

ATTACHMENT A

**A RESOLUTION GIVING STAFF DIRECTION ON
A REQUEST FOR FUNDING FROM AFFORDABLE RENTALS, INC.
Resolution No. 109/2003-04**

THE BOARD OF ALDERMEN OF THE TOWN OF CARRBORO RESOLVES:

Section 1. The Board hereby gives the staff the following direction on the request for funding from Affordable Rentals, Inc.:

Section 2. This resolution shall become effective upon adoption.

Affordable Rentals, Inc
109 N. Graham
Chapel Hill, NC

December 4, 2003

Mayor Mike Nelson
Town Hall
301 W. Main St.
Carrboro, NC 27510

Dear Mayor Nelson,

Enclosed you will find a petition that we, the Board of Directors of Affordable Rentals Inc., would like to ask your attention and that of the Board of Aldermen at your next business meeting, Tuesday Dec. 9.

Please call me at home Monday evening or at my office before noon on Tuesday [at 966 4249] if you have any questions. Although I cannot attend the meeting, I could meet with you or others late Tuesday morning, or arrange going to a future Aldermen meeting if you so advise. I look forward to meeting with you.

Sincerely,

Nancy Milio
Chair, Affordable Rentals, Inc.
929-9534
nancy_milio@unc.edu

Petition to the Town of Carrboro

December 5, 2003

To: Mayor Mike Nelson and the Members of the Carrboro Board of Aldermen

From: Affordable Rentals Inc, Nancy Milio, Chair of the Board. 109 N. Graham Street, Chapel Hill. 929 9534.

Subj: Petition for Operating Funds to Bridge a One-Time Budget Shortfall from January 1, 2004 to June 31, 2004

Summary

Our rapid success as the community's only organization devoted solely to the preservation of affordable rental stock has created the need for a full-time director. But our primary source of operating funds – a foundation grant – has been temporarily cut off, leaving us in need of help.

ARI's Mission:

Our mission is to develop, rehabilitate, maintain, and manage affordable rental housing for families in Orange County whose incomes fall between 30-50% of the Area Median Income, which translates to incomes of between \$21,000 to \$35,000 for a family of four.

Origin and Status

ARI was started by three members of the County Commissioners' Affordable Housing Task Force of 2000, who followed through on the task force's finding that there is a significant shortage of rental units affordable to working poor and working class people in our area. In 27 months, ARI has acquired more than \$900,000 in affordable rental property by leveraging money public money (CDBG and HOME programs, and a portion of the County's affordable housing bond funds) with low-cost private and commercial loans, and donations. From the beginning, we've covered our operating costs primarily through a foundation grant.

We are currently in the process of completing a property acquisition that would team us with two other affordable housing non-profits in an innovative project that will serve a range of tenants and be – we hope – an example of what our housing non-profits can do for the community when we work closely together.

By the end of 2004, we expect to own at least 17 rental properties, and we expect to be managing 22 others. We will achieve this by continuing to leverage public money for affordable housing – and continuing to make our applications for CDBG, HOME, and bond money – with the most competitive commercial loans and other sources of private money. Our goal is to become a self-sustaining organization, and a long-term asset to the community.

Problem

We have grown to such an extent that we can no longer operate effectively with part-time staff. (We have had part-time staff for sixteen months now.) The amount of property we own now requires a full-time director; it is impossible to manage that amount of property responsibly without one and to continue to acquire and improve affordable rentals. We need a full-time director experienced in the complex world of affordable housing acquisition and finance, who also has the time to work closely with local governments. We begin interviewing for that full-time director this month.

ARI applied to our current foundation supporter for the necessary operating funds and were stunned two weeks ago to hear that we would not be funded at all. Their decision was based on an apparent misunderstanding, and they have agreed to come to our office to hear an alternate proposal, one that would call for a two-year foundation grant to help us meet annual budgets of \$55-60,000 to cover our operating expenses as we grow to self-sufficiency. But that money, if all goes well, would not be received by us until July 1, 2004. And so we have a shortfall.

