

1829 E. Franklin St. #1200B • Chapel Hill, NC 27514 • (919)932.7707, FAX (919)932.7709 • ochabitat@earthlink.net

June 7, 2004

Chris Berndt
Town of Chapel Hill
306 N. Columbia Street
Chapel Hill

Dear Chris:

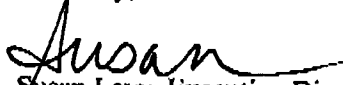
This letter is a follow up to a letter I sent to Cal Horton on May 17, 2004 requesting that Habitat for Humanity of Orange County be permitted to use the remaining Community Development Block Grant (CDBG) funds approved for Rusch Hollow for infrastructure construction instead of land purchase as stated in the performance agreement.

I am attaching an updated budget to replace the budget attached to the performance agreement dated June 2002. Since the original budget was developed, the project has undergone a number of revisions, including a change in the route of the sewer extension, and the addition of a storm water bio-retention basin as required under the new Land Use Management Ordinance, which was adopted after our original budget was developed. As a result of these and other changes that occurred during the process of receiving approval for a special use permit from the Town of Chapel Hill, the budgeted cost of the infrastructure has gone from \$350,000 to \$420,000.

Given this increase in cost since our original projections, the remaining \$19,500 in CDBG funds that have been approved for this project for land purchase are necessary to help Habitat close the gap in infrastructure funding.

Please let me know if you have any additional questions or if I can provide any further information.

Sincerely,


Susan Levy, Executive Director
Habitat for Humanity, Orange County
1829 E. Franklin Street #1200B
Chapel Hill, NC 27514
919-932-7077

HABITAT FOR HUMANITY OF ORANGE COUNTY

BUDGET

For Rusch Road Subdivision

12 single family homes

Proposed Uses of Funds

Land Acquisition (Caldwell, Bass properties)	100,000
Closing Costs (appraisal, legal, environmental review, boundary surveys)	10,000
Design, Engineering, Surveying, Construction Management	50,000
Infrastructure Costs	
Streets, Sidewalks (includes clearing ,grading, Storm water management, erosion control)	200,000
Water Lines	35,000
Extension of Sanitary Sewer	130,000
Landscaping, Recreation	10,000
Sub-Total, Infrastructure Costs	375,000
Contingency (12%)	<u>45,000</u>
Total Infrastructure Construction Costs	420,000
Construction of 12 single family homes @\$65,000/unit	780,000
Total Development Cost	\$1,360,000

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Habitat for Humanity, Orange County, NC, Inc.

BUDGET

**For Rusch Road Subdivision
12 single family detached homes**

Proposed Sources of Funds

Orange County HOME funds (FY 02-03)	50,000*
Community Development Block Grant Funds (FY02-03)	17,000*
Orange County Housing Bond Funds ('97 Bond)	110,000* ▲
Community Development Block Grant Funds (FY01-02)	50,000*
Chapel Hill Housing Trust Fund (FY01-02)	50,000*
Orange County HOME funds (FY 99-00)	50,000*
Habitat for Humanity International/HUD SHOP 2002	62,225*
Orange County 2002 Housing Bond Funds	170,000**
Habitat for Humanity, Orange County (program income, other fundraising)	800,775
Total Sources of Funds	\$1,360,000

▲ includes \$55,000 approved for 5 units of rental housing

***funds committed/approved**

****funds applied for**