

## COVER PAGE

### **Organization Contact Information**

Legal Name: EmPOWERment, Inc.

Tax ID Number: 56-1965772

Physical Address: 109 North Graham St, Ste. 200 Chapel Hill, NC, 27516

Mailing Address: 109 N. Graham St, Ste. 200, Chapel Hill, NC 27516

Organization's Website: empowermentinc.org

Date of Incorporation: 1996

Executive Director Name: Delores Bailey

Telephone Number: 919-967-8779

E-Mail: empowermentincnc@gmail.com

### **Funding Request**

Project Name: 107 Johnson Street Apartments Development Phase 1: Land Banking

Total Number of Units Included in Funding Request:

Later phases of the project will build 8 to 12 housing units. Phase 1: Land Banking project will acquire two adjacent buildable lots, identified by GIS PIN numbers 9788030899 and 9788030940.

Total Project Cost: \$128,000. (Phase 1: Land Banking)

Total Amount of Funds Requested: \$101,000 (Phase 1: Land Banking)

Please specify the **type** and **amount** of funding requested:

☐ Affordable Housing Bond: \$\_\_\_\_\_

☐ Grant ☐ Loan

☐ Affordable Housing Fund: \$\_\_\_\_\_

☐ Grant ☐ Loan

☒ Affordable Housing Development Reserve: \$101,000

☒ Grant ☐ Loan

Proposed Use of Funds Requested (*provide a concise description, not to exceed 100 words*):

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

- ☒ Acquisition; Land-banking
- ☐ Predevelopment activities
- ☐ Infrastructure/site improvements
- ☐ Rental housing subsidy
- ☐ New construction for homeownership
- ☐ New construction for rental housing
- ☐ Owner-occupied rehabilitation
- ☐ Rental rehabilitation
- ☐ New construction of emergency shelter
- ☐ New construction of transitional/supportive housing
- ☐ Rental/utility connection assistance
- ☐ Second Mortgage Assistance

☒ Other (specify): Site development and building removal

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

Signature: Delores Bailey  
Executive Director

12-1-19  
Date

**DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST AND NON DISCRIMINATION CLAUSE**

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

YES NO

- ☒ ☐ a) Employees of or closely related to employees of the Town of Chapel Hill?
- ☐ ☒ b) Members of or closely related to members of the governing bodies of the Town of Chapel Hill?
- ☐ ☒ c) Current beneficiaries of the program for which funds are being requested?
- ☐ ☒ d) Paid providers of goods or services to the program or having other financial interest in the program?

If you have answered YES to any question, **please provide a full explanation below.**

Board member and Treasurer, Jabe Hunter, is the Assistant Chief for the Chapel Hill Police Department.

**NON-DISCRIMINATION**

Provider agrees as part of consideration of the granting of funds by funding agencies to 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, gender identity/expression, familial status or veterans status with reference to any activities carried out by the grantee, no matter how remote.

**To the best of my knowledge and belief all of the above information is true and current. I acknowledge and understand that the existence of a potential conflict of interest does not necessarily make the program ineligible for funding, but the existence of an undisclosed conflict may result in the termination of any grant awarded.**

Signature: Delores Bailey  
Executive Director

12-1-19  
Date



## ORGANIZATION INFORMATION

**1. Organization Mission** *(no more than a few sentences)*: EmPOWERment, Inc.'s mission is to empower individuals and communities to achieve their destiny through community organizing, affordable housing, and grass roots economic development.

**1. Organization 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.

**# of FTE – Full-Time Paid Positions:** 4

**# of FTE Part-Time (less than 40 hours/wk.) Paid Positions:** 1

**Ms. Delores Bailey (Executive Director)** Ms. Bailey has served as Executive Director of EmPOWERment Inc. since 2005. Early in 2006, she envisioned EmPOWERment Inc.'s affordable residential rental program as meeting an urgent and growing community need. The Recession of 2008 proved her to be right. Since that time, the EmPOWERment Board has tasked her to research, negotiate, and acquire affordable rental properties. As of this application date, EmPOWERment owns 54 units with funding to add five more. The growth has been steady under Ms. Bailey's leadership. She is skilled at identifying properties, arranging financing through grants and mortgages, and completing the acquisition process. She has shown her skill at managing the organization's financial well-being by combining public funds with responsible borrowing; the affordable rental program is and will continue to be financially stable.

