



AHSRF Application Checklist (for requests over \$5,000)

Applicant: Community Home Trust

Funding Cycle: April 1, 2019

Type of Project: Build Operating Reserves to Support and Protect the quality and affordability of The Landings rental community (58 units)

Amount Requested: \$20,000

Required Item	Item Included
Application (meets guidelines & includes all required attachments not listed below)	✓
Project Budget	✓
20 yr. Pro Forma, if applicable	✓
Articles of Incorporation	✓
By-laws	✓
Board of Directors List	✓
IRS 501 (c)(3) Determination Letter	✓
Most Recent Financial Statement	✓
Map	✓
Income verification, if applicable	N/A

Summary of Request: In January 2019, CHT requested \$50,000 from the Affordable Housing Special Revenue Fund to build operating reserves for The Landings. The Town awarded CHT \$30,000. CHT was expected to request the remaining \$20,000 through this application process.

Of the \$30,000 award, half has been used to pay outstanding invoices for repairs and replacements. The remaining \$15,000 has been placed in operating reserves.

The current request is to “bolster operating reserves to protect the property and residents against unexpected losses. The NC Housing Finance Agency requires operating reserves to be \$188,000. These reserves were only \$82,000 when we acquired the property.” Currently, the reserves are about \$65,000. (The recent \$80,000 grant from Orange County has been restricted to The Landings replacement reserves.)

Leverage: The project goal is \$123,619 (the balance needed to achieve NCHFA required reserves of \$188,000). The Town of Carrboro is being asked to contribute \$20,000 or 16%. The remainder will be raised from private sources (foundations, donors, etc.).

FUNDING APPLICATION

DATE: March 27, 2019

Section 1: APPLICANT AND PROJECT OVERVIEW

A. Applicant Information

Applicant/Organization's Legal Name: Community Home Trust

Primary Contact Person and Title: Robert Dowling, Executive Director

Applicant/Organization's Physical Address: 109 Conner Drive, Suite 1000, Chapel Hill, NC 27514

Applicant/Organization's Mailing Address: P.O. Box 2315, Chapel Hill, NC 27515

Telephone Number: 919.967.1545 x307

Email Address: rdowling@communityhometrust.org

B. Project Information

Project Name: The Landings at Winmore

Total Project Cost: To increase project reserves back to the required level of \$188,000 requires \$123,000.

Total Amount of Funds Requested: \$20,000

Please specify which permitted use of funding is being requested (as listed in Section 2: C.1.):

1. To provide for the maintenance of properties in the affordable housing stock that are falling into disrepair;
2. Land Trust: To provide grants to organizations for land trust projects that guarantee long-term affordability of a property through a 99-year renewable ground leases or for maintenance of land trust housing stock

Proposed Use of Funds Requested (provide a concise description of proposed project and how it meets the criteria of eligible uses):

To bolster operating reserves from the current level of \$65,000 to enable the property to be well maintained and to ensure the health and safety of the buildings and the individual apartments.

To the best of my knowledge and belief all information and data in this application are true and current. The document has been duly authorized by the governing board of the applicant.

Signature: Robert Dowling

Executive Director or other Authorized Signatory

March 27, 2019

Date

Section 2: PROJECT DESCRIPTION

Please provide a thorough description of the project (by answering the "who," "what," "when," and "where" questions about your project). Do not assume the reader knows anything about the project.

A. Project Name

1. Project Name: The Landings at Winmore

B. "Who"

1. Who is the target population to be served and how will their needs be addressed through this project? If this is a repair or rehabilitation project, please address how the beneficiary meets eligibility requirements and provide substantiation, such as a deed, homeowner insurance policy statement, etc.

As a tax credit rental property, 15 apartments are required to serve households at or below 30% AMI; 21 apartments are required to serve households at or below 50% AMI. The remaining apartments serve households at or below 60% AMI. Compliance is monitored by the NC Housing Finance Agency. We believe all these residents deserve housing that is affordable, safe, and well-maintained.

2. Please indicate the income of the beneficiaries (households) to be served through the proposed project. Please see **Attachment A** for the current income limits for the Durham-Chapel Hill MSA. Please also provide documented income data for the intended recipients, such as the most recent tax return, if submitting on behalf of an individual.

Income Group (Area Median Income)	Number of Beneficiaries	% of Total Beneficiaries
<30% of the AMI	15	24
31%-60% of AMI	43 = 21 (31-50%AMI); 22 (51-60%AMI)	74
61-80% of AMI		
81-100% of AMI		
101-115% of AMI		
TOTAL		

3. **Project Staff.** Please provide names of staff, contractors, and/or volunteers that will be involved with the project. Describe their responsibilities with the project and track record in successful completion of similar projects in the past:

The Landings is managed by Partnership Property Management, a Greensboro-based company. PPM has been managing apartment complexes for more than 40 years. They manage more than 150 affordable housing apartment complexes throughout the state and region. CHT also devotes staff time to the Landings, notably from the following staff members:

1. Robert Dowling, executive director, who regularly monitors the big picture, including financials, tenant issues, the property manager and the relationship with the larger Winmore community
2. Lori Woolworth, director of operations and finance, who keeps a close eye on monthly financials and assists with budgeting and long-term projections; Lori is also willing to work with individual tenants who have complaints about the management company
3. Felicia Stroud, operations specialist, who meets one-on-one with tenants, organizes tenant outreach events and helps to resolve tenant complaints

4. Deanna Carson, homeownership program manager, who provides financial counseling, homeownership counseling and coordinates our educational activities for residents.

C. "What"

1. **Type of Activity.** Please check the category under which your project falls.

- ☐ Acquisition
- ☐ Pre-development costs
- ☐ Rental subsidy
- ☐ Ownership subsidy
- ☐ New construction for homeownership
- ☐ New construction for rental
- ☐ Rehabilitation for owner-occupied or rental (including urgent repairs - see *)
- ☐ Land banking
- ☒ Grant to land trust
- ☐ Rental deposit / utility connection assistance (Max \$1,000 - see *)
- ☐ Loan payment or loan subsidy
- ☐ Foreclosure assistance
- ☒ Other (specify): The Landings needs to bolster operating reserves to protect the property and residents against unexpected losses. The NC Housing Finance Agency requires operating reserves to be \$188,000. These reserves were only \$82,000 when we acquired the property.

**Starred items requesting no more than \$5,000 or 15% of the existing fund, whichever is lower, do not have to provide performance measures and can apply outside of the funding cycles.*

2. **Project Description.** Please provide a general overview of your project, including what you are planning to produce and how you are planning to carry out the project.

The Landings was built in 2010. Community Home Trust acquired the property at the end of 2017. The property was losing money and in decline due to poor management. CHT determined that we needed to acquire the Landings to retain 58 apartments as viable, affordable rental housing. We are working closely with the new property manager to enable the property to break even on an operating basis in the fiscal 2019-2020 fiscal year. However, the property's operating reserves, which are a buffer against unexpected losses, total just \$65,000. I should mention that the \$65,000 includes \$15,000 of funds from Carrboro. The other \$15,000 has been expended already. We are seeking to bolster operating reserves because we have learned that unexpected losses can inhibit our ability to properly respond to the needs of tenants.

D. "Where"

1. **Project Location.** Please be as specific as possible.

The Landings is in the Winmore development. The rental office address is 100 Andy's Lane, Carrboro, NC 27510. The 58 apartments are located in four buildings on both Andy's Lane and South Camellia Street.

2. **Project Size (if applicable).** Please provide the size of development site: N/A acres

Please attach the following:

- ☐ Site map showing lot boundaries, locations of structure(s), and other site features

☒ General location map (at least ½ mile radius)

E. "When" N/A

☐ Attach a **detailed** timetable showing when each work task will be completed (e.g., planning; obtaining financial commitments; design; environmental review; bidding; loan closing; key milestones in construction; marketing; final inspection; occupancy; etc.)

F. Project Details

If the questions below are not applicable or the requested information is not currently available, please insert N/A.

1. Property Acquisition. N/A

- a. Has your agency acquired real property in order to carry out the project, or is property acquisition planned? _____
- b. Is the property currently occupied? If so, attach a description of your plan to relocate.
- c. Please attach an appraisal of the property.

2. Construction/Rehabilitation Detail. N/A

- a. How many units will be newly constructed?
- b. How many units will be rehabilitated?
- c. What is the square footage of each unit?
- d. What is the number of bedrooms in each unit?
- e. What is the number of bathrooms in each unit?
- f. How many units will have full ADA accessibility?
- g. Is the proposed project located in Carrboro Town limits, ETJ, or transitional area?
- h. Please attach the following:
 - ☐ Floor plan(s)
 - ☐ Elevation(s)
 - ☐ List of Energy Efficiency measures included in the project (if applicable)
 - ☐ List of Universal Design principles included in the project (if applicable)

3. Design, Affordability, Marketing, and Supportive Services.

- a. Describe any methods to ensure long-term affordability of housing units, including subsidy recapture, equity sharing, deed restrictions, etc.: **The Landings must remain affordable until at least 2040, however, since the Landings is a CHT property, we expect it will be affordable in perpetuity.**

- b. What are the *actual* rents (including utility costs) or sales prices for completed units?
 2-bedroom*: \$426 (30% AMI); \$813 (50% AMI); \$836 (60% AMI)
 3-bedroom*: \$485 (30% AMI); \$933 (50% AMI); \$958 (60% AMI)

*Actual rents are discounted to include a utility allowance for gas and electric. Trash collection and water and sewer services are included in the rent.

- c. Explain your agency's process for marketing to ensure an adequate pool of income-eligible renters to buyers: **The Landings is promoted throughout the County: Full-color flyers with pull-aways are placed in local stores; street signage at entrance to the Winmore subdivision; and referrals from Orange County Section 8, CEF, and current tenants.**

Currently, there are 17 people on the waitlist, two of whom are in the final stages of compliance verification for the currently open units.

- d. Describe the use of energy efficient principles, universal design, and/or materials with extended life span. **CHT did not develop the Landings nor did we have input into building materials or universal design components. However, in the future, if we receive sufficient funding from private sector funders, we will increase energy efficiency fixtures and other building materials.**
- e. What supportive services, if any, will be provided through this project? **There are no supportive services offered to residents. However, CHT provides budgeting and financial counseling classes and we hope to provide additional services, such as stronger links to DSS in the future.**

Section 3: PERFORMANCE MEASUREMENTS

A. Goals and Objectives

Please complete the following chart with information about the project's goals and objectives.

Goal/Objective	Measurement
<i>Ex: Provide housing for low- to moderate-income households.</i>	<i>Ex: By 2020, build ten units that are affordable to households earning less than 80%AMI.</i>
Build operating reserves to increase the buffer against unexpected losses.	By December 2019, the Landings' will be breaking even on an operating basis, including making contributions to reserves.
Maintain buildings to ensure healthy environments for all residents.	Every apartment in the Landings will be inspected regularly for leaks, mold and other health-related problems. All unhealthy conditions will be addressed promptly.

B. Alignment with Town Goals and adopted affordable housing strategies.

Please explain how the proposed project aligns with the Board of Aldermen Goals and adopted affordable housing strategies.

This effort speaks directly to the affordable housing goal: 2.4 Reduce erosion of rental housing quality and affordability. The Landings was developed by Crosland as a Low-Income Housing Tax Credit (LIHTC) development in 2010. However, the property was not well maintained and lost money 2015-2017 and continued to lose money in 2018 after Community Home Trust assumed ownership. As a result, operating reserves declined from \$82,000 in January 2018 to \$50,000 in February 2019. The Home Trust has assessed and begun to address the three principal reasons for the losses: 1. deferred maintenance, 2. a high vacancy rate, and 3. excess damages to apartments at turnover.

Section 4: PROJECT BUDGET AND PRO-FORMA

A. Project Budget

☒ Attach a **detailed project budget** in Excel format showing all sources and uses of funds. Indicate which funds are committed or pending and include the % of committed funds toward this project. Attach funding commitment letters where available or copies of funding applications previously submitted.

☐ Has an appraisal been conducted? If so, please attach.

B. Terms of Project Funding

Please specify the type of funding request for which you are applying:

☒ Grant ☐ Loan

C. Pro-forma (for rental property only)

☒ If you are developing a property for rent, please attach a 20-year pro-forma showing estimated income, expenses, net operating income, debt service, and cash flow.

Section 5: ORGANIZATION DESCRIPTION

A. Organization

What is your organization's . . .

1. Mission statement?
To strengthen our community with permanently affordable housing opportunities
2. Incorporation date (Month and Year)? **May 1999**
3. Estimated Total Agency Budget for this fiscal year? **\$ 958,000**
4. Total number of agency staff (full time equivalents): **9.5 FTE**

B. Organization Track Record and Community Support

Please describe your organization's experience and ability to carry out the proposed project, including:

1. Evidence of coordination of this application with other organizations to complement and/or support the proposed project: **Community Home Trust recently obtained \$80,000 of grant funding from Orange County to support the Landings. We are also seeking funding from private sources, such as banks and foundations.**
2. Involvement of intended beneficiaries of the project in the planning process: **N/A**
3. Past achievements in carrying out similar projects and evidence of successful record of meeting proposed budgets and timetables: **Although we are new to affordable rental housing, we have 20+ years of successful development and management of affordable homes in Orange County, including Carrboro. Since we sell homes using a 99-year ground lease, we are well versed in the need for long-term maintenance.**
4. Collaborative relationships with other agencies: **Community Home Trust collaborates with CECI and Habitat for Humanity of Orange County on providing homebuyer education classes. We collaborate with Habitat for Humanity, Self Help Credit Union and the Jackson Center on the Northside Neighborhood Initiative. And we collaborate with Inter-Faith Council for Social Service, Justice United, and Caramore Community on our new master leasing program.**
5. Plans to develop linkages with other programs and projects to coordinate activities so solutions are holistic and comprehensive: **Community Home Trust is/will connect the tenants of the Landings with community resources, including: Department of Social Services, IFC Food Pantry, Piedmont Health Services and PACE, etc.**
6. Any other features relating to organization capacity that you consider relevant, (i.e. property management experience, including accepting Section 8 Vouchers, etc.): **As mentioned previously, CHT has retained the services of Partnership Property Management, which manages the Landings. Additionally, the Landings accepts Housing Choice Vouchers. In fact, more than half of the tenants at the Landings receive vouchers.**

Section 6: DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Are any of the Board Members or employees of the agency which will be carrying out this project, or members of their immediate families, or their business associates:

- a) Employees of or closely related to employees of the Town of Carrboro
YES ☐ NO ☒
- b) Members of or closely related to members of the governing bodies of Carrboro?
YES ☒ NO ☐
- c) Current beneficiaries of the project/program for which funds are requested?
YES ☐ NO ☒
- d) Paid providers of goods or services to the program or having other financial interest in the program?
YES ☐ NO ☒

If you have answered YES to any question, **please explain below**. The existence of a potential conflict of interest does not necessarily make the project ineligible for funding, but the existence of an **undisclosed** conflict may result in the termination of any grant awarded.

Bethany Chaney, Alderwoman for the Town of Carrboro, sits on the Community Home Trust Board of Directors representing the Town. Per the Community Home Trust bylaws, 1/3 (five) of our board is appointed by our four local governments, including the Town of Carrboro, and UNC-Chapel Hill.

Assumptions			
Rent Escalation	2.0%	Number of Vacancies/month (18-19)	2.0
Other Income Escalation	1%	Number of Vacancies/month +2020	1.5
HOA dues Escalation per docs	5%	% increase on key premiums	0.5%
Class 'A' Expenses Escalation	1%	% of Adjustmentss to Gross Rent	2.5%
Class 'B' Expenses Escalation	2%	Bad Debt % of Gross Rents	0.25%
Class 'C' Expenses Escalation	3%	10-Year Average CPI Index	1.76%
Req.. Replacement Reserves Escalation	4%	Number of Moveouts per year	6

	Actuals	Budget	Projected																		
	FYE 2019	FYE 2020	FYE 2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Gross Potential Rents	522,516	532,966	543,626	554,498	565,588	576,900	588,438	600,207	612,211	624,455	636,944	649,683	662,677	675,930	689,449	703,238	717,302	731,649	746,282	761,207	776,431
Vacancy Loss	(30,607)	(12,600)	(12,600)	(12,600)	(12,600)	(12,600)	(12,600)	(12,600)	(12,600)	(12,600)	(12,600)	(12,600)	(12,600)	(12,600)	(12,600)	(12,600)	(12,600)	(12,600)	(12,600)	(12,600)	(12,600)
Bad Debts	(4,232)	(1,332)	(1,359)	(1,386)	(1,414)	(1,442)	(1,471)	(1,501)	(1,531)	(1,561)	(1,592)	(1,624)	(1,657)	(1,690)	(1,724)	(1,758)	(1,793)	(1,829)	(1,866)	(1,903)	(1,941)
Application Fees	2,210	1,515	1,516	1,517	1,518	1,519	1,520	1,521	1,522	1,523	1,524	1,525	1,526	1,527	1,528	1,529	1,530	1,531	1,532	1,533	1,534
Key Premiums	7,808	8,538	8,581	8,624	8,667	8,711	8,754	8,798	8,842	8,886	8,930	8,975	9,020	9,065	9,110	9,156	9,202	9,248	9,294	9,340	9,387
Tenant Charges	5,295	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Contributions	30,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Income	260	263	265	268	271	273	276	279	282	284	287	290	293	296	299	302	305	308	311	314	317
Net Income	533,251	531,150	541,829	552,721	563,830	575,160	586,717	598,504	610,526	622,787	635,294	648,049	661,059	674,328	687,863	701,667	715,746	730,106	744,753	759,692	774,929

Admin and Operating Expenses

Credit Bureau	2,445	2,445	2,469	2,494	2,519	2,544	2,570	2,595	2,621	2,648	2,674	2,701	2,728	2,755	2,783	2,810	2,839	2,867	2,896	2,925	2,954
Advertising	2,914	2,004	2,024	2,044	2,065	2,085	2,106	2,127	2,149	2,170	2,192	2,214	2,236	2,258	2,281	2,304	2,327	2,350	2,373	2,397	2,421
Office Payroll	34,993	36,000	36,900	37,823	38,768	39,737	40,731	41,749	42,793	43,863	44,959	46,083	47,235	48,416	49,626	50,867	52,139	53,442	54,778	56,148	57,551
Payroll Taxes	5,822	5,502	5,639	5,780	5,925	6,073	6,224	6,380	6,540	6,703	6,871	7,042	7,218	7,399	7,584	7,773	7,968	8,167	8,371	8,580	8,795
Benefits	2,520	2,768	2,837	2,908	2,980	3,055	3,131	3,209	3,290	3,372	3,456	3,543	3,631	3,722	3,815	3,910	4,008	4,108	4,211	4,316	4,424
Workmen's Comp	2,917	2,608	2,673	2,740	2,808	2,878	2,950	3,024	3,100	3,177	3,257	3,338	3,421	3,507	3,595	3,684	3,777	3,871	3,968	4,067	4,169
Management Fees	31,320	31,946	32,585	33,237	33,902	34,580	35,271	35,977	36,696	37,430	38,179	38,942	39,721	40,516	41,326	42,153	42,996	43,856	44,733	45,627	46,540
Legal Expenses	1,528	1,559	1,590	1,622	1,654	1,687	1,721	1,755	1,790	1,826	1,863	1,900	1,938	1,977	2,016	2,056	2,098	2,140	2,182	2,226	2,271
Auditing	3,300	3,333	3,366	3,400	3,434	3,468	3,503	3,538	3,573	3,609	3,645	3,682	3,719	3,756	3,793	3,831	3,870	3,908	3,947	3,987	4,027
Telephone & Internet	3,899	1,248	1,279	1,311	1,344	1,378	1,412	1,447	1,483	1,521	1,559	1,598	1,637	1,678	1,720	1,763	1,807	1,853	1,899	1,946	1,995
Training	1,471	606	612	618	624	631	637	643	650	656	663	669	676	683	690	697	704	711	718	725	732
Office Supplies	3,155	2,500	2,525	2,550	2,576	2,602	2,628	2,654	2,680	2,707	2,734	2,762	2,789	2,817	2,845	2,874	2,902	2,931	2,961	2,990	3,020
Postage	785	861	869	878	887	895	904	913	923	932	941	951	960	970	979	989	999	1,009	1,019	1,029	1,040
HOA Dues	15,950	17,400	18,270	19,184	20,143	21,150	22,207	23,318	24,484	25,708	26,993	28,343	29,760	31,248	32,810	34,451	36,173	37,982	39,881	41,875	43,969
Service Coordinator	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Misc. Administrative Expenses	1,611	1,627	1,643	1,660	1,676	1,693	1,710	1,727	1,744	1,762	1,780	1,797	1,815	1,833	1,852	1,870	1,889	1,908	1,927	1,946	1,966
Total Admin Expenses	122,630	120,405	123,282	126,247	129,304	132,456	135,706	139,058	142,516	146,083	149,764	153,564	157,486	161,535	165,716	170,034	174,494	179,102	183,864	188,786	193,873

