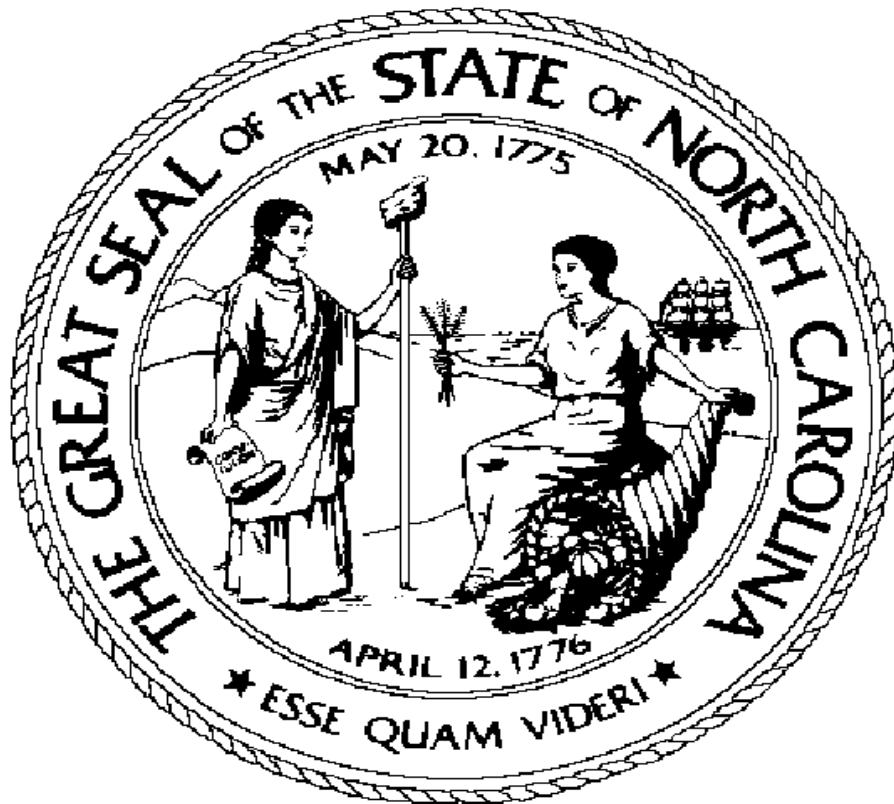


2013 Consolidated Annual Performance and Evaluation Report (CAPER)

North Carolina Housing Finance Agency



Executive Summary

This *2013 Consolidated Annual Performance and Evaluation Report (2013 CAPER)* summarizes the North Carolina Housing Finance Agency's (NCHFA) use of HOME funds in program year 2013. NCHFA and three other state agencies and their HUD-funded programs work together to meet three goals for the good of North Carolinians. These three basic goals are:

- Provision of decent and affordable housing
- Provision of a suitable living environment
- Expansion of economic opportunity

Since 1999, the state has pursued a consolidated planning process that addresses the major housing and community development needs affecting North Carolina communities. Pursuant to the provisions of 24 CFR, *Housing and Urban Development, Part 91, Performance Reports*, NCHFA has prepared the *2013 CAPER* on its progress in the implementation of the *2013 Annual Action Plan* and the *North Carolina Consolidated Action Plan, 2011-2015*.

The North Carolina Housing Finance Agency

The North Carolina Housing Finance Agency is a self-supporting, public agency that provides financing through the sale of tax-exempt bonds and the management of federal and state tax credit programs, the federal HOME Program, the state Housing Trust Fund, and other programs.

Using these resources and its own earnings, the Agency:

- offers low-cost mortgages and down-payment assistance for first-time home buyers
- finances affordable homes and apartments developed by local governments, nonprofit organizations, and private owners
- finances the development of housing for people with special needs
- finances the rehabilitation of substandard owner-occupied homes
- administers HUD rent assistance contracts for 24,000 privately owned apartments statewide.

Summary of Housing Needs

Every five years, for the benefit of HUD, our partnering agencies, and the public, the State prepares a five-year housing strategy outlining North Carolina's plans for meeting housing and community development needs. This cycle's five-year strategy, called the *North Carolina Consolidated Plan 2011-2015*, lays out the priority needs for North Carolina, which are based upon housing and population information captured from census data special tabulations, which yield the incidence of certain housing problems (overcrowding, inadequate plumbing facilities, cost burden, etc.) among the population. The five-year plan also sets the framework from which each year's annual action plan can be drawn. The Annual Action Plan further details how the State will accomplish its five-year goals during annual program cycles.

Below are the state's housing priorities based upon the Housing Market Analysis and Needs Assessment performed as part of the *2011-2015 Consolidated Plan*.

High Priority Needs

The 2011-2015 Consolidated Plan identifies three high priority needs: homeless families and individuals, non-homeless persons with special needs¹, and households with incomes less than 30% of area median (AMI). To meet these priorities, North Carolina developed a set of objectives to be accomplished over the five year period. The following table summarizes NCHFA's progress toward meeting the high-priority goals applicable to the Agency.

