

Item Title: Additional Rental Assistance Housing Program Units for Parkside Apartments in Raleigh, NC

Specific Action Requested:

That the Board of Commissioners approves an update to the number and source of permanent supportive housing set-aside units at Parkside Apartments, an affordable housing development to be located in Raleigh, NC.

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 August 2023, the Board of Commissioners approved a \$5,755,000 loan to Blue Ridge Atlantic Development to support the development of Parkside Apartments, a 144-unit affordable housing development for families to be located at 1327/1329 Kent Road in Raleigh. Loan terms were 2% interest for 30 years with variable annual interest payments and a balloon payment at the end of the term. The developer intends to close on financing and begin construction in the third quarter of 2024.

As approved, the development included 15 units set-aside for the North Carolina Housing Finance Agency (NCHFA) Key Program, 15 units set-aside for Wake County Rental Assistance Housing Program (RAHP) voucher clients, and seven to 15 units set-aside for placements through the Arc of North Carolina. Due to administrative challenges, the developer is no longer partnering with the Arc of North Carolina. Blue Ridge Atlantic requested that the seven to 15 units be reallocated to Wake County's RAHP program.

Staff recommend that Wake County maintain the funding commitment to Parkside Apartments without the partnership with the Arc of North Carolina, and that the additional 10% of units set-aside for the Arc be reallocated to Wake County's RAHP voucher clients. In total, 45 units or 30% of units at the property will be set-aside as permanent supportive housing.

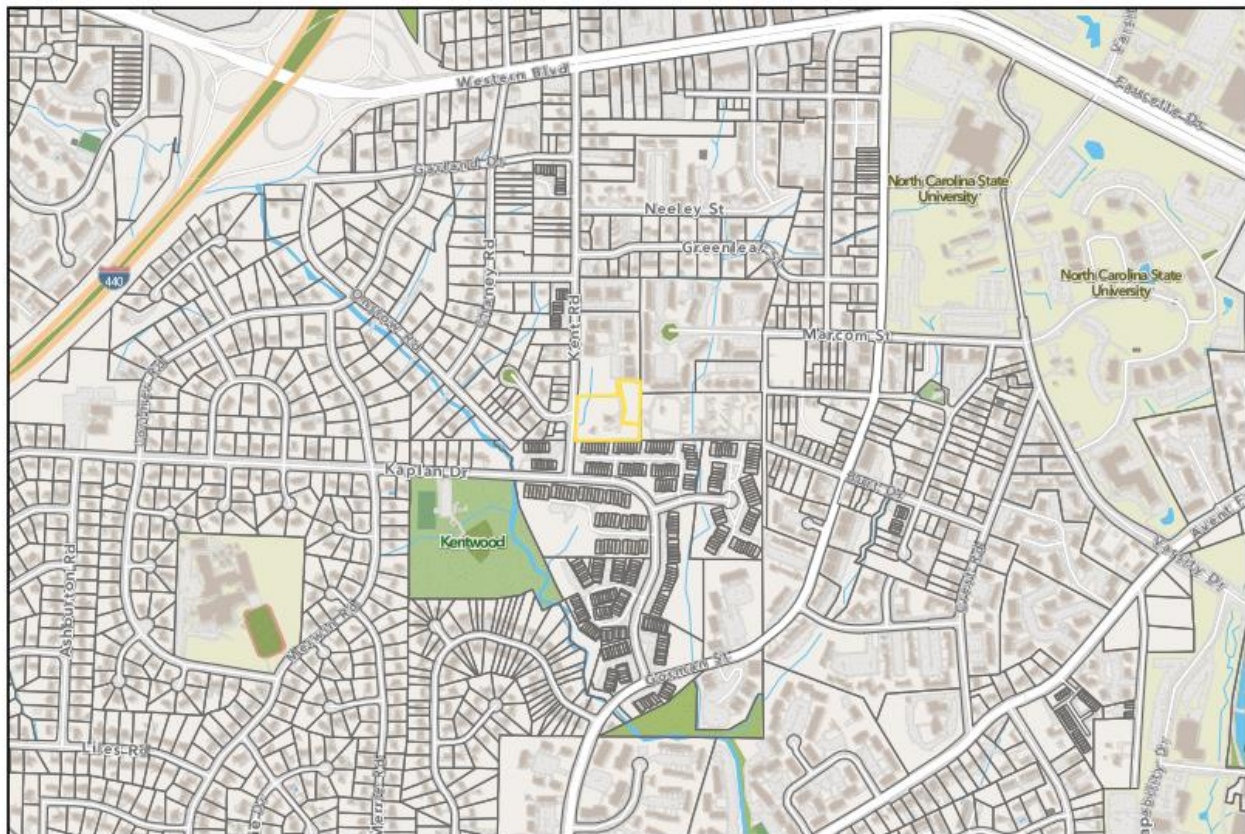
Strategic Plan: This action supports Community Health and Wellbeing Goal 1: Create and preserve 2,500 affordable housing units by 2029.

Fiscal Impact: This action has no fiscal impact. No additional funding has been requested from Wake County. This action does not create additional RAHP vouchers. Instead, it sets aside additional rental units for existing RAHP voucher clients.

Additional Information:

Parkside Apartments will offer 144 one-, two-, and three-bedroom units to households earning up to 30%, 50%, 60%, and 80% of the area median income (AMI). Approximately 65% of the units will serve households earning up to 50% of the AMI, including 10% of units serving households earning up to 30% of AMI. The City of Raleigh acquired the development site and is leasing it back to the developer. The developer intends to close on financing in September 2024 and break ground shortly thereafter.

A map of the project site is provided below.



Attachments:

None.