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# ORANGE COUNTY HOME CONSORTIUM

*300 W. Tryon Street  
Hillsborough, North Carolina 27278*

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## FY 2015-2019 FIVE YEAR CONSOLIDATED PLAN AND FY 2015 ANNUAL ACTION PLAN

*Consortium Members: Orange County,  
the Town of Carrboro, the town of Chapel Hill,  
and the Town of Hillsborough*



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# Executive Summary

## ES-05 Executive Summary - 91.200(c), 91.220(b)

### 1. Introduction

The Orange County, North Carolina, HOME Consortium is an entitlement community under the U.S. Department of Housing & Urban Development's (HUD) HOME Investment Partnerships Program (HOME). This HOME Consortium is made up of four members: Orange County, the Town of Carrboro, the Town of Chapel Hill, and the Town of Hillsborough. The Town of Chapel Hill also receives federal Community Development Block Grant (CDBG) funding each year. Orange County is the Participating Jurisdiction (PJ) for the HOME Consortium, and the Towns of Carrboro, Chapel Hill and Hillsborough are members of the Consortium. Orange County is also the Lead Entity in the preparation and submission of the Five Year Consolidated Plan. Since the Town of Chapel Hill is a member of the Orange County HOME Consortium, HUD has determined that the County is permitted to submit one Consolidated Plan that details the needs of the entire County, including Chapel Hill. The Town of Chapel Hill will submit a separate Annual Action Plan for the town's Community Development Block Grant Funds. In compliance with the HUD regulations, the Orange County HOME Consortium has prepared this FY 2015-2019 Five Year Consolidated Plan for the period of July 1, 2015 through June 31, 2019. This consolidated plan is a strategic plan for the implementation of the Orange County HOME Consortium's Federal Program for housing within Orange County, the Town of Carrboro, the Town of Chapel Hill, and the Town of Hillsborough and for housing, community development, and economic development for the Town of Chapel Hill.

The Five Year Consolidated Plan establishes the Orange County HOME Consortium's goals for the next five (5) year period and outlines the specific initiatives the County and its member jurisdictions will undertake to address their needs and objectives by promoting the rehabilitation and construction of decent, safe, sanitary, and affordable housing, creating a suitable living environment, removing slums and blighting conditions, affirmatively furthering fair housing, improving public services, expanding economic opportunities, and other activities principally benefitting low- and moderate-income persons.

This Five Year Consolidated Plan is a collaborative effort of Orange County, the Town of Carrboro, the Town of Chapel Hill, the Town of Hillsborough, the community at large, social service agencies, County and Town officials, housing providers, community development agencies, and economic development groups. The planning process was accomplished through a series of public meetings, stakeholder interviews, resident surveys, statistical data, and review of previous community development plans.

## 2. Summary of the objectives and outcomes identified in the Plan

The following six (6) priorities and subsequent goals/strategies have been identified for the Orange County HOME Consortium for the period of FY 2015 through FY 2019 for the HOME Investment Partnerships (HOME) Program, and the Town of Chapel Hill's Community Development Block Grant (CDBG) Program.

### **HOUSING PRIORITY – (High Priority)**

There is a need to improve the quality of the housing stock in the Consortium area by increasing the amount of decent, safe, sound, and accessible housing for homeowners, renters, and homebuyers that is affordable to low- and moderate-income persons and families.

#### **Goals/Strategies:**

**HS-1 Housing Rehabilitation** - Continue to provide financial assistance to low- and moderate-income homeowners to rehabilitate their existing owner-occupied housing.

**HS-2 Housing Construction** - Increase the supply of decent, safe, sound, and accessible housing that is affordable to owners and renters in the Consortium area through rehabilitation of vacant buildings and new construction.

**HS-3 Fair Housing** - Promote fair housing choice through education and outreach in the community.

**HS-4 Home Ownership** - Assist low- and moderate-income households to become homeowners by providing down payment assistance, closing cost assistance, and housing counseling training.

**HS-5 Public Housing** – Support Town of Chapel Hill's improvements and maintenance of existing public housing units, and promote self-sufficiency through the use of Section 8 Vouchers for home purchase, transitional housing, and supportive services to residents to transition out of public housing to private rental and homeownership opportunities.

### **HOMELESS PRIORITY – (High Priority)**

There is a need for housing and support services for homeless persons, and persons who are at-risk of becoming homeless.

#### **Goals/Strategies:**

**HO-1 Continuum of Care** - Support the local Continuum of Care's (CoC) efforts to provide emergency shelter, transitional housing, and permanent supportive housing to persons and families who are homeless or who are at risk of becoming homeless.

**HO-2 Operation/Support** - Assist providers in the operation of housing and support services for the homeless and persons at-risk of becoming homeless.

**HO-3 Prevention and Housing** – Continue to support the prevention of homelessness and programs for rapid rehousing.

**HO-4 Housing** – Support the rehabilitation of and making accessibility improvements to emergency shelters, transitional housing and permanent housing for the homeless.

**HO-5 Permanent Housing** – Support the development of permanent supportive housing for homeless individuals and families.

**OTHER SPECIAL NEEDS PRIORITY – (Low Priority)**

There is a continuing need for affordable housing, services, and facilities for persons with special needs and the disabled.

**Goals/Strategies:**

**SN-1 Housing** - Increase the supply of affordable, decent, safe, sound, and accessible housing for the elderly, persons with disabilities, and persons with other special needs through rehabilitation of existing buildings and new construction.

**SN-2 Social Services** - Support social service programs and facilities for the elderly, persons with disabilities, and persons with other special needs.

**SN-3 Accessibility** – Improve the accessibility of owner occupied housing through rehabilitation and improve renter occupied housing by making reasonable accommodations for the physically disabled.

**COMMUNITY DEVELOPMENT PRIORITY**

There is a need to improve the public and community facilities, infrastructure, public services, and the quality of life for all residents in the Consortium area.

**Goals/Strategies:**

**CD-1 Community Facilities** - Improve the parks, recreational centers, trails, libraries, and all public and community facilities in the Consortium area.

**CD-2 Infrastructure** - Improve the public infrastructure through rehabilitation, reconstruction, and new construction.

**CD-3 Public Services** - Improve and increase public safety, community policing, municipal services, and public service programs throughout the Consortium area.

**CD-4 Code Enforcement** - Enforce the local codes and ordinances to bring buildings into compliance with the standards through systematic code enforcement.

**CD-5 Clearance** - Remove and eliminate slum and blighting conditions through demolition of vacant, abandoned and dilapidated structures.

**CD-6 Revitalization** - Promote neighborhood revitalization in strategic areas through acquisition, demolition, rehabilitation, code enforcement, infrastructure, infrastructure improvements, housing construction, public and community facilities improvements, etc.

#### **ECONOMIC DEVELOPMENT PRIORITY**

There is a need to increase employment, self-sufficiency, education, job training, technical assistance, and economic empowerment of low and moderate income residents in the County.

##### **Goals and Strategies:**

**ED-1 Employment** - Support and encourage new job creation, job retention, employment, youth employment, and job training services.

**ED-2 Financial Assistance** - Support business and commercial growth through expansion and new development through technical assistance programs and low interest loans.

**ED-3 Redevelopment Program** - Plan and promote the development and redevelopment of distressed areas throughout the County.

#### **ADMINISTRATION, PLANNING, AND MANAGEMENT PRIORITY**

There is a continuing need for planning, administration, management, and oversight of Federal, state, and local funded programs.

##### **Goal/Strategy:**

**AM-1 Overall Coordination** - Provide program management and oversight for the successful administration of Federal, state, and local funded programs, including planning services for special studies, environmental clearance, fair housing, and compliance with all Federal, state, and local laws and regulations.

### **3. Evaluation of past performance**

Orange County has a good performance record with HUD. The County regularly meets the performance standards established by HUD. Each year the County prepares its Consolidated Annual Performance Evaluation Report (CAPER). This report is submitted within ninety (90) days after the start of the new program year. Copies of the CAPER are available for review at the offices of the Orange County Housing, Human Rights, and Community Development Department, 300 W. Tryon Street, Hillsborough, NC. Orange County includes the Town of Chapel Hill's performance under its CDBG Program in the County's CAPER.

The FY 2013 CAPER, which was the fourth CAPER for the FY 2010-2014 Five Year Consolidated Plan, was approved by HUD. The HOME program is being administered in a timely manner and in accordance with applicable activity limitations and match requirements. The Orange County HOME Consortium has also met the 15% Community Housing Development Organization (CHDO) requirement.

In the FY 2013 CAPER, the Town of Chapel Hill expended 100% of its CDBG funds to benefit low- and moderate-income persons. The Town expended 14.35% of its funds during the FY 2013 CAPER period on public service, which is below the statutory maximum of 15%. The Town expended 18.89% of its funds during this CAPER period on Planning and Administration, which is below the statutory maximum of 20%. The Town is in compliance with the required 1.5 maximum drawdown ratio.

#### **4. Summary of citizen participation process and consultation process**

Orange County, in compliance with its Citizen Participation Plan, advertised and held two (2) public hearings on the needs of Orange County that provided residents with the opportunity to discuss the County's HOME Program and to offer their suggestions on future CDBG and HOME program priorities. The Town of Chapel Hill held two (2) public hearings on the needs of the Town and the preliminary CDBG budget for FY 2015.

The County maintains a mailing list for the CDBG and HOME programs, and copies of all public hearing notices and a survey concerning the program were mailed to all the agencies and individuals on the list.

A "Draft Plan" was placed on display on the County's website at <http://www.co.orange.nc.us>, on the Town of Chapel Hill's website at <http://www.ci.chapel-hill.nc.us>, on the Town of Hillsborough's website at <http://www.ci.hillsborough.nc.us>, and on the Town of Carrboro's website at <http://www.ci.carrboro.nc.us>. Copies of the plan were available for review at the following locations:

- **Office of the Orange County Housing, Human Rights, and Community Development Department**  
300 W. Tryon Street



Hillsborough, NC 27278

- **Town of Carrboro's Town Hall**  
301 W. Main Street  
Carrboro, NC 27510
- **Town of Hillsborough's Town Hall**  
101 East Orange Street  
Hillsborough, NC 27278
- **Town of Chapel Hill's Town Hall**  
405 Martin Luther King Jr. Blvd  
Chapel Hill, NC 27514

Additionally, the County developed and disseminated an online resident survey that is located at <https://www.surveymonkey.com/s/orangecountync>. A Spanish language version of the survey is located at <https://www.surveymonkey.com/s/orangecountycarolinadelnorte>. The resident survey was also posted on the Town of Carrboro's website, the Town of Chapel Hill's website, and the Town of Hillsborough's website.

The County developed the Consolidated Plan based on the input received from the public and stakeholders through interviews, public hearings, draft plan review comments, and the resident's survey.

## **5. Summary of public comments**

Orange County held its First Public Hearing on March 3, 2015 at 7:00pm. Comments received at that public hearing are included in the attachments at the end of the Five Year Plan.

The County has scheduled an additional meeting for early April 2015 to solicit additional resident input into the draft plan.

The Five Year Consolidated Plan and FY 2015 Annual Action Plan were placed on public display and a Second Public Hearing was scheduled for Tuesday, May 5, 2015. Comments that were received at the Second Public Hearing are included in the attachments at the end of the Five Year Consolidated Plan.

## **6. Summary of comments or views not accepted and the reasons for not accepting them**

All comments and suggestions that were received to date, have been accepted and incorporated into the draft planning documents.

## **7. Summary**

The main goals of the Five Year Consolidated Plan are to improve the living conditions of all residents in Orange County, create a suitable and sustainable living environment, and to address the housing and community development needs of the residents.

The Five Year Consolidated Planning process requires the County to state in a single document its strategy to pursue goals for all housing, community development, and planning programs. The County and Town of Chapel Hill will use the Consolidated Plan's goals and objectives to allocate the next five (5) years of CDBG and HOME funds and to provide direction to other partners addressing the housing and community development needs of the low- and moderate-income population of Orange County and the Town of Chapel Hill. HUD will evaluate the County's and Town's performance under the Five Year Consolidated Plan against these goals.

HUD is permitting the County and Chapel Hill to submit one regional Consolidated Plan, however, each jurisdiction must submit a separate Annual Action Plan.

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## The Process

### PR-05 Lead & Responsible Agencies - 91.200(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
HOME Administrator	Orange County	Housing, Human Rights, and Community Development Department
CDBG Administrator	Town of Chapel Hill	Housing and Community Development Department

Table 1 – Responsible Agencies

#### Narrative

Orange County is serving as the Lead Entity for the HOME Consortium and the member jurisdictions of the Town of Carrboro, Chapel Hill, and Hillsborough.

Orange County's Housing, Human Rights, and Community Development Department, is the administrating agency for the HOME program. The Housing, Human Rights, and Community Development Department prepares the Five Year Consolidated Plan, Annual Action Plans, Environmental Review Records (ERR's), Consolidated Annual Performance Evaluation Reports (CAPER), as well as handles the monitoring, processing of pay requisitions, contracting, and oversight of the programs on a day to day basis. In addition, Orange County has a private planning consulting firm available to assist the County on an as needed basis.

The Town of Chapel Hill's Office of Housing and Community Department is the administrating agency for the Town's CDBG program. The Housing and Community Office prepares the Annual Action Plans, Environmental Review Records (ERR's), and coordinates the Consolidated Annual Performance Evaluation Reports (CAPER) with the County, as well as handles the monitoring, processing of pay requisitions, contracting, and oversight of the CDBG program on a day to day basis.

## **Consolidated Plan Public Contact Information**

### **Orange County**

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Director

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Hillsborough, NC 27278

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Fax: (919) 644-3056

Website: [aspencerhorsley@orangecountync.gov](mailto:aspencerhorsley@orangecountync.gov)

### **Town of Chapel Hill**

Ms. Loryn Clark, Office of Housing & Community, Executive Director

Town Hall, 3rd Floor

405 Martin Luther King Jr. Blvd.

Chapel Hill, NC 27514

Phone: 919-968-2728

Fax: 919-969-2014

Website: <http://www.townofchapelhill.org>

## **PR-10 Consultation - 91.100, 91.200(b), 91.215(l)**

### **1. Introduction**

While preparing the FY 2015-2019 Consolidated Plan and FY 2015 Annual Action Plan, Orange County Department of Housing, Human Rights, and Community Development consulted with the Town of Chapel Hill, the Town of Carrboro, the Town of Hillsborough, social services agencies, housing providers, and members of the Orange County Partnership to End Homelessness (the Continuum of Care). An online survey was created for stakeholders and residents to complete which identified needs, gaps in the system, and programmatic goals for the next five years. Input from the meetings and surveys were used in the development of specific strategies and priorities for the Five Year Plan.

**Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).**

Orange County works with the following agencies to enhance coordination:

- **Orange County Housing Authority** – The County provides funds for the operation of the Section 8 Housing Choice Voucher Program.
- **Chapel Hill Office of Housing Community Development** – The Town of Chapel Hill provides funds for improvements to public housing communities.
- **Social Services Agencies** – The County provides funds to improve services to low and moderate income persons.
- **Housing Providers** – The County provides funds to rehabilitate and develop affordable housing and provide housing options for low and moderate income households.

