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**Affordable Housing Development Reserve**

**&**

**Affordable Housing Fund**

**Funding Application**

Revised 12/2015

# GENERAL INFORMATION & APPLICATION INSTRUCTIONS

**OVERVIEW**

**Affordable Housing Fund (AHF):**

In 2002, the Town Council established an Affordable Housing Fund (AHF) to preserve owner-occupied housing in Chapel Hill for affordable housing purposes. Since then, the eligible uses of the Affordable Housing Fund have expanded and include a variety of uses, such as land acquisition, renovation, homeownership assistance, new construction of affordable housing, and rental and utility assistance.

Funds are available through the AHF on a rolling basis, with applications being accepted at any time. Applicants are evaluated by the Town Manager, with Council approval required for requests for housing renovation or homeownership assistance in excess of $40,000.

**Affordable Housing Development Reserve (AHDR):**

In fiscal year 14-15, the Town Council allocated over $688,000 for affordable housing and approved an allocation strategy for this funding, establishing an Affordable Housing Development Reserve (AHDR).

The AHDR is dedicated exclusively to the development and preservation of affordable housing. Priority project areas are: 1) land bank and land acquisition, 2) rental subsidy and development, 3) homeownership development and assistance, and 4) future development planning. Priority is 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.

AHDR applications are accepted three times per year (~ every 4 months). Applications are reviewed by the Housing Advisory Board and evaluated using a scoring rubric, which is available on the Town website. The Housing Advisory Board’s recommendations for funding are then forwarded to the Town Council for final approval.

Please see **Attachment 1** for additional details about the AHF and AHDR.

**INCOME ELIGIBILITY**

In general, all projects for both the AHF and AHDR must benefit persons with a household income below 80% of the area median income adjusted for family size, though projects may be approved that serve households of higher incomes. Please see **Attachment 2** for current income limits.

**PROJECT REPORTING AND MONITORING**

Recipients of AHF and AHDR funds are required to submit written progress reports to the Town twice a year to monitor progress and performance, financial and administrative management, and compliance with the terms of the performance agreements. Reporting information may include: progress toward achieving performance goals, description of activities/challenges, and revisions of proposed project timelines/budgets. Please submit bi-annual reports electronically to: housingandcommunity@townofchapelhill.org.

**ORIENTATION MEETING**

Applicants are invited to attend an optional orientation session prior to applying for funding, which will be held periodically throughout the year in coordination with the application deadlines.

Applicants are also invited to participate in a pre-application meeting, which is a one-hour one-on-one session during which applicants can discuss their funding proposal with Town staff. To schedule a pre-application meeting, applicants should contact Sarah Vinas at 919-969-5079 or svinas@townofchapelhill.org.

**SUBMISSION INSTRUCTIONS**

Submit applications electronically in PDF form to: housingandcommunity@townofchapelhill.org.

If you have questions, please contact: Sarah Vinas at 919-969-5079 or svinas@townofchapelhill.org

Applications may not be considered for the following reasons:

1. Project that do not align with the eligibility criteria for these funding sources
2. Applicant has demonstrated poor past performance in carrying out projects or complying with funding guidelines
3. Applicant fails to provide required information
4. Incomplete or late applications

**CHECKLIST OF REQUIRED DOCUMENTATION**

**Application:**

[x]  Section 1: Applicant and Project Overview

[x]  Section 2: Project Description

[x]  Section 3: Performance Measurements

[x]  Section 4: Project Budget and Pro-forma

[x]  Section 5: Agency Description

[x]  Section 6: Disclosure of Potential Conflicts of Interest

**Other Required Attachments:**

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

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

relevant affiliations

 [x]  Current Bylaws and Articles of Incorporation

[x]  IRS tax determination letter [501(c)(3)] (if applicable)

[x]  Most recent independent audit (if applicable)

# FUNDING APPLICATION

Section 1: APPLICANT AND PROJECT OVERVIEW

**A. Applicant Information**

Applicant Organization’s Legal Name: Rebuilding Together of the Triangle

Primary Contact Person and Title: Daniel Sargent

Applicant Organization’s Physical Address: 150 Donmoor Ct. Garner, NC 27529

Applicant Organization’s Mailing Address: 324 S. Wilmington St. #118 Raleigh, NC 27601

Telephone Number: 919.996.0999 Fax Number: 919.833.2448

Email Address: Daniel.Sargent@rebuildingtogethertriangle.org

**B. Project Information**

Project Name: Safe and Healthy Homes for Low-Income Chapel Hill Homeowners

Total Project Cost: $150,000

Total Amount of Funds Requested: $40,000

Please specify the ***type*** and ***amount*** of funding requested:

[ ]  Affordable Housing Fund: $

[x]  Affordable Housing Development Reserve: $40,000

Proposed Use of Funds Requested *(provide a concise description of proposed project)*: Rebuilding Together of the Triangle, Inc. (RTT) plans to provide critical home repairs and modifications to keep 10 low-income Chapel Hill homeowners and their families in safe, healthy homes.

