

Item Title: Approval of Homeowner Rehabilitation Loans through the Housing Major Repair Program

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 \$88,644 to Russell and Suzanne Beckett for repairs to their home at 2117 Jordan Cabin Road, Wendell (REID: 0037954);**
- 2. A loan up to \$85,049 to Mary Jo Lancey Bates for repairs to her home at 6201 Raymond Shiefly Drive, Wendell (REID: 0185296);**
- 3. A loan up to \$85,524 to Monia Burgess for repairs to her home at 224 W Barbee Street, Zebulon (REID: 0093108);**
- 4. A loan up to \$75,277 to Jessie Upchurch for repairs to her home at 124 Grange Drive, Wendell (REID: 0176047)**

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 four 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. 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 are received and reviewed by staff. Financial information is collected, a title search was conducted on the subject properties, work write-ups and specifications were completed, and ultimately, the project was 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:

Russell & Suzanne Beckett – 2117 Jordan Cabin Road, Wendell

The tax value of the property is \$213,027. The amount requested for this loan is up to \$88,644. Wake County will hold first lien position.

Mary Jo Lancey Bates – 6201 Raymond Shiefly Drive, Wendell

The tax value of the property is \$316,735. The amount requested for this loan is up to \$85,049. Wake County will hold first lien position.

Monia Burgess – 224 W Barbee Street, Zebulon

The tax value of the property is \$106,995. The amount requested for this loan is up to \$85,524. Wake County will hold the first lien position.

Jessie Upchurch – 124 Grange Drive, Wendell

The tax value of the property is \$260,262. The amount requested for this loan is up to \$75,277. Wake County will hold the second lien position.

Attachments:

None.