



## Legislation Text

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**File #:** ID 16-0381, **Version:** 1

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### Resolution Awarding HOME Program Funds for Affordable Housing Development

Department: Neighborhood Development  
Council District: 1 and 2

Public Hearing: Yes  
Advertising Date/By: May 7, 2016/Cynthia Blue

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#### **PURPOSE:**

City Council is requested to hold a public hearing to consider awarding \$1,130,139 in federal HOME program funds for two multi-family affordable housing development projects. The recommended housing development projects meet the City's MAP goal to maintain infrastructure and provide sustainable growth opportunities.

#### **BACKGROUND:**

A total amount of \$1,430,139 in federal HOME program funds is available for allocation. This includes a budget adjustment for \$150,000 in HOME funds on this meeting agenda. A request for proposals for HOME-eligible multi-family development was issued in February.

At their March 16, 2016 meeting, the Planning Board recommended \$1,130,139 in funding outlined below for Sumner Ridge and Foxworth projects. The remaining \$300,000 in HOME funds are pending the outcome of the North Carolina Housing Finance Agency's award process for Low Income Housing Tax Credits. The LIHTC award announcements are anticipated in August and a funding recommendation for the HOME funds will be submitted for Council approval in October.

The recommended projects are listed below and a summary of applications is attached. The Planning Board minutes for the March meeting and the MWBE participation letters are also attached.

**Sumner Ridge** - 4452 Old Randleman Road - Sumner Ridge Development LLC (Affordable Housing Management, Inc. and Opportunities South, LLC) - 72 new construction apartment units affordable to households at 30%, 50% and 60% of area median income. Developer has all financing in place and is ready for construction. Due to a second mortgage loan from the North Carolina Housing Finance Agency to Sumner Ridge, the City's loan will need to be in third lien position. Total development cost: \$9,286,051

**Recommended project award: \$600,000**

**Foxworth** - 1201 Thicket Lane - Greensboro Housing Authority and Servant Center - 11 new construction permanent supportive housing units, plus a supportive services office, for homeless or disabled veteran families. Developer is applying for additional financing and will receive a time limited commitment from the City.

Total development cost: \$1,592,252

**Recommended project award: \$530,139**

#### **BUDGET IMPACT:**

HOME funding for the Housing Development RFP is already budgeted. Sources for the recommended projects are listed below.

213-9012-02.5282	\$ 307,264
213-9013-02.5282	\$ 211,215
213-9014-02.5282	\$ 303,744
213-9015-02.5282	<u>\$ 307,916</u>
	\$1,130,139

**RECOMMENDATION / ACTION REQUESTED:**

City Council is requested to consider approval of funding for the affordable housing development activities as recommended, approval of 3<sup>rd</sup> position for the Sumner Ridge loan from the City, and authorize the City Manager to execute loan documents for project implementation.

**COMMITTEE ACTION:** This item was referred to Council by the Community Services Committee.