

## **Bertie, Halifax, Hertford, Martin, and Northampton Counties HOME Consortium Information Sheet.**

Beginning in November of 2020, representatives of Bertie, Halifax, Hertford, Martin, and Northampton counties began a process to address the needs of affordable housing in the 5-county region. The work was supported by the State Employees Credit Union's Foundation and the office of Economic Development and Community Engagement of East Carolina University. In an effort to provide long term funding that could leverage other funds, the HOME Consortium program was identified as one way to address the issues of the region. Below is information about the HOME Consortium Program.

### **What is the HOME Consortium Program?**

The HOME Program is a federally funded grant of the U.S. Department of Housing and Urban Development (H.U.D) designed to address the needs of low to moderate income families and individuals. Funds in the program are used to assist in the preservation and production of affordable housing options. A HOME Consortium is a group of local governments that meet certain statistical characteristics as defined by HUD and receive direct funding as one unit. These programs were created in 1992. The HOME program has several similarities to the Community Development Block Grant program (CDBG).

### **What are some advantages of forming a HOME Consortium?**

By forming a Consortium, the region is eligible for continuous funding that the County and its municipalities are not eligible to receive on their own. The Consortium allows communities with similar characteristics and needs to be funded continuously as long as the Consortium administers the HOME Program in accordance with program standards. Lastly, it takes many years and continuous funding streams to address housing, this program allows for communities to plan for housing improvements and use the funds to leverage other dollars to address the many issues in these communities.

### **How much funding could a Consortium made up of the 5 counties receive?**

If a Consortium is formed WITH the municipalities, towns, and villages that are located within the 5-county area, the annual funding that could be received by the Consortium is approximately \$650,000. Of this \$650,000, 15% must be allocated to a Community Housing Development Organization or CHDO. A CHDO is a non-profit housing development organization that meets certain qualifications and must use the funds for affordable housing programs and developments.

### **What is required to participate in the HOME Consortium?**

First, the 5-County area must identify a lead entity that agrees to provide program oversight and receive the funds on behalf of the Consortium. Halifax County has agreed to serve as the lead entity.

Second, the participants form a HOME Consortium Board and submit a letter of intent to the U.S. Department of Housing and Urban Development and North Carolina Housing Finance Agency notifying them of the intent to form a HOME Consortium. Once this is accepted, a Joint Cooperation Agreement is developed with all of the participants and submitted to H.U.D.

Third, the Consortium will prepare a 5 Year Consolidated Plan and Annual Action Plan document and must submit it prior to the beginning of the program year (now anticipated for the 2022/23 Fiscal Year).

Once approved, an Environmental Review is completed, a grant agreement is signed, and activities identified in the Annual Action Plan can start.

*Important note, the participating communities form a HOME Consortium Board that determines how the received funds will be allocated each year and to which communities.*

**How much is required for participation in the program?**

Annually the program requires a match of 25% of the awarded grant amount. This is not solely cash and can include other non-federal expenditures for eligible activities that assist low to moderate income housing initiatives.

In the first year of the program the 5-county area must provide approximately \$90,000 that may be divided among all of the participants. This amount is required because the first-year award is less than the program statutory award of \$750,000. However, this is only for year one and is not required beyond the first year.

Other expenses will include preparation of the 5-year Consolidated Plan and Annual Action Plan. This cost may be up to \$40,000 and may be provided by the State Employees Credit Union's Foundation to the Consortium.

**It is critical that municipalities, towns, and villages participate in the program to ensure full funding of the Consortium at \$650,000.**

If you have additional questions, please contact Christina Wells, Halifax County Senior Management Analyst, at 252-583-1131 ext. 2254 or wellsc@halifaxnc.com.