

opportunities in Orange County;

- Identification of responsibilities of the Community Home Trust (Section III.C), and the partner jurisdictions (Section III.D);
- Agreement on an annual funding formula based on the ratio of Community Home Trust homes to the total number of the organization's homes (Section III.D.3);
- Annual review of the agreement during the annual budget cycle by the Board of Aldermen and the elected boards of all of the partners;
- Acknowledgement and agreement that the Community Home Trust's programs serve households earning up to 115% of the area median income;
- Continuing to appoint a representative from each jurisdiction to the Community Home Trust board of directors (Section III.B)
- Agreement to allow Community Home Trust to provide an unrestricted fee simple deed of trust to lenders of Home Trust homes. In short, if a home is foreclosed upon, the Towns and County agree to cancel all affordability restrictions recorded against the property. This would increase the lending options to buyers. (Section III.D.5a.);
- Agreement that homes subsidized by local funds or Town Community Development funds may be resold to households earning up to 115% of the area median income without repaying the funds (Section III.D.5.b); and
- Agreement that homes could be sold out of the Community Home Trust inventory upon approval of the Town Manager (Section III.D.5.c).

Benefits of an Interlocal Agreement:

- Reconfirms the county-wide affordable housing goals for homeownership;
- Provides understanding among the jurisdictions and reduces uncertainties by establishing an agreed upon set of shared expectations and responsibilities for the governments and the Community Home Trust; and
- Maintains a formula to determine funding of the organization's operational budget.

FISCAL & STAFF IMPACT: Based on the funding formula in the Interlocal Agreement, Carrboro's allocation to the Community Home Trust would be \$75,052 for FY 2016-17.

RECOMMENDATION: Town staff recommends the Board consider approving the Interlocal Agreement for FY 2016-17.