File #: [22-0505], **Version:** 1

Adopt the Recommended 2022-2023 Community Development Block Grant Program Plan.

Staff:
Sarah Osmer Viñas, Director

Nate Broman-Fulks, Assistant Director
Megan Culp, Community Development Program Manager

Department:
Affordable Housing & Community Connections

Overview: The Town of Chapel Hill receives an annual allocation of Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD) to address community development and affordable housing needs. The recommended 2022-23 CDBG Program Plan includes funding eligible affordable housing, public services, and administration activities for use of $676,336. This includes a 2022-2023 CDBG grant award of $421,755, $241,764 in prior years' CDBG grant awards to be reallocated, plus $12,817 in program income. Eligible activities must serve households earning less than 80% of the area median income, or $76,400 for a family of four.

Recommendation(s):

That the Council:

1. Adopt the attached resolution approving the recommended 2022-2023 Community Development Program Plan for use of $676,336;
2. Authorize the Town Manager to submit the Plan to the U.S. Department of Housing and Urban Development as the annual update to the 2020-2024 Consolidated Plan;
3. Enact the attached project ordinance to establish the CDBG budget for the 2022-2023 program; and
4. Enact the attached project ordinances to amend the CDBG budgets for the 2016-17, 2018-19, 2020-21, and 2021-22 programs.

Summary of Recommended Plans

2022-2023 Community Development Block Grant Program Plan

	Requested	**Committee Recommendation**
Public Services		
Town's Summer Youth Employment Program	$25,000	$25,000
Inter-Faith Council Homeless Case Management	$102,067	$34,935
Exchange Club's Family Center	$5,250	$5,250
Affordable Housing		
Community Home Trust - Acquisition 223 Graham	60,000	60,000
Community Home Trust - Down Payment Assistance	20,000	20,000
Community Home Trust - Legion Rd. repairs	25,000	25,000

Community Empowerment Fund - IDA Program	50,000	90,000
Rebuilding Together of the Triangle Home Preservation Administration and Repairs	110,400	165,600
Neighborhood Revitalization	-	163,637
Administration	86,914	86,914
Total	**$484,631**	**$676,336**

CDBG Funding Process Overview

- November 10, 2021: The Council held a public forum <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=5208013&GUID=8FF1004A-A3A6-4443- to receive comments on the Town's community development needs and potential uses of 2022-2023 CDBG funds.
- November 16, 2021: Staff posted 2022-2023 funding applications on the Town's website.
- November 18, 2021: Staff held an information session for interested applicants.
- December 9, 2021: Staff held a Q&A session and offered one-on-one funding proposal meetings to interested applicants.
- January 6, 2022: Staff held a second Q&A session for applicants.
- January 14, 2022: Application submission deadline.
- March 10, 2022: CDBG Application Review Committee met to review and evaluate applications to make recommendations. The Review Committee is made up of one member from the Housing Advisory Board, one member of the Human Services Advisory Board, and Town staff members from the Manager's Office and Parks and Recreation Department. Affordable Housing and Community Connections staff members act as liaisons to the Review Committee.
- March 15, 2022: Staff posted the recommended CDBG Annual Program Plan for public review and comment on the Town's website.
- April 6, 2022: The Council held a public forum <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=5543870&GUID=60D0AD13-9F96-4F78- to receive comments on the recommended 2022-2023 CDBG Program Plan based on an estimated CDBG award from HUD.
- May 13, 2022: HUD released the CDBG annual allocations so the recommended plan amounts could be finalized.
    - The Town's final CDBG allocation is higher than anticipated, so staff applied the contingency plan presented to Council at the public forum.
- If the Council approves the CDBG Program Plan, our next steps would be:
    - Submit the Plan to HUD, as the annual update to the 2020-2024 Consolidated Plan.
    - Post the approved annual CDBG plans on the Town's CDBG webpage <https://www.townofchapelhill.org/government/departments-services/housing-and- .
    - Enter into Performance Agreements with agencies, according to the approved program plan.

Fiscal Impact/Resources: The Town is a CDBG Entitlement Community and receives an annual funding allocation from HUD. The Town provides CDBG funding through performance agreements with agencies that implement approved programs and services. The Town reimburses funding after subrecipients submit satisfactory documentation of accomplishments, expenses, and compliance with federal rules and regulations.

Where is this item in its process?

