

APPLICATION FOR FUNDING FOR CONSTRUCTION PROGRAMS
Town of Chapel Hill CDBG Program
Orange County HOME Program
Town of Chapel Hill Affordable Housing Development Reserve

Section 1: APPLICANT AND PROJECT OVERVIEW

A. Applicant Information

Applicant Organization's Legal Name: EmPOWERment, Inc.

Primary Contact Person and Title: Delores Bailey Executive Director

Applicant Organization's Physical Address: 109 N Graham Street, Chapel Hill, NC

Applicant Organization's Mailing Address: 109 N Graham Street, Suite 200, Chapel Hill, NC 27516

Telephone Number: 919 967-8779

Fax Number: 919 967-0710

Email Address: empowermentincnc@gmail.com

DUNS Number: 003442803

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

B. Project Information

Project Name: Acquisition of Affordable Rental Property at 338 McMasters Street

Total Project Cost: \$165,000.00

Total Amount of Funds Requested: \$60,000.00

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

X AHDR: \$60,000.00

Proposed Use of Funds Requested *(provide a concise description of proposed project)*: Leverage \$105,000.00 of HOME dollars to purchase the property at 338 McMasters Street, Chapel Hill. This home is very vulnerable to developers due to its location in the Northside Community, two blocks away from Northside Elementary School and within walking distance of the University. EmPOWERment will purchase and renovate the home to be affordably rented to low to moderate income families (60% and below) and become part of the affordable rental inventory (ARHS).

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: Norm J Esthime
Board Chairperson/Department Head

4-23-15
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. Acquisition of Affordable Rental Property at 338 McMasters Street Chapel Hill

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? This home will become part of the affordable rental inventory that EmPOWERment, Inc. makes available to families whose incomes are at or below 80% of the area median income (AMI) for Orange County. EmPOWERment's typical tenants are single parent households and/or seniors. The EmPOWERment rental program accepts applications daily, those applications remain on file for a period of six months pending unit availability. During any given 6 month period there are 45-50 persons on the list; two and three bedroom units have the most applicants. Movement up on the list is slow because of our limited inventory. Priority is given to those transitioning from homelessness and Section 8 (Housing Choice) voucher holders who have been displaced. Seventy percent of EmPOWERment's rental tenants are Housing Choice voucher holders. Our property manager and HUD certified housing counselors counsel individuals filling out rental applications. Applicants are typically counseled around: present living conditions and managing their budgets based on family size and income. We have created spreadsheets that allow us to capture the demographics of the individuals and families that are seeking housing from EmPOWERment. We work closely with Housing for New Hope, Community EmPOWERment Fund and The Interfaith Council to find housing for their clients to try and provide housing to those with the most urgent needs. We also work with these agencies to connect our applicants and tenants with other supportive services and assistance provided by outside agencies. See Appendix A.

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.

***These are the current EmPOWERment rental households**

Income Group*	Number of Beneficiaries
<30% of the Area Median Income (AMI)	29
31%-50% of AMI	10
51-80% of AMI	5
>80% of AMI	0
TOTAL	44

**Three units are under construction

Special Needs Beneficiaries (if applicable)	
Category	Number of Beneficiaries
Elderly (over 60)	5
Disabled (not elderly)	9
Homeless	7
People with HIV/AIDS	0
TOTAL	21

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): EmPOWERment, Inc. owns 39 affordable rental units and manages 8 privately owned units. These are units we have acquired either through CDBG funds, HOME funds or loans. Because many of our units are older homes, they require a fair amount of renovations and maintenance. Our Staff has managed the renovations for several of these rentals. Renovations have ranged from “cosmetic” to mold remediation. Delores Bailey, the Executive Director, has more than 13 years of experience in the affordable housing arena. She has managed the building of three Community Trust homes located in the Northside, the final renovation of the police substation located on Sykes Street in Northside as well as single family homes located in Carrboro and Briar Chapel, Pittsboro. She oversees all of the building and renovations for EmPOWERment. LaTanya Davis is the Property Manager. Ms. Davis has been with EmPOWERment for seven years and she is ultimately responsible for every management aspect of our 47 rental units. She has in-depth knowledge of property management and maintains constant contact with each of the units, property owners, and the families that live in the units we manage. LaTanya has also managed the construction of a private home located in Durham County. Since the beginning of her time with EmPOWERment, she has managed the renovations of all EmPOWERment’s rental units. LaTanya is responsible for negotiating with contractors and maintenance

