



TOWN OF CHAPEL HILL

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

Legislation Text

File #: [20-0294], Version: 2

Approve the Recommended 2020-2021 HOME Investment Partnership Program Annual Plan.

Staff:

Loryn Clark, Executive Director
Sarah Osmer Viñas, Assistant Director
Nate Broman-Fulks, Affordable Housing Manager

Department:

Housing and Community

Overview: The U.S. Department of Housing and Urban Development (HUD) administers the HOME Program. The program provides grants to state and local governments to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership, or to provide direct rental assistance to low-income people. The HOME program is the largest federal block grant designed exclusively to create affordable housing for low-income people.

Orange County leads the HOME program and the HOME Program Consortium, which includes four participating jurisdictions (Chapel Hill, Carrboro, Hillsborough, and Orange County). To enhance collaboration on affordable housing among the jurisdictions in the County, the [Orange County Local Government Affordable Housing Collaborative](https://www.chapelhillaffordablehousing.org/local-government-collaborative) <<https://www.chapelhillaffordablehousing.org/local-government-collaborative>> (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 application review team, charged with developing an annual HOME Program plan. Council Member 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 asks the Council to review and approve a 2020-2021 HOME Program Plan.



Recommendation(s):

That the Council:

1. Approve a spending plan developed by the Collaborative for use of \$374,851 of FY 21 Orange County HOME Program funds, \$13,000 of program income, and \$93,712 of local match funds.
2. Authorize this plan to be incorporated into the Annual 2020-2021 Action Plan and the 2020-2025 Consolidated Plan for Orange County.

Summary of Recommended Plan

	Requested	Collaborative Recommendation
Habitat for Humanity - Homeownership Assistance, County-wide	\$390,000	\$94,138

CASA - Rental Development, Merritt Mill Road	350,000	200,000
EmPOWERment, Inc. - Rental Development, Johnson Street	250,000	56,228
Rental Assistance - County-wide	93,713	93,712
Administration	37,485	37,485
Total	\$1,121,198	\$481,563

Overview of Community Input Process

The Collaborative used the community engagement process for the Consolidated Plan to receive public input on use of FY 21 HOME Program funds. Public engagement included an online survey, community input meetings, and online community input webinars:

- [November 13, 2019 <https://chapelhill.legistar.com/MeetingDetail.aspx?ID=710216&GUID=A43497D0-01A0-4A7F-A34F-DD1B14B4F39B&Options=info&Search=>](https://chapelhill.legistar.com/MeetingDetail.aspx?ID=710216&GUID=A43497D0-01A0-4A7F-A34F-DD1B14B4F39B&Options=info&Search=>): Council held a public forum to receive comments on the Town's community development needs and potential uses of 2019-2020 CDBG funds
- January - February 2020: Housing and Community Development needs survey sent to stakeholders and available for the community to provide feedback on Chapel Hill and Orange County needs
- February 14, 2020, 1:00 pm: First Public Input Webinar (online)
- February 19, 2020, 7:00 pm: Public Hearing at the Carrboro Town Hall
- February 23, 2020, 2:00 pm: Public Hearing at the Hillsborough Police Station
- February 25, 2020, 1:00 pm: Second Public Hearing Input Webinar (online)
- February 26, 2020, 6:30 pm: Public Hearing at the Hargraves Center in Chapel Hill to discuss the Housing and Community Development needs of Chapel Hill and Orange County
- March 13, 2020, the recommended Annual Allocation Plan was posted for public review and comment at the Public Library, Town Hall, and on the Town's website.

Key Issues

- HUD requires that at least 15% of HOME allocation be reserved for use by Community Housing Development Organizations (CHDOs). The funding for EmPOWERment recommended by the Consortium would satisfy this requirement.
- HOME funded projects must benefit households earning 80% or less of the area median income (\$64,500 for a four-person household).
- Housing projects funded with Orange County HOME Consortium Program funds are subject to the County's 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

from each of the participating jurisdictions. The Town's portion is \$38,422, and as in previous years, we propose to use the Town's Affordable Housing Fund for this purpose.



Attachments:

- Resolution
- FY 21 HOME Program Plan Summary

**A RESOLUTION APPROVING THE FY 2021 HOME INVESTMENT PARTNERSHIP PROGRAM
ANNUAL PLAN (2020-05-06/R-4)**

WHEREAS, Orange County implemented a community engagement process to receive public input on the use of FY 21 HOME Program Funds; and

WHEREAS, the Orange County Local Government Affordable Housing Collaborative reviewed and evaluated funding applications received for FY 21 HOME Program funds.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council approves the following FY 21 HOME Investment Partnership Program to be carried out by the members of the Orange County HOME Consortium:

Habitat for Humanity	\$94,138
CASA	200,000
EmPOWERment, Inc.	56,228
Rental Assistance	93,712
Administration	37,485
Total	\$481,563

BE IT FURTHER RESOLVED that that the Council authorizes this plan to be incorporated into the Orange County Consolidated Plan for submission to the U.S. Department of Housing and Urban Development.

This the 6th day of May, 2020.

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 Orange County Consolidated Plan for submission to the U.S. Department of Housing and Urban Development.