

**04-26-2023 Town Council Meeting  
Responses to Council Questions**

**ITEM #9: Consider Approving the Recommended Funding Plan for Tanyard Branch Trace (Jay Street) Development**

**Council Question:**

If I read the material correctly, the amount to be allocated is a loan. If this is correct, what are the loan terms?

**Staff Response:**

*Yes, the funding is planned to be allocated as a long-term loan, consistent with the required structure for tax credit projects. Affordable Housing & Community Connections staff are in the process of working with our outside counsel to negotiate the specific loan terms, including loan period, interest rate, and repayment structure. Final agreed upon terms will consider final project costs and the terms of other financing at closing.*

**Council Question:**

I believe that this project is in line to receive Federal funding through a recommendation made by Rep. Foushee. If these funds are awarded, how will it affect this request?

**Staff Response:**

*This agenda item considers an approval for up to \$1.95M in gap financing to the project. If the actual subsidy gap shrinks, for example because it receives additional funding through the federal Community Project Funding program, the amount of Town funding provided to the project to fill any remaining gaps would be reduced.*