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**Affordable Housing Trust Fund**

**Community Development Block Grant Program**

**Orange County Consortium HOME Program**





**2015-2016**

**Funding Application**

Revised 3/2015

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# GENERAL APPLICATION INSTRUCTIONS

**WHICH APPLICATION SHOULD I FILL OUT (Non-construction vs. Construction)?**

This application is to apply for the Affordable Housing Trust Fund, federal Community Development Block Grant (CDBG) Programs (other than Public Services) or HOME funds for **housing development / construction projects**. (Please note: There is a separate application for **CDBG Public Service Programs**.)

Construction projects include projects such as:

* New housing construction
* Housing rehabilitation
* Commercial construction or rehabilitation
* Construction or improvement of public facilities
* Infrastructure development/site improvements
* Predevelopment costs
* Property acquisition

**WHAT IS THE DIFFERENCE BETWEEN AHTF, CDBG, and HOME FUNDS?**

Please see **Attachment 1** for a description of the Affordable Housing Trust Fund, Community Development Block Grant and HOME Programs. If in doubt, please contact Town of Chapel Hill or Orange County staff.

There is some overlap with the programs; here are a few guidelines:

* AHTF and CDBG assistance is limited to projects within the Town of Chapel Hill’s “Extra-Territorial Jurisdiction” (ETJ);
* HOME funds may be used anywhere in Orange County (Chapel Hill, Carrboro, Hillsborough, or Orange County);
* Non-housing projects can only use AHTF and CDBG funds;
* New housing construction can only use AHTF and HOME funds (except for designated Community Based Development Organizations which may use CDBG funds for new housing construction in Chapel Hill).

**ELIGIBLE APPLICANTS**

AHTF applications:

* Non-profit or for-profit corporations.

CDBG applicants:

* Non-profit agencies with a primary purpose of providing housing, human services, or economic development services; or
* Local government or public agency.

HOME applicants:

* Non-profit agencies or for-profit corporations applying through a member government; or
* Consortium member governments.

“Non-profit” means having a 501c(3) tax exemption notice from the IRS. All applicants for CDBG and HOME must demonstrate a track record of continuous, active, and relevant operation for at least two (2) years.

**INCOME ELIGIBILITY**

In general, all projects must benefit persons with a household income below 80% of the area median income adjusted for family size. Please see **Attachment 2** for current income limits.

**GRANT PERIOD**

The funding period begins on July 1, 2015. Costs incurred before that date and before a Performance/Development Agreement has been executed cannot be reimbursed.

ADD

**FEDERAL REGULATIONS FOR CONSTRUCTION PROJECTS (CDBG and HOME only)**

Construction projects must comply with federal rules for the following: environmental review; “Davis Bacon” wage rates; real property acquisition; contract procurement; equal employment opportunity; lead-based paint; fair housing; conflict of interest; and (for large projects) HUD Section 3 economic opportunity. Please also note that the intention to use federal funds for a project triggers federal acquisition and relocation regulations affecting real estate purchase.

**PROJECT REPORTING AND MONITORING**

Recipients of AHTF, CDBG, and HOME funds are required to submit written progress reports to the funding agency on a monthly or quarterly basis, depending on the nature and phase of the project. Required information may include the following: progress toward achieving performance goals; description of activities/challenges; revisions of timelines/budgets; and other relevant information. Information may also be required about marketing activities, project income, and the home buyers and/or tenants of assisted projects.

Funded projects will be monitored for progress and performance, financial and administrative management, and compliance with the terms of Performance/Development Agreements. Monitoring may involve site and/or office visit(s).

**ORIENTATION MEETING**

**CDBG**

All new CDBG subrecipients will be asked to attend an orientation meeting (held in June of 2015) prior to the start of the funding year. This meeting is mandatory for all new subrecipients, and some subrecipients who have received funding in the past may be asked to attend as well.

During the orientation meeting, subrecipients will learn about the requirements of the program and will receive a draft of their Performance Agreements. Subrecipients will also learn about the services that are available through the Town, such as technical assistance and support.

**INVALID APPLICATIONS**

Applications may be disqualified from consideration for the following reasons::

1. Project clearly not eligible according to regulations;
2. Applicant has demonstrated poor past performance in carrying out government-funded projects, or complying with federal regulations;
3. Applicant fails to provide financial audit or other required information; and
4. Incomplete or late applications,.

**PROJECT EVALUATION & FUNDS ALLOCATION**

Applicants should understand that this is a competitive application process for limited funding. There may be applications for projects that satisfy many of the evaluation criteria but are not funded. Successful applications may be funded for less than the amount requested.

Please be as accurate as possible in your application. If funds are awarded, information submitted in this application will be used to develop a Performance Agreement for your project. Please notify Town/County staff of any changes to your proposed project as soon as possible.

AHTF

Applications will be reviewed by the Housing Advisory Board and scored using a scoring rubric. The Housing Advisory Board’s recommendations for funding will be forwarded to the Town Council for consideration.

AHTF applications will be accepted three times per year (~ every 4 months):

* February, award in April
* June, award in September
* October, award in January

CDBG & HOME
CDBG applications will be reviewed by a review committee consisting of Town of Chapel Hill staff and representatives of either the Human Services or Housing Advisory Board. The recommendations for funding will be forwarded to the Chapel Hill Town Council for consideration.