As a member of the Piedmont Collaboration, an initiative of non-profit affordable rental owners from Raleigh, Durham and Sanford, supported by Z. Smith Reynolds Foundation, Ms. Bailey stays abreast of trending policies relating to affordable rentals in the Triangle. She had been a HUD certified housing counselor and is responsible for incorporating counseling rental clients in the rental program.

Prior to focusing on affordable residential rental properties, EmPOWERment, Inc. developed new homes for home ownership. Ms. Bailey oversaw the new construction of seven properties and numerous renovations, beginning with land acquisition and ending with the sale of the home to a qualifying family. She is familiar with Chapel Hill's development regulations, with planning and design work, with working with general contractors.

**Ms. LaTanya Davis (Operations Manager)** Ms. Davis has a B.S in Economics, a Master's in Business Management, a licensed real estate broker and broker-in-charge. She has over eight years of property management experience with EmPOWERment.

Ms. Davis is responsible for the development and implementation of EmPOWERment Inc.'s strategic plans and policies, and to provide leadership and direction to the managers, other staff and vendors. She works directly with Executive Director to oversee the acquisitions and administration of construction projects. Consults with Special Projects/Construction Manager on property development and consults with the Property Manager for leasing of properties. Ms. Davis was the financial manager of EmPOWERment for three years prior to becoming property manager. She had prior financial management experience, as well.

Property Manager, Ms. Thompson oversees the everyday operations of the Rental Property program, which includes but is not limited to: rental counseling, apartment turnovers, maintenance and negotiating with vendors and rent collection. Ms. Thompson prepares and delivers timely monthly reports to the EmPOWERment board; quarterly reports to The Town of Chapel Hill and Orange County; and annual reports to the Town of Carrboro concerning the rental program.

**Ms. Sarita Nwachukwu (Director of Community Programs)** Ms. Nwachukwu has a B.S. in Psychology, and a Master's in Public Administration. She has more than 25 years of experience working in upper management/ administration and has managing annual budgets in excess of \$20 million. Ms. Nwachukwu spends 30% of her time assisting with the Rental Program. She has been with EmPOWERment since 2010. She brings her years of management skills to the rental program daily. She assists the Finance Manager verifying timeliness of payments. She handles registration of walk-in clients, phone calls, follow-ups and rent collections.

**Ms. Laurie Weller (Financial Manager)** Ms. Weller has an Associate degree in Accounting. She brings more than 35 years of experience in finance management. Ms. Weller joined EmPOWERment in the fall of 2012. She owns her own accounting business. She has been a HUD certified Housing Counselor.

2. **Agency Track Record:** Please provide a brief description of your organization's past achievements in carrying out similar projects and evidence of successful record of meeting proposed budgets and timetables (*in 100 words or less*).

Since 1996, EmPOWERment, Inc. has acquired and managed affordable rental housing, currently 54 units with 5 more to be acquired in 2019/20. EmPOWERment has also served as developer for more than 75 houses sold to qualifying families. Experience and achievements include predevelopment work, land acquisition, hiring general contractors, supervising the work to completion, meeting all code and other specifications.

For all projects for which you have received Town funding within the last 5 years, please provide the information below. If you have not received Town funding within the last 5 years, or ever, please complete for comparable projects.

|  | <i>Insert responses here.</i>           |
|--|---|
| Project Name   | 320 McMasters                           |
| Total Project Cost   | \$170,795.00                            |
| Amount of Town Funding Award                               | \$ 54,128.00                            |
| Funding Source ( <i>Oak Foundation &amp; EmPOWERment</i> ) | \$116,667.00                            |
| Date of Funding Award Approval                             | March 2018                              |
| Date of Project Completion                                 | March 2018                              |
| Project completed within projected schedule:               | <input checked="" type="checkbox"/> Yes |
|  | <input type="checkbox"/> No             |
| Project completed within original budget:                  | <input checked="" type="checkbox"/> Yes |
|  | <input type="checkbox"/> No             |



|   |    |
|---|----|
| If no, how much over or under budget was the project? | \$ |
| Notes:  |    |

