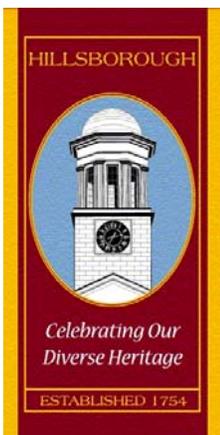




Orange County HOME Consortium



FY 2010-2011 Annual Action Plan



May 14, 2010

Prepared for the Orange County HOME Consortium by:



FY 2010-2011 Action Plan

Narrative Responses

GENERAL

Executive Summary

The Executive Summary is required. Include the objectives and outcomes identified in the plan and an evaluation of past performance.

Program Year 1 Action Plan Executive Summary:

In an effort to streamline several programs, the U.S. Department of Housing and Urban Development now requires all jurisdictions that receive federal Community Development Block Grant (CDBG) funds, federal HOME Program funds, Emergency Shelter Grants (ESG) and grants for Housing Opportunities for People with AIDS (HOPWA) to submit a Consolidated Plan for Housing and Community Development Programs.

The Town of Chapel Hill receives federal Community Development Block Grant funding each year and the Orange County HOME Consortium receives HOME funding each year. Since the Town of Chapel Hill is a member of the Orange County HOME Consortium, the County is permitted to submit one plan that details the housing needs and activities of the entire County including Chapel Hill.

The Consolidated Plan not only serves as an application for each of the programs, but also seeks to further the statutory goals of these programs through a collaborative process whereby a community establishes a unified vision of housing and community development actions to address identified housing needs.

Prior to beginning to develop the 2010-2011 Annual Action Plan, public forums were held to receive citizen feedback regarding the housing and community development needs and proposed activities that should be included in the Plan. A public hearing was held by the Chapel Hill Town Council on February 3 and March 22, 2010 to receive citizen comments regarding housing needs and the proposed use of \$640,743 in CDBG funds Chapel Hill will receive and \$892,139 in HOME funds that the Orange County HOME Consortium will receive for Fiscal Year (FY) 2010-2011. The Orange County Board of County Commissioners held a public hearing on February 2, 2010 regarding housing needs and the proposed use of the \$892,139 in HOME funds. Comments from these public hearings are included in this Summary.

Summary of Comments Received

A copy of the approved minutes from the February 2, 2010 public hearing for Orange County has been included below.

APPROVED 3/2/2010

**MINUTES
ORANGE COUNTY BOARD OF COMMISSIONERS
REGULAR MEETING
February 2, 2010
7:00 p.m.**

The Orange County Board of Commissioners met in regular session on Tuesday, February 2, 2010 at 7:00 p.m. in the Central Orange Senior Center in Hillsborough, North Carolina

COUNTY COMMISSIONERS PRESENT: Chair Valerie P. Foushee, and Commissioners Alice M. Gordon, Pam Hemminger, Barry Jacobs, Bernadette Pelissier, and Steve Yuhasz

COUNTY COMMISSIONERS ABSENT: Mike Nelson

COUNTY ATTORNEYS PRESENT: John Roberts

COUNTY STAFF PRESENT: County Manager Frank Clifton, Assistant County Managers Willie Best and Gwen Harvey, and Clerk to the Board Donna S. Baker (All other staff members will be identified appropriately below)

NOTE: ALL DOCUMENTS REFERRED TO IN THESE MINUTES ARE IN THE PERMANENT AGENDA FILE IN THE CLERK'S OFFICE.

1. Additions or Changes to the Agenda

A motion was made by Commissioner Jacobs, seconded by Commissioner Hemminger to approve adding item 4-r, Change in BOCC Regular Meeting Schedule for 2010, to the agenda.

VOTE: UNANIMOUS

Commissioner Foushee reviewed various documents at their places:

- Blue sheet was item 4-r, Change in BOCC Regular Meeting Schedule for 2010
- PowerPoint related to item 4-j, Voluntary Agricultural District Designation: Woods Family Farm
- PowerPoint related to item 6-d, Orange County Comprehensive Transportation Plan Update – Options
- Informational sheet on tax value

PUBLIC CHARGE

The Chair dispensed with the reading of the public charge.

2. Public Comments

a. Matters not on the Printed Agenda

NONE

b. Matters on the Printed Agenda

(These matters were considered when the Board addressed that item on the agenda below.)



American Recovery and Reinvestment Act. She suggested that this should be acknowledged in the letter and the item deferred to a later agenda to take into account these recent events.

A motion was made by Commissioner Gordon, seconded by Commissioner Jacobs to defer this item until staff can incorporate the latest information into a letter. The Board does support this high-speed rail funding.

VOTE: UNANIMOUS

5. Public Hearings

a. Orange County Consolidated Housing Plan

The Board received comments from the public regarding the housing and non-housing needs to be included in the 2010-2014 Consolidated Housing Plan for Housing and Community Development Programs in Orange County and proposed uses of 2010-2011 HOME funds.

Housing and Community Development Director Tara Fikes said that this is a five-year plan and Orange County has had two consolidated plans prior to this plan. This plan must be completed by May. It is required to hold a public hearing for this proposed plan. She said that tonight's public hearing is also to receive comments on the proposed uses of \$733,000 in 2010-2011 HOME Funds. Eligible activities include acquisition, new construction, housing rehabilitation, and tenant-based rental assistance. Applications are due by March 1, 2010.

PUBLIC COMMENT:

Griff Gatewood is the housing developer at CASA, which is an independent non-profit. He thanked the Board for its continued support. He said that CASA is committed to serving those who make less than 50% of the area median income, which is a single adult that earns less than \$25,000. He asked the County Commissioners to support this consolidated housing plan. He asked the County Commissioners to please make funds available for development of more housing, to have subsidies for those living in this housing, and to provide more project-based subsidies. He said that the average rent is \$130 a month, but the operating costs are \$250-300 a month. The gap has to be filled by rental subsidies.

Robert Dowling, Executive Director of Community Home Trust, distributed a letter. He also said that he wholeheartedly supports CASA's work.

"Dear Chair Foushee and Members of the County Commission:

The Community Home Trust had a banner year in 2009 when we sold 36 homes to low-income homebuyers. This unusually high volume of activity was driven by the inclusionary housing policy in Chapel Hill, which required that we sell twenty condominiums in the East 54 development. I am pleased to report that we have sold all of our East 54 condos in Phase I and we look forward to Phase II in the spring.

In 2010 we expect to sell more than 40 homes, most of which will be new to our inventory of affordable homes. There are currently more than 160 homes in the Home Trust inventory; by December of this year we expect to reach almost 200 homes.

As the Commissioners know, because of stagnant HUD income limits, it has been difficult to maintain the affordability of our housing stock without additional subsidy. Typically we have to add subsidy to homes that resell in order to maintain their affordability to low-income families. HOME funds have been a valuable source of subsidy to create and maintain affordability of Home trust properties.

Although we have about \$200,000 of HOME funds unused from 2008-09 and 2009-10, we expect to be using \$50,000 to \$70,000 before the end of the fiscal year. We expect to use the balance of our allocation in fiscal year 2010-11. However, there are several large



developments that have already been approved by the local governments, including 140 West Franklin in Chapel Hill, Ballentine in Carrboro, and Waterstone in Hillsborough that will require substantial amounts of subsidy

Although it is difficult for us to predict when Home Trust homes will resell, or when private sector developers will initiate already approved developments, we are required to project our subsidy needs 18 months into the future. Based upon what we know at this time and what developments might get built in 2011, we believe we will need an additional \$75,000 of HOME funds in this cycle

I want to thank the Board for all the support you have provided to the Home Trust over the past decade. We have worked hard to create a program that allows low-income families to live in affordable, well maintained homes that are integrated into the larger community. Our success would not have been possible without your support."

Commissioner Jacobs asked Tara Fikes how the County was doing on providing SRO's in this community in light of the mental health issues. Tara Fikes said that there have been no new initiatives to provide SRO's.

Commissioner Jacobs asked about the housing complaints and asked if Tara Fikes had heard anything different with the supposed more sympathetic federal government. Tara Fikes said that she has not heard any new developments. She said that the federal government has held the County harmless from reductions in income levels that are used for program purposes. She said that Congressman Price is quite aware of these problems and Commissioner Jacobs said to jog his memory.

Commissioner Jacobs asked Robert Dowling about the long-term maintenance issues that he approached the Assembly of Governments about a couple of years ago. Robert Dowling said that they addressed the affordability challenge with the HOME funds. The maintenance issues are difficult to address because most of the homes are new. The HOME funds have to be spent each year.

Commissioner Pelissier made reference to Goal 3 – Promote Neighborhood and Economic Development – and said that there is a statement that says that the County would work with the area Chambers of Commerce and others to promote general economic development. She asked how this would be done. Tara Fikes said that this goal is specific to Chapel Hill's community development grant program. The Town of Chapel Hill is involved in that activity.

b. Public Hearing for EMS Franchise

The Board conducted a public hearing on the need for ambulance services.

Frank Montes de Oca said that the North Carolina General Statute § 153A-250 provides that before a County may by ordinance franchise ambulance services in the County, "the Board of Commissioners must first hold a public hearing on the need for ambulance services." He said that notice must be published once a week for two successive weeks before the hearing. "After the hearing the Board may adopt an ordinance if it finds that to do so is necessary to assure the provision of adequate and continuing services and to preserve protect, the promote the public health, safety, and welfare." He said that the notice has been published as provided in the statute.

If the Board determines a need for ambulance service exists it may permit a franchise by Ordinance. Any franchise ordinance granted by the Board cannot, in accordance with N C. Gen Stat. § 153A-46, be adopted "until it has been passed at two regular meetings of the Board of Commissioners "

Comments from the February 3, 2010 Chapel Hill Town Council Budget Public Forum

1. Robert Dowling, Executive Director of the Community Home Trust thanked the Council for its support of the Home Trust and that he would return to the Council with a specific funding request for CDBG and HOME Program funds.

Comments from March 22, 2010 Chapel Hill Town Council Budget Public Forum

1. Chris Moran, Executive Director of the Inter-Faith Council for Social Services stated that he supports the preliminary CDBG and HOME staff recommendations allocating funds for the development of a residential facility for homeless.
2. Terry Allebaugh – Executive Director of Housing for New Hope stated that he supports the preliminary staff recommendation allocating funds to the organization.. The CDBG funds would be used to support the outreach team that engages the homeless and works to re-house the chronically homeless, and support for a peer specialist position.
3. Ryan Seegar of the Chapel Hill-Carrboro YMCA stated that he supported the preliminary staff recommendation allocating \$10,000 to the YMCA to continue to support the after school program. He stated that the program supports twelve lower income children.
4. Lawrence Sanders representing the Boys and Girls Club stated that he supported the preliminary staff recommendation allocating CDBG funds to the organization for renovation of a community center that will become part of a Boys and Girls Club.
5. Delores Bailey of Empowerment, Inc. asked the Council to reconsider the staff recommendation and provide funding for the Career Explorers Program. Ms. Bailey stated that Empowerment has improved its practices and will be able to meet the Town's performance requirements.
6. Robert Dowling, Executive Director of the Community Home Trust, stated that he supported the preliminary HOME and CDBG recommendations providing funds to the Home Trust. He stated that the request supports the agency's need for funds for maintenance of Home Trust homes.
7. Kathy Meris, Executive Director of Kidzu Children's Museum in Chapel Hill, stated that she supports funding for Empowerment's Career Explorers Program.
8. George Lensing, President of the InterChurch Council board of Directors and David Owns, Vice President of the Board of Directors, stated that they supported the preliminary HOME and CDBG staff recommendations allocating funds to their organization for the renovation of 79 units. They expect to begin renovations this summer.
9. Kevin Cruz, a former participant in the Career Explorers Program asked that the Council consider funding the program.