crews and has direct oversight of their work. Mark Weller (recently added to the EmPOWERment, Inc. staff) is a retired general contractor. He brings twenty years of experience building private homes as large as 5,000 square feet and renovations including additions of decks and garages. Mark is responsible for conducting the construction administration, to include but not limited to: bidding process, permits, and oversight of all renovations. Bruce Ballentine is owner of Ballentine Associates; PA Ballentine Associates is a civil engineering, land planning and land-surveying firm serving the triangle and the southeast. Mr. Ballentine is acting as a volunteer for EmPOWERment, Inc. and brings his expertise and oversight to each project. An oversight of obtaining a permit in a recent project prompted EmPOWERment to update its construction Standard Operating Procedures. This is the responsibility of the construction manager.

C. “What”

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

X Acquisition (for rental or homeownership)

- Predevelopment costs
- Infrastructure/site improvements
- New construction for homeownership (HOME or AHDR only)
- New construction for rental (HOME or AHDR only)
- Public facility or improvement (CDBG only)
- Commercial property construction/rehabilitation (CDBG or AHDR only)
- Owner-occupied rehabilitation

X Rental rehabilitation

- Emergency shelter
- Transitional housing
- Supportive housing
- Security and utility connection fee assistance (AHDR only)
- Rental subsidy (AHDR only)

X New or redeveloped rental housing (AHDR only)

- Second Mortgage Assistance Program (AHDR only)
- Community engagement programs to support future development planning (AHDR 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 carry out the project. EmPOWERment, Inc.’s mission is “to empower individuals and communities determine their destiny through affordable housing, economic development and community organizing”. We have owned and managed rental properties since 1998, two years after the creation of EmPOWERment. To date, we own 39 units and manage another 8 privately owned units. We have partnered with Orange County and The Town of Chapel Hill to purchase 18 of these units. These partnerships allow EmPOWERment to provide instant subsidy to individuals and families who earn incomes below 80% of the Area Media Income. Seventy percent of EmPOWERment’s tenants fall in the category below 30 % AMI. In this project we will be purchasing this unit to add to the current affordable rental inventory. To date there are 9 families on the waiting list for three bedroom housing. Some families, that have updated their applications, have been on the list since June 2014.

This home is located two blocks from Northside Elementary School, has a front and back yard perfect for children playing or relaxing adults. The purchase of this home is critical to preserving affordable living in the Town of Chapel Hill, a need identified and prioritized by the Community and Council (AHS). This home will go to one of the potential tenants on the Waiting List. Priority will be given to a homeless family (possibly a family that is living in a hotel, one of the shelters, or sleeping on a relative's couch). After the home is purchased renovations will be required. While the renovations are going on, our property manager will be counseling potential tenants to verify financial readiness. Once the family has been confirmed, a move in date will be set. While this home will house only one family immediately, it represents a great stride toward a goal set by the Council (ARHS). Over time, this home will provide safe and functional housing to many families in need and will increase mobility on the waiting list that already exists.

D. "Where"

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

This is a single-family home located at 338 McMasters Street, Chapel Hill, NC. It has 3 beds, 1 bath, and approximately 936 square feet. The property was built in 1960. 338 McMasters St is in the 27516 zip code. The average list price for this zip code (according to Trulia) is \$438,838. The asking price to EmPOWERment is \$125,000. This home is located in the Northside Neighborhood Conservation District. This home is one block from 316 McMasters Street, an affordable rental duplex owned by EmPOWERment that houses families with children. This home is the last home before The Bolin Creek Trail that runs through Northside. It has a wonderful front and back yard for playing and relaxing. This area was formerly a neighborhood of families. Its proximity to the new Northside Elementary makes it attractive to families with growing children. Its proximity to the University makes it attractive to student housing developers. This neighborhood is a delicate balance between families and students. The diversity is good. EmPOWERment is trying to maintain this balance with the purchase and renovation of this home.

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

Lot size for 338 McMasters is 9,148 square feet. Many of the lots in Northside are small but this one runs deep providing a great space for family play. The newly renovated Bolin Creek Trail borders this property. Many of the lots in Northside are small.

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.).

