

**AFFORDABLE HOUSING DEVELOPMENT RESERVE**

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**RECOMMENDED FUNDING PLAN**

Council Meeting  
November 17, 2021



## Affordable Housing Work Plan FY21-23

PROJECTS	FY 2021				FY 2022				FY 2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>DEVELOPMENT</b>												
Develop Town-Owned Property at 2200 Homestead Road				★		★	★	★				
Pursue Affordable Housing on Prioritized Town Properties				★		★	★	★		★		★
Identify Properties for Affordable Housing Development					★							
<b>PRESERVATION</b>												
Implement Manufactured Home Communities Strategy												
Create Preservation Strategy												
Develop Short Term Strategies for NOAH Resident Displacement												
Acquire and Rehab Properties for Affordable Housing Preservation												
<b>POLICY</b>												
Implement the Employee Housing Program						★						
Participate in the LUMO Re-Write Project		★										

# Implement Investment Plan for Affordable Housing

<b>FUNDING</b>												
Implement Affordable Housing Investment Plan - Affordable Housing Bond			★					★				
Manage the Affordable Housing Development Reserve		★					★	★	★		★	★
Manage the Affordable Housing Fund												
Jointly Manage the HOME Program				★				★				★
Manage the Community Development Block Grant Program		★		★			★		★		★	★
<b>MANAGING TOWN-OWNED HOUSING</b>												
Create and Implement a Public Housing Master Plan							★	★		★		
Manage Public Housing Inventory												
Manage Transitional Housing Inventory												
<b>COLLABORATIONS</b>												
Convene Teams and Committees												
Serve as a Partner on Committees and Boards			★					★			★	
Expand Collaboration with Key Partners												



**Council Item Scheduled**  
**Council Item Heard and/or Action Taken**



# Council Consideration

- Consider approval of the modified funding plan that would fund the projects recommended by the HAB and fund Habitat for Humanity's request



# Agenda

1. Background

2. Funding Requests

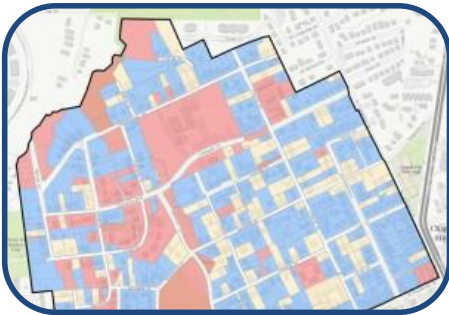
3. Recommended Funding Plan



# Affordable Housing Development Reserve (AHDR)

- Established by Town Council in Fiscal Year 2015
- Annual allocation of \$688,395 in General Fund Budget
- Evaluation of funding requests by Housing Advisory Board

## Priority Project Areas



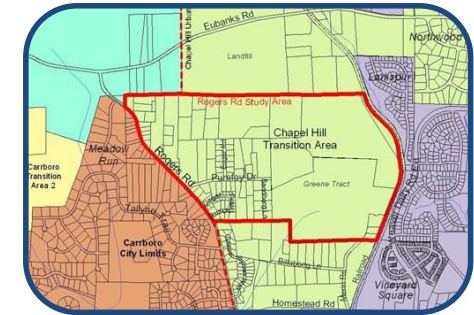
**Land Bank &  
Acquisition**



**Rental Subsidy &  
Development**



**Homeownership  
Development &  
Assistance**








**Future  
Development  
Planning**

# AHDR Results

- \$5 million total funding allocated for affordable housing development and preservation since 2015
- \$1.29 million to operate the Northside Neighborhood Initiative
- Supported the development of over 300 affordable homes
- 2<sup>nd</sup> year funding requests have exceeded available funding in the 1<sup>st</sup> RFP process



# Funding Requests

	Organization	Project	Request	Units
	CASA	Homestead Gardens	300,000	117
	Community Home Trust	Graham St Acquisition	60,000	1
	EmPOWERment	Lindsay St Acquisition	187,000	2
	EmPOWERment	Gomains St House Move	61,111	1
	Habitat for Humanity	Property Acquisition	150,000	~8
<b>Total</b>			<b>\$758,111</b>	<b>~130</b>



# CASA – Homestead Gardens at 2200 Homestead



- Request: \$300,000
  - ❑ 117 affordable units
    - ❑ 32 rental units provided by CASA
  - ❑ AMI Served: 0-60%
  - ❑ Master leasing units to UNC Horizons
  - ❑ Funds needed to secure \$3 million grant





