

**IMPACT FEE REIMBURSEMENT POLICY CONCERNING AFFORDABLE  
HOUSING FOR LOW INCOME INDIVIDUALS**

**Guiding Principles for the Policy:**

1. Reimbursements made under this policy must satisfy the public purpose requirement for spending County money.
2. All reimbursements are made subject to budgetary constraints, and are limited solely to the County's annual appropriations for reimbursement. Thus there is no entitlement to these reimbursements even for projects that qualify.

**Eligibility Criteria:**

1. A 501(c) (3) non-profit organization which develops affordable housing to be owner-occupied by homebuyers with incomes at or below 80% of the HUD published area median income for the Raleigh-Durham-Chapel Hill, North Carolina MSA.
2. Affordable Housing is defined as owner-occupied housing for which the monthly mortgage payment does not exceed 30% of the monthly gross income of the household at the time of sale.
3. An organization requesting impact fee reimbursement must certify in writing that it will remain affordable to the anticipated beneficiary or beneficiaries for a period of a minimum of ten (10) years, or longer if required by applicable HUD policy or the impact fee will be paid to the County if the dwelling is conveyed to an entity other than the original seller. Evidence must be provided that agency and program guidelines are in place to assure affordability compliance.

**Procedure:**

1. An organization requesting impact fee reimbursement must anticipate reimbursement needs for a given fiscal year and submit a request for fee reimbursement at the time for submission of the County's annual budget, non-departmental funding requests. Further, at no time should an organization presume impact fee reimbursement, and in particular, presume a lump sum reimbursement payment or total reimbursement payments in one fiscal year. Therefore, the cost of impact fees should be budgeted when developing housing development projects and should be included in all grant and loan applications.

A written request for impact fee reimbursement should be submitted to the Chatham County Planning Director within fifteen (15) days of obtaining the building permit. The request should include all information necessary for a determination of eligibility including so much of the following that is pertinent: a description of the anticipated beneficiary (homeowner), a detailed construction budget including amounts for individual houses, an estimated completion date, the house selling price and evidence of payment of the impact fee..

If funding is unavailable in the current fiscal year budget, the Planning Director will notify the non-profit organization. In such cases, the applicant may re-submit its application for reimbursement during the first fifteen (15) days of the next fiscal year. Applications will be considered on a first in, first out basis

2. Requests will be reviewed within 15 working days and the Planning Director will make a recommendation to the County Manager. The recommendation of the Planning Director will be based on whether or not the application satisfies the eligibility criteria, includes all of the information required by this policy and whether or not the project budget is adequate for the proposed housing project.

3. The Manager's decision on the application for reimbursement will be conveyed to the applicant in writing by the Manager within 15 working days after the Manager receives the recommendation of the Planning Director. The decision of the Manager will be based on the recommendation of the Planning Director AND whether or not there are adequate funds budgeted in the current fiscal year to reimburse the applicant for impact fees paid by it.

4. If the Manager's decision is favorable, the non-profit organization will be reimbursed for the impact fee that it has paid.

5. The Manager will communicate the decision to the Finance Officer for processing of the reimbursement. The non-profit organization is responsible for providing documentation of impact fee payment to the Finance Officer.

Adopted this 22 day of June 1999, by a vote of 5 For and 0 Against.



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Rick Givens, Chair  
Chatham County Board of Commissioners

ATTEST:



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Sandra B. Lee, Clerk to the Board