. In recent application periods, Habitat intentionally focused outreach efforts on the Latinx community and families at risk of displacement from local manufactured home parks. We will continue to seek ways to meet our responsibility of service to historically marginalized populations and to identify and address barriers to homeownership for Orange County residents. We have also embarked on a thorough analysis of our applicant pool to identify any disparities or barriers that certain populations might face during our application process. The findings of this analysis have brought to light challenges experienced by Black applicants, particularly in meeting credit requirements and navigating the application process. To address these disparities and to actively support Black residents interested in applying for our homeownership program, we have initiated the following targeted interventions.

- Free Credit Counseling: We connect interested applicants with free credit counseling services to help improve their credit and financial stability.
- Application Support Materials: We provide tailored educational materials to guide and support Black applicants throughout the application process.
- Community Partnerships: We collaborate with local churches and community groups to increase awareness and support for Black residents interested in our program.

These interventions aim to break down barriers and empower Black individuals seeking homeownership opportunities with Orange Habitat.

9. Risk Assessment

- a. Identify any and all anticipated obstacles to successful completion of the project and describe your plan to overcome those obstacles.

Orange Habitat prioritizes the needs and goals of the surrounding neighborhoods in the design of this project. We will need to spend the necessary time to design a neighborhood that matches the requirements of the community. Once we have a Concept Plan that incorporates that input, we will need to work with the Town to rezone the parcels to meet that plan. Getting timely approvals for a rezoning, as well as a SUP and ZCP's, from the Town will be requirement. In addition, funding for an Affordable Housing Project of this size is always an obstacle. We plan to overcome the funding issue by seeking a diverse array of funding sources, including County and Federal Funding as well as Private Fundraising from the surrounding Community.

- b. Provide description of any and all municipal requests or requirements (including permitting and inspections) that might be needed in order to overcome any and all such obstacles and/or facilitate the timely completion of the project on or before the project expenditure deadline stated in the RFP Timeline.

The area will need to be rezoned to meet the desired density of this project. In conversations with the Town Staff, the Town's intention is to rezone the areas to HR-RC as a result of the Mapping Our Communities Future Project. This change will meet the density need of the plan proposed now, but Habitat has not handled a project with a commercial component. If our conversation with the neighbors also leads us to a project with a Neighborhood Commercial component, we will work with the Town to make the requisite change in the zoning designation. Beyond that, we will need to get permits for the site work of the project as well as building permits for all houses and Amenity Buildings.

10. Proposed Measurement Tracking: As there are no prescribed methods of reaching the goals outlined in this RFP, the proposal should include the proposer's suggested performance measures in line with the proposed project that achieve compliance with CSLFRF guidelines.

Performance measures will include tracking progress against the proposed timeline. Habitat will complete eligible expenditures for reimbursement by the project deadline. Habitat will work with the Town of Carrboro to ensure that any other requirements are met.

C. REQUIRED ATTACHMENTS

File names should be in the following form: YYYYMMDD_ARPA_Affordable Housing_Development Name_Description (e.g, 230325_ARPA_Housing_HarvardCourt_Site_Plan).

1. Financial Audit

Please include your organization's most recent financial audit.

2. Completed W-9 Form

3. Organization Budget

Please submit an organizational budget. Among other relevant revenue and expenditure information, please include line items on any government grants or loans by jurisdiction. If your organization has run a deficit, please include that information here.

4. Project Financials

Please submit the following information about the project in a Microsoft Excel document, as relevant:

- a. Project Budget/Development Costs
- b. Sources and Uses
- c. Operating pro forma (rental projects):
 - i. must show 20+ year cash flow projections that includes documentation of key operating assumptions, estimated rental income, operating expenses, net operating income, and any anticipated debt service, including a separate line item for any debt service (principal and/or interest) associated with Town loans requested as part of this application. Pro forma should project expenses far enough out to show when debt service ends (i.e., more than 20 years if necessary). Applicants may use the attached template or a similar version of their own.
 - ii. Rental Income Breakdown: must show rent and utilities by bedroom size and AMI level, using the attached template or something similar.
- d. Housing Affordability and Sale Proceeds (homeownership projects): must show sales price by bedroom size and AMI level and mortgage sources and amounts, using the attached template or something similar. If the applicant is the lender, also include the mortgage amortization schedule.

