
*Consolidated Annual Performance
and Evaluation Report
(CAPER)
for Housing, Human Rights and
Community Development
Programs in Orange County, N.C.*

including the.....

*Town of Carrboro
Town of Chapel Hill
Town of Hillsborough*

Reporting Period
July 1, 2014 – June 30, 2015

*Prepared for
U.S Department of Housing and Urban Development
by
Orange County Housing and Community Development Department
Chapel Hill Office of Housing & Community
September 29, 2015*

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I. Introduction

Beginning in 1995, the Department of Housing and Urban Development (HUD) requires jurisdictions to submit a Consolidated Plan which is a comprehensive annual report for four (4) formula grant programs: Community Development Block Grants (CDBG); HOME Investment Partnership Program (HOME); Emergency Shelter Grant (ESG) and Housing Opportunities for Persons with AIDS (HOPWA). The Town of Chapel Hill is an entitlement recipient of CDBG funds and the Orange County HOME Consortium is a participating jurisdiction for HOME funds. Orange County, in cooperation with the Towns of Carrboro, Chapel Hill, and Hillsborough, submitted a Consolidated Plan in May 2010 that was approved by HUD in July 2010. Each year thereafter, an Annual Action Plan detailing the jurisdiction's plans for the coming year in the Community Development Block Grant (CDBG) Program and the HOME Investment Partnership Program is submitted to HUD for approval.

Subsequently, each year, HUD requires local communities to review their performance in implementing the Annual Action Plan and share their accomplishments with the general citizenry. This process is undertaken by the production of the Consolidated Annual Performance and Evaluation Report (CAPER). This report is designed to assess the County's performance in relation to its five-year strategic plan and the one-year action plan. This report details the County's progress in carrying out its FY 2014-2015 Annual Plan as well as its performance in meeting its overall priorities and objectives. This report covers the period July 1, 2014 to June 30, 2015.

In 2014-2015 the Town of Chapel Hill spent approximately \$466,583 of CDBG funds on a variety of activities that all benefited households that earned less than 80% of the area median income. These activities include homeownership assistance, renovation of public housing, predevelopment costs, infrastructure development and support of youth programming, including after-school and summer programs for at-risk youth.

Additionally, the Orange County HOME Consortium engaged in activities to increase homeownership and improve the living conditions of residents living in substandard housing. Approximately \$354,726 in federal HOME funds was expended during the reporting period.

II. Citizen Participation

A notice was published in the Durham Herald and Chapel Hill Herald announcing the development of the 2014-2015 Consolidated Annual Performance and Evaluation Report and the availability of this report for examination and comment for the period of September 14, 2015 to September 29, 2015. The notice was published on September 13, 20, 27 in the Durham Herald and September 20 and 27, 2015 in the Chapel Hill Herald. (See Appendix) No public comments were received.

III. Assessment of Progress toward Five-Year Goals and Objectives

Five-Year Strategic Plan

As a growing community, Orange County and the Town of Chapel Hill must successfully balance a diverse array of housing and community development issues. Given the range of competing needs, the community must invest its scarce public resources wisely. Therefore, as a general principle, the Town and County will attempt to expend public funds in a way that leverages the commitment of private sector support whenever possible.

The following presentation utilizes this performance-centered approach to outline the County and Town’s approach to housing and community development in the upcoming five years. This approach includes identifying goals, objectives and strategies; determining what resources are necessary to achieve these goals; analyzing and evaluating performance data; and using that data to drive improvements in organization. All objectives and performance indicators are based on a five-year time frame.

Goal 1 – Decent and Affordable Housing for Lower-Income Households

| Priority 1.1 – Low income (< 80%AMI) homeowners that live in substandard housing | |
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| Strategies: | <ul style="list-style-type: none"> - 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: | <ul style="list-style-type: none"> - 30 substantially rehabilitated units (Orange County/Chapel Hill) - 40 units with urgent repairs (Orange County) |
| Priority 1.2 – Rental Units for low income (< 60% AMI) residents | |
| Strategies: | <ul style="list-style-type: none"> - 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: | <ul style="list-style-type: none"> - 30 additional affordable rental units (Orange County/Chapel Hill) - 20 low income renters receive HOME funded rental assistance for up to 2 years (Orange County) - 75 units of renovated public housing (Chapel Hill) |

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| 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: | <ul style="list-style-type: none"> - 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 (60 - 80% AMI) that are potential homebuyers | |
| Strategies: | <ul style="list-style-type: none"> - 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: | <ul style="list-style-type: none"> - 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: | - Up to 30 additional low income homebuyers (Orange County/Chapel Hill) |
| Priority 1.6 –Low income (<60% AMI) Homeownership | |
| Strategies: | <ul style="list-style-type: none"> - 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: | <ul style="list-style-type: none"> - Partner with local housing developers and/or property management firms to develop affordable rental housing for Extremely low-income residents - Develop a 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-unit rental housing |
| Output Indicators: | - 30 units of new/rehabilitated affordable rental housing in mixed income developments (Orange County/Chapel Hill) |

Goal 2 – Provide Housing and Services for Populations with Special Needs

| Priority 2.1 – Service-enriched transitional housing for homeless persons with special needs | |
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| Strategies: | <ul style="list-style-type: none"> - 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 (SROs, 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: | <ul style="list-style-type: none"> - 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: | <ul style="list-style-type: none"> - 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 behaviors 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 nonprofit 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: | <ul style="list-style-type: none"> - 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: | <ul style="list-style-type: none"> - 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. |

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| | <ul style="list-style-type: none"> - 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 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 way to prevent future homelessness by building a 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 Chapel Hill Transit System |
| Output Indicators: | <ul style="list-style-type: none"> - Provide funding to at least two shelters to help fund transitional programs, to possibly include job training programs |
| Priority 2.4 – Prevent Homelessness | |
| Strategies: | <ul style="list-style-type: none"> - Youth aging out of the foster care system will maintain a relationship with human services in order to prevent homelessness. - Begin examining the data and relevant strategies designed to work with unemancipated 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: | <ul style="list-style-type: none"> - 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: | <ul style="list-style-type: none"> - 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. |

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| | <ul style="list-style-type: none"> - 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 a 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: | <ul style="list-style-type: none"> - Assist 20 additional homeless persons |
| Priority 2.6 – Increase Public Participation in Ending Homelessness | |
| Strategies: | <ul style="list-style-type: none"> - Identify specific strategies that eliminate NIMBYism (Not In My Back Yard) 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: | <ul style="list-style-type: none"> - 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 |

Goal 3 – Provide Housing and Services for Special Needs Populations

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| Priority 3.1 – Service-enriched housing for persons with special needs | |
| Strategies: | <ul style="list-style-type: none"> - Promote and make funds available to agencies that assist special needs residents - Partner with other funding agencies to encourage the development of housing (SROs, group homes) that is service-enriched - Continue to strengthen partnership with the local non-profit organizations - Provide property acquisition funding to eligible non-profits and for-profits to develop housing |
| Output Indicators: | <ul style="list-style-type: none"> - Provide financial assistance to support the development or acquisition of at least ten housing units for special needs populations (Orange County/Chapel Hill) |
| Priority 3.2 – Continuum of services for special needs populations including older adults, disabled, mentally ill, persons with AIDS and at-risk youth | |
| Strategies: | <ul style="list-style-type: none"> - 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: | <ul style="list-style-type: none"> - 10 additional permanent housing units for those with special needs (Orange County) |

Goal 4 – Increase Capacity and Scope of Public Services

Priority 4.1 – Increase capacity and expand the scope of Public Services in order to reach out to more low-to-moderate income residents

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| Strategies: | <ul style="list-style-type: none">- 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: | <ul style="list-style-type: none">- Increase Public Services capacity and scope by 10% for at least three non-profit organizations over the next five years |

DRAFT

The following section summarizes the Orange County HOME Consortium and the Town of Chapel Hill Community Development Block Grant activities for the fiscal year ending June 30, 2015. This information is organized according to the Consolidated Plan Goal, the status and beneficiaries (if program is complete) of the program and expenditures for the activity.