  

|   | <i>Insert responses here.</i>           |
|---|---|
| Project Name  | 338 McMasters                           |
| Total Project Cost                                    | \$ 138,000.00                           |
| Amount of Town Funding Award                          | \$ 27,000.00                            |
| Funding Source (HOME and EmPOWERment)                 | \$ 110,000.00                           |
| Date of Funding Award Approval                        | April 2017                              |
| Date of Project Completion                            | September 2018                          |
| Project completed within projected schedule:          |   |
|   | <input checked="" type="checkbox"/> Yes |
|   | <input type="checkbox"/> No             |
| Project completed within original budget:             |   |
|   | <input checked="" type="checkbox"/> Yes |
|   | <input type="checkbox"/> No             |
| If no, how much over or under budget was the project? | \$                                      |
| Notes:  |   |

*\*Copy and paste chart as needed to reflect additional projects that have received funding within the last 5 years.*

### PROJECT INFORMATION

3. **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. *(in 100 words or less)*. The grant for the 107 Johnson Street Apartments Development Project Phase 1 will fund the land-banking acquisition of two adjacent lots on Johnson Street. The lots are identified by PIN numbers 9788030899 and 9788030940 and are connected to Town owned lots. The long-term goal of the project's later phases is to build 8 to 12 rental units for families earning less than 80% of the area median income. Later phases of the project will be predevelopment, site development, and general contracting, all stages leading to and through occupancy. The EmPOWERment Rental Program has a proven track record of implementing safe, clean affordable places for low to moderate income families.
4. **Long-Term Affordability.** Is the proposed project permanently affordable (99 year affordability term)?  
☒ Yes  
☐ No  
 If no, what is the affordability term of the proposed project?

Briefly describe any methods to ensure long-term affordability of housing units, including subsidy recapture, equity sharing, and deed restrictions:

EmPOWERment is bound by the following documents to ensure long term affordability of housing units:

Deed Restrictions  
Performance Agreements  
Development Agreements

5. **Leverage:** How much funding is committed at the time of submission of this application? \$27,500  
What percentage of funding for the proposed project would be leveraged from sources other than the Town? 21% (Please provide documentation of how you calculated leverage as well as funding commitment letters if applicable). (See Program Budget)

#### 6. Project Profile

|  |                                     |                       |   |   |  |
|--|-------------------------------------|-----------------------|---|---|--|
| <b>Location</b> (insert address if available)                  | 107 Pine Knolls                     |                       |   |   |  |
| <b>Size</b> (insert acreage of development site)               | .69 acres                           |                       |   |   |  |
| <b>Total Number of Units</b>                                   | <b># of Total Housing Units</b>     | <b># of Bathrooms</b> | <b>Square Footage</b>                                     | <b>Proposed Rent or Sale Price Per Unit</b> | <b>Projected Cost Per Unit Including Utilities</b> |
|  | 8 to 12 (see note)                  |                       | Total<br>10,000<br>Square feet<br>Projected<br>(see note) | See<br>Attached                             | See<br>Attached                                    |
| <b>One-bedroom</b>   | 4 (see note)                        | 1                     | 600 - 700   | \$750-800                                   | \$902  |
| <b>Two-bedroom</b>   | 5 (see note)                        | 2                     | 700 to 800  | \$850-900                                   | \$1055   |
| <b>Three-bedroom</b>   | 1 (see note)                        | 2                     | 800 to 1,000  | \$1150-1200                                 | \$1435   |
| <b>Four-bedroom</b>  |                                     |                       |   |   |  |
| <b>Area Median Income Served</b><br>(insert # of units by AMI) |                                     |                       |   |   |  |
| <30%   |                                     |                       |   |   |  |
| 31-60%   | 90% of units                        |                       |   |   |  |
| 61-80%   | 10% of units                        |                       |   |   |  |
| 81-100%  | 0 % of units                        |                       |   |   |  |
| >100%  |                                     |                       |   |   |  |
| <b>Target Population</b> (check all that apply)                |                                     |                       |   |   |  |
| Families   | <input checked="" type="checkbox"/> |                       |   |   |  |
| Older Adults (Age 55+)   | <input checked="" type="checkbox"/> |                       |   |   |  |
| Disabled   | <input checked="" type="checkbox"/> |                       |   |   |  |
| Homeless   | <input checked="" type="checkbox"/> |                       |   |   |  |
| Veterans   | <input checked="" type="checkbox"/> |                       |   |   |  |
| Other (specify)  | <input type="checkbox"/>            |                       |   |   |  |



|  |   |
|--|---|
| ADA Accessibility (insert # of total units)                      | Units will be ADA-compliant   |
| Per Unit Subsidy   | \$ 0 / unit   |
| Town Planning Approvals Received (as of the date of application) | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br><input checked="" type="checkbox"/> NA |