Each year, as part of the CDBG and HOME application planning process, local agencies, and organization are invited to submit proposals for CDBG and HOME funds for eligible activities. These groups participate in the planning process by attending the public hearings, informational meetings, and completing survey forms.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	<b>Agency/Group/Organization</b>	COMMUNITY HOME TRUST
	<b>Agency/Group/Organization Type</b>	Housing Services - Housing Service-Fair Housing
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Market Analysis
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Community Home Trust was consulted to ascertain the housing needs of the County.
2	<b>Agency/Group/Organization</b>	WEAVER COMMUNITY HOUSING ASSOCIATION
	<b>Agency/Group/Organization Type</b>	Housing Services - Housing Service-Fair Housing
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Weaver Community Housing Association was consulted to ascertain the housing needs of the County.
3	<b>Agency/Group/Organization</b>	HABITAT FOR HUMANITY
	<b>Agency/Group/Organization Type</b>	Housing Services - Housing Service-Fair Housing
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Habitat for Humanity was consulted to ascertain the housing needs of the County.
4	<b>Agency/Group/Organization</b>	CHAPEL HILL POLICE DEPARTMENT
	<b>Agency/Group/Organization Type</b>	Other government - Local Civic Leaders

	<b>What section of the Plan was addressed by Consultation?</b>	Anti-poverty Strategy Public Safety
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Chapel Hill Police Department was consulted to ascertain the public safety needs of the County.
5	<b>Agency/Group/Organization</b>	GREATER CHAPEL HILL ASSOCIATION OF REALTORS
	<b>Agency/Group/Organization Type</b>	Housing Business Leaders
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Economic Development Market Analysis
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Greater Chapel Hill Association of Realtors was consulted to ascertain the housing needs of the County.
6	<b>Agency/Group/Organization</b>	ORANGE COUNTY PARTNERSHIP TO END HOMELESSNESS
	<b>Agency/Group/Organization Type</b>	Services - Housing Services-homeless Service-Fair Housing
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Public Housing Needs Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Market Analysis Anti-poverty Strategy
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Orange County Partnership to End Homelessness was consulted to ascertain the homeless needs of the County.

7	<b>Agency/Group/Organization</b>	INTER-FAITH COUNCIL FOR SOCIAL SERVICES
	<b>Agency/Group/Organization Type</b>	Services - Housing Services-homeless
	<b>What section of the Plan was addressed by Consultation?</b>	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Anti-poverty Strategy
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Inter-Faith Council for Social Service was consulted to ascertain the homeless needs of the County.
8	<b>Agency/Group/Organization</b>	ORANGE CONGREGATIONS IN MISSION
	<b>Agency/Group/Organization Type</b>	Services-Elderly Persons Services-homeless Services-Health
	<b>What section of the Plan was addressed by Consultation?</b>	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Anti-poverty Strategy
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Orange County Congregations in Mission was consulted to ascertain the homeless needs of the County.
9	<b>Agency/Group/Organization</b>	JOINT ORANGE CHATHAM COMMUNITY ACTION
	<b>Agency/Group/Organization Type</b>	Other government - County
	<b>What section of the Plan was addressed by Consultation?</b>	Market Analysis Anti-poverty Strategy



	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Joint Orange-Chatham Community Action Agency was consulted to ascertain the economic development needs of the County.
10	<b>Agency/Group/Organization</b>	EMPOWERMENT, INC
	<b>Agency/Group/Organization Type</b>	Housing PHA Services - Housing Service-Fair Housing Business and Civic Leaders
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Public Housing Needs Economic Development Market Analysis Anti-poverty Strategy
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	EmPOWERment, Inc. was consulted to ascertain the housing needs of the County.
11	<b>Agency/Group/Organization</b>	THE ARC OF NORTH CAROLINA
	<b>Agency/Group/Organization Type</b>	Services-Persons with Disabilities Service-Fair Housing
	<b>What section of the Plan was addressed by Consultation?</b>	Non-Homeless Special Needs
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Arc of North Carolina was consulted to ascertain the social service needs of the County.
12	<b>Agency/Group/Organization</b>	CENTRE FOR HOMEOWNERSHIP AND ECONOMIC DEVELOPMENT
	<b>Agency/Group/Organization Type</b>	Housing Services-Education Service-Fair Housing
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Economic Development Market Analysis Anti-poverty Strategy

	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Centre for Homeownership was consulted to ascertain the housing and economic development needs of the County.
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**Identify any Agency Types not consulted and provide rationale for not consulting**

All known agencies were consulted during the planning process.

**Other local/regional/state/federal planning efforts considered when preparing the Plan**

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Orange County Partnership to End Homelessness	They are compatible.
Orange County Ten Year Plan to End Chronic Homeles	Orange County	They are compatible.
Orange County 2030 Comprehensive Plan	Orange County	They are compatible.
5-Year Plan	Orange County Housing Authority	They are compatible.
5-Year Plan	Chapel Hill Housing Authority	They are compatible.
Carrboro 2030 Comprehensive Plan	Town of Carrboro	They are compatible.
Town of Chapel Hill Vision 2020 Comprehensive Plan	Town of Chapel Hill	They are compatible.
Town of Hillsborough 2013 Comprehensive Plan	Town of Hillsborough	They are compatible.

**Table 3 – Other local / regional / federal planning efforts**

**Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(I))**

Orange County's Housing, Human Rights and Community Development Department is the administrating agency for the HOME program. Close coordination is maintained with the other County departments, the Town of Chapel Hill, the Town of Carrboro, and the Town of Hillsborough. The Town of Chapel Hill's Office of Housing and Community is the administrating agency for the Town's CDBG program. Close coordination is maintained with other Town departments including the Economic Development Department, the Public Works Department, the Parks and Recreation Department, the Planning and Sustainability Department, the Police Department and the Fire Department.

## **Narrative**

The Orange County HOME Consortium is a cooperative ventures of Orange County and the three (3) towns of Carrboro, Chapel Hill, and Hillsborough. There is a good working relationship between the four (4) jurisdictions. In addition, there is an excellent raport with the Continuum of Care and the member organizations that comprise the CoC.

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## **PR-15 Citizen Participation - 91.401, 91.105, 91.200(c)**

### **1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting**

The Orange County HOME Consortium has followed its approved Citizens Participation Plan to develop its Five Year Consolidated Plan.

The FY 2015-2019 Consolidated Plan and FY 2015 Annual Action Plan have many components that require and encourage citizen participation. These components are the following: requests for proposals (RFP's) for funding from agencies/organizations; meetings with agencies/organizations on how to complete the RFP; interviews and roundtable discussions with various stakeholders; a public needs hearing; and a public hearing to gather comments on the draft plan on public display. The County also developed a survey to obtain resident input. The Survey was made available in an online version on the County's website, on the town's websites, and in a hard copy version available in the Orange County Office of Housing, Human Rights, and Community Development Department, the Hillsborough Town Hall, the Carrboro Town Hall, and the Chapel Hill Town Hall. Spanish language versions of both the online and hard copy surveys were made available in accordance with Orange County's Citizen Participation Plan. The County received 84 completed surveys. All of these comments are included in the consolidated and annual action plan in the Exhibit Section. Through the citizen participation process, the County uses citizen input to develop how the plan will serve the low- and moderate-income population to reach the goals set forth in the Five Year Consolidated Plan.

## Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of Comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Hearing	<p>Minorities</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	<p>Orange County held its first Public Hearing on March 3, 2015 at 7:00PM. There were a total of 20 attendees. See public hearing comments and sign in sheets in the appendix section.</p>	<p>See public hearing comments in the Exhibits section of the Consolidated Plan.</p>	<p>All comments were accepted and incorporated into the Consolidated Plan.</p>	<p>Not Applicable.</p>

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of Comments received	Summary of comments not accepted and reasons	URL (If applicable)
2	Public Hearing	<p>Minorities</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	<p>The Town of Chapel Hill held its first Public Hearing on _____. There were a total of ____ attendees. See public hearing comments and sign in sheets in the appendix section.</p>	<p>See public hearing comments in the Exhibits section of the Consolidated Plan.</p>	<p>All comments were accepted and incorporated into the Consolidated Plan.</p>	<p>Not Applicable.</p>

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of Comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Newspaper Ad	<p>Minorities</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	None.	None.	None.	Not Applicable.

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of Comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Internet Outreach	<p>Minorities</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	Orange County received 84 responses through and online survey.	See comments in the Exhibits section of the Consolidated Plan.	All comments were accepted and incorporated into the Consolidated Plan.	<a href="https://www.surveymonkey.com/s/orangecountync">https://www.surveymonkey.com/s/orangecountync</a>



Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of Comments received	Summary of comments not accepted and reasons	URL (If applicable)
5	Internet Outreach	<p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	Orange County did not receive any completed Spanish Language surveys.	See comments in Exhibits Section of the Consolidated Plan.	All comments were accepted and incorporated into the Consolidated Plan.	<a href="https://www.surveymonkey.com/s/orangecountycarolinadelnorte">https://www.surveymonkey.com/s/orangecountycarolinadelnorte</a>

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of Comments received	Summary of comments not accepted and reasons	URL (If applicable)
6	Agencies	Non-targeted/broad community Agencies	Orange County received agency needs surveys from social service organizations, Public Housing Authorities, the Continuum of Care, homeless services organizations, and a variety of public and private entities.	See comments in Exhibits Section of the Consolidated Plan.	All comments were accepted and incorporated into the Consolidated Plan.	Not Applicable.

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of Comments received	Summary of comments not accepted and reasons	URL (If applicable)
7	Public Hearing	<p>Minorities</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	<p>Orange County held its second Public Hearing on May 5, 2015. There were _____ attendees. See Public Hearing comments and sign-in sheets in the Exhibits Section.</p>	<p>See public hearing comments in the Exhibits Section of the Consolidated Plan.</p>	<p>All comments were accepted and incorporated into the Consolidated Plan.</p>	<p>Not Applicable.</p>

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of Comments received	Summary of comments not accepted and reasons	URL (If applicable)
8	Public Hearing	<p>Minorities</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	The Town of Chapel Hill held its second Public Hearing on April 28, 2015. There were _____ attendees. See Public Hearing comments and sign-in sheets in the Exhibits Section.	See public hearing comments in the Exhibits Section of the Consolidated Plan.	All comments were accepted and incorporated into the Consolidated Plan.	Not Applicable.

**Table 4 – Citizen Participation Outreach**

## **Needs Assessment**

### **NA-05 Overview**

#### **Needs Assessment Overview**

Orange County used the HUD Comprehensive Housing Affordability Strategy (CHAS) data, which provides statistical data on housing needs, to prepare its estimates and projections. The tables in this section have been pre-populated with HUD data sets based on the American Community Survey (ACS) five year estimates, and the 2010 U.S. Census. This data is the most current information available to assess housing needs, homeless needs, special needs, social service needs, economic development needs, etc.

Orange County is part of Orange County Partnership to End Homelessness Continuum of Care. Data for the development for the homeless needs section was obtained from the Orange County Partnership to End Homelessness Director.

Additional needs for Orange County were obtained from input and interviews with various social service agencies, housing providers, County staff, and survey responses from residents.

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## NA-10 Housing Needs Assessment - 24 CFR 91.405, 24 CFR 91.205 (a,b,c)

### Summary of Housing Needs

Based on a comparison between the 2000 and 2011 population, Orange County had an 11% increase in its population. The total population increase was 13,354 persons living in 5,052 new households. Furthermore, the median income of the area increased by 32%. This increase in median income represents a change in nominal dollars and not a change in real dollars. In order to calculate the change in real dollars, the Consumer Price Index is used to calculate the inflation rate for a given period. Between 2000 and 2011, the cumulative inflation rate was 30.6%, meaning that the \$42,372.00 median income in 2000 would be \$55,337.83 if it were expressed in 2011 dollars. By taking into consideration the rate of inflation, median income growth in Orange County has exceeded the rate of inflation.

Demographics	Base Year: 2000	Most Recent Year: 2011	% Change
Population	119,430	132,784	11%
Households	46,586	51,638	11%
Median Income	\$0.00	\$0.00	

**Table 5 - Housing Needs Assessment Demographics**

**Data Source:** 2000 Census (Base Year), 2007-2011 ACS (Most Recent Year)

### Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households *	7,585	5,030	7,315	3,920	27,790
Small Family Households *	1,665	1,630	2,465	1,540	15,760
Large Family Households *	460	250	345	165	1,500
Household contains at least one person 62-74 years of age	469	900	1,009	529	4,525
Household contains at least one person age 75 or older	560	473	670	293	1,995
Households with one or more children 6 years old or younger *	1,064	815	1,052	387	3,308
* the highest income category for these family types is >80% HAMFI					

**Table 6 - Total Households Table**

**Data Source:** 2007-2011 CHAS

## Housing Needs Summary Tables

### 1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	130	25	30	0	185	14	0	54	0	68
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	110	90	10	10	220	0	0	29	0	29
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	200	150	115	35	500	80	39	74	0	193
Housing cost burden greater than 50% of income (and none of the above problems)	4,245	1,049	280	60	5,634	930	730	654	229	2,543

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Housing cost burden greater than 30% of income (and none of the above problems)	250	1,129	1,544	259	3,182	219	340	750	560	1,869
Zero/negative Income (and none of the above problems)	544	0	0	0	544	260	0	0	0	260

**Table 7 – Housing Problems Table**

Data 2007-2011 CHAS  
Source:

## 2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>										
Having 1 or more of four housing problems	4,695	1,319	440	105	6,559	1,015	775	818	229	2,837
Having none of four housing problems	695	1,654	3,860	1,809	8,018	389	1,300	2,185	1,770	5,644
Household has negative income, but none of the other housing problems	544	0	0	0	544	260	0	0	0	260

**Table 8 – Housing Problems 2**

Data 2007-2011 CHAS  
Source:



### 3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	1,084	787	369	2,240	283	349	669	1,301
Large Related	325	19	55	399	120	38	34	192
Elderly	330	160	155	645	308	379	413	1,100
Other	3,115	1,270	1,245	5,630	514	294	288	1,096
Total need by income	4,854	2,236	1,824	8,914	1,225	1,060	1,404	3,689

Table 9 – Cost Burden > 30%

Data 2007-2011 CHAS  
Source:

### 4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	870	238	20	1,128	238	260	314	812
Large Related	230	0	0	230	90	38	0	128
Elderly	275	80	0	355	213	154	179	546
Other	3,040	730	260	4,030	445	269	159	873
Total need by income	4,415	1,048	280	5,743	986	721	652	2,359

Table 10 – Cost Burden > 50%

Data 2007-2011 CHAS  
Source:

### 5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	294	150	125	45	614	80	39	93	0	212
Multiple, unrelated family households	0	35	0	0	35	0	0	10	0	10

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Other, non-family households	15	55	0	0	70	0	0	0	0	0
Total need by income	309	240	125	45	719	80	39	103	0	222

**Table 11 – Crowding Information - 1/2**

Data Source: 2007-2011 CHAS

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present	0	0	0	0	0	0	0	0

**Table 12 – Crowding Information – 2/2**

Data Source  
Comments:

### **Describe the number and type of single person households in need of housing assistance.**

According to the 2007-2011 American Community Survey (ACS), there were 50,837 households in 2011 in Orange County. Based on this number of households, 14,489 (28.5%) of all households were single person households living alone. Single person households aged 65 and over comprised 3,254 households or (6.4%) of all households. Based on the ACS estimates, 22.5% of all persons living alone are seniors, and it is presumed that as they age in place, additional accommodations and supportive services will be necessary for this portion of the County's population. The County will need to assist in obtaining funding and collaborating with housing service and elderly support agencies to provide programs, activities and accommodations for its elderly population.