**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. Project Name.

 Safe, healthy home repairs for low-income Chapel Hill homeowners.

**B. “Who”**

1. Who is the target population to be served and how will their needs be addressed through this project?

Our program serves low-income homeowners in the Town of Chapel Hill in need of critical home repairs to remain in safe, healthy homes. We do this by making customized repairs, modifications and improvements to ensure that the home meets the needs of the occupants, and that the environment is as supportive of their health and safety as possible. The only requirements are that homeowners own and live in their home, and be low-income. However, we have seen that the majority of those who need our assistance tend to be older, are often disabled, and frequently have multiple generations sharing the home.

Through making the home a safer, healthier place, it is also our hope that these properties will remain occupied by the homeowners as they age. Additionally, we hope they will be passed on through family instead of going to market when the homeowner is no longer able to live there. By keeping the home maintained and functioning effectively, we can increase the chance that the home remains owner-occupied into the next generation.

**2.** Please indicate the income of the beneficiaries (households) to be served through the proposed project. Please see **Attachment 2** for the current income limits for the Durham-Chapel Hill MSA.

|  |  |  |
| --- | --- | --- |
| **Income Group****(Area Median Income)** | **Number of Beneficiaries** | **% of Total Beneficiaries** |
| *<30% of the AMI* | 2 (estimated)\* | 20% |
| *31%-50% of AMI* | 3 (estimated)\* | 30% |
| *51-80% of AMI* | 5 (estimated)\* | 50% |
| *>80% of AMI* | 0 |  |
| *TOTAL* | 10 |  |

**\*Not all of the homeowners to be served have been identified at this time, and so these estimates are based on our historical information from our service in the Town of Chapel Hill and around the Triangle.**

**3. Project Staff.** Please provide names of staff, contractors, and/or volunteers that will be involved with the project. Describe their responsibilities with the project and track record in successful completion of similar projects in the past.

Our program staff is based out of our Garner office from where we serve Wake, Durham, Chatham and Orange counties. We are well-equipped with trucks, trailers and equipment to cover the area, even without a location inside Orange County. Lauren Kozlowski is our Program Manager; she coordinates homeowner selection, performance measurement and volunteer engagement, with support from our Program Coordinator Lianna Harbeson. Dan Thennes serves as Construction Director; Dan has over 25 years of experience in residential repair, rehabilitation and remodeling, and he leads construction operations. He is supported by Joe Burgess and Nicole Money, who help to coordinate the materials, subcontractors and volunteers to complete the work. We also have two positions that we are currently working to fill on the construction team, which we expect will expand our capacity further. Dan Sargent, RTT’s Executive Director, provides day-to-day leadership of the organization as well as serving as the primary fundraiser for RTT. Though he is not as operationally involved as he once was, he remains engaged in supporting the program team to ensure they have the resources they need to successfully complete their work. Together, since Dan Sargent became the first permanent employee of RTT in 2008, the team has completed repairs on over 300 homes across the Triangle, engaging thousands of volunteers, and investing almost $3 million into repairs of owner-occupied, low-income housing during that time.

**C. “What”**

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

[ ]  Acquisition

[ ]  Predevelopment costs

[ ]  Infrastructure/site improvements

[ ]  Rental subsidy

[ ]  New construction for homeownership

[ ]  New construction for rental

[ ]  Commercial property construction/rehabilitation

[x]  Owner-occupied rehabilitation

[ ]  Rental rehabilitation

[ ]  Emergency shelter

[ ] Transitional housing

[ ]  Supportive housing

[ ]  Rental/utility connection assistance

[ ]  New or redeveloped rental housing

[ ]  Second Mortgage Assistance

[ ]  Community engagement to support future development planning

[ ]  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.

Rebuilding Together of the Triangle seeks to provide critical repairs and modifications to at least 10 low-income homeowners in the Town of Chapel Hill. Many of these recipients are elderly, disabled, or families with children. We mobilize a unique composition of volunteer and contract labor, discounted supplies, and financial support from local businesses, governments, civic organizations, foundations and individuals to accomplish this for homeowners across the region. This assistance can help keep these vulnerable families in the home they already own, ensure their homes support their unique health needs, and keep operating costs as low as possible to allow them to use their limited financial resources to address other financial priorities (e.g. transportation, healthcare, nutrition, etc.).

