

# Affordable Housing Common Funding Application



Affordable Housing Bond

Affordable Housing Development Reserve

Affordable Housing Fund



Town of Chapel Hill Office for Housing and Community

[housingandcommunity@townofchapelhill.org](mailto:housingandcommunity@townofchapelhill.org)

919-969-5079

[www.townofchapelhill.org/town-hall/departments-services/housing-and-community/funding](http://www.townofchapelhill.org/town-hall/departments-services/housing-and-community/funding)

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## GENERAL INFORMATION & APPLICATION INSTRUCTIONS

### OVERVIEW

Thank you for your interest in the Town of Chapel Hill's Affordable Housing funding sources! This application is used for funding requests for all of the Town's local funding sources for affordable housing projects (Housing Bond, Affordable Housing Development Reserve, and Affordable Housing Fund). To learn more about each of these sources and eligible uses, see the Attachments Section.

### INCOME ELIGIBILITY

In general, projects for the Town's affordable housing sources must serve households with income below 80% of the area median income as defined by the U.S. Department of Housing and Urban Development, adjusted for family size, though projects may be approved that serve households of higher incomes. Please see the Attachments for additional information about income limits.

### PROJECT REPORTING AND MONITORING

Organizations must submit progress reports to the Town quarterly to monitor progress and performance, financial and administrative management, and compliance with the terms of the performance agreement. Please submit reports using the template linked on the Town website and in the Attachments section electronically to: [housingandcommunity@townofchapelhill.org](mailto:housingandcommunity@townofchapelhill.org).

### ORIENTATION MEETING

Applicants are invited to attend an optional orientation session prior to applying for funding, which will be held once per year and provide an overview of all of the Town's affordable housing sources.

Applicants are also invited to participate in a pre-application meeting, which is a one-on-one session during which applicants can discuss their funding proposal with Town staff. To schedule a pre-application meeting, contact Sarah Vinas at 919-969-5079 or [svinas@townofchapelhill.org](mailto:svinas@townofchapelhill.org).

### SUBMISSION INSTRUCTIONS

Submit applications electronically in PDF form to: [housingandcommunity@townofchapelhill.org](mailto:housingandcommunity@townofchapelhill.org). If you have questions, please contact: Sarah Vinas at 919-969-5079 or [svinas@townofchapelhill.org](mailto:svinas@townofchapelhill.org)

Applications may not be considered for the following reasons:

1. Projects that do not align with the eligibility criteria for the funding source
2. Applicant has demonstrated poor past performance or compliance with funding guidelines
3. Incomplete or late applications

### CHECKLIST OF REQUIRED DOCUMENTATION

#### Application:

<input checked="" type="checkbox"/>	Section 1:	Cover Page
<input checked="" type="checkbox"/>	Section 2:	Disclosure of Potential Conflicts of Interest
<input checked="" type="checkbox"/>	Section 3:	Organization Information
<input checked="" type="checkbox"/>	Section 4:	Project Information
<input checked="" type="checkbox"/>	Section 5:	Attachments

## COVER PAGE

### **Organization Contact Information**

Legal Name: CASA

Tax ID Number: 56-1778714

Physical Address: 624 W Jones St, Raleigh, NC 27603

Mailing Address: PO Box 12545, Raleigh, NC 27605

Organization's Website: casanc.org

Date of Incorporation: 03/10/1992

Executive Director Name: Mary Jean Seyda

Telephone Number: (919)307-3434

E-Mail: mjseyda@casanc.org

### **Funding Request**

Project Name: Merritt Mill Apartments Total Number of Units Included in Funding Request: 48 (24 are in Chapel Hill)

Total Project Cost: \$8,939,052

Total Amount of Funds Requested: \$438,995 – Requesting a non-amortizing loan with no preference for funding source

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

☐ Affordable Housing Bond: \$438,995

☐ Grant

☒ Loan

**OR**

☐ Affordable Housing Fund: \$438,995

☐ Grant

☒ Loan

**OR**

☐ Affordable Housing Development Reserve: \$438,995

☐ Grant

☒ Loan

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

To develop 48 apartments to provide rental housing to households under 60% of AMI with a priority for households who are homeless and/or who have disabilities. 24 of these will be in Chapel Hill.