**\*NOTE: The later phases of the project will refine the number of units to be built. We anticipate several studio apartments, several one, two, and three bedroom units.**

7. **Energy Efficiency:** Will the proposed project meet the standards and requirements of [Energy Star 2.0](#) as verified by an independent, third party expert?

☒ Yes  
☐ No

If not, please briefly describe the energy efficiency features included in the proposed project:

8. **Universal Design:** Please briefly describe the universal design features included in the proposed project: Units will be ADA-compliant.

9. **Involvement of Beneficiaries:** Please describe how you have involved the intended beneficiaries of the proposed project in the planning and design process (*in 100 words or less*). EmPOWERment has been an owner and manager of affordable rental property for more than two decades. Through daily interaction with tenants and regular tenant meetings, we are well aware of the needs of the population we serve. We conduct semiannual surveys and will seek advice/suggestions from tenants and potential tenants when they come in to complete an application. We will also include suggestions to the immediate community and from other non-profit housing and service providers.

10. **Alignment with Town Goals and Strategies.** Please explain how the proposed project aligns with the [Town Council Goals](#) and adopted [affordable housing strategies](#).

A specific goal of the Town's Affordable Housing Development Reserve is land-banking, as shown on the website, <https://www.townofchapelhill.org/town-hall/departments-services/housing-and-community/funding/affordable-housing-development-reserve>.

107 Johnson Street Apartments Development Phase 1 is aligned with the Land-banking goal of the AHDR.

Future phases of the project will provide additional affordable rental housing. Empowering people through affordable housing is a core part of EmPOWERment, Inc.'s mission. The organization aligns with The Town of Chapel Hill's Affordable Housing Strategy, adopted by the Town Council in June 2011. EmPOWERment, Inc. provides clean, safe, affordable housing for seniors, for veterans, for the handicapped, for families with children, for households of one or two people. As a matter of policy, our tenants earn less than 80% of the Area Median Income; in reality, our tenants earn between 20% and 60% of the AMI. We serve the "full spectrum" of people in need of safe, well-maintained, affordable rental housing.

Our mission dovetails perfectly with the Town Council's goal for 2020-2022, "to increase access to housing for individuals across a range of incomes, and to constantly strive for more equitable

outcomes and opportunities for historically underserved populations,” and specifically to Objective 1: “Increase availability of affordable housing for all incomes.”

EmPOWERment, Inc. matches these specific points in Chapel Hill’s Affordable Rental Housing Strategy:

- The Town of Chapel Hill’s goal is to increase the availability of and access to housing for households and individuals with a range of incomes, from those who are homeless to those in middle-income households.
  - EmPOWERment, Inc.’s Pine Knolls Affordable Housing Development project will add 8 to 12 affordable rental units when fully built out.
  - Rents will be affordable to people earning less than 80% of AMI by policy. In practice, EmPOWERment’s tenant base earns below 60% of AMI, often significantly below.
  - Subsidy – these units have been priced at the Housing Choice Voucher Central amounts instead of HUD market value.
- Goal Statement 1.C, Focus on the development of affordable rental housing for a variety of lifestyles, which includes studio units, supportive housing units, universal access units, and units for families
  - Floor plans will be determined in Phase II of the project.
- Goal Statement 2.C, Link affordable housing policies with transportation needs and costs
  - The 107 Johnson Street Apartments Development Project will be within walking distance to major employers (UNC, UNC Hospitals, businesses within the downtown area), as well as to at least one school, medical facilities, and downtown Chapel Hill shopping and services.
  - The development will be close to bus lines for access to RTP employers, shopping and services that are farther from Chapel Hill.