Cash Status

We currently have around \$1,200 in cash, and we expect a corporate donation of \$4,600 within weeks. In the coming six months ending July 1, 2004, our leanest budget projection predicts \$650 in monthly overhead expenses, and \$3,750 for in salary and benefits for one full-time director. Our monthly income is around \$1,100 a month, and so our operating shortfall will be \$3,350 a month starting January 1, 2004. Therefore, we need \$20,100 to move forward until July 1, when we have reasonable hope that the foundation will make the necessary grant to us.

Request

Having explored many short term options, and having also made an identical request of the Chapel Hill Town Council on November 24, we are asking the Board to help us with a one-time cash allocation to fill this \$20,100 gap, or a substantial portion of it. We have a commitment from a private donor for a partial match of any money the towns of Carrboro and Chapel Hill make available to ARI.



Affordable Rentals, Inc.

109 N. Graham Street, Suite 101, Chapel Hill, NC 27516

Affordable Rentals, Inc. 2003 Activities Report

This is a summary of the most recent activities:

- Acquiring a newly renovated duplex at 316 Mc Masters Street. The property was purchased from EmPOWERment, a local community development corporation that oversaw the renovations. AR was able to acquire this property with a combination of federal HOME Program money and local financing from Harrington Bank.
- Securing \$188,000 from the 2003 HOME Fund Program for the acquisition of 7 rental units at the Hillmont condominiums and acquiring all 7 units. These units are single bedroom apartments and are accessible to needed services for the targeted population such as UNC Hospital, Piedmont Community Health Clinic, Interfaith Council, El Centro Latino, EmPOWERment, Orange Community Housing & Land Trust, Dispute Settlement Center, fire department, police department, Carrboro Parks and Recreation, public schools, the University of North Carolina at Chapel Hill, and public transportation. In addition to the acquisition of these units, AR may manage the home owner association for the Hillmont Condominiums. AR closed on the units November 26 2003.
- Acquiring \$80,000 from Chapel Hill Town Council in Community Development Block Grant money for the acquisition of the two bedroom apartment located at 113 A Ashley Forest, Chapel Hill, NC 27514. AR closed on this unit January 14, 2004.
- Acquiring \$300,000 from the 2001 Orange County bond issue for the purchase of 9 rental units in Carrboro, which will be rehabilitated at a cost of almost \$10,000 each.
- We are negotiating a contract to manage an additional 8-10 affordable rental unit for EmPOWERment, Inc. We are also discussing a similar arrangement with another private developer.
- AR will soon be providing each of our tenants with computers, which are so essential for school, job training, and job seeking. We have arranged with Triangle United Way to donate these computers to AR's tenants. Whose only cost will be the \$6 licensing fee for software. The tenants will own the computer and be able to take it with them when they leave. This is an ongoing program.
- AR has added three new members to its Board of Directors: Hilda Eubanks, a local Realtor; Duncan Murrell, writer; and Denny Marcin, a commercial lender/business loan officer from RBC Centura. With these three additions to the Board of Directors we are closer to reach our goals of gender and racial diversity.
- AR has provided personalized services to its renters: a flexible rent contract to one of our tenants in which the tenant can be released from the one-year lease without incurring any



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penalties; we have been paying the water bill for another of our families renting from us; and we decided not to raise the rent for a third family that has had special financial problems recently.

These are steps forward in our efforts to develop and maintain affordable rentals for families in Orange County.



Affordable Rentals, Inc.

109 N. Graham Street, Suite 101, Chapel Hill, NC 27516

Affordable Rentals, Inc.

