



# TOWN OF CHAPEL HILL

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

## Legislation Text

File #: [23-0677], Version: 1

### Approve Amending the 2023-2024 Community Development Block Grant Program Plan.

**Staff:**

Sarah Osmer Viñas, Director  
Emily Holt, Affordable Housing Manager  
Megan Culp, Community Development Program Manager

**Department:**

Affordable Housing and Community Connections

**Overview:** The purpose of this memorandum is to approve a proposed amendment to the [2023-24 Community Development Block Grant \(CDBG\) program plan](https://chapelhill.legistar.com/LegislationDetail.aspx?ID=6198156&GUID=C41B0D06-EF7C-4BA9-AE27-0843BEF39A4D) <<https://chapelhill.legistar.com/LegislationDetail.aspx?ID=6198156&GUID=C41B0D06-EF7C-4BA9-AE27-0843BEF39A4D>> approved by the Council on May 10, 2023. After the plan was approved, the Town identified an additional \$55,534 in prior years' CDBG grant awards to be reprogrammed. The [proposed amendment](https://www.townofchapelhill.org/home/showpublisheddocument/53521/638297885806670000) <<https://www.townofchapelhill.org/home/showpublisheddocument/53521/638297885806670000>> would allocate these funds to a new affordable housing activity to rehabilitate Town-owned units in the Transitional Housing program.

**Recommendation(s):**

That the Council:

1. Adopt the attached resolution approving the amended 2023-2024 Community Development Program Plan for use of \$685,426;
2. Authorize the Town Manager to submit the Plans to the U.S. Department of Housing and Urban Development as part of the annual update to the 2020-2024 Consolidated Plan; and
3. Enact the attached project ordinances to amend the CDBG budgets for the 2018-2019, 2019-2020, 2020-2021, 2021-2022, and 2022-2023 programs.

**Summary of Proposed CDBG Program Amendment**

- Staff propose amending the 2023-2024 CDBG Program to reprogram an additional \$55,534 in prior years' CDBG grant funds.
  - Funds being reprogrammed come from public service program and administration balances as well as funding left over after affordable housing activities were completed.
  - Town staff have identified several Transitional Housing units that need substantial rehabilitation outside the normal scope included in regular maintenance and repairs completed on Town-owned units.
  - All funding awards for activities included in the originally approved 2023-2024 CDBG Annual Action Plan remain unchanged.

**2023-2024 Community Development Block Grant Program Plan**

Activity	Approved Plan	Proposed Amendment	Change in Funding
Public Services			

Summer Youth Employment Program	20,000	20,000	0
Inter-faith Council	31,984	31,984	0
Refugee Community Partnership Crisis Case Mgmt	12,000	12,000	0
<b>Affordable Housing</b>			
Community Home Trust - Acquisition	70,000	70,000	0
EmPOWERment Inc. - Acquisition	240,000	240,000	0
Community Empowerment Fund - IDA Program	36,000	36,000	0
Rebuilding Together of the Triangle Home Preservation	119,258	119,258	0
Rehabilitation of Town Transitional Housing Units	0	55,534	55,534
<b>Economic Development</b>			
Transplanting Traditions Community Farm	15,338	15,338	0
<b>Administration</b>	85,312	85,312	0
	<b>\$629,892</b>	<b>\$685,426</b>	<b>\$55,534</b>

**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 does not currently have funding budgeted to complete the rehabilitations needed on these Transitional Housing units for tenant health and safety.