HOME applications will be reviewed by the HOME Program Review Committee consisting of an elected official and staff person from each participating jurisdiction, and approved by the governing bodies of Orange County, Chapel Hill, Carrboro, and Hillsborough.

Applications for both programs will be evaluated based on how well the proposed projects fulfill the priorities in the 5-Year Consolidated Plan (see **Attachment 3**), whether they meet one or more of the three National Objectives (CDBG only), the quality of the proposal, and the capacity of the agency. In addition, the Town and County will seek citizen input through public forums. See **Attachment 4** for a schedule of application deadlines for the Affordable Housing Trust Fund and for a tentative schedule the Community Development and HOME Program plans.

**Construction projects in Chapel Hill must also support the goals of the** [**Affordable Housing Strategy**](http://www.townofchapelhill.org/index.aspx?page=1657) **adopted by the Town Council in June 2011 or the** [**Affordable Rental Housing Strategy**](http://www.townofchapelhill.org/home/showdocument?id=22547) **adopted in 2014.**

# DETAILED APPLICATION INSTRUCTIONS

1. **AHTF Applications** may be submitted by hand to the Chapel Hill Office of Housing and Community, Chapel Hill Town Hall, Third Floor, or by mail to:

Sarah Vinas, the Office of Housing and Community

Town of Chapel Hill

405 Martin Luther King Jr. Blvd.

Chapel Hill, NC 27514

Applications can also be sent via email to the Town’s Housing and Community staff at ahtf@townofchapelhill.org. *Note: If an electronic copy is sent, remember to scan and email the signature page* ***with original signatures*** *to this email address.*

1. **CDBG Applications** may be submitted by hand to the Chapel Hill Planning Department, Chapel Hill Town Hall, Third Floor, or by mail to:

Renee Moye, Community Development Planner, Housing and Community

Town of Chapel Hill

405 Martin Luther King Jr. Blvd.

Chapel Hill, NC 27514

Applications can also be sent via email to the Town’s Housing and Community staff at cdbg@townofchapelhill.org. *Note: If an electronic copy is sent, remember to scan and email the signature page* ***with original signatures*** *to this email address.*

1. **HOME Applications** may be submitted by hand to the Housing, Human Rights, and Community Development Office, Orange County Richard L. Whitted Human Services Center, Second Floor, or by mail to:

Audrey Spencer-Horsley, Director

Orange County Housing, Human Rights and Community Development

P.O. Box 8181

300 West Tryon Street

Hillsborough, NC, 27278

Applications can also be sent via email to Audrey Spencer-Horsley at aspencerhorsley@orangecountync.gov. *Note: If an electronic copy is sent, remember to scan and email the signature page* ***with original signatures*** *to this email address.*

1. Please do not fax applications.
2. **Complete each question directly on the application form.** Attachments should only be used to provide supplemental information. The application form can be downloaded from the Town of Chapel Hill or Orange County websites.
3. Please clasp or clip together; do not use binders, covers or staples.
4. Please read all questions and instructions carefully. **The care that goes into accurately and informatively completing this application is evidence of your agency’s ability to manage the complexities of CDBG and HOME program requirements.**

If you have questions about the eligibility of an activity or about the application, please contact:

* For Affordable Housing Trust Fund, Sarah Vinas at 919-969-5079, svinas@townofchapelhill.org
* For CDBG, Renee Moye at 919-968-2877, rmoye@townofchapelhill.org

For HOME, Audrey Spencer-Horsley at 919-245-2490, aspencerhorsley@orangecountync.gov

# CHECKLIST OF DOCUMENTATION REQUIRED WITH THIS APPLICATION

**APPLICATION**

If submitting paper copies, your organization must providean **ORIGINAL plus ONE COPY** of the application, which consists of the following sections:

[ ]  Section I: Applicant and Project Overview

[ ]  Section II: Project *Description (for projects in Chapel Hill, your description must*

*include how your project is consistent with the adopted Chapel Hill* [*Affordable Housing Strategy*](http://www.townofchapelhill.org/index.aspx?page=1657) *and the* [*Affordable Rental Housing Strategy*](http://www.townofchapelhill.org/home/showdocument?id=22547) *if applicable)*

[ ]  Section III: Performance Measurements

[ ]  Section IV: Project Budget and Pro-forma

[ ]  Section V: Agency Description

[ ]  Section VI: Disclosure of Potential Conflicts of Interest

**OTHER REQUIRED ATTACHMENTS**

Please provide **one copy** of each of the following documents:

[ ]  Current list of Board of Directors, including addresses, phone numbers, terms, and

relevant affiliations

[ ]  Minutes of Board of Directors meeting authorizing the submittal of this

application

Please provide one copy of each of the following documents ***unless they are already on file with the Town or County*** (please check Town/County staff to ensure documents are on file):

 [ ]  Current Bylaws and Articles of Incorporation

[ ]  IRS tax determination letter [501(c)(3)]

[ ]  Most recent independent audit (including management letter if issued)

**DOCUMENTS REQUIRED AFTER AWARD**

If your agency is awarded funding, before signing Performance/Development Agreements with the Town/County, your agency must provide the following documents ***unless they are already on file with the Town or County*** (please check Town/County staff to ensure documents are on file):