Utilities Expenses

Electricity	11,004	11,224	11,449	11,678	11,911	12,149	12,392	12,640	12,893	13,151	13,414	13,682	13,956	14,235	14,520	14,810	15,106	15,408	15,716	16,031	16,351
Water and Sewer	51,528	46,781	46,781	46,781	46,781	46,781	46,781	46,781	46,781	46,781	46,781	46,781	46,781	46,781	46,781	46,781	46,781	46,781	46,781	46,781	46,781
Trash Removal	2,150	2,224	2,246	2,269	2,291	2,314	2,337	2,361	2,384	2,408	2,432	2,457	2,481	2,506	2,531	2,556	2,582	2,608	2,634	2,660	2,687
Total Utilities Expense	64,682	60,229	60,476	60,728	60,984	61,245	61,511	61,782	62,059	62,340	62,627	62,920	63,218	63,522	63,832	64,148	64,469	64,797	65,132	65,472	65,820

Maintenance

Exterminating Contract	2,605	2,631	2,657	2,684	2,711	2,738	2,765	2,793	2,821	2,849	2,878	2,906	2,935	2,965	2,994	3,024	3,055	3,085	3,116	3,147	3,179
Maintenance Grounds	21,150	12,000	7,534	7,722	7,915	8,113	8,316	8,524	8,737	8,955	9,179	9,409	9,644	9,885	10,132	10,385	10,645	10,911	11,184	11,463	11,750
Snow Removal	950	951	952	953	954	955	956	957	958	959	960	961	962	963	964	965	966	967	968	969	970
Maintenance Payroll	42,018	36,771	37,690	38,633	39,599	40,589	41,603	42,643	43,709	44,802	45,922	47,070	48,247	49,453	50,690	51,957	53,256	54,587	55,952	57,351	58,784
Maintenance Supplies	22,320	22,543	22,769	22,996	23,226	23,459	23,693	23,930	24,169	24,411	24,655	24,902	25,151	25,402	25,656	25,913	26,172	26,434	26,698	26,965	27,235
Repairs - Other	29,411	29,705	30,002	30,302	30,605	30,911	31,220	31,533	31,848	32,166	32,488	32,813	33,141	33,472	33,807	34,145	34,487	34,832	35,180	35,532	35,887
Replacements	9,996	10,096	10,197	10,299	10,402	10,506	10,611	10,717	10,824	10,932	11,042	11,152	11,264	11,376	11,490	11,605	11,721	11,838	11,957	12,076	12,197
Plumbing	3,156	3,235	3,316	3,399	3,484	3,571	3,660	3,751	3,845	3,941	4,040	4,141	4,244	4,351	4,459	4,571	4,685	4,802	4,922	5,045	5,171
Electrical	2,222	2,278	2,334	2,393	2,453	2,514	2,577	2,641	2,707	2,775	2,844	2,915	2,988	3,063	3,140	3,218	3,299	3,381	3,466	3,552	3,641
Heating/Cooling Repairs	6,269	6,425	6,586	6,750	6,919	7,092	7,270	7,451	7,638	7,828	8,024	8,225	8,430	8,641	8,857	9,079	9,306	9,538	9,777	10,021	10,272
Storm Water Inspection & Maint	0	3,944	4,023	4,103	4,185	4,269	4,354	4,442	4,530	4,621	4,713	4,808	4,904	5,002	5,102	5,204	5,308	5,414	5,523	5,633	5,746

Assumptions			
Rent Escalation	2.0%	Number of Vacancies/month (18-19)	2.0
Other Income Escalation	1%	Number of Vacancies/month +2020	1.5
HOA dues Escalation per docs	5%	% increase on key premiums	0.5%
Class 'A' Expenses Escalation	1%	% of Adjustmentss to Gross Rent	2.5%
Class 'B' Expenses Escalation	2%	Bad Debt % of Gross Rents	0.25%
Class 'C' Expenses Escalation	3%	10-Year Average CPI Index	1.76%
Req.. Replacement Reserves Escalation	4%	Number of Moveouts per year	6

	Actuals	Budget	Projected																		
	FYE 2019	FYE 2020	FYE 2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Fire Alarm Inspections	862	871	879	888	897	906	915	924	933	943	952	962	971	981	991	1,001	1,011	1,021	1,031	1,041	1,052
Painting	3,533	3,621	3,693	3,767	3,842	3,919	3,998	4,078	4,159	4,242	4,327	4,414	4,502	4,592	4,684	4,778	4,873	4,971	5,070	5,171	5,275
Painting Supplies	5,225	5,277	5,330	5,383	5,437	5,491	5,546	5,601	5,657	5,714	5,771	5,829	5,887	5,946	6,005	6,065	6,126	6,187	6,249	6,312	6,375
Total Operating & Maintenance	149,716	140,347	137,962	140,273	142,629	145,032	147,484	149,986	152,537	155,140	157,796	160,506	163,271	166,093	168,972	171,910	174,909	177,969	181,092	184,280	187,533
Taxes and Insurance																					
Real Estate Taxes	10,092	10,294	10,500	10,710	10,924	11,142	11,365	11,593	11,824	12,061	12,302	12,548	12,799	13,055	13,316	13,583	13,854	14,131	14,414	14,702	14,996
Property Insurance	22,897	23,469	24,056	24,658	25,274	25,906	26,554	27,217	27,898	28,595	29,310	30,043	30,794	31,564	32,353	33,162	33,991	34,840	35,712	36,604	37,519
Total Taxes and Insurance	32,989	33,763	34,556	35,367	36,198	37,048	37,919	38,810	39,722	40,656	41,612	42,591	43,593	44,619	45,669	46,744	47,845	48,972	50,125	51,306	52,516
Total Expenses	370,017	354,745	356,277	362,615	369,115	375,782	382,620	389,636	396,834	404,220	411,801	419,581	427,568	435,769	444,189	452,836	461,717	470,840	480,213	489,844	499,741
Contribution to Reserves and Debt Service																					
Required Replacement Reserves	20,418	21,235	22,084	22,967	23,886	24,842	25,835	26,869	27,943	29,061	30,224	31,433	32,690	33,997	35,357	36,772	38,243	39,772	41,363	43,018	44,738
Optional Replacement Reserves	0	0	4,000	7,000	10,000	13,000	16,000	18,000	22,000	26,000	29,000	33,000	37,000	41,000	160,000	162,000	165,000	168,000	170,000	171,000	174,000
HOME Loan	13,296	13,296	13,296	13,296	13,296	13,296	13,296	13,296	13,296	13,296	13,296	13,296	13,296	13,296	13,296	13,296	13,296	13,296	13,296	13,296	13,296
FHLB - AHP (2%)	88,088	88,088	88,088	88,088	88,088	88,088	88,088	88,088	88,088	88,088	88,088	88,088	88,088	88,088	0	0	0	0	0	0	0
FHLB - 2nd Mortgage (7%)	52,082	52,082	52,082	52,082	52,082	52,082	52,082	52,082	52,082	52,082	52,082	52,082	52,082	52,082	0	0	0	0	0	0	0
UHA Loan Refinance ¹	0	0	0	0	0	0	0	0	0	0	0	0	0	0	18,000	18,000	18,000	18,000	18,000	18,000	18,000
Total Reserves and Debt	173,884	174,701	179,550	183,434	187,352	191,308	195,301	198,335	203,410	208,527	212,690	217,899	223,156	228,464	226,653	230,068	234,539	239,068	242,659	245,314	250,034
Net Cash Flow	(10,650)	1,704	6,002	6,672	7,363	8,071	8,795	10,533	10,282	10,040	10,803	10,569	10,335	10,096	17,020	18,763	19,490	20,198	21,881	24,534	25,153

¹UHA Loan of \$250,000 requires balloon payment in 2030. Assumes 30-year note @ 6% interest

	The Landings (DRAFT - 04/19/17; 4/27/17)																							
	Replacements Reserves Projection for Fiscal Year		2017																					
	Total units		58																					
	Annual contribution by unit (2017)		\$ 329																					
	Expense escalation rate, yearly		3.0%		1.000	1.030	1.061	1.093	1.126	1.159	1.194	1.230	1.267	1.305	1.344	1.384	1.426	1.469	1.513	1.558	1.605	1.653	1.702	1.754
	Year				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
					2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2032	2033	2034	2035	2036	2037
	Starting balance.....				92,235	150,390	123,368	107,832	71,122	52,602	13,824	(52,522)	(86,656)	(127,160)	(152,082)	(197,465)	(276,577)	(276,892)	(295,935)	(197,439)	(66,595)	28,811	3,471	118,136
	Income	Current \$	Rate																					
	Required Reserves Transfer		4.0%		20,418	21,235	22,084	22,967	23,886	24,842	25,835	26,869	27,943	29,061	30,224	31,433	32,690	33,997	35,357	36,772	38,243	39,772	41,363	43,018
	Additional Reserves Transfer				0	0	4,000	7,000	10,000	13,000	16,000	18,000	22,000	26,000	29,000	33,000	37,000	41,000	160,000	162,000	165,000	168,000	170,000	171,000
	One-time cash injection				80,000																			
	Refinance Cash Injection																							
	Interest		1.0%		697	1,221	1,028	635	422	8	0	0	0	0	0	0	0	0	0	0	0	0	0	381
	Total income.....				101,115	22,456	27,112	30,602	34,308	37,850	41,835	44,869	49,943	55,061	59,224	64,433	69,690	74,997	195,357	198,772	203,243	207,772	211,363	214,398
RED	Recurring expenses	Current \$	First Year	Life (yrs)																				
1,2	Asphalt sealing & striping & Repairs	7,100	2017	5	0	0	0	7,758	0	0	0	0	8,994	0	0	0	0	10,427	10,739	0	0	0	0	12,450
	Asphalt replacement	40,000	2010	20	0	0	0	0	0	0	0	0	0	0	0	55,369	0	0	0	0	0	0	0	0
4	Sidewalk and curb repairs	3,000	2019	5	4,597	0	0	0	0	3,478	0	0	0	0	4,032	0	0	0	0	0	4,814	0	0	0
11	Repair breezeway ceiling cracks	1,500	2019	5	1,500	0	0	0	0	1,739	0	0	0	0	2,016	0	0	0	0	0	2,407	0	0	0
12	Exterior painting	30,000	2010	15	0	0	0	0	0	0	0	35,822	0	0	0	0	0	0	0	0	0	0	0	0
	Door frames and Ext Trim Repairs	1,000	2019	5	986	0	0	0	0	1,159	0	0	0	0	1,344	0	0	0	0	0	1,605	0	0	0
13	Window replacements	500	2018	1	500	515	530	546	563	580	597	615	633	652	672	692	713	734	756	779	802	826	851	877
	Roof replacement	80,000	2010	25	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	132,228	0	0
	Replace Pipe Boots	5,000	2010	20	0	0	0	0	0	0	0	0	0	0	0	6,921	0	0	0	0	0	0	0	0
	Sign Replacement	4,000	2010	20	0	0	0	0	0	0	0	0	0	0	0	5,537	0	0	0	0	0	0	0	0
	Sprinkler Maintenance	2,000	2019	3	6,323	0	0	2,185	0	0	2,388	0	0	2,610	0	0	2,852	0	0	0	3,209	0	0	3,507
	Replace Fire Tops	3,000	2019	5	3,000	0	0	0	0	3,478	0	0	0	0	4,032	0	0	0	0	0	4,814	0	0	0
	Stormwater Filter Maintenance	7,637	2017	3	0	7,866	0	0	8,596	0	0	9,393	0	0	10,263	0	0	11,215	11,552	0	0	12,623	0	0
	Paint Exterior Doors	5,000	2017	5	0	0	0	5,464	0	0	0	0	6,334	0	0	0	0	7,343	7,563	0	0	0	0	8,768
	Townhome deck repairs	5,000	2010	15	0	0	0	0	0	0	5,970	0	0	0	0	0	0	0	0	0	0	0	0	0
29	Replace smoke detectors	4,800	2020	10	0	4,944	0	0	0	0	0	0	0	0	0	6,644	0	0	0	0	0	0	0	0
30	Paint Breezways & Stain stairs	12,500	2019	5	12,500	0	0	0	0	14,491	0	0	0	0	16,799	0	0	0	0	0	20,059	0	0	0
	Total recurring expenses.....				29,405	13,325	530	15,954	9,158	24,924	44,777	10,007	15,961	3,262	39,158	75,164	3,564	29,719	30,610	779	37,711	145,677	851	25,601
	Unit Equipment Replacements																							
	HVAC	5,000		15	0	10,300	10,609	16,391	16,883	23,185	29,851	36,896	44,337	45,667	33,598	20,764	14,258	7,343	7,563	7,790	16,047	16,528	25,536	26,303
	Hot Water Heaters	800		12	0	1,648	3,395	4,371	5,402	6,492	6,687	6,887	6,080	6,263	4,301	3,322	2,281	1,175	1,210	2,493	5,135	6,611	8,172	9,820
	Refrigerators	600		13	2,805	2,472	2,546	3,278	3,377	3,478	2,866	2,214	1,520	1,566	806	1,661	3,422	3,524	3,630	4,674	4,814	3,967	3,064	2,104
	Oven/Stove	500		13	0	2,060	2,122	2,732	2,814	2,898	2,985	1,845	1,267	1,305	672	1,384	2,852	2,937	3,025	3,895	4,012	4,132	2,554	1,754
	Dishwasher	400		13	1,008	1,648	1,697	2,185	2,251	2,319	1,910	1,476	1,013	1,044	538	1,107	2,281	2,350	2,420	3,116	3,209	3,306	2,043	1,403
	Flooring	3,000		7	9,741	15,450	19,096	19,669	10,130	10,433	10,746	11,069	11,401	11,743	16,127	20,764	21,386	26,434	27,227	23,370	14,442	14,876	15,322	15,782
	Kitchens	2,000		20	0	2,060	2,122	2,185	2,251	2,319	4,776	4,919	5,067	5,219	5,376	11,074	11,406	11,748	12,101	12,464	12,838	19,834	20,429	21,042
	Bathrooms	500		20	0	515	530	546	563	580	1,194	1,230	1,267	1,305	1,344	2,768	2,852	2,937	3,025	3,116	3,209	4,959	5,107	5,261
	Tubs	1,000		25	1	0	0	0	0	0	2,388	2,460	2,534	2,610	2,688	5,537	5,703	5,874	6,050	6,232	6,419	13,223	13,619	14,028
	Total equipment expenses.....				13,555	36,153	42,118	51,358	43,670	51,704	63,404	68,996	74,486	76,721	65,449	68,381	66,440	64,322	66,251	67,148	70,126	87,436	95,847	97,495
	Ending balance.....				150,390	123,368	107,832	71,122	52,602	13,824	(52,522)	(86,656)	(127,160)	(152,082)	(197,465)	(276,577)	(276,892)	(295,935)	(197,439)	(66,595)	28,811	3,471	118,136	209,438

		9	10	11	12	13	14	15	16	17	18	19	20	21	22	22	23
		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2032	2033
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
HVAC	62	0	2	2	3	3	4	5	6	7	7	5	3	2	1	1	1
Hot Water Heaters	85	0	2	4	5	6	7	7	7	6	6	4	3	2	1	1	2
Refrigerators	72	4	4	4	5	5	5	4	3	2	2	1	2	4	4	4	5
Oven/Stove	70	0	4	4	5	5	5	5	3	2	2	1	2	4	4	4	5
Dishwasher	71	2	4	4	5	5	5	4	3	2	2	1	2	4	4	4	5
Flooring	83	5	5	6	6	3	3	3	3	3	3	4	5	5	6	6	5
Kitchen	57	0	1	1	1	1	1	2	2	2	2	2	4	4	4	4	4
Bathrooms	57	0	1	1	1	1	1	2	2	2	2	2	4	4	4	4	4
Tubs	58	0	0	0	0	0	0	2	2	2	2	2	4	4	4	4	4

24	25	26	27
2034	2035	2036	2037
17	18	19	20
2	2	3	3
4	5	6	7
5	4	3	2
5	5	3	2
5	5	3	2
3	3	3	3
4	6	6	6
4	6	6	6
4	8	8	8

The Landings at Winmmore

Operating reserve analysis

As of 2/28/2019

NCHFA required operating reserves =	188,662	
Operating reserves at CHT acquisition =	81,938	12/29/2017
Interst earned =	746	
NCHFA approved withdrawal =	-22,897	
NCHFA approved withdrawal =	-9,744	
Operating reserve balance as of 2/28/19	50,043	
Appropriated cash from Carrboro =	15,000	
Total funds available for operations =	65,043	
Shortage from required level of reserves	123,619	
Request to Carrboro	20,000	Our current request to Carrboro
Balance remaining	103,619	Funds to be raised over next 12 months

CHT is requesting additional operating reserves from a variety of private sources, including banks, individuals and foundations.

Although no funds have been committed, we hope to raise the remaining balance during the next 12 months.

We are requesting \$20,000, of the needed \$123,619, from the Town of Carrboro

This represents just over 16% of the needed funds

It should be explicitly stated that CHT does not need this \$20,000 in this funding cycle.

Since the funds are needed to protect against unexpected losses, and since Carrboro has already bolstered the financial condition of the Landings with a \$30,000 grant, these funds are not urgently needed

If there are insufficient funds available for all the requests to the Town, CHT can reapply in the fall.



AHSRF Application Checklist (for requests over \$5,000)

Applicant: Habitat for Humanity of Orange County

Funding Cycle: April 1, 2019

Type of Project: Urgent Repair and Rehab

Amount Requested: \$7,626

Required Item	Item Included
Application (meets guidelines & includes all required attachments not listed below)	✓
Project Budget	✓
20 yr. Pro Forma, if applicable	N/A
Articles of Incorporation	✓
By-laws	✓
Board of Directors List	✓
IRS 501 (c)(3) Determination Letter	✓
Most Recent Financial Statement	✓
Map	✓
Income verification, if applicable	✓

Summary of Request: This request is submitted by Habitat's Home Preservation Program which performs repairs and rehabs for low-income, elderly or disabled homeowners. Habitat has approved a project for Mr. Edric Cotton of 1801 North Greensboro Street, Carrboro, NC 27510. Mr. Cotton has owned his home for 30 years and lives with his daughter who is a full time student. He is 66 years old. The application notes his home was damaged in a fire. This request will install a new roof to replace the current roof which is leaking and causing health issues. It will also purchase and install a new stove. Mr. Cotton is contributing \$100 toward this project.

Leverage: Project Total is \$9,101. The Town of Carrboro is being asked to fund 84% of project, Orange County Human Services 15%, and Mr. Cotton 1%.



Town of Carrboro

Affordable Housing Special Revenue Fund Application

OVERVIEW

The Town of Carrboro established an Affordable Housing Special Revenue Fund in 2007. The goal of the Affordable Housing Special Revenue Fund is to advance the Town's goal of increasing and improving the stock of affordable housing within Carrboro and its planning jurisdiction.

The Affordable Housing Task Force was established in 2012 for the purpose of creating recommendations for an affordable housing strategy. In June of 2014, this goal was accomplished when the Board of Aldermen approved the Town's Affordable Housing Goals and Strategies document. From this work, an Affordable Housing Advisory Commission (AHAC) was formed in 2017. This Commission's responsibilities include:

- Reviewing and making recommendations to the Board of Aldermen for new or revised policies regarding the operation of the Affordable Housing Fund;
- Reviewing and making recommendations to the Board of Aldermen on affordable housing funding applications.

With this in mind, beginning in April 2019, requests for funding (as explained below) will be reviewed by the AHAC who will then make a recommendation to the Board of Aldermen regarding the request.