Planning for the acquisition and renovation for this financial commitment: this project will leverage funds from HOME money received in the 2014-15 and 2015-16 cycles. HOME funds exist from the 2014-15 cycle because the anticipated seller decided not to sell. Those funds can be accessed immediately. The 2015-16 funds can be accessed after July 2015. Receiving funding from the Affordable Housing Reserve Fund would allow EmPOWERment, Inc. to contact the owners of the property immediately with a potential time to purchase. Before purchasing, attorneys will conduct title searches and order appraisals. The exterior design of this brick home will not change. The interior will include upgraded grab bars, showerheads and consideration of functionality of shared spaces as recommended by Universal Design guidelines. Energy efficient appliances will be installed. We anticipate the renovation cost to be around \$30,000.00. The construction manager will be responsible for conducting the bidding process. The selection paperwork and project scope will be submitted to the Town of Chapel Hill Planning Department for approval before the project begins. See attached detailed Timeline. EmPOWERment markets rental vacancies to the applicants on the Waiting List. As this home is being renovated, Staff will begin calling potential tenants on the 3 bedroom Waiting List. This will be the procedure for keeping this unit occupied well into the future.

- a. For AHDR 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. PLEASE SEE DETAILED TIMELINE FOR THIS PROJECT
- b. 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.
- c. 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 is not applicable or no information is available, insert N/A.

2. Property Acquisition.

- a. Has your agency acquired real property in order to carry out the project, or is property acquisition planned? Property acquisition is planned.
- b. 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.) EmPOWERment has spoken to the owner; we have sent a letter describing the potential use of funds to purchase this property. (See attached letter.)
- c. 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.) The property is not occupied currently. Former tenants moved out

more than 12 months ago. The property will require upgrades such as interior painting, new light fixtures, bathroom upgrades, and energy efficient appliances. We are requesting and have received HOME funds to cover the cost of renovating this home.

3. Construction Detail.

- a. How many units will be newly constructed? 0
- b. How many units will be rehabilitated? 1
- c. What is the square footage of each unit? 936 sq. ft.

PROJECT DESCRIPTION CONTINUED

F. Project Details (continued)

3. Construction Details (continued)

- d. What is the number of bedrooms in each unit? 3
- e. What is the number of bathrooms in each unit? 1
- f. Will the project participate in an energy efficiency program (e.g. Energy Star)? i. If yes, please provide the details: Yes. EmPOWERment, Inc. owns 39 rental units. Several of those units are older. Each time an existing appliance requires replacing, we replace it with an energy star appliance. The property outlined in this project will be equipped with new energy efficient appliances. Though this is an older home, there is still an opportunity to incorporate principles of universal design throughout the house such as in the bathroom with the addition of grab bars and a hand held showerhead. Gutting the kitchen and bathroom will allow us to consider workable spaces.
- g. How many units will have full ADA accessibility? 0
 - i. Please provide details:
- h. For rehabilitation projects, describe your lead-based paint abatement plan for property built before 1978: In the purchasing process, a test will be carried out by a home inspector, on the home to verify whether lead-based paint was used since the home was built before 1978. This will take place during the time of all other necessary inspections. If found, necessary steps will be taken to remedy the problem and create a safe space for families and children using the renovation budget.
- i. How many households will have direct access to improved infrastructure? Short term access – 1 household earning below 60% AMI; long term reach – see below

Please describe: Initially, one household will have direct access because it is a single family home that will be rented to a family fitting the income requirements. However, over time, the unit will not only house an unmeasurable amount of families, but also increase waiting list mobility to help house families in other EmPOWERment units as well.

- j. Is the proposed project located in a Neighborhood Conservation District? (Neighborhood Conservation Districts apply only to projects located in Chapel Hill.) Yes

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.) Yes. EmPOWERment, Inc., responding to pressure from out-of-character building in Northside, partnered with other Community leaders, business owners and Town staff, was one of the non-profits that helped create the first neighborhood conservation district in Chapel Hill, which was instituted in the Northside Community. In 2003, EmPOWERment was a part of the group that requested a building moratorium in Northside in order to have time to create the Neighborhood Conservation District. We have been a part of the amendments to the NNCD and the ongoing discussion of the future of the NNCD.