At least six of these homes will be completed in the Northside and Pine Knolls areas, as part of our continued partnership with the Jackson Center, Self-Help, Habitat for Humanity and other agencies through the “Promise of Home” program. These areas are of particular interest, and remain a priority for RTT. However, we have also received applicants from various other portions of the Town, and we would also like to ensure that these homeowners have the same opportunity for assistance thorough this program.

**D. “Where”**

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

These will be scattered site, single-family homes throughout the Town of Chapel Hill. We plan to do at least 6 homes in the Pine Knolls / Northside areas. Additionally, we plan to use this project to assist several homeowners in various neighborhoods around the Town, but outside of the Promise of Home target area. We have several homeowners in the process of qualifying at the moment, and will work with the Jackson Center, the Town of Chapel Hill, and Orange County to ensure we identify eligible homeowners with serious needs to be served by this program.

**2. Project Size (if applicable).** Please provide the size of development site: N/A

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)

**E. “When”**

[x]  Attach a **detailed** 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.)

**F. Project Details**

If the questions below are not applicable or the requested information is not currently available, please insert N/A.

**1. Property Acquisition.**

1. Has your agency acquired real property in order to carry out the project, or is property acquisition planned? N/A
2. Is the property currently occupied? If so, attach a description of your plan to relocate. Yes, homeowners will remain in home through repair process.

**2. Construction Detail.**

1. How many units will be newly constructed?    0
2. How many units will be rehabilitated? 10
3. What is the square footage of each unit? Approximately 900-1200 square feet, depending on home.
4. What is the number of bedrooms in each unit? N/A
5. What is the number of bathrooms in each unit? N/A
6. How many units will have full ADA accessibility? N/A
7. Is the proposed project located in a Neighborhood Conservation District? (Neighborhood Conservation Districts apply only to projects located in Chapel Hill.) N/A
8. Please attach the following:

[ ]  Floor plan(s)

[ ]  Elevation(s)

[ ]  List of Energy Efficiency measures included in the project (if applicable)

[ ]  List of Universal Design principles included in the project (if applicable)

**3. 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.:

All homeowners agree to remain in the home for at least 3 years following completion of the work. Because most of the projects are of relatively modest size, we do not take a lien out on the property at this time. The goal of our program is to keep low-income families in their houses, and to make those homes safe and healthy for the homeowner to enjoy, with the goal of keeping the home occupied by an owner into the next generation.

1. What are the proposed rents (including utility costs) or sales prices for completed units? N/A
2. Explain your agency’s process for marketing to ensure an adequate pool of income-eligible renters to buyers:

RTT accepts applications on a continuing basis from homeowners in the community that are in need of help. Many of these homeowners come through referral from other housing and human service agencies, though an increasing number across the area come from word-of-mouth and exposure RTT has gotten on the news and in the community. In addition to these passive sources, we have partnered closely with the Jackson Center to utilize the outreach they are doing in the community, in Northside, Pine Knolls and beyond, to help connect us to the need as they encounter it. The Jackson Center and Self-Help have been tremendous partners in identifying needs in the community, then mobilizing the community to meet those needs with funding, volunteer support, local contracting partners and others. RTT is so privileged to be a part of this effort.

1. What supportive services, if any, will be provided through this project? No supportive services are provided through this project.

Section 3: PERFORMANCE MEASUREMENTS

**A. Goals and Objectives**

*Please complete the following chart with information about the project’s goals and objectives.*

|  |  |
| --- | --- |
| **Goal/Objective** | **Measurement**  |
| *Ex: Provide housing for low- to moderate-income households.* | *Ex: By 2016, build ten units that are affordable to low- to moderate-income households.* |
| Provide critical repairs for low-income homeowners residing in the Town of Chapel Hill.  | By December 31, 2017, RTT will repair 10 homes in Chapel Hill |
| Provide repairs that preserve or improve ability of homeowners to live independently in their home.  | By March 31, 2017, at least 8 homeowners will report an improved ability to live independently in their home.  |
| Provide repairs that increase homeowner’s sense of well-being.  | By March 31, 2017, at least 9 homeowners surveyed will report an increased sense of well-being in their home.  |
|       |       |
|       |       |

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

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

Affordable housing may be one of the primary challenges facing the Town of Chapel Hill. Orange County, Chapel Hill and Carrboro have led the way in seeking to address these issues comprehensively and equitably. While these problems are experienced by many in our communities, they tend to be concentrated among those who are most vulnerable and least prepared financially and physically to address them. Their homes tend to be older, and are often under maintained; deferred maintenance issues can result in serious health and safety hazards, many of which are particularly threatening for the elderly, disabled, and families with young children.