FUNDING

Source of Funds. The Affordable Housing Special Revenue Fund may be funded by payments made by developers in lieu of providing affordable housing units under the applicable provisions of the Land Use Ordinance. Other revenue sources for the fund may include grants, donations, loans, interest payments, or other contributions or assignments.

The principal and interest earned on funds received from developers, grants, donations, loans, interest payments, or other revenues that may become available also accrue to this fund. As the Affordable Housing Special Revenue Fund develops over time, it is anticipated that funding will be available for time-sensitive acquisition requests that arise outside the established funding cycles.

In June of 2018, the Board of Aldermen passed a half cent property tax increase. This will provide a yearly source of revenue for the fund of approximately \$112,500.

APPROVAL

In 2018 the Board of Aldermen voted to allow the Town Manager to approve or deny funding applications for no more than \$5,000 or 15% of the existing fund, whichever is lower. These applications do not have to provide performance measures and can apply outside of the funding cycles.

Any requests over this threshold that are not appropriated by the Board of Aldermen during the budget cycle will complete the following application. The application will be reviewed by the AHAC and their recommendation to approve or deny funding will go to the Board of Aldermen.

ELIGIBILITY

Nonprofits and individuals working with nonprofits may apply for funds to be used to address projects that meet the Town's affordable housing goals. Please see our website for a list of local housing providers: <http://www.townofcarrboro.org/982/Affordable-Housing>

In order to qualify for participation in the Affordable Housing Special Revenue Fund process, the following criteria must be met by the beneficiaries (individuals), if applicable, and substantiated by the applicant (nonprofit organizations):

- a. Beneficiaries must be a resident of Carrboro or the Carrboro planning jurisdiction, or purchasing a home in Carrboro or the Carrboro planning jurisdiction;
- b. Beneficiaries or applicants must be unable to obtain a loan, either subsidized or unsubsidized, on comparable terms and conditions;
- c. Beneficiaries or applicants must be the owner of the property in fee simple or leasehold estate and have paid or have appropriate arrangements with the county tax assessor to pay the tax bill, if the property is to be rehabilitated, or have clear title if the property is to be purchased or constructed;
- d. Beneficiaries must be residing in the property to be rehabilitated, or if purchased or constructed, occupy the property when the acquisition is completed. The building or affordable unit that is subject to program funding must have an anticipated life of at least 20 years after rehabilitation, or 30 years, if constructed or acquired;
- e. Beneficiaries must have a gross household income of 115% of the Area Median Income or less, with priority given to households at 80% of AMI and below for homeowners, and 60% of AMI and below for renters, unless otherwise described (Please see Attachment A for current income limits.);
- f. Beneficiaries must also have an intact homeowner's insurance policy, if applicable.

PROJECT REPORTING AND MONITORING

Recipients of funds for development are required to submit written progress reports to the Town by the end of the fiscal year (June 30) to monitor progress and performance, financial and administrative management, and compliance with the terms of the performance agreements. Reporting information may include: progress toward achieving performance goals, description of activities/challenges, and revisions of proposed project timelines/budgets. Please submit annual reports electronically by June 30 to: rbuzzard@townofcarrboro.org

Recipients of funds for home repairs/rehab are to submit details of work completed when submitting invoices for reimbursement of funds.

PERMITTED USES OF FUNDING

Development & Acquisition

Loans: 1. To guarantee the payment of loans or subsidize the interest rate on loans made by financial institutions to beneficiaries for the purpose of acquiring affordable housing.

2. To provide direct deferred payment loans to beneficiaries to supplement loans made by financial institutions for the purpose of acquiring affordable housing.

Land Banking: To assist in the purchase of land for conveyance to nonprofit affordable housing agencies.

Construction: To pay some or all of the expenses associated with the construction of affordable housing.

Acquisition: To acquire developed properties suitable for resale to individuals or families. Applicants qualifying under the percentage of AMI shall be approved in advance by the Board of Aldermen.

Pre-development Costs: To pay some or all of the pre-development costs (such as feasibility studies, appraisals, land options and preparation of an application) for projects to be developed for the purpose of providing rental or owner-occupied affordable housing.

Land Trust: To provide grants to organizations for land trust projects that guarantee long-term affordability of a property through a 99-year renewable ground leases or for maintenance of land trust housing stock.

Subsidy: To provide permanent subsidies to reduce the sale price of new or existing housing units so as to make them more affordable.

Rehabilitation & Preservation

- To provide for emergency home repairs of properties in the affordable housing stock. *
- To provide for the maintenance of properties in the affordable housing stock that are falling into disrepair.*
- To guarantee the payment of loans or subsidize the interest rate on loans made by financial institutions to beneficiaries for the purpose of rehabilitating affordable housing.
- To provide direct deferred payment loans to beneficiaries to supplement loans made by financial institutions for the purpose of rehabilitating affordable housing.
- To provide grants or loans to nonprofits to avoid losing homes in the permanent affordable housing stock as a result of foreclosure.

Housing Stabilization

- To provide rental and/or utility deposit grants for Housing Choice Voucher, Permanent Supportive Housing (PSH), Rapid Re-housing, HUD-VASH and Housing Opportunities for Persons w/ AIDS (HOPWA) recipients relocating to rental units in Carrboro as a result of their current rental units no longer accepting a housing subsidy listed above.*
- To provide rental and/or utility deposit grants for those who have been assessed by the Coordinated Entry process as it relates to homelessness and have identified safe, decent, and affordable housing. *
- Assistance may be used for payment of security deposits, utility connections and/or rental payments given extenuating circumstances.*

*Starred items requesting no more than \$5,000 or 15% of the existing fund, whichever is lower, do not have to provide performance measures and can apply outside of the funding cycles.

FUNDING PRIORITIES

The fund is dedicated to the development and preservation of affordable housing. Priority goals include **increasing the supply of affordable housing units, increasing the quality of housing stock while maintaining affordability, and helping people stay in the homes they have (both owners and renters).**

Priority project areas include:

- Rental projects that serve households with incomes 60% and below the Area Median Income (AMI)
- Homeownership projects that serve households with incomes 80% and below the AMI.

GENERAL APPLICATION INFORMATION AND PROCEDURES

Funding applications are accepted three times a year: October 1, January 1, and April 1. Funding is based on the availability of funds. Only as many funding cycles will be completed as necessary to use the available funds. All application documents should be submitted electronically to Rebecca Buzzard, 919-918-7438 or rbuzzard@townofcarrboro.org. Applications are reviewed by the Affordable Housing Advisory Commission and evaluated using a scoring rubric, which is available as Attachment C. The AHAC's recommendations for funding are then forwarded to the Board of Aldermen for final approval.

CHECKLIST OF REQUIRED DOCUMENTATION

Application:

<input checked="" type="checkbox"/>	Section 1:	Applicant and Project Overview
<input checked="" type="checkbox"/>	Section 2:	Project Description
<input checked="" type="checkbox"/>	Section 3:	Performance Measurements*
<input checked="" type="checkbox"/>	Section 4:	Project Budget and Pro-forma
<input checked="" type="checkbox"/>	Section 5:	Agency Description
<input checked="" type="checkbox"/>	Section 6:	Disclosure of Potential Conflicts of Interest

Other Required Attachments:

Please provide **one copy** of each of the following documents (once per year):

<input checked="" type="checkbox"/>	Current list of Board of Directors, including addresses, phone numbers, terms, and relevant affiliations
<input checked="" type="checkbox"/>	Current Bylaws and Articles of Incorporation
<input checked="" type="checkbox"/>	IRS tax determination letter [501(c)(3)] (if applicable)
<input checked="" type="checkbox"/>	Most recent independent audit (if applicable)

Applications may not be considered for the following reasons:

1. Project does not align with the eligibility criteria for these funding sources
2. Applicant has demonstrated poor past performance in carrying out projects or complying with funding guidelines
3. Applicant fails to provide required information
4. Incomplete or late applications

*Starred items requesting no more than \$5,000 or 15% of the existing fund, whichever is lower, do not have to provide performance measures and can apply outside of the funding cycles.

PLEASE CALL OR EMAIL REBECCA BUZZARD WITH FUNDING QUESTIONS: 919-918-7438 OR
rbuzzard@townofcarrboro.org

FUNDING APPLICATION

DATE: April 1, 2019

Section 1: APPLICANT AND PROJECT OVERVIEW

A. Applicant Information

Applicant/Organization's Legal Name: Habitat for Humanity of Orange County

Primary Contact Person and Title: Grace Johnston, Database and Grant Manager

Applicant/Organization's Physical Address: 88 Vilcom Center Drive, Suite L110, Chapel Hill, NC 27514

Applicant/Organization's Mailing Address: 88 Vilcom Center Drive, Suite L110, Chapel Hill, NC 27514

Telephone Number: (919) 932-7077 ext. 219

Email Address: gjohnston@orangehabitat.org

B. Project Information

Project Name: Home Preservation Repair Project at 1801 North Greensboro Street

Total Project Cost: \$9,101

Total Amount of Funds Requested: \$7,626

Please specify which permitted use of funding is being requested (as listed in Section 2: C.1.): This project falls under the following permitted use of funding: To provide for the maintenance of properties in the affordable housing stock that are falling into disrepair. In addition, this project addresses the priority goals of increasing the quality of housing stock while maintaining affordability and helping people stay in the homes they have. This project also serves a homeowner at the priority income level of 80% or less of the AMI.

Proposed Use of Funds Requested (*provide a concise description of proposed project and how it meets the criteria of eligible uses*): Habitat for Humanity of Orange County proposes to use \$7,626 from the Town of Carrboro's Affordable Housing Special Revenue Fund to complete much-needed repairs on the home of Mr. Edric Cotton, located at 1801 North Greensboro Street. Replacing Mr. Cotton's roof and purchasing and installing a new stove in his home will maintain a property in Carrboro's affordable housing stock that is falling into disrepair.

To the best of my knowledge and belief all information and data in this application are true and current. The document has been duly authorized by the governing board of the applicant.

Signature: 
Executive Director or other Authorized Signatory

April 1, 2019
Date

Section 2: PROJECT DESCRIPTION

Please provide a thorough description of the project (by answering the "who," "what," "when," and "where" questions about your project). **Do not assume the reader knows anything about the project.**

A. Project Name

1. Project Name: Home Preservation Repair Project at 1801 North Greensboro Street

B. "Who"

1. Who is the target population to be served and how will their needs be addressed through this project? If this is a repair or rehabilitation project, please address how the beneficiary meets eligibility requirements and provide substantiation, such as a deed, homeowner insurance policy statement, etc. The targeted client group for Habitat's Home Preservation repair program is low-income homeowners (less than 80% of area median income) who live in Orange County, who are unable to maintain their homes themselves, and who need modifications to their homes so that they can continue to live in and enjoy them. The majority of clients served by the Home Preservation program are elderly, and many are also disabled. The recipient of this specific project is Mr. Edric Cotton. Mr. Cotton is 66 years old and has owned his home for 30 years. His daughter, a full-time student, also resides in the home. Mr. Cotton can trace his family history in Orange and Chatham Counties back to the 1700s. These repairs will lift a huge financial burden from his shoulders. If his roof goes unrepaired, then water damage and associated structural and health issues will escalate. Habitat proposes to replace the roof of the home, which is leaking, and to purchase and install a new kitchen stove. After a house fire five years ago, Mr. Cotton was unable to afford to replace his stove, and has been living without one ever since. Mr. Cotton and his home meet all of the eligibility requirements for this funding source. A corresponding letter signed by the homeowner is attached.

2. Please indicate the income of the beneficiaries (households) to be served through the proposed project. Please see **Attachment A** for the current income limits for the Durham-Chapel Hill MSA. Please also provide documented income data for the intended recipients, such as the most recent tax return, if submitting on behalf of an individual.

Income Group (Area Median Income)	Number of Beneficiaries	% of Total Beneficiaries
<30% of the AMI	2	100%
31%-60% of AMI	0	0%
61-80% of AMI	0	0%
81-100% of AMI	0	0%
101-115% of AMI	0	0%
TOTAL	2	100%

3. **Project Staff.** Please provide names of staff, contractors, and/or volunteers that will be involved with the project. Describe their responsibilities with the project and track record in successful completion of similar projects in the past: The activities of Habitat's Home Preservation program are carried out primarily by Marisa Martini, Community Development Manager, and Ed Kuczynski, Home Preservation Manager. Ms. Martini is responsible for marketing the program, processing program applications, meeting with homeowners, recruiting volunteers, and conducting homeowner satisfaction surveys, while Mr. Kuczynski is responsible for assessing potential projects, obtaining supplies, coordinating subcontractors, and supervising volunteers. The program activities will be carried out primarily at the Habitat office and on the project site. Ms. Martini and Mr. Kuczynski began leading the repair program in 2017. Both overlapped with

outgoing program staff, ensuring plenty of time for training and a smooth transition. Ms. Martini and Mr. Kuczynski are both highly qualified for their current roles. After receiving her Masters of Public Health from UNC-CH, Ms. Martini interned with the Orange County Department on Aging. Among other tasks, she worked closely with Habitat staff to coordinate and lead affordable senior housing focus groups, which are still informing Habitat's policy and design decisions as we plan for our first senior housing development. Following this, she interned with Habitat's Homeowner Services Department until she was hired on as full-time staff. Mr. Kuczynski is a licensed general contractor, and comes to Habitat after owning his own residential remodeling company for 25 years. Since they began leading the program, Ms. Martini and Mr. Kuczynski have successfully completed 37 repair projects in Orange County, and improved the housing situation of each of these homeowners.

C. "What"

1. Type of Activity. Please check the category under which your project falls.

- ☐ Acquisition
- ☐ Pre-development costs
- ☐ Rental subsidy
- ☐ Ownership subsidy
- ☐ New construction for homeownership
- ☐ New construction for rental
- ☒ Rehabilitation for owner-occupied or rental (including urgent repairs - see *)
- ☐ Land banking
- ☐ Grant to land trust
- ☐ Rental deposit / utility connection assistance (Max \$1,000 - see *)
- ☐ Loan payment or loan subsidy
- ☐ Foreclosure assistance
- ☐ Other (specify): _____

**Starred items requesting no more than \$5,000 or 15% of the existing fund, whichever is lower, do not have to provide performance measures and can apply outside of the funding cycles.*

2. Project Description. Please provide a general overview of your project, including what you are planning to produce and how you are planning to carry out the project. Habitat's Home Preservation Program provides affordable repairs to low- to moderate-income homeowners in Orange County. The program's target population is elderly and/or disabled homeowners who struggle to afford regular or critical home maintenance. Over 90% of repairs completed have been for older adults ages 50 and up, of which nearly half have lived in their homes for at least 20 years. Additionally, 85% of recipients had deferred maintenance for at least one year due to cost. The Towns and the County all recognize in their goals the need for strong social services that improve residents' well-being. The Home Preservation program directly addresses these goals. Decent and affordable housing is an important factor in mental and physical health. By helping people stay in their homes safely and affordably, the Home Preservation program will directly improve the well-being of 30 Orange County residents this year. By providing affordable home repairs, Habitat has enabled older adults in our community to maintain safe, dignified, accessible places to call home. Repairs may range from minor exterior work such as painting, to more urgent critical repairs such as roof replacements. Depending on the scope of work, Habitat mobilizes volunteers and/or coordinates subcontractors to complete repairs. Exterior repair and landscaping work is often completed by volunteers under the supervision of Habitat staff. The average project requires 250 hours of volunteer labor. Volunteers represent a broad cross-section of the Orange County population, including high school and college students, members of religious groups, local businesses, and residents from within the communities themselves. For more intensive repairs, subcontracted labor will be used to ensure efficiency and safety in the home. Habitat has identified a

number of contractors who are committed to Habitat's mission, as well as sensitive to its budgetary needs. Homeowners are asked to make a small payment towards the cost of the materials for the repairs on a sliding scale based on their income. Payments range from \$50-450, which can be paid over a period of four months to ensure affordability. The demand for this program has remained steady over the years. Upon completion of each repair project, Habitat staff administers a post-repair survey to the homeowner. This survey tool was developed in order to monitor and evaluate the Home Preservation program. The survey includes process and outcome evaluation questions, and also asks the homeowner for feedback about the Home Preservation program. Habitat uses the survey results to continually improve the Home Preservation program, measure impact, and ultimately better serve eligible residents. For this project specifically, Habitat will hire a roofing contractor to replace Mr. Cotton's roof. Habitat staff will install the new stove. Mr. Cotton's payment for the project will be \$100.

D. "Where"

1. Project Location. Please be as specific as possible. 1801 North Greensboro Street, Carrboro, NC 27510

2. Project Size (if applicable). Please provide the size of development site: 0.37 acres

Please attach the following:

- ☒ Site map showing lot boundaries, locations of structure(s), and other site features
- ☒ General location map (at least ½ mile radius)

E. "When"

☐ Attach a **detailed** timetable showing when each work task will be completed (e.g., planning; obtaining financial commitments; design; environmental review; bidding; loan closing; key milestones in construction; marketing; final inspection; occupancy; etc.) After receiving and pre-qualifying Mr. Cotton's application, Habitat's Home Preservation Manager completed an in-person assessment of his home on March 5. Recommendations were presented to Habitat's internal committee on March 12, and the project was approved to move forward. The project has an estimated completion date of April 30, 2019.

F. Project Details

If the questions below are not applicable or the requested information is not currently available, please insert N/A.

1. Property Acquisition.

- a. Has your agency acquired real property in order to carry out the project, or is property acquisition planned? No.
- b. Is the property currently occupied? If so, attach a description of your plan to relocate. Yes, the property is currently occupied. There is no need for a relocation plan. The residents will be able to continue living there throughout the project.
- c. Please attach an appraisal of the property. N/A

2. Construction/Rehabilitation Detail.

- a. How many units will be newly constructed? 0
- b. How many units will be rehabilitated? 1

- c. What is the square footage of each unit? N/A
- d. What is the number of bedrooms in each unit? N/A
- e. What is the number of bathrooms in each unit? N/A
- f. How many units will have full ADA accessibility? N/A
- g. Is the proposed project located in Carrboro Town limits, ETJ, or transitional area? Yes.
- h. Please attach the following:
 - ☐ Floor plan(s) N/A
 - ☐ Elevation(s) N/A
 - ☐ List of Energy Efficiency measures included in the project (if applicable) N/A
 - ☐ List of Universal Design principles included in the project (if applicable) N/A

3. Design, Affordability, Marketing, and Supportive Services.

- a. Describe any methods to ensure long-term affordability of housing units, including subsidy recapture, equity sharing, deed restrictions, etc.: Because of the relatively small-scale nature of Home Preservation projects, no methods to ensure long-term affordability of housing units are in place. To apply restrictions to individuals who already own their homes in exchange for repairs for which they are paying no more than \$450, and which are costing the organization less than \$10,000 to complete, would be an excessive burden. Most Home Preservation recipients are elderly and the repairs enhance their ability to age in place, which helps to ensure that their housing continues to be affordable for them. Additionally, the generational nature of many of the neighborhoods in which we repair homes increases the likelihood that housing will be passed on to family and remain affordable. Habitat continues to work closely with the community to improve housing conditions overall in Orange County.
- b. What are the proposed rents (including utility costs) or sales prices for completed units? N/A
- c. Explain your agency's process for marketing to ensure an adequate pool of income-eligible renters to buyers: Habitat collaborates with other community organizations to market the program among local leaders and residents in its target areas. Habitat makes presentations at neighborhood meetings. Faith congregations and other neighborhood hubs also help to publicize the program. Articles, photos, and application information is included in community publications and on Habitat's website. Word-of-mouth and door-to-door canvassing have also been effective in recruiting applicants.
- d. Describe the use of energy efficient principles, universal design, and/or materials with extended life span. When applicable, Habitat's Home Preservation repair program always strives for low-cost utility expenses by utilizing energy-efficient principles and products, incorporates universal design elements, and utilizes low-maintenance, quality materials to extend the life of the unit. Mr. Cotton's new roof will feature 25-year rated shingles and will help with the energy-efficiency of his home by sealing leaks and drafts. Mr. Cotton's new stove will be a good quality product that will help him remain independent in his home. Habitat always seeks to balance quality and affordability in its materials and purchasing decisions.

- e. What supportive services, if any, will be provided through this project? Through our work with the Orange County Home Repair Coalition we can connect senior homeowners with the Orange County Department on Aging for services to help them age in place, if necessary.

