



Legislation Text

File #: 15-0125, **Version:** 1

TITLE:

HOME Program Review Committee Funding Design

PURPOSE: The purpose of this item is for the Board to review the HOME Program Review Committee's Funding Design for FY 2015-16.

DEPARTMENT: Manager's Office

CONTACT INFORMATION: Nate Broman-Fulks, 919-918-7314, nbroman-fulks@townofcarrboro.org

INFORMATION: In 2010, a Consolidated Plan for Housing and Community Development Programs in Orange County was developed and approved by the U.S. Department of Housing and Urban Development (HUD). This document details the housing needs of very low income, low income and moderate-income families and special population groups in addition to outlining the strategies and plans for addressing those needs. The Consolidated Plan is required for all communities receiving HOME funds (Orange County HOME Consortium) and CDBG entitlement funds (Town of Chapel Hill). The Town of Carrboro is a member of the Orange County HOME Consortium.

The current Orange County HOME Consortium Agreement establishes a HOME Program Review Committee to provide general oversight of the program. Participants in the HOME Consortium are Orange County and the Towns of Carrboro, Chapel Hill, and Hillsborough. The Committee is authorized to provide policy oversight for planning, operations, and evaluation of the HOME Program. The Manager or his/her designee from each participating unit of local government and one (1) elected official from each jurisdiction are participating members.

In accordance with the Orange County HOME Consortium Agreement, approved in May 2011, the annual HOME Program Design must be approved by all jurisdictions prior to submission to HUD.

HOME Program Implementation

After approval of the 2015-16 HOME Program Design by all consortium participants, authorization is also requested to allow the Orange County Manager to execute agreements with partnering non-profit organizations as necessary to implement the approved HOME Program Design. All agreements will receive the review and approval of the County Attorney's office.

The HOME Program Review Committee met on March 5, 2015 to review applications for HOME funding and recommends the following 2015-2016 program plan:

Summary of Recommendation

DHIC	New Construction, Greenfield Place	\$154,500
Habitat for Humanity	Second Mortgage Assistance	\$100,455
EmPOWERment, Inc.	Acquisition of Rental Property	\$ 76,500
Housing for New Hope	Tenant Based Rental Assistance	\$ 50,000
Orange County	Administration	<u>\$ 31,183</u>
		\$412,638

Summary of Requests (prepared by Town staff)

1. DHIC: \$154,500

(Requested amount: \$300,000)

DHIC requested funds to support construction of 80 apartment homes for families earning up to 60% of the AMI on Town of Chapel Hill-owned land on Legion Road. DHIC proposes to reserve 32 of these units for households earning up to 50% of AMI. Greenfield Place will have a mix of one, two-, and three-bedroom units along with a community building and other amenities. DHIC has submitted an application to the NC Housing Finance Agency for a low-income housing tax credit award for the first phase of this project. DHIC plans to submit an application for phase two of this project in January, 2016. Phase two would include approximately 80 units for seniors.

2. Habitat for Humanity: \$100,455

(Requested amount: \$270,000; 2014-2015 allocation: \$250,000)

Habitat for Humanity requested \$250,000 to provide fifteen deferred payment, zero-interest second mortgages for 11 homebuyers in the Northside neighborhood in Chapel Hill, the Fairview community in Hillsborough, and the Tinnin Woods subdivision in Efland-Cheeks Township. The homes would be sold to households earning less than 65% of the area median income.

3. EmPOWERment, Inc.: \$76,500

(Requested amount: \$76,500)

EmPOWERment, Inc. requested HOME fund to renovate two homes, one in the Northside neighborhood, and one home in Hillsborough, that EmPOWERment currently owns. The homes would be used for affordable rental properties and would serve households earning less than 80% of the area median income.

4. Housing for New Hope: \$50,000

(Requested amount: \$50,000)

Housing for New Hope requested funds to provide tenant-based rental assistance to homeless individuals and families throughout Orange County. The Housing for New Hope staff helps its clients secure decent and affordable rental housing and also uses funds to provide utility connection assistance.

5. Administration: \$31,183

Funds for administration of the HOME Program would be allocated to the Orange County Housing, Human Relations, and Community Development Department.

Other Applications

Both the Community Home Trust and CASA submitted applications for operational support for \$12,000 and \$25,000 respectively. This year, due to limited funding, the Review Committee decided to recommend funding for development projects rather than operational support.

HOME Program Review Committee Members

The 2014-2015 HOME Program Review Committee members are:

Commissioner Mark Dorosin (Orange County)
Commissioner Kathleen Ferguson (Hillsborough)
Council Member Sally Greene (Chapel Hill)
Alderman Michelle Johnson (Carrboro)

FISCAL & STAFF IMPACT: Orange County is scheduled to receive approximately \$311,832 from HUD, through the Orange County Home Consortium. The required total local government match is \$70,162. Carrboro's share of the match is \$10,524; 15 percent of the total government match. These funds will be allocated from the Town's general fund.

RECOMMENDATION: Staff recommends the Board consider approving the HOME Program Review Committee's Funding Design and adopting the attached resolution.