### **Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.**

It is estimated that there are five (5) families who are victims of domestic violence, dating violence, sexual assault, and stalking and are in need of housing.

### **What are the most common housing problems?**

The largest housing problem in Orange County is affordability. According to the 2007-2011 ACS data, 44.1% of all renter households are cost overburdened by 30% or more, and 12.1% of all owner households are cost overburdened by 30% or more. Furthermore, 28.4% of renter households are cost overburdened

by 50% or more while only 7.7% of owner households are cost overburdened by 50% or more. This demonstrates a substantial difference between owner occupied households and renter occupied households. Not only is there a significant portion of renter occupied households that are cost overburdened, renter occupied households are three to four times as likely to be cost overburdened than their owner occupied counterparts.

In consultations, interviews and surveys, the lack of quality, affordable housing for rent is the largest unmet housing need in Orange County. A combination of insufficient code enforcement, strong homeownership market, and high market rents contribute to this problem.

**Are any populations/household types more affected than others by these problems?**

Yes, the elderly and disabled populations are the most affected by the high cost of housing in Orange County. The elderly and disabled are on fixed or limited incomes and are unable to keep up with the rising cost of housing in Orange County.

Another group affected by the lack of affordable housing is the homeless and persons at-risk of becoming homeless, including persons who are victims of domestic violence. These subgroups have limited or no income and therefore are unable to afford the increasing cost of housing in Orange County.

**Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance**

Orange County does not receive an ESG entitlement grant for the local shelter activities.

Specific needs of the extremely low-income who are housed, but are facing an imminent risk of becoming unsheltered, or are living in shelters consist of: food, clothing, transportation and job training. The local social service agencies provide food and clothing through food pantries, food kitchens and thrift stores. Transportation and job training are limited and funds are needed to address those needs.

The local organizations maintain records in the HMIS system and continue to monitor and tract assisted households. The HMIS reports indicate that only a small percentage of assisted clients return to homelessness after twelve (12) months of service.

**Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness**

The high cost of decent, safe, and sanitary housing in the area creates instability and an increased risk of homelessness for lower income families in the area. Many families are living from paycheck to paycheck and are paying over 30% of their income for housing.

The other housing characteristic that adds to the instability is the lack of housing counseling services. For example, residents need to be aware of predatory lending practices, the risk of purchasing a house through a “land contract,” the lack of knowledge on home maintenance, and financial planning and management of money for the operation of a home.

**Discussion**

Orange County’s population is growing. However, the population growth is mainly in the higher income household category. This raises the value of housing, both owner occupied and renter, and creates a shortage of decent, safe and sound housing that is affordable to very low-, low-, and moderate-income persons. Based on the HUD CHAS data, Orange County is facing a housing crisis for lower income persons who cannot afford to live in the southern and eastern parts of the County.

## NA-15 Disproportionately Greater Need: Housing Problems - 91.405, 91.205 (b)(2)

*Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.*

### Introduction

During the planning process for the preparation of Orange County's Five Year Consolidated Plan, an evaluation and comparison was made to determine if any racial or ethnic group is disproportionately affected by housing problems in the County. Disproportionately greater need is defined as a group having at least 10 percentage points higher than the percentage of persons as a whole. The total number of White Households in Orange County is 39,280 households (77.27%); the number of Black/African American Households is 6,738 households (13.25%); the number of Asian Households is 2,973 households (5.85%); and the number of Hispanic Households is 2,574 households (5.06%).

### 0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	6,170	614	805
White	3,455	370	550
Black / African American	1,455	234	115
Asian	500	0	100
American Indian, Alaska Native	4	0	30
Pacific Islander	0	0	0
Hispanic	619	0	4

**Table 13 - Disproportionally Greater Need 0 - 30% AMI**

Data 2007-2011 CHAS  
Source:

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

### 30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	3,560	1,465	0
White	2,175	905	0
Black / African American	555	473	0
Asian	260	15	0
American Indian, Alaska Native	10	10	0
Pacific Islander	0	0	0
Hispanic	444	55	0

**Table 14 - Disproportionally Greater Need 30 - 50% AMI**

Data 2007-2011 CHAS  
Source:

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

### 50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	3,555	3,760	0
White	2,550	2,505	0
Black / African American	439	845	0
Asian	150	60	0
American Indian, Alaska Native	15	15	0
Pacific Islander	0	0	0
Hispanic	340	279	0

**Table 15 - Disproportionally Greater Need 50 - 80% AMI**

Data 2007-2011 CHAS  
Source:

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

## 80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,175	2,754	0
White	890	1,914	0
Black / African American	179	365	0
Asian	45	235	0
American Indian, Alaska Native	0	45	0
Pacific Islander	0	0	0
Hispanic	45	150	0

**Table 16 - Disproportionally Greater Need 80 - 100% AMI**

Data 2007-2011 CHAS  
Source:

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

### Discussion

The racial composition of households in Orange County, according to the 2007-2011 American Community Survey, was 77.27% White; 13.25% African American/Black; and 5.85% Asian. The Hispanic/Latino population was 5.06%. The 0-30% AMI Black/African American group was disproportionately affected by housing problems. Black/African Americans make up 13.25% of total households, yet this group has 23.58% of all housing problems in the 0-30% AMI income category.

## NA-20 Disproportionately Greater Need: Severe Housing Problems - 91.405, 91.205 (b)(2)

*Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.*

### Introduction

During the planning process for the preparation of Orange County's Five Year Consolidated Plan, an evaluation and comparison was made to determine if any racial or ethnic group is disproportionately affected by severe housing problems in the County. Disproportionately greater need is defined as a group having at least 10 percentage points higher than the percentage of persons as a whole. Data detailing information by racial group and Hispanic origin has been compiled from the CHAS data and the 2007-2011 American Community Survey. Disproportionate need is defined as a group having at least 10 percentage points higher than the percentage of persons in that group as a whole. The following tables illustrate the disproportionate needs of Orange County.

### 0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	5,705	1,080	805
White	3,255	570	550
Black / African American	1,335	355	115
Asian	450	50	100
American Indian, Alaska Native	0	4	30
Pacific Islander	0	0	0
Hispanic	539	80	4

**Table 17 – Severe Housing Problems 0 - 30% AMI**

Data Source: 2007-2011 CHAS

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%



### 30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,090	2,935	0
White	1,330	1,740	0
Black / African American	353	678	0
Asian	155	120	0
American Indian, Alaska Native	0	20	0
Pacific Islander	0	0	0
Hispanic	139	364	0

**Table 18 – Severe Housing Problems 30 - 50% AMI**

Data 2007-2011 CHAS  
Source:

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

### 50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,258	6,040	0
White	838	4,200	0
Black / African American	148	1,135	0
Asian	35	175	0
American Indian, Alaska Native	0	30	0
Pacific Islander	0	0	0
Hispanic	245	369	0

**Table 19 – Severe Housing Problems 50 - 80% AMI**

Data 2007-2011 CHAS  
Source:

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

## 80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	334	3,585	0
White	239	2,565	0
Black / African American	50	500	0
Asian	10	270	0
American Indian, Alaska Native	0	45	0
Pacific Islander	0	0	0
Hispanic	35	160	0

**Table 20 – Severe Housing Problems 80 - 100% AMI**

Data 2007-2011 CHAS  
Source:

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

## Discussion

The racial composition of households in Orange County, according to the 2007-2011 American Community Survey, was 77.27% White; 13.25% African American/Black; and 5.85% Asian. The Hispanic/Latino population was 5.06%. There were two (2) disproportionately impacted group in terms of severe housing problems. Black/African American households represent 13.25% of the total households, yet comprise 23.4% of the severe housing problems in the 0-30% AMI category. Hispanic/Latino households represent 5.06% of the total households, yet comprise 19.48% of the severe housing problems in the 50-80% AMI category.

## NA-25 Disproportionately Greater Need: Housing Cost Burdens - 91.405, 91.205 (b)(2)

*Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.*

### Introduction

During the planning process for the preparation of Orange County's Five Year Consolidated Plan, an evaluation and comparison was made to determine if any racial or ethnic group is disproportionately affected by housing problems in the County. Disproportionately greater need is defined as a group having at least 10 percentage points higher than the percentage of persons as a whole.

The greatest housing problem facing Orange County, NC is the lack of affordable housing and the fact that many of the County's lower income households are paying more than 30% of their total household income on housing related costs. The following information was noted: 5,425 White households were cost overburdened by 30% to 50%, and 966 White households were cost overburdened by greater than 50%; 966 Black/African American households were cost overburdened by 30% to 50%, and 1,734 Black/African American households were cost overburdened by greater than 50%; and lastly, 644 Hispanic households were cost overburdened by 30% to 50%, and 573 Hispanic households were cost overburdened by greater than 50%.

### Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	9,259	5,330	8,418	830
White	26,705	5,425	5,864	570
Black / African American	3,835	966	1,734	115
Asian	1,845	545	580	100
American Indian, Alaska Native	84	29	0	30
Pacific Islander	0	0	0	0
Hispanic	1,289	664	573	4

**Table 21 – Greater Need: Housing Cost Burdens AMI**

Data Source: 2007-2011 CHAS

### Discussion

The racial composition of households in Orange County, according to the 2007-2011 American Community Survey, was 77.27% White; 13.25% African American/Black; and 5.85% Asian. The Hispanic/Latino population was 5.06%.

According to the data provided, there were no disproportionately impacted groups in terms of cost overburdened. However there are some statistical inconsistencies with the data provided by HUD. In the "Less than 30%" category, 26,705 White households are cost overburdened out of a total of 9,259 households. This is not possible, since it is not possible to have more of one racial/ethnic group than the total households. In the "30-50%" category, 5,425 White households are cost overburdened out of a total of 5,330 households. This is also not possible, since it is not possible to have more of one racial/ethnic group than the total households.

DRAFT

## **NA-30 Disproportionately Greater Need: Discussion - 91.205 (b)(2)**

**Are there any income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?**

The racial composition of households in Orange County, according to the 2007-2011 American Community Survey, was 77.27% White; 13.25% African American/Black; and 5.85% Asian. The Hispanic/Latino population was 5.06%.

There is one (1) disproportionately impacted group in terms of having a housing problem: the 0-20% AMI Black/African American group.

There are two (2) disproportionately impacted group in terms of having a severe housing problem: the 0-30% AMI Black/African American group and the 50-80% AMI Hispanic/Latino group.

When examining the percentage of each race or ethnic group with a housing problem, a severe housing problem, and a housing cost overburdened, a different picture presents itself. 54.51% of all Hispanic households experienced a housing problem, while 39.00% of Black/African American households, and 23.9% of White households experienced one. These numbers follow a similar pattern with severe housing problems, with 35.86% of Hispanic households, 27.99% of Black/African American households, and 14.41% of White households experiencing severe housing problems. These numbers show that if you are Black/African American or Hispanic, you are more likely to experience a housing problem or a severe housing problem than you are if you are any other racial or ethnic group.

**If they have needs not identified above, what are those needs?**

There are no additional needs that have not been previously identified.

**Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?**

The most recent data available on the concentration of racial or ethnic groups is the 2010 U.S. Census data. According to this data, Orange County has a minority population of 25.64% of its total population. HUD defines a Minority Neighborhood as, "A neighborhood in which the percentage of persons of a particular racial or ethnic minority is at least 20 points higher than that minority's percentage in the housing market as a whole; the neighborhood's total percentage of minority persons is at least 20 points higher than the total percentage of minorities for the housing market area as a whole; or in the case of a metropolitan area, the neighborhood's total percentage of minority persons exceeds 50 percent of its population." According to this definition, there are no Census Tracts in Orange County that are considered a "Minority Neighborhood."

Attached to this Plan are maps which illustrate Orange County's demographics and racial concentrations.

## NA-35 Public Housing - 91.405, 91.205 (b)

### Introduction

The Orange County Housing Authority Board operates the Section 8 Housing Voucher Program. The program provides approximately 623 vouchers to low income families. The Orange County Board of Commissioners appoints a seven member Housing Authority Board who serves as the governing board and the managerial affairs of the County conform to applicable County ordinances and policies. A resident advisory board has been established to include Section 8 residents in the decision-making process. The Orange County Housing Authority Board of Commissioners sets policy for the public housing functions and approves the Annual Public Housing Agency Plan.

### Totals in Use

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	0	324	613	6	607	0	0	0

**Table 22 - Public Housing by Program Type**

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

## Characteristics of Residents

	Program Type							
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher	
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program
# Homeless at admission	0	0	1	12	0	12	0	0
# of Elderly Program Participants (>62)	0	0	52	154	1	153	0	0
# of Disabled Families	0	0	36	273	5	268	0	0
# of Families requesting accessibility features	0	0	324	613	6	607	0	0
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

Table 23 – Characteristics of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

## Race of Residents

Program Type									
Race	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	0	34	257	4	253	0	0	0
Black/African American	0	0	260	349	2	347	0	0	0

Program Type									
Race	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project -based	Tenant -based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Asian	0	0	29	3	0	3	0	0	0
American Indian/Alaska Native	0	0	1	4	0	4	0	0	0
Pacific Islander	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 24 – Race of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

## Ethnicity of Residents

Program Type									
Ethnicity	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project -based	Tenant -based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	0	11	17	0	17	0	0	0
Not Hispanic	0	0	313	596	6	590	0	0	0
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 25 – Ethnicity of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)



**What are the number and type of families on the waiting lists for public housing and section 8 tenant-based rental assistance? Based on the information above, and any other information available to the jurisdiction, what are the most immediate needs of residents of public housing and Housing Choice voucher holders?**

Information on the number and type of families on the waiting list for Section 8 assistance is not available. There is a need for an increase in the Fair Market Rents in Chapel Hill and Carrboro. The HUD established Fair Market Rents in these areas are lower than the actual market rent, disincentivising landlords from renting to Section 8 Housing Choice Voucher holders. In the northern and western areas of the County, the opposite is true. Landlords can oftentimes charge more money for Section 8 Housing Choice Voucher holders than they would get from a regular market rate rental unit.

**How do these needs compare to the housing needs of the population at large**

There is a lack of affordable housing units in the County which is similar to the housing needs of the population at large.

### **Discussion**

The Orange County Housing Authority is administered by the Orange County Human Rights, Housing, and Community Development Department. There are no existing public housing units, only Section 8 Housing Choice Vouchers. There are public housing units in the Town of Chapel Hill. These public housing units are managed and administered by the Chapel Hill Office of Housing and Community Development.

## NA-40 Homeless Needs Assessment - 91.405, 91.205 (c)

### Introduction:

The Orange County Partnership to End Homelessness acts as the Orange County Continuum of Care. It coordinates the efforts of homeless service providers and social service agencies throughout the County. The CoC is structured into five (5) main components: the Leadership Team; the 100,000 Homes Taskforce; the Housing Workgroup; the Job Partners Workgroup; and the Outreach Court.