The citizen comments received at the Town of Chapel Hill's February 3 and March 22, 2010 public forum and applications received for funding are summarized below. All agencies that requested funding were required to submit an application.

Activities eligible for Community Development funding must meet one of three National Objectives:

- Benefit low- and moderate-income persons; or
- Aid in the prevention or elimination of slums and blight; or
- Treat urgent needs posing an immediate threat to public health and welfare.

SUMMARY

The U. S. Department of Housing and Urban Development (HUD) has awarded the Town \$633,405 of entitlement grant funding. We also propose to budget \$7,338 of program income received during the 2009-2010 program year for the repayment of a loan. Therefore, we present a recommended budget of \$640,743.

At the March 22, 2010 public forum, we presented to the Council a preliminary proposal for the 2010-2011 Community Development program based on the Town's 2009-2010 funding allocation. Due to an 8% increase in the amount of funds the Town will receive and comments from the Council, we recommend several changes to the preliminary proposal:

- Increasing the allocation to the Housing Department for the renovation of the Colony Woods West public housing community;
- Changing a part-time Planner position to a full-time Planner position; and
- Funding for EmPOWERment to support its Career Explorers Program.

Recommended Plan

Staff recommends the following use of Community Development funds for 2010-2011. The recommended plan is based on comments received at the February 3 and March 22 public forums and applications submitted by agencies requesting funds.

1. Town of Chapel Hill Renovation of Public Housing \$140,395
 2. Inter-Faith Council Pre-development Costs \$100,000
 3. Community Home Trust Homebuyer Assistance Programs \$ 90,000
 4. Inter-Church Council Rehabilitation of Rental Property \$ 80,000
 5. Boys and Girls Club Rehabilitation of a Public Facility \$ 10,000
 6. Public Service Activities \$ 92,200
 - a. Chapel Hill Police Department - Youth Employment Program \$30,000
 - b. Chapel Hill Parks and Recreation - Youth Programs \$17,200
 - c. Housing for New Hope - Street Outreach Workers \$15,000
 - d. Orange County Family Resource Center - After School Program \$10,000
 - e. Chapel Hill Carrboro YMCA - After School Program \$10,000
 - f. EmPOWERment - Career Explorers \$10,000
 7. Administration \$128,148
- Total \$640,743

DISCUSSION

Following is the staff response to applications received for 2010-2011 Community Development Grant funding. Due to the increased demand for funding for both affordable housing and community service projects, staff is unable to recommend full funding for some requests received.

1. Town of Chapel Hill - Renovation of Public Housing: \$140,395

(Requested Amount: \$300,000; 2009-2010 Allocation: \$135,000)

Staff recommends that the Council budget \$140,395 to perform comprehensive renovations at the Colony Woods West Public Housing Community. This allocation was increased from \$115,000 that was in the preliminary proposal submitted to the Council at the March 22 public forum. Renovation work would include: installation of new furnaces, air conditioners and water heaters; replacement of interior and exterior doors; replacement of wall and base cabinets and countertops to include new range hoods and sinks; installation of new washer and dryer hookups, upgrade of electrical services; and replacement of water and sewer lines.

2. InterFaith Council - Pre-Development Costs: \$100,000

(Requested Amount: \$100,000; 2009-2010 Allocation: \$74,575)

Staff recommend allocating \$100,000 to the InterFaith Council for Social Services for infrastructure and predevelopment costs related to the development of a 50-plus bed transitional housing facility for homeless men located on a 1.66-acre of property located on Martin Luther King, Jr. Boulevard. The preliminary HOME Program plan also includes \$115,000 for this request.

3. Community Home Trust - Homebuyer Assistance Program: \$90,000

(Requested Amount: \$90,000; 2009-2010 Allocation: \$53,625)

Staff recommends that the Council budget \$90,000 to the Community Home Trust for its Homebuyer Assistance Program to assist low-income buyers to purchase Land Trust homes in Chapel Hill. The preliminary HOME Program plan includes \$75,000 for this request.

4. Inter-Church Council Housing Corporation (InChuCo) - Rehabilitation of Rental

Property: \$80,000

(Requested Amount: \$298,718 Community Development and HOME Funds)

We recommend allocating funds to the Inter-Church Council Housing Corporation to renovate the Elliott Woods and Chase Park affordable rental apartments. The preliminary HOME Program plan includes \$100,000 for this project.

5. Boys and Girls Club of Eastern Piedmont - Rehabilitation of Public Facility: \$10,000

(Requested Amount: \$50,000)

We recommend allocating funds for the renovation of the Pine Knolls Community Center for the opening of a Boys and Girls Club. Use of funds would be contingent upon the organization receiving a zoning compliance permit for this project.

6. Public Service Activities: \$92,200

The use of funds for public service activities that benefit households earning less than 80% of the area median income is eligible under federal Community Development regulations. Examples of public service activities include programs concerned with employment, crime prevention, child care, health, drug abuse, education, fair housing counseling, energy conservation, homebuyer down payment

assistance or recreational needs. The amount of Community Development funds used for public services cannot exceed 15% of the Town's Community Development grant (\$95,010 for FY 2010-2011).

Staff recommends that the Council allocate funds for seven community service programs:

- Chapel Hill Police Department Youth Employment Program: \$30,000

(Requested Amount: \$42,056; 2009-2010 Allocation: \$25,000)

The Youth Employment Program provides job skills training, employment experience, and economic opportunities to Chapel Hill youth aged 14-18 whose families earn less than 80% of area median income. We recommend an increase in the allocation because the Police Department intends to increase the number of program participants.

- Chapel Hill Parks and Recreation: \$17,200

(Requested Amount: \$47,131)

We recommend allocating \$10,000 to support the Youth in Action Program to provide positive alternatives to youths ranging in age from 8-18. The goals of this Hargraves Center-based program are to decrease criminal activities and gang involvement and prevent youth from becoming victims of crimes.

We also recommend allocating \$7,200 to support a year-round program at the Town's Teen Center located on Franklin Street for lower income youth.

- Chapel Hill Training Outreach Project (CHTOP) After School Enrichment Program: \$10,000

(Requested Amount: \$15,000; 2009-2010 Allocation: \$10,000)

The After School Enrichment Program operates at the Family Resource Center in the South Estes public housing community, serving approximately fourteen elementary school-aged children.

- Chapel Hill Carrboro YMCA After School Outreach Program: \$10,000

(Requested Amount: \$12,000; 2009-2010 Allocation: \$10,000)

The After School Outreach Program operates at the Chapel Hill/Carrboro YMCA, serving children living in the Pine Knolls neighborhood and the South Estes Drive and Airport Gardens public housing communities. Funds would be used to provide scholarships to eligible children.

- Housing for New Hope: \$15,000

(Requested Amount: \$15,000; 2009-2010 Allocation: \$15,000)

The Homeless Outreach and Housing Support Program assists the homeless and chronically homeless to improve their lives through obtaining and maintaining permanent housing and supportive services. Funding would be used to pay a portion of the salary for a Homeless Outreach worker.

- EmPOWERment: \$10,000

(Requested Amount: \$10,000)

Funds would be allocated to EmPOWERment to support its Career Explorers Program. The summer program for up to twelve high school juniors and seniors would find summer employment for students which will allow them to learn how to support themselves in the workforce.

The staff memorandum presented to the Council on March 22, 2010 did not include funding for this program. In order to address concerns about EmPOWERment's capacity to implement this program and the Council's interest in maintaining the program, we met with the EmPOWERment staff to discuss these issues. EmPOWERment developed a document that explains the procedural changes that they intend to make to be able to meet the Town and federal requirements. EmPOWERment also developed a timeline to complete specific tasks related to this program. If the Council approves this allocation, the document prepared by EmPOWERment would be incorporated into a Performance Agreement that would require EmPOWERment to meet these deadlines in order to receive reimbursement from the Town for this program. In addition, the staff will provide on-going technical assistance to help the organization meet the federal and Town contractual requirements.

7. Program Administration: \$128,148

(2009-2010 Allocation: \$114,864)

Federal regulations allow up to 20% of a Community Development allocation to be used for program administration. We recommend that the Council allocate \$128,148 for oversight of the Community Development program and related affordable housing programs, as well as coordination with the U.S. Department of Housing and Urban Development to achieve compliance with federal regulations.

Staff proposes to continue to use funds for a portion of the salaries of the Housing and Neighborhood Services Manager and the Housing and Neighborhood Services Senior Planner.

Staff also proposes to increase a part-time Planner position to a full-time Planner position to take on a higher level of responsibilities related to Community Development program including regulatory compliance and monitoring of agencies that receive funding, and other affordable housing related activities. In addition to salaries, funds would be used for overhead costs such as advertising expenses, business meetings and training, supplies and professional services.

DISCUSSION

Following is the staff response to applications received for 2010-2011 Home Investment Partnership Program funding. Due to the increased demand for funding for both affordable housing and community service projects, staff is unable to recommend full funding for some requests received.

FY 2010 – 2011 HOME Program Applications

Homebuyer Assistance

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

(Requested amount: \$75,000)

\$ 75,000

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

(Requested amount: \$300,000)

\$150,000

Housing Rehabilitation

Funds would be allocated to the Orange County Single Family Housing Rehabilitation for the repair of scattered substandard dwellings occupied by low-income families with incomes below 80% of area median income. **\$124,312**

Funds would be allocated to the Inter-Church Council for the repair of two (2) low-income apartment complexes in Chapel Hill. **\$100,000**
(Requested amount: \$298,718)

Operational Support

Funds would be allocated to Orange Community Housing and Land Trust as a Community Housing Development Organization for administrative expenses. **\$ 30,000**
(Requested amount: \$30,000)

New Construction

Funds would be allocated to Inter-Faith Council for pre-development costs associated with the construction of Project Community House a new men’s residential facility for homeless men in the community. **\$115,000**
(Requested amount: \$300,000)

Funds would be allocated to ARC of North Carolina to provide funding to assist with the construction of a four unit apartment building for four (4) low-income families with developmental disabilities. **\$150,000**
(Requested amount: \$400,000)

Property Acquisition

Funds would be provided to EmPOWERment to assist in the acquisition of rental property in Chapel Hill for lease to one low-income family at or below 50% of the area median income. **\$ 75,000**
(Requested amount: \$155,000)

Program Administration

\$ 72,827

Total FY 2010-2011 HOME Program Funds

\$892,139

Annual Strategic Plan

As a growing community, the 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 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 year. 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 one year time frame.

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

This goal includes retaining existing affordable housing stock, increasing the availability of affordable permanent housing in standard condition without discrimination, providing affordable rental housing and providing affordable housing that is accessible to job opportunities.

Priority Needs

- 1.1 Low income (< 80% AMI) homeowners that live in substandard housing
- 1.2 Rental units for low income (<60% AMI) residents
- 1.3 Low income (<80% AMI) homeowners that do not have indoor plumbing or adequate connections to existing public water and sewer systems
- 1.4 Low income (60-80% AMI) renters that are potential homebuyers
- 1.5 Very low income (<60% AMI) homeownership
- 1.6 Eliminate barriers to affordable housing
- 1.7 Extremely Low income (<30% AMI) renters looking for affordable rental housing

Goal 2 – Provide Housing and Services for Homeless Populations

This goal includes assisting homeless persons to obtain services and housing, and assisting persons at risk of becoming homeless.