Mission

Affordable Rentals, Inc. (AR) is a non-profit organization whose purpose is to purchase and manage affordable rental housing units in Orange County. AR is collaborating with local non-profits in developing and purchasing (new or rehabilitated) suitable housing units for use as permanent affordable rental housing. Depending on the availability of funds and of properties, AR could also purchase units directly from the private market. In addition to managing our own units, AR contracts to manage affordable rentals owned by other local non-profits. AR will aggressively pursue alternative and underutilized funding sources including direct, below-market loans from institutions, corporations, civic groups, and individuals committed to supporting affordable housing in Orange County.

AR primarily aimed at a target market of persons earning between 30-50% of area median income (\$24,400 - \$35,650 for a family of four in 2003), and will utilize a flat rather than an income based rent. AR units are not intended to evolve into owner-occupied housing, but rather to remain permanent, affordable rentals.

This organizational structure allows the non-profit providers (i.e. CDCs) to remain focused on their current areas of expertise—including construction and rehabilitation—while relieving them of the staff capacity and property management issues that act as disincentives to creating more rental housing. It also allows AR the unique opportunity to purchase and preserve some of the more affordable privately owned housing before it becomes higher priced student housing or is allowed to slip into disrepair.

The ultimate goal of the organization is to manage between 50-100 units, which we believe is both fiscally feasible and still allows for the type of involved, personal management that the affordable rental housing community needs and deserves. If we are able to do that successfully, we could then use this model to create additional similar management organizations.

In addition to helping locally employed families, there will be benefits to the community as a whole. Public services, including the University and Hospital, governments, and businesses will have a more committed and stable workforce, less turnover and the associated costs, fewer traffic, parking, and pollution problems. Beyond these pluses, stable and secure housing helps children learn and supports citizen involvement in community life.

Affordable Rentals, Inc.
Balance Sheet
As of December 31, 2003

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	<u>Dec 31, 03</u>
ASSETS	
Current Assets	
Checking/Savings	
Bank Accounts	
CD 1 Harrington	2,000.00
Harrington Checking	
General Operating	271.12
McMasters 316-A-B	2,599.32
Harrington Checking - Other	6,714.44
Total Harrington Checking	<u>9,584.88</u>
RBC Centura checking	
General Operating	6,821.12
P8-AC	525.72
RBC Centura checking - Other	-2,891.05
Total RBC Centura checking	<u>4,455.79</u>
Bank Accounts - Other	<u>-592.10</u>
Total Bank Accounts	<u>15,448.57</u>
Escrow RBC Centura	<u>1,810.00</u>
Total Checking/Savings	<u>17,258.57</u>
Accounts Receivable	
Accounts Receivable	2,350.00
Total Accounts Receivable	<u>2,350.00</u>
Total Current Assets	19,608.57
Fixed Assets	
124 Fidelity Street, 7 Units	292,000.00
316 McMasters	207,000.00
P-8 Abbey Court	36,000.00
Total Fixed Assets	<u>535,000.00</u>
Other Assets	
2003-2004 Home Funds	-10,498.56
Total Other Assets	<u>-10,498.56</u>
TOTAL ASSETS	<u><u>544,110.01</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	1,365.46
Total Accounts Payable	<u>1,365.46</u>
Other Current Liabilities	
McMasters Escrow	1,325.00

Affordable Rentals, Inc.
Balance Sheet
As of December 31, 2003

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	<u>Dec 31, 03</u>
P-8 Escrow	485.00
Payroll Liabilities	1,201.35
Total Other Current Liabilities	<u>3,011.35</u>
 Total Current Liabilities	 4,376.81
 Long Term Liabilities	
Harrington Mortgage	129,568.96
herzenberg	4,038.22
self-help P-8	23,671.00
Taylor	3,521.44
Total Long Term Liabilities	<u>160,799.62</u>
 Total Liabilities	 165,176.43
 Equity	
Opening Bal Equity	363,132.73
Retained Earnings	23,169.09
Net Income	2,349.95
Total Equity	<u>388,651.77</u>
 TOTAL LIABILITIES & EQUITY	 <u><u>553,828.20</u></u>

Affordable Rentals, Inc.
Profit & Loss Detail
January through December 2003

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Note: This Financial Statement has not been audited.
This will be our first year to file an IRS form 990.

