

A RESOLUTION APPROVING THE
ORANGE COUNTY FY 2009-2010 HOME PROGRAM DESIGN
Resolution No. 114/2008-09

BE IT RESOLVED; by the Carrboro Board of Aldermen as a member of the Orange County HOME Consortium approve the following activities for the 2009-2010 HOME Program.

Homebuyer Assistance

Funds would be allocated to the Orange Community Housing and Land Trust to assist first time homebuyers earning less than 80 percent of the area median income to purchase homes county-wide. Funds would be provided as a grant to the Land Trust.

(Requested amount: \$100,000) \$100,000

Funds would be allocated to Orange County Habitat for Humanity to provide deferred payment zero-interest, second mortgages for six homes throughout Orange County. Homes would be sold to households earning between 30 percent and 80 percent of the area median income.

(Requested amount: \$60,000) \$ 60,000

Housing Rehabilitation

Funds would be allocated to the Orange Person Chatham Mental Health Agency on behalf of the Chrysalis Foundation and Community Alternatives for Supportive Abodes (CASA) for the repair of 23 properties owned by the Chrysalis Foundation. These units are currently leased to individuals that are disabled and/or chronically homeless.

(Requested amount: 200,000) \$162,000

Operational Support

Funds would be allocated to Orange Community Housing and Land Trust as a Community Housing Development Organization for administrative expenses.

(Requested amount: \$30,000) \$ 30,000

New Construction

Funds would be allocated to Inter-Faith Council for pre-development costs associated with the construction of Project Community House a new men's residential facility for homeless men in the community.

(Requested amount: \$400,000) \$185,000

Funds would be allocated to Habitat for Humanity to provide funding for infrastructure development in the Phoenix Place project located on Purefoy Road in Chapel Hill. Habitat plans to build at least 50 dwelling units for sale to first-time homebuyers earning less than 60% of the area median income.

(Requested amount: \$250,000) \$208,534

Rental Assistance

Funds would be provided for rental assistance for approximately 25 low-income families leasing standard property in Orange County. The program will operate in a similar manner to the Section 8 Program and provide rental subsidies for a period of two years to families at or below 50% of the area median income. This is an extension of the Homeless Outreach work of Housing for New Hope.

(Requested amount: \$50,000) \$50,000

Program Administration \$ 66,176

TOTAL FY 2009-2010 HOME PROGRAM FUNDS **\$861,710**

BE IT FURTHER RESOLVED, that the County Manager is hereby designated as the authorized representative of the County to act in connection with the submission of this plan and to provide such additional information as may be required by the U.S. Department of Housing and Urban Development.

**A RESOLUTION AUTHORIZING THE SUBMISSION OF
THE 2009-2010 ANNUAL UPDATE OF
FY 2005-2010 CONSOLIDATED HOUSING PLAN FOR ORANGE COUNTY
Resolution No. 110/2008-09**

BE IT RESOLVED, by the Carrboro Board of Aldermen, that the Aldermen authorizes the County Manager, as Orange County is the lead entity for the HOME Program, to submit the Orange County Consolidated Plan for Housing and Community Development Programs Annual Update to the U.S. Department of Housing and Urban Development, including all understandings, assurances, and certifications required therein.

BE IT FURTHER RESOLVED, that the Town Manager, or his designee, is hereby designated as the authorized representative of the Town to act in connection with the submission of the Annual Update and to provide such additional information as may be required by the U.S. Department of Housing and Urban Development.

HOME Program Review Committee Report Summary of Applications and Requests for 2009-2010 HOME Program Funding

1. Habitat for Humanity

Habitat for Humanity requests \$250,000 for infrastructure development costs for the Phoenix Place subdivision located in the Rogers Road neighborhood.

Habitat for Humanity requests \$60,000 to provide deferred payment zero-interest second mortgages for three homes located in the Fairview neighborhood in Hillsborough. Each qualified buyer would receive a \$20,000 second mortgage. Homes would be sold to households earning less than 60% of the area median income.

Comment: The preliminary plan includes \$208,534 for the request for funds for infrastructure development, and \$60,000 for the request for second mortgage funds. The preliminary 2009-2010 Community Development plan includes \$200,000 for this request.