Priority Needs

- 2.1 Service-enriched transitional housing for homeless persons
- 2.2 Reduce Chronic Homelessness
- 2.3 Increase Employment
- 2.4 Prevent Homelessness
- 2.5 Increase Access to Services
- 2.6 Increase Public Participation in Ending Homelessness

Goal 3 – Provide Housing and Services for Special Needs Populations

This goal includes assisting persons with special needs in obtaining supportive housing and in accessing a continuum of services specific to their unique needs.

Priority Needs

- 3.1 Service-enriched housing for persons with special needs
- 3.2 Continuum of services for special populations including older adults, disabled, mentally ill, persons with AIDS and at-risk youth

Goal 4 – Increase Capacity and Scope of Public Services.

This priority of the Consolidated Plan is to increase the capacity and scope of public services for low and moderate income families and individuals. The needs of residents with limited incomes for a unique variety of public services can be acute. Consolidated Plan funding will be used to leverage other resources to provide needed services.

Priority Need

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

The following table shows the proposed sources and uses of funding available to Orange County for FY 2010-2011 from the U.S. Department of Housing and Urban Development. More detailed descriptions are provided in the Annual Plan portion of this document.

Fiscal Year 2010-2011 Funding	
Uses of Funds	Amount
<u>HOME Program</u>	
Pre-Development Costs-Interfaith Council	\$115,000
Housing Rehabilitation-Orange County	\$124,312
Multi-Family Rehabilitation - Inter-Church Council	\$100,000
Second Mortgage Assistance-Habitat for Humanity	\$150,000
New Construction - ARC of North Carolina	\$150,000
Property Acquisition - EmPOWERmernt	\$75,000
Homebuyer Assistance - CHT	\$75,000
Operations Support-CHT	\$30,000
Administration	\$72,827
<u>Community Development Block Grant</u>	
Rehabilitation of Public Facility – Boys & Girls Club	\$10,000
Public Housing Renovation - Town of Chapel Hill	\$140,395
Predevelopment Costs-Inter-Faith Council	\$100,000
Rehabilitation of Rental – Inter-Church Council	\$80,000
Homeownership Assistance-CHT	\$90,000
Public Service Activities	\$92,200
Program Administration	\$128,148
Total	\$1,532,882

Proposed Activities and Proposed Projects

2010 – 2011 HOME Program Activities and Projects

1. Homebuyer Assistance – Community Home Trust - \$75,000

Funds would be allocated to the Orange Community Home Trust to assist first time homebuyers earning less than 80% of the area median income to purchase homes county-wide.

2. Homebuyer Assistance – Habitat for Humanity - \$150,000

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

3. Housing Rehabilitation – Orange County - \$124,312

Funds would be allocated to the Orange County Single Family Housing Rehabilitation for the repair of scattered substandard dwellings occupied by low-income families with incomes below 80% of area median income.

4. Multi-Unit Rehabilitation – Orange County - \$124,312

Funds would be allocated to the Inter-Church Council for the repair of two (2) low-income apartment complexes in Chapel Hill.

5. Operational Support – OCT - \$30,000

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

6. New Construction – Inter-Faith Council - \$115,000

Funds would be allocated to Inter-Faith Council for pre-development costs associated with the construction of Project Community House a new men's residential facility for homeless men in the community.

7. New Construction – ARC of North Carolina - \$150,000

Funds would be allocated to ARC of North Carolina to provide funding to assist with the construction of a four unit apartment building for four (4) low-income families with developmental disabilities.

8. Property Acquisition – EmPOWERment - \$75,000

Funds would be provided to EmPOWERment to assist in the acquisition of rental property in Chapel Hill for lease to one low-income family at or below 50% of the area median income.

9. Program Administration – Orange County- \$72,827

HOME Program Total: \$892,139

2010-2011 Community Development Block Grant Activities and Projects

1. Town of Chapel Hill - Renovation of Public Housing: \$140,395

Renovation work to the Colony Woods West Public Housing Community to include: installation of new furnaces, air conditioners and water heaters; replacement of interior and exterior doors; replacement of wall and base cabinets and countertops to include new range hoods and sinks; installation of new washer and dryer hookups, upgrade of electrical services; and replacement of water and sewer lines.

2. InterFaith Council - Pre-Development Costs: \$100,000

Infrastructure and predevelopment costs related to the development of a 50-plus bed transitional housing facility for homeless men located on a 1.66-acre of property located on Martin Luther King, Jr. Boulevard.

3. Community Home Trust - Homebuyer Assistance Program: \$90,000

Homebuyer Assistance Program to assist low-income buyers to purchase Land Trust homes in Chapel Hill.

4. Inter-Church Council Housing Corporation (InChuCo) - Rehabilitation of Rental Property: \$80,000

Renovation of the Elliott Woods and Chase Park affordable rental apartments.

5. Boys and Girls Club of Eastern Piedmont - Rehabilitation of Public Facility: \$10,000

Renovation of the Pine Knolls Community Center for the opening of a Boys and Girls Club. Use of funds would be contingent upon the organization receiving a zoning compliance permit for this project.

6. Public Service Activities: \$92,200

The use of funds for public service activities that benefit households earning less than 80% of the area median income is eligible under federal Community Development regulations. Examples of public service activities include programs concerned with employment, crime prevention, child care, health, drug abuse, education, fair housing counseling, energy conservation, homebuyer down payment assistance or recreational needs. The amount of Community Development funds used for public services cannot exceed 15% of the Town's Community Development

- **Chapel Hill Police Department Youth Employment Program: \$30,000**

The Youth Employment Program provides job skills training, employment experience, and economic opportunities to Chapel Hill youth aged 14-18 whose families earn less than 80% of area median income.

- **Chapel Hill Parks and Recreation: \$17,200**

Youth in Action Program provides positive alternatives to youths ranging in age from 8-18. The goals of this Hargraves Center-based program are to decrease criminal activities and gang involvement and prevent youth from becoming victims of crimes.

In addition, support for the year-round program at the Town's Teen Center located on Franklin Street for lower income youth.

- **Chapel Hill Training Outreach Project (CHTOP) After School Enrichment Program: \$10,000**

The After School Enrichment Program operates at the Family Resource Center in the South Estes public housing community, serving approximately fourteen elementary school-aged children.

- **Chapel Hill Carrboro YMCA After School Outreach Program: \$10,000**

The After School Outreach Program operates at the Chapel Hill/Carrboro YMCA, serving children living in the Pine Knolls neighborhood and the South Estes Drive and Airport Gardens public housing communities. Funds would be used to provide scholarships to eligible children.

- **Housing for New Hope: \$15,000**

The Homeless Outreach and Housing Support Program assists the homeless and chronically homeless to improve their lives through obtaining and maintaining permanent housing and supportive services. Funding would be used to pay a portion of the salary for a Homeless Outreach worker.

- **EmPOWERment: \$10,000**

Career Explorers Program – a summer program for up to twelve high school juniors and seniors would find summer employment for students which will allow them to learn how to support themselves in the workforce.

7. Program Administration: \$128,148

Federal regulations allow up to 20% of a Community Development allocation to be used for program administration and oversight of the Community Development program and related affordable housing programs, as well as coordination with the U.S. Department of Housing and Urban Development to achieve compliance with federal regulations.

General Questions

1. Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed during the next year. Where appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to target areas.

Orange County HOME Consortium Response:

Rolling hills, forests, and farmland converge with cosmopolitan urban cities and small rural towns in Orange County. This unique mix of landforms brings to the County an abundance of historical, social, and cultural resources. Additionally, Orange County anchors the western corner of the Research Triangle, a regional economic engine home to some of the world's leading technological companies as well as major federal research institutions. Orange County encompasses four Cities to include: Hillsborough, Chapel Hill, Carrboro, and Mebane.

The county is also divided into seven townships, though these political divisions no longer carry legal standing: Cedar Grove, Little River, Cheeks, Hillsborough, Eno, Bingham, and Chapel Hill.

Demographics

As of the 2000 Census count, Orange County had a total population of 118,227. The County's racial makeup consisted of 78.05% White, 13.79% Black or African American, 0.39% American Indian and/or Native Alaskan, 4.10% Asian, 0.02% Pacific Islander, 1.71% from other races, and 1.64% from two or more races; 4.46% were Hispanic or Latino of any race. This demographic data, along with data broken out for each of Orange County's four municipalities, is depicted in Table 1, below. According to the 2000 Census count for Orange County as a whole, there were 45,863 households out of which 30.3% had children under the age of 18 living with them; 44.6% were married couples living together, 9.4% had a female householder with no husband present, and 43% were non-families. The average household size was 2.36 and the average family size was 2.95.

Orange County Demographic Profile Highlights					
	Orange County	Chapel Hill	Carrboro	Hillsborough	Mebane
Total population	118,227	16,782	48,715	5,446	7,284
Male	56,038	8,164	21,961	2,523	3,480
Female	62,189	8,618	26,754	2,923	3,804
One race	116,204	16,376	47,813	5,326	7,184
White	92,272	12,195	37,973	3,282	5,638
Black or African American	16,298	2,273	5,565	1,897	1,273
American Indian and Alaska Native	457	61	203	28	17
Asian	4,845	864	3,497	31	45
Native Hawaiian and Other Pacific Islander	20	1	12	0	1
Other race	2,312	982	563	88	210
Two or more races	2,023	406	902	120	100
Hispanic or Latino	5,273	2,062	1,564	152	382

Orange County Demographic Highlights: [Source: Census 2000, Summary File 1]

As researched in the 2006 – 2008 American Community Survey estimates, there were 49,369 households [an increase of 7.64% over the 2000 Census count], of which 31.2% had children under the age of 18 living with them. Out of the total 49,369 households, 46.5% were married couples living together. The 2006 – 2008 Census estimates also revealed 10.4% of families had a female head of household with no husband present. Orange County also had 39.8% non-family households. The average household size was 2.34 and the average family size was 2.88.

The 2006 – 2008 Census estimates put the total population of Orange County at 124,168. The racial makeup of the County was 76.21% White, 12.99% Black/African American, 0.37% American Indian and/or Alaskan Native, 5.66% Asian, and 2.86% some other race; the American Community Survey did not estimate the size of the Hispanic or Latino populations. Historical trends in Orange County's racial makeup between 1990 and 2008 are depicted in the tables below.

Demographic Profile Highlights 2006-2008 Estimates*		
	Orange County	Chapel Hill
Total population	124,168	54,972
One race	121,799	53,993
White	94,631	41,886
Black or African American	16,130	5,773
American Indian and Alaska Native	461	80
Asian	7,023	5,328
Native Hawaiian and Other Pacific Islander	29	13
Other race	3,525	913
Two or more races	2,369	979
Hispanic or Latino**	--	--

Demographic Profile Highlights: 2006-2008 Estimates

[Source: 2006-2008 American Community Survey 3-year estimates]

* 2006-2008 Estimates were not available for Carrboro, Hillsborough, and Mebane.

