

Item Title: Consent and Authorization for Passage Home, Inc. Granting a Drainage Easement on Property Secured by a Wake Housing & Community Revitalization Grant

Specific Action Requested:
That the Board of Commissioners:

- 1. Consents to Passage Home, Inc. granting a drainage easement to Capital Ford, Inc.; and**
- 2. Authorizes the Chairman to execute the attached Consent and Subordination of Lender, subject to the terms and conditions acceptable to the County Attorney.**

Item Summary:

On November 1, 2004, Wake County Board of Commissioners approved a grant of \$657,766 to Passage Home, Inc. (Passage Home) to purchase Hallenden Place Apartments near the intersection of Capital Boulevard and Spring Forest Road in Raleigh. The City of Raleigh and North Carolina Housing Finance Agency also contributed the same amount towards this purchase. Wake County Housing and Community Revitalization (HCR) has managed this grant since that time. The grant was funded through a Federal Community Development Block Grant (HOME) that is received annually from the US Department of Housing and Urban Development (HUD) and partially by Wake County funds.

A condition of the grant required that grant funds be repaid to the County if during a thirty (30) year period after the grant was made, the property should cease to meet certain affordability guidelines. This requirement was to insure the operation of the property meets the County's objective of providing affordable housing for low income families for a period of 30 years. The 30 year period ends in 2035.

Passage Home signed a Promissory Note and Deed of Trust securing these funds on July 11, 2005. Copies of the Deed of Trust and map of the proposed drainage easement on the secured property are attached below, as well as the proposed Consent and Subordination of Lender. Capital Ford has made arrangements with Passage Home of annual donation of \$10,000 per year for up to five years to support their operations (plus other in-kind support) in exchange for Passage Home granting the drainage easement across the parking lot which serves these apartments.

HCR has reviewed the request from Passage Home and recommends that the Board of Commissioners support this request.

Attachments:

1. Passage Home Deed of Trust to Wake County
2. Map of the Proposed Easement
3. Proposed Consent and Subordination of Lender