[ ]  Personnel policies

[ ]  Financial management procedures

[ ]  Procurement policy

[ ]  Conflict of interest policy

# APPLICATION FOR FUNDING FOR CONSTRUCTION PROGRAMS

**Town of Chapel Hill CDBG Program**

**Orange County HOME Program**

**Town of Chapel Hill Affordable Housing Trust Fund**

Section 1: APPLICANT AND PROJECT OVERVIEW

**A. Applicant Information**

Applicant Organization’s Legal Name:

Primary Contact Person and Title:

Applicant Organization’s Physical Address:

Applicant Organization’s Mailing Address:

Telephone Number:       Fax Number:

Email Address:

DUNS Number:

(Dun & Bradstreet, Inc. provides this number at no charge, and it is required for Federal funding recipients.)

**B. Project Information**

Project Name:

Total Project Cost:

Total Amount of Funds Requested:

Please specify the ***type*** and ***amount*** of funding requested: (*Note: If applying for HOME and CDBG funds, please indicate the amount requested from each source.)*

[ ]  CDBG: $      and/or [ ]  HOME: $      [ ]  AHTF: $

Proposed Use of Funds Requested *(provide a concise description of proposed project)*:

**To the best of my knowledge and belief all information and data in this application are true and current. The document has been duly authorized by the governing board of the applicant.**

**Signature:**

 Board Chairperson/Department Head Date

Section 2: PROJECT DESCRIPTION

*Please provide a thorough description of the project (by answering the “who,” “what,” “when,” and “where” questions about your project).* ***Do not assume the reader knows anything about the project****.*

**A. Project Name**

**1.** Please provide the name of your project.

**B. “Who”**

**1. Client Group.** Who is the targeted client group, and what are their needs? What objective data can you provide in evidence of these needs?

**2. Client Demographics.** Please complete the following tables to the best of your ability. Show actual or estimated numbers of beneficiaries, not percentages, in each category. In general, you should count households as the beneficiaries for housing programs and persons for non-housing programs. Please see **Attachment 2** for the current income limits for the Durham-Chapel Hill MSA.

**Note:** Activities may benefit individuals and/or geographic areas. You may fill out one or more of these tables, as appropriate.

|  |  |
| --- | --- |
| **Income Group\*** | **Number of Beneficiaries** |
| *<30% of the Area Median Income (AMI)* |       |
| *31%-50% of AMI* |       |
| *51-80% of AMI* |       |
| *>80% of AMI* |       |
| *TOTAL* |       |

|  |
| --- |
| **Special Needs Beneficiaries (if applicable)** |
| **Category** | **Number of Beneficiaries** |
|  *Elderly (over 60)* |       |
| *Disabled (not elderly)* |       |
| *Homeless* |       |
| *People with HIV/AIDS* |       |
| *TOTAL* |       |

|  |
| --- |
| **CDBG Area Benefit Activities (Infrastructure and Public Facilities)\*** |
| **Street** | **Census Tract** | **Block Group** | **Total Persons** | **#LMI Persons** |
|       |       |       |       |       |
|       |       |       |       |       |
|       |       |       |       |       |
|       |       |       |       |       |

**\*** If your agency has any questions about these designations, please contact the Town or County staff.

**PROJECT DESCRIPTION CONTINUED**

**B. “Who” (continued)**

**3. Project Staff.** Please provide names of staff, contractors, and/or volunteers that will be involved with the project and describe their responsibilities with the project. (Optional: Attach resumes and/or job descriptions):

**C. “What”**

**1. Type of Activity.** Please check the category under which your project falls.

[ ]  Acquisition (for rental or homeownership)

[ ]  Predevelopment costs

[ ]  Infrastructure/site improvements

[ ]  New construction for homeownership (HOME or AHTF only)

[ ]  New construction for rental (HOME or AHTF only)

[ ]  Public facility or improvement (CDBG only)

[ ]  Commercial property construction/rehabilitation (CDBG or AHTF only)

[ ]  Owner-occupied rehabilitation

[ ]  Rental rehabilitation

[ ]  Emergency shelter

[ ] Transitional housing

[ ]  Supportive housing

[ ]  Security and utility connection fee assistance (AHTF only)

[ ]  Rental subsidy (AHTF only)

[ ]  New or redeveloped rental housing (AHTF only)

[ ]  Second Mortgage Assistance Program (AHTF only)

[ ]  Community engagement programs to support future development planning (AHTF only)

[ ]  Other (specify):

**2. Project Description.** Please provide a general overview of your project, including what you are planning to produce and how you are planning to carrying out the project.

**D. “Where”**

**1. Project Location.** Please be as specific as possible.

**2. Project Size.** Please provide the size of development site:       acres

Please attach the following:

 [ ]  Site map showing lot boundaries, locations of structure(s), and other site features

 [ ]  General location map (at least ½ mile radius)

**PROJECT DESCRIPTION CONTINUED**

**E. “When”**

[ ]  Attach a **detailed and realistic** timetable showing when each work task will be completed (e.g., planning; obtaining financial commitments; design; environmental review; bidding; loan closing; key milestones in construction; marketing; final inspection; occupancy; etc.)

