

# Developing A Network of “Project Monitors” To Preserve North Carolina’s Subsidized Housing

A collaborative effort by:

*National Low Income Housing Coalition*

*North Carolina Housing Coalition*

*North Carolina Housing Finance Agency*

*Socialserve.com*



***Preservation & Project Monitors in North Carolina***

# Agenda

## I. Project Overview

- Formal Relationships (Van Gottel, Socialserve.com)
- NLIHC's Role (Keith Wardrip, NLIHC)
- Importance of the Project (Chris Estes, NC Housing Coalition)

## II. North Carolina's Subsidized Stock

- Keith Wardrip, NLIHC

## III. The "Project Monitor" Concept

- Kat Diaz, NLIHC

## IV. Data Access and Logistics

- Van Gottel, Socialserve.com

## V. Destination: Preservation

- Preserving At-Risk Housing (Kat Diaz, NLIHC)
- NCHFA Preservation Programs (Mark Shelburne, NCHFA)

# North Carolina's Subsidized Stock

## I. A Preservation Catalog of Subsidized Housing

- Data sources and variables
- Structure of the database
- Benefits of an integrated system

## II. Data Issues

- Discrepancies among data sources
- Missing projects
- Incomplete information
- The "intangibles"

**Looking at Subsidies in Isolation Results in Over-Estimating the Subsidized Stock...**

<b>Subsidy/Program</b>	<b>Properties</b>	<b>Total Units</b>
Low Income Housing Tax Credits	1,167	39,623
Project-Based Section 8	896	32,199
Section 515 (Rural Housing)	626	22,623
HOME	314	12,134
Sections 202/811 (Elderly/Disabled)	135	3,372
Housing Trust Fund*	73	2,908
Tax-Exempt Bonds*	38	5,625
FHA-Insured Mortgage	24	2,602
<i>Total, unadjusted for subsidy layering</i>	<i>3,273</i>	<i>121,086</i>

## North Carolina's Subsidized Stock

\* Based on information in the LIHTC file provided by NCHFA.

**An Integrated, Project-Level Database Provides a More Realistic Picture of the Affordable Housing Stock...**

<b>Properties with...</b>	<b>Properties</b>	<b>Total Units</b>
One Subsidy	1,862	55,644
Two Subsidies	602	26,668
Three Subsidies	63	3,812
Four Subsidies	5	226
<i>Total with Datasets Integrated</i>	<i>2,532</i>	<i>86,350</i>

# North Carolina's Subsidized Stock

	Properties Also Subsidized By...								Only Subsidy
	Section 8	FHA Mortgage	202/811	Section 515 (Rural)	Tax Credits	Tax-Exempt Bond	Housing Trust Fund	HOME	
Section 8		2%	14%	8%	4%	1%	0%	1%	73%
FHA Mortgage	83%		0%	0%	8%	0%	0%	4%	13%
202/811	92%	0%		0%	0%	0%	0%	0%	8%
Section 515 (Rural)	11%	0%	0%		27%	0%	2%	6%	62%
Tax Credits	3%	0%	0%	14%		3%	6%	18%	61%
Tax-Exempt Bonds	32%	0%	0%	0%	100%		0%	8%	0%
Housing Trust Fund	0%	0%	0%	14%	100%	0%		12%	0%
HOME	4%	0%	0%	11%	67%	1%	3%		30%

- Properties with FHA-insured mortgages and Elderly/Disabled properties are typically also covered by project-based Section 8 contracts.
- Because information on tax-exempt bond and trust fund financing was only available for tax credit projects, these programs overlap 100%. Unclear if this is always the case.
- Consistent with the single-subsidy nature of two-thirds of N.C.'s stock, a significant share of Section 8, Section 515, and tax credit properties are otherwise unsubsidized.

# North Carolina's Subsidized Stock

Units in Projects with a Single Subsidy	Period of Affordability Ending...				
	Already Expired	Today - 2010	2010-2015	After 2015	Date Unknown
Project-Based Section 8	1,639	7,406	7,379	2,993	0
Tax Credits	407	1,373	5,167	786	9,137
Section 515 (Rural Housing)	7,511	2,402	710	3,672	224
<i>Total</i>	<i>9,557</i>	<i>11,181</i>	<i>13,256</i>	<i>7,451</i>	<i>9,361</i>

- A significant number of Section 8 units expire between now and 2010 without the benefit of another subsidy to keep them affordable to low-income households.
- For tax credit properties, this is based on the 'compliance period end date.' This date is missing for a significant number of projects and is probably too conservative for many others.
- Many of the Section 515 units are in projects with historic mortgage maturity dates. Are these projects now unsubsidized?

# The “Project Monitor” Concept

## I. What is a Project Monitor?

- An individual or organization: familiar with assisted housing in the locality; committed to keeping it affordable; and willing to contribute information to this end.

## II. Basic Activities

- Reporting any potential changes in a project’s affordability status (e.g., formal opt-out notice, rumors of prepayment, failing REAC scores, etc.) to Socialserve.com
- Responding to requests for information from Socialserve.com
- Identifying additional Project Monitors

## III. Other Possible Activities

- Obtaining additional preservation-related information and reporting to Socialserve.com
- Participating in the eventual preservation strategy for projects identified as at-risk

# Destination: Preservation

## I. Improve the Preservation Catalog

- Review current Catalog for accuracy
- Identify and add missing projects/subsidies
- Establish a method for organizing the Catalog – and this initiative as a whole – geographically
- Prioritize projects identified as at-risk in various datasets

## II. Identify Key Players - Local, State, National

- Project Monitors
- Legal services
- Tenant organizers
- Community Development Corporations
- Technical assistance providers
- Funding sources
- Nonprofits with capacity and an interest in acquisition

## III. Preservation in Action

- Form effective linkages between Project Monitors, data, and other key players
- For each at-risk project, identify the partners and initiate the processes that ensure continued affordability

**Thank you for your time and interest.  
Please provide comments & feedback to:**

***National Low Income Housing Coalition***

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