Table 1: High-Priority Goals and Objectives (NCHFA portion)

Strategy	Objective	Anticipated (2011-2015)		Current Progress (as of 2013)			
		Funding	Households	HOME Funding ²	HOME Households	Total Funding ³	Total Units
Homeless Families and Individuals							
Prevent homelessness in North Carolina	Increase the number of supportive housing units for homeless populations in North Carolina through the North Carolina Housing Finance Agency's Supportive Housing Development Program from 2011-2015.	\$2,201,721	72	--	--	\$4,664,927	132
Non-homeless Persons with Special Needs							
Increase the supply of decent, affordable supportive housing for special needs populations in North Carolina.	Increase the number of supportive housing units for non homeless populations with special needs in North Carolina through the North Carolina Housing Finance Agency's Supportive Housing Development Program from 2011-2015.	\$5,137,150	170	\$374,257	11	\$6,625,047	152
Preserve the affordable owner occupied housing stock owned by persons with disabilities	Rehabilitate homes owned by elderly and/or disabled persons through the North Carolina Housing Finance Agency's Single Family Rehabilitation Program.	\$29,356,286	704	\$16,451,419	344	\$16,451,419	344
Households with Persons 0-30% AMI							
Increase the supply of new rental units affordable to high priority populations.	Finance the development of rental units affordable to high-priority households between 2011 and 2015 through the North Carolina Housing Finance Agency's Rental Production Program (30% AMI)	\$3,230,015	242	\$1,509,735	115	\$4,245,792	349
Preserve the rental housing stock affordable to high priority populations.	Finance rehabilitation of rental units for high-priority households from 2011-2015 through the North Carolina Housing Finance Agency's Rental Production Program (30% AMI).	\$807,506	61	\$225,000	15	\$850,000	115

¹ Per the 2011-2015 Consolidated Plan, persons with special needs are defined as the disabled, the elderly, households with a member under 6 where a lead threats exist, migrant farm workers, and ex-offenders.

² Includes state-appropriated HOME Match funds.

³ To conduct housing-related activities, NCHFA uses nonfederal as well as federal funds. The nonfederal sources offer the NCFHA even more opportunities and flexibility to serve all priority categories. The available funding sources include the North Carolina Housing Trust Fund, Hardest Hit Funds, the Low-Income Housing Tax Credit Program, and bond financing.

Medium Priority Needs

The 2011-2015 Consolidated Plan identifies medium priority needs as households earning between 31 and 60% of area median income. The following table summarizes NCHFA's progress toward meeting these medium-priority goals.

Table 2: Medium-Priority Goals and Objectives (NCHFA portion)

Strategy	Objective	Anticipated (2011-2015)		Current Progress (as of 2013)			
		Funding	Households	HOME Funding	HOME Households	Total Funding	Total Units
Households with Persons 31-60% AMI							
Increase the supply of new rental units affordable to medium priority households.	Finance the development of rental units affordable to medium priority households between 2011 and 2015 through the North Carolina Housing Finance Agency's Rental Production Program (31-60% AMI)	\$9,690,047	726	\$13,226,992	915	\$26,928,434	1,987
Preserve existing rental housing affordable to medium priority households.	Finance rehabilitation of rental units for medium priority households from 2011-2015 through the North Carolina Housing Finance Agency's Rental Production Program (31-60% AMI)	\$2,422,511	182	\$705,000	47	\$705,000	47
Enable renter households to become homeowners.	Work with local governments and nonprofits to assist rental households in purchasing their first home and achieving increased financial literacy through NCHFA's Individual Development Account Loan Pool Program.	\$1,834,768	94	\$626,380	27	\$999,080	57

Low Priority Needs

The 2011-2015 Consolidated Plan identifies low priority needs as households earning between 61 and 80% of area median income. The following table summarizes NCHFA's progress toward meeting these low-priority goals.

Table 3: Low-Priority Goals and Objectives (NCHFA portion)

Strategy	Objective	Anticipated (2011-2015)		Current Progress (as of 2013)			
		Funding	Households	HOME Funding	HOME Households	Total Funding	Total Units
Households with Persons 61-80% AMI							
Increase the supply of new rental units affordable to low priority households.	Finance the development of rental units affordable to low priority households between 2011 and 2015 through the North Carolina Housing Finance Agency's Rental Production Program.	\$3,230,015	242	-- ⁴	--	--	--
Preserve existing rental housing affordable to medium priority households.	Finance rehabilitation of rental units for low priority households from 2011-2015 through the North Carolina Housing Finance Agency's Rental Production Program.	\$807,506	61	--	--	--	--
Enable renter households to become homeowners.	NCHFA will enable renter households to buy homes through its New Homes Loan Pool and its Self Help Loan Pool.	\$12,843,375	523	\$7,213,363 ⁵	273	\$7,213,363	273
	Assist households in purchasing their first home through downpayment assistance through NCHFA's Statewide Down Payment Assistance Program.	\$917,384	113	\$132,390	17	\$1,334,047	169

⁴ The Rental Production Program is now exclusively used on federal Low Income Housing Tax Credit properties, and such only focuses on lower income, higher priority households.