1. For AHTF projects:

Projects will be evaluated and scored based on the timetable included in the application and the performance agreement will outline the agreed upon dates for use of funds and project completion.

1. CDBG funded projects For CDBG-funded projects:

For large-scale projects receiving funding for infrastructure/site improvements, your timetable should reflect an expectation of completing construction by December 2017.

1. For HOME-funded projects:

The project must be completed by June 2020.

**F. Project Details**

Please provide the information requested below (please add additional lines where necessary). If the question if not applicable or no information is available, insert N/A.

**2. Property Acquisition.**

1. Has your agency acquired real property in order to carry out the project, or is property acquisition planned?
2. Has the property owner been informed of your intention to use federal funds for this project? If so, attach letter. (Sample property acquisition letters are available from Town or County staff.)
3. Is the property currently occupied? If so, attach a description of your plan to relocate tenants in accordance with the Uniform Relocation Act. (Contact Town or County staff if your agency has questions about the URA.)

**3. Construction Detail.**

1. How many units will be newly constructed?
2. How many units will be rehabilitated?
3. What is the square footage of each unit?

**PROJECT DESCRIPTION CONTINUED**

**F. Project Details (continued)**

**3. Construction Details (continued)**

1. What is the number of bedrooms in each unit?
2. What is the number of bathrooms in each unit?
3. Will the project participate in an energy efficiency program (e.g. Energy Star)?

i. If yes, please provide the details:

1. How many units will have full ADA accessibility?

i. Please provide details:

1. For rehabilitation projects, describe your lead-based paint abatement plan for property built before 1978:
2. How many households will have direct access to improved infrastructure?

i. Please describe:

1. Is the proposed project located in a Neighborhood Conservation District? (Neighborhood Conservation Districts apply only to projects located in Chapel Hill.)
2. If yes, is your agency fully informed of the Neighborhood Conservation District guidelines? (For more information about the Neighborhood Conservation District guidelines, please contact Town staff.)
3. Please attach the following:

[ ]  Floor plan(s)

[ ]  Elevation(s)

**4. Affordability, Marketing, and Supportive Services.**

1. Describe any methods to ensure long-term affordability of housing units, including subsidy recapture, equity sharing, deed restrictions, etc.:
2. What are the proposed rents (including utility costs) or sales prices for completed units?
3. Explain your agency’s process for marketing to ensure an adequate pool of income-eligible renters to buyers:
4. If supportive services will be coordinated with the project, please describe these:

Section 3: PERFORMANCE MEASUREMENTS

**A. Goals and Objectives**

*Please complete the following chart with information about the project’s goals and objectives. Also, please provide information on how these goals and objectives will be measured.* ***Be as detailed and specific as possible****.*

|  |  |
| --- | --- |
| **Goal/Objective** | **Measurement Tool** |
| *Ex: Provide housing for low- to moderate-income households.* | *Ex: By 2016, build ten units that are affordable to low- to moderate-income households.* |
|       |       |
|       |       |
|       |       |
|       |       |
|       |       |
|       |       |
|       |       |

**B. Compliance with National Objectives**

If your agency is applying for CDBG funds, address which National Objective your project will be meeting. (An overview of the CDBG National Objectives can be found in Attachment 1.)

**C. Alignment with Town Council Goals and adopted affordable housing strategies.**

If your agency is applying for AHTF funds, explain how the proposed project aligns with the Town Council Goals and adopted affordable housing strategies.

Section 4: PROJECT BUDGET AND PRO-FORMA

*Please note that this section must be completed in order to ensure review.*

**A. Project Budget**

[ ]  Attach a **detailed project budget** showing all sources and uses of funds. Attach funding commitment letters where available or copies of funding applications you have submitted.

**B. Terms of Project Funding**

Please specify the type of funding request for which you are applying:

CDBG: [ ]  Grant [ ]  Loan

HOME: [ ]  Grant [ ]  Loan

AHTF: [ ]  Grant [ ]  Loan

If applicable, please provide details about the nature of your funding request:

**C. Pro-forma (for rental property only)**

[ ]  If you are developing a property for rent, please attach a 20-year pro-forma showing estimated income, expenses, net operating income, debt service, and cash flow.

Section 5: AGENCY DESCRIPTION

***If you have not received CDBG or HOME funding in the past three (3) years,*** *please provide the following information. Agencies and member governments that have been funded in the past three (3) years and member governments carrying out projects entirely with their own staff may omit this section.*

If your organization has received CDBG or HOME funding in the last three (3) years and is omitting this section, please check this box: [ ]

**A. Organization**

What is your organization’s . . .

1. Mission statement?
2. Incorporation date (Month and Year)?
3. Estimated Total Agency Budget for FY 2014-2015? $
4. Total number of agency staff (full time equivalents):

**B. Agency Track Record**

Please describe your agency’s experience and ability to carry out the proposed project, including:(

* involvement of intended beneficiaries of the project in the planning process
* past achievements in carrying out similar projects
* experience of key staff
* collaborative relationships with other agencies,
* plans to develop linkages with other programs and projects to coordinate activities so solutions are holistic and comprehensive
* any other features relating to agency capacity that you consider relevant.