Annual Assessment of Progress toward Goals and Objectives

ORANGE COUNTY HOME CONSORTIUM

Goal 1 – Decent and Affordable Housing for Lower-Income Households

| Priority 1.1 – Low income (< 80%AMI) homeowners that live in substandard housing | |
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| Strategies: | <ul style="list-style-type: none"> - 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: | <ul style="list-style-type: none"> - Substantially rehabilitated units (Orange County/Chapel Hill) - Units receiving urgent repairs (Orange County) |
| FY 2014 – FY 2015 Activities | - 21 units received Urgent Repair (Orange County) |
| HOME Program Expenditures | 0 |
| Local Expenditures | - \$66,182 |
| Beneficiaries | Families earning less than 50% AMI. |
| Priority 1.2 – Low income renters (<60% AMI) that live in substandard housing | |
| Strategies: | <ul style="list-style-type: none"> - 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: | <ul style="list-style-type: none"> - Additional affordable rental units (Orange County/Chapel Hill) - Low income renters receive HOME funded rental assistance for up to 2 years each (Orange County) - Renovated public housing (Chapel Hill) |
| FY 2014- FY 2015 Activities | Provided rental assistance to 16 individuals at risk for homelessness |
| HOME Program Expenditures | \$27,726 |
| Beneficiaries | 16 homeless or those at risk of homelessness were provided rental assistance |

| Priority 1.3 – Low income (<80% AMI) homeowners that do not have indoor plumbing or adequate connections to existing public water and sewer systems | |
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| Strategies: | <ul style="list-style-type: none"> - 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) |
| FY 2014– FY 2015 Activities | No Activity |

| Priority 1.4 – Low-income renters (<80% AMI) that are potential homebuyers | |
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| Strategies: | <ul style="list-style-type: none"> - 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 |
| Output Indicators: | - Low – income homebuyers (Orange County/Chapel Hill) |
| FY 2014 – FY 2015 Activities | - Provided second mortgage assistance to five (5) first-time homebuyers |
| HOME Program Expenditures | - \$137,000 (Second Mortgage Assistance – Chapel Hill and Carrboro) |
| Beneficiaries | - Five (5) low income first-time homebuyers purchased homes (Orange County) |

| Priority 1.5 – Eliminate barriers to affordable housing | |
|--|---|
| Strategies: | <ul style="list-style-type: none"> - 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: | <ul style="list-style-type: none"> - 100 units of new affordable housing in mixed income developments (Orange County/Chapel Hill) - Increased awareness of barriers to affordable housing (Orange County/Chapel Hill) |
| FY 2014 - FY 2015 Activities | No Activity |

| Priority 1.6 –Low income (<65% AMI) Homeownership | |
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| Strategies: | <ul style="list-style-type: none"> - 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 Housing Choice Voucher recipients |
| Output Indicators: | - Up to 730 additional low income homebuyers (Orange County/Chapel Hill) |
| FY 2014– FY 2015 Activities | <ul style="list-style-type: none"> - One Housing Choice Voucher Holder purchased a home under the Housing Choice Voucher Homeownership Program - Provided second assistance to ten (10) first-time homebuyers |

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| HOME Program Expenditures | - \$190,000 (Second Mortgage Assistance -(Chapel Hill and Orange County) |
| Beneficiaries | - Ten (10) low income first-time homebuyers purchased homes (Orange County) |
| Priority 1.7 – Extremely Low income (<30% AMI) renters looking for affordable rental housing | |
| Strategies: | <ul style="list-style-type: none"> - Partner with local housing developers and/or property management firms to develop affordable rental housing for Extremely low-income residents - Develop a 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-unit rental housing |
| Output Indicators: | - New/rehabilitated affordable rental housing in mixed income developments (Orange County/Chapel Hill) |
| FY 2014 - FY 2015 Activities | No Activity |

Goal 2 – Provide Housing and Services for Populations with Special Needs

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| Priority 2.1 – Service-enriched transitional housing for homeless persons with special needs | |
| Strategies: | <ul style="list-style-type: none"> - 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) |
| FY 2014 – FY 2015 Activities | - No activity this fiscal year. |

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| Priority 2.2 – Reduce Chronic Homelessness | |
| Strategies: | <ul style="list-style-type: none"> - Promote and make public service funds available to agencies that serve identified special populations - Partner with other funding agencies to encourage the development of transitional housing (SROs, group homes) that is service-enriched - Continue to strengthen partnership with local service providers - Provide property acquisition funding to eligible non-profits and for-profits to develop permanent housing for those with special needs - Support applications for federal supportive housing providers |
| Output Indicators: | - Units will be rehabbed/rented/built to provide permanent supportive housing (including additional permanent housing units for those with special needs (Orange County) |

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| FY 2014 – 2015 Activities | <ul style="list-style-type: none"> - 100,000 Homes Taskforce collaboratively obtained housing, mental health care, substance abuse treatment and other needed services for Seven (7) of the most vulnerable people experiencing long-term homelessness in our community. - Began construction of a supportive housing complex for homeless men. |
| HOME Program Expenditures | - \$0 |
| Beneficiaries | - Seven (7) low-income chronically homeless individuals (Orange County) |

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| Priority 2.3 – Increase Employment | |
| Strategies: | <ul style="list-style-type: none"> - 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 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 way to prevent future homelessness by building a 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 Chapel Hill Transit System |
| Output Indicators: | - Provide funding to at least two shelters to help fund transitional programs, to possibly include job training programs |
| FY 2014- 2015 Activities | - The Job Partners Program began in 2012, continued helping people who are experiencing or at risk of homelessness-with a focus on at-risk-youth and those with criminal histories-become job-ready and find employment. Twenty one (21) businesses and Eighteen (18) people participated. |
| HOME Program Expenditures | - \$0 |
| Priority 2.4 – Prevent Homelessness | |
| Strategies: | <ul style="list-style-type: none"> - Youth aging out of the foster care system will maintain a relationship with human services in order to prevent homelessness. - Begin examining the data and relevant strategies designed to work with unemancipated youth |

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| | <p>between the ages of 16-18 who are running away.</p> <ul style="list-style-type: none"> - 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: | <ul style="list-style-type: none"> - 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 |
| FY 2014 – 2015 Activities | <ul style="list-style-type: none"> - A draft needs assessment for housing for people experiencing homelessness has been developed and will be completed in 2015-16; a plan to address the current gap of available housing will be developed based on this needs assessment. |

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| Priority 2.5 – Increase Access to Services | |
| Strategies: | <ul style="list-style-type: none"> - 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 a 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: | <ul style="list-style-type: none"> - Assist 20 additional homeless persons |
| FY 2014 – 2015 Activities | <ul style="list-style-type: none"> - The 100,000 Homes Taskforce strengthened and expanded this year; the Taskforce maintains a by-name registry of people experiencing homelessness and the group collaborates to provide them with housing and needs services. - The Partnership supported the creation of an Integrated Services Center run by the Community Empowerment Fund. - A SOAR training was held in Orange County to train workers in this effective method of applying for social security benefits for people experiencing homelessness. - A Project Connect event was held in October 2014 with nearly 50 housing and services agencies |

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| | <p>and over 200 guests who were experiencing or at risk of homelessness. Each client received services from approximately 10 providers.</p> <ul style="list-style-type: none"> - Orange County implemented a Coordinated Entry system to assess the needs of each person entering the homelessness system, prioritize them for housing, and direct them to the appropriate housing and services providers. - The Inter-Faith Council for Social Service took over the Support Circles program and staffed it with a half-time coordinator; the program helps people transitioning from homelessness to permanent housing stabilized in their new housing. - A Data and Grants Workgroup was formed in 2015 to help us better implement HUD homelessness grants and collect data to track clients and evaluate program performance. |
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| Priority 2.6 – Increase Public Participation in Ending Homelessness | |
|--|--|
| Strategies: | <ul style="list-style-type: none"> - Identify specific strategies that eliminate NIMBYism (Not In My Back Yard) 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: | <ul style="list-style-type: none"> - 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 |
| FY 2014– 2015 Activities | - No Activity |