Attachments:

- Resolution Approving the 2022-2023 CDBG Program Plan
- Project Ordinance Establishing the 2022-2023 CDBG Budget
- Project Ordinance Amending the 2016-2017 CDBG Budget
- Project Ordinance Amending the 2018-2019 CDBG Budget
- Project Ordinance Amending the 2020-2021 CDBG Budget
- Project Ordinance Amending the 2021-2022 CDBG Budget
- Summary of Application Review Committee Recommended 2022-2023 Program Plan

A RESOLUTION APPROVING THE 2022-23 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM PLAN (2022-06-08/R-6)

WHEREAS, the Council of the Town of Chapel Hill used multiple methods to receive public input on use of 2022-2023 Community Development Block Grant funds; and

WHEREAS, the U.S. Department of Housing and Urban Development has notified the Town of the 2022-2023 Community Development Block Grant allocation of $421,755; and

WHEREAS, the Town has $241,764 available in prior year Community Development Block Grant allocations to be reprogramed; and

WHEREAS, the Town received $12,817 in program income for the repayment of two affordable housing loans making $676,335.52 available to be allocated.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that based on the Town's available funding of $676,336 of 2022-2023 Community Development Block Grant funds, the Council approves the following 2022-2023 Community Development Block Grant Program:

2022-2023 Community Development Block Grant Program Plan

	Recommendation
Public Services	
Town's Summer Youth Employment Program	$25,000
Inter-Faith Council Homeless Case Management	34,935
Exchange Club's Family Center	5,250
Affordable Housing	
Community Home Trust - Acquisition	60,000
Community Home Trust - Down Payments	20,000
Community Home Trust - Legion Rd. Repairs	25,000
Community Empowerment Fund - IDA Program	90,000
Rebuilding Together of the Triangle	165,600
Neighborhood Revitalization	163,637
Administration	86,914
Total	**$676,336**

BE IT FURTHER RESOLVED that the Council authorizes the Manager to include this 2022- 2023 Annual Action Plan in the 2020-2024 Consolidated Plan, for submission to the U.S. Department of Housing and Urban Development.

This the 8th day of June, 2022.

AN ORDINANCE TO ESTABLISH THE 2022-23 COMMUNITY DEVELOPMENT ENTITLEMENT GRANT PROJECT ORDINANCE (2022-06-08/O-4)

BE IT ORDAINED by the Council of the Town of Chapel Hill that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project is hereby established:

"SECTION I

The projects authorized are the Community Development projects as approved by the Council on June 8, 2022 funds are as contained in the Funding Approval and Grant Agreement between the Town and the U.S. Department of Housing and Urban Development (HUD). The projects are known more familiarly as the 2022 Entitlement Community Development Block Grant. The grant activities include eligible affordable housing, public services, low-income residents, and administration costs for the program.

SECTION II

The Manager of the Town of Chapel Hill is hereby directed to proceed with the grant project within the terms of the grant document(s), the rules and regulations of the U.S. Department of Housing and Urban Development, and the budget contained herein.

SECTION III

The following revenues are anticipated to be available to complete the project:

	Current Budget
Community Development Block Grant	$ 421,755
Program Income	12,817
Total Revenues	$ 434,572

SECTION IV

Amounts appropriated for projects are as follows:

		Current Budget
Public Services		
Town of Chapel Hill - Summer Youth Employment	$	25,000
Inter-Faith Council - Homeless Case Management		34,935
Exchange Club - Family Center Youth Services		5,250
Affordable Housing		
Community Home Trust - Downpayment Assistance		20,000
Community Home Trust - Townhome Repairs		8,836
Community Empowerment - Homeowner Counseling		10,000
Community Empowerment - Downpayment Assistance		80,000
Neighborhood Revitalization		163,637
Administration		
Grant Administration		86,914
Total Expenditures	$	434,572

SECTION V

The Director of Business Management is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the U.S. Department of Housing and Urban Development as required by the grant agreement(s) and Federal and State regulations.

SECTION VI

The Manager is directed to report annually on the financial status of the project in an informational section to be included in the Annual Budget and shall keep the Council informed of any unusual occurrences.

SECTION VII

Copies of this project ordinance shall be entered into the minutes of the Council and copies shall be filed within five days of adoption with the Manager, Business Management Director and Town Clerk."

This the 8th day of June, 2022.

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AN ORDINANCE TO AMEND THE 2021-2022 COMMUNITY DEVELOPMENT ENTITLEMENT GRANT PROJECT ORDINANCE (2022-06-08/O-5)

BE IT ORDAINED by the Council of the Town of Chapel Hill that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project is hereby amended to read as follows:

"SECTION I

The projects authorized are the Community Development projects as approved by the Council on June 9, 2021: funds are as contained in the Funding Approval and Grant Agreement between the Town and the U.S. Department of Housing and Urban Development (HUD). The projects are known more familiarly as the 2021 Entitlement Community Development Block Grant. The grant activities include renovation of public housing, homebuyer assistance programs, community services to low-income residents, and administration costs for the program.

