



## Legislation Text

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**File #:** 15-0381, **Version:** 1

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### **TITLE:**

Minor Revisions to the Rental and Utility Deposit Assistance Program

**PURPOSE:** The purpose of this item is for the Board to review and consider approving revisions to the Rental and Utility Deposit Assistance Program.

**DEPARTMENT:** Manager's Office

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**INFORMATION:** On June 27, 2014 the Board passed a resolution creating a program to assist Section 8 Housing Choice Voucher (HCV) recipients relocating within Carrboro. This program provided loans for rental and/or utility deposits to HCV recipients whose landlords would no longer be accepting HCVs.

On March 3, 2015 the Board approved allowing this to be a grant program. Staff brought this change to the Board based on feedback from the affordable housing community that HCV recipients were worried they would not be able to repay the loan, and therefore, were turned away from applying for this program.

Since the creation of this program, Carrboro has not received any applications for funding. Town staff discussed some of the potential reasons for this with Community Empowerment Fund (CEF), the main nonprofit working with potential applicants for this program. CEF has successfully worked with HCV recipients to receive funding from a similar program in Chapel Hill. The draft revisions to the program are based off of staff conversations with CEF.

The draft revisions contain three notable changes. The first change opens the eligibility up to more HCV recipients by taking out the stipulation that applicants must be relocating due to their current place of residence no longer accepting HCVs. Staff has found there are other reasons why an HCV recipient may need to move out of their current residence. One example is a resident who receives HCVs was recommended by their doctor to relocate due to health related issues that were being made worse due to their current residence. Removing this stipulation would allow for residents in a similar situation to be eligible for funding, who may otherwise be forced to relocate outside of Carrboro.

The second notable change is to allow a signed copy of an Orange County Request for Tenancy Form instead of a signed lease. In many cases, a resident may need to show that they possess the ability to provide a deposit before a lease can be signed. Without obtaining the funding first, an HCV recipient may not be able to do this. An Orange County Request for Tenancy Form is a document that a landlord and tenant sign in order to schedule an inspection with the Orange County Housing Department, a requirement of the HCV program. It also affirms that a landlord is willing to accept the HCV from a tenant.

The last notable change is the addition of a requirement that an applicant provide official documentation for the amount of the deposit. This is included to ensure the Town only pays the amount needed for a deposit, and no more

On November 16, the Affordable Housing Task Force approved the draft changes and recommended sending them to the Board for consideration of approval.

Opening this program to more HCV recipients fits with the Town's goal of providing opportunities for safe, decent and affordable housing for all residents.

**FISCAL & STAFF IMPACT:** The fiscal impact would be the additional funds granted for any applications that would not currently be eligible under the existing program. No grant may exceed \$1,000. The funds would come out of the Affordable Housing Special Revenue Fund.

**RECOMMENDATION:** Staff recommends the Board of Aldermen consider approving the attached resolution.