- k. Please attach the following:

- Floor plan(s)
 Elevation(s) It is an existing home

4. Affordability, Marketing, and Supportive Services.

- a. Describe any methods to ensure long-term affordability of housing units, including subsidy recapture, equity sharing, deed restrictions, etc.: When EmPOWERment uses HOME and CDBG funds to purchase a property we become partners with The Town of Chapel Hill and Orange County in affordable rental ownership. Performance Agreements and deed restrictions are required to ensure long-term affordability. The legally created deed restrictions require the property stay affordable for some specified time, usually 99 years and as long as EmPOWERment, Inc. exist. The agreement also states if EmPOWERment, Inc. ceases to exist the Town and The County shall have first right of refusal on the properties. The agreement further states these properties can only be used (transferred or sold) for affordable rental purposes and if that happens, the contributing financial partners must give permission. These units may not be used for any other purpose other than affordable rental. When using money from the AHTF, the same legal documents and expectations will apply.
- b. What are the proposed rents (including utility costs) or sales prices for completed units? EmPOWERment, Inc. rental units are normally a little below affordable market rate this allows us to reach those families at or below 60% AMI. The 2015 Orange County Fair Market Rents (FMR) established by HUD, used by the Orange County Housing Authority for Section 8 voucher holders allows a \$1,127 per month charge for a three bedroom. This includes utilities. This three bedroom, one bath has been set at \$ 875. This allows up to \$275 for utilities or additional subsidy to the family. This is how EmPOWERment is able to reach the low, low income. Funding from the AHTF for this project will allow EmPOWERment, Inc. to pass this subsidy on to all the families that rent this home for 99 years. (Utility costs are calculated when a family is being counseled).

- c. Explain your agency's process for marketing to ensure an adequate pool of income-eligible renters to buyers: Affordable rental units in Chapel Hill are in such demand marketing drives itself however we advertise on our website and notify our community partners when a vacancy becomes available. We receive calls constantly from families looking for an affordable place to live. Priority is given to the families on the Wait List unless a recommendation comes from one of our partners, Housing for New Hope (homeless) or Community Empowerment Fund (homeless or transitioning) that a situation is desperate. Our Waiting List is renewed every six months. As units become available, calls are placed to the applicants that have been on the list the longest. Our rental units are advertised by former tenants, the Department of Social Services Offices, Jackson Center, Housing For New Hope, Community Empowerment Fund, Justice United, Ten Year Committee to End Homelessness, community members, local churches and businesses. Currently there are no vacancies.
- d. If supportive services will be coordinated with the project, please describe these: EmPOWERment does not provide direct supportive services but many of the tenants from Housing For New Hope come with supportive services.

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
<i>Ex: Provide housing for low- to moderate-income households.</i>	<i>Ex: By 2016, build ten units that are affordable to low- to moderate-income households.</i>
<u>Support the development of affordable rental inventory for households earning less than 80% of the AMI (Town of Chapel Hill Affordable Rental Strategy).</u>	<u>By 2016, purchase 338 McMaster Street which will be rented to low income households</u>
<u>Provide counseling for current and potential rental clients.</u>	<u>By 2016, counsel 25 tenants towards rental readiness (explaining only 30 % of income should be used for housing, recommending food resources -area churches, Table and Porch).</u>
<u>Provide emergency subsidy to low-income families (AHTF Allocation Strategy).</u>	<u>By 2016, assist 5 low-income households in preventing disconnections through EmPOWERment, Inc. Utility Emergency Fund created by partnering with St. Paul AME and Church of The Advocate, local</u>

	<u>churches.</u>
<u>Provide community advocacy/education programs to support housing and cultural preservation of the Northside and Pine Knoll neighborhoods (AHTF Allocation Strategy).</u>	<u>In 2016, partner with Chapel Hill Police Department, local business owners, churches, and non-profits to conduct 8 monthly community outreach meetings that will result in information sharing.</u>

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 AHDR funds, explain how the proposed project aligns with the Town Council Goals and adopted affordable housing strategies.

Town Council Goals EmPOWERment, Inc. aligns with:

“To reduce barriers to market entry for all levels of affordable rental housing, ...To facilitate affordable rental development in the subsidized ranges.”

In order to reduce the burden of high rentals, EmPOWERment provides subsidized rental rates to many of our tenants. When grant funding is not available EmPOWERment has secured loans in order to increase the Town’s affordable rental stock.

“A cohesive communications strategy is essential to maintain community support for these efforts. Keeping the need for affordable rental housing in front of the community needs to be part of a larger message about housing affordability. The communications strategy should involve the Town Council, Town committees and staff, and citizen advocates.”

As a member of The Affordable Housing Coalition, Justice United and The Northside Outreach Committee EmPOWERment is constantly promoting affordable rental to neighbors, developers, bankers etc. We are all constantly thinking of ways to increase rental inventory. EmPOWERment’s concentration of units is in the Northside and Pine Knoll community.