Goal 3 – Provide Housing and Services for Special Needs Populations

| Priority 3.1 – Service-enriched housing for persons with special needs | |
|---|---|
| Strategies: | <ul style="list-style-type: none"> - Promote and make funds available to agencies that assist special needs residents - Partner with other funding agencies to encourage the development of housing (SROs, group homes) that is service-enriched - Continue to strengthen partnership with the local non-profit organizations - Provide property acquisition funding to eligible non-profits and for-profits to develop housing |
| Output Indicators: | - Provide financial assistance to support the development or acquisition of at least ten housing units for special needs populations (Orange County/Chapel Hill) |
| FY 2014 – 2015 Activities | - No Activity |

| Priority 3.2 – Continuum of services for special needs populations including older adults, disabled, mentally ill, persons with AIDS and at-risk youth | |
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| Strategies: | <ul style="list-style-type: none"> - 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 |

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| | - 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) |
| FY 2014– 2015 Activities | - No Activity |

Goal 1 – Decent and Affordable Housing for Lower-Income Households

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| 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: | - Substantially rehabilitated units (Orange County/Chapel Hill) - Units receiving urgent repairs (Orange County) |
| FY 2014 - 2015 Activities | - No Activity |

TOWN OF CHAPEL HILL 2014-2015 CDBG Program

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|---|---|
| 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: | - Additional affordable rental units (Orange County/Chapel Hill) - Low income renters receive HOME funded rental assistance for up to 2 years each (Orange County) - Renovated public housing (Chapel Hill) - Refurbished public housing (Chapel Hill) |
| FY 2014-2015 Activities | - Completed renovation of the Colony Woods – West public housing community |
| CDBG Program Expenditures | \$176,125 (Colony Woods West) |
| Beneficiaries | - Upon completion,-15 households earning less than 80% AMI |

| 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: | <ul style="list-style-type: none"> - 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) |
| FY 2014-2015 Activities | - No Activity |

| Priority 1.4 – Low-income renters (<80% AMI) that are potential homebuyers | |
|--|---|
| Strategies: | <ul style="list-style-type: none"> - 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: | - Additional lower income homebuyers (Orange County/Chapel Hill) |
| FY 2014-2015 Activities | - Provided grants to reduce sales price to first-time homebuyers |
| CDBG Program Expenditures | - \$68,000 (Community Home Trust) - |
| Beneficiaries | - Five (5) first-time homebuyers earning less than 80% AMI |

| Priority 1.5 – Eliminate barriers to affordable housing | |
|--|---|
| Strategies: | <ul style="list-style-type: none"> - 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: | <ul style="list-style-type: none"> - 100 units of new affordable housing in mixed income developments (Orange County/Chapel Hill) - Increased awareness of barriers to affordable housing (Orange County/Chapel Hill) |
| FY 2014- 2015 Activities | - In 2014, the Chapel Hill Town Council established a Housing Advisory Board to identify strategies to eliminate barriers to creating affordable housing and to review development applications that include a residential component. |

| Priority 1.6 –Low income (<60% AMI) Homeownership | |
|---|---|
| Strategies: | <ul style="list-style-type: none"> - 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) |
| FY 2014-2015 Activities | \$55,000 to Habitat for Humanity for lot acquisition to develop single-family affordable housing |

| Priority 1.7 – Extremely Low income (<30% AMI) renters looking for affordable rental housing | |
|--|---|
| Strategies: | <ul style="list-style-type: none"> - Partner with local housing developers and/or property management firms to develop affordable rental housing for Extremely low-income residents - Develop a 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-unit rental housing |
| Output Indicators: | - 30 units of new/rehabilitated affordable rental housing in mixed income developments (Orange County/Chapel Hill) |
| FY 2014 - 2015 Activities | Creation of rental opportunities for very low income households is identified as a priority in the Town's Affordable Housing Strategy and also included in the Northside and Pine Knolls Community Plan. We will continue work to create new rental opportunities. The Mayor's Committee on Affordable Rental Housing has identified affordable rental housing for extremely low income households as a priority. |

Goal 2 – Provide Housing and Services for Populations with Special Needs

| Priority 2.1 – Service-enriched transitional housing for homeless persons with special needs | |
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| Strategies: | <ul style="list-style-type: none"> - 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) |
| FY 2014-2015 Activities | No Activity |

| Priority 2.2 – Continuum of services for special populations including older adults, disabled, mentally ill, persons with AIDS and at-risk youth | |
|---|---|
| Strategies: | - Promote and make public service funds available to agencies that serve identified special populations |

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|----------------------------------|---|
| | <ul style="list-style-type: none"> - Partner with other funding agencies to encourage the development of transitional housing (SROs, group homes) that is service-enriched - Continue to strengthen partnership with local service providers - Support applications for federal supportive housing funds - Provide property acquisition funding to eligible non-profits and for-profits to develop permanent housing for those with special needs |
| Output Indicators: | <ul style="list-style-type: none"> - Additional permanent housing units for those with special needs (Orange County) - Provide community services to area youth (Chapel Hill) |
| FY 2014-2015 Activities | <ul style="list-style-type: none"> - Provided funds to support five youth programs - Provided funds to non-profit organizations to provide outreach services and supportive housing to homeless individuals |
| CDBG Program Expenditures | <ul style="list-style-type: none"> - \$ 24,000 (Chapel Hill Police Department) - \$ 4,000 (Empowerment - Career Explorers) - \$15,000 (Chapel Hill -Carrboro YMCA Program) - \$ 2,500 (Volunteers for Youth) - \$ 6,000 (Housing for New Hope) - \$ 9,000 (CASA) |
| | <ul style="list-style-type: none"> - 38 youth living in households earning less than 50% AMI participating in the Police Department, Empowerment, YMCA, Volunteers for Youth and Recreation Programs; plus 4 less than 80% of AMI - 29 homeless individuals earning less than 30% of the AMI (Housing for New Hope) - 23 individuals living in supportive housing earning less than 30% AMI (CASA) |

Goal 3 – Promote Neighborhood and Economic Development

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| <i>Priority 3.1 – Promote revitalization in selected Chapel Hill neighborhoods and economic development in general throughout the County</i> | |
| Strategies: | <ul style="list-style-type: none"> - Strengthen partnerships with neighborhood associations (community pride, education, family services, etc.) - Work with neighborhoods to design and implement specific beautification strategies, including neighborhood cleanups - Promote recreational opportunities for area youth - Prioritize one to two neighborhoods located in Chapel Hill and develop revitalization plans accordingly - Concentrate Town funding in selected neighborhoods to create maximum impact. Programs may include redevelopment activities, CHDO Development-Infill and various rehabilitation programs. - Build community capacity and better coordinate neighborhood 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 - Coordinate effort of various Town departments to concentrate resources into selected neighborhoods |
| Output Indicators: | <ul style="list-style-type: none"> - Development of a small area plan for the Rogers Road Neighborhood and a Neighborhood Conservation District for the Pine Knolls neighborhood (Chapel Hill) - Promote county wide partnerships that are dedicated to the economic development of the County - Repair playgrounds in Public Housing Communities (Chapel Hill) |
| FY 2014-2015 | The Northside and Pine Knolls Community Plan were designed to preserve the character and |

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| Activities | <p>sense of community in these neighborhoods. With assistance from the Marian Cheek Jackson Center, EmPOWERment, and community members, implementation of the plan is underway.</p> <ul style="list-style-type: none"> - The Town's enhanced enforcement of existing zoning regulations designed specifically for these neighborhoods has yielded positive results and improved relationships with neighborhood residents, organizations and the Town. |
| CDBG Program Expenditures | <ul style="list-style-type: none"> - \$30,746 (Code Enforcement) |