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

☐ Acquisition

☒ 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 – ***housing will be permanent and will include supportive units for persons with disabilities***

- ☐ Rental/utility connection assistance  
☐ Second Mortgage Assistance  
☐ Other (specify): \_\_\_\_\_

**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: Mary Jean Seyda 4/24/2020  
Executive Director 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.**

**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: Mary Jean Seyda 4/24/2020  
Executive Director Date

## ORGANIZATION INFORMATION

### 1. Organization Mission *(no more than a few sentences):*

CASA's mission is to provide access to stable, affordable housing for people who are homeless or at risk by developing and managing rental communities.

CASA has developed, owns and manages over 450 apartments throughout the Triangle, of which 70% are permanent supportive housing for persons with disabilities, and all of which serve low-income individuals and families. CASA's goal is that once a tenant moves into a CASA unit, they never face homelessness again.

### 2. 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.

**Mary Jean Seyda, Chief Executive Officer** – Ms. Seyda has been with CASA since 2001 and has an extensive background in homeless service program design, development and management. Prior to joining CASA, Mary Jean worked as Wake County's Homeless Services Coordinator for 3 years and Program Manager for 3 years. Mary Jean served as CASA's COO for 16 years before stepping into the role of CEO in 2018. Mary Jean oversees the strategic direction of our agency. She is past Chair of Orange County's Partnership to End Homelessness, and she currently serves on the Town of Chapel Hill's Housing Advisory Board, to which she was appointed by Town Council.

**Trina Clayeux, PhD, Chief Operations Officer** – Dr. Clayeux joined CASA's senior management team in June 2019. She moved from Washington State, where Trina worked with young people experiencing homelessness, providing workforce development services, education training, and affordable housing assistance. Trina holds a doctoral degree in Leadership Studies from Gonzaga University, as well as a master's in Public Administration and a bachelor's in Criminal Justice Administration. At CASA, Trina oversees the agency's day-to-day operations, including property management, administration, and programs. Her leadership at CASA emphasizes tenant-centered customer service, improving efficiencies through LEAN process improvement, and strong program and performance measurement.

**Daneene Barton, PhD, DBA, Chief Financial Officer** – Dr. Barton joined CASA's senior leadership team in February 2020 and oversees all financial activities of our agency including a \$4.5 million annual operating budget. She is responsible for the budgets for all CASA programs and developments, monitors the expenditure of grant funds, and assures that CASA meets its financial obligations to funders, vendors, and tenants. Daneene has over 20 years of experience in finance, accounting, financial reporting & modeling, real-estate housing (including retirement, assisted living, skilled nursing, and affordable housing), federal & state taxation. She has substantial industry experiences in government, supply chain management, real estate and senior housing. She holds a Six Sigma Black Belt Certification and has a passion for academics with interests in accounting, leadership, and financial research serving as a higher education instructor and course designer for top-rated universities. Daneene's academic background includes a Bachelor of Business Administration specializing in Accounting from the University of Georgia, Master of Business Administration from Webster University, and PhD in Leadership & Education specializing in Leadership from Barry University. The academic journey ends with a second Doctorate of Business Administration (DBA) specializing in Accounting.

**Jess Brandes, Senior Director of Real Estate Development** – Ms. Brandes has a background in non-profit financial development and a Master’s in City and Regional Planning. She works to get more affordable housing units on the ground throughout our communities, doing so in partnership with our elected officials, community development staff, funding and service partners. Jess and her team ensure that projects move forward on schedule and on budget while adhering to the development regulations of various municipalities, and the project requirements of various funders. She has worked at CASA since 2008 and has her NC Real Estate Broker’s License. In 2017, Jess was named a 40 Under 40 Leadership Award winner by the Triangle Business Journal for her leadership in affordable housing.

**Evelyn M. Worthy, Senior Director of Property Management** – Ms. Worthy came to CASA in 2018 with over 25 years of experience managing affordable housing, most recently a mixed-financed, HOPE VI portfolio that included LIHTC’s, PHA, HOME, Targeted and Market rate units. She serves in the recently created position as Director of Property Management, overseeing CASA’s in-house Property Management Department that undertakes the day-to-day leasing and maintenance of our properties. She holds multiple industry certifications including Specialist in Housing Credit Management (SHCM), Blended Occupancy Specialist (BOS) and Public Housing Manager (PHM). As CASA continues to grow, Evelyn ensures our policies, procedures and best practices are in place so we can continue our mission and continue to solve homelessness one person or family at a time.