The Good Neighbor Initiative welcomes students to the neighborhood and invites them to participate in monthly outreach meetings facilitated by EmPOWERment.

“Partner to purchase, rehabilitate, and hold older inexpensive apartment complexes.”

When EmPOWERment initially begin acquiring rental units, older homes were all that were available. Today we must have subsidy to purchase and compete.

The EmPOWERment affordable housing mission, supports one of the major strategy statements of the Town's Affordable Rental Housing Strategy and the Chapel Hill 2020 Comprehensive Plan- increasing the stock of affordable rentals though Orange County. As one of only a few landlords that accept Section 8 vouchers, 70% of EmPOWERment, Inc.'s tenants are voucher holders.

The acquisition of 338 McMasters Street property with Affordable Housing Trust Fund will add to the EmPOWERment, Inc. housing inventory, which has served over 2000 individuals and families in Chapel Hill and Orange County since 1996. EmPOWERment, Inc. continues to provide safe and affordable homes for teachers' aides, grocery store workers, waitresses and Town and UNC employees the remaining Middle Class (AHS).

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:

AHDR: X Grant

If applicable, please provide details about the nature of your funding request: EmPOWERment Inc. is requesting \$60,000 to leverage HOME funds we have received and EmPOWERment dollars we will be included in the project. Staff has met with Sarah Vinas, Donna Bell, and spoken with Holly Fraccaro for assistance in completing this application. EmPOWERment, Inc.'s rental inventory (39 units we own and 8 privately owned units we manage) is full. There are no vacancies. Three units are being renovated. This house is desperately needed to address the demand for affordable rental in this community. Because of the demand and The Council's commitment to address that demand, we are asking for funding for this acquisition. This funding allows EmPOWERment, Inc. to pass this subsidy down to future families. As one of the few landlords still accepting Section 8 vouchers, we will continue to be the exception. EmPOWERment will continue to provide affordable rental housing to a diverse population of renters. See the attached 20-year proforma that includes a reserve amount for repairs and unforeseen events. EmPOWERment, Inc.'s affordable rental program is sustained by the income produced from projects supported by grant funds like The Affordable Housing Trust Fund. We look forward to working with Self Help to acquire more properties. EmPOWERment's affordable rental goal is to reduce barriers to low income families (AHS) by adding 2 units per year to our affordable rental inventory. The affordable rental program is strong. As inventory increases, the health of the program becomes stronger.

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.
SEE ATTACHED

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 organizations . . .

1. Mission statement? To empower people and communities to determine their own destinies through affordable housing, community organizing and grassroots economic development.
2. Incorporation date (Month and Year)? 1996
3. Estimated Total Agency Budget for FY 2014-2015? \$ 597,000.00
4. Total number of agency staff (full time equivalents): 4

B. Agency Track Record

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

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- 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. _____

The EmPOWERment, Inc. 2015-2016 Common Funding Application is being submitted to request financial support for a new affordable rental housing project, **The Acquisition of Affordable Rental Property: 338 McMasters Street**, in Chapel Hill, North Carolina. The Project funding request is being submitted for a \$60,000 the Town of Chapel Hill Affordable Housing Trust Fund.

EmPOWERment has a firm property purchase and renovation project price of \$165,000.00. The funds requested from the 2015-16 Grant Program will provide **the Acquisition of Affordable Rental Property Project** with 27.5 percent (\$60,000.00) of the total purchase price needed to acquire the new affordable rental property. The property at 338 McMasters Street, is located within the city limits of the Town of Chapel Hill. The balance of the purchase price, \$105,000.00, or (72.5 percent) has been escrowed by EmPOWERment, Inc. The addition of the 338 McMasters Street property will bring the EmPOWERment,

Inc. housing portfolio to a total of forty affordable rental units. The acquisition of this property will help EmPOWERment continue to be the primary agent for affordable rentals in the Town of Chapel Hill, expand its capacity to serve citizens who are in dire need of safe affordable housing (AHS).

