

STAFF REPORT

Broadstone Walk Affordable Housing Project

February 22, 2022 Town Council Meeting



On January 11, 2022 Town Council approved a final funding allocation to DHIC, Inc. through Budget Ordinance Amendment No. 12 for the 164-unit affordable housing multifamily rental development known as Broadstone Walk (Project) from the Town's Affordable Housing Fund (AHF). To-date, Town Council has approved a total of \$2,015,000 to DHIC, Inc. for the Project. Like most affordable housing developments, there are several funding sources needed in order to fully fund a project. For this Project, the funding sources include: (1) Town of Apex, (2) Wake County, (3) permanent loan, (4) DHIC, Inc. deferred developer fee and (5) North Carolina Housing Finance Agency (NCHFA) four-percent (4%) Low-Income Housing Tax Credit (LIHTC) which includes a tax-exempt revenue bond.

On August 13, 2021 DHIC Inc. was awarded a four-percent (4%) LIHTC which includes a tax-exempt revenue bond allocation through NCHFA for the Project. This is a vital source of funding necessary to complete the Project. Although DHIC, Inc. was approved for a four-percent (4%) LIHTC through NCHFA, in order for this funding to be distributed to the Project, the Housing Authority of the County of Wake (Housing Authority) is the actual entity responsible for issuing the multifamily housing revenue bond. As a result, the Housing Authority intends to issue a multifamily housing revenue bond to provide a portion of the financing for the Project. Under the North Carolina Housing Authorities Law, the Housing Authority has the ability to issue bonds for projects located anywhere within Wake County; provided that, if the project is also located within the boundaries of any municipality in the County, the Housing Authority can only issue bonds for that project if the governing body of the municipality adopts a Resolution consenting to the issuance of bonds by the Housing Authority for a project located in its corporate limits (NCGS 157-39.1). Since the Project is located within the Town of Apex (Town) corporate limits, the Housing Authority requires a resolution of the Town Council consenting to the Housing Authority issuing bonds for the Project.

Staff Recommendation:

Planning staff recommends approval of the resolution authorizing the financing of a multifamily housing revenue bond by the Housing Authority for the Project located within Town corporate limits.