

CRA nabs more lots for housing

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The purchase price is \$45,000 plus closing costs, to be paid from a \$570,000 loan from the city. This will bring the number of lots owned by the CRA to 42 single-family and three mixed-use lots.

The CRA is finalizing an agreement with Affordable Equity Partners, the developers behind the senior housing project planned for Harristown, to purchase 32 lots and build new, affordable rental homes, according to Planning Director Randy Vinson.

The agreement will be based on Affordable Equity Partner's ability to secure affordable housing tax credits similar to the ones awarded for the Harristown project. The tax credit awards will be announced in October and, if approved, construction on the rental homes will begin in spring 2011, Vinson said.

"We are also working with two local banks and the Newton County Home Builders Association to put together a program where the CRA will market the development to attract qualified buyers," he said. "The CRA has assembled a plan book with six different house plans. The builders are currently pricing these plans. Once we have an agreement from the builders on pricing, we will then have the banks appraise the plans to confirm they can finance them as priced."

The CRA will assist buyers in the application process for down-payment assistance of up to \$15,000 through a state program and will assist with the application process for a home mortgage, Vinson said.

"These homes will be built on CRA-owned lots and will enable the CRA to repay their loan to the city, while addressing affordable housing needs in Covington and helping complete this neighborhood," Vinson said.

Neighborhood Stabilization Program or federal stimulus funds have purchased eight town homes in Walker's Bend, all of which have been sold. A single-family detached home there is under contract to be purchased with NSP funds as well, Vinson said.

The city was awarded \$424,000 in NSP funds initially, plus an additional \$75,000 after successful completion of its program. After purchasing the home under contract, \$29,000 in NSP funds will remain. The remaining money will be used to rehabilitate a foreclosed home owned by Habitat for Humanity, Vinson said.

The NSP funds plus the city loan brings the money to be invested in the housing initiative to more than \$1 million.