SECTION II

The Manager of the Town of Chapel Hill is hereby directed to proceed with the grant project within the terms of the grant document(s), the rules and regulations of the U.S. Department of Housing and Urban Development, and the budget contained herein.

SECTION III

The following revenues are anticipated to be available to complete the project:

	Current Budget	Revised Budget
Community Development Block Grant	$ 418,300	$ 418,300
Program Income	7,339	7,339
Total Revenues	$ 425,639	$ 425,639

SECTION IV

Amounts appropriated for projects are as follows:

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	Current Budget	Revised Budget
Public Services		
Inter-Faith Council Homeless Case Management	$ 57,685	$ 57,685
Exchange Club's Family Center	5,250	5,250
Affordable Housing		
EmPOWERment Inc.	135,000	135,000
Rebuilding Together of the Triangle	84,000	139,973
Neighborhood Revitalization	59,791	-
Community Home Trust	-	3,818
Administration		
Grant Administration	83,913	83,913
Total Expenditures	$ 425,639	$ 425,639

SECTION V

The Director of Business Management is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the U.S. Department of Housing and Urban Development as required by the grant agreement(s) and Federal and State regulations.

SECTION VI

The Manager is directed to report annually on the financial status of the project in an informational section to be included in the Annual Budget and shall keep the Council informed of any unusual occurrences.

SECTION VII

Copies of this amended projects ordinance shall be entered into the minutes of the Council and copies shall be filed within five days of adoption with the Manager, Business Management Director and Town Clerk.”

This the 8th day of June, 2022.

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AN ORDINANCE TO AMEND THE 2020-2021 COMMUNITY DEVELOPMENT ENTITLEMENT GRANT PROJECT ORDINANCE (2022-06-08/O-6)

BE IT ORDAINED by the Council of the Town of Chapel Hill that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project is hereby amended to read as follows:

"SECTION I

The projects authorized are the Community Development projects as approved by the Council on April 29, 2020: funds are as contained in the Funding Approval and Grant Agreement between the Town and the U.S. Department of Housing and Urban Development (HUD). The projects are known more familiarly as the 2020 Entitlement Community Development Block Grant. The grant activities include renovation of public housing, homebuyer assistance programs, community services to low-income residents, and administration costs for the program.

SECTION II

The Manager of the Town of Chapel Hill is hereby directed to proceed with the grant project within the terms of the grant document(s), the rules and regulations of the U.S. Department of Housing and Urban Development, and the budget contained herein.

SECTION III

The following revenues are anticipated to be available to complete the project:

	Current Budget	Revised Budget
Community Development Block Grant	$ 417,591	$ 417,591
Program Income	7,339	7,339
Total Revenues	$ 424,930	$ 424,930

SECTION IV

Amounts appropriated for projects are as follows:

	Current Budget	Revised Budget
Public Services		
Summer Youth Employment Program	20,000	20,000
Children's Parenting Classes	5,000	4,980
Community Outreach	50,000	37,674
Affordable Housing		
Community Home Trust	30,000	42,346
Housing Repair	27,000	27,000
Rebuilding Together of the Triangle	24,000	24,000
Neighborhood Revitalization	-	-
Emergency Housing Assistance	185,399	185,399
Administration		
Grant Administration/HUD Compliance	83,531	83,531
Total Expenditures	$ 424,930	$ 424,930

SECTION V

The Director of Business Management is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the U.S. Department of Housing and Urban Development as required by the grant agreement(s) and Federal and State regulations.

SECTION VI

The Manager is directed to report annually on the financial status of the project in an informational section to be included in the Annual Budget and shall keep the Council informed of any unusual occurrences.

SECTION VII

Copies of this amended projects ordinance shall be entered into the minutes of the Council and copies shall be filed within five days of adoption with the Manager, Business Management Director and Town Clerk.”

This the 8th day of June, 2022.

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AN ORDINANCE TO AMEND THE 2018-2019 COMMUNITY DEVELOPMENT ENTITLEMENT GRANT PROJECT ORDINANCE (2022-06-08/O-7)

BE IT ORDAINED by the Council of the Town of Chapel Hill that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project is hereby amended to read as follows:

"SECTION I

The projects authorized are the Community Development projects as approved by the Council on June 20, 2018: funds are as contained in the Funding Approval and Grant Agreement between the Town and the U.S. Department of Housing and Urban Development (HUD). The projects are known more familiarly as the 2018 Entitlement Community Development Block Grant. The grant activities include renovation of public housing, homebuyer assistance programs, community services to low-income residents, and administration costs for the program.

SECTION II

The Manager of the Town of Chapel Hill is hereby directed to proceed with the grant project within the terms of the grant document(s), the rules and regulations of the U.S. Department of Housing and Urban Development, and the budget contained herein.