**C. Board of Directors**

1. How many Board Members should your organization have according to your by-laws?
2. How many Board Members does your organization actually have at this date?
3. How often does the Board meet?
4. What was the actual attendance at each of the last three regular Board meetings?
5. Have you failed to reach a quorum at any Board meetings in the last 12 months?
6. What efforts do you make to ensure that your Board represents the community it serves?

Section 6: DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Are any of the Board Members or employees of the agency which will be carrying out this project, or members of their immediate families, or their business associates:

a) Employees of or closely related to employees of the Town of Chapel Hill, Orange County, Carrboro, or Hillsborough? YES [ ]  NO [ ]

b) Members of or closely related to members of the governing bodies of Chapel Hill, Carrboro, Hillsborough, or Orange County? YES [ ]  NO [ ]

c) Current beneficiaries of the project/program for which funds are requested?

 YES [ ]  NO [ ]

d) Paid providers of goods or services to the program or having other financial interest in the program? YES [ ]  NO [ ]

If you have answered YES to any question, **please provide a full explanation below**. The existence of a potential conflict of interest does not necessarily make the project ineligible for funding, but the existence of an **undisclosed** conflict may result in the termination of any grant awarded.

Section 7: ATTACHMENTS

Attachment 1

National Objectives of Community Development Legislation

(Community Development Block Grant Program)

The primary objective of the Community Development Block Grant (CDBG) Program is the “…development of viable urban communities, including decent housing and a suitable living environment and expanding economic opportunity, principally for persons of low and moderate-income” (Housing and Community Development Act of 1974).

The Town of Chapel Hill must certify that its overall program carries out this primary objective. In addition, each Community Development Block Grant activity must:

1. Benefit low- or moderate-income persons (80% of median income and below);
2. Aid in the prevention or elimination of slums and blight; or
3. Treat urgent needs posing an immediate threat to public health and welfare.

Eligible activities for Community Development Block Grant funding include:

1. Acquisition of property
2. Disposition of property
3. Public facilities and improvements
4. Clearance, demolition and removal of buildings
5. Site improvements
6. Some public services (subject to a cap)
7. Relocation
8. Housing rehabilitation, preservation and code enforcement
9. Economic development activities
10. Planning and administrative costs (subject to a cap)

Activities that are generally not eligible include:

1. Buildings used for the general conduct of government
2. New housing construction (allowed in special circumstances)
3. General government expense
4. Political activities
5. Purchase of equipment and personal property
6. Operating and maintenance expenses

Attachment 1

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 affords state and local governments the flexibility to fund a wide range of housing activities through creative and unique housing partnerships among states and localities, private industry, and nonprofit organizations.

Each housing activity must fall within 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:

* 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
* Administration/Planning (for qualified Community Housing Development Organizations)
* Operating expenses for Community Housing Development Organizations

Attachment 1

**The Affordable Housing Trust Fund**

The Town Council allocated new funds for affordable housing in the budget for fiscal year 2014-15.

Priority will be given to rental projects that serve households with incomes 60% and below the Area Median Income (AMI) and homeownership projects that serve households with incomes 80% and below the AMI.

**Priority Projects**

1. **Land Bank & Land Acquisition**

Description: A land bank is a mechanism by which property can be strategically acquired, assembled, and redeployed to serve a community purpose, with a goal of creating inclusive, mixed income neighborhoods.

Related Strategies and Goals:

1. Fund land bank to acquire land for future affordable housing (rental and ownership) development. (ARHS)
2. Acquire and preserve vacant land along transit corridors for future affordable development (ARHS).
3. Address the development pressures of the Pine Knolls and Northside neighborhoods by supporting a housing and cultural preservation program in the neighborhoods (ARHS).

Eligible Activities: Property and land acquisition and associated program expenses with emphasis in Northside and Pine Knolls neighborhoods and along transit corridors.

1. **Rental Subsidy and Development Program**

Description: Eligible projects support the development of rental housing opportunities for households earning less than 80% of the AMI or providing subsidies to reduce the monthly housing expenses for households earning less than 80% of the AMI. The 80% AMI threshold reflects the Town’s priority to support housing for people at a range of income levels, but priority will be given to those with incomes below 60% AMI.

Related Strategies and Goals:

* 1. Establish useful incentives to encourage development of affordable rental in all target income ranges. (ARHS)
	2. Identify other properties that may be appropriate for redevelopment and encourage the production of affordable rental units through the use of incentives. (ARHS)

Eligible Activities: Security and utility connection fee assistance program, rental subsidy program, gap subsidies to developers to provide affordable units, new or redeveloped rental housing construction.

1. **Home Ownership Development and Assistance Program**

Description: The Town’s Affordable Housing Strategy states a goal of increasing the availability and access to housing for households and individuals with a range of income, from those who are homeless to middle-income. Eligible projects support the development of owner occupied housing opportunities to create and preserve affordable housing opportunities for households earning up to 120% of the AMI. Priority will be given to those with incomes below 80% AMI.

Related Strategies and Goals:

* 1. Address the development pressures of the Pine Knolls and Northside neighborhoods by supporting a housing preservation program in the neighborhoods. (AHS)
	2. Middle Income/Workforce Housing Second Mortgage Assistance Program. (CP)
	3. Major and minor rehabilitation of existing housing. (CP)

Eligible Uses: Programs involving new construction, renovation, and redevelopment of existing units and second mortgage assistance programs.