⁵ The NHLP and SHLP numbers included here only include those households in the 61-80% AMI range. In all, these two programs have used \$24,625,843 to serve 932 households in the 0% - 80% AMI range (2011-2013).

2013 HOME Performance Report

North Carolina's Consolidated Plan was developed with community and interdepartmental cooperation and outreach. The priorities identified in the Plan cover a broad range of needs from preserving and increasing the supply of affordable housing across the state to developing housing with supportive services for persons with special needs. The North Carolina HOME program was designed to serve the needs prioritized in the state's 2011-2015 Consolidated Plan while remaining within the Federal guidelines.

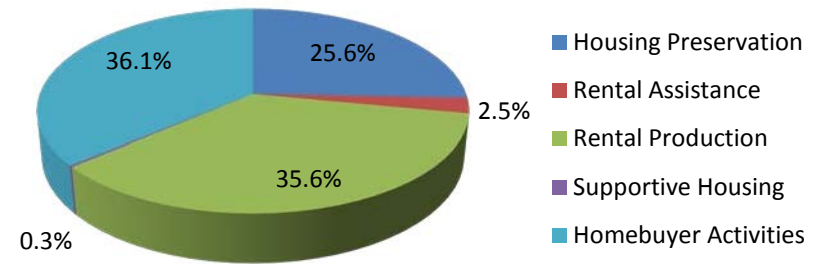
2013 HOME Activity

In 2013, NCHFA received \$12,119,373 in resources through the HOME program, of which 10% is eligible to be used for administration. The State's General Assembly appropriated \$1,488,417 in public, nonfederal funds to partially match the federal HOME funds.

In 2013, NCHFA disbursed \$22,258,270 in federal HOME funds and \$1,281,880 in state-appropriated match funds to help assist 1,432 households in North Carolina. These disbursements are typically from funds appropriated in prior years. The following tables show the economic and demographic breakdown of HOME funds disbursed in calendar year 2013. In accordance with 24 CFR § 91.520, included is the geographic distribution, income status, racial, and ethnic breakdown for those assisted by HOME money. Also included is the comparison of proposed and actual numbers in relation to NCHFA's effort to meet priorities and goals set in the 2013 Annual Action plan.

Table 4: 2013 HOME Funding by Activity Type

Activity	Households Assisted	HOME Funding	HOME Match Funding
Housing Preservation	184	\$5,318,089	\$704,321
Rental Assistance	290	--	\$577,559
Rental Production	625	\$8,391,780	--
Supportive Housing	9	\$60,000	--
Homebuyer Activities	324	\$8,488,401	--

2013 HOME Funding by Activity Type**Table 5: 2013 HOME Funding by Agency Program**

Program	Households Assisted	HOME Funding	HOME Match Funding
Community Partners Loan Pool	44	\$599,451	--
Key and Targeting Program	290	--	\$577,559
New Homes Loan Pool	19	\$229,950	--
Rental Production Program	625	\$8,391,780	--
Single-Family Rehab Loan Pool	184	\$5,318,089	\$704,321
Supportive Housing Development Program	9	\$60,000	--
Self Help Loan Pool	261	\$7,659,000	--

