

**Item Title:** Housing Major Repair Program Loan Approval

**Specific Action Requested:**

**That the Board of Commissioners authorizes the County Manager to approve the following Rehabilitation Loans and execute all documents related thereto:**

- 1. A loan up to \$90,000 to Natalie Lands for repairs to her home at 1141 Clear Circle, Wendell;**
- 2. A loan up to \$90,000 to Rebecca Hughes for repairs to her home at 932 Currin Perry Road, Zebulon;**
- 3. A loan up to \$90,000 to Joyce Leak for repairs to her home at 6829 Strawberry Lane, Garner;**
- 4. A loan up to \$90,000 to Jorge and Maritza Hernandez for repairs to their home at 603 Sexton Avenue, Zebulon; and**
- 5. A loan up to \$90,000 to Harold and Doris Williams for repairs to their home at 111 New Faison Lane, Knightdale**

**All loans are subject to terms and conditions acceptable to the County Attorney.**

**Item Summary:**

**Purpose:** The Board of Commissioners approves all Wake County real estate transactions.

**Background:** In the Fiscal Year 2023 budget, the Board of Commissioners allocated \$1,350,000 to the Housing Affordability and Community Revitalization (HACR) Department to launch a Major Repair Program for low-income homeowners. Through this loan program, eligible households may receive up to \$90,000 in a 10-year, deferred, 0% interest loan to address critical system repairs that jeopardize the safety and stability of their homes. This program is designed to assist homeowners living anywhere in Wake County outside of the City of Raleigh earning at or below 50% of the Area Median Income (AMI) who have limited access to other resources for essential health and safety repairs.

The five proposed loans in this item have been evaluated by staff and the applicants and their homes meet all program criteria and requirements. The homes have been evaluated for scopes of work and contractors have responded to bids. Requested loan amounts are up to \$90,000. Final loan amounts will equal only the actual project expenses. If approved, staff, contractors, and homeowners will be ready to proceed with work.

Strategic Plan: This action supports Community Health and Wellbeing Goal 1: Create and preserve 2,500 affordable housing units by 2029.

Fiscal Impact: The Board previously appropriated funds for rehabilitation loans in the Housing CIP Fund. No additional appropriation is required. Any program income generated from a sale or loan payoff of these properties is allocated annually within the Housing Special Revenue Fund and used to support future eligible activities.

**Additional Information:**

Since 1992, the Housing Affordability and Community Revitalization (HACR) Department has administered homeowner rehabilitation programs that support low-income families in need of critical health, safety and accessibility repairs. The Major Repair Program is intended to serve very low-income homeowners earning up to 50% of the AMI who have lived in their homes for at least 10 years. Applicants may reside anywhere in Wake County outside of the City of Raleigh.

Funds may be used to address system and structural repairs related to health, safety and code issues, including but not limited to:

- System repair and replacement (roof, HVAC, water heaters, well and septic, plumbing)
- Structural repairs and replacement (foundation repair, flooring and sub-flooring, wall and ceiling repair, water damage resolution and protection)
- Water damage repair and protection
- Accessibility up-fits (ramps, grab bars, accessible bathroom fixtures)
- Replacement or repair of deteriorated kitchen and bathroom fixtures for usability
- Electrical repairs to address safety and code issues

Loan applications were received and reviewed by staff for each project. Financial information was collected, a title search was conducted on the subject properties, work write-ups and specifications were completed, and ultimately, the projects were bid out for the work to be performed. If approved, funds will be provided as 10-year, deferred, 0% interest loans that will be forgivable over the loan term. If the homeowner no longer resides at the home for any reason during the loan term, the balance of the loan will be due and payable to the County.

The following loans are recommended for approval by the Board of Commissioners:

**Natalie Lands – 1141 Clear Circle, Wendell (REID: 0277325)**

The tax value of the property is \$204,417. The amount requested for this loan is up to \$90,000. This client is also eligible for up to a \$20,000 CDBG grant for repairs. Wake County will hold first position.

**Rebecca Hughes – 932 Currin Perry Road, Zebulon (REID: 0036468)**

The tax value of the property is \$222,157. The amount requested for this loan is up to \$90,000. This client is also eligible for up to a \$20,000 CDBG grant for repairs. Wake County will hold first position.

**Joyce Leak – 6829 Strawberry Lane, Garner (REID: 0050356)**

The tax value of the property is \$207,513. The amount requested for this loan is up to \$90,000. This client is also eligible for up to a \$20,000 CDBG grant for repairs. Wake County will hold first position.

**Jorge and Maritza Hernandez – 603 Sexton Avenue, Zebulon (REID: 0005773)**

The tax value of the property is \$232,802. The amount requested for this loan is up to \$90,000. This client is also eligible for up to a \$20,000 CDBG grant for repairs. Wake County will hold first position.

**Harold and Doris Williams – 111 New Faison Lane, Knightdale (REID: 0106745)**

The tax value of the property is \$336,056. The amount requested for this loan is up to \$90,000. Wake County will hold second position.

**Attachments:**

None.