** No 2006-2008 estimated data was available for the number of Hispanic or Latino individuals in Orange County.

Orange County Historical Demographic Trends							
	White	Black/African American	American Indian/ Alaskan Native	Asian	Native Hawaiian/ Other Pacific Islander	Other race	Hispanic/Latino
1990	75,871	14,893	286	2,325	36	440	5,273
2000	92,272	16,298	457	4,845	20	2,312	3,480
2006-2008*	94,631	16,130	461	7,023	29	3,525	--

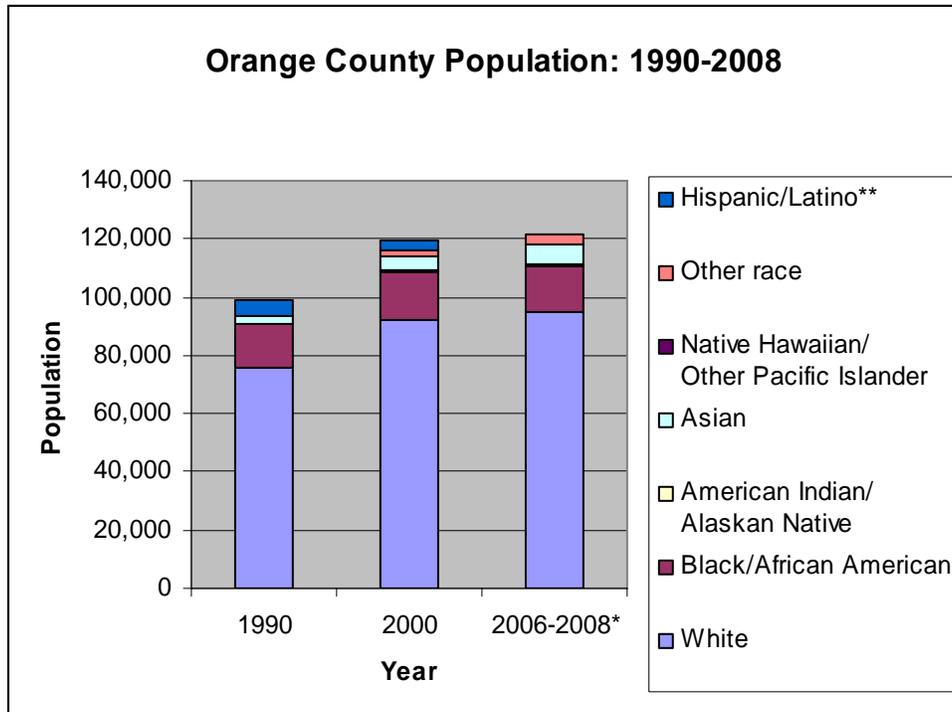
Orange County Demographic Trends: [Sources: Census 1990 Summary Tape File 1, Census 2000 Summary File 1, and 2006-2008 American Community Survey 3-year estimates]

Note: No 2006-2008 estimated data was available for the number of Hispanic or Latino individuals in Orange County.

* Denotes Estimate

24.7% increase in the white population, an 8.5% increase in the Black or African American population, a 302% increase in the Asian population, and a 34.0% decrease in the Hispanic or Latino population.

The historical shift in Orange County's racial makeup is depicted in Figure 1 [below]. Over the 18-year period researched, Orange County has become more racially diverse. Whites have consistently made up the majority of the population while the Black or African American population has fluctuated. The most dramatic increase in the population of any one race is displayed by Asians, who grew from 2,325 in 1990 to 7,023 in 2006-2008, an increase of over 300%. Growth in the populations of other races (namely White, Black/African American, and American Indian/Alaskan Native) appears to have largely stabilized after a period of more rapid growth between 1990 and 2000. A variety of economic and other influences may have driven these historical population trends and shifts; however, the Orange County Housing & Community Development Department should be aware of these shifts, and continue to monitor demographic data to determine if any racially-motivated "steering" practices are contributing factors.



Orange County Population: 1990-2008 [Sources: Census 1990 Summary Tape File 1, Census 2000 Summary File 1, and 2006-2008 American Community Survey 3-year estimates]

* Denotes Estimate

** Data on the number of Hispanic or Latino individuals in Orange County was not available for 2006-2008

Using Census 2000 data (the most complete dataset currently available), Orange County had a total minority population of 28,571 compared with an overall population of 118,227, giving the County a minority population of 24%. For the purposes of this calculation, all racial or ethnic groups not categorized as “Non-Hispanic White” are considered minority groups. Using data compilations from the Federal Financial Institutions Examination Council [FFIEC], which are based upon Census 2000 data, demographic research was also conducted within Orange County at the census tract level. This detailed level of analysis is necessary in order to determine the existence of racial or ethnic segregation patterns and the degree to which these minority populations are concentrated throughout the County. As depicted in the accompanying table [Table 3], the concentrations of minority populations within Orange County ranges widely.

For each of the County’s 22 Census tracts (as defined for the 2000 Census), the following table displays the tract’s total population along with the actual number of persons belonging to the various racial and ethnic groups. Each tract’s minority population is also shown as a percentage of the tract’s total population. Minority populations range as high as 47.1% in Tract 107.03 to 12.2% in Tract 108.02. Similarly wide ranges exist within specific racial and ethnic groups. Whereas 2,235 Black or African Americans were counted in Tract 111.01, only 133 were counted in Tract 114. A perhaps even more striking tendency to concentrate is found among Asians, whose population ranged from a total of just 7 in Tract 108.01 to 703 in Tract 112.03.

Racial Composition By Orange County Census Tract

Tract Code	General Geography	Tract Population	Tract Minority %	Number of Families	# of House-holds	Non-Hisp White Population	Tract Minority Population	American Indian Population	Pacific Islander Population	Black Population	Hispanic Population	Other Population/ Two or More Races
107.01	Carrboro	1938	31.73	538	708	1323	615	3	33	496	62	21
107.02	Carrboro	8510	32.35	1980	3372	5757	2753	16	354	1293	909	181
107.03	Carrboro	5170	47.12	841	2611	2734	2436	9	286	1004	1022	115
107.04	Carrboro	4614	16.88	923	2208	3835	779	11	240	286	166	76
108.01	Cedar Grove	4567	33.04	1311	1748	3058	1509	29	7	1244	178	51
108.02	Little River	4148	12.22	1308	1603	3641	507	12	12	386	57	40
109	Eno	8207	15.57	2358	3241	6929	1278	31	71	886	191	99
110	Hillsborough	5987	24.79	1610	2360	4503	1484	13	19	1178	190	84
111.01	Cheeks	6373	40.92	1838	2443	3765	2608	31	15	2235	252	75
111.02	Cheeks	4798	19.78	1358	1896	3849	949	16	41	553	247	92
112.01	Chapel Hill	7579	25.28	1886	2988	5663	1916	16	703	722	344	131
112.02	Carrboro	5043	18.5	1371	1893	4110	933	13	82	604	159	75
112.03	Bingham	5076	15.21	1400	2055	4304	772	21	17	541	136	57
113	Chapel Hill	2400	45.96	362	1127	1297	1103	7	46	917	93	40
114	Chapel Hill	3717	13.69	550	1561	3208	509	18	233	133	69	56
115	Chapel Hill	2023	20.37	447	1024	1611	412	14	55	222	91	30
116	Chapel Hill	9295	26.21	252	1773	6859	2436	50	743	1313	175	155
117	Chapel Hill	4852	18.4	394	1265	3959	893	23	318	417	49	86
118	Chapel Hill	2692	17.01	560	1144	2234	458	3	120	209	89	37
119	Chapel Hill	8419	20.05	2139	3546	6731	1688	22	576	635	315	140
121	Chapel Hill	6291	21.41	1437	2705	4944	1347	24	463	506	235	119
122	Chapel Hill	6528	18.17	1554	2645	5342	1186	6	426	395	244	115

Racial Composition by Orange County Census Tract

[Source: FFIEC 2009 Population Report]

By converting raw numbers into percentages, a more useful set of statistics emerges wherein the various Census tracts can be more directly compared with one another. The following table [Table 4] depicts the same data contained in Table 3 as percentages. Among all tracts, the average minority tract population is 24.3%.

Accordingly, tracts with minority population percentages greater than 30% are considered to be unusually high and have been highlighted in yellow. Blue highlighting has been used to designate populations within specific racial or ethnic groups that are considerable higher than average.

Percentage Racial Composition By Orange County Census Tract

Tract Code	General Geography	Tract Population	Non-Hisp White Population	Tract Minority Population	American Indian Population	Asian/ Hawaiian/ Pacific Islander Population	Black Population	Hispanic Population	Other Population/ Two or More Races
107.01	Carrboro	1938	68.3%	31.7%	0.2%	1.7%	25.6%	3.2%	1.1%
107.02	Carrboro	8510	67.6%	32.4%	0.2%	4.2%	15.2%	10.7%	2.1%
107.03	Carrboro	5170	52.9%	47.1%	0.2%	5.5%	19.4%	19.8%	2.2%
107.04	Carrboro	4614	83.1%	16.9%	0.2%	5.2%	6.2%	3.6%	1.6%
108.01	Cedar Grove	4567	67.0%	33.0%	0.6%	0.2%	27.2%	3.9%	1.1%
108.02	Little River	4148	87.8%	12.2%	0.3%	0.3%	9.3%	1.4%	1.0%
109	Eno	8207	84.4%	15.6%	0.4%	0.9%	10.8%	2.3%	1.2%

110	Hillsborough	5987	75.2%	24.8%	0.2%	0.3%	19.7%	3.2%	1.4%
111.01	Cheeks	6373	59.1%	40.9%	0.5%	0.2%	35.1%	4.0%	1.2%
111.02	Cheeks	4798	80.2%	19.8%	0.3%	0.9%	11.5%	5.1%	1.9%
112.01	Chapel Hill	7579	74.7%	25.3%	0.2%	9.3%	9.5%	4.5%	1.7%
112.02	Carrboro	5043	81.5%	18.5%	0.3%	1.6%	12.0%	3.2%	1.5%
112.03	Bingham	5076	84.8%	15.2%	0.4%	0.3%	10.7%	2.7%	1.1%
113	Chapel Hill	2400	54.0%	46.0%	0.3%	1.9%	38.2%	3.9%	1.7%
114	Chapel Hill	3717	86.3%	13.7%	0.5%	6.3%	3.6%	1.9%	1.5%
115	Chapel Hill	2023	83.1%	21.3%	0.7%	2.8%	11.5%	4.7%	1.5%
116	Chapel Hill	9295	73.8%	26.2%	0.5%	8.0%	14.1%	1.9%	1.7%
117	Chapel Hill	4852	81.6%	18.4%	0.5%	6.6%	8.6%	1.0%	1.8%
118	Chapel Hill	2692	83.0%	17.0%	0.1%	4.5%	7.8%	3.3%	1.4%
119	Chapel Hill	8419	80.0%	20.0%	0.3%	6.8%	7.5%	3.7%	1.7%
121	Chapel Hill	6291	78.6%	21.4%	0.4%	7.4%	8.0%	3.7%	1.9%
122	Chapel Hill	6528	81.8%	18.2%	0.1%	6.5%	6.1%	3.7%	1.8%
Average		5374	75.9%	24.3%	0.3%	3.7%	14.4%	4.3%	1.5%

Percentage Racial Composition by Orange County Census Tract
[Source: 2009 FFIEC Census Report]

Note that a high population of a specific minority group does not necessarily indicate a high minority tract population overall. For example, all those tracts with high Black/African American populations are also high minority tracts but, of those tracts where Asians concentrate in unusually high percentages, none are high in overall minority populations.

Based on this Racial Composition by Census Tract data, the Census tracts with the highest minority concentrations are Tracts 107.01, 107.02, 107.03, 108.01, 111.01, and 113. In most cases, these high minority tracts have unusually high concentrations of only one specific minority group. While tracts 107.02 and 107.03 have very high Hispanic concentrations, the concentration of other minority groups in those tracts are generally no more than average. Similarly, tracts 107.01, 108.01, 111.01, and 113 contain very high Black concentrations but other minority groups concentrate in those tracts generally no more than average (except in Tract 108.01, which has both a high Black and a high American Indian population). This indicates a tendency of minority groups to concentrate in certain areas of the County, but not in areas where members of any other racial or ethnic group are also concentrated.

- Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215(a)(1)) during the next year and the rationale for assigning the priorities.

Orange County HOME Consortium Response:

As a growing community, Orange County and the Towns of Chapel Hill, Hillsborough and Carrboro 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 County will attempt to expend public funds in a way that leverages the commitment

of private sector support whenever possible. Through the public participation and consultation process, the County has identified the community's overall goals and priorities as follows:

- Provide decent and affordable housing for low to moderate income households, including providing affordable rental for <30% AMI residents
- Provide housing and services for homeless populations with special needs
- Increase the capacity and scope of Public Services

3. Describe actions that will take place during the next year to address obstacles to meeting underserved needs.

Orange County HOME Consortium Response:

The following are obstacles to meeting underserved needs in Orange County along with the Consortium's actions that are intended to minimize the impact of these obstacles:

- The current economic and housing crisis has decreased tax revenues for the County and Towns. Recognizing the heightened scarcity of available public funds, the Consortium will seek opportunities for leveraging private funds and will fund those projects of greatest strategic importance to the Consortium.
- As mixed use/mixed income communities continue to add amenities to new home construction, home costs continue to rise in Orange County despite the current housing market slowdown. It is increasingly difficult to fund projects that meet low and moderate income criteria. Orange County will continue to work with local groups, and municipalities, to determine the areas that qualify for funding by researching and evaluating alternative areas.
- As the population of Orange County continues to grow, the lack of affordable land has become a major barrier to the development of Affordable Housing, especially when taking into account that the Town of Chapel Hill and the County will not develop infrastructure beyond the Urban Services Boundary. By waiving building permit fees and providing zoning incentives, the members of the Consortium plan to minimize the obstacles to affordable housing development.
- There are a limited number of developers and builders who are capable of building Affordable Housing. The profit potential for middle and upscale housing draws most builders to that range of development, leaving few contractors willing to work in the Affordable Housing arena. Also, the high cost of land, costly permitting fees and the length of time to get housing projects approved is prohibitive to the development of Affordable Housing. This obstacle will be mitigated through the waived permit fees and zoning incentives already discussed.

4. Identify the federal, state, and local resources expected to be made available to address the needs identified in the plan. Federal resources should include Section 8 funds made available to the jurisdiction, Low-Income Housing Tax Credits, and competitive McKinney-Vento Homeless Assistance Act funds expected to be available to address priority needs and specific objectives identified in the strategic plan.

Orange County HOME Consortium Response:

By drawing upon financial resources available to the Consortium through HUD and by instituting or strengthening partnerships with County departments, municipalities, and nonprofit organizations, the Consortium will have sufficient resources available to accomplish the Plan goals.

The following table provides a conservative estimate of the total amount of funding that is expected to be available through HUD over the course of the five years covered by this Plan. The estimates for CDBG and HOME are based on 80% of the current FY 2010 funding level, multiplied by five (to arrive at a cumulative five-year figure). CDBG and HOME Program Income estimates are based on 80% of the projections listed in the Consortium’s 2009 Annual Action Plan. The estimate for HOME Matching Funds is 25% (the minimum amount of match required) of the five-year HOME estimate.

Grant Program	Amount
CDBG (Town of Chapel Hill) *	\$2,533,620
CDBG Program Income**	\$29,352
HOME (Orange County Consortium)*	\$2,913,108
HOME Program Income**	\$204,232
HOME Matching Funds*	\$728,277
TOTAL	\$6,408,589

** 80% of FY 2010 allocations for the next 5 years*

*** 80% of average program income over the past 5 years*

Strategic partners who will assist in the implementation and management of the Plan include the following:

The Orange County Housing and Community Development Department
The Chapel Hill Planning Department
The Town of Chapel Hill Department of Housing
Chapel Hill Police Department
The Town of Carrboro
The Hillsborough Planning Department
The Town of Hillsborough
The Community Home Trust
Habitat for Humanity of Orange County
ARC of North Carolina
InterFaith Council for Social Service
Orange Congregations in Mission
The Joint Orange-Chatham Community Action Agency

EmPOWERment, Inc.
USDA/Rural Development
Chapel Hill Training & Outreach Agency
Chapel Hill-Carrboro YMCA
Inter-Church Council Housing Corporation
Housing for New Hope
Community Alternatives for Supportive Abodes

Managing the Process

1. Identify the lead agency, entity, and agencies responsible for administering programs covered by the consolidated plan.

Orange County HOME Consortium Response:

The Orange County Consortium is made up of several local government entities. These entities have various responsibilities for administering programs and activities through a variety of departments as described below.

Orange County is responsible for administration of the Section 8 program for the County, the CDBG Small Cities program and serves as the lead agency for the Orange County HOME Consortium.

The Town of Chapel Hill is the administrator of the Town's CDBG entitlement program. The Town is also responsible for long-range planning and policy design for housing development and for implementing the Town's affordable housing program.

The Town of Carrboro administers the Carrboro CDBG Small Cities program and the planning department is responsible for planning and policy design for housing development. The Town also has a successful revolving loan fund for small businesses.

The Town of Hillsborough is responsible for planning and policy development for the Town.

2. Identify the significant aspects of the process by which the plan was developed, and the agencies, groups, organizations, and others who participated in the process.

Orange County HOME Consortium Response:

Most of the nonprofit organizations work closely together on housing issues. Local government staffs work with the nonprofits on a regular basis, since many nonprofit activities are supported with local funds. The following organizations provided a key role in the development of this 5-year Consolidated Plan:

- **Community Home Trust** is a housing development corporation, whose operating budget is funded by Orange County, Chapel Hill and Carrboro. The organization utilizes the land trust model for homeownership to create permanently affordable housing opportunities for Orange County residents.

- **Habitat for Humanity of Orange County** is a strong local affiliate of the national organization and strives to develop affordable units within Orange County, the Town of Hillsborough and Town of Chapel Hill.
- **InterFaith Council for Social Service (IFC)** operates a homeless shelter and is a chief advocate for the homeless population. IFC also offers a program to prevent homelessness through financial assistance to families that are at risk of losing their permanent housing.
- **Orange Congregations in Mission** serves northern Orange County, offering programs that prevent homelessness through financial assistance to families that are at risk of losing their permanent housing.
- **The Joint Orange-Chatham Community Action Agency** is a local community action agency offering a wide variety of rehabilitation, weatherization, counseling and financial assistance to very low-income families.
- **EmPOWERment, Inc.** is a community development corporation that promotes models of community building, problem solving and social action to mobilize low-income communities to build shared vision and power for community change.
- **Community Alternatives for Supportive Abodes (CASA)** is a non-profit developer of affordable multi-unit rental properties for residents who are low-income or have mental and/or physical disabilities.

Private Industry

Private lenders (especially those interested in achieving the lending goals of the Community Reinvestment Act), public lenders like Rural Development, builders, realtors and developers, are entities whose assistance is crucial to the success of housing initiatives undertaken in Orange County.

Utility companies develop construction and energy conservation standards to reduce energy costs. They also provide information and training on energy-saving practices in home, such as how to install insulation and weather stripping. Low-interest loans are available from utility companies for the purchase and installation of insulation, high efficiency heat pumps and other energy conservation measures.

Public Housing Authorities

The Town of Chapel Hill Department of Housing operates 336 conventional public housing units. (There are no plans for demolition or further development of public housing in the Town of Chapel Hill.)

The Orange County Housing Authority operates the Section 8 Housing Voucher Program. The program provides approximately 623 vouchers to low income families. The Orange County Housing Authority Board serves as the governing board and the managerial affairs of the Housing Authority conform to applicable County ordinances and policies. A resident advisory board has been established to include Section 8 residents in the decision-making process. The Orange County Housing Authority Board is the elected body that sets policy for the public housing functions and approves the Annual Public Housing Agency Plan.

3. Describe actions that will take place during the next year to enhance coordination between public and private housing, health, and social service agencies.

Orange County HOME Consortium Response:

The existing coordination of services has been enhanced with the creation of the Orange County HOME Consortium whose members include Orange County, Carrboro, Chapel Hill and Hillsborough.

Additionally, in an effort to facilitate communication with other local housing nonprofit organizations, the members of the HOME Program Consortium will convene semi-annual meetings with these organizations. Items shared during these meetings will include clarification of federal and state housing program regulations and discussion of local housing programs and initiatives.

Citizen Participation

1. Provide a summary of the citizen participation process.

Orange County HOME Consortium Response:

Participation of the general public and also public organizations is extremely important to HUD and to the development of a consolidated plan. To maximize citizen participation, Orange County held a series of local community meetings to discuss the planning process and to solicit input using a Primary Needs Assessment Survey. The public meetings were advertised in local newspapers in advance. The meetings were held in Orange County at the following dates and locations:

Tuesday, March 16, 2010
Orange County Southern Human Services Center
2501 Homestead Road
Chapel Hill, NC 27514
2:00 P.M.

Tuesday, April 6, 2010
Orange County Southern Human Services Center
2501 Homestead Road
Chapel Hill, NC 27514
6:00 P.M.

Wednesday, April 7, 2010
Orange County Public Library
137 Margaret Lane
Hillsborough, NC 27278
6:00 P.M.

Orange County also held one public hearing:

Tuesday, February 2, 2010
Central Orange Senior Center
103 Meadowland
Hillsborough, NC 27278
7:00 P.M.

Additionally, the Town of Chapel Hill conducted two public forums:

Wednesday, February 3, 2010
Town Council Public Forum
Town Hall Council Chambers
405 Martin Luther King Blvd.
Chapel Hill, NC 27514
7:00 P.M

Monday, March 22, 2010
Town Council Public Forum
Town Hall Council Chambers
405 Martin Luther King Blvd.
Chapel Hill, NC 27514
7:00 P.M

A draft of the Consolidated Plan was made available on the Orange County website for review.

2. Provide a summary of citizen comments or views on the plan.

Orange County HOME Consortium Response:

No written comments were received regarding the FY 2010-2015 Consolidated Plan.

Tuesday, February 2, 2010 Hearing

Griff Gatewood, Housing Developer with CASA, thanked the Orange County Board of Commissioners for its continued support. Mr. Gatewood stated that CASA is committed to serving persons below 50% AMI and asked the Commissioners to support the Consolidated Housing Plan. Mr. Gatewood further requested that the Commissioners make funds available for development of more housing, subsidies for people living in such housing, and for project-based subsidies.

Robert Dowling, Executive Director of the Community Home Trust, stated that he wholeheartedly supports CASA's work. Mr. Dowling distributed a letter addressed to Chair Foushee and Members of the County Commission stressing the importance of HOME funds as a source of subsidy to create and maintain the affordability of housing units owned by the Community Home Trust.

General discussion between Commissioner Barry Jacobs, Housing and Community Development Director Tara Fikes, and Mr. Dowling addressed topics unrelated to the Consolidated Plan.

Commissioner Bernadette Pelissier made reference to Goal 3, "Promote Neighborhood and Economic Development" and asked how exactly the County planned to work with the area Chambers of Commerce to promote general economic development, as the Plan stated it would. Ms. Fikes responded that the goal referenced by the Commissioner concerned only the Town of Chapel Hill's CDBG Program and that the County was not involved with that activity.

Wednesday, February 3, 2010 Forum

Robert Dowling, Executive Director of the Community Home Trust thanked the Council for its support of the Home Trust and stated that he would return to the Council with a specific funding request for CDBG and HOME Program funds.