Section 3: PERFORMANCE MEASUREMENTS

A. Goals and Objectives

Please complete the following chart with information about the project's goals and objectives.

Goal/Objective	Measurement
<i>Ex: Provide housing for low- to moderate-income households.</i>	<i>Ex: By 2020, build ten units that are affordable to households earning less than 80%AMI.</i>
Provide affordable home repairs to low- and moderate-income homeowners in Orange County.	<u>Before June 30, 2019, complete one repair project at the home of Mr. Edric Cotton located at 1801 North Greensboro Street in Carrboro.</u>

B. Alignment with Town Goals and adopted affordable housing strategies.

Please explain how the proposed project aligns with the Board of Aldermen Goals and adopted affordable housing strategies. This project aligns with the Town of Carrboro's Priority Affordable Housing Goals to increase the quality of housing stock while maintaining affordability, and to help people stay in the homes they have. Replacing Mr. Cotton's roof and installing a stove in his home will definitely increase the quality of the house, without burdening him financially. It will also ensure that he is able to continue living safely and comfortably in the home he has owned for 30 years. The Home Preservation program was established by Habitat to help preserve affordable homeownership by offering repairs for low-income families. A key to maintaining safe, decent housing is keeping homeownership maintenance and upkeep affordable. Through small financial and sweat equity investments, families are able to install accessibility ramps, repair broken doors, replace damaged siding, remove yard debris, repair damaged flooring, replace a roof, and apply a fresh coat of paint to their homes. While there are no long-term restrictions included in our agreement with Home Preservation homeowners, families are selected based on need and willingness to partner with the Habitat model. Families who apply and are selected for the program are long-term homeowners, most of whom have lived in their current homes for at least a decade. We work with families who desire to maintain their current home with the pride, dignity, and safety that it once held. The Home Preservation program helps to address the development pressures in our community by supporting preservation of single-family residential housing by repairing existing homes. Recipients are often overlooked and underserved members of our community.

Section 4: PROJECT BUDGET AND PRO-FORMA

A. Project Budget

- ☒ Attach a **detailed project budget** in Excel format showing all sources and uses of funds. Indicate which funds are committed or pending and include the % of committed funds toward this project. Attach funding commitment letters where available or copies of funding applications previously submitted.

☐ Has an appraisal been conducted? If so, please attach. N/A

B. Terms of Project Funding

Please specify the type of funding request for which you are applying:

☒ Grant ☐ Loan

C. Pro-forma (for rental property only)

☐ If you are developing a property for rent, please attach a 20-year pro-forma showing estimated income, expenses, net operating income, debt service, and cash flow. N/A

Section 5: ORGANIZATION DESCRIPTION

A. Organization

What is your organization's . . .

1. Mission statement? Seeking to put God's love into action, Habitat for Humanity of Orange County brings people together to build homes, communities, and hope. Our vision is an Orange County where everyone has a decent place to live.
2. Incorporation date (Month and Year)? April 1984
3. Estimated Total Agency Budget for this fiscal year? \$5,166,049
4. Total number of agency staff (full time equivalents): 17

B. Organization Track Record and Community Support

Please describe your organization's experience and ability to carry out the proposed project, including:

1. Evidence of coordination of this application with other organizations to complement and/or support the proposed project. Since its inception, the Home Preservation program has been coordinated with the Orange County Housing and Community Development Department, Rebuilding Together of the Triangle, and JOCCA to match families with the program that can best and most efficiently serve their repair needs. Home Preservation works with local faith congregations, community members, and volunteer groups to provide labor at no cost to the homeowners in order to keep their repair costs low. Habitat has partnered closely with community groups such as the Rogers-Eubanks Neighborhood Association, Fairview Community Watch in Hillsborough, and Northside and Pine Knolls Community Outreach to identify homeowners and volunteers from within their own community as program participants. Agencies such as the Jackson Center and EmPOWERment have assisted in identifying program participants, in sending volunteers to the construction site, and as liaisons between Habitat staff and community members. In 2016, an offshoot of the Northside Developers group was formed. This new group comprised of Habitat, the Jackson Center, and Rebuilding Together met monthly as a repair coalition to evaluate repair needs within Northside, Pine Knolls, Rogers Road, and other areas in the County. The strategy is to serve as many families as possible and make each organization's investment more impactful by dividing the work each agency will perform. Going forward, we will continue our joint efforts in repairing homes in the community.
2. Involvement of intended beneficiaries of the project in the planning process. Habitat's Home Preservation program was designed with community input. In 2010, Habitat first began offering repairs in response to requests in the neighborhoods where we were building new homes. In 2016,

we began offering critical repairs in response to demand. Our program structure has been modified over the years based on feedback from recipients, who fill out a survey post-project and are invited to communicate frequently. For each project, Habitat staff walk homeowners through the application process, and meet with them one-on-one to assess their home and discuss their requests. Habitat staff work closely with the homeowner to ensure that they fully understand and are satisfied with what they will be receiving.

3. Past achievements in carrying out similar projects and evidence of successful record of meeting proposed budgets and timetables. Since 2010, Habitat has completed 130 repairs in Orange County. All of these projects have been completed with funding support from Orange County, the Town of Chapel Hill, and the Town of Carrboro. Habitat works closely with government funders to ensure that progress reports and final reporting are accurate and complete.
4. Collaborative relationships with other agencies. Habitat is a member of the Orange County Home Repair Coalition, comprised of Habitat, Rebuilding Together of the Triangle, Orange County Urgent Repair, and the Department on Aging's Handy Helpers. The purpose of this Coalition is to increase coordination and communication across repair programs in order to better utilize resources and provide more comprehensive repairs. Habitat is also a member of the Orange County Affordable Housing Coalition, a group of housing providers and advocates who are working together to increase resources for the full range of housing needs in Orange County, including home repair.
5. Plans to develop linkages with other programs and projects to coordinate activities so solutions are holistic and comprehensive. Partnerships are essential to every Habitat program. We believe that collaboration is better than competition. We believe that neighborhood revitalization comes when each individual and group contributes its best towards a common goal. In addition to its existing partnerships, Habitat has deepened its coordination with the Jackson Center, Rebuilding Together of the Triangle, and the Promise of Homes program. Habitat will help by completing repairs that are outside of other agencies scope of work, and vice versa. This demonstrates collaboration and coordinated efforts to serve families with demonstrated need through agency-appropriate resources. Families are the ultimate winners here, because they are receiving the comprehensive home repairs they need, through multiple agencies if necessary.
6. Any other features relating to organization capacity that you consider relevant, (i.e. property management experience, including accepting Section 8 Vouchers, etc.). N/A

Section 6: DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Are any of the Board Members or employees of the agency which will be carrying out this project, or members of their immediate families, or their business associates:

- a) Employees of or closely related to employees of the Town of Carrboro
YES ☐ NO ☒
- b) Members of or closely related to members of the governing bodies of Carrboro?
YES ☐ NO ☒
- c) Current beneficiaries of the project/program for which funds are requested?
YES ☐ NO ☒
- d) Paid providers of goods or services to the program or having other financial interest in the program?
YES ☐ NO ☒

If you have answered YES to any question, **please explain below**. The existence of a potential conflict of interest does not necessarily make the project ineligible for funding, but the existence of an **undisclosed** conflict may result in the termination of any grant awarded. N/A

Habitat for Humanity of Orange County
 FY19 Home Preservation Project Budget
 Mr. Edric Cotton, 1801 North Greensboro Street, Carrboro

Replace roof, including repairs as needed	\$ 6,100
Purchase and install new kitchen stove with oven	\$ 400
Salary and benefits for Habitat construction staff	\$ 195
Salary and benefits for Habitat program staff	\$ 1,775
Overhead: rent, utilities, supplies, equipment, travel, training	\$ 632
Total Uses of Funds	\$ 9,101

Carrboro Affordable Housing Special Revenue Fund	\$ 7,626	pending
Orange County Human Services funding	\$ 1,375	committed
Homeowner payment	\$ 100	committed
Total Sources of Funds	\$ 9,101	

Percent of funds committed: 16%



88 Vilcom Center Drive, Suite L110
Chapel Hill, NC 27514
P (919) 932-7077, F (919) 932-7079
www.orangehabitat.org
development@orangehabitat.org


To whom it may concern:

I, Edric Cotton, the owner of the property located at 1801 N. Greensboro St., Carrboro, NC 27510, understand that Habitat for Humanity of Orange County is applying for a grant from the Town of Carrboro's Affordable Housing Special Revenue Fund program in order to complete repairs to my home as part of their Home Preservation Program.

I certify that:

- a. I am a resident of Carrboro or the Carrboro planning jurisdiction, or purchasing a home in Carrboro or the Carrboro planning jurisdiction;
- b. I am unable to obtain a loan, either subsidized or unsubsidized, on comparable terms and conditions;
- c. I am the owner of the property in fee simple or leasehold estate and have paid or have appropriate arrangements with the county tax assessor to pay the tax bill, if the property is to be rehabilitated, or have clear title if the property is to be purchased or constructed;
- d. I am residing in the property to be rehabilitated, or if purchased or constructed, occupy the property when the acquisition is complete;
- e. I have a gross household income of 80% of the Area Median Income or less;
- f. I have an intact homeowner's insurance policy.

Thank you,



Homeowner Signature

03-21-2019

Date Signed

ASSESSMENT RECOMMENDATION

PROJECT CODE: Subcontractor Repair

Mr. Edric Cotton
1801 N. Greensboro Rd.
Carrboro, NC 27510
919-951-8754

This is a traditional built home.

An assessment of repairs was done on Mr. Cotton's home on March 5th, 2019 and the following items are noted for discussion for possible repair through the Home Preservation Habitat program.

RECOMMENDED REPAIRS:

- 1. Replace roof on home with new roof including the addition of ridge vent.**
- 2. Replace kitchen range/oven. Owner had a fire in the kitchen five years ago and stove was not replaced. Currently living without a stove in the kitchen.**

DISCUSSED WITH HOMEOWNER BUT NOT RECOMMENDED:

- 3. Repair drainage issues around house and in yard**

In discussion with owner it was discovered that while he has some water flowing under the house and in the yard this is the first time it has occurred. The amount of rain received in the area could contribute to this problem. Considering the level of rain we have received, the cost of the repair, and the occurrence only one time this repair is not recommended. Owner is fine focusing on the roof and the stove as this will take all of our budget for the project.

COST AND LABOR:

Reroof house with Carolina Professional Roofing \$5800.00 plus \$300.00 for roof repair - \$6100.00
Purchase and install new kitchen stove with oven \$400.00

TOTAL COST OF REPAIRS \$6500.00





AHSRF Application Checklist (for requests over \$5,000)

Applicant: EmPOWERment

Funding Cycle: April 1, 2019

Type of Project: Acquisition of Affordable Housing (rental – 1 unit)

Amount Requested: \$35,000

Required Item	Item Included
Application (meets guidelines & includes all required attachments not listed below)	✓ Note: Appraisal has been requested.
Project Budget	✓
20 yr. Pro Forma, if applicable	✓
Articles of Incorporation	✓
By-laws	✓
Board of Directors List	✓
IRS 501 (c)(3) Determination Letter	✓
Most Recent Financial Statement	✓
Map	✓
Income verification, if applicable	N/A

Summary of Request: EmPOWERment requests funding to support the purchase of 1 rental unit to add to Carrboro's affordable housing stock. The apartment is located at 124 Fidelity Street (Unit 12) in Carrboro. The unit is a 1 bedroom, 1 bath, 560 square foot apartment built in 1965. It has a tax value of \$70,400. EmPOWERment plans to purchase the unit for \$44,000. (Closing costs and modest upgrades are expected to cost an additional \$2,000.)

The unit is occupied by its current owner, Emily Gordon. Ms. Gordon is 82 years old and is concerned that she may lose her home because her low, fixed income may not be sufficient for rising HOA dues and mortgage payments. Currently she pays \$440/month for mortgage, utilities, and \$175 for HOA dues.

Ms. Gordon approached EmPOWERment with this proposal to purchase her home. Ms. Gordon will continue to live in her apartment and pay EmPOWERment \$255 in rent. EmPOWERment will be responsible for all maintenance, insurance and HOA fees.

Leverage: Carrboro is being asked to contribute 75% of this project cost. EmPOWERment will contribute 25%.

FUNDING APPLICATION

DATE: April 1, 2019

Section 1: APPLICANT AND PROJECT OVERVIEW

A. Applicant Information

Applicant/Organization's Legal Name: EmPOWERment, Inc.

Primary Contact Person and Title: Delores Bailey, Executive Director

Applicant/Organization's Physical Address: 109 N Graham St, Chapel Hill NC, 27516

Applicant/Organization's Mailing Address: 109 N Graham St, Chapel Hill NC, 27516

Telephone Number: 919-967-8779

Email Address: empowermentincnc@gmail.com

B. Project Information

Project Name: Affordable Rental Property Acquisition

Total Project Cost: \$46,000.00

Total Amount of Funds Requested: \$35,000 (Thirty Thousand Dollars)

Please specify which permitted use of funding is being requested (A-K):

Acquisition

Proposed Use of Funds Requested (*provide a concise description of proposed project and how it meets the criteria of eligible uses*): EmPOWERment, Inc. is seeking to purchase the property located at 124 Fidelity Street, Unit # . This unit will be added to our inventory or affordable rental homes.

To the best of my knowledge and belief all information and data in this application are true and current. The document has been duly authorized by the governing board of the applicant.

Signature: Delores Bailey

4/1/19
Date

Executive Director or other Authorized Signatory

Section 2: PROJECT DESCRIPTION

Please provide a thorough description of the project (by answering the "who," "what," "when," and "where" questions about your project). **Do not assume the reader knows anything about the project.**

A. Project Name

1. Project Name: Affordable Rental Property Acquisition

B. "Who"

1. Who is the target population to be served and how will their needs be addressed through this project? ? If this is a repair or rehabilitation project, please address how the beneficiary meets eligibility requirements and provide substantiation, such as a deed, homeowner insurance policy statement, etc.

EmPOWERment's typical residents are transitioning from homelessness, living at the poverty level, veterans, seniors, disabled and Housing Choice Voucher (HCV) holders. More than 55% of our tenants are HCV holders, 10% are seniors and 30% live with a disability. Our tenants earn between 30% and 60% of the Area Median Income (AMI). EmPOWERment has begun adding displaced mobile home tenants and has added mobile home units to our rental inventory.

2. Please indicate the income of the beneficiaries (households) to be served through the proposed project. Please see **Attachment A** for the current income limits for the Durham-Chapel Hill MSA. Please also provide documented income data for the intended recipients, such as the most recent tax return, if submitting on behalf of an individual.

Income Group (Area Median Income)	Number of Beneficiaries	% of Total Beneficiaries
<30% of the AMI	115	37
31%-60% of AMI	193	62
61-80% of AMI	2	1
81-100% of AMI	0	0
101-115% of AMI	0	0
TOTAL	310	100

1. **Project Staff.** Please provide names of staff, contractors, and/or volunteers that will be involved with the project. Describe their responsibilities with the project and track record in successful completion of similar projects in the past:

EmPOWERment, Inc. has been in the affordable rental property management business for 23 years. The Property Manager and her team carry out all program activities. A special projects manager was added recently to handle rental renovations. The team operates out of the EmPOWERment Office located in the Midway Business Center, Chapel Hill, NC. All of the EmPOWERment staff, UNC Bonner students (2) and volunteers are trained to help with the Rental Program.

Property Manager, Valencia Thompson (previous Assistant Property Manager) holds a MBA in Accounting and Finance and has been a Real Estate Broker for ten years. This role includes overseeing the Rental Property

management program including but not limited to: rental counseling, apartment turnovers, and maintenance, negotiating with vendors, rent collection, working with tenants, handling administrative rental duties, data collection and Website management of the Rental Program.

Special Projects Manager, Mark Weller, is a general contractor and comes to us with over 20 years in the construction business. His expertise is in renovations. Mr. Weller oversees hired contractors.

Operations Manager, LaTanya Davis, holds a BA in Business Management, BS in Economics and a Masters in Business Education. She is also a Broker-in-Charge with over twenty years of experience. Ms. Davis was the previous Property Manager for ten years. She now oversees the entire rental program and works closely the Executive Director in procuring acquisitions and management of renovation projects.

Community Outreach Manager, Sarita Nwachukwu, holds a BA in Psychology from Morgan State University and a MBA from the University of Maryland. She provides In-take services, channeling rental phone calls and those seeking rental assistance to the correct person.

Bonner Students, provide support for the rental management program. They have been responsible for creating electronic files that bring consistency and accuracy to data collection.

Executive Director, Delores Bailey, has 20 years of rental property management experience with EmPOWERment, Inc. With the approval of the Board, Ms. Bailey researches and negotiates potential purchases of affordable rental projects. This unit will be included in EmPOWERment's affordable rental inventory.

C. "What"

1. Type of Activity. Please check the category under which your project falls.

- ☒ Acquisition
- ☐ Pre-development costs
- ☐ Rental subsidy
- ☐ Ownership subsidy
- ☐ New construction for homeownership
- ☐ New construction for rental
- ☐ Rehabilitation for owner-occupied or rental (including urgent repairs - see *)
- ☐ Land banking
- ☐ Grant to land trust
- ☐ Rental deposit / utility connection assistance (Max \$1,000 - see *)
- ☐ Loan payment or loan subsidy
- ☐ Foreclosure assistance
- ☐ Other (specify):

**Starred items requesting no more than \$5,000 or 15% of the existing fund, whichever is lower, do not have to provide performance measures and can apply outside of the funding cycles.*

2. Project Description. Please provide a general overview of your project, including what you are planning to produce and how you are planning to carry out the project.

This project is an acquisition. It aligns with the funding goal of a non-profit working with an individual. EmPOWERment will be partnering with Emily Gordon, longtime resident of Hilmont Apartments on fidelity

E: "When"

ACQUISITION BUDGET: Rental Units at 124 Fidelity Street, Carrboro, NC Hillmont Apartments

124 Fidelity Street, Carrboro, NC Hillmont Apartments.

This unit is 1 bedroom, 1 bath, 560 square feet

These are the most affordable type of rental in the EI inventory.

\$	44,000.00	purchase price
\$	1,000.00	closing costs associated with purchase
\$	1,000.00	repairs, upgrades (See Budget)
\$	46,000.00	

EmPOWERment Request \$ 35,000.00

EmPOWERment Portion \$ 11,000.00

Total \$ 46,000.00

Time Table: Once purchased EmPOWERment will begin upgrades on Unit 12.
We anticipate work completion within six months of acquisition.

Street in Carrboro. Ms. Gordon approached EmPOWERment with this proposition. Ms. Gordon is concerned about losing her home because of rising costs specifically, her mortgage payments, utilities plus the HOA dues at Hilmont. Ms. Gordon has asked EmPOWERment to buy her home so that she can remain in it without threat of losing it. Ms. Gordon will receive live time living rites and will pay a small rental fee. The unit will become part of the affordable rental inventory. EmPOWERment will be responsible for maintenance, insurance and HOA fees for the unit. Ms. Gordon is a senior citizen, 82 years old, who will qualify at below 60% AMI.

D. "Where"

1. **Project Location.** Please be as specific as possible 124 Fidelity Unit # 12

2. **Project Size (if applicable).** Please provide the size of development site: N/A acres

Please attach the following:

- Site ☒ map showing lot boundaries, locations of structure(s), and other site features General
☒ location map (at least ½ mile radius)

See lot maps

E. "When"

- ☒ Attach a **detailed** timetable showing when each work task will be completed (e.g., planning; obtaining financial commitments; design; environmental review; bidding; loan closing; key milestones in construction; marketing; final inspection; occupancy; etc.)

F. Project Details

If the questions below are not applicable or the requested information is not currently available, please insert N/A.

1. **Property Acquisition.**

- Has your agency acquired real property in order to carry out the project, or is property acquisition planned? We are planning to acquire this property for the project.
- Is the property currently occupied? If so, attach a description of your plan to relocate. The current occupant will not be relocated.
- Please attach an appraisal of the property. Requested.

