

Housing 400 Initiative

a partnership between
NC Department of Health and
Human Services
&
NC Housing Finance Agency

LOC November 13, 2006

Actions To Date

- 5 community meetings
- Consideration of comments
- 2 applications created and available
(www.nchfa.com/About/housing400.aspx)
- LOC presentation

Objective

- Create permanent housing for persons with disabilities affordable at SSI incomes

Requirements

- Potential tenants have income below 30% of area median
- Disability-based income (SSI, SSDI, VA) or meet HUD SHDP standards
- Apartments include kitchen facilities and bathrooms
- Tenants hold lease with all standard legal rights and responsibilities

Tools

- Capital Funds: \$10,937,500 (Non-Recurring)
- Operating Subsidy: \$1,205,000 (Recurring)
- Operating subsidy is limited to NCHFA-financed units

Production & Operating Subsidy Cost per Unit

- \$10,937,500 divided by 400 units = \$27,343 per unit
- Typical costs range from \$80K to \$100K per unit
- \$1,205,000 divided by 400 units = \$251 per unit/month
- Typical Section 8 rent assistance in NC is \$378 per unit per month
- Leveraged with federal/state tax credits, HOME, undesignated Housing Trust Fund, local resources, Section 8 project based and tenant voucher rental assistance, and rural development subsidies

Programs

- Create ~100 units through SHDP 400
- Create ~50 units through PLP 400
- Create ~250 units through Housing Credit Program

Supportive Housing Development Program 400

- SHDP 400 is a program that assists homeless and non-homeless persons with disabilities
- Loan to value ratio can be up to 100%
- Loan amount can be up to \$1.2 million with a \$90,000 per unit cost cap
- Construction loans are available
- Operating subsidy integrated into application

Asheville, NC
8 one-bedroom units in 8 buildings
New construction



Sanford, NC
12 one-, two-, and three-bedroom units in 5 buildings
New construction



Durham, NC
12 efficiency units in 1 building
New construction



Preservation Loan Program 400

- PLP 400 is a rental rehabilitation program for properties built with federal/state subsidies
- Loan amounts can be up to \$1 million
- 10% of each property's units (minimum 5 units) are set aside for tenants with disabilities
- Key Program operating subsidy is available for targeted units

Raleigh, NC
32 two-bedroom units in 8 buildings
Rehabilitation



Housing Credit Program

- Housing Tax Credit Program is a rental production and rehabilitation program
- 10% of each property's units are set aside for tenants with disabilities
- Key Program operating subsidy is available for targeted units

Carrboro, NC
24 efficiency units in 1 building
New construction



Siler City, NC
48 one-, two- and three-bedroom apartments in 6 buildings
New construction



Raleigh, NC
90 one- and two-bedroom apartments in 1 building
New construction



Roles

- DHHS reviews and approves community needs and priorities, tenant access to services and targeting plans, and allocates the operating subsidy
- NCHFA evaluates sites, underwrites entire financing package, and awards construction and permanent loans

Next Steps

- SHDP 400 Letter of Intent due 11/15/06
- SHDP Trainings: Raleigh 11/15/06 and Asheville 12/05/06
- PLP 400 applications due 12/08/06
- SHDP 400 applications reviewed and approved as received until 02/28/07

Contact Information

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