Tuesday, March 16, 2010 Meeting

Discussions centered on the Housing Needs for Orange County and the Towns of Chapel Hill, Carrboro and Hillsborough. The following is a summary of the comments made by the non-profit service agencies in attendance:

- Discussion on the goals and plans for the upcoming five years were discussed with the non-profits present
- Some areas of need for housing addressed were Single Room Occupancy (SRO) and group homes for transitional homeless and elderly citizens
- A strong need for affordable rental, especially residents in the 30% AMI and lower income group is present
- Unanimously, the non-profits spoke on the need for additional funding to continue to offer current services

Monday, March 22, 2010 Forum

- Chris Moran, Executive Director of the Inter-Faith Council for Social Services stated that he supports the preliminary CDBG and HOME staff recommendations allocating funds for the development of a residential facility for homeless men.
- Terry Allebaugh – Executive Director of Housing for New Hope stated that he supports the preliminary staff recommendation allocating funds to the organization. The CDBG funds would be used to support the outreach team that engages the homeless and works to re-house the chronically homeless, and support for a peer specialist position.
- Ryan Seegar of the Chapel Hill-Carrboro YMCA stated that he supported the preliminary staff recommendation allocating \$10,000 to the YMCA to continue to support the afterschool program. He stated that the program supports twelve lower income children.
- Lawrence Sanders representing the Boys and Girls Club stated that he supported the preliminary staff recommendation allocating CDBG funds to the organization for renovation of a community center that will become part of a Boys and Girls Club.
- Delores Bailey of Empowerment, Inc. asked the Council to reconsider the staff recommendation and provide funding for the Career Explorers Program. Ms. Bailey stated that Empowerment has improved its practices and will be able to meet the Town's performance requirements.
- Robert Dowling, Executive Director of the Community Home Trust, stated that he supported the preliminary HOME and CDBG recommendations providing funds to the Home Trust. He stated that the request supports the agency's need for funds for maintenance of Home Trust homes.
- Kathy Meris, Executive Director of Kidzu Children's Museum in Chapel Hill, stated that she supports funding for Empowerment's Career Explorers Program.

- George Lensing, President of the InterChurch Council board of Directors and David Owns, Vice President of the Board of Directors, stated that they supported the preliminary HOME and CDBG staff recommendations allocating funds to their organization for the renovation of 79 units. They expect to begin renovations this summer.
- Kevin Cruz, a former participant in the Career Explorers Program asked that the Council consider funding the program.

Tuesday, April 6, 2010 Meeting

No comments were received regarding the FY 2010-2015 Consolidated Plan.

Wednesday, April 7, 2010 Meeting

The following is a summary of all questions and comments received during this meeting:

- a. What is the consolidated plan?
Mr. Samuel Kilcrease (Lead Researcher, W. Frank Newton, Inc.), leading the meeting, explained the consolidated plan process.
- b. How much money will Chapel Hill receive?
Mr. Kilcrease answered the question with the FY 2010 allocations released by HUD for the Orange County Consortium (HOME) and the Town of Chapel Hill (CDBG).
- c. Further explain the goals and how they were determined.
Mr. Kilcrease, with the assistance of Ms. Renee Holmes with Orange County, explained the goals in more detail. He also explained that the goals were determined by the County and Town through a collaborative process which included feedback from local non-profits and residents.
- d. How would I qualify for CDBG or HOME assistance?
Mr. Kilcrease briefly explained the application process and gave a brief summary of some of the eligible activities through the HOME and CDBG Programs.
- e. One attendee commented that the County and Towns do not receive enough funding.
Mr. Kilcrease stated that the County and Towns put a priority on maximizing its available funding to have the largest impact on the communities within Orange County.
- f. The same participant also explained a scenario of a private developer buying land that has mobile home units located on and is concerned that this developer will remove these units, thus displacing these residents. A question on what the County could do to help was raised.
Mr. Kilcrease stated that since it was a private developer purchasing the land, he didn't believe the County had any authority to force the developer to maintain these mobile housing units, that the only thing the County could do was refer these residents to the programs it already has in place. Ms. Holmes concurred with this assessment.

- g. No further comments were received.
3. Provide a summary of efforts made to broaden public participation in the development of the consolidated plan, including outreach to minorities and non-English speaking persons, as well as persons with disabilities.

Orange County HOME Consortium Response:

Public Hearings were held throughout the County in Central locations that are accessible to public transportation lines. All facilities were ADA accessible and a Spanish interpreter was available upon request.

Public Notices were published in local newspapers and online on the County and Towns' websites, which included the location and time of each public meeting, forum and/or hearing.

Invitations were made to a wide group of non-profit agencies to participate in the process. In addition, service providers made the fair housing surveys available to the low to moderate income clients that they serve.

The Executive Summary, as well as the entire 2010-2015 Consolidated Plan, is available for public review and comment.

4. Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.

*Please note that Citizen Comments and Responses may be included as additional files within the CPMP Tool.

Orange County HOME Consortium Response:

All comments were received, none were rejected. As such, all Public Comments received were incorporated into the Consolidated Plan as appropriate.

Institutional Structure

1. Describe actions that will take place during the next year to develop institutional structure.

Orange County HOME Consortium Response:

With the creation of the Community Home Trust, Orange County, Chapel Hill, Carrboro and Hillsborough demonstrated the desire to cooperate among the several jurisdictions to provide the best housing assistance that will serve the low-income residents of Orange County. With respect to coordination of resources, funded agencies will communicate with appropriate staff regarding projects in progress, applications submitted to state and federal funding agencies, programs that are particularly successful or troublesome, and other sharing of information and sources of funds.

Monitoring

1. Describe actions that will take place during the next year to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.

Orange County HOME Consortium Response:

To insure that each recipient of HOME, CDBG, and other federal funds operates in compliance with applicable federal laws and regulations, Orange County will implement a monitoring strategy that closely reviews Subrecipient activities and provides extensive technical assistance to prevent future compliance issues.

CDBG/HOME: The Orange County Consortium will implement a risk analysis matrix for monitoring all appropriate CDBG/HOME subrecipients for each Fiscal Year (FY). This risk analysis closely mirrors the Community Planning Development (CPD) Notice 04-01, Issued February 2, 2004 and CPD Notice 02-11, which delineates the relevant factors to monitor for determining the risk level for the Consortium or subrecipients. Once projects have been approved and subrecipients have been issued subrecipient agreements, the staff conducts a four page risk analysis worksheet that looks at Financial Capacity; Management; Planning and National Objectives.

Each subrecipient is graded and its score is listed in one (1) of three categories: low risk: 0-30 points; moderate risk: 31-50 points; and high risk: 51-100 points. Based on the scoring for each subrecipient, the Consortium determines its annual monitoring schedule based on the number of moderate and high risk subrecipients. As a general rule, the staff will monitor on-site all moderate and high risk subrecipients on an annual basis, typically in at the midway point of the Fiscal Year. Conversely, the low-risk subrecipients are monitored on-site every other Fiscal Year during the same time frame, and desk reviews are conducted throughout the year.

Lead-based Paint

1. Describe the actions that will take place during the next year to evaluate and reduce the number of housing units containing lead-based paint hazards in order to increase the inventory of lead-safe housing available to extremely low-income, low-income, and moderate-income families, and how the plan for the reduction of lead-based hazards is related to the extent of lead poisoning and hazards.

Orange County HOME Consortium Response:

In Orange County, evaluations (risk assessments) of lead-based paint in housing units will be conducted by on a case-by-case basis and lead abatement will be prescribed as needed for dwellings targeted for rehabilitation. In addition, all assisted housing tenants will be informed of the hazards of lead-based paint. The Orange County Health Department will provide ongoing consultation to local housing staff.

HOUSING

Specific Housing Objectives

*Please also refer to the Housing Needs Table in the Needs.xls workbook.

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve during the next year.

Orange County HOME Consortium Response:

Orange County plans to achieve the following objectives during the next year, dependent on available funding:

New affordable housing units developed:	4
Existing owner homes rehabilitated:	4
Existing owner homes assisted with emergency repairs:	4
Affordable Rental Housing Developed	1
First-time homebuyers assisted:	19
Transitional Housing Funded:	50

The County will examine options that will promote higher density, mixed-use development, and the preservation of open space.

2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

Orange County HOME Consortium Response:

<u>HOME Program</u>	
Pre-Development Costs-Interfaith Council	\$115,000
Housing Rehabilitation-Orange County	\$124,312
Multi-Family Rehabilitation - Inter-Church Council	\$100,000
Second Mortgage Assistance-Habitat for Humanity	\$150,000
New Construction - ARC of North Carolina	\$150,000
Property Acquisition - EmPOWERmernt	\$75,000
Homebuyer Assistance - CHT	\$75,000
Operations Support-CHT	\$30,000
Administration	\$72,827

Needs of Public Housing

1. Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake during the next year to encourage public housing residents to become more involved in management and participate in homeownership.

Orange County HOME Consortium Response:

Key activities of the Department of Housing are:

Administration

1. To manage the public housing apartments in accordance with the HUD guidelines and policies of the Town of Chapel Hill.
2. To provide staff support to the Public Housing Advisory Board.
3. To administer the Housing Capital Fund.

Resident Services

1. To recertify eligibility for public housing tenancy every 12 months.
2. To continue to provide financial and homeownership training opportunities for participants in the Transitional Housing Program.

Maintenance

1. To maintain the public housing apartments in a decent, safe, and sanitary condition.
 2. To continue to refurbish public housing apartments.
 3. To complete preventative maintenance, safety inspections, and repairs in all 336 housing units.
2. If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation during the next year.

Orange County HOME Consortium Response:

This is not applicable as there are not troubled agencies within Orange County or any of its municipalities.

Barriers to Affordable Housing

1. Describe the actions that will take place during the next year to remove barriers to affordable housing.

Orange County HOME Consortium Response:

To address the Impact Fee, the Orange County Board of Commissioners adopted an impact fee reimbursement policy, which provides funds to nonprofit housing developers constructing rental and owner-occupied housing. This enables non-profits to pay these fees without passing the costs on to the prospective renters or homebuyers. With this reimbursement, the Board works to alleviate barriers to affordable housing.

Strategies have been designed to help eliminate or reduce the impact of the identified barriers. The following recommendations included in the AI promote fair housing for the Orange County Consortium:

- Increase the educational opportunities and provide training relating to Fair Housing through workshops, forums and presentations
- Target specific protected groups for fair housing information
- Continue to consult with local lending institutions

- Provide training to housing providers and consumers about their obligations and rights.
- Continue to work with the County and Town governments to develop appropriate legislation and ordinances to assist with the development of affordable housing
- Monitor and track the proposed Inclusionary Zoning Ordinance drafted by the Town of Chapel Hill once it has been adopted for effectiveness in the development of affordable housing and utilize as a model ordinance for adoption by the Towns of Carrboro and Hillsborough and Orange County for implementation if positive results are determined.

The affordable housing provisions of the proposed Inclusionary Zoning Ordinance¹ drafted by the Town of Chapel Hill apply to developments in any of the following categories:

- Single-family or two family development, or subdivision of land to create residential lots that involve:
 - ❖ at least 5 single-family dwelling units or 2-family dwelling units; or
 - ❖ at least 5 single-family lots; or
 - ❖ two-family lots in which six (6) or more residential units are allowed by the Chapel Hill Land Use Management Ordinance, either individually or as part of the same subdivision.
- Multi-family unit developments that create at least 5 multi-family dwelling units; or
- Renovation or reconstruction of an existing building that contains multi-family dwelling units, and that increases the number of dwelling units from the number of dwelling units in the original structure by at least 5; or
- Any change in use of all or part of an existing building from a non-residential use to a residential use that has at least 5 dwelling units.

