

## Summary of 2022-2023 CDBG Funding Requests and Application Review Committee Recommendations

This document summarizes the Community Development Block Grant (CDBG) Application Review Committee’s recommendation for \$664,103 in 2022-2023 CDBG funding. This includes an estimated 2022-2023 CDBG grant award of \$415,000, \$241,764 in prior years’ CDBG grant awards to be reallocated, plus \$7,339 in program income. The program income was received from the annual repayment of a loan made in 2008 to support development of the Dobbins Hill Low Income Housing Tax Credit development. Individual program awards may need to be adjusted once the Town receives notification of the final HUD-calculated CDBG grant award in May, as highlighted in the recommendation summaries below.

### Application Review Committee Recommended Funding Plan

Program	Requested	Recommended Plan	% of Request
<b>Affordable Housing</b>			
Community Home Trust - 223 Graham St. Acquisition	\$ 60,000	\$ 60,000	100%
Community Home Trust - Down Payment Assistance	\$ 20,000	\$ 20,000	100%
Community Home Trust - Legion Rd. repairs	\$ 25,000	\$ 25,000	100%
Community Empowerment Fund	\$ 50,000	\$ 90,000	180%
Rebuilding Together of the Triangle Home Repairs	\$ 110,400	\$ 165,600	150%
Neighborhood Revitalization	\$ -	\$ 155,684	
<b>Total</b>	<b>\$ 265,400</b>	<b>\$ 516,284</b>	
<b>Public Services - 15% Cap of \$63,351</b>			
Town's Summer Youth Employment Program	\$ 25,000	\$ 25,000	100%
Inter-Faith Council - Homeless Case Management	\$ 102,067	\$ 34,022	33%
Exchange Club's Family Center	\$ 5,250	\$ 4,329	82%
Refugee Community Partnership Interpreters	\$ 60,000	\$ -	0%
<b>Total</b>	<b>\$ 192,317</b>	<b>\$ 63,351</b>	
<b>Administration - 20% Cap of \$84,468</b>			
<b>Total</b>	<b>\$ 84,468</b>	<b>\$ 84,468</b>	100%
<b>Total</b>	<b>\$ 542,185</b>	<b>\$ 664,103</b>	

\*Federal Regulations cap the amount of CDBG funding used for **public services at 15%** of the Town's current year grant plus program income equaling an estimated \$63,351 for FY22-23. **Administration is capped at 20%** of current year grant plus program income equaling an estimated \$84,468 for FY22-23.

### Affordable Housing

- Community Home Trust – Single-Family Home Acquisition and Rehabilitation: \$ 60,000**  
Requested Amount: \$60,000

**Proposed Use:** Acquire and rehabilitate a single-family home located on Graham St. and currently held in the Northside Land Bank. The home will be resold to a qualified household earning 60-80% of the area median income at an affordable price, with costs not to exceed 30% of their gross monthly income. The unit will be sold with a renewable 99-year ground lease to maintain long-term affordability. This project also frees up land

bank funds to preserve more units for affordable housing.

**Committee Recommendation:** \$60,000 to fully fund the request.

2. **Community Home Trust – Homebuyer Down Payment Assistance: \$ 20,000**

Requested Amount: \$20,000

**Proposed Use:** The Community Home Trust requests funding for its Homebuyer Assistance Program. These funds would be used to make Home Trust homes more affordable to households earning 80% of the area median income or less.

**Committee Recommendation:** \$20,000 to fully fund the request.

3. **Community Home Trust – Legion Road Townhome Repairs: \$ 25,000**

Requested Amount: \$25,000

**Proposed Use:** Complete emergency repairs for up to 14 townhomes on Legion Road originally constructed by Community Home Trust in 2001 and currently occupied by low-to-moderate income homeowners. Repairs to the crawlspaces and exteriors are necessary to prevent worsening moisture damage and mold, ensuring structural integrity and safety of the units.

**Committee Recommendation:** \$25,000 to fully fund the request.

4. **Community Empowerment Fund – First-Time Homebuyers Program: \$ 90,000**

Requested Amount: \$50,000

**Proposed Use:** \$10,000 will be used to provide financial literacy education and personalized one-on-one financial coaching to support 20 low-income residents work toward purchasing their first home.

\$80,000 will provide 2-to-1 matches up to \$4,000 each for those 20 program participants' savings accounts to be used for closing costs and down payment. Community Empowerment Fund applied for a 1-to-1 match, but given the cost of housing in Chapel Hill the Committee felt an increased match would increase the likelihood of success of the program. CEF has indicated that they could use the additional funding, above the amount of their original request.

**Committee Recommendation:** \$90,000 to fully fund the education component and increase the proposed match to a 2-to-1 savings match.