	<u>Amount</u>
Ordinary Income/Expense	
Income	
Contributions Income	
Restricted	
ZSR Foundation	10,000.00
Unrestricted	
Individual and Corporate	<u>5,150.00</u>
Total Contributions Income	15,150.00
Rents	
Late Fees	
	<u>65.00</u>
Total Late Fees	65.00
Rents	
Total Rents - Other	<u>17,242.60</u>
Total Rents	<u>17,307.60</u>
Total Income	32,457.60
Expense	
advertising	
	<u>408.48</u>
Total advertising	408.48
Appraisal	
113 A Ashley Forest	
	<u>350.00</u>
Total 113 A Ashley Forest	<u>350.00</u>
Total Appraisal	350.00
Bank Service Charges	
Total Bank Service Charges	370.00
Dues and Subscriptions	
homeowners dues	
P-8	
Total P-8	1,332.00
Total homeowners dues	1,332.00
Dues and Subscriptions - Other	
	<u>60.00</u>
Total Dues and Subscriptions - Other	<u>60.00</u>

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Affordable Rentals, Inc.
Profit & Loss Detail
January through December 2003

	<u>Amount</u>
Total Dues and Subscriptions	1,392.00
Fax & copier	
Total Fax & copier	166.48
Insurance	
Liability Insurance	
Total Liability Insurance	<u>552.75</u>
Total Insurance	552.75
Legal Fees	
	<u>60.00</u>
Total Legal Fees	60.00
Office Equipment	
Printer	
	<u>120.00</u>
Total Printer	<u>120.00</u>
Total Office Equipment	120.00
Office Supplies	
Software	
	<u>108.00</u>
Total Software	108.00
Office Supplies - Other	
Total Office Supplies - Other	<u>395.67</u>
Total Office Supplies	503.67
Payroll Expenses	
Total Payroll Expenses	17,415.28
Postage and Delivery	
	<u>74.00</u>
Total Postage and Delivery	74.00
Printing and Reproduction	
	<u>15.00</u>
Total Printing and Reproduction	15.00
Program Expense	
property acquisition	
	<u>66.00</u>
Total property acquisition	<u>66.00</u>
Total Program Expense	66.00

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Affordable Rentals, Inc.
Profit & Loss Detail
January through December 2003

	<u>Amount</u>
Office Rent	
Total Rent	3,250.00
Repairs	
Building Repairs	
316 McMasters B	
Total 316 McMasters B	256.08
Hillmont Unit 26	
Total Hillmont Unit 26	859.06
Hillmont Unit 3	
Total Hillmont Unit 3	859.06
Building Repairs - Other	
Total Building Repairs - Other	<u>790.00</u>
Total Building Repairs	2,764.20
Repairs - Other	
	<u>63.25</u>
Total Repairs - Other	<u>63.25</u>
Total Repairs	2,827.45
Supplies	
Office	
	<u>50.00</u>
Total Office	<u>50.00</u>
Total Supplies	50.00
Taxes	
Property Tax	
Total Property Tax	<u>561.17</u>
Total Taxes	561.17
Telephone	
Total Telephone	1,012.19
Training & Development	
Total Training & Development	718.00
Travel & Ent	
Travel	
	<u>46.27</u>
Total Travel	<u>46.27</u>

Affordable Rentals, Inc.
Profit & Loss Detail
January through December 2003

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	<u>Amount</u>
Total Travel & Ent	46.27
Utilities	
Water	
Total Water	<u>148.91</u>
Total Utilities	<u>148.91</u>
Total Expense	<u>30,107.65</u>
Net Ordinary Income	2,349.95
Other Income/Expense	
Other Income	
security dep.	<u> </u>
Net Other Income	<u>0.00</u>
Net Income	<u><u>2,349.95</u></u>

