

Item Title: Affordable Housing Project Adjustments for 601 Method Road in Raleigh, NC

Specific Action Requested:

That the Board of Commissioners approves the following project adjustments to 601 Method Road, a supportive housing development in Raleigh:

- 1. Eight units at the property will be targeted to households earning up to 30% of the area median income (AMI); and**
- 2. One unit at the property will target households earning up to 80% of the AMI.**

All funding commitments are subject to terms and conditions acceptable to the County Attorney. In addition, all awards are contingent upon the development receiving local approvals including site plan approval, all necessary permits from the local municipality and an award of tax credits from the NC Housing Finance Agency. All awards are contingent upon the basic terms as identified in the project descriptions, including funding commitments from the financial partners as identified.

Item Summary:

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

Background: In October 2023, the Board of Commissioners approved a \$760,000 loan at 0% interest for 30 years with variable annual interest payments and a balloon at the end of the term to CASA to develop 601 Method Road, a nine-unit affordable housing development targeting youth aging out of foster care. CASA has partnered with the Hope Center at Pullen for resident placement and on-site supportive services. As approved, eight units will target youth aging out of foster care earning 30% of the AMI or less, and one unit would be reserved for an on-site Resident Advisor. CASA will begin construction on the development in summer 2024.

CASA has requested that the loan documents specify that eight units will target households earning 30% AMI or less, with a preference for youth aging out of foster care, and that one unit will be reserved for households earning 80% AMI or less. The requested set-aside language is a contingency against any unforeseen administrative or organizational challenges that would make targeting youth aging out of foster care no longer feasible.

Staff and contracted counsel do not have concerns about this language, and staff recommend allowing the restrictions for the project to be defined as CASA requests. Loan terms will remain

unchanged. CASA intends to close on project financing in July 2024 and immediately begin construction. The development will be complete by mid-2025.

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

Fiscal Impact: This action has no additional financial impact. CASA has not requested additional funds from Wake County.

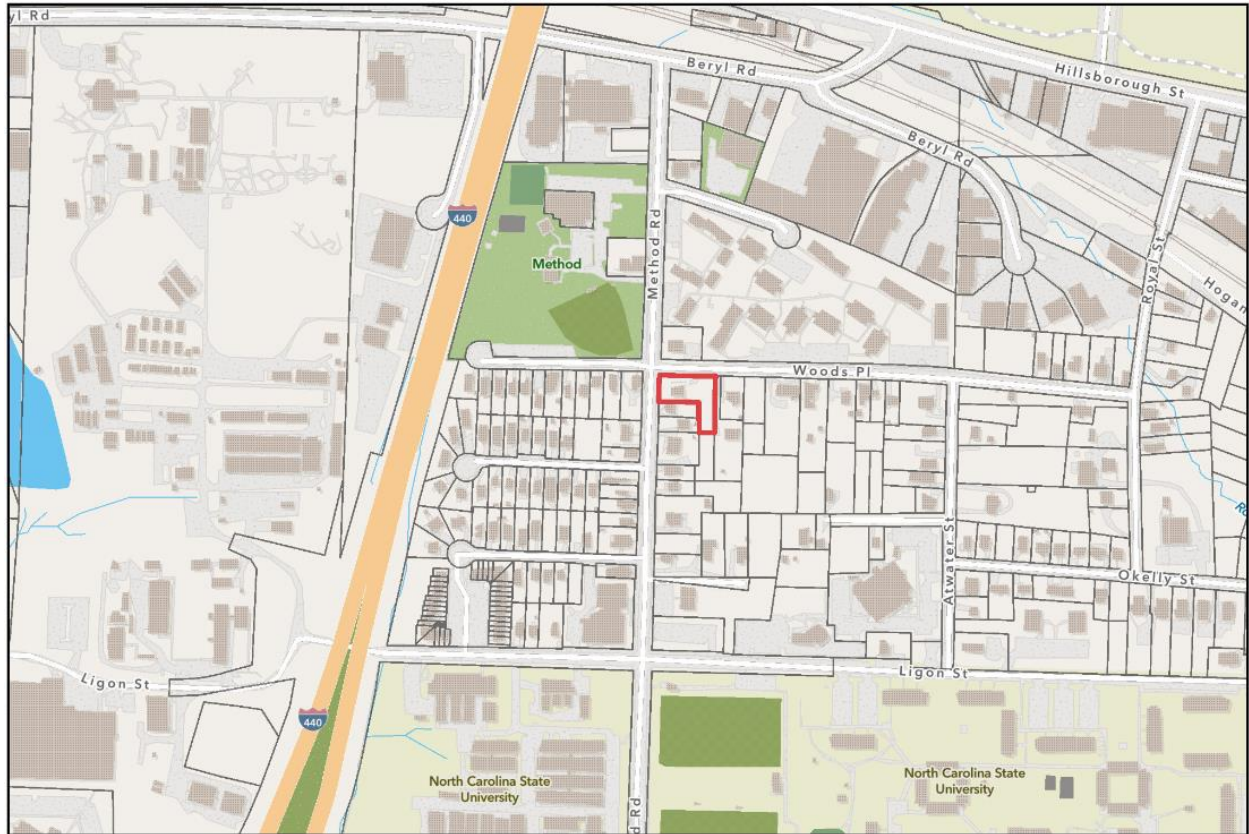
Additional Information:

601 Method Road will consist of nine one-bedroom units. Eight units will target households earning 30% of the AMI or less with a preference for youth aging out of foster care. CASA is partnering with The Hope Center at Pullen for services and resident placement through their Transition Program. Residents will pay no more than 30% of their income for rent, with subsidy provided by the Wake County Housing Authority in the form of Foster Youth to Independence vouchers, administered by the Hope Center at Pullen.

The Hope Center at Pullen will provide supportive services to residents, paid for out of the organization's operating budget. Each resident participating in the Transition Program will be assigned a Transition Specialist who will provide case management and services including but not limited to life skills development training, support for accessing health care and behavioral health care, and job preparation and attainment counseling. Services staff will maintain weekly contact with residents who will have individualized Goal Plans evaluated quarterly.

The property will be located adjacent to a bus stop and near the proposed Western Bus Rapid Transit Corridor. The development will include on-site office space for service provision, as well as an outdoor gathering area for residents. The property will be located within a half mile of a grocery store, and other nearby amenities include restaurants, the JC Raulston Arboretum, and the Reedy Creek Trail greenway.

A map of the project site is provided below.



Attachments:

None.