#### Attachments:

- Resolution Approving an Amendment to the 2023-2024 CDBG Program Plan
- Project Ordinance Amending the 2018-2019 CDBG Budget
- Project Ordinance Amending the 2019-2020 CDBG Budget
- Project Ordinance Amending the 2020-2021 CDBG Budget
- Project Ordinance Amending the 2021-2022 CDBG Budget
- Project Ordinance Amending the 2022-2023 CDBG Budget

**A RESOLUTION APPROVING AN AMENDMENT TO THE 2023-2024 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM PLAN (2023-09-27/R-2)**

WHEREAS, on May 10, 2023 the Chapel Hill Town Council approved a 2023-2024 Community Development Block Grant Program Plan for use of \$629,892; and

WHEREAS, in August 2023 the Town identified \$55,534 in prior years' CDBG Grant funds to be reallocated this program year.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that based on the Town's available funding of \$685,426 of 2023-2024 Community Development Block Grant funds, the Council approves amending the 2023-2024 Community Development Block Grant Program as follows:

**2023-2024 Community Development Block Grant Program Plan**

Activity	Approved Plan	Proposed Amendment	Change in Funding
<b>Public Services</b>			
Summer Youth Employment Program	20,000	20,000	0
Inter-faith Council	31,984	31,984	0
Refugee Community Partnership Crisis Case Mgmt	12,000	12,000	0
<b>Affordable Housing</b>			
Community Home Trust - Acquisition	70,000	70,000	0
EmPOWERment Inc. - Acquisition	240,000	240,000	0
Community Empowerment Fund - IDA Program	36,000	36,000	0
Rebuilding Together of the Triangle Home Preservation	119,258	119,258	0
Rehabilitation of Town Transitional Housing Units	0	55,534	55,534
<b>Economic Development</b>			
Transplanting Traditions Community Farm	15,338	15,338	0
<b>Administration</b>	85,312	85,312	0
	<b>\$629,892</b>	<b>\$685,426</b>	<b>\$55,534</b>

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

This the 27<sup>th</sup> day of September, 2023.

**AN ORDINANCE TO AMEND THE 2018-2019 COMMUNITY DEVELOPMENT ENTITLEMENT GRANT PROJECT ORDINANCE (2023-09-27/O-1)**

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 this project:

	Current Budget	Revised Budget
Community Development Block Grant	\$ 418,344	\$ 418,344
Program Income	21,777	21,777
	<hr/>	<hr/>
Total Revenues	\$ 440,121	\$ 440,121

**SECTION IV**

Amounts appropriated for capital projects are as follows:

		Current Budget	Revised Budget
<u>Affordable Housing</u>			
Town of Chapel Hill	Neighborhood Revitalization	53,675	53,675
Habitat for Humanity	Home Preservation	50,000	21,104
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	38,223
Rebuilding Together	Home Repairs	109,627	109,627
Town of Chapel Hill	Rehab of Town Transitional Hsg Units	-	28,896
 <u>Public Services</u>			
Town of Chapel Hill	Summer Youth Employment Program	24,000	24,000
Inter-Faith Council	HomeStart Case Management	15,928	15,928
 <u>Administration</u>			
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

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, Director of Business Management, and the Town Clerk."

This the 27<sup>th</sup> day of September, 2023.

**AN ORDINANCE AMENDING THE 2019-2020 COMMUNITY DEVELOPMENT ENTITLEMENT GRANT PROJECT ORDINANCE (2023-09-27/O-2)**

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 as follows:

**"SECTION I**

The projects authorized are the Community Development projects as approved by the Council on April 10, 2019: 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 2019 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 this project are hereby amended as follows:

	Current Budget	Revised Budget
Community Development Block Grant	\$ 386,584	\$ 386,584
	<hr/>	<hr/>
Total Revenues	\$ 386,584	\$ 386,584

**SECTION IV**

Amounts appropriated for capital projects are hereby amended as follows:

		Current Budget	Revised Budget
<b>Public Services</b>			
Inter-Faith Council	HomeStart Case Management	\$ 28,500	\$ 28,500
Town of Chapel Hill	Summer Youth Employment Program	27,000	27,000
Exchange Club's Family Center	Children's Parents Parenting	2,040	2,040
<b>Affordable Housing</b>			
Town of Chapel Hill	Temporary Housing Assistance	169,728	169,728
Town of Chapel Hill	Code Enforcement	25,000	24,804
Community Home Trust	Homebuyer Assistance	30,000	30,000
Habitat for Humanity	Home Preservation	27,000	27,000
Town of Chapel Hill	Rehab of Town Transitional Hsg Units	-	196
<b>Administration</b>			
Town of Chapel Hill	Grant Administration/HUD Compliance	77,316	77,316
Total Expenditures		\$ 386,584	\$ 386,584

## 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

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, Director of Business Management, and the Town Clerk."