- **The Leadership Team:** The Leadership Team of the Orange County Partnership to End Homelessness serves as its board of directors and is responsible for broad policies, initiatives and decisions for Orange County's CoC. Recently this has included updating our Plan to End Homelessness and developing strategies for communicating about the work of the Partnership, a communitywide approach for addressing panhandling and street homelessness and a Homeless Housing Needs Assessment requesting additional local government funding for RRH and PSH. It also oversees each of the 6 subcommittees of the Partnership that work to increase access to housing, employment, benefits and services and to educate the public about the issues of homelessness.
- **The 100,000 Homes Taskforce:** is responsible for achieving most of the services-related goals and strategies of the Partnership's Plan to End Homelessness and comprises representatives from health, behavioral health, substance abuse treatment, veterans, social services, street outreach, housing, and shelter providers, law enforcement and the UNC School of Social Work. The committee maintains a list of the most vulnerable and chronically homeless people in our community, assesses their needs through its vulnerability assessment tool and actively collaborates to connect them with housing and services. The Taskforce also oversees the annual PIT Count and works to increase services for the homeless including the number of SOAR workers.
- **The Housing Workgroup:** is responsible for achieving the housing-related goals and strategies of the Partnership's Plan to End Homelessness; the committee comprises representatives from homeless housing nonprofit and government agency providers (ES, TH, PSH and RRH). Its top priorities currently include: expanding RRH capacity; developing a coordinated assessment system; developing more PSH and affordable rental units; increasing targeted exits from PSH to permanent housing and creating/strengthening local discharge agreements. The committee is also responsible for CoC and ESG grant applications, overseeing and measuring the performance of HUD-funded projects, HMIS participation and data collection and analysis.
- **The Job Partners Workgroup:** is responsible for helping to develop and for achieving the employment-related goals and strategies of the Partnership's Plan to End Homelessness. The committee comprises representatives from employment, job training and education providers, foster care system, business community, chamber of commerce and local government. In 2012 it began implementing the Job Partners Program which helps people experiencing or at risk of homelessness – with an emphasis on youth

aging out of the foster care system and people with criminal histories - become job-ready and find employment. The committee is also developing a proposal for a transitional employment program, possibly in the food production and/or food service sector.

- **Outreach** Court launched in 2012 becoming the first court in NC to offer people experiencing homelessness who have committed misdemeanor crimes the opportunity to follow individual treatment plans and have charges dropped instead of going to jail. It was developed by the Partnership to End Homelessness based on similar courts throughout the country as well as Drug Court and Community Resource Court models. Outreach Court Committee members include court system representatives, UNC School of Law students, police officers and mental healthcare and substance abuse treatment providers. The committee meets before the monthly Outreach Court to review the docket, discuss participants' progress and strategize about helping them to succeed.

DRAFT

## NA-45 Non-Homeless Special Needs Assessment - 91.405, 91.205 (b,d)

### Introduction

The assessment of non-homeless special needs includes the following:

- Elderly persons (age 65 years and older)
- Frail elderly
- Persons with mental, physical and/or developmental disabilities
- Persons with alcohol or other drug additions
- Persons with HIV/AIDS and their families
- Victims of domestic violence, dating violence, sexual assault, and stalking

The housing need of each of these groups was determined by consultation with social service providers and statistical information provided by social services providers.

### Describe the characteristics of special needs populations in your community:

- **Elderly Persons** are defined as persons who are age 62 years and older. According to the 2007-2011 American Community Survey Data, elderly persons represent 12.1% of the County's total population. Approximately 20.66% of the elderly population are age 80 years and older. In addition, roughly 20.2% of the total elderly population lives alone as a single person household.
- **Frail Elderly** are those persons who are elderly and have a form of disability, ranging from a hearing loss, vision difficulty, cognitive difficulty, ambulatory problems, and lack of self-help skills. It is estimated that approximately 16% of the total elderly population are frail elderly.
- **Persons with mental, physical and developmental disabilities**, according to the ACS data for 2007-2011, comprise 8.4% (11,180 persons) of Orange County's total population and are classified as "disabled."
- **Persons with HIV/AIDS and their families** comprise a small percentage of the County's overall population. According to the North Carolina Department of Health and Human Service, HIV/AIDS Surveillance Report, as of December 31, 2014, there were 16 Living HIV/AIDS cases in the County. As of the same time period, there were 12 cases of people living with Stage 3 HIV/AIDS. Males are disproportionately affected and the HIV/AIDS population is still growing in numbers.
- **Victims of Domestic Violence, dating violence, sexual assault and stalking** is rapidly increasing both locally and nationally. Based on crime statistics and social service agency response, it can be estimated that approximately 13 single person households and family households are victims of domestic violence, dating violence, sexual assault and stalking.

### What are the housing and supportive service needs of these populations and how are these needs determined?

The following needs were estimated for the non-homeless special needs population:

- **Elderly Persons** - 450 housing units
- **Frail Persons** - 200 housing units
- **Persons with Mental, Physical and Developmental Disabilities** - 150 housing units
- **Persons with HIV/AIDS and their families** - 5 housing units
- **Victims of Domestic Violence, Dating Violence, Sexual Assault, and Stalking** - 5 housing units

**Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:**

As of December 2014 it is estimated that there are a total of 16 individuals diagnosed with HIV/AIDS in Orange County. There are no statistics available for the Metropolitan Statistical Area.

**Discussion:**

The needs for these various groups of the Special Needs Population are only estimates, based on HUD data, U.S. Census Data, ACS data and interviews with housing providers and social service agencies. Accurate statistics are not available for all of these groups, so therefore “best estimates” are presented.

While many supportive service providers for the special needs population are located in Orange County, their service area and clients are in the whole region.

## **NA-50 Non-Housing Community Development Needs - 91.415, 91.215 (f)**

### **Describe the jurisdiction's need for Public Facilities:**

The following are the needs for improvement to the County's public facilities:

- Public facilities need to be ADA compliant in accordance with County Ordinances.
- Public facilities need to be in compliance with the County Ordinances.
- Public facilities must be open and available to all residents of the County on a fair and impartial basis.
- Public facilities need to be provided by the County to maintain a quality of life for its residents.
- Public facilities must be improved and expanded to meet the increase in the growing population of the County.
- Public facilities such as parks, recreation, and trails need to be improved and upgraded.

### **How were these needs determined?**

These needs for public facilities were determined through the resident survey, interviews with County and Town staff, public hearing comments on needs, and Comprehensive Plans from all jurisdictions involved.

### **Describe the jurisdiction's need for Public Improvements:**

The following are the County's need for public improvements:

- The County needs to improve and upgrade its storm water management and separation of storm and sanitary sewers.
- The County needs to reconstruct and improve its roads, curbs, and walks.
- The County needs to provide for additional handicap accessibility at intersections, public buildings and facilities.
- The County needs to improve and upgrade its sanitary sewer system.
- The County needs to improve and upgrade its water lines and distribution system.
- The County needs to improve its parks and playground equipment.

### **How were these needs determined?**

These needs for public facilities were determined through the resident survey, interviews with County and Town staff, public hearing comments on needs, and Comprehensive Plans from all jurisdictions involved.

### **Describe the jurisdiction's need for Public Services:**

Orange County provides for public safety and other public services to its residents. The following are the County's need for public services:

- The County needs to continue to provide fire protection to its residents at the same high level of service.
- The County needs to upgrade its fire stations and fire safety equipment and vehicles.
- The County needs to continue to provide its high level of public safety to its residents.
- The County needs to provide neighborhood policing in areas with high levels of crime.
- The County needs to continue its code enforcement efforts to ensure the health and safety of its residents.
- The County needs to continue to provide garbage, trash pickup, and neighborhood clean-up programs to its residents.
- The County needs to continue to support its recycling program.
- The County needs to support, encourage, and affirmatively further fair housing throughout its neighborhoods.

#### **How were these needs determined?**

These needs for public facilities were determined through the resident survey, interviews with County and Town staff, public hearing comments on needs, and Comprehensive Plans from all jurisdictions involved.

# Housing Market Analysis

## MA-05 Overview

### Housing Market Analysis Overview:

Orange County is located in the Piedmont Area of North Carolina. The County is predominately rural with an agricultural economy. However, there are several small urban centers located in the South-Eastern portion of the County, including: Chapel Hill, Carrboro, and Hillsborough. These urban centers have a large concentration of homeownership and wealth. In these areas, the disparity in income between the low-income and high-income households is great. Outside these areas the difference is even greater as many of the County's poorest households reside in the rural areas in the northern part of Orange County. Most of the services, including public transportation, schools, and social services, are also concentrated in the urban areas.

Only 7.6% of all housing units were built before 1950, which is over 60 years ago. Between 1980 and 2000 there was a housing "boom" in the County with 21,797 units built, which is 39.4% of all the housing in the County.

According to 2007-2011 American Community Survey Data, the County now has 30,603 owner-occupied housing units (60.2% of all occupied housing units) and 20,234 renter-occupied housing units (39.8% of all occupied housing units).

The condition of the owner occupied housing stock is fairly sound. However, rental housing units range from fair to poor. Many of the higher quality rental housing units are located in the urban centers and close to the universities. The lower quality rental housing units are located in the rural areas. Improved code enforcement is needed to address these housing deficiencies. According to the ACS data for 2007-2011, there are 4,478 vacant housing units in the County, which is approximately 8.1% of all the housing units. This is much less than the housing vacancy rate of North Carolina, which is 14.5%. The median home value as of 2011 was \$270,300 and the median contract rent was \$840/month for the same time period.



## MA-10 Housing Market Analysis: Number of Housing Units - 91.410, 91.210(a)&(b)(2)

### Introduction

According to the 2007-2011 ACS data, there are 55,315 total housing units. There are 50,837 occupied housing units (30,603 owner-occupied and 20,234 renter-occupied), which leaves 8.1% vacant housing units. The majority of the owner-occupied housing are 3 or more bedrooms (83% of all owner-occupied houses). The majority (74%) of all renter-occupied housing units are 1 to 2 bedrooms.

### All residential properties by number of units

Property Type	Number	%
1-unit detached structure	31,677	56%
1-unit, attached structure	2,701	5%
2-4 units	4,276	8%
5-19 units	8,838	16%
20 or more units	4,224	8%
Mobile Home, boat, RV, van, etc	4,372	8%
<b>Total</b>	<b>56,088</b>	<b>100%</b>

Table 26 – Residential Properties by Unit Number

Data Source: 2007-2011 ACS

### Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	0	0%	337	2%
1 bedroom	521	2%	5,233	26%
2 bedrooms	4,705	15%	9,798	48%
3 or more bedrooms	25,941	83%	5,103	25%
<b>Total</b>	<b>31,167</b>	<b>100%</b>	<b>20,471</b>	<b>101%</b>

Table 27 – Unit Size by Tenure

Data Source: 2007-2011 ACS

**Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.**

There are no affordable housing units that are anticipated that will be lost and there are no Section 8 Contracts that are anticipated to expire.

## **Does the availability of housing units meet the needs of the population?**

There is a sufficient supply of housing units by various types within Orange County. There are 30,603 owner-occupied housing units, 20,234 renter-occupied housing units, and approximately 4,478 vacant units. Of the vacant units, approximately 1,785 (39.9%) are for rent and 712 (15.9%) are for sale. The problem is not the “availability” of units in Orange County, it is the “affordability” and “quality” of units in the County.

## **Describe the need for specific types of housing:**

The elderly population of Orange County (age 62 and above) is 15,979 persons which represents 12.1% of the total County’s population. As the County’s population ages in place, there will be less available elderly units and a higher demand for those units. There is also a lack of “accessible” housing units in the County to address the needs of the physically disabled.

## **Discussion**

There is a continuing need for “affordable” and “accessible” housing in Orange County. The existing housing is sound and there appears to be an adequate supply of market-rate housing. The County has a growing population, and new construction and rehabilitation work is increasing again as evidenced by the number of building and renovation permits issued throughout the County. Real estate values continue rise which benefits property owners and most homeowners. However, these rising real estate values negatively impact very low-, low-, and moderate-income households who are increasingly cost-overburdened in their homes.

## MA-15 Housing Market Analysis: Cost of Housing - 91.410, 91.210(a)

### Introduction

The value of housing value has fluctuated throughout the last 10 years; increasing to a median sales price of \$250,000 in 2007, plateauing until 2011, declining to \$230,000 in 2012, and then increasing to over \$260,000 in 2015. According to Zillow's website on the housing market in Orange County, the median sales price in recent months is just over \$263,000. In 2000, based on the 2000 U.S. Census, the median home value was \$179,000 which has increased to \$270,300 according to the 2007-2011 ACS data. An increase in the median contract rent (from the same sources) also occurred. Median rent rose from \$684/month to \$840/month. Over half (64%) of all rental housing units were in the \$500 to \$999 category per month.

According to Zillow.com there were roughly 1,126 housing units listed for sale as of March and the median sales price is reported at \$254,900. The website also reported that, "The median home value in Orange County is \$254,900. Orange County home values have gone up 2.7% over the past year and Zillow predicts they will rise 3.5% within the next year. The median list price per square foot in Orange County is \$155, which is higher than the Durham Metro average of \$125. The median price of homes currently listed in Orange County is \$350,000 while the median price of homes that sold is \$251,600. The median rent price in Orange County is \$1,295, which is higher than the Durham Metro median of \$1,171."

Mortgage delinquency is the first step in the foreclosure process. This is when a homeowner fails to make a mortgage payment. The percent of delinquent mortgages in Orange County is 2.6%, which is lower than the national value of 6.4%. With U.S. home values having fallen by more than 20% nationally from their peak in 2007 until their trough in late 2011, many homeowners are now underwater on their mortgages, meaning they owe more than their home is worth. The percent of Orange County homeowners underwater on their mortgage is 8.5%, which is lower than Durham Metro at 12.3%."

In regard to housing affordability, 3,862 renter housing units were affordable to persons with 50% or less of their Housing Affordability Median Family Income (HAMFI). For home owners, there were only 1,506 housing units that were affordable to households with 50% or less HAMFI.

The monthly FMR's for Orange County are within the HUD HOME Rents range (between High and Low HOME Rents) for one (1) bedroom apartments. The monthly FMR for Orange County was below the HUD HOME Rents range (below both High and Low HOME Rents) for efficiency apartments, two (2) bedroom apartments, three (3) bedroom apartments, and four (4) bedroom apartments.

### Cost of Housing

	Base Year: 2000	Most Recent Year: 2011	% Change
Median Home Value	0	0	0%
Median Contract Rent	0	0	0%

Table 28 – Cost of Housing

**Data Source:** 2000 Census (Base Year), 2007-2011 ACS (Most Recent Year)

<b>Rent Paid</b>	<b>Number</b>	<b>%</b>
Less than \$500	3,869	18.9%
\$500-999	13,127	64.1%
\$1,000-1,499	2,418	11.8%
\$1,500-1,999	671	3.3%
\$2,000 or more	386	1.9%
<b>Total</b>	<b>20,471</b>	<b>100.0%</b>

**Table 29 - Rent Paid**

**Data Source:** 2007-2011 ACS

## Housing Affordability

<b>% Units affordable to Households earning</b>	<b>Renter</b>	<b>Owner</b>
30% HAMFI	1,019	No Data
50% HAMFI	3,862	1,506
80% HAMFI	13,103	4,010
100% HAMFI	No Data	6,050
<b>Total</b>	<b>17,984</b>	<b>11,566</b>

**Table 30 – Housing Affordability**

**Data Source:** 2007-2011 CHAS

## Monthly Rent

<b>Monthly Rent (\$)</b>	<b>Efficiency (no bedroom)</b>	<b>1 Bedroom</b>	<b>2 Bedroom</b>	<b>3 Bedroom</b>	<b>4 Bedroom</b>
Fair Market Rent	573	708	839	1,082	1,267
High HOME Rent	575	721	843	1,087	1,238
Low HOME Rent	575	648	782	904	1,008

**Table 31 – Monthly Rent**

**Data Source:** HUD FMR and HOME Rents

## Is there sufficient housing for households at all income levels?

Based on the HUD - CHAS data there is not sufficient housing for all income levels. The very poor and the poor are cost overburdened. This is especially the case with those who are renter households.