OTHER ACTIVITIES

General Administration Support for Local Agencies:

| | | |
|-----------------------------------|-----------------------------|------------|
| Orange County | | |
| 1. | Habitat for Humanity | \$ 20,000 |
| 2. | EmPOWERment, Inc. | \$ 20,000 |
| 3. | Community Home Trust | \$ 149,000 |
| (Source: County General Fund) | | |
| Chapel Hill | | |
| | Community Home Trust | \$200,000 |
| | EmPOWERment, Inc. | \$ 13,500 |
| (Source: Town General Fund) | | |
| | Marian Cheek Jackson Center | \$ 40,000 |
| (Source: Affordable Housing Fund) | | |

Assessment of Annual Progress

1. Affirmatively Furthering Fair Housing

Current Impediments and Proposed Fair Housing Action Plan

The most substantial impediments to Fair Housing Choice in Orange County emanate from both the public and private sectors. Transportation issues, lack of choice in affordable rental housing and an overall lack of general education about citizens' rights as it relates to Fair Housing Choice and its laws and regulations are the overarching impediments discovered in Orange County according to the last Analysis of Impediments completed in 2011.

Impediment #1: Expansion of Public Transportation – Increase Accessibility and Availability

Evidence has shown a major link between public transportation, employment and affordable housing opportunities throughout the nation. The availability and accessibility of public transportation is critical in efforts to expand affordable housing to groups in need and to Protected Classes.

The issue in Orange County lies in the ability of a resident to travel from home to work if he or she lives outside the Towns of Chapel Hill and Carrboro where public transportation options are more available. If public transportation is inefficient in providing access to employment centers, then those areas become inaccessible to those without dependable means of transportation, particularly those in the "very low-income" category, the elderly, and persons with disabilities.

While Orange County does have excellent public transit options in the towns of Chapel Hill and Carrboro, including the Triangle Transit Authority, the County does not have adequate service routes to all areas of the County. Limited hours of operations do not provide assistance for those working late and overnight shifts or on weekends and the large amount of time it takes a resident to utilize the current bus routes can discourage use of the current system.

Recommendation

Orange County lacks a true county-wide system of public transit. In order to achieve greater Fair Housing Choice, Orange County should conduct a transit study to see if it is financially viable to expand the system to areas of the County with residents in greatest need of this service. Such a study should be economically feasible to the County, while representing a step forward in providing greater accessibility and availability to residents who would require this service.

Another viable option would be for Orange County to expand upon Chapel Hill's system. This public transportation system, subsidized by the University of North Carolina, could be expanded outside of Chapel Hill and Carrboro to provide additional services without requiring County or Town funds. However, continuing to provide fare-free service could

be costly and the collection of fares for service outside of Chapel Hill may become necessary.

Current Status: *No progress locally but staff has attended a few workshops in the region discussing the importance of linking affordable housing with transportation.*

Impediment #2: Lack of Public Education on Fair Housing

The current options for Fair Housing education classes, workshops and informational materials are limited within Orange County. Public opposition to affordable rental and for-sale housing suggests that residents may not fully understand the benefits available with affordable housing.

Education and awareness of fair housing laws is imperative to alleviating housing discrimination. As noted previously in this report, studies have indicated that the more aware residents become, the more likely they will file complaints. Even though close to 75% of respondents to the Fair Housing Survey stated that they were familiar with the Fair Housing laws, the types of discrimination complaints filed with HUD and with Orange County reflect a lack of understanding of the Fair Housing Act or, perhaps, a “not in my backyard” (NIMBY) attitude; in either case the need for increased public education and outreach is apparent.

Recommendation

While Orange County and non-profit agencies within the county have promotional and educational materials readily available, in order to truly remove this impediment, the County needs to work with non-profit agencies to conduct further educational and outreach campaigns in order to target housing providers and consumers using multiple media vehicles in English, Spanish and other languages common to Orange County residents pursuant to the County’s Language Access Plan.

Orange County should contact the Community Reinvestment Association of North Carolina or the North Carolina NAACP to conduct testing and to follow-up on investigations of housing discrimination complaints filed with the County or HUD. Additionally, Orange County may want explore the potential for a partnership agreement with Legal Aid of North Carolina, which is establishing a fair housing testing program. Financial or in-kind support for Legal Aid’s testing program could enable the organization to perform testing in Orange County while also contributing to its efforts to establish a new statewide testing program. Another alternative would be for the County to train and equip its Human Relations Commission to perform testing in the jurisdiction. When fair housing complaints are successfully litigated or settled, Orange County should draw attention to the outcome, perhaps seeking to have the results published in a local media outlet to strengthen public knowledge and awareness of Fair Housing laws.

In interviews with local affordable housing non-profits, the universal recommendation for combating NIMBYism was to communicate with and educate residents.

Current Status: Staff engaged in approximately thirty-eight (38) outreach and educational activities including workshops, public events and presentations; Printed educational materials were translated in Spanish and the Southeast Asian Karen and Burmese language and have been delivered to various non-profit and governmental agencies; Public Service Announcements were aired on the local FM station (WCHL); and advertising has continued on Chapel Hill Transit buses.

Impediment #3: Infrastructure and Available Developable Land

The lack of available developable land could potentially pose negative consequences for Orange County. Because of this scarcity, the cost of available land continues to increase. This diminishes the opportunities to provide affordable housing for residents of Orange County because it places a high base price on a home prior to any construction commencing.

For example, if a parcel of land costs \$50,000 for a third of an acre, the type of housing that can feasibly be constructed by a for-profit developer will be limited to more expensive housing types. Without providing heavy incentives, private developers will continue to produce housing units at the market average or higher.

The limitation of infrastructure outside the incorporated areas has contributed to the cost of available land being high. The Urban Services Boundary does not allow for the development of infrastructure within much of Orange County. This restriction not only reduces the amount of developable land available, but it also drives up the occupancy rates of existing housing, in turn raising rental and homeownership costs.

Recommendation

Orange County should incorporate incentives to encourage developers to build affordable housing; including adopting an inclusionary zoning ordinance similar to Chapel Hill's that requires 10% of all housing developments to be affordable units. Also, continuing to fund non-profit housing developers and incorporate their programs into the County's strategic plan in order to provide sufficient inventory and choice relative to affordable housing would be beneficial to providing more Fair Housing Choice.

Orange County should review its policy for developing affordable housing and develop a "base price" for affordable single-family and multi-family housing units that coincides with HUD's definition of affordable and that is based on the Area Median Income.

In addition to the aforementioned recommendations, another viable option would be to expand available services to include a strategy and mechanism for acquiring and banking land as parcels become available over time. The County could purchase strategic parcels of land, bank them, and eventually sell or donate them to local non-profit housing developers for future affordable housing development.

Raising the maximum residential building height limit, which is currently set at 25 feet even in the densest residential zones, would ease the effects of land scarcity caused by the Urban Services Boundary. Taller multi-family buildings allow developers to defray

the high cost of land across a greater number of housing units, a strategy making affordable housing development more feasible. Technology advances that may be out of the mainstream can permit new developments to make only minimal demands on municipal infrastructure. Local permitting authorities should consider the viability of such technology as rainwater harvesting, grey-water systems, solar energy, and geothermal heating and cooling, which could allow growth outside the Boundary with little to no impact on municipal resources. As a last resort, the County may also consider waiving certain restrictions imposed by the Boundary for housing development that meets a County standard for fair and affordable housing.

Current Status – Limited progress.

Impediment #4: Zoning and Regulatory Issues

Closely linked to Impediment #3, zoning and regulatory issues can become prohibitive in the development of fair and affordable housing. According to housing developers, both in the non-profit and private sector, the length of time to get a housing project approved can be quite lengthy and expensive. Several non-profit housing developers interviewed for this analysis indicated that the average length of approval for a housing subdivision is between two and three years. The predevelopment costs, or soft costs, can be as high as \$500,000 with impact fees of \$12,000 or more for each home built. This poses a serious problem in the development of fair and affordable housing as most housing developers cannot absorb these costs to keep housing affordable.

