



1. Approve allowing lenders to have an unrestricted, fee simple interest in Home Trust homes in the event of foreclosure. *A public hearing on a text amendment responding to this action is under consideration this evening.*
2. Approve, in its role as a member of the HOME consortium, allowing CHT to sell subsidized homes to households between 80 and 115 percent of the Area Median Income when permitted by HUD. *A resolution that expresses this approval has been drafted for the Board's consideration.*

HOME Consortium partners, Orange County and the Towns of Chapel Hill and Hillsborough have responded positively to these requests as noted in the attached copies of minutes and/or resolutions (Attachments C through E). As noted in Attachment E, the affordability period established by HUD funding (up to 15 years) is shorter than that specified in Orange County (99 years). The change requested in Item 2 will eliminate the need for repayment to the County of subsidy funds if homes are sold to households earning more than 80 percent of the median income and otherwise consistent with the HUD affordability period requirements. This change has the potential to strengthen the viability of CHT's efforts by increasing the pool of eligible buyers and reducing subsidy requirements.

**FISCAL & STAFF IMPACT:** Minimal staff impact associated with adoption of the resolution.

**RECOMMENDATION:** Staff recommends that the Board of Aldermen adopt the attached resolution and request that copies be forwarded to HOME Consortium partners.