



Legislation Text

File #: 24-0033, Version: 2

Title

Naturally Occurring Affordable Housing (NOAH) Multi-Family Affordable Housing Funding Support Request - Ascent Pineville

Action

ACTION:

(A) Adopt a resolution authorizing the County Manager to negotiate terms and conditions and execute an agreement with Pineville NOAH, LLC under which Mecklenburg County would allocate a total of \$5,574,850 over a 20-year period to cover twenty (20) years of rental subsidy for thirty-six (36) affordable rental units at Ascent Pineville available to households earning 30% AMI and below.

(B) Adopt a resolution authorizing a 20-year loan in the amount of \$3M in the form of a subordinate mortgage. The term of the loan will be commensurate with the term of the 20-year affordable deed restriction.

(C) Authorize the County Manager to develop terms and conditions and execute a service agreement with Housing Collaborative (formerly Socialserve) to administer the rental subsidy program.

Staff Contact: LaShonda Hart, Program Manager, Affordable Housing Initiatives
Dena Diorio, Mecklenburg County Manager

Presentation: Yes

BACKGROUND/JUSTIFICATION:

Housing Impact Fund is an innovative social impact equity fund committed to addressing housing insecurity and upward mobility in Mecklenburg County. Housing Impact Fund has acquired and preserved 1,071 NOAH units across Mecklenburg County since December 2020. In June, the organization announced a new \$67 million fund of private sector capital to preserve an additional 1,000 units or more over the next two years.

Across its portfolio, Housing Impact Fund has set aside 322 units for households earning 30% AMI

and below, 72 units for households earning 50% AMI and below, 464 units for households earning 60% AMI and below and 213 units for households earning 80% AMI and below.

Approval of this item will authorize the County Manager to negotiate, the terms and conditions and execute an agreement with Housing Collaborative that will administer the rental subsidy program.

This proposal would commit annual funding from Mecklenburg County for the term of the property's deed restriction at an amount equivalent to the corresponding annual property tax bill. The funding will be administered through the Housing Collaborative which identifies eligible tenants and administers the rental subsidy program.

- Property owners must impose a long-term 20-year deed restriction on the property designating 100% of the units to be affordable to households at 80% AMI and below. 72 units will be set aside for households earning 30% AMI and below, 120 units will be set aside for households earning 60% AMI and below and 48 units set aside for households earning 80% AMI and below.
- Half of the units set aside for households with 30% or below AMI (15% of the property or 36 units) will serve individuals/families experiencing extreme housing insecurity without existing access to tenant-based vouchers or rental subsidies.
- Approval of the recommended rental subsidy program is a request for 20 years of annual funding to be equivalent to the corresponding county property tax bill.

PROCUREMENT BACKGROUND:

N/A

POLICY IMPACT:

N/A

FISCAL IMPACT:

The \$3M loan will be paid from the Affordable Housing Program Fund

The \$5,574,850 will be paid from the Affordable Housing Program Fund from property taxes paid.