**TOWN OF CARRBORO**

NORTH CAROLINA

WWW.TOWNOFCARRBORO.ORG

Memo

To: Sarah Williamson, Town Clerk
From: James Harris, Director of Community and Economic Development
CC: Steve Stewart, Town Manager
Date: January 29, 2004
Re: HOME Fund Allocation for years 2001, 2002, and 2003

I reviewed the funding request for Human Services and HOME Funds to see if Affordable Rentals had made request for funding in the past. Affordable Rentals has never requested funds from the Human Services Committee. However for Affordable Rentals has requested and received funds from the HOME Program. In program year 2001 the agency received \$70,000 to assist with the purchase of a property on McMasters Street in Chapel Hill and in 2003 the agency received \$188,000 to assist with the purchase of units at Hillmont Condominiums in Carrboro on Fidelity Street.

Section 2. It is estimated that revenues from the following major sources will be available during the fiscal year beginning July 1, 2003 and ending June 30, 2004 to meet the foregoing schedules:

SCHEDULE A - GENERAL FUND

Ad Valorem Taxes	\$7,582,272
Licenses and Permits.....	\$1,262,382
Revenues from other Agencies	\$3,576,208
Other Revenue	\$260,763
Other Financing Sources.....	\$774,878
Fund Balance Appropriated	\$723,572
TOTAL GENERAL FUND.....	\$14,180,075

SCHEDULE B – SPECIAL REVENUE FUNDS

Capital Reserve Fund

Fund Balance Appropriated	\$128,418
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Section 3. Charges for services and fees by Town Departments are levied in the amounts set forth in the Miscellaneous Fees and Charges Schedule. (See Attachment)

Section 4. The following authorities shall apply to transfers and adjustments within the budget:

- a. The Finance Officer may approve intradepartmental transfer requests between appropriation units and between departmental programs within the limits of the approved budget.
- b. Transfers between funds and transfers from the contingency account may be executed **only** by the Board of Aldermen. The Carrboro Board of Aldermen will appropriate funds from the Contingency Fund exclusively for government operations.

Section 5. There is hereby levied the following rates of tax on each one hundred (\$100) valuation of taxable property as listed for taxes as of January 1, 2003, for the purpose of raising the revenue constituting the general property taxes as set forth in the foregoing estimates of revenue and in order to finance the foregoing appropriations.

General Fund	\$.6852
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Section 6. In accordance with G.S. 159-13, a copy of this ordinance shall be filed with the Town Manager, the Finance Officer, and the Town Clerk.

The following ordinance having been submitted to a vote, received the following vote and was duly adopted this 24th day of June 2003:

Ayes: Alex Zaffron, Mark Dorosin, Joal Hall Broun, Mike Nelson, Diana McDuffee, Jacquelyn Gist, John Herrera

Noes: None

Absent or Excused: None

services, but is not authorized by the State to levy income taxes or to raise the local sales tax which is capped at the existing two and one-half (2.5) percent. In North Carolina, county governments are responsible for public health, education, and social services. County and state government decisions govern funding for the Chapel Hill- Carrboro school system.

Local procedures

The Board, as part of the annual budget process, considers community plans (capital improvement plan, Vision 2020, staff's assessment of community trends, and other needs assessments) and reviews its goals to develop a two-year "Action Agenda" for the Town.

The budget process follows a familiar process in that the primary mission continues to be the development of an annual financial plan for the Town. However, just as important, the budget is a strategic plan whereby departmental missions and objectives are aligned with the Board goals and commitments made today and the impact of those decisions are projected and planned for into the future.

Public input and review of the recommended budget is encouraged. The entire budget document shall be available at the Town Clerk's Office and the Town's website for review. The Board of Aldermen shall hold at least two meetings prior to their adoption of an annual budget.

The fiscal budget is prepared by the Town Manager for a one-year fiscal cycle beginning July 1 and ending June 30 of the following year and must be adopted by the Board of Aldermen prior to the beginning of each fiscal year.

