

COVER PAGE

Organization Contact Information

Legal Name: EmPOWERment, INC

Tax ID Number: 56-1965772

Physical Address: 109 N. Graham Street #200, Chapel Hill, NC 27516

Mailing Address: Same

Organization's Website: www.empowermentinc.org

Date of Incorporation: March 1996

Executive Director Name: Delores Bailey

Telephone Number: 919-967-8779
empowermentincnc@gmail.com

E-Mail:

Funding Request

Project Name: 107 Johnson Street Apartments Total Number of Units Included in Funding Request: 8 Units

Total Project Cost: \$2,256,000.00

Total Amount of Funds Requested: \$350,000.00

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

Affordable Housing Bond: \$350,000.00 Grant
Loan

Affordable Housing Fund: \$0 Grant Loan

Affordable Housing Development Reserve: \$0 Grant Loan

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

Funds will be used to construct eight ADA-compliant rental units in a highly efficient building shell. All units will be furnished with Energy Star appliances. The project will address a specific rental gap that continues to go unmet: families earning less than 60% AMI. TOCH funding will be less than 23% of total funds. Equity is greater than 10% with greater than 50% of the funding coming from other sources. The planning process has been initiated. Construction will fulfill bond priorities and Dr. Parrish's desire to re-purpose the Pine Knolls Community Center, located in a Conservation District, into affordable rental.

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

5/1/2020

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. EmPOWERment's affordable housing mission is to reduce or remove housing barriers for the most vulnerable populations in Chapel Hill. Priorities are given to that population.

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.

Delores Bailey (EmPOWERment Executive Director)

- Executive Director of EmPOWERment for 15 years.
- Ms. Bailey will be responsible for overall management of proposed 107 Johnson Street project.
- Ms. Bailey will be the point of contact between developers, architects, general contractor and construction personnel.
- Ms. Bailey has excellent relationships with local banks and foundations in preparation for the creation of the Capital campaign for this project.
- In 2019, Ms. Bailey led a successful fundraising campaign, raising over \$100,000 to provide seed money for this project.

- Ms. Bailey has experience managing construction of six new homes and twenty major rehab projects throughout Orange County during her tenure with EmPOWERment.
- Under her leadership, EmPOWERment has increased rental inventory from 12 to 58 units, including two manufactured homes.
- Her latest rehab project was in Hillsborough, NC. Orange County donated an older home to EmPOWERment for renovation.
 - This renovation required relocating the house, several stages of rebuilding from a foundation to the roof, replacing flooring, walls and everything in between.
 - Ms. Bailey negotiated and coordinated several layers of financing to create the budget for this project.
 - Upon completion, the house became an affordable rental home for a veteran and his family.
- Ms. Bailey has a long history of working closely with town and county government departments and staff.

La Tanya Davis (EmPOWERment Operations Manager)

- Ms. Davis has been part of the EmPOWERment staff for 13 years.
- For the 107 Johnson Street project, Ms. Davis will manage timelines and budgets.
- Ms. Davis will be responsible for management of administrative duties pertaining to the project, i.e. timetables, project costs and financial duties.
- Ms. Davis has previously served as EmPOWERment's finance manager and as rental property manager.
- In her roles as rental property manager and operations manager, Ms. Davis has extensive experience developing budgets and overseeing the day-to-day work of rehabilitation projects.
- In addition to her experience and training, Ms. Davis brings extensive knowledge of EmPOWERment's tenant base to the project.

Josh Gurlitz (Josh Gurlitz Architecture, Chapel Hill)

- Mr. Gurlitz has over 40 years of experience in commercial and residential project design and oversight.
- Mr. Gurlitz is providing the architectural design and layout for the 107 Johnson Street project.
- Mr. Gurlitz will provide construction administration services, ensuring that the construction is performed at the highest level of quality.
- Mr. Gurlitz has an impeccable reputation for detailed design in both new construction and renovation projects.

- Mr. Gurlitz’s most recent creations for non-profit organizations include The Bouncing Bulldogs Community Center, Community House for the IFC, and the Alpha Phi Sorority in Chapel Hill.

Roger Perry (President of East West Partners Management Company)

- Mr. Perry brings 37 years of experience developing and managing large construction projects to the 107 Johnson Street project.
- Mr. Perry is an experienced developer who will volunteer his experience as a developer of single family and multi-family housing to the project.
- Mr. Perry has managed approximately \$2 billion in new construction for UNC along with numerous other construction projects in the area.
- Mr. Perry has demonstrated his commitment to enhancing the quality of life for all residents and communities.

Kate Rumley (Retired Executive Director of Brick Capital, Sanford, NC.)

- Ms. Rumley created new affordable housing stock for low-income families in Sanford, NC for over 20 years.
- Ms. Rumley will act as project management consultant.
- As executive director of Brick Capital, Ms. Rumley oversaw construction of 63 affordable single-family homes and 63 multi-family apartments throughout Lee County.
- Ms. Rumley brings her experience managing a capital campaign to the 107 Johnson Street project.

of FTE – Full-Time Paid Positions: 4

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

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*).

EmPOWERment has a long record of building and renovating projects throughout Orange and Chatham counties including land acquisition, predevelopment bidding, and hiring general contractors. EmPOWERment created a small subdivision in Siler City and built the only affordable home in the Briar Chapel subdivision. New construction projects (229 and 231 North Graham) and major renovations (338 McMasters, 320 McMasters (collaboration with Self Help), 613 and 405 Sykes and 505 Edwards) demonstrate the ability to manage budgets and timelines. This project combines EmPOWERment’s experience with the expertise that Gurlitz, Perry and Rumley bring in building and managing a multi-family housing.

