



Affordable Housing Program Update and Summers Walk Unit

To: Davidson Board of Commissioners
From: Cindy Reid
Date: September 19, 2019
Re: Affordable Housing Program Update and Summers Walk Unit

1. OVERVIEW

The Ada Jenkins Center (AJC), Our Towns Habitat for Humanity, and the Hope House Foundation have formed a joint agency to collaboratively provide transitional housing together with services to help families learn how to acquire and maintain permanent housing. The program is called “Hope to Home”. The town is currently leasing a town owned property to AJC for this program.

AJC received a \$300,000 per year grant from Ingersoll Rand. Two hundred thousand can be used to acquire homes for the Hope to Home program. A home in Summers Walk, that needed extensive repairs, was for sale and vacant. Due to the extent of repairs, I approached Habitat about purchasing the house and, as a result of those conversations, this home is now positioned to become part of the Hope to Home program.

Because the affordable housing deed restrictions tied to this home require owner occupancy and are more suited to continual home ownership, AJC and Habitat have asked that they be allowed to substitute their affordability restrictions. The home will be owned by AJC, will stay affordable for 30 years, and when it is no longer part of the Hope to Home program, Habitat, the Hope House Foundation and the Town of Davidson will be given first right to purchase the home. If none of these organizations wishes to purchase, the home will be sold to a low- income person or family.

2. RELATED TOWN GOALS

Strategic Plan:

1. The Town of Davidson will preserve existing affordable housing,* and other indicia of inclusion, and work with a variety of partners to create new available, affordable workforce and elderly housing.

*Affordable housing for the Town of Davidson is defined as incomes between 50% and 120% AMI

2. The Town of Davidson will build on existing relationships to strengthen partnerships with strategic organizations and institutions.

Core Value:

1. Davidson’s historic mix of people in all income levels and ages is fundamental to our community, so town government will encourage opportunities, services, and infrastructure that allow people of all means to live and work here.

2. Davidson must be a safe place to live, work, and raise a family, so the town will work in partnership with the community to prevent crime and protect lives, property, and the public realm. (this provides a safe place for a family to live and protects property values by fixing up a house in an existing neighborhood)

Constituents served: Households earning between 30% to 80% of the AMI

3. OPTIONS/PROS & CONS

Pros- Continues the partnership the Town has with Ada Jenkins and Habitat, costs the Town nothing, provides yet another affordable home in town, helps a lower AMI than the traditional program can, provides a rental in a part of town where there are very few.

Cons- AJC and Habitat deed restrictions are 30 not 99 years. However, we are trying to move to 30 years and this does not create a situation where similarly situated neighbors have different restrictions because this home will be owned by AJC and not be owner occupied.

4. FYI or RECOMMENDED ACTION

Approve release of Town Affordable Housing Deed Restrictions to allow substitution of those proposed by AJC and Habitat and for the Hope to Home Program authorize the Town Manager to sign any documents related to this request such as the Memorandum of Understanding (MOU) of with the joint agency.

5. NEXT STEPS

N/A