2. Housing for New Hope

Housing for New Hope, a non-profit organization based in Durham, requests \$50,000 of HOME Program funds to provide rental assistance to 25 individuals for three months. Some recipients may need assistance for less time. In-kind contributions for services to support the clients' housing needs will also be provided.

Comment: The preliminary plan includes \$50,000 for this request.

3. Inter-Faith Council for Social Services

The Inter-Faith Council (IFC) requests \$300,000 of HOME Program funds for infrastructure and pre-development costs for the construction of a men's transitional housing facility. The new facility, located on Martin Luther King Jr. Boulevard, would provide 50 beds as well as staff offices, meeting areas and a medical clinic for homeless residents.

Comment: The preliminary plan includes \$185,000 for this request. IFC would also use \$75,000 of previously awarded HOME program funds. The preliminary Community Development plan includes \$65,000 for these expenses.

4. Orange Person Chatham Area Program

Orange Person Chatham Area Program (OPC) requests \$200,000 to perform necessary repairs and rehabilitation on 23 rental properties currently owned by the Chrysalis Foundation for Mental Health. The Chrysalis Foundation will no longer be providing services. A portion of these funds, \$9,000, would be used to provide a cash match for HUD Supportive Housing Program grant that provides funding for operational support for implementation of supportive housing programs.

Comment: The preliminary recommendation includes \$162,000 for this request.

5. Orange Community Housing and Land Trust

Orange Community Housing and Land Trust requests \$100,000 to assist buyers with purchasing Land Trust homes in Orange County. The majority of homes will be located in the Chapel Hill / Carrboro area. The Land Trust made a general request for HOME funds at the Council's February 4, 2009 Public Forum.

Comment: The preliminary plan includes \$100,000 for this request. The preliminary Community Development plan also includes \$53,661 to support this request.

The Land Trust also requests \$30,000 to assist with operating costs associated with HOME-funded developments. Funds would be used to support staffing needed to manage the increased volume of activity that is expected of the Land Trust as a result of inclusionary housing policies.

Comment: The Committee's recommendation includes \$30,000 for this request. Because the Land Trust meets the Department of Housing and Urban Development's criteria for designation as a Community Housing Development Organization, it can receive a maximum of 5% of the HOME Program grant for operational support for HOME assisted projects.

6. Rogers-Eubanks Neighborhood Association and the Coalition to End Environmental Racism

Reverend Robert Campbell submitted a request that the County coordinate with the Town to develop an application for Community Development and HOME Program funds to finance a construction project to connect residents of the Rogers-Eubanks community to OWASA water and sewer services.

Comment: Infrastructure activities such as water/sewer line construction can only be funded with HOME dollars in conjunction with a new construction project. Therefore, using HOME funds for the extension of water/sewer services to an existing neighborhood such as the Rogers Road community is not an eligible HOME program activity. Though Community Development funds could be used for this purpose, we recommend that we work with Carrboro and Orange County to develop a coordinated plan for funding this project.

The HOME PROGRAM

In 1990, Congress enacted the HOME Investment Partnerships Act, better known as the HOME Program, in an effort to provide a new approach to housing assistance at the federal level. This federal housing block grant would afford state and local governments the flexibility to find a wide range of housing activities through creative and unique housing partnerships among states and localities, private industry, and nonprofit organizations.

In order to receive future HOME Program funds, each housing activity must fall in line with the following goals of the HOME Program:

1. To expand the supply of decent, safe, sanitary and affordable housing, with emphasis on rental housing, for very low- and low-income citizens;
2. To strengthen the abilities of state and local governments to design and implement strategies for achieving adequate supplies of decent affordable housing; and
3. To encourage public, private and nonprofit partnerships in addressing housing needs.

Eligible activities for HOME Program funding include (from the Federal Regulations):

- acquisition of property (including assistance to homebuyers)
- new construction
- reconstruction
- conversions
- moderate rehabilitation of non-luxury housing with suitable amenities
- tenant-based rental assistance
- relocation of displaced persons, families, businesses, or organizations
- site improvements, acquisition of vacant land and demolition (under special conditions)
- project soft costs
- operating expenses for community housing development organizations