



TOWN OF CHAPEL HILL

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

Legislation Details (With Text)

File #: [22-0506] **Version:** 1 **Name:**
Type: Consent **Status:** Passed
File created: 1/19/2022 **In control:** Town Council
On agenda: 6/8/2022 **Final action:** 6/8/2022
Title: Approve the 2022-2023 HOME Investment Partnership Program Annual Plan.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Summary of FY22-23 HOME Investment Partnership Program Action Plan, 2. A RESOLUTION APPROVING THE 2022-2023 HOME INVESTMENT PARTNERSHIP PROGRAM ANNUAL PLAN (2022-06-08/R-7)

Date	Ver.	Action By	Action	Result
6/8/2022	1	Town Council	adopted	Pass

Approve 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 Orange County HOME Consortium receives an annual allocation of federal [HOME Investment Partnership Program](https://www.hudexchange.info/programs/home/) <<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 \$556,591 of 2022-2023 HOME Program funds for eligible affordable housing projects. HOME funded projects must benefit households earning 80% or less of the area median income (\$76,400 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/Viewer.php?view_id=21&clip_id=3270&meta_id=174509) <http://chapelhill.granicus.com/Viewer.php?view_id=21&clip_id=3270&meta_id=174509> (the Collaborative) was formed in 2017.
 - The Collaborative includes elected officials and staff from 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 2022-2023 HOME Program Plan.



Recommendation(s):

That the Council:

- Approve a spending plan recommended by the Collaborative for use of \$556,591, including \$443,498 of 2022-2023 Orange County HOME Program funds, \$13,306 in program income, and \$99,787 local match funding.
- Authorize this plan to be incorporated into the Annual Update to the 2020-2024 Consolidated Plan for Orange County.

Summary of Recommended Plan:

	Requested	Collaborative Recommendation
Habitat for Humanity - Down Payment Assistance	\$475,000	\$167,241
EmPOWERment, Inc. - Rental Acquisition (15% CHDO Minimum)	105,000	105,000
Community Empowerment Fund - IDA Program	50,000	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
Total	\$824,350	\$556,591

HOME Investment Partnership Funding Process Overview

- November 16, 2021: The Orange County Board of County Commissioners held a public hearing to receive comment on the 2020-2021 HOME Program Consolidated Annual Performance Report and assess community needs for development of the 2022-2023 HOME Annual Action Plan.
- February 25, 2022: Application submission deadline.
- March 3, 2022: Local Government Affordable Housing Collaborative met to review and evaluate applications to make recommendations.
- April 1, 2022: Orange County Staff posted the recommended HOME Investment Partnership Annual Program Plan for public review and comment on the County's website.
- April 26, 2022: The Orange County Board of County Commissioners held a public hearing to receive comments on the recommended 2022-2023 HOME Program Plan based on an estimated HOME award from HUD.
- May 13, 2022: HUD released the HOME annual allocations so the recommended plan amounts could be finalized.
- June 7, 2022: The County's final HOME allocation is higher than anticipated changing the program allocations, so the Board of County Commissioners held a second public hearing to receive comments on the updated 2022-2023 HOME Program Plan and consider approving the plan.
- The next steps are:
 - Elected bodies of the other three jurisdictions consider the HOME Program Plan.
 - 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:

- 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. was the only CHDO application received. The recommended funding plan meets the 15% CHDO requirement with a \$105,000 allocation to EmPOWERment.
- The total local match requirement is \$99,787 and each jurisdiction contributes based on population. Below is the breakdown of match allocations by jurisdiction based on 2020 Census data:

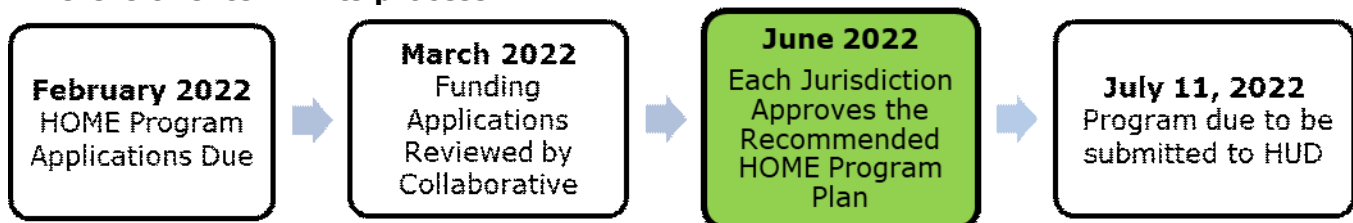
▪ Chapel Hill	\$39,615
▪ Carrboro	\$14,270
▪ Hillsborough	\$ 6,486
▪ Orange County	\$39,416
Total HOME Local Match	\$99,787

 - As in previous years, we propose to use funds from the Affordable Housing Fund for the Town's portion of the match requirement.
- 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 funds as grants to non-profit organizations for affordable housing activities.
- Participation in the HOME Program requires a local match. The Town's portion is \$39,615. 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 2022-2023 HOME Program Plan
- 2022-2023 HOME Program Annual Plan Summary of Activities

A RESOLUTION APPROVING THE 2022-2023 HOME INVESTMENT PARTNERSHIP PROGRAM ANNUAL PLAN (2022-06-08/R-7)

WHEREAS, Orange County held three public forums to receive resident comments and proposals regarding the use of 2022-2023 HOME Program funds; and

WHEREAS, the HOME program application review team reviewed and evaluated funding applications received for proposed 2022-2023 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 2022-2023 match allocation is \$39,615.

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

• Habitat for Humanity - Second Mortgage Assistance	\$ 167,241
• Rebuilding Together of the Triangle - Manufactured Home Replacement	\$ 150,000
• EmPOWERment, Inc. - Rental Acquisition (15% CHDO minimum)	\$ 105,000
• Community Empowerment Fund - Homeownership Program	\$ 90,000
• Administration	\$ 44,350

Total HOME Funds for Project Activities

\$556,591

BE IT FURTHER RESOLVED that the Council approves the use of \$39,615 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 8th day of June, 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 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.