

# BOARD OF ALDERMEN

ITEM NO. B(6)

## AGENDA ITEM ABSTRACT

MEETING DATE: May 4, 2004

**TITLE: Request to Approve a Contract with Orange County Housing and Land Trust**

<b>DEPARTMENT:</b> Community and Economic Development	<b>PUBLIC HEARING:</b> YES ____ NO <u>x</u>
<b>ATTACHMENTS:</b> A. Resolution B. Contract C. Work Plan	<b>FOR INFORMATION CONTACT:</b> James Harris 918-7319

### PURPOSE

The purpose of this agenda item is for the Board of Aldermen to approve a contract for services to be provided by Orange Community Housing and Land Trust for the \$20,000 annual payment to the organization.

### INFORMATION

Non- profits that receive funds from the Town under the Human Services allocation process and from the general fund should sign an agreement each year clearly identifying the services that will be provided with the funds. By doing so the Town can monitor the work of the organization based on the work statement of the organization and if necessary review financial records and have a contractual basis for terminating the contract for cause. This contract clearly states that the Town staff will, in addition to the Board of Aldermen liaison to the organization, have formal input into the annual work plan of the organization to ensure that the work complies with objectives from the HOME work plan. Home Funds are used by OCHLT to meet some of its work plan and therefore should be compatible.

The contract addresses the desire of the Town of Carrboro to increase the number of affordable housing units for families earning less than 80% of the area median income by encouraging developers to include affordable units in their projects. OCHLT would meet with potential developers to explain the Land Trust concept, ensure the inclusion of affordable units approved by the Board of Aldermen in the development plans, setting of unit prices to ensure affordability at 30% of the annual income of the purchaser and the location of the units within the project.

The contract also recognizes the partnership between the Town of Carrboro and OCHLT to purchase for resale condominiums with HOME funds. The units are made available to Town employees and Carrboro citizens. The first unit has been purchased by OCHLT and is currently being marketed to the community.

### ADMINISTRATION'S RECOMMENDATION:

The administration recommends approval of the attached agreement to become effective with signatures by the Town Manager and the Chair of the Board of Directors of OCHLT.