**Neil Ritter, Real Estate Project Manager** – Mr. Ritter came to CASA in 2010 with 13 years of conventional housing experience working in both facilities maintenance and general contracting. For 9 years, Neil served as CASA’s Facilities Director, overseeing all day to day maintenance activity for CASA and supervising 5 maintenance technicians. In 2019 Neil transitioned to his current position supporting the Real Estate Development Department with project management of complex new construction projects and renovations. Neil sees projects through from creating the scope of work and identifying funding sources, to unit completion and inspection approvals. He also oversees and operationalizes CASA’s Asset Management Program.

**# of FTE – Full-Time Paid Positions:** 27

**# of FTE Part-Time (less than 40 hours/wk) Paid Positions:** 2

- 3. 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*).

When CASA was created 28 years ago, our express direction was to develop, own and manage rental property specifically financed for and programmatically designed to serve persons with disabilities, because people with disabilities were disproportionately experiencing homelessness. CASA’s mission has grown over the years to include other households in need of high-quality, affordable rental housing including veterans and working families who struggle to afford a place to live.

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.

	<b><i>Insert responses here.</i></b>
Project Name	<b>Merritt Mill Apartments</b>

Total Project Cost	\$8,939,052
Amount of Town Funding Award	\$551,810 already awarded
Funding Source	AHDR and Affordable Housing Opportunity Fund
Date of Funding Award Approval	2/13/2017 and 5/2/2018
Date of Project Completion	On 11/16/2018, CASA utilized \$208,674 from our Town award to close on the land purchase. The development of the project has not yet occurred.
Project completed within projected schedule:	
	<input type="checkbox"/> Yes
	<input type="checkbox"/> No
Project completed within original budget:	
	<input 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.**

**Please see 5-year Development History as Attachment 11.**

## PROJECT INFORMATION

- 4. 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).*

CASA will be developing a 48-unit rental community of 1 and 2 bedroom apartments. 24 of these units will be in Chapel Hill. We intend to do so using 4% LIHTC and tax-exempt bonds issued by Orange County. 9 units will be set aside for persons with disabilities who are under 30% of AMI. These tenants will have a rental subsidy. All units will serve households under 60% of AMI. CASA will prioritize persons who are homeless and will accept rental subsidies in all units.

- 5. 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. **Deed Restrictions**

- 6. Leverage:** How much funding is committed at the time of submission of this application? \$2,035,836

What percentage of funding for the proposed project would be leveraged from sources other than the Town? *91% of development costs for the entire 48-unit community are coming from non-Town sources. 82.5% of development costs for just the 24 units on the Chapel Hill side are coming from non-Town sources.*

Please note this application is requesting dollars for development only and is not including land cost because CASA already purchased the land. \$208,674 of Town funds were used in that purchase, completed in 2018.

(Please provide documentation of how you calculated leverage as well as funding commitment letters if applicable).

Funding Source	Development Cost	Percentage	Commitment Letter?
Total	\$ 8,939,052	100%	
Town of CH Requested	\$ 438,995	5%	
Town of CH Previously Awarded for development	\$ 343,136	4%	
<b>Total Town funds</b>		<b>9%</b>	
Orange County AH bond	\$ 1,392,700	16%	Attached
Orange County HOME	\$ 200,000	2%	Awarded 4/21/2020. Minutes not available yet
CASA equity	\$ 100,000	1%	Attached
Tax credit equity	\$ 2,289,983	26%	Estimate
Tax exempt bond	\$ 4,174,238	47%	Estimate
<b>Total Non-Town funds</b>		<b>91%</b>	

2018 Land Purchase Transaction (Not included in the funding request but I'm including here for reference since this was a prior Town contribution towards this project.)

Funding Source	Total Land Cost	Percentage
	\$ 565,882	100%
Town of CH previously awarded for land purchase	\$ 208,674	37%
Town of Carrboro	\$ 357,208	63%

## 7. Project Profile

*Insert project information below*

<b>Location</b> <i>(insert address if available)</i>	760 S Merritt Mill Rd, Chapel Hill (Site is in both Chapel Hill & Carrboro)				
<b>Size</b> <i>(insert acreage of development site)</i>	<u>3.1</u>				
<b>Total Number of Units</b>	<u>48</u>				
	# of Total Housing Units	# of Bathrooms	Square Footage	Proposed Rent or Sale Price Per Unit	Projected Cost Per Unit Including Utilities
<b>Studios</b>					
<b>One-bedroom</b>	<u>24</u>	<u>1</u>	<u>705</u>	<u>\$699 &amp; \$763</u>	<u>\$795 &amp; \$859</u>
<b>Two-bedroom</b>	<u>24</u>	<u>2</u>	<u>971 &amp; 984</u>	<u>\$910</u>	<u>\$1031</u>
<b>Three-bedroom</b>					
<b>Four-bedroom</b>					
<b>Area Median Income Served</b> <i>(insert # of units by AMI)</i>					