5. Articles of Incorporation

6. List of Board of Directors

Provide the following information about each board of director's member: name, occupation or affiliation of each member, officer positions, gender, race/ethnicity.

7. Market Analysis

Proposals should provide a market analysis specific to the property.

8. Project Information

- a. For all projects, please submit a detailed timeline showing when each work task will be completed over the duration of the project. Please include when you plan to expend the Town's funding for the project. For ARPA funding applications, project funding must be obligated by December 31, 2024 and expended by 12/31/26.
- b. Submit the rental income policy that will be used for the project
- c. Submit the background check policy that will be used to screen potential tenants
- d. For development and renovation projects, please submit the following:
 - i. Site map showing lot boundaries, locations of structure(s), and other site features
 - ii. General location map (at least ½ mile radius)
 - iii. Floor plan(s)
 - iv. Elevation(s)
 - v. Property Appraisal
 - vi. Evidence of zoning compliance

- vii. Map showing proximity to bus stops, grocery store, schools and other amenities (including distance in miles from project site and amenities)

9. IRS Federal Form 990

A copy of the organization's most recent Form 990 is required for nonprofit applicants. The specific form depends upon the organization's financial activity. Review the IRS' table guide, for more details. For Form 990-N (e-postcard) filers, include a copy of the postcard, with the organization's application materials. If Form 990 filings are not current, please explain.

10. NC Solicitation License

A copy of the organization's current solicitation license is required. Organizations that solicit contributions in North Carolina, directly or through a third party, must renew their licenses annually. For more details, refer to the NC Secretary of State's licensing website and its Frequently Asked Questions Guide (PDF), about exemptions. If exempt per N.C.G.S. § 131F-3, include a copy of the exemption letter with the organization's application materials.

11. IRS Federal Tax-Exemption Letter

A copy of the organization's current IRS tax-exempt letter that confirms its nonprofit status is required.

D. SUPPLEMENTAL ATTACHMENTS

Responders are encouraged to include additional information such as maps, site plans, elevations, photos, qualitative and quantitative data. File names should be in the following form: YYMMDD_ARPA_Affordable Housing_Development Name_Description (e.g, 230325_ARPA_Housing_HarvardCourt_Site_Plan). List the supplemental files that are being submitted with this proposal below.

1. Supplemental Attachment
2. Supplemental Attachment

Habitat for Humanity of Orange County
FY24 Budget

HOUSEHOLDS IMPACTED	
New Home Construction Starts	17
Home Preservation Repair Starts	32
International Houses through Tithe	17
<i>TOTAL HOUSEHOLDS IMPACTED</i>	
	<i>66</i>

OPERATING REVENUES	
Bank Mortgages	\$ 2,505,000
Donations	\$ 2,150,000
Homeowner Mortgage Payments	\$ 808,440
NC Housing Finance Agency	\$ 712,500
ReStore Proceeds	\$ 250,000
Other Restricted Grants, Government Funds	\$ 215,500
HOME & FHLB Funds	\$ 204,741
Other Miscellaneous Income	\$ 218,694
<i>TOTAL SOURCES OF FUNDS - OPERATING</i>	
	<i>\$ 7,064,875</i>

OPERATING EXPENSES	
New Home Construction Costs	\$ 2,428,500
Salaries	\$ 1,965,264
Benefits	\$ 529,731
Other Program	\$ 752,863
NCHFA Loan Repayments	\$ 186,435
Home Preservation	\$ 200,000
Other Administrative	\$ 183,010
Other Fundraising	\$ 160,500
Office Rent	\$ 93,497
Tithe to Habitat for Humanity International	\$ 76,500
<i>TOTAL USES OF FUNDS - OPERATING</i>	
	<i>\$ 6,576,300</i>

