

**Summary of the 2006-2007
Orange County HOME Consortium HOME Program**

The U.S. Department of Housing and Urban Development has awarded the Orange County HOME Consortium \$665,560 for fiscal year 2006-2007. In addition, the participating municipalities are required to contribute a 25 percent match of the grant funds after subtracting administration costs of \$66,550. The total match requirement is \$149,750. The Town's contribution to the matching funds is 41 percent or \$61,400. Orange County, Carrboro and Hillsborough will contribute \$59,900, \$20,960 and \$7,490 respectively. The Consortium also proposes to allocate \$135,270 of program income for eligible activities. Grant funds including program administration allocated to the Orange County Department of Housing and Community Development (\$66,560), the required local match (\$149,750), and program income (\$135,270), funds available to the Consortium would total \$950,580.

The following activities were approved for 206-2007 HOME Program funding by the Orange County HOME Consortium:

1. Homeownership Assistance	Orange Community Housing and Land Trust (Waterstone)	\$120,000
	EmPOWERment, Inc. (Northside and Pine Knolls)	\$159,000
2. New Construction	Habitat for Humanity (Fairview)	\$240,000
	Habitat for Humanity (Purefoy Drive)	\$250,000
3. Acquisition	Chrysalis Foundation	\$100,020
4. Operational Support	Orange Community Housing and Land Trust	\$ 15,000
5. Administration	Orange County Housing	<u>\$ 66,560</u>
TOTAL		<u>\$950,580</u>

HOME Program Review Committee Report

**Summary of Applications for
2007-2008 HOME Program Funding**

1. Chrysalis Foundation

The Chrysalis Foundation for Mental Health, Inc. requests \$250,000 of HOME funds for the Orange County Homeless Relief Project to jumpstart the housing development called for in the Orange County Ten Year Plan to End Homelessness, and develop an anticipated six units for chronically homeless individuals.

Comment: The preliminary plan for HOME Program funds does not include funds for this project. The application was submitted before the Orange County Ten Year Plan to End Homelessness plan was adopted by the participating jurisdictions in Orange County. In addition, the application did not include construction plans for the project or identify a specific property for acquisition.

2. EmPOWERment, Inc.

EmPOWERment Inc. requests \$250,000 of HOME Program funds for various projects throughout Orange County including the renovation and rehabilitation of single family homes, second mortgage assistance and property acquisition. EmPOWERment, Inc. also made a general request for HOME funds at the January 21, 2007, Public Forum

Comment: The preliminary plan for HOME program funds provides \$250,000 to EmPOWERment Inc. for the purpose of rehabilitation, acquisition or second mortgage assistance.

3. Habitat for Humanity

Habitat for Humanity requests \$250,000 to provide deferred payment zero-interest second mortgages on twelve homes throughout Orange County. Homes would be sold to households earning between 30 percent and 80 percent of the area median income.

Comment: The preliminary plan for HOME program funds matches the request for \$250,000.

4. Orange Community Housing and Land Trust

Orange Community Housing and Land Trust requests \$140,000 to subsidize the cost of two new single-family homes in Carrboro. At the January 31, 2007, Public Forum, the Land Trust made a general request for HOME funds.

Comment: The preliminary plan for HOME program funds matches the request for \$140,000

The Land Trust also requests \$300,000 to support a low-income housing tax credit application in the Winmore development in Carrboro. Funds would be used to acquire land for this project.

Comment: The preliminary plan for HOME program funds matches the request for \$300,000.

The Land Trust also requests \$30,000 to assist with operating costs associated with HOME-funded developments such as Rosemary Place, Legion Road Townhomes, Vineyard Square and the Greenway Condominiums.

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

A RESOLUTION APPROVING THE ORANGE COUNTY
 FY 2007-2008 HOME PROGRAM DESIGN
 AND FY 2004-2005; 2005-2006; AND 2006-2007 HOME PROGRAM AMENDMENTS
 Resolution No. 173/2006-07

BE IT RESOLVED, by the Carrboro Board of Aldermen as a member of the Orange County HOME Consortium approve the following activities for the 2007-2008 HOME Program.

Homebuyer Assistance

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

(Requested amount: \$140,000) \$140,000

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

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

Rental Assistance

Funds would be allocated for tenant based rental subsidies in support of the Orange-Person-Chatham Mental Health Agency Homelessness Initiative to provide housing and support services to persons with disabilities who are homeless. The rental subsidy program will be operated like the Section 8 Housing Assistance Program and will be administered by the Orange County Housing and Community Development Department.

(Requested amount: \$354,240) \$ 23,883*

**Total amount available with this allocation and prior year re-allocations is \$207,910)*

Operational Support

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

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

New Construction

Funds would be allocated to Orange Community Housing and Land Trust to support a low-income housing tax credit application in the Winmore development in Carrboro. Funds would be used to acquire land for this project. The Orange Community Housing and Land Trust would have the option to purchase the units at the end of the tax-credit qualifying period of sixteen years.

(Requested amount: \$300,000) \$300,000

Program Administration \$ 66,122

TOTAL FY 2007-2008 HOME PROGRAM FUNDS **\$810,005**

BE IT FURTHER RESOLVED, that the Carrboro Board of Aldermen as a member of the Orange County HOME Consortium approves the following amendment for Fiscal Years 2004, 2005, and 2006 due to changes in project plans.

1. The reallocation of \$70,000 in FY 2004 funds to Orange Community Housing and Land Trust for Second Mortgage Assistance in the Winmore subdivision to Homebuyer Assistance in the Culbreth Park and Tandler subdivisions in Chapel Hill.
2. The reallocation of \$70,000 in FY 2005 funds to Habitat for Humanity for New Construction for Sunrise Ridge to New Construction for the Purefoy Drive subdivision.

3. The reallocation of \$26,000 in FY 2005 funds to Weaver Community Housing Association for rental assistance to a Tenant Based Rental Assistance Program in support of the OPC Mental Health Agency Homelessness Initiative.
4. The reduction of FY 2004, 2005, and 2006 funds to EmPOWERment for second mortgage assistance from \$334,000 to \$250,000 for homebuyer assistance through Orange County. The remaining \$84,000 will be provided to a Tenant Based Rental Assistance Program in support of the OPC Mental Health Agency Homelessness Initiative.
5. The reallocation of \$120,000 in FY 2006 funds to Orange Community Housing and Land Trust from second mortgage assistance in the Waterstone subdivision to homebuyer assistance for land trust homes in Orange County.
6. The reallocation of \$100,027 in FY 2006 funds to the Chrysalis Foundation to a Tenant Based Rental Assistance Program in support of the OPC Mental Health Agency Homelessness Initiative.

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