



Legislation Text

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Receive Proposed Affordable Housing Bond Funding Process Overview.

Staff:

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Department:

Housing and Community

Overview: This item provides an overview of the proposed funding process for the \$10 Million Affordable Housing Bond approved in November of 2018. The proposed funding process includes information about the process for sale of authorized bonds and how the funds generated will be allocated to affordable housing projects in the community.



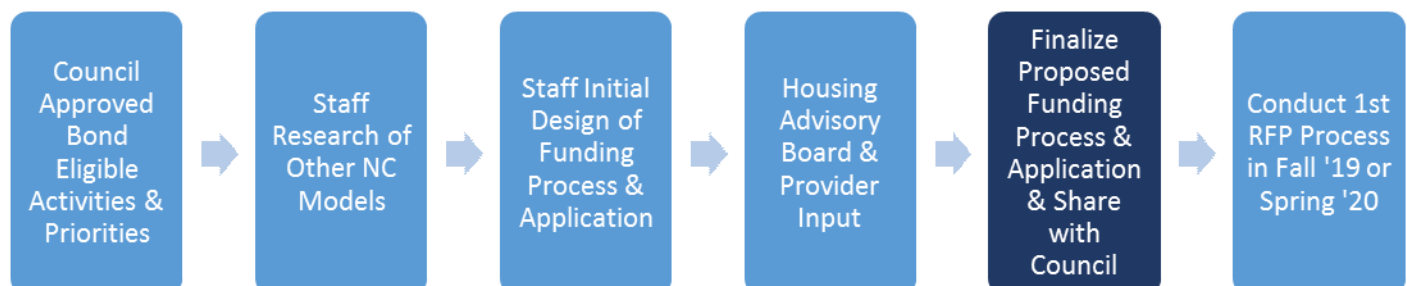
Recommendation(s):

That the Council receive this report.

Background:

- On [February 21, 2018](https://chapelhill.legistar.com/LegislationDetail.aspx?ID=3346661&GUID=C9696EDC-F4C6-4ADE-B9B1-F1F2C2DC634B&Options=&Search=>) <<https://chapelhill.legistar.com/LegislationDetail.aspx?ID=3346661&GUID=C9696EDC-F4C6-4ADE-B9B1-F1F2C2DC634B&Options=&Search=>>>, the Council approved a resolution to pursue an [Affordable Housing Bond referendum](https://www.chapelhillaffordablehousing.org/bondinfo) <<https://www.chapelhillaffordablehousing.org/bondinfo>> in November of 2018.
- At that time, the Council also adopted a resolution identifying eligible activities and priorities for use of affordable housing bond funds.
- On November 6, 2018, voters approved the Affordable Housing Bond Referendum, with 72% of voters affirming their support for the Bond. Voter approval of the Bond gives the Town Council the authority to issue up to \$10 Million in bonds to support affordable housing projects in the community.
- Over the past several months, staff have conducted extensive research and sought input from the Housing Advisory Board and affordable housing providers to design a proposed funding process for the bond. Details about the proposed process are in the attached Allocation Strategy and Funding Process Overview, Draft Joint Funding Application, and Draft Scoring Rubric.

Funding Process Design:









Key Components of Proposed Process:

Based on feedback from the Council and housing providers and review of best practices from other North Carolina communities, we propose the following process:

- Use a Joint Funding Application for all local affordable housing funding requests
- Require electronic submission of applications
- Sync timing of Request for Proposals with tax credit deadlines, project pipeline, and Town bond sale schedule
- Offer orientation session, pre- and post-application meetings
- Have Housing Advisory Board (HAB) review and evaluate applications using scoring rubric
- Have Town Council give final approval for all projects

Fiscal Impact/Resources: The Town Council is currently considering a 1 cent tax increase for Fiscal year 2020, which would allow the Town to begin issuing the voter-approved bonds.

Council Goals:

<input checked="" type="checkbox"/>		Create a Place for Everyone	<input type="checkbox"/>		Develop Good Places, New Spaces
<input type="checkbox"/>		Support Community Prosperity	<input type="checkbox"/>		Nurture Our Community
<input type="checkbox"/>		Facilitate Getting Around	<input type="checkbox"/>		Grow Town and Gown Collaboration



Attachments:

- Draft Allocation Strategy and Funding Process Overview
- Draft Common Funding Application
- Draft Scoring Rubric for Development Projects

The Agenda will reflect the text below and/or the motion text will be used during the meeting.

By accepting this report, the Council acknowledges receipt of the proposed process for allocating affordable housing bond funding.