



Proposed Revisions

April 7, 2025
City Council Work Session





What type of Homebuying HERO will you be?

Citizen HERO

WHO?

- 1st time homebuyers

HOW MUCH?

- Up to \$20,000

8 over 3
years

MORE DETAILS

- Gross income at or below **120%** of the area median income adjusted for family size (see chart below).

Public Service HERO

WHO?

- 1st time homebuyers who are employees of
 - Cape Fear Valley Medical Center,
 - Cumberland County Schools,
 - Cumberland County Government
 - City employee ≤ 1 year and no performance evaluation

HOW MUCH?

- Up to \$30,000

3 over 1
years

MORE DETAILS

- Gross income at or below **120%** of the area median income adjusted for family size (see chart below).

City Employee HERO

WHO?

- 1st time homebuyers who are City Employees

HOW MUCH?

- \$30,000 guaranteed

6 over 3
years

MORE DETAILS

- Gross income at or below **140%** of the area median income adjusted for family size (see chart below).

FY 2024 Gross Income Limits Summary

Family Size	1	2	3	4	5	6	7	8
120% AMI	\$ 63,300	\$ 72,300	\$ 81,375	\$ 90,375	\$ 97,650	\$ 104,850	\$ 112,125	\$ 119,325
140% AMI	\$ 73,850	\$ 84,350	\$ 94,938	\$ 105,438	\$ 113,925	\$ 122,325	\$ 130,813	\$ 139,213