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	Town of Chapel Hill
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
<i>If no, how much over or under budget was the project?</i>	\$
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	Town of Chapel Hill
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
<i>If no, how much over or under budget was the project?</i>	\$
Notes:	

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

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).*

The vision for the 107 Johnson Street project is to re-purpose the Pine Knolls Community Center property (with the support and vision of founder, Dr. Ted Parrish). This project will create 8 affordable rental units, 7,000 square feet, for people with income below 60% AMI. EmPOWERment will partner with the Town of Chapel Hill to combine the three lots to create affordable apartments. The project will consist of four 1-bedroom units, three 2-bedroom units and one 3-bedroom unit to meet the demand of low-income households that are currently Wait-listed. The apartments will have parking, a gardening space and playground area.

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.

The 107 Johnson Street Apartment project is located in the Pine Knoll community. It is designated to remain affordable permanently, 99 years. The legal documents and contracts will ensure long term affordability of this rental housing like:

- Deed Restrictions
- Project is located in a Neighborhood Conservation District

6. Leverage: How much funding is committed at the time of submission of this application? **\$157,000**

What percentage of funding for the proposed project would be leveraged from sources other than the Town? **78%** *(Please provide documentation of how you calculated leverage as well as funding commitment letters if applicable).*

7. Project Profile *Insert project information below*

Location <i>(insert address if available)</i>	<u>107 Pine Knolls</u>				
Size <i>(insert acreage of development site)</i>	<u>.69 acres</u>				
Total Number of Units	# of Total Housing Units	# of Bathrooms	Square Footage	Proposed Rent or Sale Price Per Unit	Projected Cost Per Unit Including Utilities
Studios					
One-bedroom	4	1	600-700	\$750-\$800	\$902
Two-bedroom	3	2	700-800	\$850-\$900	\$1055
Three-bedroom	1	2	800-1000	\$1150-\$1200	\$1435

Four-bedroom					
Area Median Income Served <i>(insert # of units by AMI)</i>					
<30%	25% of units				
31-60%	75% of units				
61-80%	0% of units				
81-100%	0% of units				
>100%	0% of units				
Target Population <i>(check all that apply)</i>					
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 <i>(specify)</i>	<input checked="" type="checkbox"/>	Housing Choice Voucher Holders			
ADA Accessibility <i>(insert # of total units)</i>	8 units will be ADA-Compliant				
Per Unit Subsidy	\$ 182,250 / unit (which will allow EmPOWERment to put subsidy into these units immediately)				
Town Planning Approvals Received <i>(as of the date of application)</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA Conversations have begun with the Planning department.				

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?

- 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:

This project is accessible to schools, healthcare and public transportation.

The project will include Universal Design as follow:

- Equitable use and flexibility in use. This design accommodates a wide range of individual preferences and abilities, tolerance for error.
- Tolerance for error. Minimize hazards and the adverse consequences of accidental or unintended actions.
- Size and space for approach and use. The appropriate size and space will be provided for approach, reach, manipulation and use regardless of the user's body size, posture or mobility.

Our architectural team will incorporate as many of these in their designs as they can and is consistent with accessible design understanding it is a requirement.

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)*.

EmPOWERment has operated as a community advocate since 1996. For this project we are in constant conversation with Dr. Ted Parrish of The Pine Knolls Community. We also have group and individual meetings with Ms. Virginia Barbee and Damita and Mashallah Salaam, long time members of the community to ensure this project is appropriate. Quarterly Community Outreach meetings with local beneficiaries in need of affordable rental help guide the planning for this project. Monthly meetings with the Orange County Affordable Housing Coalition allow us a broader sense of how this project can fill a rental gap. All feedback is considered.

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

- The 107 Johnson Street Apartments Development Project Phase 1 is aligned with the *Land-banking goal of the AHDR*. Acquisition of this property will allow EmPOWERment to hold the property for future affordable rental development.
- The 107 Johnson Street Apartments project will intentionally provide “a variety of housing opportunities that will promote socioeconomic diversity”. It will allow people the opportunity to remain in Chapel Hill. It will promote retention because of its affordability.
- Re-purposing this property aligns with *Goal Statement #1*: “supporting the reuse and redevelopment of property that can be developed into affordable housing”.
- The apartment rents will be priced to accommodate “those who are homeless to those in the middle-income households”. 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.
The 107 Johnson Street Apartment is within ¼ mile of a bus line making it easily accessible to RTP employers, shopping and services.
- EmPOWERment serves the “full spectrum’ of people in need of safe, well-maintained affordable rental housing. Without this project, a specific rental gap will continue to go unmet.
- This project 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”. This project is designed to cater to homeless, seniors, adults with disabilities, veterans and Housing Choice Voucher holders, in other words that population that many other landlords turn away because of how the client looks or their native language

or the number of children. EmPOWERment works constantly to eliminate those barriers to housing.

- And finally, the 107 Johnson Street Apartment projects aligns with Goal Statement 3f “consider solutions that include partnering with the County, other municipalities and major employers”. EmPOWERment is working with Town Council to secure the parcel of land adjacent to the Pine Knolls property. This will allow the eight units to be built. This project coordinates with the Town of Chapel Hill and the Orange County government. It has received financial support from the Orange County Department of Housing & Community Development. EmPOWERment, designated as a CHDO, has already received a commitment to receive 15% of the 20/21 HOME funds. This collaboration will “facilitate affordable rental development in the subsidized ranges” a goal highlighted in the Implementation section of the Affordable Rental Housing Strategy report.