### **How is affordability of housing likely to change considering changes to home values and/or rents?**

Due to the increase in property values, housing is likely to become even less affordable for lower income households. An increase in property values does not only affect those who own homes, it also adversely affects those who are renters. Landlords are likely to charge more money to cover an increase in property costs/taxes.

### **How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?**

According to “Rentometer,” it is estimated that the area’s median rent for a one-bedroom unit is \$700, and \$841 for a two-bedroom unit. The monthly FMR’s for Orange County are within the HUD HOME Rents range (between High and Low HOME Rents) for one (1) bedroom apartments. The monthly FMR for Orange County was below the HUD HOME Rents range (below both High and Low HOME Rents) for efficiency apartments, two (2) bedroom apartments, three (3) bedroom apartments, and four (4) bedroom apartments. The renter market is slightly lower than the FMR Rate for both one (1) and two (2) bedroom apartments.

This difference suggests that HUD FMR's are priced slightly above the market rental rate. This gives landlords an incentive to rent to Section 8 Housing Choice Voucher Holders as they can charge slightly above the market rental rate.

### **Discussion**

Housing values (both rental and real estate values) have increased with the increase of households to the area. This increase has been especially difficult on low- and moderate-income renter households. A decrease in the quality and the quantity of affordable rental housing has placed many of the very low-income households at imminent risk of becoming homeless.

## MA-20 Housing Market Analysis: Condition of Housing - 91.410, 91.210(a)

### Introduction

Orange County contains 3,471 housing units which were built prior to 1950. This represents only 6.7% of the total occupied housing units in the County. 19.1% of all occupied housing units were built within the last ten years. Of the 51,638 total housing units in the County, 17,610 (34.1%) housing units have at least one "selected condition." In addition, 20,899 housing units (40.5%) were built before 1980, and therefore have a potential lead-based paint hazard.

### Describe the jurisdiction's definition for "substandard condition" and "substandard condition but suitable for rehabilitation":

The following definitions are used in the table below:

"Selected Housing Condition" - Over-crowding (1.01 or more persons per room), lacking a complete kitchen, lack of plumbing facilities, and/or other utilities, and cost over-burden.

"Substandard condition" - Does not meet code standards, or contains one of the selected housing conditions.

"Suitable for Rehabilitation" - The amount of work required to bring the unit up to minimum code standard, and the existing debt on the property, together are less than the fair market value of the property.

"Not Suitable for Rehabilitation" - The amount of work required to bring the unit up to minimum code standard exceeds the fair market value of the property after rehabilitation work is complete.

### Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	7,225	23%	9,743	48%
With two selected Conditions	122	0%	519	3%
With three selected Conditions	1	0%	0	0%
With four selected Conditions	0	0%	0	0%
No selected Conditions	23,819	76%	10,209	50%
<b>Total</b>	<b>31,167</b>	<b>99%</b>	<b>20,471</b>	<b>101%</b>

Table 32 - Condition of Units

Data Source: 2007-2011 ACS

## Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	7,097	23%	2,766	14%
1980-1999	13,208	42%	7,668	37%
1950-1979	8,975	29%	8,453	41%
Before 1950	1,887	6%	1,584	8%
<b>Total</b>	<b>31,167</b>	<b>100%</b>	<b>20,471</b>	<b>100%</b>

**Table 33 – Year Unit Built**

Data Source: 2007-2011 CHAS

## Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	10,862	35%	10,037	49%
Housing Units build before 1980 with children present	3,567	11%	1,331	7%

**Table 34 – Risk of Lead-Based Paint**

Data Source: 2007-2011 ACS (Total Units) 2007-2011 CHAS (Units with Children present)

## Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units	0	0	0
Abandoned Vacant Units	0	0	0
REO Properties	0	0	0
Abandoned REO Properties	0	0	0

**Table 35 - Vacant Units**

Data Source: 2005-2009 CHAS

## Describe the need for owner and rental rehabilitation based on the condition of the jurisdiction's housing.

It is estimated that there are approximately 1,600 housing units that are suitable for rehabilitation work in Orange County. However, the cost of rehabilitation exceeds the income and assets of many low- and moderate-income persons. Therefore, many of these housing units will remain vacant since the financial resources are not available to rehabilitate the housing units. There is a need for increased Federal funds to provide financial assistance to lower income families to rehabilitate properties for more affordable housing.

There is also a significant need for the rehabilitation of renter occupied housing units. Many of these rental housing units are owned by an individual who lives outside of Orange County and is not responsive to tenant's needs. There is also need for increased code enforcement.

**Estimate the number of housing units within the jurisdiction that are occupied by low or moderate income families that contain lead-based paint hazards. 91.205(e), 91.405**

In determining decent, safe, and sound housing conditions, one needs to look at the environmental quality of these housing units. Lead based paint is one of the most significant environmental factors negatively affecting residential housing units. In 1978, lead was banned from residential paint; more than half of the total housing stock in the United States contains some lead based paint. It is estimated that 20 million housing units contain lead hazards, which include flaking or peeling lead based paint and excessive levels of tiny lead particles in household dust.

HUD estimates that 3.8 million homes containing such immediate lead hazards are occupied by families with young children who are at immediate risk of lead poisoning. Half of these families own their homes and of those, half have incomes above \$30,000 per year.

Lead-based paint in residential housing can cause severe health risks for children. HUD provides a general formula to estimate the potential presence of lead-based paint (LBP) in housing built prior to 1979, before lead based paint was banned in the United States.

## **Discussion**

The reported cases of childhood lead poisoning in Orange County are low. State Health Department estimates emphasize that the number of unreported/undetected cases of childhood lead poisoning is unknown, and the low number of reported cases should not be misconstrued as evidence that lead poisoning is not more widespread.

The revised Federal lead-based paint regulations published on September 15, 1999 (24 CFR Part 35) have had a significant impact on many activities – rehabilitation, tenant based rental assistance, and property acquisition – supported by the CDBG program. Orange County will comply with Title 24 Part 35: Lead-Based Paint Poisoning Prevention in Certain Residential Structures (Current Rule).



## MA-25 Public And Assisted Housing - 91.410, 91.210(b)

### Totals Number of Units

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project -based	Tenant -based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available	0	0	336	623	24	599	0	0	0
# of accessible units									
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 36 – Total Number of Units by Program Type

Data Source: PIC (PIH Information Center)

## MA-30 Homeless Facilities and Services - 91.410, 91.210(c)

### Introduction

The Orange County Partnership to End Homelessness acts as the Orange County Continuum of Care. It coordinates the efforts of homeless service providers and social service agencies throughout the County. The CoC is structured into five (5) main components: the Leadership Team; the 100,000 Homes Taskforce; the Housing Workgroup; the Job Partners Workgroup; and the Outreach Court.

- **The Leadership Team:** The Leadership Team of the Orange County Partnership to End Homelessness serves as its board of directors and is responsible for broad policies, initiatives and decisions for Orange County's CoC. Recently this has included updating our Plan to End Homelessness and developing strategies for communicating about the work of the Partnership, a communitywide approach for addressing panhandling and street homelessness and a Homeless Housing Needs Assessment requesting additional local government funding for RRH and PSH. It also oversees each of the 6 subcommittees of the Partnership that work to increase access to housing, employment, benefits and services and to educate the public about the issues of homelessness.
- **The 100,000 Homes Taskforce:** is responsible for achieving most of the services-related goals and strategies of the Partnership's Plan to End Homelessness and comprises representatives from health, behavioral health, substance abuse treatment, veterans, social services, street outreach, housing, and shelter providers, law enforcement and the UNC School of Social Work. The committee maintains a list of the most vulnerable and chronically homeless people in our community, assesses their needs through its vulnerability assessment tool and actively collaborates to connect them with housing and services. The Taskforce also oversees the annual PIT Count and works to increase services for the homeless including the number of SOAR workers.
- **The Housing Workgroup:** is responsible for achieving the housing-related goals and strategies of the Partnership's Plan to End Homelessness; the committee comprises representatives from homeless housing nonprofit and government agency providers (ES, TH, PSH and RRH). Its top priorities currently include: expanding RRH capacity; developing a coordinated assessment system; developing more PSH and affordable rental units; increasing targeted exits from PSH to permanent housing and creating/strengthening local discharge agreements. The committee is also responsible for CoC and ESG grant applications, overseeing and measuring the performance of HUD-funded projects, HMIS participation and data collection and analysis.
- **The Job Partners Workgroup:** is responsible for helping to develop and for achieving the employment-related goals and strategies of the Partnership's Plan to End Homelessness. The committee comprises representatives from employment, job training and education providers, foster care system, business community, chamber of commerce and local government. In 2012 it began implementing the Job Partners Program which helps people experiencing or at risk of homelessness – with an emphasis on youth

aging out of the foster care system and people with criminal histories - become job-ready and find employment. The committee is also developing a proposal for a transitional employment program, possibly in the food production and/or food service sector.

- **Outreach** Court launched in 2012 becoming the first court in NC to offer people experiencing homelessness who have committed misdemeanor crimes the opportunity to follow individual treatment plans and have charges dropped instead of going to jail. It was developed by the Partnership to End Homelessness based on similar courts throughout the country as well as Drug Court and Community Resource Court models. Outreach Court Committee members include court system representatives, UNC School of Law students, police officers and mental healthcare and substance abuse treatment providers. The committee meets before the monthly Outreach Court to review the docket, discuss participants' progress and strategize about helping them to succeed.

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## **MA-35 Special Needs Facilities and Services - 91.410, 91.210(d)**

### **Introduction**

Orange County has identified the priorities for services and facilities for its special needs population. This includes the elderly, frail elderly, persons with disabilities, persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, and public housing residents.

**Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs**

The following needs and objectives are established under this Five Year Consolidated Plan:

- **Elderly** - rehabilitation of existing owner-occupied housing units, and construction of new affordable and accessible apartments
- **Frail Elderly** - construction of new affordable and accessible apartments with supportive services
- **Persons with Disabilities** - rehabilitation of existing housing units for accessible improvements, reasonable accommodations to rental housing units, and supportive employment opportunities
- **Alcohol and Other Drug Addictions** - supportive services to end addictions, and training to re-enter the work force
- **Public Housing Residents** - housing downpayment assistance, job training and job opportunities, housing counseling for home ownership, and assistance in finding affordable housing
- **Victims of Domestic Violence** - additional temporary shelters, supportive services and training programs, and permanent supportive housing options

## **MA-40 Barriers to Affordable Housing - 91.410, 91.210(e)**

### **Describe any negative effects of public policies on affordable housing and residential investment**

The Orange County HOME Consortium is in the process of completing an Analysis of Impediments to Fair Housing Choice as required by HUD. This document will be released later this year. It will include an analysis of Orange County's laws, regulations, and administrative policies, procedures, and practices affecting the location, availability, and accessibility of housing, as well as an assessment of conditions, both public and private, affecting fair housing choice.

### **Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

To address the Impact Fee, the Orange County Board of Commissioners adopted an impact fee reimbursement policy, which provides funds to nonprofit housing developers constructing rental and owner-occupied housing. This enables non-profits to pay these fees without passing the costs on to the prospective renters or homebuyers. With this reimbursement, the Board works to alleviate barriers to affordable housing.

Strategies have been designed to help eliminate or reduce the impact of the identified barriers. The following recommendations included in the AI promote fair housing for the Orange County Consortium:

- Increase the educational opportunities and provide training relating to Fair Housing through workshops, forums and presentations
- Target specific protected groups for fair housing information
- Continue to consult with local lending institutions
- Provide training to housing providers and consumers about their obligations and rights.
- Continue to work with the County and Town governments to develop appropriate legislation and ordinances to assist with the development of affordable housing
- Monitor and track the Inclusionary Zoning Ordinance enacted by the Town of Chapel Hill for effectiveness in the development of affordable housing and utilize as a model ordinance for adoption by the Towns of Carrboro and Hillsborough and Orange County for implementation if positive results are determined.

The affordable housing provisions of the proposed Inclusionary Zoning Ordinance<sup>1</sup> drafted by the Town of Chapel Hill apply to homeownership developments in any of the following categories:

- Single-family or two family development, or subdivision of land to create residential lots that involve: at least 5 single-family dwelling units or 2-family dwelling units; or at least 5 single-family

lots; or two-family lots in which six (6) or more residential units are allowed by the Chapel Hill Land Use Management Ordinance, either individually or as part of the same subdivision.

- Multi-family unit developments that create at least 5 multi-family dwelling units; or
- Renovation or reconstruction of an existing building that contains multi-family dwelling units, and that increases the number of dwelling units from the number of dwelling units in the original structure by at least 5; or
- Any change in use of all or part of an existing building from a non-residential use to a residential use that has at least 5 dwelling units.

For development applications involving any of the above, provisions for affordable housing must be included as part of the development proposal.

As with other types of development, Orange County's supply of affordable housing is dictated by a variety of factors, the most significant being project affordability, availability of land and infra-structure, developer preference for building high-end housing, and government regulation. To address the Educational Impact Fee, the Orange County Board of Commissioners adopted an impact fee reimbursement policy, which provides funds to non-profit housing developers constructing rental and owner-occupied housing to enable them to pay the fee without passing the cost to the prospective renters or homebuyers. With this reimbursement, the Board works to alleviate barriers to affordable housing.

## **MA-45 Non-Housing Community Development Assets - 91.410, 91.210(f)**

### **Introduction**

The goal of Orange County's economic development policy is to foster economic growth in the community, improve the local economy, promote job opportunities, and increase the local tax base.

### **Describe the workforce and infrastructure needs of the business community:**

The County's Economic Development needs include:

- Support and encouragement for new job creation, job retention, and job training opportunities.
- Support for business and commercial growth through expansion and new development.
- Planning and promotion of the development and redevelopment of vacant commercial and industrial sites.

Orange County realizes that there is a need to increase employment, self-sufficiency, educational training, and empowerment of the residents of the County.

**Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.**

There are no major changes expected that will significantly alter the economy of Orange County.

### **Discussion**

Not Applicable.

## **MA-50 Needs and Market Analysis Discussion**

**Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")**

Households with multiple housing problems are located throughout Orange County. Cost burden in the CHAS data is only available for low and moderate income families. Using other data sources it is evident that cost burden is located everywhere in Orange County but specifically in the northern and western portions of the County. The CHAS data however does reveal information regarding housing problems for specific minority groups and areas of minority concentration are already defined and mapped in this report.

**Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")**

There are no racially impacted areas in Orange County.

