



## PROJECT DESCRIPTION

Please attach a thorough description of the project elaborating on the information given in the Project Summary. Please include the following additional information in your narrative:

- Geographic area(s) served;
- How Community Development or HOME Program funds will be used;
- Detailed project budget including sources (whether committed) and uses;
- A timetable for spending Program funds;
- Major goals of the activity;
- Population(s) served, including number of beneficiaries, income level, special needs, and other relevant demographic information;
- Benchmarks for determining the success of the project;
- Anticipated outcomes of the project;
- Timetable for accomplishing goals and completing the project (e.g., if a project will take 6 months to complete, please include what would be accomplished during each month);
- Partnerships with other agencies;
- Describe how this project meets the priorities of the Consolidated Plan;
- If applying for CDBG funds, describe how this project meets the “National Objectives.”

## FEDERAL AND LOCAL REGULATIONS

One criterion for judging applications will be how well the proposed activity satisfies the priorities of the “Consolidated Plan for Housing and Community Development Programs in Orange County” (see attached outline).

To qualify for Community Development Block Grant (CDBG) funding, an activity must satisfy one or more of the “National Objectives” and also must be considered an “eligible activity” of the CDBG Program (see attached outline).

To qualify for HOME Program funding, an activity must satisfy one or more of the goals of the Program and also be considered an “eligible activity” (see attached outline).

## Consolidated Plan for Housing and Community Development Programs in Orange County

The Department of Housing and Urban Development (HUD) requires jurisdictions to submit a Consolidated Plan for Housing and Community Development Programs along with their applications for funding. The purpose of the Consolidated Plan is to analyze and propose solutions to the most pressing housing and community development issues of the community.

The FY 2000-2005 Consolidated Plan for Housing and Community Development Programs in Orange County, N.C. identifies the following priorities:

- Provide rehabilitation assistance for very low- and low-income homeowners and renters;
- Reduce the number of owner-occupied and rental housing units without indoor plumbing;
- Provide assistance to households at less than 80 % of MFI to connect to existing public water and sewer systems;
- Facilitate the construction of new or substantially rehabilitated housing units that are affordable to families below 80% of the area median;
- Facilitate the construction of rental housing affordable to very low- and low-income families. Priority will be given to projects participating in the Low Income Housing Tax Credit Program, with at least three bedrooms;
- Create transitional housing units for homeless individuals and families;
- Assist local nonprofit human service agencies to provide a continuum of housing options for special populations, including older adults, disabled, mentally ill, and persons with AIDS;
- Provide economic development opportunities to low- and moderate-income citizens in Chapel Hill; and
- Revitalize the business areas serving low-income neighborhoods of Chapel Hill.

## The Community Development Block Grant (CDBG) Program

Congress established the Community Development Program in 1974 by consolidating a number of grant programs into one “block grant.” The primary objective of the Community Development Program is the “development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.” (Housing and Community Development Act of 1974).

To qualify for Community Development Block Grant funding, an activity must comply with at least one of the following “national objectives”:

- Benefit low- and moderate-income families;
- Aid in the prevention or elimination of slums or blight;
- Meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs.

Eligible activities include:

- Acquisition of property;
- Disposition of property;
- Public facilities and improvements;
- Clearance, demolition and removal of buildings;
- Some public services (subject to some limits in regulations);
- Housing rehabilitation, preservation and code enforcement;
- Economic development activities; and
- Planning and administrative costs.

Alternatives that are generally not eligible include:

- Buildings used for the general conduct of government;
- General government expense;
- New construction;
- Political activities;
- Purchase of equipment and personal property; and
- Operating and maintenance expenses of public facilities, improvements and services.

## The HOME Program

**In 1990, Congress enacted the HOME Investment Partnerships Act, better known as the HOME Program, in an effort to provide a new approach to housing assistance at the federal level. This federal housing block grant would afford state and local governments the flexibility to find a wide range of housing activities through creative and unique housing partnerships among states and localities, private industry, and nonprofit organizations.**

In order to receive future HOME Program funds, each housing activity must fall in line with the following goals of the HOME Program:

1. To expand the supply of decent, safe, sanitary and affordable housing, with emphasis on rental housing, for very low- and low-income citizens;
2. To strengthen the abilities of state and local governments to design and implement strategies for achieving adequate supplies of decent affordable housing; and
3. To encourage public, private and nonprofit partnerships in addressing housing needs.

Eligible activities for HOME Program funding include (from the Federal Regulations):

- Acquisition of property (including assistance to homebuyers);
- New construction;
- Reconstruction;
- Conversions;
- Moderate rehabilitation of non-luxury housing with suitable amenities;
- Tenant-based rental assistance;
- Relocation of displaced persons, families, businesses, or organizations;
- Site improvements, acquisition of vacant land and demolition (under special conditions);
- Project soft costs;
- Administration / planning; and
- Operating expenses for community housing development organizations.