The EmPOWERment affordable housing mission supports many of the major objectives of the Housing and Community Development Consolidated Plan 2010-2015 for Orange, Carrboro, Chapel Hill and Hillsborough:

- 1) Decent and affordable housing for lower-income households
- 2) Eliminate housing barriers to affordable housing
- 3) Reduce chronic homelessness
- 4) Continuum of services for special needs populations including older adults, disabled, mentally ill and at-risk youth

The EmPOWERment Mission has been, and will continue to be, “Empowering Low and Middle Income Individuals and Families living the Town of Chapel Hill”. The EmPOWERment, Inc. staff has over 20 years of experience working in Affordable Housing. Our areas of expertise include but are not limited to: property acquisition for resale; acquisition for rental; property acquisition for new construction; and property renovation and rehabilitation. This experience base has positioned EmPOWERment, Inc. as the organization of choice for securing affordable housing in Chapel Hill (AHS). Five years of excellent record keeping and reporting to the Town and County on the affordable rental program by the property manager, LaTanya Davis, continues to be accurate and timely. Ms. Davis knows her tenants and they know and respect her style of management.

The Community Outreach Manager, Sarita Nwachukwu, assists with the coordination of the rental program. Quarterly tenant lead meetings have been established and supported by Larry Short of Shortbread Properties. These meetings allow for rental updates and tenant sharing. EmPOWERment, Inc. is a HUD approved housing counseling agency with two HUD certified counselors: Amanda Stancil and Delores Bailey. Rental tenants are encouraged to participate in Pre-Purchase Home Owners classes if home ownership is desired. We partner with Community Home Trust, Habitat for Humanity and The Center for Home Ownership, to provide this class monthly to anyone interested in owning a home.

Two years ago EmPOWERment, Inc. partnered with Justice United and UNC Law department to create a “Tenants Bill of Rights” document that was eventually approved by the Town of Chapel Hill, Carrboro and Orange County. This document was shared throughout Orange County with tenants as well as landlords.

This past summer EmPOWERment, Inc. was a member of the coalition that brought attention to the Section 8 crisis. Other members of this coalition were Community Empowerment Fund, The Jackson Center, and Center for Home Ownership, Ellie Kinnaird. Human Rights, and the Carrboro Co-op. EmPOWERment was able to house three of those families displaced by the changing commercial landlord policy about accepting vouchers. We made those families priorities. That same coalition convinced the Town of Chapel Hill and Carrboro to create a funding source that would assist Section 8 families with deposits for security deposits on rent and utilities. 70% of EmPOWERment’s tenants are Section 8 voucher holders.

EmPOWERment, Inc.’s concern is not only for housing but the whole family and community. Our “Family Emergency Fund” was created for our tenants and neighborhood families who fall on hard times and require financial assistance with their month rent or utilities. EmPOWERment will pay up to \$100 towards a delinquent utility or \$200 towards a delinquent rent notice when hardship can be verified. This fund was seeded by donations from Defense contractor based in Huntsville Alabama with a satellite office in Fayetteville, NC and two local churches; St. Paul AME and Church of the Advocate. To date the fund has assisted eleven EmPOWERment tenants and ten non- EmPOWERment families in need.

EmPOWERment is the weekly liaison between our tenants who have elementary and middle school age students and TABLE Ministries. TABLE prepares weekend bags for families in need of food.

Ours is the mission to support the traditionally forgotten population of Orange County. The 338 McMasters Street property will add to the EmPOWERment, Inc. housing inventory which has served over 2000 individuals and families in Chapel Hill and Orange County since 1996; and continues to provide safe and living spaces for many. Twenty years of affordable housing has taught EmPOWERment, Inc. a lot about the community in which we live work and play. We will continue to go stronger as we empower neighborhoods and individuals to grow and appreciate themselves and the communities around them. (TOCH 2020 Plan)

C. Board of Directors

1. How many Board Members should your organization have according to your by-laws? The EmPOWERment, Inc. board can have up to 21 members
2. How many Board Members does your organization actually have at this date? 11
3. How often does the Board meet? Monthly except July and December when they take a break for vacation season.
4. What was the actual attendance at each of the last three regular Board meetings? February- 7, March- 7, April- 8
5. Have you failed to reach a quorum at any Board meetings in the last 12 months? Yes of the ten remaining months, 8 months had quorum.
6. What efforts do you make to ensure that your Board represents the community it serves? Per the EmPOWERment, Inc. bylaws: "The policy of the Corporation is to maintain a diverse mix of Directors, with the objective that one half of the Directors shall be women or persons of color and that one third of the Directors represent low-wealth communities. In choosing Directors from low-wealth communities, the Board shall give consideration to persons representing communities with active neighborhood associations that work in cooperation with the Corporation." We actively seek board members from the communities we serve.

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 X

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

c) Current beneficiaries of the project/program for which funds are requested? YES NO X

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. _____