



Housing Community Recovery Task Force Work Plan Task 1: Increase the Supply of Affordable Housing

Task Force Leads: Lee Cochran and Fred Dodson
May 14, 2020



INCREASE SUPPLY OF AFFORDABLE HOUSING

Task	Timeframe	Desired Outcome	Status
1. Increase the Supply of Affordable Housing: Lee Cochran/Fred Dodson – Leads Timeline: May 7, and May14, and May21			
1.a. Continue to build / preserve affordable housing	<ul style="list-style-type: none"> April 27, 2020, City Council approved 1,155 new affordable housing units and 194 shelter beds 	<ul style="list-style-type: none"> New / preserved Affordable Housing opportunities. 	<ul style="list-style-type: none"> 2020 Round 1 complete 2020 Round 2 TBD
1.b. Evaluate the use of the Housing Trust Fund dollars and plan for the execution of the 2020 Housing Bonds			
1.c. Apply lessons learned from the last recession, and create programs to assist affordable housing developers			
1.d. Work with the North Carolina Housing Finance Agency to ensure that they make changes that support developers during the coming years	<ul style="list-style-type: none"> May 2020 thru October 2020 	<ul style="list-style-type: none"> Revised Qualified Allocation Plan that reflects the affordable housing environment as a result of COVID-19 	



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- **AFFORDABLE HOUSING CHALLENGES FROM COVID-19**
 - Need for Affordable housing will increase and occupancy will remain high
 - Tax credit pricing is likely to decline
 - Construction costs remain high
 - Interest rates have fallen, but lenders will adjust
 - Uncertainty can lead to fewer units of affordable housing
 - Subsidy needed to fund 4% tax-credit developments will increase



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- **POSSIBLE FEDERAL/STATE ACTION TO ADDRESS CHALLENGES**
 - Fix the 4% tax-credit at 4% (FEDERAL)
 - Allocate additional credits (FEDERAL and STATE – Lesson from 2018 Tax Reform)
 - TCAP and Exchange Programs (FEDERAL and STATE - Lessons from 2008 Recession)
 - Remove re-allocation of tax-credits to the East Region for Hurricane Recovery (STATE)



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- REMAINING FUNDS IN THE HOUSING TRUST FUND
 - 2020 second round RFP



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- 2020 HOUSING TRUST FUND – PLAN FOR EXECUTION (CONSIDERATIONS)
 - Maximize production of new affordable housing for longest period of time and leverage other federal, state and private funding
 - Private funding availability (CHOIF)
 - Level of city funding and length of city affordability restrictions
 - AMI's served
 - Use of Funds
 - New Construction Rental/Supportive Housing
 - NOAH/Preservation/Supportive Housing
 - Homeownership