Orange County's zoning ordinance places an impediment on the location of group homes within the County. The ordinance's preference for smaller family care homes may be a viable alternative to group homes that ensures access to fair housing choice, but further research and analysis is necessary.

Orange County residents who are addicted to or recovering from addiction to alcohol or drugs are specifically excluded from the zoning ordinances group home definition and would be required to live in a "Rehabilitative Care Facility", a facility not allowed in any residential zone. This restrictive zoning represents an outright impediment to the fair housing choice of these persons and corrective action is necessary.

Recommendation

The County and towns (Chapel Hill, Carrboro and Hillsborough) need to evaluate the effectiveness of the current permitting process and should consider a more expeditious process that would be less costly and time-consuming for both the developers and the government.

To assist with non-profit developers, the County and Towns could reduce or eliminate the impact fees or shorten the entire process. Providing subsidies through federal and local funds should also be considered in the development of fair and affordable housing.

An amendment to the County's zoning ordinance that would allow persons addicted to or recovering from addiction to alcohol or drugs to reside in residential zones should be

considered. The Orange County Department of Housing, Human Rights, and Community Development, with counsel and appropriate partners, should initiate the process of developing such an amendment and advocating for its passage.

Current Status – *The Towns of Chapel Hill and Carrboro are exploring ways to encourage the development or re-development of affordable rental housing in the community through their respective Affordable Housing initiatives. The County is currently assessing the need for an affordable housing bond referendum to address this need.*

Conclusion

While Orange County is working towards achieving Fair Housing Choice for its residents, there remain impediments that must be researched and resolved in order to affirmatively further fair housing choice.

The Analysis of Impediments to Fair Housing Choice is an attempt to identify obstacles to fair housing access in Orange County, as well as to offer viable recommendations as to solutions to these impediments. The recommendations provided in this report will provide a framework for the County's Fair Housing Action Plan. In some cases, evidence was insufficient to substantiate an impediment but the possibility that an impediment exists was raised by the data examined in this analysis. In such cases, additional research is recommended in order to determine whether an impediment truly exists and to assess its scope. For example, in the section of this analysis concerning Home Mortgage Disclosure Act [HMDA] data, it was noted that discrimination against Black mortgage borrowers may exist in Orange County. However, race could not be isolated as the sole variable in this analysis and a focused, proactive testing program is recommended. Further research into the role of the County's zoning ordinance in restricting the location of group homes, to include economic analysis of the cost differences between group homes and family care homes is also recommended.

In addition to recommending further research in some areas, in other areas where an impediment has been identified, this report proposes specific recommendations to assist the County in overcoming the impediment. It is recommended that the County focus on addressing the current needs for public transportation, increase fair housing educational opportunities for residents, implement a fair housing testing program, and continue to support and fund fair and affordable housing development. It is also recommended that the County and towns look at their regulations and permitting processes to reduce any barriers to the development of fair and affordable housing. Addressing these recommendations can assist Orange County in achieving the reality of a community that truly has Fair Housing Choice.

It is a choice between complacency and proactively furthering Fair Housing Choice. The correct choice will prove Orange County citizens and government can work together to build a strong and vital community that is serving today's needs while planning for the challenges and opportunities of tomorrow.

Additional Activity (FY 2014-2015)

1. The Orange County Department of Housing, Human Rights and Community Development accepted six (6) fair housing complaints and closed four (4) in the fiscal year 2014– 2015. An additional two (2) complaints are expected to be settled.
2. Conducted eleven fair housing workshops or presentations to non-profit community based organizations in the County as well as tabling at local festivals and fairs. Participated in three (3) Regional Housing Month programs.
3. Assisted the Human Relations Commission with 1) Human Relations Month activities; 2) the 25th Annual Pauli Murray Award Ceremony; 3) Annual Community Read and 4) Monitoring human rights and relations issues and advising the Board of County Commissioners as necessary.
4. Community outreach is a direct result of the increased number of fair housing inquiries (27) and complaints accepted for investigation.
5. Created and distributed fair housing brochures translated in Burmese and Karen languages and participated in fair housing outreach activities in partnership with the Karen Community.

2. Affordable Housing

The County's progress in meeting the objective of providing affordable housing is articulated in the previous discussion of progress toward five-year and annual goals.

Continuum of Care Activities

The Chapel Hill/Orange County Continuum of Care is comprised of housing and service providers, local government agencies and officials, and community volunteers working together to prevent and end homelessness in Orange County. As a CoC, the coalition has raised the awareness of the need to build and support a local emergency shelter, transitional housing, and permanent supportive housing.

A point-in-time count was conducted in January 2014 which revealed that there were at least 108 homeless people in the County, including 23 identified as chronically homeless. The CoC recognizes, however, that inclement weather affected this year's count and estimates that the population of homelessness is greater. This conclusion is based on the theory that people were "doubled up" or "couch surfing" during this period.

In 2014, the CoC received \$450,000 in HUD funding for permanent support housing for people who are disabled and chronically homeless. The projects are administered by Cardinal Innovations and the UNC Center for Excellence in Community Mental Health. Additionally, the Orange County Department of Social Services (DSS) and the Inter-Faith Council for Social Services (IFC) received an Emergency Solutions Grant (ESG) of approximately \$160,000. These funds will support the Rapid Re-Housing Program administered by DSS and the emergency shelter program administered by IFC. Finally, the CoC planning award of \$7,778 was approved for the development of a Coordinated Assessment system. These and other programs and activities are within the CoC's primary goal of building a strong, coherent system of care for the homeless throughout Orange County and to increase access to permanent housing for homeless and low-income families.

Partnership to End Homelessness

In March 2007, the OCPEH Steering Committee approved a 10 Year Plan to End Homelessness in Orange County. The plan was revised in 2013. Now known as the Orange County Plan to End Homelessness, it establishes strategies to increase the supply of housing, employment and essential services to homeless persons and those at risk of homelessness. Embodying the concept of "partnership," OCPEH has implemented a Jobs Partnership program and a Support Circles program – both of which are now being administered by local nonprofit agencies (Community Empowerment Fund and Inter-Faith Council for Social Services, respectively). Both programs match volunteers with homeless persons or those at risk of homelessness to transition into self-sufficiency.

The OCPEH Leadership Team and other committees continue to evolve in response to changing needs and the nature of homelessness in our community. The 100,000 Homes Taskforce and the Data and Grants workgroups are the primary subcommittees; time-limited workgroups spin off from these committees to address current unmet needs (e.g., Case Management and Ending Veteran Homelessness workgroups). The Project Connect Planning Committee is another standing committee. The Support Circles, Job Partners and Outreach committees have spun off other agencies.

Emergency Shelter Assessment

The Inter-Faith Council for Social Service (IFC), a local non-profit agency, began providing shelter for Orange County's homeless population in 1985. The shelter facilities are Community House (for men) and HomeStart (for women). It is designed to provide short-term emergency shelter. During fiscal year 2014-2015, the Inter-Faith Council provided 50 ES beds for men (20 overflow for bad weather nights) and 14 for women (2 overflows). The ES facility for men, Community House, will close in 2015 and convert to an interim housing facility for men in a new building that will emphasize rapidly re-housing men in permanent housing.

IFC provides the only physical emergency shelter in Orange County. Orange Congregations in Mission (OCIM), a Hillsborough based non-profit organization, provides crisis relief services for Orange County residents at risk of homelessness or struggling with difficult life situations. Services include a food pantry, medicines, and rent and utility payment assistance. There are currently no shelters in Orange County specifically for battered women and victims of domestic violence. However, there are such shelters in the neighboring counties of Durham and Chatham.

