



# TOWN OF CHAPEL HILL

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

## Legislation Details (With Text)

**File #:** [23-0120]      **Version:** 1      **Name:**

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**File created:** 2/1/2023      **In control:** Town Council

**On agenda:** 2/15/2023      **Final action:** 2/15/2023

**Title:** Approve Amending the 2021-2022 HOME Investment Partnership Program Annual Plan.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Orange County HOME-ARP Draft Allocation Plan, 2. Council Questions with Staff Response, 3. A RESOLUTION APPROVING AN AMENDMENT TO THE 2021-2022 HOME INVESTMENT PARTNERSHIP PROGRAM ANNUAL PLAN (2023-02-15/R-4)

Date	Ver.	Action By	Action	Result
2/15/2023	1	Town Council	adopted	Pass

### Approve Amending the 2021-2022 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 item is to consider a proposed amendment to the 2021-2022 HOME Investment Partnership Program Annual Plan approved by the Council on May 5, 2021. The Plan amendment would add the Allocation Plan for \$1,371,401 in HOME Investment Partnerships American Rescue Plan Program (HOME-ARP) funding.

### The Orange County Local Government Affordable Housing Collaborative Overview

- The Town of Chapel Hill is a member of the Orange County HOME Program Consortium, with Orange County serving as the lead entity. 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.

### HOME-ARP

- The HOME-ARP provides HOME Program entitlement communities with a one-time award of funding to reduce homelessness and increase housing stability in response to the Covid-19 pandemic.

- The HOME-ARP Allocation Plan must be submitted to HUD as an amendment to the 2021-2022 HOME Annual Action Plan no later than March 31, 2023.
  - The Allocation Plan's purpose is to update HUD on the Collaborative's community engagement, needs analysis, prioritization for households served, and allocates the available funding to HUD-identified eligible use categories, with specific projects to be awarded funding later.
  - Eligible Categories include:
    - Development of Affordable Rental Housing
    - Tenant Based Rental Assistance (TBRA)
    - Homelessness Supportive Services
    - Creation of Non-Congregate Shelter
- 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 2021-2022 HOME Program Plan that includes the attached HOME-ARP Allocation plan. No other changes were made to the approved plan.

**Summary of HOME-ARP Allocation Plan:**

- Orange County conducted extensive community engagement and needs analysis in fall 2021 and winter 2022 to identify priorities for the HOME-ARP program.
- Based on the results from the planning process, the Local Government Affordable Housing Collaborative developed the recommended Allocation Plan for the use of \$1,371,401 in HOME-ARP that includes:
  - \$1,165,691 to be used for eligible Affordable Rental Housing Development projects.
  - \$205,710 in funding for Administration, which will support the development of a County-Wide Affordable Housing Plan.
  - A preference for projects that use Coordinated Entry (CE) to identify tenants for units developed using HOME-ARP funds.
    - CE is the process recommended by HUD and used by the Orange County Partnership to End Homelessness to bring providers and case managers together to assess, refer, and connect households experiencing housing crisis to housing and other assistance.
    - Since HOME-ARP must serve households experiencing homelessness or housing insecurity, CE is a good fit for identifying beneficiaries.
- Any changes to the Allocation Plan, including designating a portion of the funding for a different eligible category or changing the preferences for project or beneficiary selection, must be approved by the governing body of all four participating jurisdictions and HUD.
- Specific projects funded with HOME-ARP will be identified during an open application process planned for the Spring of 2023 after HUD approves the Allocation Plan, with the Collaborative developing a recommended funding plan for all 4 participating jurisdictions to review and approve prior to any work being completed.



**Recommendation(s):**

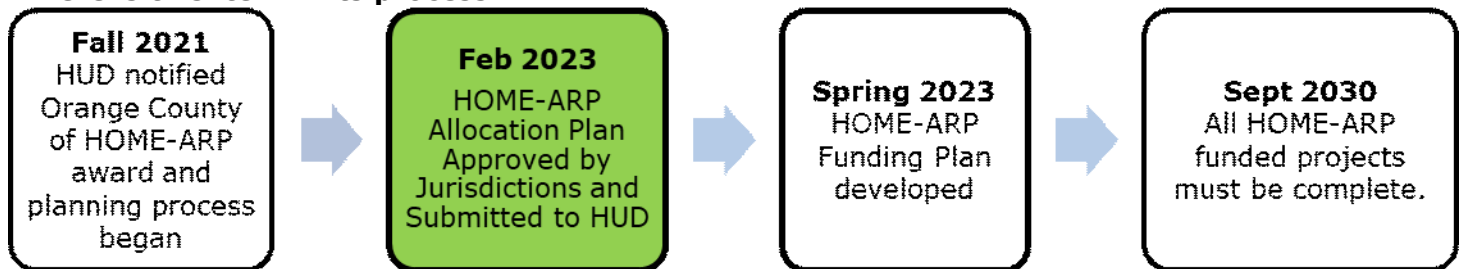
That the Council:

1. Approve the Amended 2021-2022 Orange County HOME Investment Partnership Program Annual Plan to include the described HOME-ARP Allocation Plan for use of \$1,371,401.
2. Authorize including this plan in the annual update to the 2020-2024 Consolidated Plan submitted to the U.S. Department of Housing and Urban Development.

**Fiscal Impact/Resources:** The recommended Allocation Plan included as an amendment to the 2021-

2022 HOME Annual Action Plan proposes to provide HOME-ARP funds as grants to non-profit organizations for affordable rental housing development. All the HOME-ARP funding included with the plan is provided by HUD to Orange County and no local match is required.

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



**Attachments:**

- Resolution Approving the Amended 2021-2022 HOME Program Plan
- Draft HOME-ARP Allocation Plan

**A RESOLUTION APPROVING AN AMENDMENT TO THE 2021-2022 HOME INVESTMENT PARTNERSHIP PROGRAM ANNUAL PLAN (2023-02-15/R-4)**

WHEREAS, on May 5, 2021, the Chapel Hill Town Council approved a 2021-2022 HOME Investment Partnership Program Annual Plan to be carried out by the members of the Orange County HOME Consortium; and

WHEREAS, in September 2021 the U.S. Department of Housing and Urban Development (HUD) notified the Consortium of an additional one-time award of HOME Investment Partnership American Rescue Plan Program (HOME-ARP) funding in the amount of \$1,371,401 to reduce homelessness and increase housing stability; and

WHEREAS, HUD requires a HOME-ARP Allocation Plan be submitted for the funding as an amendment to the 2021-2022 HOME Investment Partnership Program Annual Plan; and

WHEREAS, Orange County conducted extensive county-wide community engagement and needs analysis to identify priority uses for the funds.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council approves the following HOME-ARP Allocation Plan submitted to HUD as an Amendment to the 2021-2022 HOME Investment Partnership Program Annual Plan to be carried out by the members of the Orange County HOME Consortium:

<b>Eligible Use</b>	<b>Amount</b>
Affordable Housing Rental Development	\$1,165,691
Administration (15% of HOME-ARP, per statute)	205,710
<b>Total HOME-ARP Funds</b>	<b>\$1,371,401</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 15th day of February, 2023.

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**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 HOME-ARP Allocation Plan be added as an amendment to the 2021-2022 HOME Investment Partnership Program 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.