This the 27<sup>th</sup> day of September, 2023.

**AN ORDINANCE TO AMEND THE 2020-2021 COMMUNITY DEVELOPMENT ENTITLEMENT GRANT PROJECT ORDINANCE (2023-09-27/O-3)**

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	<u>7,339</u>	<u>7,339</u>
Total Revenues	\$ 424,930	\$ 424,930

**SECTION IV**

Amounts appropriated for projects are as follows:

	Current Budget	Revised Budget
<b>Public Services</b>		
Summer Youth Employment Program	20,000	9,804
Children's Parenting Classes	4,980	4,980
Community Outreach	37,674	37,674
<b>Affordable Housing</b>		
Community Home Trust	42,346	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
Rehab of Town Transitional Hsg Units	-	10,196
<b>Administration</b>		
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 27<sup>th</sup> day of September, 2023.

**AN ORDINANCE TO AMEND THE 2021-2022 COMMUNITY DEVELOPMENT ENTITLEMENT GRANT PROJECT ORDINANCE (2023-09-27/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 amended to read as follows:

**"SECTION I**

The projects authorized are the Community Development projects as approved by the Council on April 7, 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
	<hr/>	<hr/>
Total Revenues	\$ 425,639	\$ 425,639

**SECTION IV**

Amounts appropriated for projects are as follows:

	Current Budget	Revised Budget
<b>Public Services</b>		
Inter-Faith Council Homeless Case Management	\$ 57,685	\$ 57,685
Exchange Club's Family Center	5,250	5,250
<b>Affordable Housing</b>		
EmPOWERment Inc.	134,455	134,455
Rebuilding Together of the Triangle	140,518	140,518
Community Home Trust	3,818	3,818
Rehab of Town Transitional Hsg Units	-	2,443
<b>Administration</b>		
Grant Administration	83,913	81,470
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 27<sup>th</sup> day of September, 2023.

**AN ORDINANCE TO AMEND THE 2022-23 COMMUNITY DEVELOPMENT ENTITLEMENT GRANT PROJECT ORDINANCE (2023-09-27/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:

**"SECTION I**

The projects authorized are the Community Development projects as approved by the Council on April 7, 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	Revised Budget
Community Development Block Grant	\$ 421,755	\$ 421,755
Program Income	51,964	51,964
	<hr/>	<hr/>
Total Revenues	\$ 473,719	\$ 473,719

**SECTION IV**

Amounts appropriated for projects are as follows:

	Current Budget	Revised Budget
<b>Public Services</b>		
Town of Chapel Hill - Summer Youth Employment	\$ 25,000	\$ 11,197
Inter-Faith Council - Homeless Case Management	34,935	34,935
Exchange Club - Family Center Youth Services	5,250	5,250
<b>Affordable Housing</b>		
Community Home Trust - Downpayment Assistance	20,000	20,000
Community Home Trust - Townhome Repairs	8,836	8,836
Community Empowerment - Homeowner Counseling	10,000	10,000
Community Empowerment - Downpayment Assistance	80,000	80,000
EMPOWERment Inc. 104 Grant St Acquisition	202,784	202,784
Rehab of Town Transitional Hsg Units	-	13,803
<b>Administration</b>		
Grant Administration	86,914	86,914
Total Expenditures	\$ 473,719	\$ 473,719

## 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 27<sup>th</sup> day of September, 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 approves the amended 2023-2024 Community Development Block Grant Program Plan for the use of \$685,426 and authorizes the Town Manager to submit the Plan 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 ordinance, the Council establishes the CDBG budget for the 2018-2019, 2019-2020, 2020-2021, 2021-2022 and 2022-2023 programs.