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# Strategic Plan

## SP-05 Overview

### Strategic Plan Overview

The Five Year Consolidated Plan is a guide for Orange County and the Town of Chapel Hill to use for its housing, community development, and economic programs and initiatives. The Strategic Plan portion of the Five Year Consolidated Plan establishes the County's goals and objectives to address its needs in the following six (6) categories:

- Housing
- Homelessness
- Special needs
- Community development
- Economic development
- Anti-poverty

These strategies are the result of meetings, surveys, and consultation. It is based on the needs assessment and market analysis.

The over-riding objective and strategy for the County is to benefit low- and moderate-income residents (income of less than 80% of the area median income). These residents are referred to as the "target income" group. The County has an overall low- and moderate-income population of 38.42%. The Town of Chapel Hill is compliant with the Federal requirement that at least 70% of all its CDBG funds must principally benefit low- and moderate-income persons. The Town is committed to providing at least 70% of its CDBG budget for LMI persons and has designed its Strategic Plan to meet that requirement.

The principles of the FY 2015-2019 Consolidated Plan are as follows:

- **Assist** - by developing comprehensive strategies to support and assist those residents who are low and moderate income.
- **Involve** - the community and provide opportunities for citizen input in the planning process and preparation of the plan.
- **Collaborate** - between public, private, and non-profit agencies and organizations to ensure that activities and services will be efficient and effective.
- **Leverage** - CDBG funds and other local resources to maximize the effectiveness of programs and services.
- **Promote** – the involvement of agencies and organization to undertake specific projects and activities to assist low and moderate income persons.

The priority needs of the Five Year Consolidated Plan were determined based on the following:

- Research of existing data on needs of the County
- Thorough consultation with County and Town staff and officials
- Interviews and meetings with stakeholders
- Public hearings
- Resident surveys
- Surveys of social service providers, housing organizations, and community and economic development agencies

The key factors affecting the determination of the Five Year priorities for the Consolidated Plan include the following:

- The categories of target income households with the greatest needs
- The areas with the greatest concentration of low-income households
- Activities that will best address the needs of County residents
- The limited amount of funding available to meet the needs
- The ability to leverage additional financial resources

## SP-10 Geographic Priorities - 91.415, 91.215(a)(1)

### Geographic Area

Table 37 - Geographic Priority Areas

1	Area Name:	County-wide
	Area Type:	Local Target area
	Other Target Area Description:	
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	Comprehensive
	Other Revital Description:	
	Identify the neighborhood boundaries for this target area.	The target area is the entire County.
	Include specific housing and commercial characteristics of this target area.	
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	
	Identify the needs in this target area.	
	What are the opportunities for improvement in this target area?	
	Are there barriers to improvement in this target area?	

### General Allocation Priorities

Describe the basis for allocating investments geographically within the state

The Town of Chapel Hill will allocate its CDBG funds to those geographic areas whose population is over 51% low- and moderate-income. At least 70% of all the Town's CDBG funds that are budgeted for activities will principally benefit low- and moderate-income persons. The following guidelines for allocating CDBG and HOME funds will be used during the FY 2015-2019 Five Year Consolidated Plan:

- The public services activities are for social service organizations whose clientele have a low income or in certain cases, a limited type of clientele with a presumed low- and moderate-income status.
- The public facilities activities are either located in a low- and moderate-income census tract/block group or have a low- and moderate-income service area benefit or clientele over 51% low- and moderate-income.

- The acquisitions and demolition of structures are either located in a low- and moderate-income census area or these activities are eligible by preventing or eliminating slums and blight on a spot basis or area basis.
- The housing activities have income eligibility criteria, therefore the income requirement directs funds to low- and moderate-income households throughout the County.
- Economic development projects will either be located in a low- and moderate-income census tract/block group, or a poverty tract greater than 20%, or part of a redevelopment plan, or making 51% of the jobs available to low- and moderate-income population.

The HOME funds will be used for administration and for housing projects. These funds will be targeted to low-income persons and projects designed to provide affordable housing to low-income persons and are located in low- and moderate-income areas and non low- and moderate-income areas.

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## SP-25 Priority Needs - 91.415, 91.215(a)(2)

### Priority Needs

Table 38 – Priority Needs Summary

1	<b>Priority Need Name</b>	Housing Priority
	<b>Priority Level</b>	High
	<b>Population</b>	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents
	<b>Geographic Areas Affected</b>	County-wide
	<b>Associated Goals</b>	HS-1 Housing Rehabilitation HS-2 Housing Construction HS-3 Fair Housing HS-4 Home Ownership HS-5 Public Housing
	<b>Description</b>	There is a need to improve the quality of the housing stock in the County by increasing the amount of decent, safe, sound, and accessible housing for homeowners, renters, and homebuyers that is affordable to low- and moderate-income persons and families.
	<b>Basis for Relative Priority</b>	Over 44% of all renter occupied households are cost overburdened by greater than 30%.  Over 12% of all owner occupied households are cost overburdened by greater than 30%.  Over 40 percent of all housing units were built prior to 1980.
2	<b>Priority Need Name</b>	Homeless Priority
	<b>Priority Level</b>	High

	<b>Population</b>	Extremely Low Low Moderate Large Families Families with Children Elderly Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth
	<b>Geographic Areas Affected</b>	County-wide
	<b>Associated Goals</b>	HO-1 Continuum of Care HO-2 Operation/Support HO-3 Prevention and Housing HO-4 Housing HO-5 Permanent Housing
	<b>Description</b>	There is a need for housing and support services for homeless persons, and persons who are at-risk of becoming homeless.
	<b>Basis for Relative Priority</b>	This priority was established through consultations, interviews, and through a thorough analysis of American Community Survey and U.S. Census Data.
	<b>3 Priority Need Name</b>	Other Special Needs Priority
	<b>Priority Level</b>	Low

	<b>Population</b>	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence
	<b>Geographic Areas Affected</b>	County-wide
	<b>Associated Goals</b>	SN-1 Housing SN-2 Social Services SN-3 Accessibility
	<b>Description</b>	There is a continuing need for affordable housing, services, and facilities for persons with special needs and the disabled.
	<b>Basis for Relative Priority</b>	This priority was established through consultations, interviews, and through a thorough analysis of American Community Survey and U.S. Census Data.
4	<b>Priority Need Name</b>	Community Development Priority
	<b>Priority Level</b>	High
	<b>Population</b>	Extremely Low Low Moderate Middle Non-housing Community Development
	<b>Geographic Areas Affected</b>	County-wide

	<b>Associated Goals</b>	CD-1 Community Facilities CD-2 Infrastructure CD-3 Public Services CD-4 Code Enforcement CD-5 Clearance CD-6 Revitalization
	<b>Description</b>	There is a need to improve the public and community facilities, infrastructure, public services, and the quality of life for all residents in the County.
	<b>Basis for Relative Priority</b>	This priority was established through consultations, interviews, and through a thorough analysis of American Community Survey and U.S. Census Data.
5	<b>Priority Need Name</b>	Economic Development Priority
	<b>Priority Level</b>	Low
	<b>Population</b>	Extremely Low Low Moderate Middle Non-housing Community Development Other
	<b>Geographic Areas Affected</b>	County-wide
	<b>Associated Goals</b>	ED-1 Employment ED-2 Financial Assistance ED-3 Redevelopment Program
	<b>Description</b>	There is a need to increase employment, self-sufficiency, education, job training, technical assistance, and economic empowerment of low and moderate income residents in the County.
	<b>Basis for Relative Priority</b>	This priority was established through consultations, interviews, and through a thorough analysis of American Community Survey and U.S. Census Data.
6	<b>Priority Need Name</b>	Administration, Planning, and Management Priority
	<b>Priority Level</b>	High



	<b>Population</b>	Extremely Low Low Moderate Middle Non-housing Community Development Other
	<b>Geographic Areas Affected</b>	County-wide
	<b>Associated Goals</b>	AM-1 Overall Coordination
	<b>Description</b>	There is a continuing need for planning, administration, management, and oversight of Federal, state, and local funded programs.
	<b>Basis for Relative Priority</b>	This priority was established through consultations.

### Narrative (Optional)

The priority ranking of needs for housing, homelessness, other special needs, community development, economic development, and anti-poverty are as follows:

- **High Priority** - Activities are assigned a high priority if the County expects to fund them during the Five Year Consolidated Plan period.
- **Low Priority** - Activities are assigned a low priority if the activity may not be funded by the County during the Five Year Consolidated Plan period. The County may support applications for other funding if those activities are consistent with the needs identified in the Five Year Consolidated Plan.

## SP-30 Influence of Market Conditions - 91.415, 91.215(b)

### Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	N/A
TBRA for Non-Homeless Special Needs	N/A
New Unit Production	There is a need for new single family homes that are affordable.
Rehabilitation	Over 45% of the housing units in the County are in need of rehabilitation.
Acquisition, including preservation	There are vacant dilapidated houses and sites where infill housing could be built to meet the demand for new housing.

Table 39 – Influence of Market Conditions

## **SP-35 Anticipated Resources - 91.420(b), 91.215(a)(4), 91.220(c)(1,2)**

### **Introduction**

The Orange County HOME Consortium is receiving \$412,638 from HOME funds for the FY 2015 program year. The program year goes from July 1, 2015 through June 30, 2016. Based on a 5% cut in funds, the County projects the following anticipated resources:

- FY 2015 = \$412,638
- FY 2016 = \$392,006
- FY 2017 = \$372,406
- FY 2018 = \$353,786
- FY 2019 = \$336,096
- **Total = \$1,866,932**

The accomplishments of these projects/activities will be reported in the FY 2015 Consolidated Annual Performance and Evaluation Report (CAPER).

## Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	412,638	0	0	412,638	1,866,932	Five years of funding at 95% reduced level each year.

Table 40 - Anticipated Resources

## SP-45 Goals - 91.415, 91.215(a)(4)

### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	HS-1 Housing Rehabilitation	2015	2019	Affordable Housing	County-wide	Housing Priority		
2	HS-2 Housing Construction	2015	2019	Affordable Housing	County-wide	Housing Priority		
3	HS-3 Fair Housing	2015	2019	Affordable Housing	County-wide	Housing Priority		
4	HS-4 Home Ownership	2015	2019	Affordable Housing	County-wide	Housing Priority		
5	HS-5 Public Housing	2015	2019	Public Housing	County-wide	Housing Priority		
6	HO-1 Continuum of Care	2015	2019	Homeless	County-wide	Homeless Priority		
7	HO-2 Operation/Support	2015	2019	Homeless	County-wide	Homeless Priority		
8	HO-3 Prevention and Housing	2015	2019	Homeless	County-wide	Homeless Priority		
9	HO-4 Housing	2015	2019	Homeless	County-wide	Homeless Priority		
10	HO-5 Permanent Housing	2015	2019	Homeless	County-wide	Homeless Priority		
11	SN-1 Housing	2015	2019	Non-Homeless Special Needs	County-wide	Other Special Needs Priority		
12	SN-2 Social Services	2015	2019	Non-Homeless Special Needs	County-wide	Other Special Needs Priority		
13	SN-3 Accessibility	2015	2019	Non-Homeless Special Needs	County-wide	Other Special Needs Priority		
14	CD-1 Community Facilities	2015	2019	Non-Housing Community Development	County-wide	Community Development Priority		
15	CD-2 Infrastructure	2015	2019	Non-Housing Community Development	County-wide	Community Development Priority		
16	CD-3 Public Services	2015	2019	Non-Housing Community Development	County-wide	Community Development Priority		

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
17	CD-4 Code Enforcement	2015	2019	Non-Housing Community Development	County-wide	Community Development Priority		
18	CD-5 Clearance	2015	2019	Non-Housing Community Development	County-wide	Community Development Priority		
19	CD-6 Revitalization	2015	2019	Non-Housing Community Development	County-wide	Community Development Priority		
20	ED-1 Employment	2015	2019	Non-Housing Community Development	County-wide	Economic Development Priority		
21	ED-2 Financial Assistance	2015	2019	Non-Housing Community Development	County-wide	Economic Development Priority		
22	ED-3 Redevelopment Program	2015	2019	Non-Housing Community Development	County-wide	Economic Development Priority		
23	AM-1 Overall Coordination	2015	2019	Administration, Planning, and Management	County-wide	Administration, Planning, and Management Priority		

Table 41 – Goals Summary

## Goal Descriptions

1	Goal Name	HS-1 Housing Rehabilitation
	Goal Description	Continue to provide financial assistance to low- and moderate-income homeowners to rehabilitate their existing owner-occupied housing.
2	Goal Name	HS-2 Housing Construction
	Goal Description	Increase the supply of decent, safe, sound, and accessible housing that is affordable to owners and renters in the County through rehabilitation of vacant buildings and new construction.
3	Goal Name	HS-3 Fair Housing
	Goal Description	Promote fair housing choice through education and outreach in the community.

4	<b>Goal Name</b>	HS-4 Home Ownership
	<b>Goal Description</b>	Assist low- and moderate-income households to become homeowners by providing down payment assistance, closing cost assistance, and housing counseling training.
5	<b>Goal Name</b>	HS-5 Public Housing
	<b>Goal Description</b>	Support Town of Chapel Hill's improvements and maintenance of existing public housing units, and promote self-sufficiency through the use of Section 8 Vouchers for home purchase, transitional housing, and supportive services to residents to transition out of public housing to private rental and homeownership opportunities.
6	<b>Goal Name</b>	HO-1 Continuum of Care
	<b>Goal Description</b>	Support the local Continuum of Care's (CoC) efforts to provide emergency shelter, transitional housing, and permanent supportive housing to persons and families who are homeless or who are at risk of becoming homeless.
7	<b>Goal Name</b>	HO-2 Operation/Support
	<b>Goal Description</b>	Assist providers in the operation of housing and support services for the homeless and persons at-risk of becoming homeless.
8	<b>Goal Name</b>	HO-3 Prevention and Housing
	<b>Goal Description</b>	Continue to support the prevention of homelessness and programs for rapid rehousing.
9	<b>Goal Name</b>	HO-4 Housing
	<b>Goal Description</b>	Support the rehabilitation of and making accessibility improvements to emergency shelters, transitional housing and permanent housing for the homeless.
10	<b>Goal Name</b>	HO-5 Permanent Housing
	<b>Goal Description</b>	Support the development of permanent supportive housing for homeless individuals and families.
11	<b>Goal Name</b>	SN-1 Housing
	<b>Goal Description</b>	Increase the supply of affordable, decent, safe, sound, and accessible housing for the elderly, persons with disabilities, and persons with other special needs through rehabilitation of existing buildings and new construction.
12	<b>Goal Name</b>	SN-2 Social Services
	<b>Goal Description</b>	Support social service programs and facilities for the elderly, persons with disabilities, and persons with other special needs.