Transitional Housing Assessment

In addition to providing emergency shelter, IFC's HomeStart facility houses a transitional housing program for up to 10 homeless families of women and children. By offering both emergency shelter and longer term housing options, HomeStart helps homeless individuals meet their basic needs, and provides greater opportunities to address the families' root causes of homelessness.

Homeless Outreach and Rehousing Program

Housing for New Hope is a local non-profit organization that has provided homeless outreach in Orange County since 2008. The Homeless Outreach (PATH) Program provides assertive outreach targeted to chronically homeless and mentally ill individuals living on the streets, in the woods, under highway overpasses, and in abandoned buildings. These individuals are then connected with necessary services including housing, mental and medical healthcare, and substance abuse treatment. The Re-Housing Program assists homeless individuals and families obtain and maintain a home. It targets services to individuals who have been homeless for a long time and who are at 30 percent or below area median income.

During 2014-2015, Housing for New Hope dedicated 2 homeless street outreach workers – one a peer specialist – to outreach and assist homeless individuals in obtaining permanent housing, and provided more than \$20,000 in financial assistance for rent and other needs.

Other Actions

A. Underserved Needs

The County's progress in meeting underserved needs is articulated in the previous discussion of progress toward five-year and one-year goals.

B. Foster and Maintain Affordable Housing

The Orange County Affordable Housing Advisory Board (AHAB) has been active since October 2001 and is charged with assisting the Board of Commissioners with the following:

- ◆ Prioritizing housing needs;

- ◆ Assessing project proposals;
- ◆ Publicizing the County's housing objectives;
- ◆ Assisting in the implementation of the strategies contained in the FY 2001 Commissioners Affordable Housing Task Force Report;
- ◆ Monitoring the progress of local housing programs;
- ◆ Exploring new funding opportunities;
- ◆ Generally increasing the community's awareness, understanding, commitment to and involvement in a comprehensive program of initiatives to increase the amount of attractive affordable housing;
- ◆ Other housing-related items identified by the Board of Commissioners.

During the last fiscal year the Board has drafted a plan to address the need of a housing resource network and will present affordable housing options to the Board of Commissioners.

C. Eliminate Barriers to Affordable Housing

The Consolidated Plan for Orange County identifies the following barriers to affordable housing:

The Orange County Consortium's supply of affordable housing is dictated by a variety of factors, including:

- Affordability and Availability of land and infrastructure
- Developer preference for high-end housing
- Government regulations (the Urban Services Boundary, Zoning Ordinances)
- High Fees (Impact Fees)
- Length of Permitting Process

These factors present obstacles to the development of affordable housing in Orange County and the Towns of Chapel Hill, Carrboro and Hillsborough. Zoning incentives offered to developers may help to overcome these obstacles.

Local Response

Orange County enacted a density bonus for affordable housing in 1990, allowing up to 50% increase in density for developments that build affordable units that are sold to qualifying low and moderate-income households.

In June 1993, the County adopted an ordinance establishing a system of impact fees to be collected in Orange County as well as the municipalities in the County. Presently, the fee is \$11,423 for single-family units in the Chapel Hill-Carrboro school district and \$1,286 for the multi-family units. In the Orange County School District, the fee is \$5,623 and \$1,743 respectively. Revenue generated is used to finance a portion of the cost of new public school space created by new residential growth. Before enactment, the Board of Commissioners acknowledged the need to establish a policy to cover low-

income residential construction. The Board of County Commissioners has adopted a policy for reimbursement of impact fees for non-profit housing organizations serving first-time homebuyers at 80% and below of median income within budget restraints. On March 4, 1998, the Board of County Commissioners approved a policy revision to include rental housing developed by non-profit organizations. As of June 30, 2013, approximately \$1.2 million dollars has been provided by Orange County for impact fee reimbursements to new affordable housing developments.

On March 6, 2000, the Chapel Hill Town Council passed a resolution to increase the availability of affordable housing for low- and moderate-income households in Town. The policy states the Council's expectation that any rezoning requests with a residential component incorporate a 15% affordable housing feature into their plans with a mechanism to ensure ongoing affordability. Most developers with rezoning requests work with the Community Home Trust to market these homes to persons earning less than 80% of the median income. In January 2009, the Council modified this policy to allow the Council to accept a payment-in-lieu of providing affordable housing, and to require applicants to submit an affordable housing plan to the Town for approval.

Since policies that require the development of affordable housing have been adopted in Chapel Hill, 368 units of affordable housing have been approved by the Town Council, with 228 built to date and occupied by lower income households. In lieu of providing affordable housing, the Council has approved payments totaling over \$3.6 million from developers, with over \$1 million received to date. Funds received are used for Council-approved activities that support the development and maintenance of affordable housing in Chapel Hill.

On June 21, 2010, the Chapel Hill Town Council enacted an Inclusionary Zoning Ordinance. The Ordinance had an effective date of March 1, 2011 and, requires that most residential developments of five or more units contribute to the Town's affordable housing and to provide 15% (10% in the Town Center) of the units at prices that are affordable to low- to moderate-income households. The Ordinance also requires units to remain affordable for at least 99-years. The Ordinance also provides the Town Council to approve one of the following alternatives to development of on-site affordable housing if they determine that the alternative better achieve the goals of the ordinance: (1) Land dedication; (2) dedication of existing units; (3) off-site construction; or (4) a payment-in-lieu of housing; (5) or an alternative solution that better achieves the goals of the Town's Comprehensive Plan.

In Carrboro, the zoning ordinance offers flexibility in the design of infrastructure, and includes a wide variety of allowable housing types, including mobile homes, modular homes, townhouses, and condominium developments. The review process is streamlined to avoid unnecessary delays, and the resulting supply of affordable units is relatively large.

In Hillsborough, while density bonuses are not provided for in the Zoning Ordinance, other regulations are supportive of affordable housing including numerous overlay and

mobile home park districts that allow singlewide mobile homes. Also, doublewide mobile homes, duplexes and modular homes are allowed in all residentially zoned areas including the Historic District. Site plan review for multi-family development is expedited by the use of consultants and approvals can generally be obtained in about three months. Further, the Orange County zoning regulations allow numerous housing types in residential districts including mobile homes, duplexes, and modular homes. This is allowed in approximately 350 square miles of the 400 square miles in Orange County.

Affordable Housing Fund

The Town of Chapel Hill's Affordable Housing Fund was created in 2002. Eligible uses of the Fund include: (1) acquisition of property; (2) rehabilitation of property for homeownership or rental units; (3) to reduce the sales price of property for homeownership; and (4) to pay the Town's portion of a local match for federal affordable housing grants. All activities must serve households earning less than 80% of the area median income, and can be used for homeownership or rental projects. Payments-in-lieu of providing affordable housing are directed to this fund. To date, the Council has accepted or approved payments totaling \$3.6 million for eligible uses.

Town of Chapel Hill Affordable Housing Strategies

In -2011, the Chapel Hill Town Council adopted an Affordable Housing Strategy,-Staff engaged in a process to develop a comprehensive understanding of the populations, organizations, housing types, and barriers that comprises the affordable housing system in Chapel Hill. The goal of the Strategy is to provide policy guidance to developers, the community and to staff regarding the Council's affordable housing goals and expectations.

In 2014,Chapel Hill Town Council adopted an Affordable Rental Housing Strategy.-The goal of the Strategy is to –document the need for affordable rental housing in Chapel Hill and provides strategies for - increasing the supply of affordable rental units for a variety of income levels. The Strategy was developed by a committee appointed by the Mayor which includes elected officials, private and non-profit developers and professionals and affordable housing advocates.

Gaps in Local Institutional Structure

There continues to be a need for a "housing clearinghouse" that can aggregate information regarding available housing resources in the County. Additionally, there is a need for a centralized post-purchase counseling program for first-time homebuyers particularly those in distress.

