



Legislation Text

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Resolution Authorizing a Conditional Commitment of Funds to Multi-Family Affordable Housing Development Projects

Department: Neighborhood Development
Council District: 1, 2 and 4

Public Hearing:
Advertising Date/By:

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PURPOSE:

City Council consideration is requested for a conditional commitment of funds for the multi-family affordable housing development projects as recommended by the Planning Board. The City funding commitment would be subject to availability of HOME and Housing Bond funds, MWBE compliance documentation, and developer receipt of additional project financing sources.

BACKGROUND:

A request for multi-family affordable housing development projects was issued in March 2017. A total amount of \$3.1 million in Housing Bonds and \$800,000 in HOME funds was projected to be available for commitment. A set aside of \$400,000 in Housing Bonds was included for permanent supportive housing projects.

At the April 18, 2017 meeting, the Planning Board recommended \$3,697,088 in funding as outlined below and on the attached summary for multi-family affordable housing development projects. Four of the projects are applying for additional funding from the North Carolina Housing Finance Agency for Low Income Housing Tax Credits [LIHTC] or Supporting Housing Development Program funds. The LIHTC projects must have City commitment letters prior to their final application submittals. Supportive Housing Development Program award announcements are anticipated in June and LIHTC awards are anticipated in August. These are competitive processes and we do not anticipate that all projects will be successful with awards.

Staff is recommending approval for a time-limited conditional commitment (subject to City Council approval and availability of HOME and Housing Bond funds). When the successful projects have all of their financing committed and their development plans finalized, we will submit the projects for MWBE review and City Council action to authorize contract funding.

LIHTC Projects:

- Bells Summit - 2400 Summit Ave - \$706,147. New construction, 48 elderly units. Project needs LIHTC award to move forward
- 16th Street Commons - 2571 16th St - \$885,069 New construction, 96 family units. Project needs LIHTC award to move forward

- Mullin's Run Apartments - 2755 Horsepen Creek Rd - \$1,000,000 New construction, 100 elderly units. Project needs LIHTC award to move forward
- Ryan Ridge Apartments - 4410 Rehobeth Church Rd - \$573,449 New Construction, 60 family units. Project needs additional financing source to move forward.

Supportive Housing Project:

Partnership Place Apartments - 603 W. Terrell St - \$532,423 Rehabilitation, 37 family units. Project needs Supportive Housing Development Program award to move forward.

BUDGET IMPACT:

No budget impact at this time. Projects will be submitted for Council approval of financing terms when all necessary financing is committed.

RECOMMENDATION / ACTION REQUESTED:

City Council approval is requested for the issuance of time-limited conditional commitment letters for the affordable housing development projects as recommended.