The recommended budget, as presented by the Town Manager, shall reflect the continuation of current service levels wherever appropriate and/or shall include an explanation of any decreases and increases. Any reprogramming or budget shifts from the previous budget shall be clearly identified in the budget document.

The recommended budget, as presented by the Town Manager, shall represent a balanced budget; recommended allocations shall not exceed projected revenues.

General Fund Budgeting

The basic format of the budget shall identify programs within organizational structures defined primarily by department. Programs are defined as specific services provided to the public by a specific department. All assumptions, transfers, and other relevant budget data shall be clearly stated.

The Town will avoid budgetary procedures that balance current expenditures at the expense of meeting future years' expenses, such as postponing expenditures, accruing future years' revenues, or rolling over short-term debt.

Requests for human services and nonprofit funding shall coincide with the budget process. The Town shall set aside approximately one cent on the tax rate to fund requests for external organizational or program services through the grant application process. These requests are reviewed by the Town's Human Services Commission which in turn submits a funding recommendation to the Board of Aldermen.

Transfers between funds and transfers from the contingency account may be executed only by the Board of Aldermen. The Carrboro Board of Aldermen will appropriate funds from the Contingency Fund exclusively for government operations.

Where possible, the budget and subsequent status reports will integrate performance measurement and productivity indicators.

In instances where specific activities or purchases are authorized by the Board of Aldermen in a certain fiscal year and remain incomplete and thus, unexpended, fund balance may be carried forward, at Board of Aldermen's discretion, into the next fiscal year to support such activities or purchases.

Budgetary and accounting procedures will conform to Generally Accepted Accounting Principles (GAAP) for governmental agencies.

Special Fund Budgeting

The term "Special Funds" shall be used to identify all funds other than the General Fund, inclusive of the following fund types: Capital Reserve Fund, Payment-in-Lieu Capital Reserve Fund, Revolving Loan Fund, and Capital Projects Fund.

Special Funds shall be created when legally required, requested by the Board of Aldermen, or to facilitate internal accounting and financial reporting procedures.

The annual budget for each Special Fund shall be prepared in conjunction with the General Fund budget and shall be submitted to the Board of Aldermen for adoption prior to the beginning of the fiscal year.

Special Funds budgetary and accounting procedures will conform to GAAP.

Maintenance of Capital Assets

Provisions will be made for adequate maintenance of the capital plant and equipment and for their orderly rehabilitation and replacement, within available revenue and budgetary limits. The budget should provide sufficient funds for the regular repair and maintenance of all town capital assets. The budget should not be balanced by deferring these expenditures.

The budget shall incorporate tenets of the technology plan that recognize the importance and necessity of maintaining and updating the installed technological infrastructure. It is strongly suggested that end-user workstations are to be replaced on a four year cycle, servers to be replaced on a three year cycle and other network infrastructure and business applications to be replaced as dictated by financial, technical, and business criteria defined in the Technology Plan. Finally, it is noted that replacement of infrastructure with the latest technology, rather than applying major upgrades to existing infrastructure, is often the most cost effective path.

Capital equipment, both additions and replacements that exceed \$25,000 per item (with exception of vehicles) shall be considered for town's lease-purchase schedule identified in the capital improvements plan.

Excerpt from Draft Chapel Hill Town Council Minutes of January 12, 2004:

**Item 7 - Response to Petition from Affordable Rentals, Inc.
Regarding a Request for Funding**

Mayor Foy explained that Affordable Rentals had asked for \$20,000, and that the Manager had recommended advancing \$10,000 from the Town's Contingency Fund. Mayor Foy commented that the Town probably could advance more, if needed, at a later date.

Council Member Strom disclosed that he was an Affordable Rentals board member and asked to be recused from voting even though there would be no personal gain for him in this matter.

Council Member Harrison commended Council Member Strom for being on the Affordable Rentals board.