PHA Participation/Role

Conventional Public Housing

The Town of Chapel Hill maintains three hundred and thirty six, one and two story public housing units located at thirteen (13) different sites throughout Chapel Hill and Carrboro. Currently, eight hundred and two individuals live in public housing units maintained by the Town of Chapel Hill. There are two hundred and ninety-six households on the waiting list. The majority of the public housing units have two and three bedrooms. The various locations of units throughout Town eliminate isolation of public housing residents from the remainder of the community.

The Chapel Hill Town Council is committed to renovate and modernize the Town's public housing communities, and has adopted a five-year plan for public housing renovations. Both federal Capital Fund Program and Community Development Block Grant funds will be used to complete the renovations. Comprehensive Renovation includes the abatement of asbestos, replacement of windows and screens, replacement of interior and exterior doors, replacement of furnaces, replacement of floor tiles, replacement of bathtub liners and surrounds, bathroom fixtures, plumbing and electrical upgrades and interior and exterior painting.

Section 215 Housing for Rental and Homeownership

No activity to report.

Public Housing Resident Programs and Services

I. Community Centers

The Town is in the process of designing new programming for the community centers located in the public housing communities. We expect to provide programs and services geared toward middle- and elementary-school aged children.

Public Housing Transitional Housing Program

The Transitional Housing program sponsored by the Town of Chapel Hill Housing Department is designed to prepare public housing families for the move from public housing to private market housing, including homeownership and private market housing.

The basic design builds upon the concept of putting a family into a house and replicating the private market environment. During a family's tenure in the program, they are responsible for many of the tasks and duties that they will encounter when they move out of subsidized housing. However, during their tenure, the Housing Department provides a safety net of resources to enhance their ability to successfully make and prepare for the transition.

The Town of Chapel Hill has purchased three homes for the program. The homes are located outside of the Town's conventional public housing neighborhoods, as will all

homes purchased for use in the program. All of the houses are occupied. Program participants have up to five years to prepare for the move to the private market. The Town's goal is to have ten (10) homes over the course of five (5) years.

Key features of the program include:

- Family's goal is to live in the private market, optimally as a homeowner
- Family must have sufficient income to afford at least \$450.00 in monthly rent
- Family rent will not increase although family's income may increase
- Twenty percent (20%) of monthly rent is deposited into an escrow amount, available to the family when it completes the program
- Family participates in workshops and classes on such topics as financial management, homeownership, and maintenance.

Orange County Public Housing Authority

The Orange County Housing and Community Development Department operates as the County housing authority and administers the Section 8 Existing Voucher Choice Program for the County including the towns. This program provides rent subsidy to low-income families leasing standard, independently managed rental housing in the County. The current bedroom mix is as follows:

| | OBR | 1BR | 2 BR | 3 BR | 4 BR | 5 BR | 6 BR | TOTAL |
|-----------------|------------|------------|-------------|-------------|-------------|-------------|-------------|--------------|
| <i>VOUCHERS</i> | 24 | 230 | 171 | 105 | 15 | 1 | 0 | - |

All publicly assisted units are targeted toward very low (<30% MFI) and low-income (<50% MFI) participants. No units are expected to be lost from inventory due to prepayment, termination of Federal assistance or other reasons.

Currently there are 1252 families on the waiting list for the Section 8 Housing Choice Voucher Program. New vouchers are only issued when there is turnover in the existing program that has an annual rate of about five percent. However, in the past fiscal year the agency has not been able to issue vouchers at that rate because the agency has been operating close to shortfall status due to the high costs of subsidy. As a result, most families wait in excess of four years for assistance. Due to the length of the current waiting list, the list has been closed to new applications since March 2010.

LEAD-BASED PAINT HAZARD REDUCTION

There were no incidents of lead-based paint in Section 8 housing this year.

ANTI-POVERTY STRATEGY

The 2006-2008 American Community Survey Census data reported that 15,318 people in Orange County (14.2%) had incomes below the poverty level—an increase of 3,576 people since 1990. Based on 2000 Census data, 6.2% of families and 14.1% of the total population in Orange County fell below the poverty line. Of all children under the age of 18, 9.0% lived in poverty while 7.4% of all County residents aged 65 or greater had income below the poverty level. Families living below the poverty level were more common in Chapel Hill and Hillsborough, but Carrboro showed a significantly higher percentage of individuals in poverty compared with all other Orange County municipalities.

In addition to housing problems, persons living in poverty often have other social service needs. Many of them lack the basic skills necessary to obtain and hold decent jobs. Some of them are single mothers who need affordable childcare while they seek or maintain jobs. Others need treatment for medical or substance abuse problems. Many of those living below the poverty level are children who would benefit from special programs to address their educational, recreational and self-esteem issues. The sheer number and variety of problems faced by people living in poverty often have a tendency to overwhelm even the most capable and determined people, creating a phenomenon of cyclical, generational poverty.

The high costs of homeownership in Orange County and the lack of safe, affordable rental housing continue to be major challenges for low-income families. Rental households face serious challenges with high cost, inadequate supply, and competition with university students for limited housing stock. Access to transportation or to communities that are practically walkable also presents a difficulty, particularly outside Chapel Hill and Carrboro.

Orange County and the Town of Chapel Hill have targeted significant CDBG and HOME resources within core low-income areas to execute their anti-poverty strategy. These resources will act as catalysts to invite additional public and private investment of capital and services; increase the quantity and quality of affordable housing; and help low to moderate-income residents acquire needed information, knowledge and skills to improve their employment opportunities.

Under North Carolina's Work First initiative, Orange County has developed a local plan to assist those most in need and forms the basis for its anti-poverty activities. Orange County's current Work First population [recipients of Temporary Assistance for Needy Families, TANF] faces major obstacles in obtaining and retaining employment because they are competing for jobs with a highly skilled workforce. Unskilled and semi-skilled workers without a high school diploma or a recent connection to the workforce are unable to obtain jobs that provide a living wage. Barriers such as substance abuse, criminal records and chronic physical and mental health problems have no quick fix. They are resolved as a result of participant commitment, adequate resources and over time. Under the Work First initiative, Orange County will provide the following:

- First Stop—provides a continuum of services including job search and job preparedness
- Childcare—provides daycare subsidy payments and assisting with After-School Programs
- Transportation—provides expanded transportation routes, vehicle donations and financial assistance to address transportation needs
- Substance Abuse Services—provides initial screening, assessment, and residential and outpatient treatment services
- Family Violence Option—provides full assessment of domestic violence, counseling and support group sessions, and coordination of services such as emergency housing, transportation and legal services
- Child Welfare Services—provides collaboration of services to ensure the safety and well-being of children
- Emergency Assistance—provides housing, food and utility assistance

The Anti-Poverty Strategy is the unifying thread that ties the housing, homeless, public housing and non-housing community development strategies together as one comprehensive plan for reducing the number of families that fall below the poverty level. In addressing each of the three components below, the Anti-Poverty Strategy simultaneously links and implements the various strategies, goals and objectives contained throughout this Consolidated Plan to promote self-sufficiency and empowerment.

Improve the Quality and Availability of Affordable Housing

Eliminating many of the physical signs of poverty is a key element in the anti-poverty strategy. The housing, public housing and community revitalization initiatives work toward fulfilling this goal. The County and Town will direct significant resources toward the creation of affordable housing and coordinating the efforts of local nonprofit and for-profit providers. Affordable housing is the foundation for achieving self-sufficiency.

Provide For and Improve Public Services

Important long-term goals in the strategy to reduce and eliminate poverty include providing services to residents. Specifically, the strategy includes an emphasis on the provision of operational subsidies for service providers.

Neighborhoods and Economic Development

Another component of the anti-poverty strategy includes goals and objectives for improving the living and business environments throughout the Town of Chapel Hill. The consolidated plan includes strategies to demolish or reuse vacant properties and encourage businesses to invest in the Town. The Town of Chapel Hill will target funding to focus CDBG and housing efforts to revitalize low and moderate income communities within the overall community. Orange County will continue to focus its efforts on a County-wide basis.