SECTION III

The following revenues are anticipated to be available to complete the project:

	Current Budget	Revised Budget
Community Development Block Grant	$ 418,344	$ 418,344
Program Income	21,777	21,777
Total Revenues	$ 440,121	$ 440,121

SECTION IV

Amounts appropriated for projects are as follows:

		Current Budget	Revised Budget
Affordable Housing			
Town of Chapel Hill	Neighborhood Revitalization	176,527	53,675
Habitat for Humanity	Home Preservation	50,000	50,000
Community Home Trust	Homebuyer Assistance	40,000	40,000
Town of Chapel Hill	Code Enforcement	25,000	25,000
Community Home Trust	Property Acquisition	-	38,223
Rebuilding Together	Home Repairs	-	109,627
Public Services			
Orange County	Orange County Food Council	24,998	-
Town of Chapel Hill	Summer Youth Employment Program	24,000	24,000
Inter-Faith Council	HomeStart Case Management	15,928	15,928
Administration			
Town of Chapel Hill	Grant Administration/HUD Compliance	83,668	83,668
Total Expenditures		$ 440,121	$ 440,121

SECTION V

The Director of Business Management is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the U.S. Department of Housing and Urban Development as required by the grant agreement(s) and Federal and State regulations.

SECTION VI

The Manager is directed to report annually on the financial status of the project in an informational section to be included in the Annual Budget and shall keep the Council informed of any unusual occurrences.

SECTION VII

Copies of this amended projects ordinance shall be entered into the minutes of the Council and copies shall be filed within five days of adoption with the Manager, Business Management Director and Town Clerk.”

This the 8th day of June, 2022.

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AN ORDINANCE TO AMEND THE 2016-2017 COMMUNITY DEVELOPMENT ENTITLEMENT GRANT PROJECT ORDINANCE (2022-06-08/O-8)

BE IT ORDAINED by the Council of the Town of Chapel Hill that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project is hereby amended to read as follows:

"SECTION I

The projects authorized are the Community Development projects as approved by the Council on April 11, 2016: funds are as contained in the Funding Approval and Grant Agreement between the Town and the U.S. Department of Housing and Urban Development (HUD). The projects are known more familiarly as the 2016 Entitlement Community Development Block Grant. The grant activities include renovation of public housing, homebuyer assistance programs, community services to low-income residents, and administration costs for the program.

SECTION II

The Manager of the Town of Chapel Hill is hereby directed to proceed with the grant project within the terms of the grant document(s), the rules and regulations of the U.S. Department of Housing and Urban Development, and the budget contained herein.

SECTION III

The following revenues are anticipated to be available to complete the project:

	Current Budget	Revised Budget
Community Development Block Grant	$ 387,702	$ 387,702
Program Income	7,338	7,338
Total Revenues	$ 395,040	$ 395,040

SECTION IV

Amounts appropriated for projects are as follows:

		Current Budget	Revised Budget
Town of Chapel Hill	Neighborhood Revitalization	$ 69,345	$ 69,345
Town of Chapel Hill	Public Housing Improvements	64,146	64,146
Town of Chapel Hill	Code Enforcement	50,000	31,851
Community Home Trust	Homebuyer Assistance	50,000	50,000
Community Home Trust	Property Acquisition	-	21,777
Rebuilding Together	Home Repair	20,000	20,000
Habitat for Humanity	Exterior Housing Rehabilitation	25,000	25,000
Town of Chapel Hill	Summer Youth Employment Program	23,201	19,573
Inter-Faith Council	Residential Services at Homestart	12,934	12,934
Chapel Hill Carrboro Public Schools Foundation	Reading Partners Program	2,874	2,874
Town of Chapel Hill	Administration	77,540	77,540
Total Expenditures		$ 395,040	$ 395,040

SECTION V

The Director of Business Management is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the U.S. Department of Housing and Urban Development as required by the grant agreement(s) and Federal and State regulations.

SECTION VI

The Manager is directed to report annually on the financial status of the project in an informational section to be included in the Annual Budget and shall keep the Council informed of any unusual occurrences.

SECTION VII

Copies of this amended projects ordinance shall be entered into the minutes of the Council and copies shall be filed within five days of adoption with the Manager, Business Management Director and Town Clerk.”

This the 8th day of June, 2022.

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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 approves the recommended 2022-2023 Community Development Program Plan for use of $676,336 and authorizes the Town Manager to submit the Plans to the U.S. Department of Housing and Urban Development as the annual update to the Five-Year Consolidated Plan. By enacting the attached project ordinances, the Council establishes the CDBG budget for the 2022-2023 program and amends the CDBG budgets for the 2016-2017, 2018-2019, 2020-2021, 2021-2022 programs.