2. **Construction/Rehabilitation Detail.**

- How many units will be newly constructed? N/A
- How many units will be rehabilitated? 0

Unofficial Property Record Card - Orange County, NC

General Property Data

Parcel ID 9778561748.010
 Property Owner EMPOWERMENT INC
 Mailing Address 109 N GRAHAM ST #200
 City CHAPEL HILL
 State NC
 Zipcode 27516

Property Location 124 FIDELITY ST
 Property Use
 Most Recent Sale Date 6/9/2010
 Legal Reference 4957/332
 Grantor AFFORDABLE RENTALS
 Sale Price 0
 Land Area 1 HMOA

Current Property Assessment

Card 1 Value Building Value 70,400 Other Features Value 0 Land Value 0 Total Value 70,400

Building Description

Building Style Condo-Res
 # of Living Units 1
 Year Built 1965
 Finished Area (SF) 560
 Full Baths 1
 # of Other Fixtures 0

Foundation Type Slab
 Roof Structure Gable
 Roof Cover Shingle
 Siding Masonry
 1/2 Baths 0

Heating Type Combo H&A
 Heating Fuel N/A
 Air Conditioning 100%
 # of Bsmt Garages 0
 3/4 Baths 0

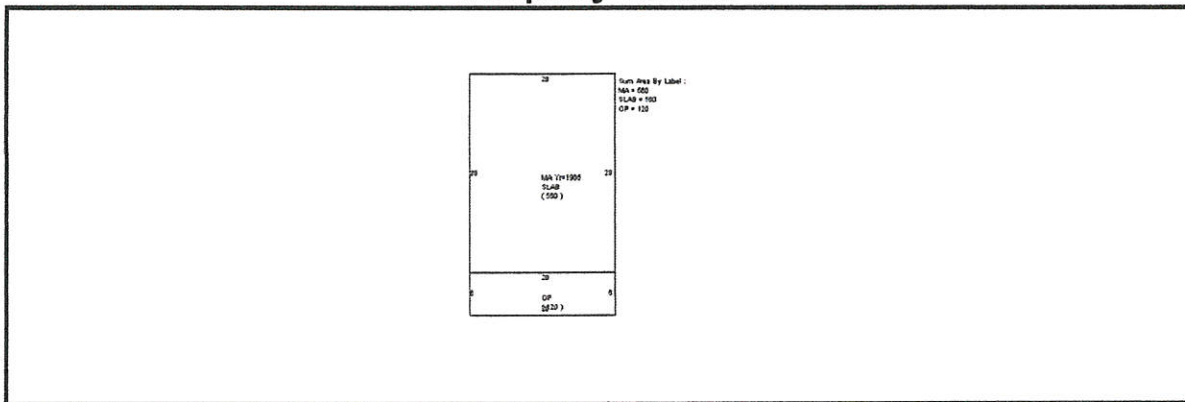
Legal Description

A-10 HILLMONT CONDO P32/12

Narrative Description of Property

This property contains 1 HMOA of land mainly classified as with a(n) Condo-Res style building, built about 1965 , having a finished area of 560 square feet, with Masonry exterior and Shingle roof cover, with 1 unit(s).

Property Sketch



Disclaimer: This information is believed to be correct but is subject to change and is not warranted.

G: FLOOR PLAN

- c. What is the square footage of each unit? 560 square feet
- d. What is the number of bedrooms in each unit? 1
- e. What is the number of bathrooms in each unit? 1
- f. How many units will have full ADA accessibility? 0 This unit will come to us "as is".
- g. Is the proposed project located in Carrboro Town limits, ETJ, or transitional area? Carrboro Town limits.
- h. Please attach the following:
 - ☒ Floor plan(s)
 - ☐ Elevation(s)
 - ☐ List of Energy Efficiency measures included in the project (if applicable)
 - ☐ List of Universal Design principles included in the project (if applicable)

3. Design, Affordability, Marketing, and Supportive Services.

- a. Describe any methods to ensure long-term affordability of housing units, including subsidy recapture, equity sharing, deed restrictions, etc.
 This property will become part of EmPOWERment's rental inventory. EmPOWERment will follow the HUD guidelines for assuring long-term affordability. We will use deed restrictions and a development agreements to confirm. Purchasing this property at this amount will allow EmPOWERment to offer a rental subsidy to the current owner.
- b. What are the proposed rents (including utility costs) or sales prices for completed units?
 EmPOWERment will charge Ms. Gordon rent of \$255. She will continue to be responsible for her own utilities. Ms. Gordon is currently making a mortgage payment of \$440, HOA dues of \$175 plus utilities.
- c. Explain your agency's process for marketing to ensure an adequate pool of income-eligible renters to buyers:
 We will not advertise for this unit. We currently have a wait list of approximately 20 individuals/families that are looking for 1 bedroom apartments. We normally list available units with partnering non-profits such as The Community Empowerment Fund, which assists Orange County residents find housing, Family Success Alliance and the Department of Social Services.
- d. Describe the use of energy efficient principles, universal design, and/or materials with extended life span. Ms. Gordon's home has efficiency principles suitable to her lifestyle.
- e. What supportive services, if any, will be provided through this project? **None**

Section 3: PERFORMANCE MEASUREMENTS

A. Goals and Objectives

Please complete the following chart with information about the project's goals and objectives.

Goal/Objective	Measurement
<i>Ex: Provide housing for low- to moderate-income households.</i>	<i>Ex: By 2020, build ten units that are affordable to households earning less than 80%AMI.</i>
Increase the number of low to moderate income rental units (currently have 50 units)	Acquire 1 property that can become part of EI's affordable rental inventory
To provide housing for the most vulnerable population.	Provide housing stability for a senior citizen of Carrboro.

B. Alignment with Town Goals and adopted affordable housing strategies.

Please explain how the proposed project aligns with the Board of Aldermen Goals and adopted affordable housing strategies.

EmPOWERment Inc. continues to purchase units to fill and create inventory to address the critical need for affordable housing in Orange County. EmPOWERment, Inc.'s rental program has a proven track record of implementing safe, clean and affordable places for low to moderate income families to live. We have provided these services for the past 20 years.

This project aligns with The Board of Alderman Goals in that is is providing housing stability for one of the most vulnerable populations: senior citizens. It falls directly in the eligibility of non-profits working with individuals to protect housing for one of Carrboro's long-time residents. Ms. Gordon recognized she is at risk of losing her home and reached out to EmPOWERment. EmPOWERment is happy to be able to provide Ms. Gordon life time rites and relieve the pressure of losing her home to potentially mounting bills.

Section 4: PROJECT BUDGET AND PRO-FORMA

A. Project Budget

☒ Attach a **detailed project budget** in Excel format showing all sources and uses of funds. Indicate which funds are committed or pending and include the % of committed funds toward this project. Attach funding commitment letters where available or copies of funding applications previously submitted.

☐ Has an appraisal been conducted? If so, please attach. *Requested*

B. Terms of Project Funding

Please specify the type of funding request for which you are applying:

☒

Grant

☐

Loan

C. Pro-forma (for rental property only)

☒

If you are developing a property for rent, please attach a 20-year pro-forma showing estimated income, expenses, net operating income, debt service, and cash flow.

Section 5: ORGANIZATION DESCRIPTION

A. Organization

What is your organization's . . .

1. Mission statement? **The mission of EmPOWERment, Inc. is to empower people and communities to determine their own destinies through affordable housing, community organizing and grassroots economic development.**
2. Incorporation date (Month and Year)? **1996**
3. Estimated Total Agency Budget for this fiscal year? **\$ 714,136.00**
4. Total number of agency staff (full time equivalents): **9**

B. Organization Track Record and Community Support

When EI began in 1996, it focused on home ownership for low income families. Over the years, other organizations emerged in the area of ownership and the need for affordable rentals grew appreciably. In 2007-2008, EI changed its focus to affordable rental housing. The change in focus, led by Executive Director Delores Bailey, proved to be even more important during the severe economic crisis that began in 2008-2009.

Since then, EI's portfolio has grown to 50 properties and we remain active in acquiring more, hoping to add 2 to 5 units in 2017. We currently provide housing to more than 125 tenants. We employ a Property Manager and an Operations Manager in-house. They are familiar with the challenges that face low income tenants and are able to balance EI's needs with the tenants' so that the rental

services are sustainable and growing. Our history with rental property is one of success, for the organization and our tenants.

The word "tenant" accurately describes EI's relationship to the 100-plus people who live in our rental properties. However, it is a business term than can seem to distance us from those families. In fact, we are close to them. As a mission-driven organization, we know the families very well. Each of them has a story, and we know those stories. We share their successes and struggles, and we are eager to be able to house and encourage more people. In addition, EmPOWERment owns the Midway Business Center, a small business incubator that provides places for start up entrepreneurs to rent a small office space as they begin to grow their company. EmPOWERment also, has strong roots in the community through its Community Outreach meetings and events that demonstrate our commitment to the neighborhood and the people.

Please describe your organization's experience and ability to carry out the proposed project, including:

1. Evidence of coordination of this application with other organizations to complement and/or support the proposed project

EmPOWERment Inc. collaborates with Social Services, Habitat for Humanity, Community Home Trust, Interfaith Council, Family Success Alliance, Club Nova, UNC Chapel Hill School of Medicine's Department of Psychiatry and Community Empowerment Fund to help place qualified residents in affordable rental units. EmPOWERment has listened to the cares and concerns of the Carrboro alderman and the Advisory Board along with Ms. Gordon who has a keen ear in the Senior community. She has warned us several years about the plight of seniors in the rental community. She has kept us informed.

2. Involvement of intended beneficiaries of the project in the planning process

Ms. Gordon had the foresight to approach EmPOWERment with this problem. Together, we were able to come up with this solution.

As with all our tenants EmPOWERment gives each tenant a survey yearly to document any concerns they may have. Each survey is reviewed and concerns are addressed with the tenant during a one-on-one feedback counseling session and at lease renewal for current tenants. These suggestions and commits are used in the planning process of other projects to better our rental program. Ms. Gordon will become a part of this program as well.

3. Past achievements in carrying out similar projects and evidence of successful record of meeting proposed budgets and timetables :

EmPOWERment has secured funds from other local Government agencies and funding institutions to add units to our inventory. Each of those projects has required the submission of an approved budget. We have also been held accountable to timelines for completing tasks as well as for payment. In the past we have successfully completed several projects using HOME funds, which has strict guidelines. Our inventory currently consists of fifty units.

4. Collaborative relationships with other agencies,

EmPOWERment has partnerships with local churches and faith based organizations to provide temporary financial assistance to residents in need like St. Thomas Moore, St. Paul's Church, First Baptist and St. Josephs Church. EI continues to search out funding sources for emergency assistance programs that were established in 2015. In 2017 the M.O.M utility fund was funded by BB&T which

allows EI to assist over 50 families by providing assistance with utilities when tenants are experiencing financial hardships. Empowerment continues to partner with Community Empowerment Fund to transition homeless individuals into permanent housing through "home sharing" as housemates when possible. As members of the Orange County Affordable housing Coalition and the Northside Initiative we are in constant contact with other housing providers. We work closely with The Family success Alliance addressing families living at or below the poverty level.

5. Plans to develop linkages with other programs and projects to coordinate activities so solutions are holistic and comprehensive

EmPOWERment Inc.'s mission is about the WHOLE community not just about housing but the communities the houses are in and the school systems that educate the students and the places of employment where the breadwinners work. EmPOWERment works constantly with the area police departments, our Community Outreach Program, and with UNC students and administrators to address the needs of underserved individuals in our community through program assistance and information sharing.

EmPOWERment actively collaborates with nonprofits such as Family Success Alliance and Justice United to bring light to neighborhood issues that may require Orange County attention. In conjunction with Justice United and the UNC Chapel Hill School of Public Policy, we have conducted surveys with tenants about the condition of their units. In 2017, EI collaborated with FSA to bring exposure to the traffic profiling issue and conducted surveys in our mobile home communities.

EmPOWERment, Inc. continues to collaborate with Chapel of the Cross Church and local developers to provide free gently used furniture and appliances to low income families.

6. Any other features relating to organization capacity that you consider relevant, (i.e. property management experience, including accepting Section 8 Vouchers, etc.).

EmPOWERment, Inc. has created a one-stop shop for affordable rental management programs and services that serves the populations throughout Orange County. EmPOWERment, Inc. is the primary provider of much needed affordable rentals in Orange County. EmPOWERment will continue to tailor the services of the affordable rental program to include more Housing Choice voucher holders, veterans, individuals transitioning from homelessness, seniors and disabled populations. The property manager position is responsible for the management of 50 rental units throughout Orange County. These units are made available for families and individuals at income levels that range from 30 - 60% Area Media Income. Unfortunately, the waiting list for affordable rentals moves very slowly. Families are forced to live in expensive units they can't really afford or substandard apartments with little recourse. The EmPOWERment Inc. Rental Property Management Program is intentional about our units and the families we try to serve.

Section 6: DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Are any of the Board Members or employees of the agency which will be carrying out this project, or members of their immediate families, or their business associates:

- a) Employees of or closely related to employees of the Town of Carrboro
YES ☐ NO ☒
- b) Members of or closely related to members of the governing bodies of Carrboro?
YES ☐ NO ☒
- c) Current beneficiaries of the project/program for which funds are requested?
YES ☐ NO ☒
- d) Paid providers of goods or services to the program or having other financial interest in the program?
YES ☐ NO ☒

If you have answered YES to any question, **please explain below**. The existence of a potential conflict of interest does not necessarily make the project ineligible for funding, but the existence of an **undisclosed** conflict may result in the termination of any grant awarded.

PROJECT REPORTING AND MONITORING

Recipients of funds for development are required to submit written progress reports to the Town by the end of the fiscal year (June 30) to monitor progress and performance, financial and administrative management, and compliance with the terms of the performance agreements. Reporting information may include: progress toward achieving performance goals, description of activities/challenges, and revisions of proposed project timelines/budgets. Please submit annual reports electronically by June 30 to: rbuzzard@townofcarrboro.org

Recipients of funds for home repairs/rehab are to submit details of work completed when submitting invoices for reimbursement of funds.

PERMITTED USES OF FUNDING

Development & Acquisition

Loans: 1. To guarantee the payment of loans or subsidize the interest rate on loans made by financial institutions to beneficiaries for the purpose of acquiring affordable housing.

2. To provide direct deferred payment loans to beneficiaries to supplement loans made by financial institutions for the purpose of acquiring affordable housing.

Land Banking: To assist in the purchase of land for conveyance to nonprofit affordable housing agencies.

Construction: To pay some or all of the expenses associated with the construction of affordable housing.

Acquisition: To acquire developed properties suitable for resale to individuals or families. Applicants qualifying under the percentage of A M I shall be approved in advance by the Board of Aldermen.

Pre-development Costs: To pay some or all of the pre-development costs (such as feasibility studies, appraisals, land options and preparation of an application) for projects to be developed for the purpose of providing rental or owner-occupied affordable housing.

Land Trust: To provide grants to organizations for land trust projects that guarantee long-term affordability of a property through a 99-year renewable ground leases or for maintenance of land trust housing stock.

Subsidy: To provide permanent subsidies to reduce the sale price of new or existing housing units so as to make them more affordable.

Rehabilitation & Preservation

- To provide for emergency home repairs of properties in the affordable housing stock. *
- To provide for the maintenance of properties in the affordable housing stock that are falling into disrepair.*
- To guarantee the payment of loans or subsidize the interest rate on loans made by financial institutions to beneficiaries for the purpose of rehabilitating affordable housing.
- To provide direct deferred payment loans to beneficiaries to supplement loans made by financial institutions for the purpose of rehabilitating affordable housing.
- To provide grants or loans to nonprofits to avoid losing homes in the permanent affordable housing stock as a result of foreclosure.

Housing Stabilization

- To provide rental and/or utility deposit grants for Housing Choice Voucher, Permanent Supportive Housing (PSH), Rapid Re-housing, HUD-VASH and Housing Opportunities for Persons w/ AIDS (HOPWA) recipients relocating to rental units in Carrboro as a result of their current rental units no longer accepting a housing subsidy listed above.*
- To provide rental and/or utility deposit grants for those who have been assessed by the Coordinated Entry process as it relates to homelessness and have identified safe, decent, and affordable housing. *
- Assistance may be used for payment of security deposits, utility connections and/or rental payments given extenuating circumstances.*

*Starred items requesting no more than \$5,000 or 15% of the existing fund, whichever is lower, do not have to provide performance measures and can apply outside of the funding cycles.

FUNDING PRIORITIES

The fund is dedicated to the development and preservation of affordable housing. Priority goals include **increasing the supply of affordable housing units, increasing the quality of housing stock while maintaining affordability, and helping people stay in the homes they have (both owners and renters).**

Priority project areas include:

- Rental projects that serve households with incomes 60% and below the Area Median Income (AMI) -
- Homeownership projects that serve households with incomes 80% and below the AMI.

GENERAL APPLICATION INFORMATION AND PROCEDURES

Funding applications are accepted three times a year: October 1, January 1, and April 1. Funding is based on the availability of funds. Only as many funding cycles will be completed as necessary to use the available

E: "When"

ACQUISITION BUDGET: Rental Units at 124 Fidelity Street, Carrboro, NC Hillmont Apartments

124 Fidelity Street, Carrboro, NC Hillmont Apartments.

This unit is 1 bedroom, 1 bath, 560 square feet

These are the most affordable type of rental in the EI inventory.

\$	44,000.00	purchase price
\$	1,000.00	closing costs associated with purchase
\$	1,000.00	repairs, upgrades (See Budget)
\$	46,000.00	

EmPOWERment Request	\$ 35,000.00	76%
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EmPOWERment Portion	<u>\$ 11,000.00</u>
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United Way Funding Request

Total	\$ 46,000.00
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Time Table: Once purchased EmPOWERment will begin upgrades on Unit 12.
We anticipate work completion with in six months of acquisition.

Renovation Budget: 124 Fidelity Street Carrboro, NC

This property was updated within the last 60 months. El's project/construction manager, Mark Weller, has prepared this list of normal upgrades.

Basic Upgrades		
Interior painting	\$	600.00
Fixture replacements	\$	<u>400.00</u>
Total	\$	1,000.00

20-YEAR PRO FORMA, 124 FIDELITY STREET, CARRBORO, NC

EmPOWERment, Inc accepts housing vouchers. We also rent to families without vouchers. Our target tenant population earns 30% to 60% of the area median income. The pro forma is based on initial rent at \$630 per month.

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
Income										
Vacancy 8.33% per yr (1 month)	3,060.00	3,060.00	3,060.00	3,060.00	3,151.80	3,151.00	3,151.00	3,151.80	3,151.00	7,560.00
	(254.90)	(254.90)	(254.90)	(254.90)	(262.54)	(262.48)	(262.48)	(262.54)	(262.48)	(629.75)
Total Income	2,805.10	2,805.10	2,805.10	2,805.10	2,889.26	2,888.52	2,888.52	2,889.26	2,888.52	6,930.25
Expenses										
Management fee (See note)	960.00	960.00	960.00	960.00	960.00	960.00	960.00	960.00	960.00	960.00
Maintenance & Repair (See note)	500.00	400.00	400.00	400.00	400.00	412.00	412.00	412.00	412.00	412.00
Accounting, Record-keeping	300.00	300.00	300.00	300.00	300.00	309.00	309.00	318.27	318.27	318.27
Insurance (See note)	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Taxes (See note)	200.00	200.00	300.00	300.00	312.00	324.48	324.48	324.48	324.48	324.48
Utilities (See note)	100.00	100.00	100.00	104.00	108.16	112.49	116.99	121.67	126.53	131.59
Rental Reserves (See note)	84.15	84.15	84.15	84.15	86.68	86.66	86.66	86.68	144.46	144.43
Turn-over Costs (See note)	300.00	300.00	300.00	312.00	324.48	337.46	350.96	365.00	379.60	958.00
Total Expenses	2,544.15	2,444.15	2,544.15	2,560.15	2,591.32	2,642.08	2,660.08	2,688.09	2,765.34	3,348.77
Annual Income	2,805.10	2,805.10	2,805.10	2,805.10	2,889.26	2,888.52	2,888.52	2,889.26	2,888.52	6,930.25
Less Expenses	2,544.15	2,444.15	2,544.15	2,560.15	2,591.32	2,642.08	2,660.08	2,688.09	2,765.34	3,348.77
Debt Service (see note)	-	-	-	-	-	-	-	-	-	-
Net Operating Income	260.95	360.95	260.95	244.95	297.94	246.44	228.44	201.17	123.18	3,581.48

(Note: EI reviews the performance of each property regularly and does not permit one to operate at a loss.)