COUNCIL MEMBERS AGREED BY CONSENSUS TO RECUSE COUNCIL MEMBER STROM FROM VOTING ON THIS ISSUE.

Council Member Ward inquired about efforts Affordable Rentals, Inc. had made to solicit funds from Carrboro and Orange County. He understood that there had been a private contribution, he said, and he described \$10,000 from the Town as generous. Affordable Rentals, Inc. Board President Nancy Milio explained that they had no housing outside of Chapel Hill and Carrboro. Their petition was also before the Carrboro Board of Aldermen, she said, but added that she did not expect to receive more than one or two thousand dollars from Carrboro. Ms. Milio noted that Affordable Rentals, Inc. did expect to receive a private contribution of three to five thousand dollars. So, from her point of view, a \$10,000 award from Chapel Hill would not be overdoing it, she said. Ms. Milio told Council members that Affordable Rentals would go to their donor foundation this week. She hoped the contribution from Chapel Hill would put them back on the road to self-sufficiency, she said.

Council Member Ward stressed that he was supportive of Affordable Rentals, but was merely wondering how well placed they were financially to take on more responsibility as they accrue more and more rental properties. Ms. Milio explained that they must hire a full time director. They were just at the cusp of either making it or not making it, she said, when they suddenly lost their operating funds. Ms. Milio expressed confidence that Affordable Rentals, Inc. could succeed. But they need staff to do so, she pointed out.

Council Member Ward asked if this would be Affordable Rentals' last request for funds. Ms. Milio replied that she hoped so but that the answer would depend on many things coming together. Council Member Ward emphasized that his questions should not be viewed as antagonistic. He was very supportive of the efforts, he said.

COUNCIL MEMBER VERKERK MOVED, SECONDED BY MAYOR PRO TEM WIGGINS, TO ADOPT R-8. THE MOTION WAS ADOPTED UNANIMOUSLY (8-0).

A RESOLUTION TO PROVIDE \$10,000 TO AFFORDABLE RENTALS, INCORPORATED FOR OPERATING EXPENSES (2004-01-12/R-8)

WHEREAS, on November 24, 2003 Affordable Rentals requested that the Council provide \$20,000 to the organization to fill a funding gap; and

WHEREAS, Affordable Rentals is working to meet the goals of the Comprehensive Plan and the Consolidated Plan to provide housing to very low-income households;

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council allocates \$10,000 from the Council's contingency account in the General Fund to Affordable Rentals, Inc. for operating expenses for January through June 2004.

BE IT FURTHER RESOLVED that the Council authorizes the Manager to enter into a Performance Agreement with Affordable Rentals for use of these funds.

This the 12th day of January, 2004.

MAYOR PRO TEM WIGGINS MOVED, SECONDED BY COUNCIL MEMBER WARD, TO ENACT O-8. THE MOTION WAS ADOPTED UNANIMOUSLY (8-0).

AN ORDINANCE TO AMEND "THE ORDINANCE CONCERNING APPROPRIATIONS AND THE RAISING OF REVENUE FOR THE FISCAL YEAR BEGINNING JULY 1, 2003" (2004-01-12/O-8)

BE IT ORDAINED by the Council of the Town of Chapel Hill that the Budget Ordinance entitled "An Ordinance Concerning Appropriations and the Raising of Revenue for the Fiscal Year Beginning July 1, 2003" as duly adopted on June 9, 2003 and the same is hereby amended as follows:

ARTICLE I

<u>APPROPRIATIONS</u>	<u>Current Budget</u>	<u>Increase</u>	<u>Decrease</u>	<u>Revised Budget</u>
GENERAL FUND				
Non-Departmental	\$4,957,380	\$10,000		\$4,967,380

ARTICLE II

<u>REVENUES</u>	<u>Current Budget</u>	<u>Increase</u>	<u>Decrease</u>	<u>Revised Budget</u>
GENERAL FUND				
Contingency	37,188		(10,000)	27,188

This the 12th day of January, 2004.