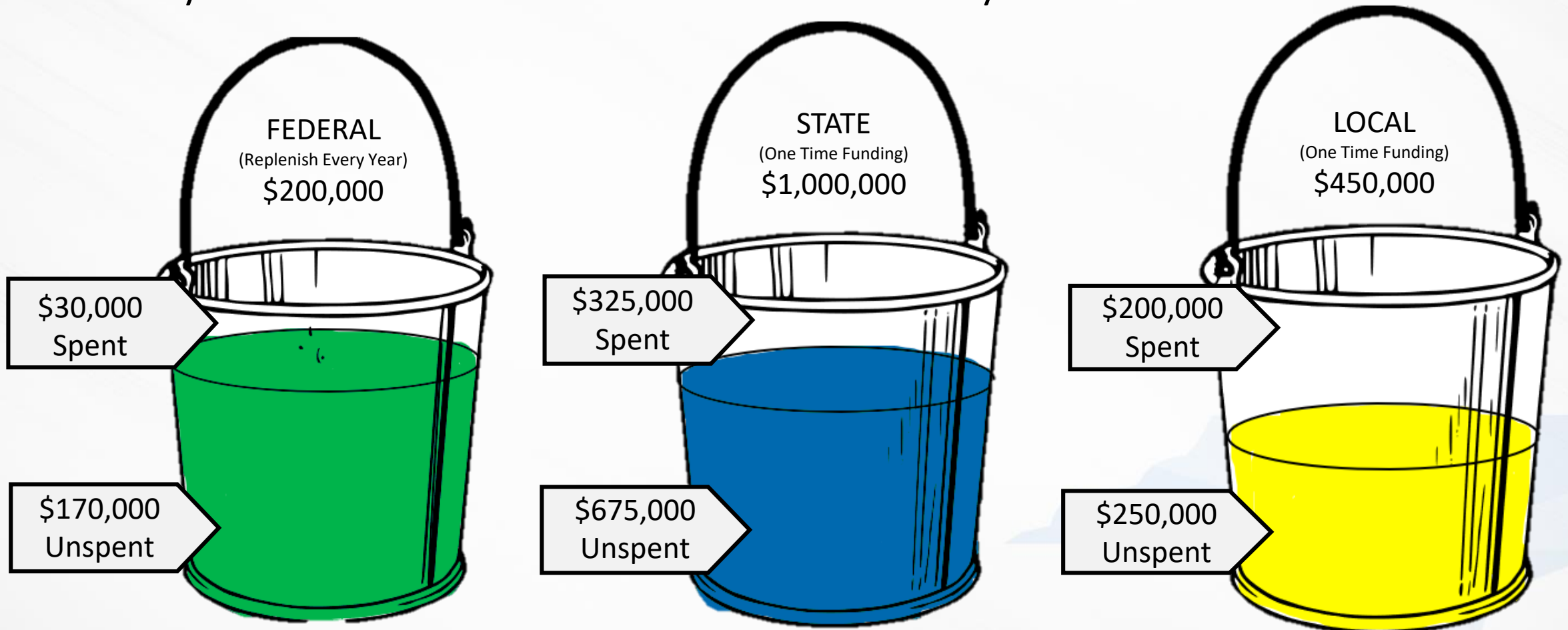
Funding Information

- Funding for this program is blended from various sources.
- Federal funding is annually replenished but requires incomes $\leq 80\%$ AMI.
- State funding is one-time and allows us to serve $\leq 120\%$ AMI
- Local funding is one-time and allows us to serve City employees $\leq 140\%$ AMI.

Household Size 2024									
Program	AMI	Low/Mod	2	3	4	5	6	7	8
Grant Funded			\$ 48,200	\$ 54,250	\$ 60,250	\$ 65,100	\$ 69,900	\$ 74,750	\$ 79,550
State Funded			\$ 72,300	\$ 81,375	\$ 90,375	\$ 97,650	\$ 104,850	\$ 112,125	\$ 119,325
Locally Funded			\$ 84,350	\$ 94,938	\$ 105,438	\$ 113,925	\$ 122,325	\$ 130,813	\$ 139,213
Area Median Income	100%	\$ 52,750	\$ 60,250	\$ 67,813	\$ 75,313	\$ 81,375	\$ 87,375	\$ 93,438	\$ 99,438

Current Funding

Funding for this program is blended from various sources. Federal funding is annually replenished but most restrictive requiring incomes < 80% AMI. The remaining funding is currently one-time investments from the State and City Council.



How Did We Get Here?

- Council created Good Neighbor Program 2019
- Staff implemented federally funded program with federal parameters 2022
- Staff Expanded federally funded program to higher incomes with State dollars 2023
- Combined and rebranded in 2024
- What does this mean?



Citizen HERO

120% AMI
Up to \$20k
Forgivable over 5-10 years

Public Service HERO

120% AMI
Up to \$30k
Forgivable over 5-10 years
No longevity requirement
No performance Requirement
No Retirees

City Employee HERO

140% AMI
Guaranteed \$30k
Forgivable over 5 years
Longevity requirement
Performance Requirement
No Retirees

- **Public Service HEROES** are not subject to the same 1-year employment and performance criteria of City employees
 - Council could require 1 year of service for **Public Service HEROES**
 - Council could require “Meets Expectations” performance for **Public Service HEROES**
- **City Employee HEROES** are guaranteed \$30,000 in down payment assistance
 - Council could remove the guaranteed \$30k for **City Employee HEROES**
 - Remain up to 140% AMI and 5 year forgiveness
- **Public Service HEROES** does not include retirees
 - Currently restricted to \$20,000 as a **Citizen HEROES**
 - Would have been eligible for \$30,000 if still employed
 - Remain limited to 120% AMI as **Public Service HEROES**
 - Retired City Employees would not be eligible for **City Employee HEROES**
 - Council could allow public service and city retirees to be considered **Public Service HEROES**

- Staff recommends that Council provide consensus and approve the four recommendations of:
 - 1) Add the one (1) year employment requirement for **Public Service HEROES**
 - 2) Add the “Meets Expectations” requirement for **Public Service HEROES**
 - 3) Remove the guaranteed \$30,000 for **City Employee HEROES**
 - 4) Allow public service and city retirees to be considered **Public Service HEROES** and eligible for increased funding up to \$30,000
- With this approval, staff would update all policies and procedures in preparation for public notification on the City website and social media



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