<u>Year 11</u>	<u>Year 12</u>	<u>Year 13</u>	<u>Year 14</u>	<u>Year 15</u>	<u>Year 16</u>	<u>Year 17</u>	<u>Year 18</u>	<u>Year 19</u>	<u>Year 20</u>
7,560.00	7,560.00	7,560.00	7,560.00	7,786.80	7,786.80	7,786.80	7,786.80	7,786.80	7,786.80
(629.75)	(629.75)	(629.75)	(629.75)	(648.64)	(648.64)	(648.64)	(648.64)	(648.64)	(648.64)
6,930.25	6,930.25	6,930.25	6,930.25	7,138.16	7,138.16	7,138.16	7,138.16	7,138.16	7,138.16

1,020.00	1,020.00	1,020.00	1,020.00	1,020.00	1,020.00	1,020.00	1,020.00	1,020.00	1,020.00
412.00	424.36	1,403.83	1,403.83	1,403.83	1,403.83	1,403.83	1,403.83	1,403.83	1,403.83
318.27	327.82	327.82	327.82	327.82	337.65	337.65	337.65	337.65	562.75
100.00	104.00	108.16	112.49	116.99	121.67	126.53	131.59	973.95	973.95
337.46	350.96	365.00	379.60	394.78	410.57	426.99	444.07	1,212.17	1,212.17
136.86	142.33	148.02	153.95	160.10	166.51	173.17	180.09	180.09	180.09
346.51	440.00	440.00	440.00	440.00	440.00	440.00	440.00	400.00	440.00
996.32	996.32	996.32	996.32	996.32	996.32	1,036.17	1,036.17	1,036.17	1,036.17

3,667.42	3,805.79	4,809.15	4,834.00	4,859.84	4,896.55	4,964.35	4,993.41	6,563.86	6,828.96
6,930.25	6,930.25	6,930.25	6,930.25	7,138.16	7,138.16	7,138.16	7,138.16	7,138.16	7,138.16
3,667.42	3,805.79	4,809.15	4,834.00	4,859.84	4,896.55	4,964.35	4,993.41	6,563.86	6,828.96
-	-	-	-	-	-	-	-	-	-

3,262.83	3,124.47	2,121.10	2,096.26	2,278.32	2,241.61	2,173.81	2,144.75	574.30	309.20
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NOTES ON EXPENSES

We will provide significant subsidy to the property for the first 10 years.

Management fees begin at \$80 per month, stay at that level for 10 years.

Insurance is projected to increase at 4%.

Taxes consist of Orange County storm water programs fees and Chapel Hill storm water fees charged to each specific property.

El will pay utilities only when property is not occupied. Projected at one month per year, increasing at 4% per year.

Rental reserves are set aside for major maintenance expenses, HVAC.

Turn over costs are incurred when a new tenant moves in. Costs may include eviction costs, new carpeting, new paint.

ORANGE COUNTY
NORTH CAROLINA

Search

Results

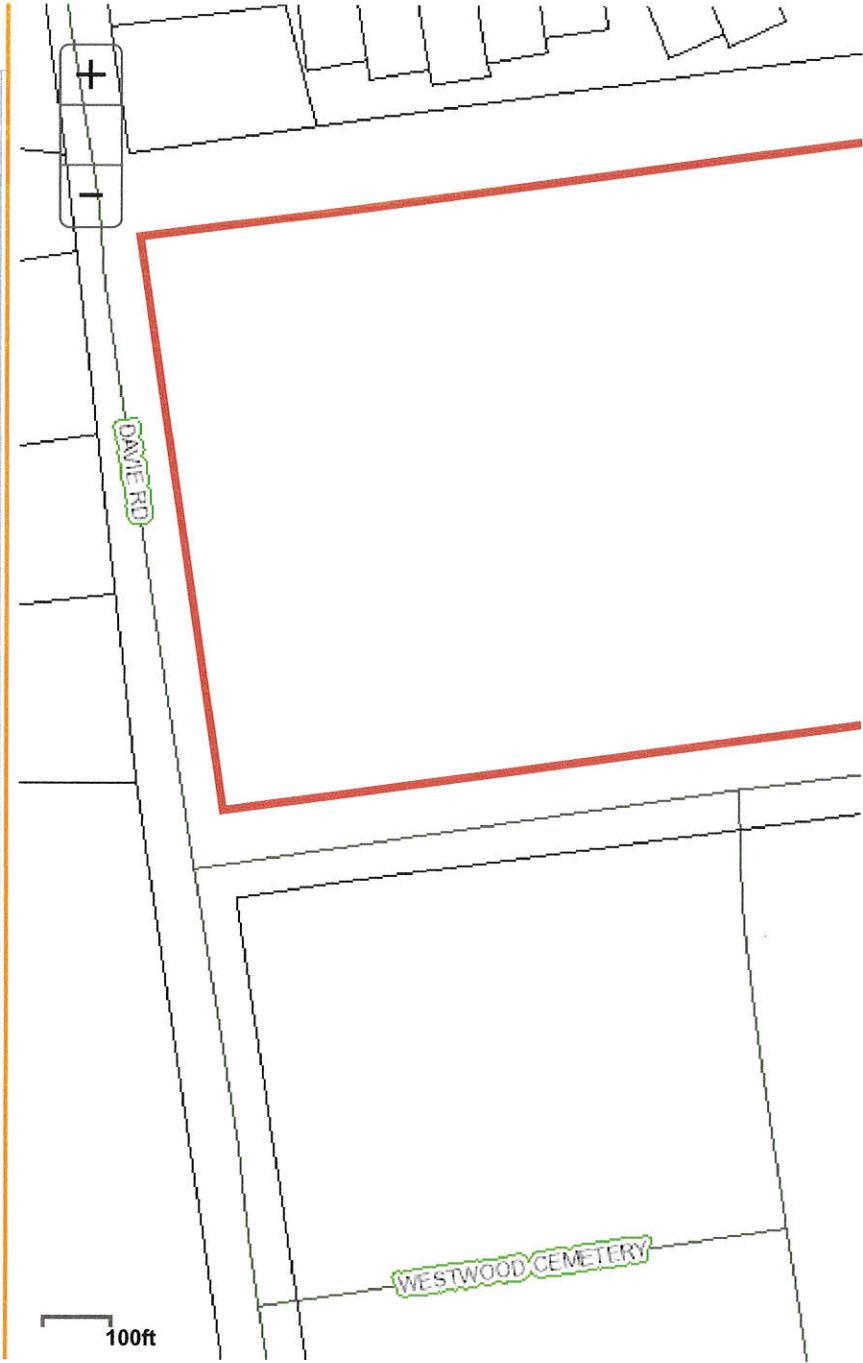
Layers

Results List

Details

PIN	9778561748.030
PINSTATUS	ACTIVE
OWNER_TYPE	
INTEREST OWNERS	(http://web.co.orange.nc.us/PINManagementV PIN=9778561748.030)
PROPERTY ADDRESS	124 FIDELITY ST UNIT 12
OWNER	GORDON EMILY M
MAILING ADDRESS	P O BOX 1552
CITY	CARRBORO
STATE	NC
ZIPCODE	27510
TOWNSHIP	CHAPEL HILL (7)
SIZE	1 L
CALCULATED ACRES	
SUBCODE	10073
LEGAL_DESC	UNIT B-6 HILLMONT CONDOMINIUMS P32/13
RATECODE	21 (https://www.orangecountync.gov/897/Tax-Ra)
LANDVALUE	
BLDGVALUE	70400
BLDGCNT	1
VALUATION	70400
TAXSTATUS	A
FARMUSE	
USEVALUE	
DEEDREF	3362/51
LEGALREF	
DATESOLD	03/08/2004
TAXSTAMPS	78
STAMPVALUE	39000
YEAR BUILT	1965
SQFT	560
SUBDIVISION_NAME	

Buffer





This map contains parcels prepared for the inventory of real property within Orange County, and is compiled from recorded deed, plats, and other public records and data. Users of this map are hereby notified that the aforementioned public primary information sources should be consulted for verification of the information contained on this map. The county and its mapping companies assume no legal responsibility for the information on this map.

April 1, 2019

PIN: 9778561748.030
OWNER 1: GORDON EMILY M
OWNER 2:
ADDRESS 1: P O BOX 1552
ADDRESS 2:
CITY: CARRBORO

SIZE: 1 L
DEED REF: 3362/51
RATECODE: 21
DATE SOLD: 03/08/2004
BLDG SQFT: 560
YEAR BUILT: 1965

BUILDING COUNT: 1
LAND VALUE: \$
BLDG_VALUE: \$70,400
USE VALUE: \$
TOTAL VALUE: \$70,400

1:1.200

Orange County

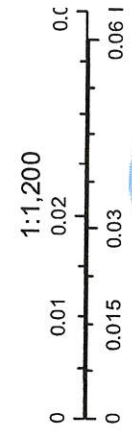


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PIN: 9778561748.030
OWNER 1: GORDON EMILY M
OWNER 2:
ADDRESS 1: P O BOX 1552
ADDRESS 2:
CITY: CARRBORO
STATE, ZIP: NC 27510
AL DESC: UNIT B-6 HILLMONT CONDOMINIUMS P32/13

SIZE: 1 L
DEED REF: 3362/51
RATE CODE: 21
TOWNSHIP: CHAPEL HILL
BLDG SQFT: 560
YEAR BUILT: 1965

BUILDING COUNT: 1
LAND VALUE: \$
BLDG VALUE: \$70,400
USE VALUE: \$
TOTAL VALUE: \$70,400
DATE SOLD: 03/08/2004
TAX STAMPS: 78





AHSRF Application Checklist (for requests over \$5,000)

Applicant: EmPOWERment

Funding Cycle: April 1, 2019

Type of Project: Human Services Program – Support of Property Management Program

Amount Requested: \$16,000

Required Item	Item Included
Application (meets guidelines & includes all required attachments not listed below)	✓
Project Budget	✓
20 yr. Pro Forma, if applicable	N/A
Articles of Incorporation	✓
By-laws	✓
Board of Directors List	✓
IRS 501 (c)(3) Determination Letter	✓
Most Recent Financial Statement	✓
Map	N/A
Income verification, if applicable	N/A

Summary of Request: EmPOWERment requests \$16,000 to support their Property Management Program (Affordable Rentals). The request has traditionally helped support the salary of the Property Manager who oversees the program. This program has a budget of \$367,766 and currently manages 50 units, 14 of which are located in Carrboro. Of these 14, EmPOWERment currently owns 12.

The program entails rental counseling, apartment turnovers and maintenance, negotiating with vendors, rent collection, working with tenants, data collection, website management and other required administrative needs.

Tenants earn between 30-60% AMI. As stated in the application, more than 55% hold Housing Choice Vouchers, 10% are seniors and 30% have a disability.

The Town of Carrboro has historically funded this request through the Human Services application process.

Leverage: Carrboro is being asked to contribute 4.35% of this project cost. Other sources of funding are: Orange County, Town of Chapel Hill and program generated revenue.



Town of Carrboro

Affordable Housing Special Revenue Fund Application

OVERVIEW

The Town of Carrboro established an Affordable Housing Special Revenue Fund in 2007. The goal of the Affordable Housing Special Revenue Fund is to advance the Town's goal of increasing and improving the stock of affordable housing within Carrboro and its planning jurisdiction.

The Affordable Housing Task Force was established in 2012 for the purpose of creating recommendations for an affordable housing strategy. In June of 2014, this goal was accomplished when the Board of Aldermen approved the Town's Affordable Housing Goals and Strategies document. From this work, an Affordable Housing Advisory Commission (AHAC) was formed in 2017. This Commission's responsibilities include:

- Reviewing and making recommendations to the Board of Aldermen for new or revised policies regarding the operation of the Affordable Housing Fund;
- Reviewing and making recommendations to the Board of Aldermen on affordable housing funding applications.

With this in mind, beginning in April 2019, requests for funding (as explained below) will be reviewed by the AHAC who will then make a recommendation to the Board of Aldermen regarding the request.

FUNDING

Source of Funds. The Affordable Housing Special Revenue Fund may be funded by payments made by developers in lieu of providing affordable housing units under the applicable provisions of the Land Use Ordinance. Other revenue sources for the fund may include grants, donations, loans, interest payments, or other contributions or assignments.

The principal and interest earned on funds received from developers, grants, donations, loans, interest payments, or other revenues that may become available also accrue to this fund. As the Affordable Housing Special Revenue Fund develops over time, it is anticipated that funding will be available for time-sensitive acquisition requests that arise outside the established funding cycles.

In June of 2018, the Board of Aldermen passed a half cent property tax increase. This will provide a yearly source of revenue for the fund of approximately \$112,500.

APPROVAL

In 2018 the Board of Aldermen voted to allow the Town Manager to approve or deny funding applications for no more than \$5,000 or 15% of the existing fund, whichever is lower. These applications do not have to provide performance measures and can apply outside of the funding cycles.

Any requests over this threshold that are not appropriated by the Board of Aldermen during the budget cycle will complete the following application. The application will be reviewed by the AHAC and their recommendation to approve or deny funding will go to the Board of Aldermen.

ELIGIBILITY

Nonprofits and individuals working with nonprofits may apply for funds to be used to address projects that meet the Town's affordable housing goals. Please see our website for a list of local housing providers: <http://www.townofcarrboro.org/982/Affordable-Housing>

In order to qualify for participation in the Affordable Housing Special Revenue Fund process, the following criteria must be met by the beneficiaries (individuals), if applicable, and substantiated by the applicant (nonprofit organizations):

- a. Beneficiaries must be a resident of Carrboro or the Carrboro planning jurisdiction, or purchasing a home in Carrboro or the Carrboro planning jurisdiction;
- b. Beneficiaries or applicants must be unable to obtain a loan, either subsidized or unsubsidized, on comparable terms and conditions;
- c. Beneficiaries or applicants must be the owner of the property in fee simple or leasehold estate and have paid or have appropriate arrangements with the county tax assessor to pay the tax bill, if the property is to be rehabilitated, or have clear title if the property is to be purchased or constructed;
- d. Beneficiaries must be residing in the property to be rehabilitated, or if purchased or constructed, occupy the property when the acquisition is completed. The building or affordable unit that is subject to program funding must have an anticipated life of at least 20 years after rehabilitation, or 30 years, if constructed or acquired;
- e. Beneficiaries must have a gross household income of 115% of the Area Median Income or less, with priority given to households at 80% of AMI and below for homeowners, and 60% of AMI and below for renters, unless otherwise described (Please see Attachment A for current income limits.);
- f. Beneficiaries must also have an intact homeowner's insurance policy, if applicable.

PROJECT REPORTING AND MONITORING

Recipients of funds for development are required to submit written progress reports to the Town by the end of the fiscal year (June 30) to monitor progress and performance, financial and administrative management, and compliance with the terms of the performance agreements. Reporting information may include: progress toward achieving performance goals, description of activities/challenges, and revisions of proposed project timelines/budgets. Please submit annual reports electronically by June 30 to: rbuzzard@townofcarrboro.org

Recipients of funds for home repairs/rehab are to submit details of work completed when submitting invoices for reimbursement of funds.

PERMITTED USES OF FUNDING

Development & Acquisition

Loans: 1. To guarantee the payment of loans or subsidize the interest rate on loans made by financial institutions to beneficiaries for the purpose of acquiring affordable housing.

2. To provide direct deferred payment loans to beneficiaries to supplement loans made by financial institutions for the purpose of acquiring affordable housing.

Land Banking: To assist in the purchase of land for conveyance to nonprofit affordable housing agencies.

Construction: To pay some or all of the expenses associated with the construction of affordable housing.

Acquisition: To acquire developed properties suitable for resale to individuals or families. Applicants qualifying under the percentage of FAMI shall be approved in advance by the Board of Aldermen.

Pre-development Costs: To pay some or all of the pre-development costs (such as feasibility studies, appraisals, land options and preparation of an application) for projects to be developed for the purpose of providing rental or owner-occupied affordable housing.

Land Trust: To provide grants to organizations for land trust projects that guarantee long-term affordability of a property through a 99-year renewable ground leases or for maintenance of land trust housing stock.

Subsidy: To provide permanent subsidies to reduce the sale price of new or existing housing units so as to make them more affordable.

Rehabilitation & Preservation

- To provide for emergency home repairs of properties in the affordable housing stock. *
- To provide for the maintenance of properties in the affordable housing stock that are falling into disrepair.*
- To guarantee the payment of loans or subsidize the interest rate on loans made by financial institutions to beneficiaries for the purpose of rehabilitating affordable housing.
- To provide direct deferred payment loans to beneficiaries to supplement loans made by financial institutions for the purpose of rehabilitating affordable housing.
- To provide grants or loans to nonprofits to avoid losing homes in the permanent affordable housing stock as a result of foreclosure.

Housing Stabilization

- To provide rental and/or utility deposit grants for Housing Choice Voucher, Permanent Supportive Housing (PSH), Rapid Re-housing, HUD-VASH and Housing Opportunities for Persons w/ AIDS (HOPWA) recipients relocating to rental units in Carrboro as a result of their current rental units no longer accepting a housing subsidy listed above.*
- To provide rental and/or utility deposit grants for those who have been assessed by the Coordinated Entry process as it relates to homelessness and have identified safe, decent, and affordable housing. *
- Assistance may be used for payment of security deposits, utility connections and/or rental payments given extenuating circumstances.*

*Starred items requesting no more than \$5,000 or 15% of the existing fund, whichever is lower, do not have to provide performance measures and can apply outside of the funding cycles.

FUNDING PRIORITIES

The fund is dedicated to the development and preservation of affordable housing. Priority goals include increasing the supply of affordable housing units, increasing the quality of housing stock while maintaining affordability, and helping people stay in the homes they have (both owners and renters).

Priority project areas include:

- Rental projects that serve households with incomes 60% and below the Area Median Income (AMI) -
- Homeownership projects that serve households with incomes 80% and below the AMI.

GENERAL APPLICATION INFORMATION AND PROCEDURES

Funding applications are accepted three times a year: October 1, January 1, and April 1. Funding is based on the availability of funds. Only as many funding cycles will be completed as necessary to use the available

funds. All application documents should be submitted electronically to Rebecca Buzzard, 919-918-7438 or rbuzzard@townofcarrboro.org. Applications are reviewed by the Affordable Housing Advisory Commission and evaluated using a scoring rubric, which is available as Attachment C. The AHAC's recommendations for funding are then forwarded to the Board of Aldermen for final approval.

CHECKLIST OF REQUIRED DOCUMENTATION

Application:

- | | | |
|-------------------------------------|------------|---|
| <input checked="" type="checkbox"/> | Section 1: | Applicant and Project Overview |
| <input checked="" type="checkbox"/> | Section 2: | Project Description |
| <input checked="" type="checkbox"/> | Section 3: | Performance Measurements* |
| <input checked="" type="checkbox"/> | Section 4: | Project Budget and Pro-forma |
| <input checked="" type="checkbox"/> | Section 5: | Agency Description |
| <input checked="" type="checkbox"/> | Section 6: | Disclosure of Potential Conflicts of Interest |

Other Required Attachments:

Please provide **one copy** of each of the following documents (once per year):

- | | |
|-------------------------------------|--|
| <input checked="" type="checkbox"/> | Current list of Board of Directors, including addresses, phone numbers, terms, and relevant affiliations |
| <input checked="" type="checkbox"/> | Current Bylaws and Articles of Incorporation |
| <input checked="" type="checkbox"/> | IRS tax determination letter [501(c)(3)] (if applicable) |
| <input checked="" type="checkbox"/> | Most recent independent audit (if applicable) |

Applications may not be considered for the following reasons:

1. Project does not align with the eligibility criteria for these funding sources
2. Applicant has demonstrated poor past performance in carrying out projects or complying with funding guidelines
3. Applicant fails to provide required information
4. Incomplete or late applications

*Starred items requesting no more than \$5,000 or 15% of the existing fund, whichever is lower, do not have to provide performance measures and can apply outside of the funding cycles.

PLEASE CALL OR EMAIL REBECCA BUZZARD WITH FUNDING QUESTIONS: 919-918-7438 OR
rbuzzard@townofcarrboro.org

FUNDING APPLICATION

DATE: 4-1-19

Section 1: APPLICANT AND PROJECT OVERVIEW

A. Applicant Information

Applicant/Organization's Legal Name: EmPOWERment, Inc.

