



Legislation Text

File #: 17-451, **Version:** 1

TITLE:

Request to Authorize the Town Manager to Execute a Forgivable Affordable Housing Loan Agreement with CASA

PURPOSE: The purpose of this item is for the Board of Aldermen to consider authorizing the Town Manager to execute a Forgivable Affordable Housing Loan Agreement regarding the proposed development by CASA on Merritt Mill Rd.

DEPARTMENT: Economic and Community Development

CONTACT INFORMATION: Annette Lafferty, ECD Director

alafferty@townofcarrboro.org <<mailto:alafferty@townofcarrboro.org>> (919) 918-7319

INFORMATION: On March 21, 2017, The Board of Aldermen approved a request for funding from CASA for an affordable housing project on Merritt Mill. CASA was approved to receive grant of \$357,208 for land banking for two contiguous properties, 802 and 806 South Merritt Mill Road in Carrboro.

The Board of Aldermen directed the Town Manager to enter into a performance agreement that outlines the payment of the grant and other stipulations. Since the initial draft of this agreement, it should be noted that the grant will be paid out in a single payment. Additionally, the project will now accept tenants who are below 60% of the AMI (expanded from the original below 30%) and due to the requirements of Low Income Housing Tax Credits (LIHTC) the agreement is unable to specify that priority is given to Orange County residents. Attached is a final draft of the Forgivable Affordable Housing Loan Agreement (Attachment 1). Staff is seeking approval from the Board to authorize the Manager to execute the Loan Agreement (Attachment 2).

FISCAL & STAFF IMPACT: No additional staff or fiscal impact is expected.

RECOMMENDATION: It is recommended that the Board of Aldermen pass the resolution authorizing the Town Manager to execute this agreement.