1. **Future Development Planning**

Description: Eligible projects include strategic and master planning activities for specific areas to serve a community purpose, with a goal of creating inclusive, mixed income neighborhoods.

Related Strategies and Goals:

* 1. Partner for ambitious development that includes affordable rental on Greene Tract. (ARHS)
	2. Initiate future development planning for the Greene Tract with ownership partners. (Council Goal 2016)

Eligible Activities: Pre-development costs, community engagement programs, professional services for strategic and master planning.

Attachment 2

FY 2014 Income Limits

US Department of Housing and Urban Development (HUD)

Durham-Chapel Hill Metropolitan Statistical Area

 (Durham, Orange, and Chatham Counties)

Median Income: $65,700

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Number of people in the household** | **1****person** | **2****people** | **3****people** | **4****people** | **5****people** | **6****people** | **7****people** | **8****people** |
| Income Level = 30% area median income | $13,800 | $15,800 | $17,750 | $19,700 | $21,300 | $22,900 | $24,450 | $26,050 |
| Income Level = 50% area median income | $23,000 | $26,300 | $29,600 | $32,850 | $35,500 | $38,150 | $40,750 | $43,400 |
| Income Level = 80% area median income | $36,800 | $42,050 | $47,300 | $52,550 | $56,800 | $61,000 | $65,200 | $69,400 |
| Income Level = 100% area median income | $46,000 | $52,550 | $59,150 | $65,700 | $70,950 | $76,200 | $81,500 | $86,750 |
| Income Level = 115% area median income | $52,900 | $60,450 | $68,000 | $75,550 | $81,600 | $87,600 | $93,682 | $99,726 |

Source: U.S. Department of Housing and Urban Development (HUD)

The [80% and below income information](http://www.huduser.org/portal/datasets/il/il2014/2014summary.odn)\* is provided by the U.S. Department of Housing and Urban Development (HUD). Additional income data information estimated by Town staff.