<30%	9	(these tenants must have a rental subsidy)	
31-60%	39		
61-80%			
81-100%			
>100%			
<b>Target Population</b> (check all that apply)			
Families	<input type="checkbox"/>		
Older Adults (Age 55+)	<input type="checkbox"/>		
Disabled	<input checked="" type="checkbox"/>	9 units for persons with disabilities	
Homeless	<input type="checkbox"/>		
Veterans	<input type="checkbox"/>		
Other (specify)	<input type="checkbox"/>		
<b>ADA Accessibility</b> (insert # of total units)	6		
<b>Per Unit Subsidy</b>	\$ 9,146/unit for this application. (\$11,496/unit in funds already awarded by the Town. Full Town subsidy/unit requested = \$20,642) (Double these figures for per unit Subsidy of just the 24 units on the Chapel Hill side)		
<b>Town Planning Approvals Received</b> (as of the date of application)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA		

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

X Yes  
No

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

**9. Universal Design:** Please briefly describe the universal design features included in the proposed project:

- All first-floor units are visitable and all units include wide doorways.
- Almost all our units are one-level living and Merritt Mill East will be as well.
- Blocking for grab bars are included in all showers and bathrooms to accommodate tenants' changing needs.
- All new construction includes levers rather than knobs on doors and on sinks.
- All common spaces including laundry facilities are fully accessible.

**10. 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).

CASA's intended beneficiaries are predominantly persons who are homeless and/or have disabilities. CASA gathers input about the needs of the homeless and disabled community through the following formal processes:

- In 2013 CASA's Board authorized the creation of an annual tenant survey. It has been conducted since then and is reviewed by Leasing Staff and Real Estate Development.
- CASA hears input from our intended beneficiaries through extensive involvement in each community's Partnerships to End Homelessness and Continuum of Care.
- Specific to addressing needs of people with disabilities, CASA is a member of NAMI

- CASA in 2019 began working to pilot a Tenant Council at one of our properties, intending to expand this to our broader portfolio.

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

This development supports the Council's goal to "Adopt and support affordable housing programs, projects and policies that increase our diversity in income, race, age and lifestyle." This project also supports the affordable housing strategy goal 1: "Support solutions and programs that offer affordable housing options along the entire continuum of housing need," and specifically 1c: "Focus on the development of affordable rental housing for a variety of lifestyles..."

## ATTACHMENTS

### Description of Required Attachments

**1. Financial Audit**

A recent financial audit that should cover **CY 2017**, for calendar year agencies, and **FY 2017-18**, for fiscal year agencies. For organizations with prior year revenues totaling \$500,000 or more a financial audit, prepared by a certified public accountant is required. Agencies with prior year revenues of less than \$500,000 may submit a completed [Schedule of Receipts and Expenditures](#) form (see application materials), in lieu of an audit/report. Agencies with a certified audit/report do not need to complete the form.

**2. Organization Budget**

Please complete the Organizational Budget Template or submit your own budget file (as long as it contains the same information as the template).

**3. Project Budget**

Please complete the Project Budget Template or you submit your own budget file (as long as it contains the same information as requested in the provided template).

**4. Articles of Incorporation**

**5. List of Board of Directors**

Provide the following information about each board of director's member: name, occupation or affiliation of each member, and officer positions.

**6. Pro Forma**

If you are developing rental housing, please attach a 20-year operating pro-forma showing estimated income, expenses, net operating income, debt service, and cash flow.

**7. Project Information**

For all projects, please submit a detailed timeline showing when each work task will be completed over the duration of the project.

For development and renovation projects, please submit the following:

- Site map showing lot boundaries, locations of structure(s), and other site features
- General location map (at least ½ mile radius)
- Floor plan(s)
- Elevation(s)
- Property Appraisal
- Evidence of zoning compliance
- Map showing proximity to bus stops, grocery store, schools and other amenities (including distance in miles from project site and amenities)

## Non-Profit Corporations:

### 8. IRS Federal Form 990

A copy of the organization's most recent Form 990 is required for nonprofit applicants. The specific form depends upon the organization's financial activity. Review the IRS' table guide, for more details. For Form 990-N (e-postcard) filers, include a copy of the postcard, with the organization's application materials.