# EmPOWERment, Inc. - Lindsay St Duplex



- Request: \$187,000
  - ❑ 2 affordable rental units
  - ❑ AMI Served: 0-60%
  - ❑ Grisham cottages on Town-donated land
  - ❑ Renovation complete and ready to be filled



# EmPOWERment, Inc. - Gomains House Move



- Request: \$61,111
  - ❑ 1 affordable homes
  - ❑ AMI Served: 0-60%
  - ❑ Town donating home before end of year
  - ❑ EmPOWERment moving the home to a lot owned on Gomains St



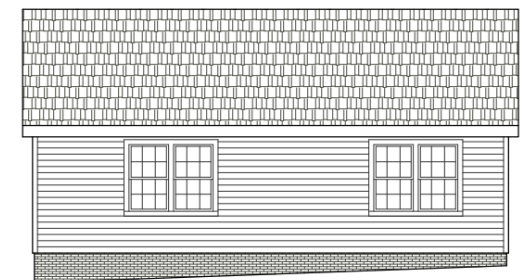
EAST ELEVATION



NORTH ELEVATION



SOUTH ELEVATION



WEST ELEVATION

# Habitat for Humanity – Property Acquisition



- Request: \$150,000
  - ❑ Property purchase to build ~8 homes
  - ❑ AMI Served: 30-80%
  - ❑ Furthest development timeline (8+ years)
  - ❑ HAB discussed if the Town could consider alternate funding source








# Community Home Trust – Graham St Acquisition

- Request: \$60,000
  - ❑ 1 affordable homeownership unit
  - ❑ AMI Served: 60-80%
  - ❑ Not enough funding available for all projects





# HAB Recommended AHDR Funding Plan

	Organization	Project	Request	Recommendation	Units
	CASA	Homestead Gardens	300,000	<i>300,000</i>	117
	EmPOWERment	Lindsay St Acquisition	187,000	<i>187,000</i>	2
	EmPOWERment	Gomains St House Move	61,111	<i>26,395</i>	1
	Habitat for Humanity	Property Acquisition	150,000	-	~8
	Community Home Trust	Graham St Acquisition	60,000	-	1
<b>Total</b>			<b>\$758,111</b>	<b>\$513,395</b>	<b>~120</b>






# Modified Recommended Funding Plan

- Based on HAB's interest, staff identified additional affordable housing funding
- \$379,000 is available in the Opportunity Fund of the Affordable Housing Fund
- If Council would like to fully fund the Habitat request, there would be \$229,000 remaining for future projects





# Modified Recommended Funding Plan

	Organization	Project	Request	Recommendation	Units
	CASA	Homestead Gardens	300,000	<i>300,000</i>	117
	EmPOWERment	Lindsay St Acquisition	187,000	<i>187,000</i>	2
	EmPOWERment	Gomains St House Move	61,111	<i>26,395</i>	1
	Habitat for Humanity	Property Acquisition	150,000	<i>150,000</i>	~8
	Community Home Trust	Graham St Acquisition	60,000	-	1
<b>Total</b>			<b>\$758,111</b>	<b>\$663,395</b>	<b>~128</b>

# Council Consideration

- Consider approval of the modified funding plan that would fund the projects recommended by the HAB and fund Habitat for Humanity's request
- Approve Resolution R-\_\_ for the HAB Recommended Funding Plan or R-\_\_ for the Modified Recommended Funding Plan



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## **RECOMMENDED FUNDING PLAN**

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# HAB Recommended Funding Plan

	Organization	Project	Request	Recommendation	Units
	CASA	Homestead Gardens	300,000	<i>300,000</i>	117
	EmPOWERment	Lindsay St Acquisition	187,000	<i>187,000</i>	2
	EmPOWERment	Gomains St House Move	61,111	<i>26,395</i>	1
	Habitat for Humanity	Property Acquisition	150,000	-	~8
	Community Home Trust	Graham St Acquisition	60,000	-	1
<b>Total</b>			<b>\$758,111</b>	<b>\$513,395</b>	<b>120</b>

# HAB Recommended AHDR Funding Plan

- Support the development of 120 new affordable housing units
- Town funding would leverage \$20 million dollars from outside organizations
- Permanently affordable housing

	Organization	Project	Recommendation	Units
	CASA	Homestead Gardens	300,000	117
	EmPOWERment, Inc.	Lindsay St Duplex	187,000	2
	EmPOWERment, Inc.	Gomains St House Move	26,395	1
<b>Total</b>			<b>\$513,395</b>	<b>120</b>