Income limits as of 12/18/2013

\* <http://www.huduser.org/portal/datasets/il/il2014/2014summary.odn>

Attachment 3

**Summary of Goals, Priorities and Output Indicators**

**from Housing and Community Development Consolidated Plan**

**for 2010-2015 for Orange County, Carrboro, Chapel Hill and Hillsborough**

|  |
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|  |
| ***Goal 1* – Decent and Affordable Housing for Lower-Income Households** |
| *Priority 1.1 – Low income (< 80%AMI) homeowners that live in substandard housing* |
| Strategies: | * Continue to fund urgent repairs for qualified units
* Continue to fund substantial rehabilitation for qualified units
* Continue to incorporate handicap, weatherization and lead-based paint improvements into all substantial rehabilitations
 |
| Output Indicators: | * 30 substantially rehabilitated units (Orange County/Chapel Hill)
* 40 units with urgent repairs (Orange County)
 |
| *Priority 1.2 – Low income renters (<60% AMI) that live in substandard housing* |
| Strategies: | * Continue to fund the rehabilitation of existing rental housing units
* Monitor and enforce rent and property standards for completed projects
* Leverage existing Town and County resources by utilizing the federal low income tax credit, HUD Section 202 and 811, and other programs to construct new rental housing
* Provide educational opportunities related to fair housing, tenant rights, etc.
* Continue to dialogue with the University of North Carolina – Chapel Hill on issues that affect affordable rental opportunities in the area
 |
| Output Indicators: | * 30 additional affordable rental units (Orange County/Chapel Hill)
* 20 low income renters receive HOME funded rental assistance for up to 2 years each (Orange County)
* 75 units of renovated public housing (Chapel Hill)
 |
| *Priority 1.3 – Low income (<80% AMI) homeowners that do not have indoor plumbing or adequate connections to existing public water and sewer systems* |
| Strategies: | * Continue to fund the connection of lower income homeowners to existing water and sewer facilities.
* Continue to fund the construction of complete indoor plumbing facilities
 |
| Output Indicators: | * 100% of all County residents have adequate indoor plumbing (Orange County/Chapel Hill)
 |
| *Priority 1.4 – Low-income renters (<80% AMI) that are potential homebuyers* |
| Strategies: | * Provide down-payment and closing cost assistance to qualified homebuyers
* Provide homebuyer education and counseling with an emphasis on credit
* Provide acquisition, infrastructure, predevelopment and/or construction funding to eligible non-profits and for-profits to develop affordable housing opportunities
* Establish homeownership program to assist existing Section 8 recipients
 |
| Output Indicators: | * 30 additional lower income homebuyers (Orange County/Chapel Hill)
 |
| *Priority 1.5 – Eliminate barriers to affordable housing* |
| Strategies: | * Challenge and encourage non-profit and for-profit affordable housing providers to share resources and collaborate
* Seek legislation that would require all local governments to require new residential and commercial developers in the County and Towns seeking zoning approval and/or permits to contain at least 15% affordable units in residential projects
* Utilize equity sharing and community land trust concepts to limit the dramatic escalation of housing costs
 |
| Output Indicators: | * 30 units of new affordable housing in mixed income developments (Orange County/Chapel Hill)
* Increased awareness of barriers to affordable housing (Orange County/Chapel Hill)
 |
| *Priority 1.6 – Low Income (< 60% AMI) Homeownership* |
| Strategies: | * Provide down-payment and closing cost assistance to qualified homebuyers
* Provide homebuyer education and counseling with an emphasis on credit
* Provide acquisition, infrastructure, predevelopment and/or construction funding to eligible non-profits and for-profits to develop affordable housing opportunities
* Establish homeownership program to assist existing Section 8 recipients
 |
| Output indicators: | * Up to 30 additional low income homebuyers (Orange County/Chapel Hill)
 |
| *Priority 1.7 – Extremely Low income (<30% AMI) renters looking for affordable rental housing* |
| Strategies: | * Partner with local housing developers and/or property management firms to develop affordable rental housing for Extremely low-income residents
* Develop rental subsidy program for the <30% AMI residents
* Possibly develop an SRO model for implementation to develop more affordable housing
* Review current density ordinances for possible revision to increase ability to develop affordable, multi-rental housing
 |
| Output Indicators: | * 30 units of new/rehabilitated affordable rental housing in mixed income developments (Orange County/Chapel Hill)
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| ***Goal 2* – Provide Housing and Services for Populations with Special Needs** |
| *Priority 2.1 – Service-enriched transitional housing for homeless persons with special needs* |
| Strategies: | * Promote and make public service funds available to homeless agencies that operate emergency shelters
* Partner with other funding agencies to encourage the development of transitional housing (SRO’s, group homes) that is service-enriched
* Continue to strengthen partnership with the local Continuum of Care
* Provide property acquisition funding to eligible non-profits and for-profits to develop transitional housing
 |
| Output Indicators: | * Provide financial assistance to support the construction of a residential center for homeless men (Orange County/Chapel Hill)
 |
| *Priority 2.2 – Reduce Chronic Homelessness* |
| Strategies: | * Establish an assertive street outreach program that targets unsheltered homeless people at natural gathering places throughout Orange County.
* Establish an outreach system in Northern Orange County that uses the congregate feeding programs as a place to begin identifying those who are chronically homeless in the rural part of the county.
* Create an Assertive Community Treatment (ACT) Team that targets those who are chronically homeless and integrates the team with the above outreach efforts.
* Ensure that both inpatient and outpatient substance abuse treatment is made available to those chronically homeless individuals who desire that service. If inpatient treatment is necessary, make sure that permanent housing is not lost during the inpatient stay.
* Identify strategies designed to address the needs for shelter and services for individuals with complex behavior that result in being banned from kitchen/shelter services.
* Sheltered chronically homeless people will be able to move into permanent housing by receiving the services necessary for them to obtain and maintain permanent housing.
* Ensure that non-profit developers have the organizational and financial capacity to create new housing units within the community for the chronically homeless.
* Identify a wide variety of sites for housing the chronically homeless throughout the County in the most fair and effective places within the County.
* Establish a rigorous evaluation mechanism that measures the cost of individuals who are chronically homeless before and after they are receiving housing and support services.
 |
| Output Indicators: | * 15 units will be rehabbed/rented/built to provide permanent supportive housing (including the use of Assertive Community Treatment Teams) for the chronic homeless in Orange County within the first 3-5 years of the plan.
 |
| *Priority 2.3 – Increase Employment* |
| Strategies: | * Current supportive employers will increase the number of homeless people they hire.
* Potential employers will increase their understanding of those who are homeless and hire homeless or formerly homeless individuals.
* Design and implement a model employment and training program that focuses on individualized assessment, job goals, and placement activities.
* Develop and implement a credentialing process designed to create skills that prepare homeless persons for employment by establishing partnerships with local Chambers of Commerce to convene and educate about homeless people and their employment needs.
* Enhance the skills development center list that exists on Franklin Street and develop a comparable site in Hillsborough.
* Design and implement a strategy targeting those who are aging out of the foster care system as a pay to prevent future homelessness by building successful employment history and supporting ongoing financial literacy efforts.
* Support and build on the “Wheels for Work” model that is currently only available to work first participants.
* Increase the number and availability of child care slots in quality child care centers for homeless families.
* Support transportation expansion plan in Chapel Hill Transit System and Triangle Transit Authority.
* Endorse ongoing discussions between Orange Transportation and the Chapel Hill Transit System.
 |
| Output Indicators: | * Provide funding to at least two shelters to help fund transitional programs, to possibly include job training programs.
 |
| *Priority 2.4 – Prevent Homelessness* |
| Strategies: | * Youth aging out of the foster care system will maintain a relationship with human services to prevent homelessness.
* Begin examining the data and relevant strategies designed to work with unemanipated youth between the ages of 16-18 who are running away.
* Those exiting prison, the military, hospitals and other health related institutions will not be discharged into homelessness.
* Assess the actual need and develop step down housing for those exiting inpatient substance abuse treatment services. This housing should create a safe and supportive environment designed to promote recovery.
* Those with unstable housing will receive the necessary services to prevent loss of housing. This includes families who are doubled up that may lose their housing, those who are experiencing an immediate health care crisis that jeopardizes their housing, and those who have received eviction notices.
* Develop a plan designed to address the current gap in affordable housing units available to homeless families and individuals.
 |
| Output Indicators: | * Develop a Discharge Plan policy with Wake County and Durham County to have a unified regional approach
* Provide funding to at least two shelters to help fund transitional programs, to possibly include homeownership, rental and/or credit counseling.
 |
| *Priority 2.5 – Increase Access to Services* |
| Strategies: | * Improve the network of homeless service providers to eliminate individuals from falling through the cracks.
* Homeless people will be engaged and enrolled in the appropriate services.
* Develop a system designed to decrease the length of time necessary for individuals to receive identification.
* Decrease the wait for Medicaid disability.
* Improve Health Care/Dental Care.
* Improve the capacity of current providers to serve as point-of-entry, including sufficient funding to support a facility that is open 24 hours a day, seven days a week.
* Increase access to community resources (jobs, housing, services, and childcare) in order to develop a maximum 90-day length-of-stay strategy for homeless persons in shelters to facilitate their return to permanent housing.
 |
| Output Indicators: | * Assist 20 additional homeless persons.
 |
| *Priority 2.6 – Increase Public Participation in Ending Homelessness* |
| Strategies: | * Indentify specific strategies that eliminate NIMBYism (Not In My Backyard) in Orange County.
* Increase the number of volunteers directly working with homeless people.
* Increase positive media support.
* Improve the PR presence of current providers within Orange County.
* Develop strategies that demonstrate “proven results” to the taxpayers of Orange County. Include specific values for the benefits associated with investing in mental health.
 |
| Output Indicators: | * Increase information available to public through distribution of marketing materials through the CoC
* Implement a volunteer recruiting campaign to include UNC students and Orange County residents
 |
| *Priority 2.7 – Continuum of services for special needs populations including older adults, disabled, mentally ill, persons with AIDS and at-risk youth* |
| Strategies: | * Promote and make funds available to agencies that serve identified special populations
* Continue to strengthen partnership with local service providers
* Support applications for federal housing funds
* Provide property acquisition funding to eligible non-profits and for-profits to develop permanent housing for those with special needs
 |
| Output Indicators: | * 10 additional permanent housing units for those with special needs (Orange County)
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| ***Goal 3* – Increase Capacity and Expand the Scope of Public Services** |
| *Priority 3.1 – Increase capacity and expand the scope of Public Services in order to reach out to more low-to-moderate income residents* |
| Strategies: | * Strengthen partnerships with non-profits and other related associations (community building, education, family services, etc.)
* Promote public services opportunities for area low-income residents
* Build community capacity and better coordinate services through the regular dissemination of information. Examples may include Community Development Day workshops, self-help workshops, activity updates, etc.
* Continue to work with area Chambers of Commerce and others to promote the economic development of the community
 |
| Output Indicators: | * Increase Public Services capacity and scope by 10% for at least three non-profit organizations over the next five years
 |

