



Legislation Text

File #: 24-099, **Version:** 1

PURPOSE: This item is for the Town Council to consider approving the HOME Investment Partnership Program’s Annual Plan activities for FY 2024-2025.

DEPARTMENT: Housing and Community Services

CONTACT INFORMATION: Anne-Marie Vanaman, Director, 919-918-7321, amvanaman@carrboronc.gov [<mailto:amvanaman@carrboronc.gov>](mailto:amvanaman@carrboronc.gov); Tyler Haugle, Coordinator, 919-918-7438, thaugle@carrboronc.gov

COUNCIL DIRECTION:

☐ Race/Equity ☐ Climate ☒ Comprehensive Plan ☐ Other

These activities support the following goals and strategies outline in the Comprehensive Plan:

- 1.) Strategy 2.1: Continue to support rental housing development through the Affordable Housing Fund and leveraging other resources. (such as HOME funding)
 - a. Invest in rental housing projects that provide additional units for targeted income groups up to 60% AMI and historically marginalized communities. Expand the toolbox of affordable housing incentives by developing greater incentives for rental units that meet lower income levels at the 30% and 60% AMI levels.
- 2.) Strategy 2.2: Create targeted rental programs for extremely low-income households (less than 30% AMI).
 - a. Work with Orange County to support programs that expand use of vouchers and landlord acceptance of housing vouchers. Participate in the County’s efforts to educate landlords on the benefits of accepting vouchers and non-discrimination based on source of income. Refer residents to the County to coordinate ongoing services to voucher-holders to assist them in workforce training, career development, accessing day care, elder care, health care, etc. so that they can build household earnings and therefore more stable housing over time.
- 3.) Strategy 5.2: Help extremely low-income households and people experiencing homelessness transition to permanent affordable housing.
 - a. A. Help those experiencing homelessness (especially people and families experiencing chronic homelessness; families with children; veterans and their families; and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

INFORMATION: Every year, state and local governments (“Participating Jurisdictions”) that receive HOME

Investment Partnerships Program (“HOME”) funds from the U.S. Department of Housing and Urban Development (“HUD”) are required to complete an [Annual Action Plan](https://www.orangecountync.gov/DocumentCenter/View/27390/Orange-County-FY-2024-2025-HOME-Annual-Action-Plan-Draft-432024?bidId=>) [<https://www.orangecountync.gov/DocumentCenter/View/27390/Orange-County-FY-2024-2025-HOME-Annual-Action-Plan-Draft-432024?bidId=>](https://www.orangecountync.gov/DocumentCenter/View/27390/Orange-County-FY-2024-2025-HOME-Annual-Action-Plan-Draft-432024?bidId=>) that lays out how they will allocate HUD funds for the upcoming program year in order to address the goals and priorities in the [Consolidated Plan](https://orangecountync.gov/DocumentCenter/View/10806/Orange-County-NC-Consolidated-Plan-FINAL?bidId=>) [<https://orangecountync.gov/DocumentCenter/View/10806/Orange-County-NC-Consolidated-Plan-FINAL?bidId=>](https://orangecountync.gov/DocumentCenter/View/10806/Orange-County-NC-Consolidated-Plan-FINAL?bidId=>).

Orange County is a special type of Participating Jurisdiction, called a Consortium, consisting of Orange County and the Towns of Carrboro, Chapel Hill, and Hillsborough. Orange County serves as the lead entity for the Orange County HOME Consortium. To enhance collaboration on affordable housing among the jurisdictions in the County, the Orange County Local Government Affordable Housing Collaborative (the Collaborative) was formed in 2017. The Collaborative includes elected officials and staff from the each of the four participating jurisdictions and serves as the HOME Program application review team, charged with developing an annual HOME Program plan. Council Member Jason Merrill currently represents the Carrboro Town Council on the Collaborative. The Annual Action Plan (Attachment B) was completed based on the estimated HOME award recommendations made by the Local Government Affordable Housing Collaborative, noting that funding awards may change when actual HOME funds are released.

A public comment period, as required by HUD, was held April 1 - May 2, 2024 and a public hearing was held on the draft Annual Action Plan at the April 16, 2024 Orange County Board of County Commissioners meeting. Public notice of the hearing was posted in The Herald Sun and La Noticia. Staff posted copies of the draft Annual Action Plan on the Orange County Housing Department website and circulated a link to the website and draft plan by public notice in the newspapers listed above. Staff conducted outreach by email to over 100 housing and homeless service providers nonprofit organizations, government entities, elected officials, and interested residents. All participating jurisdictions must approve and authorize submission of the plan prior to submittal to the U.S. Department of Housing and Urban Development (HUD).

The Collaborative reviewed funding applications for the FY 2024-2025 HOME Program on March 18, 2024 and made recommendations based on estimated HOME funding at the time. However, they reconvened on May 9, 2024 to revise their recommendations based on actual HOME funding for Orange County for FY 2024-2025:

FY 2024-2025 HOME Funds	\$ 367,014
HOME Program Income	\$ 28,306
Total	\$ 395,320

CASA - rental, new construction	\$ 222,120
OCPEH - tenant based rental assistance	\$ 136,499
Administration (10% of HOME funds, per statute)	\$ 36,701
Total	\$ 395,320

FISCAL IMPACT: The Orange County HOME Consortium leverages resources, including private, state, and

local funds, to fulfill and enhance the impact of federal HOME funds. For Fiscal Year (FY) 2024-2025, the required Local Match contribution is \$82,578. Each jurisdiction's contribution of the local match is based on its population. The Town of Carrboro's contribution to the matching funds is 15% of the total match, or \$12,387, and will be included in the Affordable Housing Special Revenue Fund annual budget.

RECOMMENDATION: Staff recommends that the Council (1) approve the plan developed by the Collaborative for use of \$395,320 of FY 2024-2025 Orange County HOME Program funds; and (2) authorize this plan to be incorporated into the FY 2024-2025 Annual Action Plan and the 2020-2025 Consolidated Plan for Orange County for submission to the U.S. Department of Housing and Urban Development.