The County and Chapel Hill will coordinate efforts among their many partner organizations to ensure that the goals outlined in the Consolidated Plan are met. These partners include neighborhood residents, representatives of health and human service agencies, businesses, churches, nonprofit developers, lenders and for-profit entities.

Local Monitoring and Compliance

The HOME Program Council comprised of staff representatives from the Towns of Carrboro, Chapel Hill, and Hillsborough meet regularly to review program activities. This serves as a monitoring tool for the HOME Program and also provides an opportunity for collaboration regarding other housing activities. Minutes are prepared after each meeting and maintained by the Town of Hillsborough for future reference. Additionally, there is a HOME Program Review Committee comprised of one staff person and one elected official from each jurisdiction. This committee meets quarterly and provides an opportunity for staff to keep their elected official representative apprised of program details.

The Town continued to implement its Monitoring Program that included site visits to several sub-recipients with projects underway in 2013-2014. The Community Development staff reviewed project performance to determine consistency with proposed program achievements, and provision of technical assistance.

The Town's Monitoring process includes:

- i. Initial Desk Review of Department documents.
- ii. Review of HUD Sub-recipient regulations and requirements.
- iii. Review the expenditure rates of all sub-recipients; and
- iv. Provide on-going technical assistance where need to ensure timely expenditure

In an attempt to consolidate monitoring visits, HOME Program Staff conducts monitoring visits with Town staff at the offices of the affordable housing sub-recipients with both HOME and CDBG funded projects. The three sub-recipient organizations of HOME funds were monitored extensively during the 2013 – 2014 fiscal year. Three on-site visits were conducted during the recent performance year. Those agencies are Habitat for Humanity, EmPOWERment, Community Home Trust (the HOME Program's Community Development Organization (CHDO). Inter-Church Council is being

monitored by desk review. During this year, we asked the CHDO organization for documentation to ensure continued CHDO eligibility. Additionally, audit reports were reviewed by County Finance staff in order to identify any concerns of which there were none.

Leveraging

Actual leveraging is detailed in the attached HOME Program Match Report. Most match requirements were met by local affordable housing bond funds and local government general fund contributions.

Summary of Citizen Comments

No comments were received during the formal comment period.

Program Analysis

HOME Program expenditures during this fiscal year were down considerably from last fiscal year. Our single CHDO – Community Home Trust continues to struggle from the effects of the economic downturn of a few years ago and the more stringent underwriting criteria for mortgages. As a result, they continue to have difficulty selling homes. The HOME Consortium is currently assessing programmatic options to increase marketability of the homes offered by Community Home Trust. Local staff will continue to monitor the expenditure rates and provide the technical assistance necessary to assist sub grantees with expeditious commitment and expenditure of funds.

Town of Chapel Hill - Community Development Block Grant Program

- A. Relationship of Expenditures to Priority Needs**
- B. Low/Moderate Income Benefit**

Orange County's 2010 - 2015 Consolidated Plan established priorities for Chapel Hill's Community Development program that focused on the provision of affordable owner and renter-occupied housing and public service programs for households earning less than 80% of the median income.

The Town's 2014-2015 Community Development activities met the priority needs established in the Consolidated Plan.

- C. Program Amendments**

The Town did not amend the 2014 - 2015 Community Development Program during the reporting period.

D. Assessment of Efforts to Carry Out Planned Activities

The Town pursued all resources listed in the Consolidated Plan to carry out activities. These funding sources include Community Development funds and the Town's Affordable Housing Fund. The Town also received funds from HUD's Capital Fund Program for the renovation of public housing units.

During the program year, the Town did not receive requests to certify consistency with the Consolidated Plan. Additionally, the Town did not hinder Consolidated Plan implementation by action or willful inaction.

E. National Objective Failures

None

F. Actions Taken to Avoid Displacement - None Required

G. Compliance with URA

During the reporting period, the Town did not participate in activities that triggered the URA.

H. Job Creation

No activity to report.

I. Program Income

The Town received \$17,338 in program income during the program year. Funds were received from the repayment of loans previously made by the Town.

J. Housing Rehabilitation

In 2014-2015, the Town spent \$176,000 of Community Development funds for retrofitting the Colony Woods public housing community. Funds from the Town's Public Housing Capital Fund Grant were also used for the renovation project.

K. Neighborhood Revitalization Strategies

The Town continues to support Neighborhood Revitalization activities in the Northside, Pine Knolls and public housing neighborhoods that include homeownership assistance, rehabilitation and support of service programs that serve these communities.

In January, 2012, the Town Council adopted the Northside and Pine Knolls Community Plan that outlined solutions to issues facing these neighborhoods in six key areas: parking, education and outreach, zoning, affordable housing, historic and cultural preservation and enforcement. The Plan identifies community partners for implementing the solutions and establishes priorities. Consistent with the Plan, for the second year, this year the Town spent \$20,000 of Community Development funds to support increased code enforcement in the Northside and Pine Knolls neighborhoods. We believe that the increased support for enforcement has resulted in improved compliance with Town regulations in these neighborhoods.

L. Eliminate Barriers to Affordable Housing

The Consolidated Plan for Orange County identifies the following barriers to affordable housing:

- Affordability and Availability of land and infrastructure
- Developer preference for high-end housing
- Government regulations (the Urban Services Boundary, Zoning Ordinances)
- High Fees (Impact Fees)
- Length of Permitting Process

Please see page 30 for additional discussion of these issues.

Local Response

The Town of Chapel Hill has incorporated regulations into its Land Use Management Ordinance, most recently the Inclusionary Zoning Ordinance (effective March 1, 2011, and established an Affordable Housing Fund to encourage and facilitate the development of affordable housing in Chapel Hill. Please see the Local Response in Section C for a detailed description of these polices and funding sources.

M. Leveraging

During the program year, the Town used \$108,856 of local funds from its Affordable Housing Fund to support the following affordable housing activities:

- \$28,766 was allocated to Orange County for the Town's portion of the HOME Program match as a participant in the Orange County HOME Consortium (FY 2014-2015).
- \$20,977 was allocated to the Community Home Trust to reduce the purchase price of homes for 2 low-to-moderate income first-time homebuyers.
- \$19,113 was used to rehabilitate a single-family home in the Northside Neighborhood, to become an affordable rental to low-to-moderate income families.
- \$40,000 was spent to support the efforts of the Marian Cheek Jackson Center.

N. CDBG Financial Summary Attachments

The Town's Financial Reconciliation of Letter of Credit Report and CDBG Financial Summary are attached.

HOME Investment Partnership Program

A. Distribution of HOME funds

| <u>Housing Needs Categories</u> | <u>Expenditures</u> (% of total) |
|---|--|
| Rental Housing Development/Rental Assistance | 0% |
| Housing Rehabilitation including substantial rehabilitation | 0% |
| Property Acquisition | 0% |
| New Construction | 0% |
| Second Mortgage Assistance | 92% |
| Transitional Housing/Homeless | 8% |
| Housing for Special Needs Populations | 0% |

B. HOME Match Report

See Appendix. Note that all match liability is being met with previous year (excess) match and thus not included on the report. The only item on the report reflects the return of match connected with a repayment received in 2014.

C. Minority Business Enterprises (MBE) and Women's Business Enterprises (WBE)

No Activity; Form 2516 in the Appendix

D. HOME Rental units

No outstanding problems noted.

E. Affirmative Marketing Efforts

An Affirmative Marketing Plan was developed for program-wide use in the 2004-2005 fiscal years.

Affirmative marketing requirements are included in all subrecipient and CHDO Performance Agreements. There have been no instances noted during the year where affirmative marketing requirements were not met by the partner organizations.

F. Use of Program Income

In the last fiscal year, no Program Income was drawn from IDIS for HOME eligible projects.

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APPENDIX
(Provided in final document)

Public Notice
HOME Match Report
Form 2516 – Contract/Subcontractor Activity
CDBG Reconciliation of Letter of Credit
CDBG Financial Summary for Program Year 2014
Attachment for CDBG Program Income

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