Attachment 4

**Affordable Housing Trust Fund Application Schedule**

Applications for the Affordable Housing Trust Fund will be accepted three times per year:

* **February** (same deadline as the CDBG and HOME application due date). Funds for this funding cycle will be awarded by the end of April.
* **June**. Funds for this funding cycle will be awarded by the end of September.
* **October**. Funds for this funding cycle will be awarded by the end of January.

**Tentative Schedule\***

**for Development of the 2015-2016 CDBG & HOME Program Plans**

|  |  |
| --- | --- |
| **Date and Location** | **Meeting/Deadline** |
| **Monday, February 9, 2015****7:00pm, Chapel Hill Town Hall, 405 Martin Luther King Jr. Blvd., Chapel Hill** | Town of Chapel Hill Public Forum on the use of CDBG and HOME Program funds. |
| **Tuesday, February 17, 2015****7:00pm****Southern Human Services Center** | Orange County Consolidated Plan / HOME Program Public Hearing  |
| **Wednesday,** **February 20, 2015 at 5:00pm** | Deadline for submission of applications  |
| **Monday, March 23, 2015, 7:00pm, Chapel Hill Town Hall, 405 Martin Luther King Jr. Blvd., Chapel Hill** | Town of Chapel Hill Public Forum: Preliminary Recommendations for use of 2015-2016 CDBG and HOME Program funds |
| **Monday, April 27, 2015****7:00pm Chapel Hill Town Hall, 405 Martin Luther King Jr. Blvd., Chapel Hill** | Town of Chapel Hill Public Forum Continued Chapel Hill Town Council consideration of Community Development and HOME Program Plans and 2015-2020 Consolidated Plan. |
| **April 27, 2015** | Hillsborough Town Board consideration of HOME Program and Consolidated Plan |
| **April 28, 2015** | Carrboro Board of Aldermen consideration of HOME Program and Consolidated plan |
| **Tuesday, May 5, 2015****7:00pm****Richard Whitted Meeting Facility****300 West Tryon St., Hillsborough, NC** | Orange County Board of Commissioners consideration of a HOME Program and 2015-2020 Consolidated Plan |
| **May 15, 2015** | Deadline for submitting CDBG, HOME and Consolidated Plan to HUD |

 \* This schedule is subject to change. Please visit the Town or County websites for updates.