This program is designed to assist with the goal of Homeownership Development and Assistance, by complete rehabilitation and repair focused on making homes safe, healthy and efficient for low-income families to enjoy. All of our clients fall below 80% of AMI and commit to remaining in the home for at least 3 years following the work. Our experience has been if we can make a home safe, healthy and efficient for the people living in the dwelling, they will remain in the home and in the community for as long as physically possible. In addition, if the home is well-maintained, it can also be passed along to relatives so that these homes stay in the family and remain owner-occupied into the future.

Section 4: PROJECT BUDGET AND PRO-FORMA

**A. Project Budget**

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

**B. Terms of Project Funding**

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

AHF: [x]  Grant [ ]  Loan

AHDR: [ ]  Grant [ ]  Loan

**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

**A. Organization**

What is your organization’s . . .

1. Mission

Rebuilding Together of the Triangle, Inc. (RTT) preserves safe, healthy homes for low-income homeowners in Wake, Durham, Orange and Chatham counties. We achieve this by providing home repairs, accessibility modifications and health and safety upgrades to these homeowners, most of whom are elderly, disabled, or both. We mobilize a unique composition of volunteer and contract labor, discounted and donated supplies, and financial support from local businesses, governments, civic organizations, foundations and individuals to ensure that some of our most vulnerable neighbors can live in a safe, healthy homes.

1. Incorporation date (Month and Year)? January, 1996
2. Estimated Total Agency Budget for this fiscal year? $ 1,600,000
3. Total number of agency staff (full time equivalents): 9.25

**B. Agency Track Record and Community Support**

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

1. Evidence of coordination of this application with other organizations to complement and/or support the proposed project

We have attached a letter of support from Self-Help. Self-Help also serves as convener of the Northside Development Group, of which we have been a part of this group with Habitat for Humanity, Community Home Trust, Empowerment, CASA, and the Jackson Center for the last year, and they are aware and supportive of this project.

1. Involvement of intended beneficiaries of the project in the planning process

Once a homeowner completes an application, there is ample opportunity for the homeowner to provide input on the nature of their need. In addition, when possible, homeowners are given the opportunity to participate in the work to maintain the home quality. However, many of those we serve are elderly or disabled. Since we respond to requests for need from the community, we do not specifically take steps to do true need assessment in most cases.

1. Past achievements in carrying out similar projects and evidence of successful record of meeting proposed budgets and timetables

RTT has served over 300 clients since 2009, including a projected 90 in 2016. We have achieved at least one of the three key outcomes listed above at each home we have served in the past four years, and are committed to continuing to select homeowners where these outcomes can be achieved.

1. Collaborative relationships with other agencies

We work diligently to weave our services into a network with an emphasis on filling the gaps that exist between these services and addressing the large demand for critical repair and modification services. As mentioned above, we are working closely with the Northside Development group to coordinate our activities, not just in Northside, but throughout Orange County. In addition to these relationships, we also work closely with other agencies:

* + Orange County Urgent Repair Program: We coordinate our Orange County activities with this program to ensure as many homeowners receive assistance with minimal overlap.
	+ Piedmont Community Action Agency (PCAA): PCAA often refers clients to us whose homes are in need of repair and are eligible for weatherization. We complete the repairs and then refer the client back to PCAA to get the home weatherized. Both agencies utilize their strengths and expand the services for low-income homeowners.

Our work is built around partnerships with the community to mobilize funding, volunteers and other resources. We work collaboratively with other agencies to ensure the maximum number of people get the help they need, which makes partnering with other service providers very natural for RTT. We take pride in being a good partner, and in working effectively with communities, companies, groups of faith, and individuals to accomplish this work.

1. Plans to develop linkages with other programs and projects to coordinate activities so solutions are holistic and comprehensive

As mentioned above, we work closely with other housing agencies working to improve affordable housing availability and quality throughout Chapel Hill. Historically, we have found that we are not the first contact with the human service sector for our clients. Many of them already have case management, and are receiving a variety of other services to assist with healthcare, food security, transportation, and personal care before they turn their attention to their home. However, if we encounter a situation where a client has additional needs, our Program Coordinator and Program Manager actively look to make referrals and facilitate our clients getting to the additional services they need.

1. Any other features relating to organization capacity that you consider relevant, (i.e. property management experience, including accepting Section 8 Vouchers, etc.).    N/A

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:

1. Employees of or closely related to employees of the Town of Chapel Hill?

 YES [ ]  NO [x]

1. Members of or closely related to members of the governing bodies of Chapel Hill?

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 [x]

If you have answered YES to any question, **please explain 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.