



TOWN OF CHAPEL HILL

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

Legislation Details (With Text)

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Title: Approve the 2024-2025 HOME Investment Partnership Program Annual Plan.

Sponsors:

Indexes:

Code sections:

Attachments: 1. 2024-2025 HOME Program Annual Plan Summary of Activities, 2. A RESOLUTION APPROVING THE 2024-2025 HOME INVESTMENT PARTNERSHIP PROGRAM ANNUAL PLAN (2024-06-12/R-3)

Date	Ver.	Action By	Action	Result
6/12/2024	1	Town Council	adopted	Pass

Approve the 2024-2025 HOME Investment Partnership Program Annual Plan.

Staff:

Sarah Osmer Viñas, Director
Emily Holt, Affordable Housing Manager

Department:

Affordable Housing and Community Connections

Overview: The Orange County HOME Consortium receives an annual allocation of federal [HOME Investment Partnership Program](https://www.hudexchange.info/programs/home/) funds from the U.S. Department of Housing and Urban Development to address County-wide affordable housing needs. The recommended plan includes \$395,320 of 2024-2025 HOME Program funds for eligible affordable housing projects. HOME funded projects must benefit households earning 80% or less of the area median income (\$84,700 for a four-person household).

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 Orange County Local Government Affordable Housing Collaborative](http://chapelhill.granicus.com/MetaViewer.php?view_id=21&clip_id=3270&meta_id=174509) (the Collaborative) was formed in 2017.
 - 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 prior to submittal to the U.S. Department of Housing and Urban Development (HUD).
- The Collaborative recommends the Council review and approve a 2024-2025 HOME Program Plan.

☆ **Recommendation(s):**

That the Council:

1. Approve a spending plan recommended by the Collaborative for use of \$395,320, including \$367,014 of 2024-2025 Orange County HOME Program funds and \$28,306 in program income.
2. Authorize this plan to be incorporated into the Annual Update to the 2020-2024 Consolidated Plan for Orange County.

Summary of Recommended Plan:

	Funding Requested	Funding Awarded
CASA - Rental Construction	\$500,000	\$222,120
Orange County Partnership to End Homelessness (OCPEH) - Tenant Based Rental Assistance	\$267,948	\$136,499
EMPOWERment - Rental Acquisition	\$200,000	-
Habitat for Humanity - Homebuyer Assistance	\$300,000	-
Administration (10% of HOME, per statute)	\$36,701	\$36,701
Total	\$1,304,609	\$395,320

HOME Investment Partnership Funding Process Overview

- September 5, 2023: The Orange County Board of County Commissioners held a public hearing to receive comment on the 2022-2023 HOME Program Consolidated Annual Performance Report and assess community needs for development of the 2023-2024 HOME Annual Action Plan.
- February 21, 2024: Application submission deadline.
- March 18, 2024: Local Government Affordable Housing Collaborative met to review and evaluate applications to make recommendations.
- April 1, 2024: Orange County Staff posted the recommended HOME Investment Partnership Annual Program Plan for public review and comment on the County’s website.
- April 16, 2024: The Orange County Board of County Commissioners held a public hearing to receive comments on the recommended 2023-2024 HOME Program Plan.
- May 13, 2024: Hillsborough Town Council consideration of the HOME Program Plan.
- May 21, 2024: The Orange County Board of County Commissioners and the Carrboro Town Council consideration of the HOME Program Plan.
- The next steps are:
 - If all jurisdictions of the Collaborative approve the plan, Orange County will submit the Plan to HUD, as the annual update to the 2020-2024 Consolidated Plan.
 - County posts the approved annual HOME plans on the [HOME Program website <https://www.orangecountync.gov/2336/HOME-Program>](https://www.orangecountync.gov/2336/HOME-Program).
 - County enters into Performance Agreements with agencies, according to the approved program plan.

Key Issues:

- The CASA award includes the 15% HUD-mandated set-aside for Community Housing Development Organizations (CHDOs), which amounts to \$49,547.
- 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

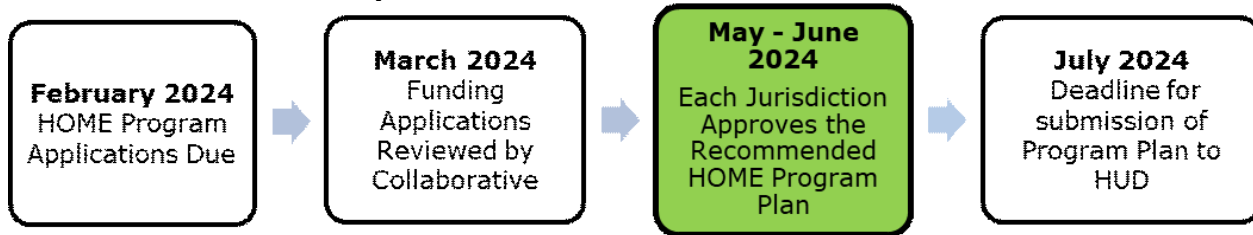
County records deed restrictions on the property with the Register of Deeds for affordable housing projects.

- If an agency does not implement a project after funding is awarded, the Collaborative would return to the governing bodies of the participating jurisdictions with a proposed plan for reallocation of funds.

Fiscal Impact/Resources:

- The recommended plan proposes to provide funding in the form of grants rather than loans.
- Participation in the HOME Program requires a local match. The Town’s portion is \$38,365. As in previous years, we propose to use an allocation from the Affordable Housing Fund for this purpose.

Where is this item in its process?



Attachments:

- Resolution Approving the 2024-2025 HOME Program Plan
- 2024-2025 HOME Program Annual Plan Summary of Activities

A RESOLUTION APPROVING THE 2024-2025 HOME INVESTMENT PARTNERSHIP PROGRAM ANNUAL PLAN (2024-06-12/R-3)

WHEREAS, Orange County held two public forums to receive resident comments and proposals regarding the use of 2024-2025 HOME Program funds; and

WHEREAS, the HOME program application review team reviewed and evaluated funding applications received for proposed 2024-2025 HOME program activities; and

WHEREAS, HUD requires grantees to provide local match funds which the four local jurisdictions contribute proportionally based on population, and the Town of Chapel Hill's 2024-2025 match allocation is \$38,365.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council approves the following 2024-2025 HOME Investment Partnership Program Annual Plan to be carried out by the members of the Orange County HOME Consortium:

• CASA - Rental Construction (CHDO)	\$222,120
• Orange County Partnership to End Homelessness (OCPEH) - Tenant Based Rental Assistance	\$136,499
• Administration	\$36,701
Total HOME Funds for Project Activities	\$395,320

BE IT FURTHER RESOLVED that the Council approves the use of \$38,365 for the Town of Chapel Hill's portion of the overall HOME local match.

BE IT FURTHER RESOLVED that the Council authorizes this 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 12th day of June, 2024.

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 this 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.