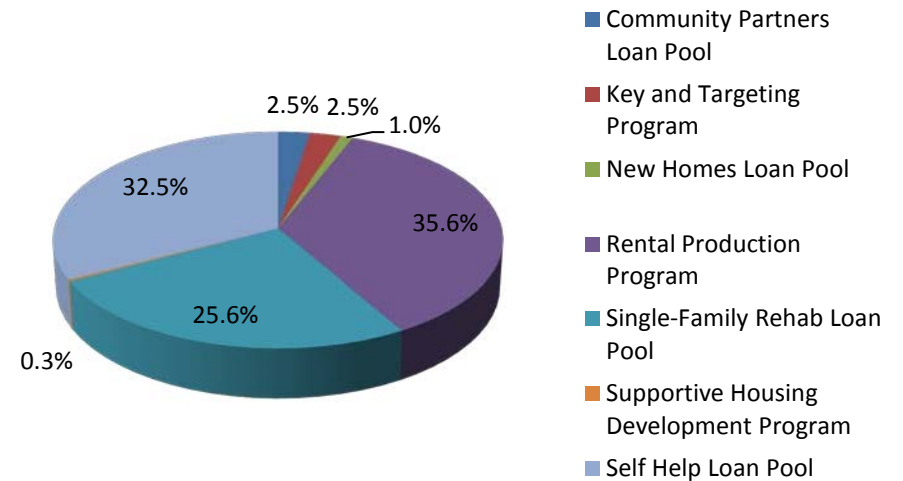
2013 HOME Funding by Agency Program

Table 6: 2013 HOME Funding by County

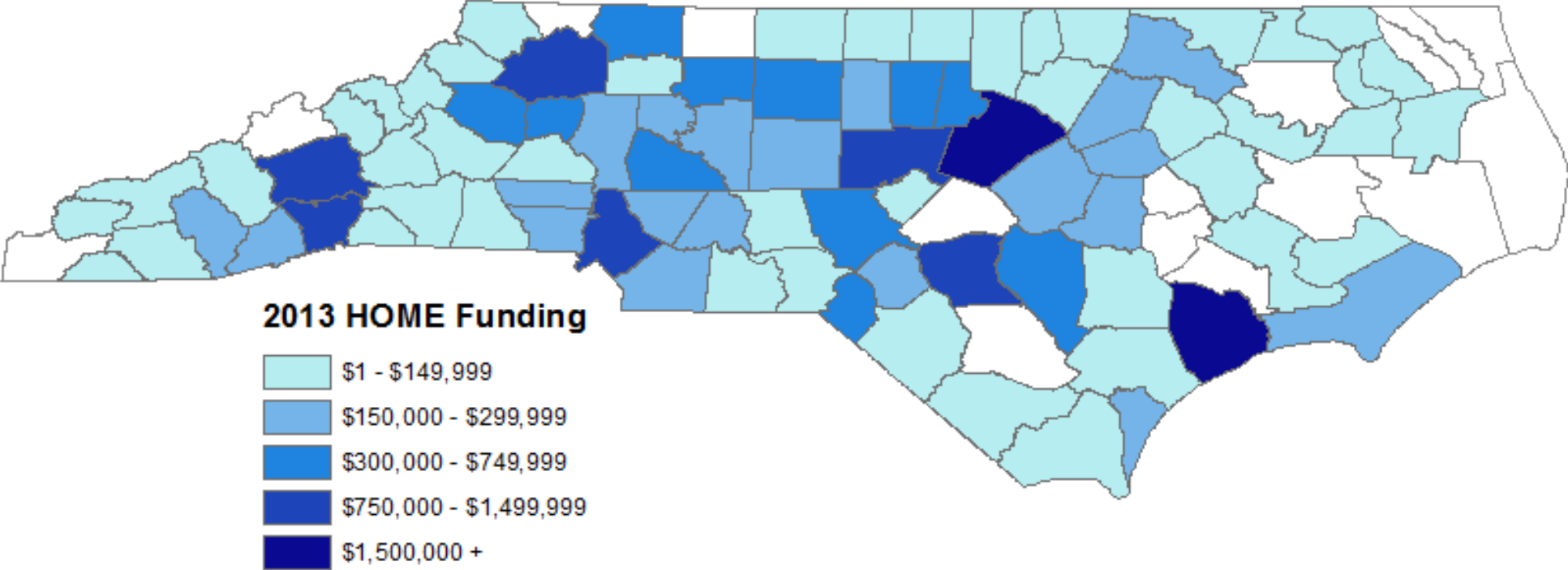


Table 7: 2013 HOME Funding by Priority / Income Distribution

HOME Funding by Priority (2011-2015 Consolidated Plan)				2013 Annual Action Plan Goals	
	Households Assisted	HOME Funding	HOME Match Funding	2013 Anticipated Units	2013 Anticipated Total Funding
High Priority					
Persons with Special Needs	863	\$10,800,692	\$1,281,880	140	\$5,843,000
Households between 0-30% AMI	48	\$919,361	--	144	\$579,000
Medium Priority					
Households between 31-60% AMI	405	\$7,739,939	--	578	\$4,494,000
Lower Priority					
Households between 61-80% AMI	116	\$2,798,278	--	252	\$2,084,000
TOTAL	1,432	\$22,258,270	\$1,281,880	1,114	\$13,000,000

**2013 HOME Funding
by Con Plan Priority**

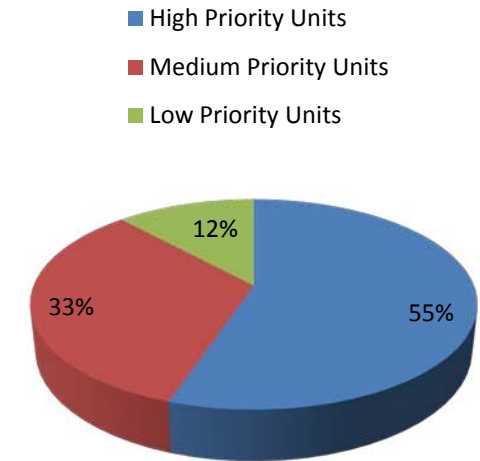


Table 8: 2013 HOME Funding by Ethnicity

Ethnicity	Households Assisted *	
Hispanic	31	
Non-Hispanic	423	
Not Specified	54	

* Totals include primarily single-family homeownership and rehab activities.

