



# TOWN OF CHAPEL HILL

Town Hall  
405 Martin Luther King Jr.  
Boulevard  
Chapel Hill, NC 27514

## Legislation Details (With Text)

**File #:** [22-0852]      **Version:** 1      **Name:**

**Type:** Consent      **Status:** Passed

**File created:** 10/28/2022      **In control:** Town Council

**On agenda:** 11/16/2022      **Final action:** 11/16/2022

**Title:** Approve Amending the 2022-2023 HOME Investment Partnership Program Annual Plan.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Summary of Amended FY22-23 HOME Investment Partnership Program Action Plan v01, 2. A RESOLUTION APPROVING AN AMENDMENT TO THE 2022-2023 HOME INVESTMENT PARTNERSHIP PROGRAM ANNUAL PLAN (2022-11-16/R-4)

Date	Ver.	Action By	Action	Result
11/16/2022	1	Town Council	adopted	Pass

### Approve Amending the 2022-2023 HOME Investment Partnership Program Annual Plan.

**Staff:**

Sarah Osmer Viñas, Director

Nate Broman-Fulks, Assistant Director

Megan Culp, Community Development Program Manager

**Department:**

Affordable Housing and Community Connections

**Overview:** The purpose of this memorandum is to approve a proposed amendment to the [2022-2023 HOME Investment Partnership Program Annual Plan](https://chapelhill.legistar.com/LegislationDetail.aspx?ID=5677940&GUID=A4E50FBD-8295-4AFD-91FD-9C6D7DD4813C) approved by the Council on June 8, 2022. The Plan amendment would reallocate \$105,000 in funding for EmPOWERment Inc. to acquire an affordable rental property in Chapel Hill instead of the one in Carrboro included in the original plan.

### Background

- Orange County is the lead entity for the HOME Program Consortium.
- The Consortium includes four participating jurisdictions (Chapel Hill, Carrboro, Hillsborough, and Orange County).
- To enhance collaboration around affordable housing among the jurisdictions in the County, [the scope of the existing HOME Consortium was expanded in 2017 and re-named the Orange County Local Government Affordable Housing Collaborative](http://chapelhill.granicus.com/MetaViewer.php?view_id=21&clip_id=3270&meta_id=174509) (the Collaborative).
  - The Collaborative includes elected officials and staff from the each of the four participating jurisdictions and serves as the HOME Program Consortium application review team, charged with developing an annual HOME Program plan.
  - Mayor Pro Tem Karen Stegman represents the Chapel Hill Town Council on the

Collaborative.

- All participating jurisdictions must approve and authorize submission of the plan or any amendments to the plan prior to submittal to the U.S. Department of Housing and Urban Development (HUD).
- The Collaborative recommends the Council review and approve an Amended 2022-2023 HOME Program Plan.
- Following the plan approval in June of 2022, the required environmental reviews were not able to be completed in advance of the closing for the property in Carrboro EmPOWERment Inc. received HOME funding to acquire. As a result, Orange County identified another funding source to support this acquisition and the \$105,000 in HOME funding originally allocated for that purpose must be re-allocated for another eligible project.

 **Recommendation(s):**

That the Council:

1. Approve the Amended 2022-2023 Orange County HOME Investment Partnership Program Annual Plan for use of \$556,591; and
2. Authorize this plan to be incorporated into the annual update to the 2020-2024 Consolidated Plan submitted to the U.S. Department of Housing and Urban Development.

**Recommended Amended 2022-2023 Orange County HOME Program Plan:**

	<b>Approved Plan</b>	<b>Amended Plan</b>
Habitat for Humanity - Down Payment Assistance	\$167,241	\$167,241
EmPOWERment, Inc. - Rental Acquisition in Carrboro (15% CHDO Minimum)	105,000	0
EmPOWERment, Inc. - Rental Acquisition in Chapel Hill (15% CHDO Minimum)	0	105,000
Community Empowerment Fund - IDA Program	90,000	90,000
Rebuilding Together of the Triangle - 2 Manufactured Home Replacements	150,000	150,000
Administration (10% of HOME, per statute)	44,350	44,350
<b>Total</b>	<b>\$556,591</b>	<b>\$556,591</b>