13	<b>Goal Name</b>	SN-3 Accessibility
	<b>Goal Description</b>	Improve the accessibility of owner occupied housing through rehabilitation and improve renter occupied housing by making reasonable accommodations for the physically disabled.
14	<b>Goal Name</b>	CD-1 Community Facilities
	<b>Goal Description</b>	Improve the parks, recreational centers, trails, libraries, and all public and community facilities in the County.
15	<b>Goal Name</b>	CD-2 Infrastructure
	<b>Goal Description</b>	Improve the public infrastructure through rehabilitation, reconstruction, and new construction.
16	<b>Goal Name</b>	CD-3 Public Services
	<b>Goal Description</b>	Improve and increase public safety, community policing, municipal services, and public service programs throughout the County.
17	<b>Goal Name</b>	CD-4 Code Enforcement
	<b>Goal Description</b>	Enforce the local codes and ordinances to bring buildings into compliance with the standards through systematic code enforcement.
18	<b>Goal Name</b>	CD-5 Clearance
	<b>Goal Description</b>	Remove and eliminate slum and blighting conditions through demolition of vacant, abandoned and dilapidated structures.
19	<b>Goal Name</b>	CD-6 Revitalization
	<b>Goal Description</b>	Promote neighborhood revitalization in strategic areas through acquisition, demolition, rehabilitation, code enforcement, infrastructure improvements, housing construction, public and community facilities improvements, etc.
20	<b>Goal Name</b>	ED-1 Employment
	<b>Goal Description</b>	Support and encourage new job creation, job retention, employment, youth employment, and job training services.
21	<b>Goal Name</b>	ED-2 Financial Assistance
	<b>Goal Description</b>	Support business and commercial growth through expansion and new development through technical assistance programs and low interest loans.
22	<b>Goal Name</b>	ED-3 Redevelopment Program
	<b>Goal Description</b>	Plan and promote the development and redevelopment of distressed areas throughout the County.



23	<b>Goal Name</b>	AM-1 Overall Coordination
	<b>Goal Description</b>	Provide program management and oversight for the successful administration of Federal, state, and local funded programs, including planning services for special studies, environmental clearance, fair housing, and compliance with all Federal, state, and local laws and regulations.

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## **SP-55 Strategic Plan Barriers to Affordable Housing - 91.415, 91.215(h)**

### **Barriers to Affordable Housing**

The Orange County HOME Consortium is in the process of completing an Analysis of Impediments to Fair Housing Choice as required by HUD. This document will be released later this year. It will include an analysis of Orange County's laws, regulations, and administrative policies, procedures, and practices affecting the location, availability, and accessibility of housing, as well as an assessment of conditions, both public and private, affecting fair housing choice.

### **Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

To address the Impact Fee, the Orange County Board of Commissioners adopted an impact fee reimbursement policy, which provides funds to nonprofit housing developers constructing rental and owner-occupied housing. This enables non-profits to pay these fees without passing the costs on to the prospective renters or homebuyers. With this reimbursement, the Board works to alleviate barriers to affordable housing.

Strategies have been designed to help eliminate or reduce the impact of the identified barriers. The following recommendations included in the AI promote fair housing for the Orange County Consortium:

- Increase the educational opportunities and provide training relating to Fair Housing through workshops, forums and presentations
- Target specific protected groups for fair housing information
- Continue to consult with local lending institutions
- Provide training to housing providers and consumers about their obligations and rights.
- Continue to work with the County and Town governments to develop appropriate legislation and ordinances to assist with the development of affordable housing
- Monitor and track the Inclusionary Zoning Ordinance enacted by the Town of Chapel Hill for effectiveness in the development of affordable housing and utilize as a model ordinance for adoption by the Towns of Carrboro and Hillsborough and Orange County for implementation if positive results are determined.

The affordable housing provisions of the proposed Inclusionary Zoning Ordinance<sup>1</sup> drafted by the Town of Chapel Hill apply to homeownership developments in any of the following categories:

- Single-family or two family development, or subdivision of land to create residential lots that involve: at least 5 single-family dwelling units or 2-family dwelling units; or at least 5 single-family lots; or two-family lots in which six (6) or more residential units are allowed by the Chapel Hill

Land Use Management Ordinance, either individually or as part of the same subdivision.

- Multi-family unit developments that create at least 5 multi-family dwelling units; or
- Renovation or reconstruction of an existing building that contains multi-family dwelling units, and that increases the number of dwelling units from the number of dwelling units in the original structure by at least 5; or
- Any change in use of all or part of an existing building from a non-residential use to a residential use that has at least 5 dwelling units.

For development applications involving any of the above, provisions for affordable housing must be included as part of the development proposal.

As with other types of development, Orange County's supply of affordable housing is dictated by a variety of factors, the most significant being project affordability, availability of land and infrastructure, developer preference for building high-end housing, and government regulation. To address the Educational Impact Fee, the Orange County Board of Commissioners adopted an impact fee reimbursement policy, which provides funds to non-profit housing developers constructing rental and owner-occupied housing to enable them to pay the fee without passing the cost to the prospective renters or homebuyers. With this reimbursement, the Board works to alleviate barriers to affordable housing.

## **SP-65 Lead-based Paint Hazards - 91.415, 91.215(i)**

### **How are the actions listed above related to the extent of lead poisoning and hazards?**

A report released in November 2012 by the North Carolina Department of Public Health, indicated that Orange County tested 1,128 youth from infancy through age 2. Of those tested, 0.2% tested positive for elevated blood lead levels. However, most of these cases are not due to household lead based-paint, but from antique toys and other sources of lead.

### **How are the actions listed above integrated into housing policies and procedures?**

In Orange County, evaluations (risk assessments) of lead-based paint in housing units will be conducted by on a case-by-case basis and lead abatement will be prescribed as needed for dwellings targeted for rehabilitation. In addition, all assisted housing tenants will be informed of the hazards of lead-based paint. The Orange County Health Department will provide ongoing consultation to local housing staff.

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## **SP-70 Anti-Poverty Strategy - 91.415, 91.215(j)**

### **Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families**

In addition to housing problems, persons living in poverty often have other social service needs. Many of them lack the basic skills necessary to obtain and hold decent jobs. Some of them are single mothers who need affordable childcare while they seek or maintain jobs. Others need treatment for medical or substance abuse problems. Many of those living below the poverty level are children who would benefit from special programs to address their educational, recreational and self-esteem issues. The sheer number and variety of problems faced by people living in poverty often have a tendency to overwhelm even the most capable and determined people, creating a phenomenon of cyclical, generational poverty.

### **How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan**

The high costs of homeownership in Orange County and the lack of safe, affordable rental housing continue to be major challenges for low-income families. Rental households face serious challenges with high cost, inadequate supply, and competition with university students for limited housing stock. Access to transportation or to communities that are practically walkable also presents a difficulty, particularly outside Chapel Hill and Carrboro.

Orange County and the Town of Chapel Hill have targeted significant CDBG and HOME resources within core low-income areas to execute their anti-poverty strategy. These resources will act as catalysts to invite additional public and private investment of capital and services; increase the quantity and quality of affordable housing; and help low to moderate-income residents acquire needed information, knowledge and skills to improve their employment opportunities.

Eliminating many of the physical signs of poverty is a key element in the anti-poverty strategy. The housing, public housing and community revitalization initiatives work toward fulfilling this goal. The County and Town will direct significant resources toward the creation of affordable housing and coordinating the efforts of local nonprofit and for-profit providers. Affordable housing is the foundation for achieving self-sufficiency.

## **SP-80 Monitoring - 91.230**

**Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements**

To insure that each recipient of HOME, CDBG, and other federal funds operates in compliance with applicable federal laws and regulations, Orange County and the Town will continue to implement a monitoring strategy that closely reviews subrecipient activities and provides extensive technical assistance to prevent future compliance issues.

The Orange County Consortium will implement a risk analysis matrix for monitoring all appropriate CDBG/HOME subrecipients for each Fiscal Year (FY). This risk analysis closely mirrors the Community Planning Development (CPD) Notice 04-01, Issued February 2, 2004 and CPD Notice 02-11, which delineates the relevant factors to monitor for determining the risk level for the Consortium or subrecipients. Once projects have been approved and subrecipients have been issued subrecipient agreements, the staff conducts a four page risk analysis worksheet that looks at Financial Capacity; Management; Planning and National Objectives.

Each subrecipient is graded and its score is listed in one (1) of three categories: low risk: 0-30 points; moderate risk: 31-50 points; and high risk: 51-100 points. Based on the scoring for each subrecipient, the Consortium determines its annual monitoring schedule based on the number of moderate and high risk subrecipients. As a general rule, the staff will monitor on-site all moderate and high risk subrecipients on an annual basis, typically at the midway point of the Fiscal Year. Conversely, the low-risk subrecipients are monitored on-site every other Fiscal Year during the same timeframe, and desk reviews are conducted throughout the year.

In order to facilitate desk-reviews of subrecipients who are not monitored on-site, subrecipients are required to submit detailed regular reports that describe the progress of their programs, including rates of expenditure. Final reports include a summary of the program's accomplishments—including the actual number of beneficiaries—and a description of how funds were used. In certain situations, such as rental housing development, annual reports (due July 15) may be required after the project is completed for the duration of the affordability period.

Each subrecipient is graded and its score is listed in one (1) of three categories: low risk: 0-30 points; moderate risk: 31-50 points; and high risk: 51-100 points. Based on the scoring for each subrecipient, the Consortium determines its annual monitoring schedule based on the number of moderate and high risk subrecipients. As a general rule, the staff will monitor on-site all moderate and high risk subrecipients on an annual basis, typically at the midway point of the Fiscal Year. Conversely, the low-risk subrecipients are monitored on-site every other Fiscal Year during the same timeframe, and desk reviews are conducted throughout the year.

In order to facilitate desk-reviews of subrecipients who are not monitored on-site, subrecipients are required to submit detailed regular reports that describe the progress of their programs, including rates of expenditure. Quarterly report deadlines are: April 15th (Jan–Mar); July 15th (Apr–June); October 15th (July–Sept); and Jan 15th (Oct–Dec). Final reports include a summary of the program’s accomplishments—including the actual number of beneficiaries—and a description of how funds were used. In certain situations, such as rental housing development, annual reports (due July 15) may be required after the project is completed for the duration of the affordability period.

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## Expected Resources

### AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

#### Introduction

The Orange County HOME Consortium is receiving \$412,638 from HOME funds for the FY 2015 program year. The program year goes from July 1, 2015 through June 30, 2016. Based on a 5% cut in funds, the County projects the following anticipated resources:

- FY 2015 = \$412,638
- FY 2016 = \$392,006
- FY 2017 = \$372,406
- FY 2018 = \$353,786
- FY 2019 = \$336,096
- **Total = \$1,866,932**

The accomplishments of these projects/activities will be reported in the FY 2015 Consolidated Annual Performance and Evaluation Report



(CAPER).

## Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	412,638	0	0	412,638	1,866,932	Five years of funding at 95% reduced level each year.

Table 42 - Expected Resources – Priority Table

## **AP-35 Projects - 91.420, 91.220(d)**

### **Introduction**

The Orange County HOME Consortium proposes to undertake the following activities with the FY 2015 HOME funds:

#	Project Name
1	DHIC
2	Habitat for Humanity
3	EmPOWERment, Inc.
4	Housing for New Hope
5	Administration

**Table 43 – Project Information**

### **Describe the reasons for allocation priorities and any obstacles to addressing underserved needs**

The allocations and priorities were established by an online survey, stakeholder meetings, follow-up surveys from service providers and public meetings. Obstacles to addressing underserved needs would be finding more federal resources to accomplish those activities and having local resources to pair with them to make successful projects.

## AP-38 Project Summary

### Project Summary Information

1	<b>Project Name</b>	DHIC
	<b>Target Area</b>	County-wide
	<b>Goals Supported</b>	
	<b>Needs Addressed</b>	Housing Priority
	<b>Funding</b>	HOME: \$154,500
	<b>Description</b>	DHIC requested funds to support construction of 80 apartment homes for families earning up to 60% of the AMI on Town-owned land on Legion Road. DHIC proposes to reserve 32 of these units for households earning up to 50% of AMI. Greenfield Place will have a mix of one, two-, and three-bedroom units along with a community building and other amenities. DHIC has submitted an application to the NC Housing Finance Agency for a low-income housing tax credit award for the first phase of this project. DHIC plans to submit an application for phase two of this project in January, 2016. Phase two would include approximately 80 units for seniors.
	<b>Target Date</b>	6/30/2016
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	It is estimated that 80 Households will benefit from this activity.
	<b>Location Description</b>	The activity will take place on Town-owned land on Legion Road.
	<b>Planned Activities</b>	The HUD Matrix Code is 12, Construction of Housing.
2	<b>Project Name</b>	Habitat for Humanity
	<b>Target Area</b>	County-wide
	<b>Goals Supported</b>	
	<b>Needs Addressed</b>	Housing Priority
	<b>Funding</b>	HOME: \$100,455

	<b>Description</b>	Habitat for Humanity requested \$250,000 to provide fifteen deferred payment, zero-interest second mortgages for 11 homebuyers in the Northside neighborhood in Chapel Hill, the Fairview community in Hillsborough, and the Tinnin Woods subdivision in Efland-Cheeks Township. The homes would be sold to households earning less than 65% of the area median income.
	<b>Target Date</b>	6/30/2016
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	It is estimated that 11 households will benefit from this activity.
	<b>Location Description</b>	The activity will be located in the Northside neighborhood of Chapel Hill, the Fairview community in Hillsborough, and the Tinnin Woods subdivision in Efland-Cheeks Township.
	<b>Planned Activities</b>	The HUD Matrix Code is 13, Direct Homeownership Assistance.
3	<b>Project Name</b>	EmPOWERment, Inc.
	<b>Target Area</b>	County-wide
	<b>Goals Supported</b>	
	<b>Needs Addressed</b>	Housing Priority
	<b>Funding</b>	HOME: \$76,500
	<b>Description</b>	EmPOWERment, Inc. requested HOME fund to renovate two homes, one in the Northside neighborhood, and one home in Hillsborough that EmPOWERment currently owns. The homes would be used for affordable rental properties and would serve households earning less than 80% of the area median income. EmPOWERment also requested \$60,000 of Community Development Block Grant funds to purchase the home on McMasters Street. The Application Review Committee's recommendation does not include funding for this request.
	<b>Target Date</b>	6/30/2016
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	It is estimated that 2 households will benefit from this activity.
	<b>Location Description</b>	The activity will take place at two porperties owned by EmPOWERment: one in the Northside Neighborhood of Chapel Hill and one in Hillsborough.

	<b>Planned Activities</b>	The HUD Matrix Code is 14A, Rehab, Single-Unit Residential.
<b>4</b>	<b>Project Name</b>	Housing for New Hope
	<b>Target Area</b>	County-wide
	<b>Goals Supported</b>	
	<b>Needs Addressed</b>	Homeless Priority
	<b>Funding</b>	HOME: \$50,000
	<b>Description</b>	Housing for New Hope requested funds to provide tenant-based rental assistance to homeless individuals and families throughout Orange County. The Housing for New Hope staff helps its clients secure decent and affordable rental housing and also uses funds to provide utility connection assistance.
	<b>Target Date</b>	6/30/2016
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	It is estimated that 50 homeless individuals will benefit from this activity.
	<b>Location Description</b>	This activity will take place throughout Orange County.
	<b>Planned Activities</b>	The HUD Matrix Code is 05S, Rental Housing Subsidies.
<b>5</b>	<b>Project Name</b>	Administration
	<b>Target Area</b>	County-wide
	<b>Goals Supported</b>	
	<b>Needs Addressed</b>	Administration, Planning, and Management Priority
	<b>Funding</b>	HOME: \$31,183
	<b>Description</b>	Funds for administration of the HOME Program would be allocated to the Orange County Housing, Human Relations, and Community Development Department.
	<b>Target Date</b>	6/30/2016
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	This activity will take place throughout Orange County.
	<b>Planned Activities</b>	The HUD Matrix Code is 21H, HOME Admin/Planning Costs of PJ.