Ethnicity

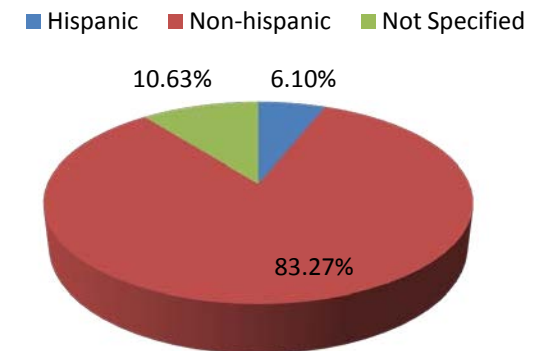
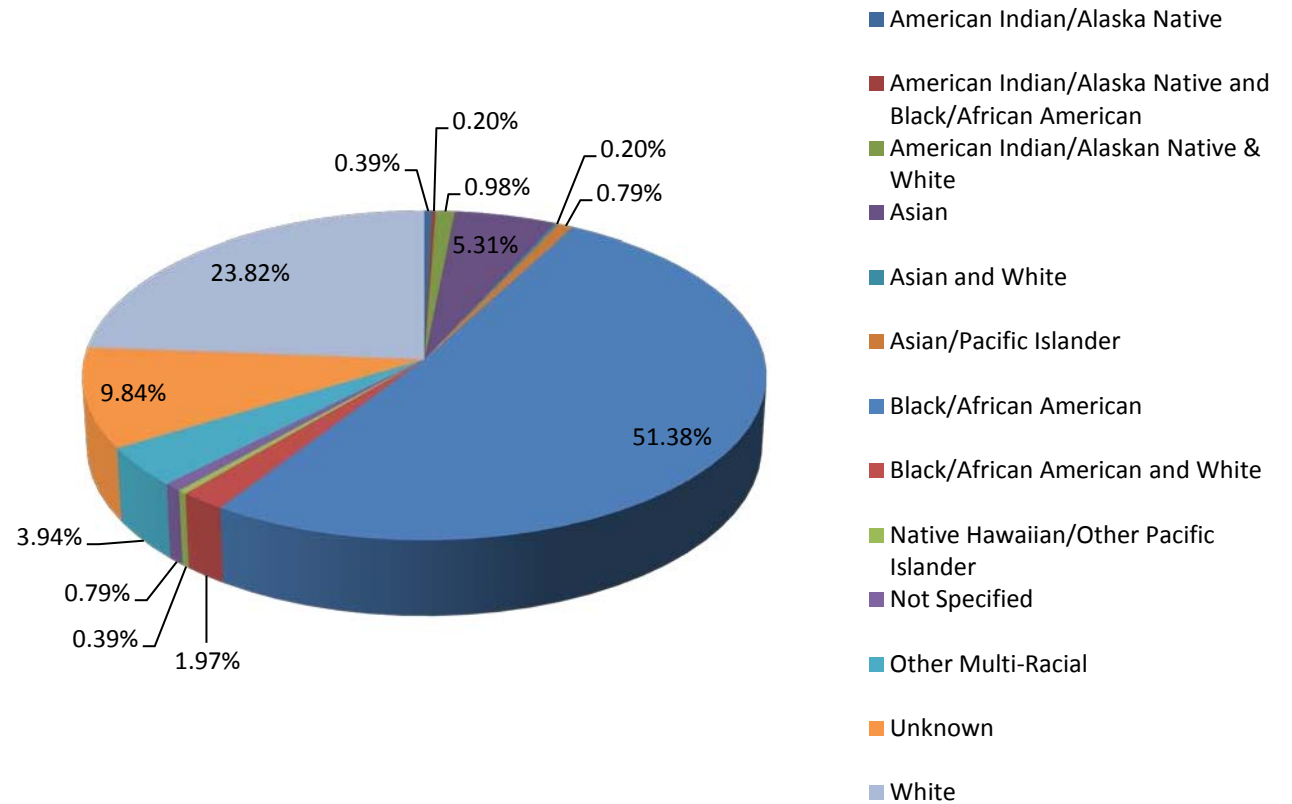


Table 9: 2013 HOME Funding by Race

Race	Households Assisted *
American Indian/Alaska Native	2
American Indian/Alaska Native and Black/African American	1
American Indian/Alaskan Native & White	5
Asian	27
Asian and White	1
Asian/Pacific Islander	4
Black/African American	261
Black/African American and White	10
Native Hawaiian/Other Pacific Islander	2
Not Specified	4
Other Multi-Racial	20
Unknown	50
White	121

2013 HOME Funding by Race



* Totals include primarily single-family homeownership and rehab activities.

Supporting Activities –Actions Taken

Affirmative Marketing Actions

The Agency procedures are consistent with the requirements of affirmative marketing under 24 CFR part 92.351 (a) and (b). For relevant programs, the Agency requires affirmative marketing plans and monitors their implementation. It also monitors policies for selecting beneficiaries, accepting Section 8 certificate and voucher holds, and maintaining waiting lists. The Agency encourages selection of sites close to services and community support networks, and outside of areas with high minority concentration, high poverty, and high low-income concentration.

Outreach to Minority-Owned and Women-Owned Businesses

In the State of North Carolina, the Department of Administration is charged with implementing outreach programs to minority- and women-owned businesses. The Department's staff maintains current listings of minority- and women-owned businesses, services, and suppliers, and provides comprehensive and continuing assistance and support to them. The office also acts to provide assistance in case of discrimination.