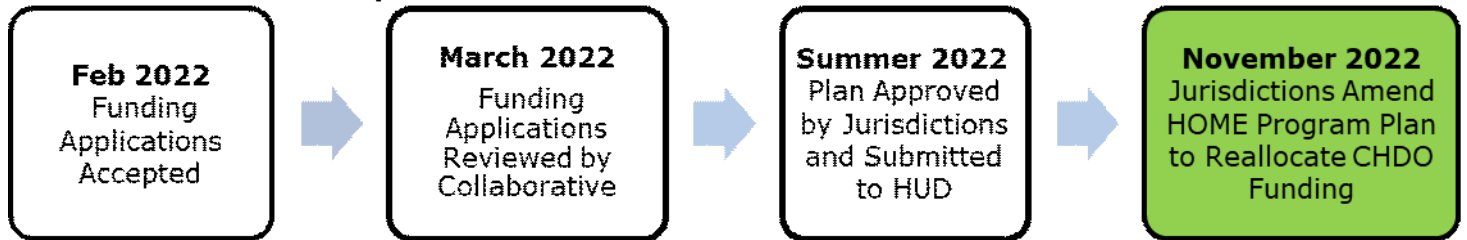
**Key Issues:**

- HUD requires that at least 15% of the \$443,498 in HOME Program funds, or \$66,525, be reserved for use by Community Housing Development Organizations (CHDOs).
  - EmPOWERment, Inc. applied for funding to subsidize the purchase of a rental unit in Carrboro. This was the only CHDO application received and was awarded \$105,000 for the acquisition.
  - The recommended amendment to the funding plan meets the 15% CHDO requirement by allowing EmPOWERment Inc. to use the \$105,000 award for acquisition of a different affordable rental unit. This is the same project that EmPOWERment Inc. applied for funding through the Town’s recent RFP process.
- Housing projects funded with Orange County HOME Consortium Program funds are subject to the County’s 99-year long-term affordability policy and must remain affordable for 99 years. Orange County records deed restrictions on the property with the Register of Deeds for affordable housing projects.
- In cases like this where an agency does not implement a project after funding is awarded, the Collaborative returns to the governing bodies of the participating jurisdictions with a proposed plan

for reallocation of funds.

**Fiscal Impact/Resources:** The recommended plan amendment proposes to provide grant funds to non-profit organizations for affordable housing activities. The majority of the funding for the plan is provided by HUD to Orange County. Participation in the HOME Program requires a local match. The Town's portion of the local match will remain at \$39,615 in the amended plan, to be provided from the Affordable Housing Fund as approved in the current 2022-2023 HOME Program Plan by Council in June 2022.

**Where is this item in its process?**



**Attachments:**

- Resolution Approving the Amended 2022-2023 HOME Program Plan
- Amended 2022-2023 HOME Program Annual Plan Summary of Activities

**A RESOLUTION APPROVING AN AMENDMENT TO THE 2022-2023 HOME INVESTMENT PARTNERSHIP PROGRAM ANNUAL PLAN (2022-11-16/R-4)**

WHEREAS, on June 8, 2022, the Chapel Hill Town Council approved a 2022-2023 HOME Investment Partnership Program Annual Plan for use of \$556,591 to be carried out by the members of the Orange County HOME Consortium; and

WHEREAS, EmPOWERment, Inc. is no longer able to use the awarded funds for the original purpose from their application received and evaluated prior to plan approval; and

WHEREAS, the Orange County HOME Consortium members have identified an alternate HOME-eligible CHDO project to recommend for funding, requiring an amendment to the current 2022-2023 HOME Investment Partnership Program Annual Plan.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council approves the following Amended 2022-2023 HOME Investment Partnership Program Annual Plan to be carried out by the members of the Orange County HOME Consortium:

<b>Agency and Project</b>	<b>Amended Plan</b>
Habitat for Humanity - Down Payment Assistance	\$167,241
EmPOWERment, Inc. - Affordable Rental Acquisition	105,000
Community Empowerment Fund - IDA Program	90,000
Rebuilding Together of the Triangle - 2 Manufactured Home Replacements	150,000
Administration (10% of HOME, per statute)	44,350
<b>Total HOME Funds for Project Activities</b>	<b>\$556,591</b>

BE IT FURTHER RESOLVED that the Council authorizes this amended plan to be incorporated into the Annual Update to the 2020-2024 Consolidated Plan, for submission to the U.S. Department of Housing and Urban Development.

This the 16th day of November, 2022.

**The Agenda will reflect the text below and/or the motion text will be used during the meeting.**

By adopting the resolution, the Council authorizes the amended 2022-2023 HOME Investment Partnership Program Plan be incorporated into the Annual Update to the 2020-2024 Consolidated Plan, for submission to the U.S. Department of Housing and Urban Development.