### 9. NC Solicitation License

A copy of the organization's current solicitation license is required. Organizations that solicit contributions in North Carolina, directly or through a third party, must renew their licenses annually. For more details, refer to the NC Secretary of State's licensing website and its Frequently Asked Questions Guide (PDF), about exemptions. If exempt per N.C.G.S. § 131F-3, include a copy of the exemption letter with the organization's application materials.

### 10. IRS Federal Tax-Exemption Letter

A copy of the organization's current IRS tax-exempt letter that confirms its nonprofit status is required. An organization can request a copy of its letter from the [IRS' Customer Account Services](#).

## For-Profit Corporations:

### 11. Tax Returns

Most recent two years of corporate tax returns.

### 12. YTD Profit and Loss Statement and Balance Sheet

### 13. Tax Returns

Most recent two years personal tax returns and financial statements for all persons who have more than 19.9% ownership interest in the organization

### 14. References

Two business references with name, address, and telephone number

### 15. Signed "Authorization to Release Information" for each person who has more than 19.9% ownership interest in the organization

### 16. Completed W-9 Form



## OVERVIEW OF AFFORDABLE HOUSING FUNDING SOURCES

**Purpose:** This document is intended to provide a summary of the Town's affordable housing funding sources available to assist in creating a vibrant and inclusive community. The Overview includes a brief description of each funding source, as well as the eligible uses of each source.

### TOWN FUNDING AVAILABLE FOR AFFORDABLE HOUSING PROJECTS FISCAL YEAR 2020:

SOURCE	AMOUNT
Affordable Housing Bond	\$1,500,000
Affordable Housing Fund <i>(funding available varies based on receipt of payments in lieu from developers of affordable housing projects)</i>	\$456,000
Affordable Housing Development Reserve	\$250,000
Community Development Block Grant (CDBG)* <i>(Federal Funding - amount is approximate and varies year-to-year, based on Federal Budget)</i>	\$250,000
HOME* <i>(Federal Funding Process lead by Orange County - amount is approximate and varies year-to-year, based on federal budget)</i>	\$350,000
<b>TOTAL</b>	<b>\$11,760,395</b>

*\*\*CDBG and HOME use a separate funding application. See below for additional information.*

### AFFORDABLE HOUSING BOND:

On November 6, 2018, voters approved the Affordable Housing Bond Referendum. Voter approval of the Bond gives the Town Council authority to issue up to \$10 Million in bonds to support affordable housing projects in the community.

#### Eligible Uses:

1. Land Acquisition
2. Home Repairs and Comprehensive Rehabilitation
3. Construction of New Affordable Housing Units

#### Threshold requirements:

1. The applicant can demonstrate site control (if applicable).
2. The project is located within the Town of Chapel Hill city limits or ETJ.
3. The project falls within one of the eligible uses for Bond funding approved by the Town.
4. The application is complete and submitted by the established deadlines.
5. The proposed project includes at least 10 homes/units.

6. The proposed project must draw funding awarded within three years of the approval of funding award by the Town.

**Application Process:** The Town will periodically announce a request for proposals for Bond funds via the Town's website and other communications channels. Applications are reviewed and evaluated by the Housing Advisory Board (HAB) and then presented to the Town Council for final approval.

For more information on Affordable Housing Bond funds, visit the Town's [Affordable Housing Website](#).

### **AFFORDABLE HOUSING FUND (AHF):**

In 2002, the Town Council established the AHF to preserve owner-occupied housing in Chapel Hill for affordable housing purposes.

**Application Process:** Funds are available through the AHF on a rolling basis, with applications being accepted at any time. Applicants are evaluated by the Town Manager, with Council approval required for requests for housing renovation or homeownership assistance above \$40,000.

**Eligible Uses:** The AHF has a variety of eligible uses, including:

1. Preservation of owner-occupied housing
2. Land acquisition
3. Renovation
4. Affordable housing construction
5. Rental and utility assistance

For more information on the Affordable Housing Fund, visit the [Town's website](#).

