



Legislation Text

File #: 2019-370, Version: 1

TITLE

APPROVE IN SUBSTANTIAL FORM THE MEMORANDUM OF AGREEMENT BETWEEN GUILFORD COUNTY AND CITY OF GREENSBORO FOR HOME CONSORTIUM FUNDING

SPONSOR

J. Leslie Bell (Kaye Graybeal)

BACKGROUND

Approve attached Memorandum of Understanding (MOU) between the City of Greensboro Neighborhood Development Department (CITY) and the Guilford County Planning & Development Department (COUNTY) for the Homebuyer Down Payment Assistance Program (DPA) along with the Program Policy and Underwriting Guidelines (attached) in substantial form. The City, as the lead agency of the Greensboro HOME Consortium, shall be the administrative agent for the County Homebuyer DPA. The City of Greensboro HOME Consortium also includes Guilford County, the City of Burlington and Alamance County.

Eligible homebuyers (excluding the Cities of Greensboro and High Point) may receive up to \$10,000 for down payment and closing cost assistance. Program assistance will not exceed 20% of the purchase price or \$10,000 - whichever is less. The loan to value (LTV) cannot exceed 100%. The combined loan-to-value (CLTV) from all sources for homebuyer financing should not exceed 105% of the appraised value. In the case that the CLTV is >100%, the LTV shall not exceed insurer (conventional, FHA, USDA, VA) limits and must be approved by the County's contracted homebuyer assistance provider on a case-by-case basis.

Funding for this Program shall be provided from the Guilford County allocation of HOME Consortium funds awarded by the US Department of Housing and Urban Development, in an amount not to exceed \$398,691. HOME funds will be utilized for properties with a maximum household area median income (AMI) of 80%. This MOU shall be in full force and effect beginning on the date this agreement is fully executed and ending June 30, 2020.

BUDGET IMPACT

NO ADDITIONAL COUNTY DOLLARS

REQUESTED ACTION

Approve, in Substantial Form, the Memorandum of Understanding (MOU) between Guilford County and the City of Greensboro, for HOME Consortium grant funding management of \$398,691, for qualifying homebuyer financing.