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Application for Section 108 Loan from HUD

Community Development and Housing Department

March 21, 2016

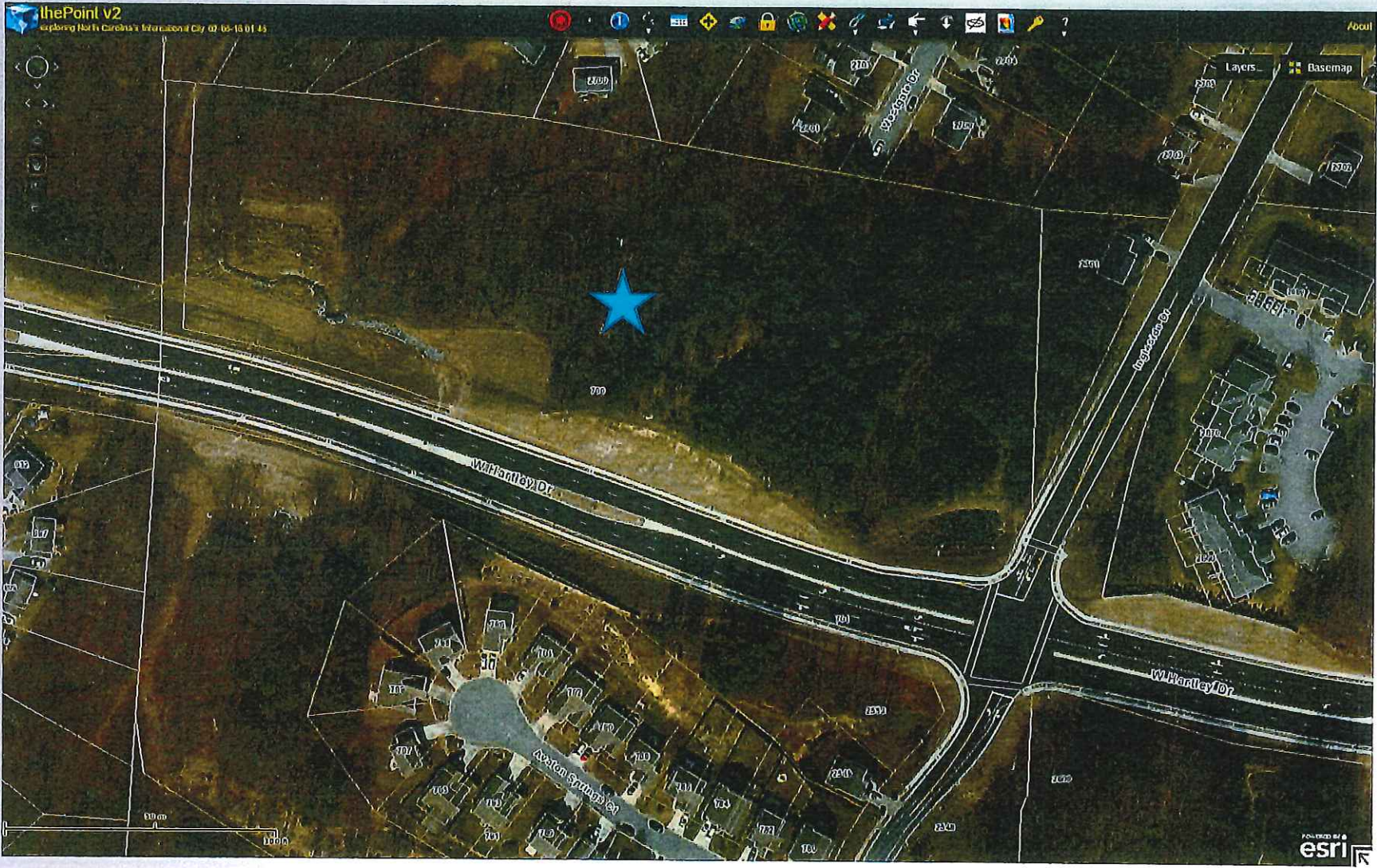


Section 108 Loan Guarantee Program

- Allows cities to secure large federal loans to pursue CDBG eligible projects.
- Available funding is 5 times CDBG allocation.
- The first application was awarded \$3.907 million on May 3, 2010.
- Section 108 funds financed loans for Addington Ridge (58 units) and Kirkwood Crossing (84 units).
- \$3.35 million of the authorization was utilized.

New Section 108 Loan Application

- Based on 2014-15 allocation, \$694,000 is expected to be available.
- A new application is required to access the unspent authorization.
- A 2nd public hearing is required to complete the application process.
- Requires amendments to action plan and consolidated plan.
- The funds will assist in property acquisition and site improvements.
- The loan will support workforce multi-family housing development.
- Contingent upon Council & State approval, 84 units will be built.



Schedule

- 2-15-16 - First public hearing (begins 30 day comment period).
- 3-18-16 - Section 108 public comment period ends.
- 3-21-16 - Conduct 2nd Section 108 public hearing before Council.
- 3-24-16 - Submit Section 108 application to HUD.
- 5-13-16 - Submit action plan to HUD.
- 5-13-16 - Final application due to NC Housing Finance Agency.
- August 2016 – project award announcements by NCHFA.



Need Additional Information...

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