For development applications involving any of the above, provisions for affordable housing must be included as part of the development proposal.

As with other types of development, Orange County's supply of affordable housing is dictated by a variety of factors, the most significant being project affordability, availability of land and infra-structure, developer preference for building high-end housing, and government regulation. To address the Educational Impact Fee, the Orange County Board of Commissioners adopted an impact fee reimbursement policy, which provides funds to non-profit housing developers constructing rental and owner-occupied housing to enable them to pay the fee without passing the cost to the prospective renters or homebuyers. With this reimbursement, the Board works to alleviate barriers to affordable housing.

¹ *Chapel Hill, North Carolina Draft Inclusionary Zoning Ordinance Ideas for Administrative Manual*, February 16, 2010, <http://www.townofchapelhill.com>.

HOME/ American Dream Down payment Initiative (ADDI)

1. Describe other forms of investment not described in § 92.205(b).

Orange County HOME Consortium Response:

The Consortium does not propose to invest HOME funds in activities that are not described in § 92.205(b).

2. If the participating jurisdiction (PJ) will use HOME or ADDI funds for homebuyers, it must state the guidelines for resale or recapture, as required in § 92.254 of the HOME rule.

Orange County HOME Consortium Response:

All properties receiving financial assistance from Orange County for homeownership activities must ensure that the housing remain affordable to families with incomes of 80% or less of the area median for at least 99 years from the date of initial assistance.

Right of First Refusal

A right of first refusal or right to purchase is accomplished by means of a Declaration of Restrictive Covenants on the property purchased by the first-time homebuyer. Any assignment, sale, transfer, conveyance or other disposition of the property will not be effective unless the following procedures are followed.

If the original homebuyer or any subsequent qualified homebuyer contemplates a transfer to a non low-income household, the buyer must send Orange County and/or the sponsoring nonprofit organization a notice of intent to sell at least 90 days before the expected closing date. If Orange County and/or the sponsoring nonprofit organization elect to exercise its right of refusal, it will notify the buyer within 30 days of its receipt of the notice and will purchase the property within 90 days.

If neither Orange County nor the sponsoring nonprofit organization advises the buyer in a timely fashion of its intent to purchase the property, then the Buyer is be free to transfer the property in accordance with the equity sharing provisions described below.

Equity Sharing

Orange County provides its financial assistance as deferred second loans secured by a 40-year Deed of Trust and Promissory Note, forgivable at the end of 40 years. This Deed of Trust and Promissory Note constitute a lien on the property, subordinate only to private construction financing or permanent first mortgage financing.

The 99 year period of affordability for each individual housing unit is secured by a declaration of restrictive covenants that incorporate a right of first refusal that may be exercised by a sponsoring nonprofit organization and/or Orange County. This declaration of restrictive covenants is further secured by a deed of trust. The nonprofit organization and/or the County are responsible for compliance with the affordability requirement throughout the affordability period, unless affordability restrictions are terminated due to the sale of the property to a non-qualified buyer.

If the buyer no longer uses the property as a principal residence or is unable to continue ownership, then the buyer must sell, transfer or otherwise dispose of their interest in the property to a new homebuyer whose annual income does not exceed 80% of the area median. However, if the property is sold during the affordability period to a non-qualified homebuyer to be used as their principal residence, the net sales proceeds² or "equity" will be divided equally between the seller and the County. If the initial County contribution does not have to be repaid because the sale occurs more than 40 years after the County contribution is made, then the seller and the County will divide the entire equity realized from the sale.

Any proceeds from the recapture of funds will be used to facilitate the acquisition, construction, and/or rehabilitation of housing for the purposes of promoting affordable housing.

3. If the PJ will use HOME funds to refinance existing debt secured by multifamily housing that is that is being rehabilitated with HOME funds, it must state its refinancing guidelines required under § 92.206(b). The guidelines shall describe the conditions under which the PJ will refinance existing debt. At a minimum these guidelines must:
 - a. Demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing.
 - b. Require a review of management practices to demonstrate that disinvestments in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving the targeted population over an extended affordability period can be demonstrated.
 - c. State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.
 - d. Specify the required period of affordability, whether it is the minimum 15 years or longer.
 - e. Specify whether the investment of HOME funds may be jurisdiction-wide or limited to a specific geographic area, such as a neighborhood identified in a neighborhood revitalization strategy under 24 CFR 91.215(e)(2) or a Federally designated Empowerment Zone or Enterprise Community.
 - f. State that HOME funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.

Orange County HOME Consortium Response:

The Consortium does not propose to use HOME Program funds to refinance existing debt; this question is not applicable.

4. If the PJ is going to receive American Dream Down payment Initiative (ADDI) funds, please complete the following narratives:
 - a. Describe the planned use of the ADDI funds.

² New sales proceeds equals the gross sales price less selling costs, the unpaid principal amount of the original first mortgage and the unpaid principal amount of the initial County contribution and any other initial government contribution secured by a deferred payment promissory note and deed of trust.

- b. Describe the PJ's plan for conducting targeted outreach to residents and tenants of public housing and manufactured housing and to other families assisted by public housing agencies, for the purposes of ensuring that the ADDI funds are used to provide down payment assistance for such residents, tenants, and families.
- c. Describe the actions to be taken to ensure the suitability of families receiving ADDI funds to undertake and maintain homeownership, such as provision of housing counseling to homebuyers.

Orange County HOME Consortium Response:

The Consortium will not receive ADDI funds; this question is not applicable.

Specific Homeless Prevention Elements

*Please also refer to the Homeless Needs Table in the Needs.xls workbook.

1. Sources of Funds—Identify the private and public resources that the jurisdiction expects to receive during the next year to address homeless needs and to prevent homelessness. These include the McKinney-Vento Homeless Assistance Act programs, other special federal, state and local and private funds targeted to homeless individuals and families with children, especially the chronically homeless, the HUD formula programs, and any publicly-owned land or property. Please describe, briefly, the jurisdiction’s plan for the investment and use of funds directed toward homelessness.

Orange County HOME Consortium Response:

The Consortium expects to utilize the following funding sources during the next year to address the homeless needs identified:

<input type="checkbox"/> Orange County Consortium		
<input type="checkbox"/> HOME funds:		\$115,000
<input type="checkbox"/> Town of Chapel Hill		
<input type="checkbox"/> CDBG funds:		<u>\$115,000</u>
	Total	<u>\$230,000</u>

2. Homelessness—In a narrative, describe how the action plan will address the specific objectives of the Strategic Plan and, ultimately, the priority needs identified. Please also identify potential obstacles to completing these action steps.

Orange County HOME Consortium Response:

The Continuum will continue working to create a less fragmented service system with fewer gaps in services. The overall coordination of the range of services offered by the Continuum is enhanced through strong community partnerships, community education, development of an HMIS system, and partnerships with various local, state and federal groups that address the many factors impacting homelessness in the community.

The Orange County Continuum of Care continues to strive toward the goals laid out in Orange County’s 10-Year Plan to End Chronic Homelessness. These goals, which have been incorporated into this Consolidated Plan, include adding additional permanent housing, implementing an HMIS system and facilitating community discussion of homeless issues.

3. Chronic homelessness—The jurisdiction must describe the specific planned action steps it will take over the next year aimed at eliminating chronic homelessness by 2012. Again, please identify barriers to achieving this.

Orange County HOME Consortium Response:

The following are the strategies outlined in the COC's 10-Year Plan to End Homelessness to reduce Chronic Homelessness. The Orange County Consortium is adopting these strategies and incorporating them into its Consolidated Plan.

- **Strategy 1.1:** Establish an assertive street outreach program that targets unsheltered homeless people at natural gathering places throughout Orange County.
 - **Strategy 1.2:** 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.
 - **Strategy 1.3:** Create an Assertive Community Treatment (ACT) Team that targets those who are chronically homeless and integrates the team with the above outreach efforts.
 - **Strategy 1.4:** 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.
 - **Strategy 1.5:** 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.
 - **Strategy 1.6:** 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.
 - **Strategy 1.7:** 40 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.
 - **Strategy 1.8:** Ensure that nonprofit developers have the organizational and financial capacity to create new housing units within the community for the chronically homeless.
 - **Strategy 1.9:** Identify a wide variety of sites for housing the chronically homeless throughout the county in the most fair and effective places within the county.
 - **Strategy 1.10:** 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.
4. Homelessness Prevention—The jurisdiction must describe its planned action steps over the next year to address the individual and families with children at imminent risk of becoming homeless.

Orange County HOME Consortium Response:

Goal 3: Prevent Homelessness

- **Strategy 3.1:** Youth aging out of the foster care system will maintain a relationship with human services in order to prevent homelessness.
 - **Strategy 3.2:** Begin examining the data and relevant strategies designed to work with unemancipated youth between the ages of 16-18 who are running away.
 - **Strategy 3.3:** Those exiting prison, the military, hospitals and other health related institutions will not be discharged into homelessness.
 - **Strategy 3.4:** 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.
 - **Strategy 3.5:** 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.
 - **Strategy 3.6:** Develop a plan designed to address the current gap in affordable housing units available to homeless families and individuals.
 - **Strategy 4.7:** 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.
 - **Strategy 5.5:** Develop strategies that demonstrate “proven results” to the taxpayers of Orange County. Include specific values for the benefits associated with investing in mental health.
5. Discharge Coordination Policy—Explain planned activities to implement a cohesive, community-wide Discharge Coordination Policy, and how, in the coming year, the community will move toward such a policy.

Orange County HOME Consortium Response:

Discharge coordination and planning is particularly important in Orange County due to the hospital downsizing initiative mandated by the North Carolina Mental Health Reform. The hospital downsizing plan calls for discharging well-functioning patients to the community to allow them to recover in the most appropriate and least restrictive setting. To respond to this initiative and to help prevent hospital discharge from resulting in homelessness, the OPC Area Program has obtained state funding for two full-time staff to serve as Community Integration Coordinators. Each client targeted for placement back in the community has access to community capacity funding to assist them in reaching their highest level of functioning in the community. This funding is earmarked for housing needs, as well as psychiatric, vocational and other community supports.

Additionally, hospital social workers currently contact the Project for Psychiatric Outreach to the Homeless (PPOH) social worker during patient discharge planning to assure that mental health services are available to patients that become clients of the Inter-Faith Council for Social Services. The PPOH is a psychiatric clinic at the IFC Community House. The PPOH social worker and the social worker crisis services of University of North Carolina Hospital are in the process of creating more comprehensive follow-up services for homeless individuals who are patients of UNC.

In addition to these efforts, the Orange County Continuum of Care (CoC) is currently working closely with the Durham County and Wake County CoCs to develop a uniform Discharge Planning policy.

Emergency Shelter Grants (ESG)

(States only) Describe the process for awarding grants to State recipients, and a description of how the allocation will be made available to units of local government.

Orange County HOME Consortium Response:

The Consortium will not receive ESG funds; this question is not applicable.

Community Development

*Please also refer to the Community Development Table in the Needs.xls workbook.

1. Identify the jurisdiction's priority non-housing community development needs eligible for assistance by CDBG eligibility category specified in the Community Development Needs Table (formerly Table 2B), public facilities, public improvements, public services and economic development.

Town of Chapel Hill Response:

The Town of Chapel Hill employs a comprehensive strategy to community development, recognizing that simultaneous investments in housing, facilities, infrastructure, and services are necessary in order to truly improve the living environment for low- and moderate-income residents. Therefore, the housing and homelessness strategies previously discussed in this Consolidated Plan do not stand alone. Those programs are complimented by a robust network of existing public facilities and public services initiatives. Continued investment in each of these areas will ensure a vital and comprehensive strategy for serving low- and moderate-income residents for years to come.

