



Legislation Text

File #: 22-205, **Version:** 1

TITLE:

Approval of FY 2022-2023 HOME Investment Partnerships Program Annual Action Plan

PURPOSE: The purpose of this agenda item is for the Town Council to consider approving HOME Investment Partnerships Program's Annual Action Plan activities for FY 2022-2023.

DEPARTMENT: Housing and Community Services

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INFORMATION: The federal HOME Investment Partnerships Program (HOME) provides formula grants to states and localities to fund a wide range of affordable housing activities. HOME is the largest federal block grant to state and local governments designed exclusively to create affordable housing for low-income households.

Each year, state and local governments (Participating Jurisdictions) that receive HOME funds from the U.S. Department of Housing and Urban Development (HUD) are required to complete an [Annual Action Plan](https://www.co.orange.nc.us/DocumentCenter/View/20086/5-a-1---Draft-FY-2022-2023-Annual-Action-Plan) <<https://www.co.orange.nc.us/DocumentCenter/View/20086/5-a-1---Draft-FY-2022-2023-Annual-Action-Plan>> that lays out how they will allocate HUD funds for the upcoming program year to address the goals and priorities in the five-year [Consolidated Plan](https://www.co.orange.nc.us/DocumentCenter/View/10806/Orange-County-NC-Consolidated-Plan-FINAL?bidId=>) <<https://www.co.orange.nc.us/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.

In 2017, the [Orange County Local Government Affordable Housing Collaborative](https://carrboro.legistar.com/LegislationDetail.aspx?ID=3161767&GUID=D1E21369-58F6-4BC3-A039-9B68069D5516&Options=ID|Text|&Search=affordable+housing+collaborative) <<https://carrboro.legistar.com/LegislationDetail.aspx?ID=3161767&GUID=D1E21369-58F6-4BC3-A039-9B68069D5516&Options=ID|Text|&Search=affordable+housing+collaborative>> (hereafter "the Collaborative") was created to enhance collaboration around affordable housing. The Collaborative includes elected officials and staff from each of the four participating jurisdictions and serves as the HOME Program application review team and is charged with developing an annual HOME Program plan, the Annual Action Plan. The Annual Action Plan was completed based on the HOME award recommendations made by the Collaborative, detailed in the section below.

The Collaborative reviewed the received applications for the FY23 HOME Program on March 3, 2022, and made funding recommendations based on the estimated award amount. In April, HUD issued Notice CPD-22-05 instructing HOME Participating Jurisdictions not to submit their Annual Action Plans until the actual grant amounts were determined by HUD. HUD announced those amounts on May 13, 2022, necessitating a second

Collaborative meeting on May 17, 2022, to finalize their recommended allocations.

For FY23, Orange County will receive the following HOME resources:

FY23 HOME Funds	\$ 443,498
HOME Program Income	\$ 13,306
Local Match	\$ 99,787
Total	\$ 556,591

Each jurisdiction's contribution of the local match (\$99,787) is based on its population. The Town's contribution to the matching funds is 14.3% of the total match, or \$14,270.

The Collaborative made the following funding recommendations for consideration by each of the jurisdictions' elected bodies:

Applicant and Project	HOME Request	HOME Award
Community Empowerment Fund - Homebuyer Assistance	\$50,000	\$90,000
EmPOWERment - Rental Acquisition	\$ 105,000	\$ 105,000
Gateway - Debt Refinancing and Rental Units Rehabilitation	\$771,800	\$0
Habitat for Humanity - Homebuyer Assistance	\$ 475,000	\$ 167,241
Rebuilding Together of the Triangle - Homeowner Rehabilitation/Reconstruction	\$ 150,000	\$ 150,000
Administration (10% of HOME Funds, Orange County)	\$ 44,350	\$ 44,350
Total	\$1,596,150	\$ 556,591

A summary of each of the above projects can be found in Attachment B.

In accordance with the Orange County HOME Consortium Agreement, the HOME Program Plan for each year must be approved by all jurisdictions prior to submission to HUD. The HOME Program Design was approved and/or is scheduled for approval by:

- Orange County on June 7, 2022
- Town of Chapel Hill on June 8, 2022
- Town of Hillsborough on June 13, 2022

The FY 2022-2023 Annual Action Plan must be submitted to HUD on or before July 17, 2022.

FISCAL & STAFF IMPACT: The Town of Carrboro's portion of the required HOME matching funds is estimated to be \$14,270, 14.3% of the total local match (\$99,787), which will be budgeted from the FY23 Affordable Housing Special Revenue Fund.

RECOMMENDATION: Staff recommends that the Town Council adopt the resolution included as Attachment A: (1) approving the plan developed by the Collaborative for use of the FY23 Orange County HOME Program funds in the amount of \$556,591; (2) authorizing this funding plan to be incorporated into the Annual Update to the 2020-2025 Consolidated Plan for submission to the U.S. Department of Housing and Urban Development.