<i>NET SOURCES/(USES) OF FUNDS - OPERATING</i>	
	<i>\$ 488,575</i>

CAPITAL REVENUE	
Capital Projects Revenue	\$ 7,488,114
	\$ 7,488,114
CAPITAL EXPENSES	
Capital Projects Expenses	\$ 6,458,591
	\$ 6,458,591
<i>NET SOURCES/(USES) OF FUNDS - CAPITAL</i>	
	<i>\$ 1,029,523</i>

Rogers Road	Cost Estimate	
Purchasing Property		\$ 1,790,000
Land	\$ 1,750,000	
Repairs and Demolition of Existing Homes	\$ 40,000	
Workgroups with Neighbors and Creation of Site Plan		\$ 195,000
Land planning thru Site Plan	\$ 50,000	
Public Workgroups with Neighbors	\$ 20,000	
Initial Survey Work	\$ 50,000	
Environmental Review & Site Assessment	\$ 15,000	
Architect Through Site Plan	\$ 20,000	
Engineering Through Site Plan	\$ 40,000	
Site Plan to Concept Plan and Rezoning Submittal		\$ 215,000
Geotechnical Engineering/materials testing	\$ 30,000	
Land Planning Through Rezoning	\$ 25,000	
Engineering Through Rezoning	\$ 85,000	
Architecture Through Rezoning	\$ 40,000	
Traffic Impact Analysis	\$ 15,000	
Marketing / Communications	\$ 20,000	
Rezoning Application Submittal to Council Decision		\$ 180,000
Land Planner/ Engineer/Architect through responses, committees, and public hearings	\$ 150,000	
Legal	\$ 30,000	
ZCP Submittal and Approval		\$ 265,000
Land Planning Post-Entitlement	\$ 30,000	
Architectural for ZCP	\$ 60,000	
Civil Engineering to Create CD	\$ 175,000	
Bidding and Infrastructure		\$ 3,698,000
Infrastructure, Sitework & Amenities (Cardinal)	\$ 3,500,000	
Demolition	\$ 20,000	
Geotech	\$ 48,000	
Engineering oversight on Infrastructure	\$ 60,000	
Surveying	\$ 10,000	
Financing Costs	\$ -	
Architecture to create CD	\$ 60,000	
Vertical Construction		\$ 11,140,000
76 Habitat Units	\$ 10,640,000	
Amenities	\$ 500,000	
Subtotal		\$ 17,483,000

Contingency (10%)	\$ -	\$ 1,748,300.0
Total Capital Budget		\$ 19,231,300.0

Development Costs(Total minus Vertical)	\$ 6,977,300.0
Subsidy Requested	\$ 1,000,000.0
Subsidy per Unit	\$ 13,157.9
Development Costs Per Unit	\$ 91,806.6
Total per Unit	\$ 253,043.4

Timeline for Rogers Road Property

Time	Stage	Description
1/1/22-6/30/23	Purchasing Property	From Investigation to Due Diligence, to Purchase
5/1/24-3/1/25	Workgroups with Neighbors and creation of Site Plan	Work with the Neighbors to develop a plan for the site that fits with the Mapping Our Futures framework
3/1/25-9/30/25	Site Plan to Concept Plan and Rezoning Submittal	Take that plan and Submit a concept plan to the Town so that the site can be rezoned
10/1/25-4/1/26	Rezoning Application Submittal to Council Decision	See the rezoning through to Council Decision
4/1/26-8/1/26	ZCP Submittal and Approval	Create Construction Site Drawings and Submit for Town Approval
9/1/26-12/30/27	Bidding and Infrastructure	Select GC and Complete all Infrastructure Work. All ARPA funds expended by 12/31/26.
1/1/28-3/30/32	Vertical Construction	Build 76 Habitat units
	Contingency	10%
	Total	

Budget

\$ 1,790,000.00

\$ 195,000.00

\$ 215,000.00

\$ 180,000.00

\$ 265,000.00

\$ 3,698,000.00

\$ 11,140,000.00

\$ 1,748,300.00

\$ 19,231,300.00