From October 2012 through September 2013, under the state's minority outreach program and in conjunction with its HOME-funded activities, 625 contracts were reported worth a total of \$23,748,801.⁶ Of the 625 contracts, 177 (28.3% of the total) were awarded to MBEs and 39 (5.6% of the total) were awarded to WBEs. In addition, there were 18 subcontracts reported totaling \$602,292. One subcontract (5.6% of the total) was awarded to MBEs and three (16.7% of the total) were awarded to WBEs.

Section 3 Efforts

The owner of each rental property with a HOME award greater than \$200,000 is required to participate in Section 3 compliance from project-award to closing. The Section 3 Summary Report is given to the Owner with the final commitment letter along with directions on how to complete the form. Prior to the start of construction the owner must submit a Section 3 Plan to a contact person at NCHFA. After the project is completed, the owner is required to submit a completed Section 3 Summary Report from to NCHFA. Additionally, owners and general contractors are required to submit a Section 3 Year-End Monitoring Report by December 31 of each calendar year that the project is under construction or rehabilitation.

On-Site Inspections of HOME-Assisted Rental Housing

Section 92.504d of the HOME rule outlines requirements for inspecting HOME assisted rental housing units. As part of its annual report on the HOME Program, the North Carolina Housing Finance Agency is including the information below, which demonstrates: the Agency's efforts to fulfill this regulation during the 2013 program year regarding the number, location and review date of units inspected; components of a typical (physical and record keeping) inspection; means of addressing units not meeting Housing Quality Standards (HQS) and/or Agency guidelines; and verification of rents. Should

⁶ The contracts summarized above are the contracts on which the Agency reported in its October 2013 report HUD-2516.

the information in this section not meet the level of detail necessary, any additional information can be reviewed during U.S. Department of Housing and Urban Development's on-site audit and review process at the offices of the North Carolina Housing Finance Agency, 3508 Bush Street, Raleigh, NC 27609.

1. *Inspection: Physical review of property and audit of records*

A typical inspection consists of an annual, on-site visit of all of our HOME rental properties except for projects with fewer than 26 units. Compliance with all loan agreement requirements, as well as HOME program and housing tax credit program requirements, if applicable, are reviewed.

2. *Compliance*

During the 2013 monitoring cycle, the Agency HOME rental portfolio consisted of 268 completed properties. Small properties with less than 26 total units are not required to be monitored annually. Of the 267 properties monitored, all were found to be in compliance as of the end of 2013, with the following exceptions:

Name	Location	Total Units	Issues	Action Plan/Status
East Side Homes	Asheboro	16	<p>File Review: Owner did not properly calculate utility allowance. File documents submitted were inadequate to establish compliance.</p> <p>Physical: Eight units with physical inspection violations including missing light switch cover plates, missing commode and sink, open light sockets, inoperable smoke alarms, etc.</p>	<p>File Review: NCHFA is working with a new contact for the owner to obtain correct utility allowance and tenant file documentation. Rents are sufficiently below the applicable rent limits so as not to impact tenants. The previous owner representative has recently resigned.</p> <p>Physical: Additional financing has been provided by NCHFA under the State's Preservation Loan Program for the purpose of rehab and bringing the property into compliance. Rehab underway</p>
Everitt Square	Greensboro	16	<p>Roofs need to be replaced. Major state of disrepair. Units vacant more than 30 days and not rent ready. Laundry room does not contain front load washer as required by federal and state accessibility guidelines. Playground is not on an accessible route.</p>	<p>Owner is seeking alternative financing and/or other methods of restoring this property to compliance. NCHFA is continuing to work with the owner through the process.</p>
Forest Park Gardens III	Statesville	45	<p>One unit was rented to a household above the applicable HOME income limit.</p>	<p>Owner has been instructed regarding which income limits apply to the property. Action plan has been accepted.</p>

Sampson Alumni	Clinton	8	One unit was rented to a household above the applicable HOME income limit.	Owner has been instructed regarding which income limits apply to the property. Action plan has been accepted.

HOME Match and Program Income

Annually, the North Carolina General Assembly appropriates funds for HOME Match. During the 2013 Program Year, the General Assembly appropriated \$1,281,880 to be used as a partial HOME match. In recent program funding cycles, the Agency has used state-appropriated HOME match funds to provide rent assistance to very low-income persons with special needs. In 2013, \$8,875,956 in HOME Program Income was disbursed. Of these funds, \$6.1 million was spent on homeownership-based loan pool programs, \$2.7 million was spent on homeowner rehab activities, and \$60,000 was spent on special needs housing. HOME PI was also used for administrative costs.