### **AFFORDABLE HOUSING DEVELOPMENT RESERVE (AHDR):**

In fiscal year 2014-15, the Town Council allocated over \$688,000 for affordable housing and approved an allocation strategy for this funding, establishing an Affordable Housing Development Reserve (AHDR).

**Eligible Uses:** The AHDR is dedicated exclusively to the development and preservation of affordable housing. Priority project areas are:

1. Land bank and land acquisition
2. Rental subsidy and development
3. Homeownership development and assistance
4. Future development planning.

**Threshold requirements:**

1. The applicant can demonstrate site control (if applicable).

2. The project is located within the Town of Chapel Hill city limits or ETJ.
3. The project falls within one of the priority project areas identified by the Town.
4. The application is complete and submitted by the established deadlines.

**Application Process:** AHDR applications are accepted three times per year (~ every 4 months). Applications are reviewed and evaluated by the Housing Advisory Board (HAB) and then presented to the Town Council for final approval.

For more information on the Affordable Housing Development Reserve, visit the [Town's website](#).

## **Federal Funding Sources Not Covered By This Application**

### **COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)**

The CDBG Program was created by the U.S. Congress in 1974 and is administered by the Department of Housing and Urban Development (HUD). The primary objective of the program is to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities for low- and moderate-income peoples.

**Eligible Uses:** [CDBG eligible activities](#) include, but are not limited to: Acquisition of Real Property, Relocation and Demolition, Rehabilitation, Public Facilities and Improvements, and Public Services. Ineligible activities include Political Activities, Certain Income Payments, Construction of New Housing, or buildings for the General Conduct of Government.

**Application Process:** Applications are accepted once a year and reviewed by an Application Review Committee, which makes a recommendation for funding to the Chapel Hill Town Council for final approval.

For more information about the CDBG program, visit the [Federal CDBG website](#) and the [Town website](#).

### **THE HOME INVESTMENT PARTNERSHIP PROGRAM (HOME)**

In 1990, Congress enacted the HOME Investment Partnerships Act in an effort to provide a new approach to housing assistance at the federal level. This federal housing block grant affords state and local governments the flexibility to fund a wide range of housing activities.

#### **Eligible Uses:**

1. Projects that expand the supply of decent, safe, sanitary and affordable housing, with emphasis on rental housing, for very low- and low-income citizens
2. Projects that strengthen the abilities of state and local governments to design and implement strategies for achieving adequate supplies of decent affordable housing
3. Projects that encourage public, private and nonprofit partnerships in addressing housing needs.

**Application Process:** Applications are accepted once a year and reviewed by a committee coordinated by Orange County.

For more information about the HOME program, visit the [Federal HOME website](#) and the [Town website](#).

## OVERVIEW OF ELIGIBLE USES BY FUNDING SOURCE

Uses	CDBG	HOME	AHF	AHDR	BOND
Acquisition	✓	✓	✓	✓	✓
New Construction		✓	✓	✓	✓
Demolition	✓			✓	✓
Future Development Planning				✓	
Homebuyer/Second Mortgage Assistance	✓	✓	✓	✓	
Land Banking				✓	
Redevelopment/ Reconstruction	✓	✓	✓	✓	✓
Rehabilitation/Renovation	✓	✓	✓	✓	✓
Housing Relocation	✓	✓		✓	
Rental Assistance	✓	✓	✓	✓	✓
Rental Subsidy			✓	✓	
Site Improvements	✓	✓	✓	✓	✓
Rental & Utility Assistance			✓	✓	

# 2019 INCOME LIMITS

## US Department of Housing and Urban Development (HUD)

Durham-Chapel Hill Metropolitan Statistical Area  
(Durham, Orange, and Chatham Counties)

<b><i>Income Level</i></b>	<b>1 person</b>	<b>2 people</b>	<b>3 people</b>	<b>4 people</b>	<b>5 people</b>	<b>6 people</b>	<b>7 people</b>	<b>8 people</b>
<b>30% area median income</b>	\$17,850	\$20,400	\$22,950	\$25,750	\$30,170	\$34,590	\$39,010	\$43,430
<b>50% area median income</b>	\$29,700	\$33,950	\$38,200	\$42,400	\$45,800	\$49,200	\$52,600	\$56,000
<b>80% area median income</b>	\$47,500	\$54,300	\$61,100	\$67,850	\$73,300	\$78,750	\$84,150	\$89,600

Source: U.S. Department of Housing and Urban Development (HUD) 2019