



# 2023 Affordable Housing CIP, Bond & Surplus Land Program Application Workshop

July 26, 2023

# OVERVIEW

- I. Background
- II. Key Deadlines
- III. 2023 Application
- IV. Questions

# BACKGROUND

- In the fall 2016, the Board of Commissioners approved a \$5 million Affordable Housing Bond
- Half of the bond funds (\$2.5 million) were awarded in 2017
- This application is for the remaining \$2.5 million of the bond funds
- The 2023 application was developed based on the Request for Proposals (RFP) for the 2017 round of bond funding and the application evaluation criteria approved by the Board of Commissioners in April 2019
- At the June 8, 2023 Budget Work Session, the Board of County Commissioners provided direction that an additional \$5 million for affordable housing development be allocated from the Capital Investment Plan (CIP) funding for FY 2023-2024. The CIP also includes \$5 million allocations in FY 2026-27 and FY 2029-30 for a total of \$15 million for affordable housing development over ten years.

# BACKGROUND

- Eligible projects will be new construction and/or rehabilitation for homeownership and/or rental development affordable to low-income households
- Projects may be mixed-use and/or mixed-income
- No more than 20% of residential units may be set aside for people with disabilities, in compliance with best practices outlined in the State of North Carolina's *Olmstead* settlement agreement
- For rental developments, households applying for tenancy may not be denied based on source of income (i.e., rental assistance vouchers)
- Land banking is not an eligible use

# BACKGROUND

- Eligible applicants for funding are:
  - Nonprofit organizations involved in affordable housing and community development (including faith-based organizations)
  - For-profit developers
  - Joint ventures between eligible nonprofit and for-profit entities

# KEY DEADLINES

- August 31:** Applications due
- September 2023:** Affordable Housing Advisory Board (AHAB) reviews and scores applications
- October 2023:** BOCC considers applications and awards funds
- November 1, 2023:** All contracts executed

# 2023 APPLICATION

## Submission Instructions

- Submit by email to [jamaro@orangecountync.gov](mailto:jamaro@orangecountync.gov)
- Most application materials should be in PDF form, but pro formas and project budgets should be Excel files
- All application materials should be clearly labeled with the name of the applicant organization, year, and name of the document

## Applications may not be considered if:

- Projects do not align with eligibility criteria
- Applicant has demonstrated poor past performance or compliance
- Applications is late or incomplete

# 2023 APPLICATION

## Application Scorecard

Thresholds: Complete application submitted by deadline  
Project aligns with local affordable housing goals/strategies  
Project is for an eligible activity

## Scoring Criteria

1. Income Targeting & Special Needs **(45 points)**
2. Local Residency **(5 points)**
3. Leveraging **(52 points)**
4. Building/Site Design **(20 points)**
5. Community Design **(20 points)**
6. Community Sponsorship/Support **(20 points)**
7. Project Feasibility **(30 points)**
8. Developer Experience **(40 points)**



# 2023 APPLICATION

## Orange County Long-term Housing Affordability Policy

### *Impact fee reimbursements*

- **Owner-occupied:** If requesting impact fee reimbursement, organization must certify in writing that the home will remain affordable for 99 years
- **Rental:** If requesting impact fee reimbursement, organization must certify in writing that the property will remain affordable for 99 years; if the property does not remain affordable, the impact fee reimbursement must be repaid

# 2023 APPLICATION

## Orange County Long-term Housing Affordability Policy

*For owner-occupied housing receiving County financial assistance:*

- **99-year period of affordability:** Home can only be sold to households earning no more than 80% AMI on initial sale
- **Right of first refusal:** By the nonprofit sponsor or the County
- **Equity sharing:** If homeowner cannot continue ownership or no longer uses home as principal residence, it must be sold to a qualified buyer (80% AMI)
  - If sold to a non-qualified buyer during affordability period and within 40-year loan term, the net sales proceeds will be divided 50/50 between the seller and the County
  - If sold to a non-qualified buyer during affordability period but after 40-year loan term, the entire equity from sale will be divided 50/50 between the seller and the County

# QUESTIONS?

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