Efforts to Address Homelessness

The state addresses the needs of the homeless and other special needs persons through administration and funding of numerous programs. The state addresses emergency shelter and transitional housing needs of homeless individuals and families to prevent them from becoming homeless with the Emergency Shelter Grants Program (ESG), the Supportive Housing Development Program (funded in part with HOME), and the Key Program (funded in part with HOME Match) through the provision of grants and loans to develop and operate emergency, transitional or supportive housing. ESG also helps to combat chronic homelessness through the provision of preventive programs and activities. The state addresses the needs of those who are not homeless through the Supportive Housing Development Program (SHDP), Key Program, and Housing Opportunity for Persons with AIDS Programs (HOPWA). SHDP helps partners develop permanent and transitional housing for persons with disabilities, Key provides rental subsidies to persons with disabilities, and HOPWA provides tenant based rental assistance, short-term mortgage assistance and utility assistance, housing information, supportive services and resource identification to persons with HIV/AIDS.

Limited English Proficiency - NCHFA Compliance with Title VI

Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000(d) and Executive Order 13166 require that recipients of federal funds take responsible steps to ensure meaningful access by persons with limited English proficiency (LEP persons). The North Carolina Housing Finance Agency (NCHFA) is a recipient of federal funds for a portion of its programs and thus obligated to reduce language barriers that can preclude meaningful access by LEP persons to NCHFA's programs.

NCHFA's four factor analysis revealed a significant Spanish speaking population. In response to this, NCHFA has had a Spanish version of its website available since 2007 and has vital documents available in Spanish as well as program brochures and materials. In addition, NCHFA has staff members whom are bilingual in English and Spanish who can translate if needed. Furthermore, upon request, NCHFA will provide oral interpretation and/or written translation in other languages. Because virtually all assistance is provided by NCHFA's partners, all applicants/sub-grantees will be required to comply with Title VI and its accompanying regulations. All organizations receiving federal funds will provide their Language Access Plans to NCHFA, which will require each organization to conduct a four factor analysis. NCHFA will review each plan. NCHFA will assist agencies in finding appropriate translation resources and disseminate translated HUD notices, brochures, and other documents.

NCHFA has implemented its Agency Language Assistance Plan (LAP) and shall monitor the implementation of its LAP, making revisions to policies and procedures as may be required periodically. The Agency's LAP is posted on its website.

Other Actions Indicated in the Strategic Plan

As part of the 2011-2015 Consolidated Plan, each of the four state agencies committed to undertake action in six categories to further the housing goals for North Carolina. These focus areas are:

- Anti-Poverty Strategies
- Capacity Building and Technical Assistance
- Coordination and Collaboration
- Housing Delivery Systems
- Legislative and Public Policy Initiatives
- Lead-Based Paint Hazard Reduction

The following is a report on NCHFA's progress in each of these areas in 2013.

Support of Anti-Poverty Strategies

- The Agency will continue to finance supportive rental housing through the federal and state housing tax credit programs, the Rental Production Program and the Targeting and Key Program. In 2013, the Agency awarded capital funds to finance the production of over 232 units of affordable housing targeted to persons with disabilities. Through a combination of state and federal resources, these units are able to receive operating subsidies, making them affordable to persons on Supplemental Security Income (SSI). The Agency has partnered with the NC Department of Health and Human Services, which refers clients to these units, in order to ensure that these units remain fully utilized.
- The Agency will continue funding transitional and permanent housing for the homeless and non-homeless persons with special needs through the Supportive Housing Development Program using mostly state funding. Through its regular Supportive Housing Development Program, the Agency awarded \$4.7 million dollars in 2013 to fund 139 units of supportive housing for persons with special needs and the homeless.

Capacity-Building and Technical Assistance Activities

- The Agency's Home Ownership Business Group will continue working with the Real Estate Commission and other partners to provide classes for real estate professionals and other lenders and mortgage professionals. The Agency continued to offer its courses in 2013.
- The Agency will continue to provide monthly lender training sessions throughout the state to educate mortgage professionals about the Agency's below-market-rate loans, with and without down payment assistance. During 2013, the Agency presented monthly seminars to lenders throughout the state to educate mortgage professionals about the Agency's financing programs, including down payment assistance.
- The Agency's Rental Investment Business Group has statewide responsibility for Contract Administration of the U.S. Department of Housing and Urban Development's Section 8 Project-based Rental Assistance Program, which supports tenants in over 24,000 housing units in North Carolina. The Agency has partnered with Quadel Consulting Corporation to manage the contract administration duties. Rental development owners will receive ongoing technical assistance on the U.S. Department of Housing and Urban Development Section 8 regulations. The Agency continued to partner with Quadel, which in 2013 administered more than \$143 million in Section 8 project-based assistance statewide.
- The Agency's Strategic Investment Business Group will continue to collaborate with the Advanced Energy Corporation (AEC) to train contractors and developers (both nonprofit and for-profit) in techniques of building high performance houses. In partnership with Advanced Energy, NCHFA encourages the development of SystemVision homes which are energy efficient. In 2013, the Agency continued to work with AEC to conduct trainings and to partner with Advanced Energy to encourage the development of SystemVision homes, providing financial incentives for housing sponsors using Agency financing to incorporate SystemVision Technology in their work.
- The Agency will continue to administer its fair housing and service coordinator trainings in conjunction with its rental investment programs. Designed for service coordinators, housing managers, supportive service providers, and others who work with the elderly or special needs residents, these workshops have covered topics that include aging, the basics of service coordination, legal issues and housing, and planning community wellness programs. In 2013, the Agency continued to offer trainings in conjunction with its rental investment programs.