Primary Contact Person and Title: LaTanya Davis - Operations Manager

Applicant/Organization's Physical Address: 109 N Graham St, Chapel Hill NC, 27516

Applicant/Organization's Mailing Address: 109 N Graham St, Chapel Hill NC, 27516

Telephone Number: 919-967-8779

Email Address: empowermentincnc@gmail.com

B. Project Information

Project Name: Property Management Program

Total Project Cost: \$367,766.00 (Three hundred sixty seven thousand seven hundred sixty six Dollars)

Total Amount of Funds Requested: \$16,000.00 (Sixteen Thousand Dollars)

Please specify which permitted use of funding is being requested (A-K):

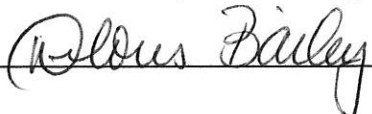
Development & Acquisition

Proposed Use of Funds Requested (*provide a concise description of proposed project and how it meets the criteria of eligible uses*):

EmPOWERment has been one of the largest property managers for affordable rentals for more than 23 years. It continues to address the affordable rental demand for households at the moderate to low income range.

EmPOWERment's rental program maintains, protects and promotes the well-being of residents by providing affordable rental housing for the most vulnerable populations in Chapel Hill, Carrboro and Orange County. Typical residents are transitioning from homelessness, living at the poverty level, veterans, seniors, disabled and Housing Choice Voucher holders. Our tenants earn between 30% and 60% of the area's median income. EmPOWERment started assisting displaced mobile home tenants and has added mobile units to our rental inventory. A HUD-certified housing agency, the staff counsels at various levels of housing needs from finding rentals, home ownership education, to avoiding evictions and foreclosures.

To the best of my knowledge and belief all information and data in this application are true and current. The document has been duly authorized by the governing board of the applicant.

Signature:  4-1-19

Section 2: PROJECT DESCRIPTION

Please provide a thorough description of the project (by answering the "who," "what," "when," and "where" questions about your project). **Do not assume the reader knows anything about the project.**

A. Project Name

1. Project Name: Property Manager Program

B. "Who"

1. Who is the target population to be served and **how will their needs be addressed through this project?** ? If this is a repair or rehabilitation project, please address how the beneficiary meets eligibility requirements and provide substantiation, such as a deed, homeowner insurance policy statement, etc.

Typical residents are transitioning from homelessness, living at the poverty level, veterans, seniors, disabled and Housing Choice Voucher holders. More than 55% of our tenants are Housing Choice Voucher holders, 10% are seniors and 30% have a disability. Our tenants earn between 30% and 60% of the area's median income. EmPOWERment has begun assisting displaced mobile home tenants and has added mobile home units to our rental inventory. EmPOWERment's Rental Program addresses the needs of its target population by providing them safe and affordable housing which increases their livelihood and security.

2. Please indicate the income of the beneficiaries (households) to be served through the proposed project. Please see **Attachment A** for the current income limits for the Durham-Chapel Hill MSA. Please also provide documented income data for the intended recipients, such as the most recent tax return, if submitting on behalf of an individual.

Income Group (Area Median Income)	Number of Beneficiaries	% of Total Beneficiaries
<30% of the AMI	115	37
31%-60% of AMI	193	62
61-80% of AMI	2	1
81-100% of AMI	0	0
101-115% of AMI	0	0
TOTAL	310	100

3. **Project Staff.** Please provide names of staff, contractors, and/or volunteers that will be involved with the project. Describe their responsibilities with the project and track record in successful completion of similar projects in the past:

EmPOWERment, Inc. has been in the property management business for 23 years. The Property Manager and her team carry out all program activities. A special projects manager was added recently to handle new projects. They operate out of the EmPOWERment Office located in the Midway Business Center, Chapel Hill, NC. All of the EmPOWERment staff, UNC Bonner students (2) and volunteers are trained to help with the Rental Program. Our current property manager, Valencia Thompson (previous Assistant Property Manager) holds a MBA in Accounting and Finance and has been a Real Estate Broker for ten years. This role includes overseeing the Rental Property management program including but not limited to: rental counseling, apartment turnovers, maintenance, negotiating with vendors, rent collection, working with tenants, handling administrative rental duties, data collection and Website management of the Rental Program.

LaTanya Davis, the Operations Manager holds a BA in Business Management, BS in Economics and a Masters in Business Education. She is also a Broker-in-Charge with over twenty years of experience. Ms. Davis was the previous Property Manager for ten years. She now oversees the Whole Rental Program and works closely the Executive Director in procuring acquisitions and renovation projects.

Sarita Nwachukwu, the Director of Community Programs, has a BS in Business Management and spends 30% of her time supporting the Rental Program as intake specialist. She manages registration of clients, phone calls and receives maintenance requests.

Mark Weller, Special Projects Manager, is a general contractor and comes to us with over 20 years in the construction business.

Sharon Reid, HUD certified Housing Counselor has the primary responsibility for managing EmPOWERment, Inc.'s rental and homeownership education program, providing individualized counseling to prepare families for rental or homeownership.

Volunteers assist with administrative duties and apartment turn-overs. The Bonner students are UNC students who spend four years with EmPOWERment to complete their work-study hours. They are trained to work on many aspects of the Rental Program with Ms. Thompson and provide tremendous support.

The Executive Director, Delores Bailey, has 20 years of rental property management experience with EmPOWERment, Inc. With the approval of the Board, Ms. Bailey researches and negotiates potential affordable rental projects. These units will be included in EmPOWERment's affordable rental inventory.

C. "What"

1. Type of Activity. Please check the category under which your project falls.

- ☐ Acquisition
- ☐ Pre-development costs
- ☐ Rental subsidy
- ☐ Ownership subsidy
- ☐ New construction for homeownership
- ☐ New construction for rental
- ☐ Rehabilitation for owner-occupied or rental (including urgent repairs - see *)
- ☐ Land banking
- ☐ Grant to land trust
- ☐ Rental deposit / utility connection assistance (Max \$1,000 - see *)
- ☐ Loan payment or loan
- ☐ subsidy Foreclosure
- ☐ assistance Other (specify):

**Starred items requesting no more than \$5,000 or 15% of the existing fund, whichever is lower, do not have to provide performance measures and can apply outside of the funding cycles.*

2. Project Description. Please provide a general overview of your project, including what you are planning to produce and how you are planning to carry out the project.

D. "Where"

1. Project Location. Please be as specific as possible. **Affordable rental units within the town of Carrboro.**

2. Project Size (if applicable). Please provide the size of development site: _____ acres **N/A**

Please attach the following:

- Site ☐ map showing lot boundaries, locations of structure(s), and other site features General
☐ location map (at least ½ mile radius)

E. "When" **N/A**

☐ Attach a **detailed** timetable showing when each work task will be completed (e.g., planning; obtaining financial commitments; design; environmental review; bidding; loan closing; key milestones in construction; marketing; final inspection; occupancy; etc.)

F. Project Details

If the questions below are not applicable or the requested information is not currently available, please insert N/A.

1. Property Acquisition. **N/A**

- a. Has your agency acquired real property in order to carry out the project, or is property acquisition planned? _____

- b. Is the property currently occupied? If so, attach a description of your plan to relocate.
- c. Please attach an appraisal of the property.

2. Construction/Rehabilitation Detail. N/A

- a. How many units will be newly constructed?
- b. How many units will be rehabilitated?
- c. What is the square footage of each unit?
- d. What is the number of bedrooms in each unit?
- e. What is the number of bathrooms in each unit?
- f. How many units will have full ADA accessibility?
- g. Is the proposed project located in Carrboro Town limits, ETJ, or transitional area?
- h. Please attach the following:
 - ☐ Floor plan(s)
 - ☐ Elevation(s)
 - ☐ List of Energy Efficiency measures included in the project (if applicable)
 - ☐ List of Universal Design principles included in the project (if applicable)

3. Design, Affordability, Marketing, and Supportive Services. N/A

- a. Describe any methods to ensure long-term affordability of housing units, including subsidy recapture, equity sharing, deed restrictions, etc.:
- b. What are the proposed rents (including utility costs) or sales prices for completed units?
- c. Explain your agency's process for marketing to ensure an adequate pool of income-eligible renters to buyers:
- d. Describe the use of energy efficient principles, universal design, and/or materials with extended life span.
- e. What supportive services, if any, will be provided through this project?

Section 3: PERFORMANCE MEASUREMENTS

A. Goals and Objectives

Please complete the following chart with information about the project's goals and objectives.

Goal/Objective	Measurement
<i>Ex: Provide housing for low- to moderate-income households.</i>	<i>Ex: By 2020, build ten units that are affordable to households earning less than 80%AMI.</i>
Increase the number of low to moderate income rental units (currently have 50 units)	Acquire and rehab at least 3 properties that can become part of EI's affordable rental inventory
To provide housing for the most vulnerable population: i.e. homeless, disabled, and veteran populations	Collaborate with other agencies to reach at least 3 of the most vulnerable populations
Maintain a low vacancy rate of online units and complete inspections.	Chart 5% or less monthly vacancies and document at least 90% of inspections on HQS form.

B. Alignment with Town Goals and adopted affordable housing strategies.

Please explain how the proposed project aligns with the Board of Aldermen Goals and adopted affordable housing strategies.

The Orange County five year consolidated plan has Rental as a "High Priority" item that includes providing safe and affordable rental units for low to moderate income families.

Town/Council goal - Adopt and implement affordable housing strategies.

There is a critical need for affordable rental. EmPOWERment's rental program fully embodies these objectives. It is one of the largest residential landlord that accepts Housing Choice Vouchers, when other landlords refused to accept them. EmPOWERment Inc. continues to purchase units to fill and create inventory to address the critical need for affordable housing in Orange County. EmPOWERment, Inc.'s rental program has a proven track record of implementing safe, clean and affordable places for low to moderate income families to live. We have provided these services for the past 20 years. Our inventory of units has increased to 50 owned by the organization.

Section 4: PROJECT BUDGET AND PRO-FORMA

A. Project Budget N/A

☐ Attach a **detailed project budget** in Excel format showing all sources and uses of funds. Indicate which funds are committed or pending and include the % of committed funds toward this project. Attach funding commitment letters where available or copies of funding applications previously submitted.

☐ Has an appraisal been conducted? If so, please attach.

B. Terms of Project Funding

Please specify the type of funding request for which you are applying:

☐ Grant ☐ Loan

C. Pro-forma (for rental property only) N/A

☐ If you are developing a property for rent, please attach a 20-year pro-forma showing estimated income, expenses, net operating income, debt service, and cash flow.

Section 5: ORGANIZATION DESCRIPTION

A. Organization

What is your organization's . . .

1. Mission statement? **The mission of EmPOWERment, Inc. is to empower people and communities to determine their own destinies through affordable housing, community organizing and grassroots economic development.**
2. Incorporation date (Month and Year)? **1996**
3. Estimated Total Agency Budget for this fiscal year? **\$ 714,136.00**
4. Total number of agency staff (full time equivalents): **9**

B. Organization Track Record and Community Support

Please describe your organization's experience and ability to carry out the proposed project, including:

1. Evidence of coordination of this application with other organizations to complement and/or support the proposed project
EmPOWERment Inc. collaborates with Social Services, Habitat for Humanity, Community Home Trust, Interfaith Council, Family Success Alliance, Club Nova, UNC Chapel Hill School of Medicine's Department of Psychiatry and Community Empowerment Fund to help place qualified residents in affordable rental units.
2. Involvement of intended beneficiaries of the project in the planning process
EmPOWERment gives each tenant a survey yearly to document any concerns they may have. Each survey is reviewed and concerns are addressed with the tenant during a one-on-one feedback counseling session and at lease renewal for current tenants. These suggestions and commits are used in the planning process of other projects to better our rental program.
3. Past achievements in carrying out similar projects and evidence of successful record of meeting proposed budgets and timetables **N/A**
4. Collaborative relationships with other agencies,
EmPOWERment has partnerships with local churches and faith based organizations to provide temporary financial assistance to residents in need. EI continues to search out funding sources for emergency assistance programs that were established in 2015. In 2017 the M.O.M utility

fund was funded by BB&T which allows EI to assist over 50 families by providing assistance with utilities when tenants are experiencing financial hardships. Empowerment continues to partner with Community Empowerment Fund to transition homeless individuals into permanent housing through "home sharing" as housemates when possible.

5. Plans to develop linkages with other programs and projects to coordinate activities so solutions are holistic and comprehensive

EmPOWERment works constantly with the area police departments, our Community Outreach Program, and with UNC students and administrators to address the needs of underserved individuals in our community through program assistance and information sharing.

EmPOWERment actively collaborates with nonprofits such as Family Success Alliance and Justice United to bring light to neighborhood issues that may require Orange County attention. In conjunction with Justice United and the UNC Chapel Hill School of Public Policy, we have conducted surveys with tenants about the condition of their units. In 2017, EI collaborated with FSA to bring exposure to the traffic profiling issue and conducted surveys in our mobile home communities.

EmPOWERment, Inc. continues to collaborate with Chapel of the Cross Church and local developers to provide free gently used furniture and appliances to low income families.

6. Any other features relating to organization capacity that you consider relevant, (i.e. property management experience, including accepting Section 8 Vouchers, etc.).

EmPOWERment, Inc. has created a one-stop shop for affordable rental management programs and services that serves the populations throughout Orange County. EmPOWERment, Inc. is the primary provider of much needed affordable rentals in Orange County. EmPOWERment will continue to tailor the services of the affordable rental program to include more Housing Choice voucher holders, veterans, individuals transitioning from homelessness, seniors and disabled populations. The property manager position is responsible for the management of 50 rental units throughout Orange County. These units are made available for families and individuals at income levels that range from 30 - 60% Area Media Income. Unfortunately, the waiting list for affordable rentals moves very slowly. Families are forced to live in expensive units they can't really afford or substandard apartments with little recourse. The EmPOWERment Inc. Rental Property Management Program is intentional about our units and the families we try to serve.

Section 6: DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Are any of the Board Members or employees of the agency which will be carrying out this project, or members of their immediate families, or their business associates:

- a) Employees of or closely related to employees of the Town of Carrboro

YES ☐ NO ☒

- b) Members of or closely related to members of the governing bodies of Carrboro?

YES ☐ NO ☒

- c) Current beneficiaries of the project/program for which funds are requested?

YES ☐ NO ☒

d) Paid providers of goods or services to the program or having other financial interest in the program? YES NO

If you have answered YES to any question, **please explain below**. The existence of a potential conflict of interest does not necessarily make the project ineligible for funding, but the existence of an **undisclosed** conflict may result in the termination of any grant awarded.

**Program Budget
Operating Budget for Program**

PROGRAM NAME EmPOWERment Rentals

	Actual 2017-18	Estimated 2018-19	Projected 2019-20	Percent Change
PROGRAM REVENUE				
Private Donations		\$ -	\$ -	0
Program Generated Revenue	\$ 377,663	\$ 388,993	\$ 400,662	3%
Local Government Grants:				
Human Services - Town of Carrboro	\$ 14,000	\$ 16,000	\$ 20,000	25%
Other - Town of Carrboro	\$ -	\$ -	\$ -	0
Human Services - Town of Chapel Hill	\$ 13,500	\$ 27,500	\$ 28,500	4%
Other - Town of Chapel Hill	\$ -	\$ -	\$ -	0
Human Services - Orange County	\$ 27,500	\$ 28,250	\$ 35,000	24%
Other - Orange County	\$ -	\$ -	\$ -	0
Other - Town of Hillsborough	\$ -	\$ -	\$ -	0
Other Government Grants				
Triangle United Way	\$ -	\$ -	\$ -	0
State Government	\$ -	\$ -	\$ -	0
Federal Government (CDBG/HOME/etc.)	\$ -	\$ -	\$ -	0
Private Foundation Grants	\$ -	\$ -	\$ -	0
Other Revenue	\$ -	\$ -	\$ -	0
Total Program Revenue	\$ 432,663	\$ 460,743	\$ 484,162	5%
PROGRAM EXPENSES				
Compensation	\$ 112,463	\$ 118,086	\$ 123,990	5%
Rent & Utilities	\$ 20,680	\$ 21,714	\$ 22,799	5%
Supplies & Equipment	\$ 52,603	\$ 115,490	\$ 121,265	5%
Travel & Training	\$ -	\$ -	\$ -	0
Other Expenses:	\$ 76,780	\$ 80,619	\$ 84,649	5%
Total Program Expenses	\$ 262,526	\$ 335,909	\$ 352,703	5%
SURPLUS/(DEFICIT) FOR PERIOD:***	\$ 170,137	\$ 124,834	\$ 131,459	5%

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

*** Our program appears to have a surplus due to mortgages for the properties are not on the program P&L . Mortgages are on the agency budgett. There is also a significant decrease from 2018-2019 due to renovatopm revenue and expenses.



NORTH CAROLINA
RANGE

AGREEMENT

AN AGREEMENT made and entered into as of the 18 day of June, 2018 by and between the TOWN OF CARRBORO, a North Carolina municipality with its principal offices at 301 West Main Street, Carrboro, North Carolina, 27510 (the "Town"), and EmPOWERment Inc. (The Grantee), located at 109 N. Graham Street, Suite 200, Chapel Hill, NC 27516.

Whereas, the Grantee, has requested an appropriation from the Town; and

Whereas, the Town has determined that said Grantee will perform for and on behalf of the Town certain services that the Town itself is authorized by law to perform, and has therefore awarded **\$16,000** as appropriated in the budget ordinance for fiscal year 2018-19; and

Whereas, the Town desires to insure that funds will be used for the purposes intended by the Town in making this appropriation and for no other purposes; and

Whereas, Grantee agrees and promises to abide by the conditions set forth in this agreement.

NOW THEREFORE based on the mutual promises herein and other good and valuable Consideration the sufficiency of which is hereby acknowledged, the Town and Grantee agree as follows:

1. Grantee will perform the following : Property manager salary and materials for Rental Property Program.
2. Funds may be released monthly, quarterly, or according to any other schedule deemed appropriate by the Town's Director of Economic and Community Development. Grantee shall submit a written request for each fund distribution, and any such request shall contain a certification that the Grantee shall use the funds received only to provide the services described in Section 1 above.
3. Not later than March 31st of the current fiscal year or at the time of application for new funds, the Grantee shall account to the Town for the use of the funds appropriated by the Town by
 - a. Furnishing a detailed description, quantified to the extent practicable, of the extent to which the Grantee has performed services for or on behalf of the Town or its citizens during this fiscal year, and

- b. Providing the Town with a copy of Grantee's most recent audit, financial statement, or other financial information.

For Grantees not requesting new funds a report shall be submitted to the Town furnishing a detailed description, quantified to the extent practicable, of the extent to which such grantee has performed services for or on the behalf of the Town or its citizens during this fiscal year, and providing the Town with a copy of Grantee's most recent audit, financial statement, or other financial information requested by Town.

In addition, the Grantee agrees to allow the Town to inspect its financial books and records upon reasonable notice during normal working hours

4. Grantee shall not discriminate against any employee or applicant for employment because of age, sex, race, creed, national origin, disability or on the basis of sexual orientation or gender expression/identity. Grantee shall take affirmative action to ensure that applicants are employed and that employees are treated fairly and legally during employment with regard to their age, sex, race, creed, national origin, disability or on the basis of sexual orientation or gender expression/identity. In the event he Grantee is determined by the final order of an appropriate agency or court to be in violation of any non-discrimination provision of federal, state or local law or this provision, this Contract may be canceled, terminated or suspended in whole or in part by TOWN, and Grantee may be declared ineligible for further TOWN contracts.

5. Grantee acknowledges that any appropriations in the budget ordinance to Grantee have been made on the condition that Grantee execute and comply with all the terms of this agreement. Grantee further agrees that, if it fails to comply with each and every condition specified in paragraphs 1 through 4 above, it will repay in full to the Town all sums paid by the Town to Grantee pursuant to this agreement.

