

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

1

HOUSE BILL 1401

Short Title: Home Start Funds.

(Public)

Sponsors: Representatives Earle, Cansler, Fox (Primary Sponsors); Barefoot, Bonner, Braswell, Bridgeman, Clary, Saunders, Sherrill, Tucker, Walend, Warren, and Yongue.

Referred to: Appropriations.

April 29, 1999

A BILL TO BE ENTITLED

**AN ACT TO APPROPRIATE FUNDS TO INCREASE AND SUSTAIN THE
CAPACITY OF NONPROFIT HOUSING ORGANIZATIONS TO PROVIDE
AFFORDABLE HOMES.**

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the North Carolina Housing Finance Agency the sum of two million five hundred thousand dollars (\$2,500,000) for the 1999-2000 fiscal year. These funds shall be allocated to community-based nonprofit affordable housing organizations. These funds shall be used for direct grants to new and existing community-based organizations to support operations and project activities, and for administrative and other operational purposes that expand the capacity of the organizations to:

- (1) Support the development of housing affordable to persons of low income;
- (2) Support home ownership through credit counseling and other home buyer education;
- (3) Meet the housing needs of underserved communities by focusing attention and efforts on high-poverty rural areas and distressed urban neighborhoods;

1 (4) Provide more appropriate and less costly private housing options and
2 services for the elderly and for handicapped or disabled persons or other
3 persons with special needs who otherwise might be dependent upon
4 public assistance; and

5 (5) Increase stability, help deter crime, and make neighborhoods more
6 attractive for further economic and community development through
7 education and community building activities.

8 Funds appropriated in this act may not be used by the Housing Finance Agency
9 for administrative purposes.

10 Section 2. The North Carolina Housing Finance Agency may adopt temporary
11 rules pursuant to G.S. 150B-21.1 to implement this act.

12 Section 3. The North Carolina Housing Finance Agency shall report every six
13 months, commencing July 1, 1999, to the Joint Legislative Commission on Governmental
14 Operations on the use of the funds appropriated in this act.

15 Section 4. As used in this act, the term "community-based nonprofit affordable
16 housing organization" means an organization chartered pursuant to section 501(c)(3) of
17 the Internal Revenue Code, that:

18 (1) Has as a major purpose the development and improvement of affordable
19 housing opportunities for persons of low income;

20 (2) Serves the community in which it is located;

21 (3) Is neither controlled by nor under the direction of individuals or entities
22 seeking to derive profit or gain from the organization; and

23 (4) Maintains accountability to low-income community residents through
24 board membership or other formal processes for input into the
25 organization's housing decision-making process.

26 As used in this act, the term "low income" refers to persons and families whose incomes
27 do not exceed eighty percent (80%) of the area median family income, with adjustments
28 for family size, according to the latest figures available from the U.S. Department of
29 Housing and Urban Development.

30 Section 5. This act becomes effective July 1, 1999.