Interagency Coordination and Collaboration

- The Agency has partnering with the U.S. Treasury Department, state Division of Employment Services, Commissioner of Banks and local housing counseling affiliates in the NC Foreclosure Prevention Fund, with funding from the Housing for Hardest Hit States Initiative. In 2013, the Agency worked with these partners to provide loans to help 5,072 homeowners avoid

foreclosure. Cumulatively over 15,000 households in North Carolina have been helped by this program.

- The Agency has partnered with the Advanced Energy Corporation (AEC) of Raleigh, North Carolina for over 10 years and will continue this partnership, to train and assist local partners under home ownership programs. AEC's services will include providing low-income homebuyers with guarantees that their heating and cooling costs will not exceed a very low, set level (as low as \$18/month). This broadens the window of affordability and enhances marketing effectiveness. The Agency continued to partner with AEC to train and assist local partners. Additionally, the Agency and AEC had quarterly meetings to share ideas.
- The Agency will continue as a member of the North Carolina Governor's Council on Homelessness.
- The Agency continued its collaboration with Habitat for Humanity, in its operation of the Self Help Loan Pool (SHLP). In the SHLP collaboration, the NCHFA and Habitat for Humanity jointly provide a primary mortgage to low-income homebuyers of Habitat for Humanity homes. In 2013, approximately \$7.5 million in awards were made to assist 228 households in the Self Help Loan Pool. Additionally, during 2013 information meetings and trainings were held with various Habitat affiliates and the HfH International regional office in North Carolina.
- The Agency continued its collaboration with Duke Energy by facilitating energy-related home improvements for homeowners in the Duke Energy Service Area, using money provided to the Agency by Duke Energy. In 2013, approximately 49 households were assisted by the Duke Help Program.
- The Agency continued its partnership with the North Carolina Home Builders Association (NCHBA), providing funding (along with local governments) to enable the NCHBA to offer construction training for a small number of underemployed residents.
- The Agency continued to fund the Displacement Prevention Partnership, which allows the Independent Living Program and the Lead Hazard Control Branch to assist households facing displacement due to mobility limitations or lead-paint poisoning, respectively. In 2013, 653 households were assisted by the Displacement Prevention Program.
- The Agency works in close partnership with the state Department of Health and Human Services (DHHS) to administer the Key Program, providing operating subsidies so that persons with disabilities on Supplemental Security Income can have access to affordable housing.

Addressing Weaknesses in the Housing Delivery System

- The Agency offers a variety of mortgage loan products (FHA, USDA, and VA) and has 90 day interest rate guarantees. The Agency has provided mortgages in all 100 of the state's counties with its mortgage products.
- The Agency continued to provide application workshops and housing development workshops for organizations interested in developing supportive housing for individuals with special needs.

- The Agency continued to strongly support various statewide housing trade associations such as the NC Community Development Association, the NC Community Action Association, the Professional Housing Rehabilitation Association of NC, the NC Association of CDCs, the NC IDA Collaborative, The Association of Housing Counselors, and the Interagency Council for the Coordination of Homeless Programs. We will continue a balanced policy of serving on association boards and committees, serving as presenters at training conferences and providing gap financing for training efforts of mutual benefit, in an effort to assist those associations in their efforts to address weaknesses in the housing delivery system.
- The Agency continues to make changes to the delivery of single-family rehabilitation assistance to rural areas. The SFR program, starting in 2010, is on a 3 year rotation, serving 33 counties every year. It is also now functioning as a pool program, similar to our homeownership loan pools, so that high performing partners will be able to access more SFR funds when needed. In 2013, the Agency's SFR program provided \$5.5 million dollars in financing to assist in the rehabilitation of 110 homes

Legislative Initiatives

- The Agency plans to work to continue appropriations to the Housing Trust Fund and federal HOME Program match. In 2013, the General Assembly appropriated \$6,923,215 to the N.C. Housing Trust Fund and \$1,488,417 as partial matching funds for the federal HOME Program. Cumulatively, HTF funding has helped provide affordable housing to more than 28,000 North Carolinians.

Efforts to Reduce Lead-Based Paint Hazards

- All HOME-funded programs will continue to be in compliance with U.S. Department of Housing and Urban Development lead regulations (25 CFR Part 35).
- The Agency will continue to participate in a quarterly, ad hoc lead hazards advisory group made up of concerned individuals from the public health, environmental protection, affordable housing, and occupational safety sectors.
- Using Housing Trust Fund funding set-aside through the "Displacement Prevention Partnership Program", the Agency offers funding for lead referrals whose situation may be more appropriately handled through Department of Environment and Natural Resources' (DENR's) Preventative Maintenance Program. Funds are provided as grants to the homeowners to pay for cleanup and stabilization activities as prescribed by DENR's regional lead specialists. "Households with a child under the age of six whose health is threatened by the presence of lead hazards" are also an eligible special needs category for SFRLP.