GRANTEE

Signature: Delores Bailey Date: 6/15/18

Title: Executive Director

Attest: Valencia O Thompson 06/15/2018
Signature Date

Title: Assistant Property Manager

TOWN OF CARRBORO

Town Manager: Dan Conner Date: 7/9/18

Attest: Anthony Dorando 7/9/18
Signature Date

Title: Town Clerk

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

John F. Miller 7/9/2018
Finance Director Date
Town of Carrboro



TOWN OF CARRBORO
301 W. MAIN STREET
CARRBORO, NC 27510-4182

BB&T
Branch Banking & Trust Company
66-112/531

Check Date 10/18/2018
Check Number 00069709
VOID 180 DAYS FROM DATE OF ISSUE

\$16,000.00

Pay Sixteen Thousand Dollars and 00 cents *****

To The Order Of
EMPOWERMENT INC.
109 N. GRAHAM STREET SUITE 200
CHAPEL HILL, NC 27516

THIS DISBURSEMENT HAS BEEN APPROVED AS REQUIRED BY
THE LOCAL GOVERNMENT BUDGET AND FISCAL CONTROL ACT.

Charles L. McCalister MP
Finance Officer
David R. Andrews MP

⑈00069709⑈ ⑆053101121⑆0005107224566⑈

Vendor No. 1655	Vendor Name EMPOWERMENT INC.	Check No. 00069709	Check Date 10/18/2018	Check Amount \$16,000.00
Invoice Date 07/20/2018	Invoice Number 28	Description 2018-2019 FISCAL YEAR CYCLE		
Check Number: 00069709				
Page 1 of 2				
Town of Carrboro, Carrboro, NC 27510				
RECEIVED OCT 23 2018				
Invoice Amount \$16,000.00				

NORTH CAROLINA
ORANGE COUNTY

2018-2019
PERFORMANCE AGREEMENT

THIS AGREEMENT, made and entered into the 29th day of AUGUST, 2018 by and between the Town of Chapel Hill, a North Carolina Municipal Corporation, 405 Martin Luther King Jr. Boulevard, Chapel Hill, NC 27514, herein "Town," and "EmPOWERment, Inc." 109 North Graham Street, Suite 200, Chapel Hill, NC 27516.

WITNESSETH

WHEREAS, EmPOWERment, Inc. intends to provide affordable rental management services; and

WHEREAS, the focus will be on providing rental housing management services to households with income levels at or below 80% of the area's median income level; and

WHEREAS, the Town has made commitments to the promotion of low- and moderate-income affordable housing opportunities, in the form of statements in the Chapel Hill 2020 comprehensive plan and the Consolidated Plan, and its allocation of General Fund revenues to affordable housing initiatives;

NOW THEREFORE, in consideration of the above and mutual covenants and conditions hereinafter set forth, the Town and EmPOWERment, Inc. agree as follows:

1. Town Support

EmPOWERment, Inc. agrees to provide services as described in submitted application (on file), and according to the Work Statement and Budget (attached as Exhibit A) hereto and incorporated herein by reference and to maintain a high level of professionalism in the provision of these services. The Town Council adopted an ordinance that would provide the sum of thirteen thousand, five hundred dollars (\$13,500) for affordable rental housing property management services for fiscal year 2018-2019.

The Town does not obligate itself to provide any other support to EmPOWERment, Inc. this fiscal year or continued support in succeeding years.

2. Payment and Documentation

The appropriation shall be paid to EmPOWERment, Inc. in quarterly installments upon meeting all reporting requirements, including quarterly progress reports detailing the progress of activities. Each quarterly installment shall be no greater than three thousand, three hundred and seventy-five dollars (\$3,375). Payments will be made by the Town within thirty (30) days of receipt of an accurate invoice and adequate supporting documentation, approved by the contact person or his/her designee.

3. Financial Records

EmPOWERment, Inc. agrees to furnish the Town with quarterly financial statements related to the rental properties. In addition, EmPOWERment agrees to allow the Town to inspect its financial books and records upon reasonable notice during normal working hours.

4. Scope of Work

EmPOWERment, Inc. agrees to provide those services described in the Scope of Work attached as Exhibit A hereto and incorporated herein by reference, to residents of Chapel Hill and to maintain a high level of professionalism in the provision of these services.

5. Indemnification and Hold Harmless

EmPOWERment, Inc. agrees to indemnify and hold harmless the Town of Chapel Hill and its officers, agents and employees from all loss, liability, claims or expense (including reasonable attorneys' fees) arising from bodily injury, including death or property damage to any person or persons caused in whole or in part by the negligence or willful misconduct of EmPOWERment, Inc. except to the extent same are caused by the negligence or misconduct of the Town.

EmPOWERment, Inc. hereby agrees to hold the Town harmless against any claims or actions from damage, injury, or death relating to or arising out of EmPOWERment, Inc.'s use of Town funds or due to acts or omissions of EmPOWERment, Inc.'s officers, employees, contractors or agents.

6. Insurance Provisions

The Town requires evidence of Contractor's current valid insurance (if applicable) in the amounts stated below during the duration of the named project and further requires that the Town be named as an additional insured for Comprehensive General Liability and Business Automobile policies. The required coverage limits are: 1) Comprehensive General Liability and Business Automobile - \$1,000,000 per occurrence and 2) Workers' Compensation - \$100,000 for both employer's liability and bodily injury by disease for each employee and \$500,000 for the disease policy limit.

7. Nondiscrimination

EmPOWERment, Inc. will not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, and disability or other handicap, age marital/familial status, sexual orientation, gender identity, gender expression, or status with regard to public assistance. EmPOWERment, Inc. will take affirmative action to insure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. EmPOWERment, Inc. agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

8. Federal and State Legal Compliance

EmPOWERment, Inc. must be in full compliance with all federal and state laws, including those on immigration.

9. E-Verify

The Contractor shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Further, should Contractor utilize a subcontractor(s), Contractor shall require the subcontractor(s) to comply with the requirements of Article 2, Chapter 64 of the General Statutes.

10. Amendments

The Town or EmPOWERment, Inc. may amend this Agreement at any time provided that such amendments make specified reference to this Agreement, and are executed in writing, signed by a duly authorized representative of both organizations, and approved by the Town Manager or his designee. Such amendments shall not invalidate this Agreement, nor relieve or release the Town or EmPOWERment, Inc. from its obligations under this Agreement.

The Town may, in its discretion, amend this Agreement to conform with Federal, state, or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both the Town and EmPOWERment, Inc.

11. Termination for Cause or Convenience

Either the Town or EmPOWERment, Inc. may terminate this contract at any time by giving written notice to the other party of such termination and specifying the effective date thereof at least 30 days before the effective date of such termination. In the event of any termination for convenience, all unfinished documents, data, reports, or other materials prepared by EmPOWERment, Inc. under this Agreement shall, at the option of the Town, become the property of the Town and EmPOWERment, Inc. shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents or materials prior to the termination.

In the event that EmPOWERment, Inc. shall cease to exist as an organization or shall enter bankruptcy proceedings, or be declared insolvent, or liquidate all or substantially all of its assets, or shall significantly reduce its services during the term of this Agreement, or in the event that EmPOWERment, Inc. shall fail to render a satisfactory accounting as provided herein, then and in that event the Town may terminate this Agreement, and may require EmPOWERment, Inc. to return all payments already made to it by the Town for services which have not been provided or for which no satisfactory accounting has been rendered.

12. Interpretation/Venue

This Contract shall be construed and enforced under the laws of North Carolina. The courts and the authorities of the State of North Carolina shall have exclusive jurisdiction over all controversies between the parties which may arise under or in relation to this Contract. In the event of any dispute between the parties, venue is properly laid in Orange County, North Carolina for any state court action and in the Middle District of North Carolina for any federal court action. Contrary to any provision that may be contained in any exhibit attached hereto the Town shall not consent to 1) resolving any dispute by means of arbitration and/or 2) waiver of a trial by jury.

13. Preference

In the event that the terms of any exhibit attached hereto are not consistent with the terms of this Contract, this Contract shall have preference; provided that where either any exhibit attached hereto or this Contract establishes higher standards for performance by either party, the higher standard, wherever located, shall apply.

14. Severability

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

15. Assignment

This Contract shall not be assigned without the prior written consent of the parties.

16. Entire Agreement

This Contract shall constitute the entire agreement of the parties and no other warranties, inducements, considerations, promises, or interpretations shall be implied or impressed upon this Contract that are not expressly addressed herein. All prior agreements, understandings and discussions are hereby superseded by this Contract.

17. Time of Performance

This Agreement, unless amended as provided herein, shall be in effect until June 30, 2019.

This Contract is between the Town of Chapel Hill and EmPOWERment Inc. for use of \$13,500 towards Affordable Rental Property Management Services.

IN WITNESS WHEREOF, the parties hereto cause this agreement to be executed in their respective names.

EmPOWERment, Inc.

Delores Bailey
SIGNATURE

Delores Bailey Executive Director
PRINTED NAME & TITLE

Latanya Davis
WITNESS

Latanya Davis, property manager
PRINTED NAME & TITLE

TOWN OF CHAPEL HILL

Rory B. Clark
DEPARTMENT HEAD OR DEPUTY/TOWN MANAGER

Loryn Clark, Housing & Community
PRINTED NAME & DEPARTMENT

ATTEST BY TOWN CLERK:

[Signature]
TOWN CLERK



TOWN SEAL

Town Clerk attests date this the 29th day of August, 20 18.

Approved as to Form and Authorization

Ralph D. Karpinos
TOWN LEGAL STAFF

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Amy Oland
FINANCE OFFICER

August 15, 2018
DATE

OUTSIDE AGENCY PERFORMANCE AGREEMENT

THIS AGREEMENT, made and entered into the first day of July 2018, ("Effective Date") by and between the County of Orange, a political subdivision of the State of North Carolina, 200 South Cameron Street, Hillsborough, North Carolina, 27278, ("County") and EmPOWERment, Inc., a not-for-profit corporation, located at 109 N. Graham Street, Suite 200, Chapel Hill, NC 27516 ("Provider").

WITNESSETH:

WHEREAS, it is in the interests of the County that said program be assisted by the County and thereby enhance its availability to residents of the County, and said program addresses an important community human services need, as identified by the Board of Commissioners.

NOW, THEREFORE, in consideration of the above and the mutual covenants and conditions hereafter set forth, the County and EmPOWERment, Inc. agree as follows:

1. **Term of the Agreement.** The term of this Agreement shall be a program year beginning July 1, 2018 to June 30, 2019.
2. **Scope of Services.**
 - a. Provider will provide services, as outlined in the attached Outside Agency Funding Application and any amendments or revision thereto which is attached as Exhibit "A" and incorporated by reference, to the residents of Orange County. The Scope of Services and the Program Budget may be different from the original application based on County appropriation; however, any revisions or amendments to this Agreement must be approved in writing by the County and attached to this Agreement as Exhibit B.
 - b. The Provider shall be solely responsible for the means, methods, techniques, sequence, safety program and procedures necessary to properly and fully complete the work set forth in the Scope of Services.
3. **Funding.**
 - a. The County agrees to appropriate for the provision of services described in Exhibit A, Scope of Services and more particularly described in the Revised Program Budget, the maximum sum of \$28,250.
 - b. All funds appropriated shall be used for purposes described in Exhibit A. Any funds not used for the purposes stated shall be returned to the County. Any changes in the use of funds must be authorized in writing by the County prior to any expenditure of the funds by the Provider. If the funds are expended not in accordance with the Scope of Services, at the discretion of the County the Provider may be required to repay the funds to the County.
 - c. The Provider shall be paid in four equal installments in the amount of \$7,062.50. The first payment is contingent upon receipt of the agency's performance agreement; the remaining payments are contingent upon receipt of the request for reimbursement and related supporting documentation.
 - d. The County's obligation to make the quarterly payments is contingent upon receipt of Progress Reports, which show satisfactory progress toward completion of performance measures and an accounting of expenditures as detailed in the attached Scope of Services.

- e. Once Provider has satisfied its obligations as provided in (d) payment will be made 21 days after receipt of the Progress Report and Request for Reimbursement or 21 days after due date of Progress Report whichever is later.
- f. The County is not obligated to provide any other support to Provider in this or in succeeding fiscal years.

4. Agency Reporting.

- a. Provider will provide Orange County a Progress Report that includes a fiscal report and updates on performance measures as outlined in the Scope of Services. Progress Report dates are: July 1 – December 31; January 1 – March 31 and April 1 - June 30. Reports are due on January 11, April 12, and July 12 of the program fiscal year.
- b. Provider agrees to allow the County to inspect its financial books and records, which document costs of those services, upon reasonable notice during normal working hours.

5. Termination.

- a. In the event of any of the circumstances set forth below (hereinafter referred to as "default"), the County may immediately terminate this Agreement, in whole or in part, and from time to time. Notice of termination must be in writing, state the reason or reasons for the termination, and specify the effective date of the termination:
 - i. In the event that Provider shall cease to exist as an organization or shall enter bankruptcy proceedings, be declared insolvent, or liquidate all or substantially all of its assets, or significantly reduce its services or accessibility to Orange County residents during the term of this Agreement; or
 - ii. In the event that Provider shall fail to render a satisfactory accounting as provided section 4 above, the County may terminate this Agreement and Provider shall return all payments already made to it by the County for services which have not been provided or for which no satisfactory accounting has been rendered; or
 - iii. In the event of any fraudulent representation by the Provider in an invoice or other verification required to obtain payment under this Agreement or other dishonesty on a material matter relating to the performance of services under this Agreement.
 - iv. Nonperformance, incomplete service or performance, or failure to satisfactorily perform any part of the work identified in the Scope of Services or to comply with any provision of this Agreement, as determined by the County in its sole discretion.
 - v. Failure to adhere to the terms of applicable county, state or federal laws, regulations, or stated public policy.
- b. In the event of default by the Provider, the county may elect to terminate this Agreement, in whole or in part and/or require the Provider to repay the funds within ten (10) business days from written notice of default. The County may (but shall not be required to) grant the Provider an opportunity to cure the default without termination of this Agreement. This clause shall not be interpreted to limit the County's remedies in law or in equity.

- c. Notwithstanding the foregoing, either party may terminate the agreement at any time without penalty; provided that written notice of such termination is furnished to the other party at least 30 days prior to termination. In the event of such termination, any payment due shall be prorated to the date of termination and any unused funds shall be returned to the County within 10 days of termination.
- d. Any termination of this Agreement for default under this section that is later deemed to be unjustified shall be deemed a termination for convenience.

6. Insurance.

- a. General Requirements. The Provider shall purchase and maintain, during the period of performance of this Agreement, insurance:
 - i. Worker's Compensation. For protection from claims under workers' or workmen's compensation acts;
 - ii. Comprehensive General Liability Insurance covering claims arising out of or relating to bodily injury, including bodily injury, sickness, disease or death of any of the Consultant's employees or any other person and to real and personal property including loss of use resulting thereof;
 - iii. Comprehensive Automobile Liability Insurance, including hired and non-owned vehicles, if any, covering personal injury or death, and property damage; and
 - iv. Professional Liability Insurance, covering personal injury, bodily injury and property damage and claims arising out of or related to the performance under this Agreement by the Consultant or his agents, consultants and employees.
- b. Limits of Coverage: Minimum limits of insurance coverage shall be as follows:

<u>INSURANCE DESCRIPTION</u>	<u>MINIMUM REQUIRED COVERAGE</u>
• Worker's Compensation	Limits for Coverage A - Statutory State NC & Coverage B - Employers Liability \$500,000 each accident, disease policy limit and disease each employee
• Commercial General Liability	\$1,000,000 Each Occurrence \$2,000,000 Aggregate
• Automobile Liability	\$500,000 Combined Single Limit
• Professional Liability	\$1,000,000 Each Occurrence \$2,000,000 Aggregate

- c. All insurance policies (with the exception of Worker's Compensation and Professional Liability) required under this Agreement shall name the County as an additional insured party and as a certificate holder. Evidence of such insurance and all correspondence shall be sent to:

Orange County Risk Manager
Post Office Box 8181
Hillsborough, NC 27278
- d. Nothing in this section is intended to affect or abrogate the County's sovereign immunity defenses.

7. **Relationship of the Parties.** Provider is an independent contractor of the County. Provider represents that they have or will secure, at his own expense, all personnel required in performing the services under this Agreement. Such personnel shall not be employees or have any contractual relationship with the County. All personnel engaged in work under this Agreement shall be fully qualified and shall be authorized and permitted under federal, state and local law to perform such services.
8. **Compliance with all Laws.** The Provider, at its sole expense, shall comply with all laws, ordinances, orders and regulations of the federal, state or local governments, as well as their respective departments, commissions, boards, and officers, which are in effect at the time of execution of this Agreement or are adopted at any time following execution of this agreement.
9. **Subcontract.** The County and Provider deem the services provided under this Agreement to be personal in nature and Provider may not subcontract any rights or duties under this Agreement to any other party without prior written consent from the County.
10. **Assignment.** The Provider shall not assign this Agreement, including the rights to payment, to any other party without the prior written consent of the County.
11. **Indemnification.** Provider agrees to defend, indemnify, and hold harmless the County, for all loss, liability, claims or expense (including reasonable attorney's fees) arising from bodily injury, including death or property damage, to any person or persons caused in whole or in part by the negligence or willful misconduct of the Provider, except to the extent same are caused by the negligence or willful misconduct of the County. It is the intent of this section to require Provider to indemnify the County to the extent permitted under North Carolina law. Nothing in this section is intended to affect or abrogate the County's sovereign immunity defenses.
12. **Non-Appropriation.** This Agreement is subject to the availability of funds to purchase the specified services and may be terminated at any time if such funds become unavailable.
13. **Non-Discrimination.** Provider agrees as part of consideration of the granting of funds by Orange County the parties hereto for themselves, their agents, officials, employees and servants agree not to discriminate in any manner of these basis of race, color, gender, national origin, age, handicap, religion, sexual orientation, familial status or veterans status with reference to any activities carried out by the grantee, no matter how remote. The parties hereto further agree in all respects to conform to the provision and intent of Orange County Civil Rights Ordinance, as amended and the Orange County Non-discrimination Policy. This provision is enforced by action for specific performance, injunctive relief, or other remedy as by law provided; this provision shall be binding on the grantees, the successors and assigns of the parties hereto with reference to the above subject manner.
14. **Living Wage.** Orange County is committed to providing its employees with a living wage and encourages agencies if funds to pursue the same goal. The County's living wage is \$ 14.25 per hour. To the extent possible, Orange County recommends that EmPOWERment, Inc. provide a living wage to its employees.
15. **Notice.** The Parties hereto agree and understand that written notice, mailed or delivered, to the last known address shall constitute sufficient notice to the County and the Provider. All notices required and/or made pursuant to this Agreement to be given to the County and the Provides shall be in writing and mailed to the party addressed as follows:

ORANGE COUNTY—DEPARTMENT USE ONLY

Department

Party/Vendor Name: EmPOWERment, Inc. Party/Vendor Contact Person: Delores Bailey Contact Phone: 919967-8779 Party/Vendor Address: 109 N. Graham Street, Suite 200 City Chapel Hill State: NC Zip: 27516 Department: Finance & Administrative Services Amount: 28250 Purpose: FY 2018-19 Outside Agency/Human Services Performance Agreement Budget Code(s): 10495050-789005 Vendor # 800065 (N/A if new vendor) Vendor is a BOCC consultant? Yes ☐ No ☐ Contract Type: (Check one) New ☒ Renewal ☐ Amendment ☐ Effective Date 7/1/2018 Approved by Board Yes ☒ No ☐ Agenda Date: 6/19/2018

This agreement is approved as to technical form and content:

Department Director's Signature _____

Mary Donaldson
7D4E5131ACG1109

Date: 8/17/2018

Information Technologies

(Applicable only to hardware/software purchases or related services) This agreement has been reviewed and is approved as to information technology content and specifications:

Office of the Chief Information Officer _____

Date: _____

Risk Management

This agreement is approved for sufficiency of insurance standards, specifications, and requirements:

Office of the Risk Management Officer _____

Alisa Cornetto
7FDC93170800498

Date: 8/20/2018

Financial Services

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act:

Office of the Chief Financial Officer _____

Mary Donaldson
7D4E5131ACG1109

Date: 8/17/2018

Legal Services

This agreement is approved as to legal form and sufficiency:

Office of the County Attorney _____

Sherri Ingersoll
4C35CB8304C1113

Date: 8/20/2018

Clerk to the Board

Received for record retention:

All DocuSign contracts must be copied to Sherri Ingersoll upon completion @ singersoll@orangecountync.gov

The following signature block is for hard copies only and is not required for DocuSign contracts:

Office of the Clerk to the Board _____

Date: _____