5. **Rebuilding Together of the Triangle – Rehabilitation Services & Home Repairs: \$ 165,600**

Requested Amount: \$110,400

**Proposed Uses:** \$38,100 for Rehabilitation Services to support the work of the Orange County Home Preservation Coalition (OCHPC), providing applicant intake, home assessments, work scopes, bid preparation, and project management of low-income homeowner repair and accessibility modification projects. Rebuilding Together applied for \$25,400 for this purpose, but the Committee proposed providing additional funding to OCHPC so that they could serve more households.

\$127,500 for repair projects identified through Rehabilitation Services to be completed by an OCHPC member agency/agencies and coordinated by Rebuilding Together. This program will serve at least 12 to 15 households earning 80% of the area median income or less. The original application was for \$85,000 to complete repairs on up to 10 homes, but the Committee recognizes construction costs are rising and recommended providing funding to the Preservation Coalition to complete more projects.

**Committee Recommendation:** \$165,600 to allow the OCHPS to serve more households with repairs and cover increasing construction costs.

6. **Town of Chapel Hill - Neighborhood Revitalization Activities: \$ 155,684**

**Proposed Uses:** A flexible pool of funding to be used for Affordable Housing and Community Development projects identified throughout the year. Activities include: second mortgage assistance; property acquisition and/or renovation; code enforcement; demolition; public housing improvements; public improvements such as installation of sidewalks; or parks and recreation facilities such as a community garden.

The Town Manager would approve projects, which must demonstrate compliance with Town policies and federal regulations.

**Committee Recommendation:** Allocate the balance of the CDBG award (estimated at \$155,684) for future identified projects to allow flexibility to address needs as they arise. This amount may be higher or lower than the estimate depending on the final HUD CDBG allocation to the Town.

**Public Services**

Public service activities, such as programs focusing on employment, childcare, healthcare, and education are eligible to be funded through the CDBG program. Federal regulations cap the amount of CDBG funding used for public services at 15% of the Town's Current Year grant plus program income equaling an estimated \$63,351 for FY 22-23.

1. **Summer Youth Employment Program: \$ 25,000**  
Requested Amount: \$25,000

**Proposed Use:** The Town of Chapel Hill offers job training and paid employment to youth ages 14-18 in Chapel Hill households earning less than 80% of the Area Median Income. Every summer, the hired youth work 20 hours a week for 8-10 weeks in a variety of Town departments and outside agencies. With ongoing uncertainty around Covid-19, we will offer employment for around 15 youth this summer.

**Committee Recommendation:** \$25,000 to fully fund the Town's program.

2. **Inter-Faith Council for Social Service (IFC): \$ 34,022**

Requested Amount: \$102,067

**Proposed Use:** Case Manager for IFC's residential programs to assist households experiencing homelessness in obtaining shelter, securing permanent affordable housing and accessing outside resources.

**Committee Recommendation:** \$34,022, the estimated amount to fund 1 of the 3 requested full-time equivalent case manager staff positions. This amount could be adjusted if the final amount of available Public Services funding changes once HUD releases the final CDBG allocation. It would only be adjusted if changes to the award for The Exchange Club's Family Center doesn't fully cover the difference between the anticipated available Public Services funding and the final amount available.

3. **The Exchange Club's Family Center of Alamance County: \$ 4,329**

Requested Amount: \$5,250

**Proposed Use:** The Children's Parents program provides parenting classes to families at-risk for and/or involved in child abuse or neglect. Professionally trained instructors use tested curricula to teach the parents, and trained childcare workers provide trauma-informed care and instruction to the children.

**Committee Recommendation:** The balance of the remaining Public Services amount (currently estimated at \$4,329). This amount would be increased up to the requested amount or decreased based on the final HUD CDBG allocation to the Town.

**Program Administration: \$ 84,468**

The Committee recommends the Council allocate funds to support oversight of the CDBG and related affordable housing programs including Town staff salaries.

**Application Not Recommended for Funding**

1. **Refugee Community Partnership (RCP) – Community Interpreters**

Requested Amount: \$60,000 in Public Services funding

**Proposed Use:** Staff positions to provide language access through community-based, on-call, as-needed interpretation and accompaniment for non-English speaking residents in Karen, Arabic, Burmese/Chin, and Dari/Pashto to increase institutional interaction, economic opportunity, health access, and civic participation.

**Committee Reasoning:** There was not enough Public Services funding to fund all requests, and the Committee felt that funding would be less effective split between IFC and RCP. They chose to recommend funding the single staff position with IFC because one of the 5-year Consolidated Plan priorities is homeless services. However, the Committee felt strongly that language access should be a Town priority and encourages opportunities for funding RCP in the future.

### **CDBG Application Review Committee Members**

Mychal Weinert (Human Services Advisory Board)

Anne Hoole (Housing Advisory Board)

Shenekia Weeks (Town of Chapel Hill Diversity, Equity and Inclusion Officer)

John French (Town of Chapel Hill Parks and Recreation Supervisor of Hargraves Center)

Sarah Poulton (Town of Chapel Hill Downtown Special Projects Manager)

Staff Liaisons: Megan Culp, Community Development Program Manager and Nate Broman-Fulks, Affordable Housing Manager