## **AP-50 Geographic Distribution - 91.420, 91.220(f)**

### **Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed**

The following information provides a profile of the population, age, and racial/ethnic composition of Orange County. This information was obtained from the U.S. Census Bureau American Factfinder website, <http://factfinder.census.gov>. The 2007-2011 American Community Survey 5 Year Estimates were used to analyze the social, economic, housing, and general demographic characteristics of Orange County. The 5 year estimates are the most recent data available for the County. The 2010 U.S. Census data is included where possible.

#### **Population:**

##### **Key points are:**

- Between 1980 and 2010, the population increased by approximately 73.6%
- The County population was 131,856 in 2011.

#### **Age:**

##### **Key points are:**

- Median age in Orange County is 33.5 years old
- Youth under age 18 account for 20.7% of the population
- Seniors age 62 or over are 12.1% of the population

#### **Race/Ethnicity:**

##### **Composition from 2007-2011 American Community Survey Data:**

- 12.2% are Black or African American
- 75.9% are White
- 6.7% are Asian
- 2.9% Some Other Race
- 2.0% are Two or More Races
- 7.8% are Hispanic or Latino

#### **Income Profile:**

The Median Income for a family of four (4) in the Durham-Chapel Hill, NC HMFA is \$67,375 for 2015. The

following is a summary of income statistics for Orange County:

At the time of the 2007-2011 American Community Survey, median household income in Orange County was \$56,055 which higher than the State of North Carolina (\$46,291).

- 20.3% of households have earnings received from Social Security income.
- 1.3% of households have earnings received from public assistance.
- 14.7% of households have earnings, received retirement income.
- 31.0% of female headed households were living in poverty.
- 14.5% of all youth under 18 years of age were living in poverty.

#### **Low/Mod Income Profile:**

The low- and moderate-income profile for Orange County is a measurement of the area's needs. The County has an overall low- and moderate-income percentage of 38.42%.

#### **Economic Profile:**

The following illustrates the economic profile for Orange County as of the 2007-2011 American Community Survey:

- 52.5% of the employed civilian population had occupations classified as management, business, science, and arts.
- 19.8% of the employed civilian population had occupations classified as sales and office.
- 15.6% were in the service sector.
- The education, health, and social service industry represented 38.0% of those employed.
- 25.5% of workers were considered in the government class.

According to the U.S. Labor Department, the preliminary unemployment rate Orange County in December 2014 was 3.9% compared to a preliminary rate of 5.5% for the State of North Carolina in December, 2014, and a national unemployment rate of 5.6% in December 2014.

#### **Rationale for the priorities for allocating investments geographically**

The County is not only attempting to meet the needs of the community but also affirmatively further fair housing. It is essential to engage in not only community building activities and fund needed improvements in low and moderate income areas but also to provide opportunities for residents to live in non-impacted areas.

## Affordable Housing

### AP-55 Affordable Housing - 91.420, 91.220(g)

#### Introduction

Orange County will utilize its HOME funds to support the construction of new affordable housing, for rehabilitation of existing housing, for assistance to homeless, and for downpayment assistance. The one year goals for affordable housing in Orange County for FY 2015 are as follows:

One Year Goals for the Number of Households to be Supported	
Homeless	50
Non-Homeless	11
Special-Needs	0
Total	61

Table 44 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	80
Rehab of Existing Units	2
Acquisition of Existing Units	0
Total	82

Table 45 - One Year Goals for Affordable Housing by Support Type  
Discussion

Orange County will fund the following projects with the FY 2015 HOME funds:

- **HOME-15-01** DHIC – (80 houses)
- **HOME-15-02** Habitat for Humanity (11 households)
- **HOME-15-03** EmPOWERment (2 houses)
- **HOME-15-04** Housing for New Hope (50 Homeless)



## **AP-75 Barriers to affordable housing - 91.420, 91.220(j)**

### **Introduction**

The Orange County HOME Consortium is in the process of completing an Analysis of Impediments to Fair Housing Choice as required by HUD. This document will be released later this year. It will include an analysis of Orange County's laws, regulations, and administrative policies, procedures, and practices affecting the location, availability, and accessibility of housing, as well as an assessment of conditions, both public and private, affecting fair housing choice.

### **Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

To address the Impact Fee, the Orange County Board of Commissioners adopted an impact fee reimbursement policy, which provides funds to nonprofit housing developers constructing rental and owner-occupied housing. This enables non-profits to pay these fees without passing the costs on to the prospective renters or homebuyers. With this reimbursement, the Board works to alleviate barriers to affordable housing.

Strategies have been designed to help eliminate or reduce the impact of the identified barriers. The following recommendations included in the AI promote fair housing for the Orange County Consortium:

- Increase the educational opportunities and provide training relating to Fair Housing through workshops, forums and presentations
- Target specific protected groups for fair housing information
- Continue to consult with local lending institutions
- Provide training to housing providers and consumers about their obligations and rights.
- Continue to work with the County and Town governments to develop appropriate legislation and ordinances to assist with the development of affordable housing
- Monitor and track the Inclusionary Zoning Ordinance enacted by the Town of Chapel Hill for effectiveness in the development of affordable housing and utilize as a model ordinance for adoption by the Towns of Carrboro and Hillsborough and Orange County for implementation if positive results are determined.

The affordable housing provisions of the proposed Inclusionary Zoning Ordinance<sup>1</sup> drafted by the Town of Chapel Hill apply to homeownership developments in any of the following categories:

- Single-family or two family development, or subdivision of land to create residential lots that involve: at least 5 single-family dwelling units or 2-family dwelling units; or at least 5 single-family lots; or two-family lots in which six (6) or more residential units are allowed by the Chapel Hill

Land Use Management Ordinance, either individually or as part of the same subdivision.

- Multi-family unit developments that create at least 5 multi-family dwelling units; or
- Renovation or reconstruction of an existing building that contains multi-family dwelling units, and that increases the number of dwelling units from the number of dwelling units in the original structure by at least 5; or
- Any change in use of all or part of an existing building from a non-residential use to a residential use that has at least 5 dwelling units.

For development applications involving any of the above, provisions for affordable housing must be included as part of the development proposal.

As with other types of development, Orange County's supply of affordable housing is dictated by a variety of factors, the most significant being project affordability, availability of land and infrastructure, developer preference for building high-end housing, and government regulation. To address the Educational Impact Fee, the Orange County Board of Commissioners adopted an impact fee reimbursement policy, which provides funds to non-profit housing developers constructing rental and owner-occupied housing to enable them to pay the fee without passing the cost to the prospective renters or homebuyers. With this reimbursement, the Board works to alleviate barriers to affordable housing.

## **Discussion**

Not Applicable.

## **AP-85 Other Actions - 91.420, 91.220(k)**

### **Introduction**

Orange County has developed the following actions which addresses obstacles to meeting underserved needs, fosters affordable housing, reduces lead-based hazards, reduces the number of poverty families, develops institutional structures, and enhances coordination between public and private housing and social service agencies.

### **Actions planned to foster and maintain affordable housing**

The Orange County HOME Consortium will undertake the following activities to foster and maintain affordable housing:

- HOME-15-01 DHIC (Construction of 80 new units, 30 of which will be affordable to those earning 50%AMI.)
- HOME-15-02 Habitat for Humanity (Rehabilitation of 11 housing units)
- HOME-15-03 EmPOWERment (Rehabilitation of 2 housing units)

### **Actions planned to reduce lead-based paint hazards**

In Orange County, evaluations (risk assessments) of lead-based paint in housing units will be conducted by on a case-by-case basis and lead abatement will be prescribed as needed for dwellings targeted for rehabilitation. In addition, all assisted housing tenants will be informed of the hazards of lead-based paint. The Orange County Health Department will provide ongoing consultation to local housing staff.

### **Actions planned to reduce the number of poverty-level families**

The Anti-Poverty Strategy is the unifying thread that ties the housing, homeless, public housing and non-housing community development strategies together as one comprehensive plan for reducing the number of families that fall below the poverty level. In addressing each of the three components below, the Anti-Poverty Strategy simultaneously links and implements the various strategies, goals and objectives contained throughout this Consolidated Plan to promote self-sufficiency and empowerment.

### **Actions planned to develop institutional structure**

With the creation of the Community Home Trust, Orange County, Chapel Hill, Carrboro and Hillsborough demonstrated the desire to cooperate among the several jurisdictions to provide the best housing assistance that will serve the low-income residents of Orange County. With respect to coordination of resources, funded agencies will communicate with appropriate staff regarding projects in progress, applications submitted to state and federal funding agencies, programs that are particularly successful or

troublesome, and other sharing of information and sources of funds.

**Actions planned to enhance coordination between public and private housing and social service agencies**

The existing coordination of services has been enhanced with the creation of the Orange County HOME Consortium whose members include Orange County, Carrboro, Chapel Hill and Hillsborough.

Additionally, in an effort to facilitate communication with other local housing nonprofit organizations, the members of the HOME Program Consortium will convene semi-annual meetings with these organizations. Items shared during these meetings will include clarification of federal and state housing program regulations and discussion of local housing programs and initiatives.

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## **Program Specific Requirements**

### **AP-90 Program Specific Requirements - 91.420, 91.220(l)(1,2,4)**

#### **Introduction**

The Orange County HOME Consortium receives an annual allocation of HOME funds. Since the County receives these Federal allocations, the questions below have been completed as they are applicable.

#### **HOME Investment Partnership Program (HOME)**

##### **Reference 24 CFR 91.220(l)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:
2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

All properties receiving financial assistance from Orange County for homeownership activities must ensure that the housing remain affordable to families with incomes of 80% or less of the area median for at least 99 years from the date of initial assistance.

#### **Right of First Refusal**

A right of first refusal or right to purchase is accomplished by means of a Declaration of Restrictive Covenants on the property purchased by the first-time homebuyer. Any assignment, sale, transfer, conveyance or other disposition of the property will not be effective unless the following procedures are followed.

If the original homebuyer or any subsequent qualified homebuyer contemplates a transfer to a non low-income household, the buyer must send Orange County and/or the sponsoring nonprofit organization a notice of intent to sell at least 90 days before the expected closing date. If Orange County and/or the sponsoring nonprofit organization elect to exercise its right of refusal, it will notify the buyer within 30 days of its receipt of the notice and will purchase the property within 90 days.

If neither Orange County nor the sponsoring nonprofit organization advises the buyer in a timely fashion of its intent to purchase the property, then the Buyer is be free to transfer the property in accordance with the equity sharing provisions described below.

#### **Equity Sharing**

Orange County provides its financial assistance as deferred second loans secured by a 40-year Deed of Trust and Promissory Note, forgivable at the end of 40 years. This Deed of Trust and Promissory Note constitute a lien on the property, subordinate only to private construction financing or permanent first mortgage financing.

The 99 year period of affordability for each individual housing unit is secured by a declaration of restrictive covenants that incorporate a right of first refusal that may be exercised by a sponsoring nonprofit organization and/or Orange County. This declaration of restrictive covenants is further secured by a deed of trust. The nonprofit organization and/or the County are responsible for compliance with the affordability requirement throughout the affordability period, unless affordability restrictions are terminated due to the sale of the property to a non-qualified buyer.

If the buyer no longer uses the property as a principal residence or is unable to continue ownership, then the buyer must sell, transfer or otherwise dispose of their interest in the property to a new homebuyer whose annual income does not exceed 80% of the area median. However, if the property is sold during the affordability period to a non-qualified homebuyer to be used as their principal residence, the net sales proceeds<sup>2</sup> or “equity” will be divided equally between the seller and the County. If the initial County contribution does not have to be repaid because the sale occurs more than 40 years after the County contribution is made, then the seller and the County will divide the entire equity realized from the sale.

Any proceeds from the recapture of funds will be used to facilitate the acquisition, construction, and/or rehabilitation of housing for the purposes of promoting affordable housing.

If the PJ will use HOME funds to refinance existing debt secured by multifamily housing that is that is being rehabilitated with HOME funds, it must state its refinancing guidelines required under § 92.206(b). The guidelines shall describe the conditions under which the PJ will refinance existing debt. At a minimum these guidelines must:

- Demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing.
- Require a review of management practices to demonstrate that disinvestments in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving the targeted population over an extended affordability period can be demonstrated.
- State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.
- Specify the required period of affordability, whether it is the minimum 15 years or longer.
- Specify whether the investment of HOME funds may be jurisdiction-wide or limited to a specific geographic area, such as a neighborhood identified in a neighborhood revitalization strategy under 24 CFR 91.215(e)(2) or a Federally designated Empowerment Zone or Enterprise Community.
- State that HOME funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired

with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

### **RECAPTURE PROVISIONS**

The HOME recapture provisions are established at §92.253(a)(5)(ii), and unlike the resale approach, permit the original homebuyer to sell the property to any willing buyer during the period of affordability while the PJ is able to recapture all or a portion of the HOME-assistance provided to the original homebuyer. Two key concepts in the recapture requirements – direct subsidy to the homebuyer and net proceeds - must be understood in order to determine the amount of HOME assistance subject to recapture, and the applicable period of affordability on the unit. The recapture approach requires that all or a portion of the direct subsidy provided to the homebuyer be recaptured from the net proceeds of the sale.

Direct HOME subsidy is the amount of HOME assistance, including any program income that enabled the homebuyer to buy the unit. The direct subsidy includes down payment, closing costs, interest subsidies, or other HOME assistance provided directly to the homebuyer. In addition, direct subsidy includes any assistance that reduced the purchase price from fair market value to an affordable price. If HOME funds are used for the cost of developing a property and the unit is sold below fair market value the difference between the fair market value and the purchase price is considered to be directly attributable to the HOME subsidy.

Net proceeds are defined as the sales price minus superior loan repayment (other than HOME funds) and any closing costs. Under no circumstances can the PJ recapture more than is available from the net proceeds of the sale.

Recapture provisions cannot be used when a project receives only a development subsidy and is sold at fair market value, because there is no direct HOME subsidy to recapture from the homebuyer. Instead, resale provisions must be used.

The recapture option is used by most PJs because it is generally easier to administer than the resale option. The recapture option works well when the sale of the property will most likely preserve affordability without the imposition of resale restriction.

Homebuyer housing with a recapture agreement is not subject to the affordability

requirements after the PJ has recaptured the HOME funds in accordance with its written agreement. If the ownership of the housing is conveyed pursuant to a foreclosure or other involuntary sale, the PJ must attempt to recoup any net proceeds that may be available through the foreclosure sale. Because all recapture provisions must be limited to net proceeds, the PJ's repayment obligation is limited to the amount of the HOME subsidy, if any, that it is able to recover.

The written agreement between the homebuyer and the PJ, as well as mortgage and lien documents are typically used to impose the recapture requirements in HOME-assisted homebuyer projects under recapture provisions. The purpose of these enforcement mechanisms is to ensure that the PJ recaptures the direct subsidy to the HOME-assisted homebuyer if the HOME-assisted property is

transferred. Unlike the resale option, deed restrictions, covenants running with the land, or other similar mechanisms are not required by the HOME rule to be used in homebuyer projects under the recapture option. However, many PJ's choose to use these mechanisms for enforcing the affordability period and as notification of the transfer of the property.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

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