A. Public Services

Public transportation, health services, and employment training are all important facets of Chapel Hill's efforts to provide outstanding services, particularly to its low- and moderate-income residents.

a. Status of Existing Services

Public Transportation

Chapel Hill Transit provides fare-free public transportation service throughout the Chapel Hill, Carrboro, and UNC community. Working together with Orange Public Transportation and the Triangle Transit Authority, Chapel Hill Transit plays an invaluable role in the comprehensive regional transportation network. Though options in addition to general public bus service are available to residents throughout the County, residents outside the more urban areas of Chapel Hill, Carrboro, and Hillsborough are generally underserved.

Health Services

Orange County residents are offered health services to include clinical dental services for adults and children, nutrition counseling, tobacco prevention, preventive health, immunizations, family planning, maternity care, and primary care provided through County-operated facilities.

Employment Training

The Regional Partnership Workforce Development Board provides a Job Link Career Center in Chapel Hill, serving as a one-stop service center for job seekers and employers. The Job Link center provides recruiting

assistance to employers, assists job seekers with resumes and job searches and offers a wide array of other various services. Under North Carolina's Work First initiative, federal Temporary Assistance for Needy Families [TANF] funds are utilized through programs that emphasize job skills and services aimed at enhancing TANF recipients' ability to provide for the needs of their families. Additional workforce development activities are available to a broader cross section of County residents to better prepare the local workforce to take advantage of new jobs within the County.

b. Priority Needs

Need	Priority
Handicapped Services	High
Transportation Services	High
Substance Abuse Services	High
Employment Training	High
Health Services	High
Other Public Services	High

B. Infrastructure/Public Improvements

Providing essential services such as transportation, water, and sewer service to Chapel Hill and Orange County residents requires an infrastructure system that balances the reliable performance of existing systems with the need to build system capacity necessary to accommodate future growth.

a. Status of Existing Infrastructure

Water & Sewer

Orange County's water needs are met by four independent providers:

- Orange Water and Sewer Authority (serving Chapel Hill and Carrboro)
- Town of Hillsborough (serving Hillsborough)
- Orange-Alamance Water System/Efland Sewer System (serving rural western Orange and eastern Alamance County)
- Graham-Mebane Water System/Town of Mebane (serving Mebane)

In general, these water systems appear poised to meet the needs of Orange County residents well into the future. Forward-thinking leadership has secured additional water sources both in the form of expanded reservoirs (an OWASA planned expansion will add 2.8 billion gallons to its Stone Quarry Reservoir) and through inter-agency and inter-governmental agreements (OAWS reached an agreement in 2005 to purchase water from the City of Burlington).

Roads & Transportation Systems

Interstate Highways I-40 and I-85 pass through Orange County. Additionally, over 750 miles of state-maintained highways travel

through the County. Connectivity between Orange County and its dynamic Research Triangle region will allow the County and its towns to keep a competitive edge as the area's population grows. At the same time, this connectivity will ensure low- and moderate-income residents can access the full breadth of jobs and opportunities available. Planning for future growth and for the maintenance of existing roadways and transit systems will be crucial to the County's success and prosperity.

b. Priority Needs

Need	Priority
Water Improvements	Medium
Street Improvements	Medium
Sidewalks	Medium
Sewer Improvements	Medium
Storm Water Improvements	Medium
Other Infrastructure Needs	Medium

C. Public Facilities

From community centers to public parks to libraries and health centers, Orange County residents have access to an array of high-quality public facilities.

a. Status of Existing Facilities

Parks and Community Centers

The Orange County Parks and Recreation Department is dedicated to the purpose of enriching the physical, social and emotional quality of life of the people of Orange County. The Department provides a variety of enjoyable and affordable recreation programs for individuals of all ages and abilities and strives to offer programs that respond to the changing needs and interests of the community. Additionally, the Parks and Recreation Department is committed to providing clean and safe parks, preserves and greenways throughout the County, to protecting and preserving the elements of natural and cultural heritage within its parks, and to promoting the stewardship of these sites through educational and conservational programs and practices.

The following parks, community centers, and recreation centers are maintained by Orange County:

- Efland-Cheeks Park & Community Center
- Cedar Grove Park
- Central Recreation Center
- Eurosport Soccer Center
- Little River Regional Park
- Fairview Park (under construction)

The Town of Chapel Hill offers a variety of additional parks and similar amenities offering:

- Aquatics Center
- Swimming Pools
- Baseball, Softball, and multi-purpose Fields
- Batting Cage
- Skate Park
- Climbing Wall
- Community Centers
- Community Clay Studio
- Dog Parks
- Community Rose Garden
- Gymnasiums
- Picnic Shelters
- Tennis Courts
- Volleyball Courts
- Bocce Ball Courts
- Numerous Trails, Parks, and Greenways

Libraries

The Orange County Libraries exist to meet the recreational, educational, and informational reading needs of the citizens of Orange County through books and other library materials of general public interest. The library serves as a center for reliable information and promotes the communication of ideas. The library promotes an informed and enlightened citizenry and strives to strengthen the fabric of the community.

With a main library in Hillsborough, two additional branch libraries [in Chapel Hill and Hillsborough] and a “cybrary” in Carrboro, Orange County Libraries provide citizens free access to books, periodicals, audio books, CDs, DVDs, computers, and internet as well as book clubs, children’s programs, computer classes, public meeting space, and even an art gallery.

Additionally, Orange County and the Town of Chapel Hill jointly support the separate Town of Chapel Hill Public Library. Use of the library’s services is free of charge to both Town and County residents. Recognizing that highly specialized research collections and resources are available to all North Carolina residents through the University Library of UNC – Chapel Hill, The Town of Chapel Hill Public Library offers complimentary library services, with a particular focus on children’s collections and recreational material.

Health Centers

The Orange County Health Department provides three facilities to serve various health-related needs of residents: the Richard L. Whitted Human Services Center in Hillsborough, the Southern Human Services Center in Chapel Hill, and the Carr Mill Mall in Carrboro. Clinical dental services for adults and children, nutrition counseling, tobacco prevention, preventive health, immunizations, family planning, maternity care, and primary care are all services provided through

these important facilities. The mission of the Orange County Health Department is to enhance the quality of life, promote the health, and preserve the environment for all people in the Orange County community.

b. Priority Needs

Need	Priority
Neighborhood Facilities	Low
Parks and/or Recreation Facilities	Low
Health Facilities	Low
Parking Facilities	Low
Solid Waste Disposal Improvements	Low
Asbestos Removal	Low
Non-Residential Historic Preservation	Low
Other Public Facility Needs	Low

D. Economic Development

Economic Development initiatives in Chapel Hill seek to proactively develop the potential of agriculture and small business, providing the County with an important source of new growth and innovation.

a. Status of Existing Initiatives

Small Business Economic Development

A loan program, resource guide, and a Small Business and Technology Development Center all provide valuable resources to small businesses in the County. These efforts are assisted by additional resources contributed by the Chapel Hill Downtown Economic Development Corporation, and the Chapel Hill-Carrboro Chamber of Commerce.

b. Priority Needs

Need	Priority
Rehabilitation of Commercial and/or Industrial	Low
C/I Infrastructure	Low
Other Commercial and/or Industrial Improvements	Low
Micro-Enterprise Assistance	Low
ED Technical Assistance	Low
Other Economic Development	Low

- Identify specific long-term and short-term community development objectives (including economic development activities that create jobs), developed in accordance with the statutory goals described in section 24 CFR 91.1 and the primary objective of the CDBG program to provide decent housing and a suitable living environment and expand economic opportunities, principally for low- and moderate-income persons.

*Note: Each specific objective developed to address a priority need, must be identified by number and contain proposed accomplishments, the time period (i.e., one, two, three, or more years), and annual program year numeric goals the jurisdiction hopes to achieve in quantitative terms, or in other measurable terms as identified and defined by the jurisdiction.

Town of Chapel Hill Response:

Goal 4 – Increase Capacity and Scope of Public Services

<i>Priority 4.1 – Increase capacity and expand the scope of Public Services in order to reach out to more low- to moderate-income residents.</i>	
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:	- Funded seven public services to serve low-mod income residents

Antipoverty Strategy

- Describe the actions that will take place during the next year to reduce the number of poverty level families.

Orange County HOME Consortium Response:

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.

NON-HOMELESS SPECIAL NEEDS HOUSING

Non-homeless Special Needs (91.220 (c) and (e))

*Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve for the period covered by the Action Plan.

Orange County HOME Consortium Response:

Orange County has identified two priority needs related to non-homeless populations with special needs. Each priority is outlined below along with the strategies proposed to meet the needs and the output indicators expected.

Goal 3 – Provide Housing and Services for Populations with Special Needs

<i>Priority 3.1 – Service-enriched transitional housing for persons with special needs</i>	
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 partnerships with the local Continuum of Care - Provide property acquisition funding to eligible non-profits and for-profits to develop transitional housing
Output Indicators:	- Development of housing for 4 families with developmental disabilities
<i>Priority 3.2 – Continuum of services for special populations including older adults, disabled, mentally ill, persons with AIDS and at-risk youth</i>	
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 partnerships 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:	- Career and employment programs funded

2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

Orange County HOME Consortium Response:

The Consortium expects to utilize the following funding sources during the next year to address the non-homeless special needs identified:

❑ Orange County Consortium		
➤ HOME funds:		\$150,000
❑ Town of Chapel Hill		
➤ CDBG funds:		<u>\$ 87,200</u>
	Total	\$237,200

Housing Opportunities for People with AIDS

*Please also refer to the HOPWA Table in the Needs.xls workbook.

1. Provide a Brief description of the organization, the area of service, the name of the program contacts, and a broad overview of the range/ type of housing activities to be done during the next year.
2. Report on the actions taken during the year that addressed the special needs of persons who are not homeless but require supportive housing, and assistance for persons who are homeless.
3. Evaluate the progress in meeting its specific objective of providing affordable housing, including a comparison of actual outputs and outcomes to proposed goals and progress made on the other planned actions indicated in the strategic and action plans. The evaluation can address any related program adjustments or future plans.
4. Report on annual HOPWA output goals for the number of households assisted during the year in: (1) short-term rent, mortgage and utility payments to avoid homelessness; (2) rental assistance programs; and (3) in housing facilities, such as community residences and SRO dwellings, where funds are used to develop and/or operate these facilities. Include any assessment of client outcomes for achieving housing stability, reduced risks of homelessness and improved access to care.
5. Report on the use of committed leveraging from other public and private resources that helped to address needs identified in the plan.
6. Provide an analysis of the extent to which HOPWA funds were distributed among different categories of housing needs consistent with the geographic distribution plans identified in its approved Consolidated Plan.
7. Describe any barriers (including non-regulatory) encountered, actions in response to barriers, and recommendations for program improvement.
8. Please describe the expected trends facing the community in meeting the needs of persons living with HIV/AIDS and provide additional information regarding the administration of services to people with HIV/AIDS.
9. Please note any evaluations, studies or other assessments that will be conducted on the local HOPWA program during the next year.

Orange County HOME Consortium Response:

The Consortium will not receive HOPWA funds; these questions are not applicable.

Specific HOPWA Objectives

Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the Action Plan.

Orange County HOME Consortium Response:

The Consortium will not receive HOPWA funds; this question is not applicable.

CERTIFICATIONS

PROJECTS