



AFFORDABLE HOUSING SUBCOMMITTEE

Presented by

Community Development Division Staff

June 6, 2023



AGENDA

- ✓ Call to Order & Welcome
- ✓ Public Comment
- ✓ Approval of Meeting Minutes
 - April 25, 2023
- ✓ New Business
 - County Affordable Housing Efforts and Funding Across Multiple Departments
 - Consider Amending FY 2024 AHSP Bond Funding Recommendations
 - Consider Affordable Housing Services Program Construction Loan Extension for Laurel Wood
 - Consider Downpayment Assistance Notes and Deeds of Trust Assignment to MHO
 - Review Website Updates
 - Housing Support for Buncombe County Employees
- ✓ Next Steps
- ✓ Announcements
- ✓ Adjourn



PUBLIC COMMENT



COUNTY AFFORDABLE HOUSING EFFORTS & FUNDING ACROSS MULTIPLE DEPARTMENTS

Matt Cable, Jeremiah LeRoy, Jen Teague, Phillip Hardin, Samantha Bowers



COUNTY AFFORDABLE HOUSING EFFORTS & FUNDING UPDATE

- **Sustainability Office – Jeremiah LeRoy**
 - Weatherization, Minor Home Repair, and Solarization Projects for Low- and Moderate-Income Households
- **Aging & Adult Services – Jen Teague**
 - Home and Community Care Block Grant supporting repair services for low- and moderate-income older adult households
- **Economic Services – Phillip Hardin**
 - Crisis Intervention, Energy Assistance, and Rental Assistance for Low- and Moderate-Income Households
- **Strategic Partnerships – Samantha Bowers**
 - ARPA "COVID Recovery Funding" & Strategic Partnership Grants supporting affordable housing, addressing homelessness and expanding housing related programs/services to low- and moderate-income households
- **Community Development Division**
 - Affordable Housing Services Program & Bond Funding supporting affordable housing, addressing homelessness, and expanding housing related programs/services to low- and moderate-income households



SUSTAINABILITY OFFICE

Jeremiah LeRoy



WEATHERIZATION

- **Provider:** Green Built Alliance*
- **Annual Allocation:** \$200,000 (\$100,000 County Sustainability Office + \$100,000 City of Asheville)
- **Average Annual Impact:** 200 Income-Limited Households with High Energy Cost Burden (40% BIPOC Households Goal)

- **Weatherization provides energy efficient upgrades which can include:** Blower door testing, insulation, air sealing, efficient lighting, efficient water fixtures, and minor repairs

- **Average Cost Per Home:** \$850
- **Total Homes Served:** 943
- **Total HACA Apartments Served:** 88
- **Average Annual/Monthly Cost Savings Per Home:** \$195.00 / \$16.25

*Services re-bid every 3 years



WEATHERIZATION

Program Eligibility

- Rent or own a mobile or single-family home in Buncombe County
- Household income must \leq 200% of Federal Poverty Guidelines*
- Provide total household income (at least 1 proof of income for each adult household member)

Apply Via

- web: www.bluehorizonsproject.com
- email: info@bluehorizonsproject.com
- phone: (828) 254-1995

Household Size (Persons)	200% of Federal Poverty	80% AMI (2023)
1	\$29,160	\$47,600
2	\$39,440	\$54,400
3	\$49,720	\$61,200
4	\$60,000	\$68,000
5	\$70,280	\$73,450
6	\$80,560	\$78,900
7	\$90,840	\$84,350
8	\$101,120	\$89,900

*In households of 5 or fewer people, 200% of federal poverty falls under 80% AMI (low- and moderate income) limits. In households of 6 or more people, 200% federal poverty is above 80% AMI (low- and moderate-income) limits. There is a potential that some households above 80% AMI could be served by this program.



NEIGHBOR TO NEIGHBOR SOLAR

- **Provider:** Blue Horizons through Green-Built Alliance by Sugar Hollow Solar
- **Current Resources:** \$171,000
 - Sustainability Office: \$50,000
 - ARPA CRF Funding: \$107,000
 - Private Fundraising: \$14,000
- **Anticipated Impact:** 20 homes over 2 years

- **Provides 5kW solar system installation at no cost to low- and moderate-income households (focus on BIPOC homeowners)**

- **Average Cost Per Home:** \$14,000



NEIGHBOR TO NEIGHBOR SOLAR

Program Eligibility

- Be a homeowner within Buncombe County
- Make <200% of Federal Poverty Guidelines based
- Have a roof 10 years or younger with priority given to roofs 5 years or younger
- Self-identify as not having \$50,000 in savings including retirement balance
- Roof orientation and shading must allow solar viability.

Apply Via

- web: www.bluehorizonsproject.com/n2n-solar/
- email: summer@greenbuilt.org
- phone: (828) 222-0314

Household Size (Persons)	200% of Federal Poverty	80% AMI (2023)
1	\$29,160	\$47,600
2	\$39,440	\$54,400
3	\$49,720	\$61,200
4	\$60,000	\$68,000
5	\$70,280	\$73,450
6	\$80,560	\$78,900
7	\$90,840	\$84,350
8	\$101,120	\$89,900



AGING & ADULT SERVICES

Jen Teague



HCCBG HOUSING & HOME IMPROVEMENTS

Program: State funding providing minor repairs to owner and renter occupied homes to individuals age 60+

Categories of Home Improvement Services:

- Security enhancements
- Minor home repairs
- Mobility and accessibility improvements
- Basic household furnishings and home appliance repair, replacement or purchase

FY 23 Restrictions on Project Amounts:

- Historic cap: \$1,500
- New cap (effective January 2023): \$7,000

Allocation Process:

- Applications for funding received each spring
- Reviewed by the HCCBG Advisory Committee
- Recommended funding levels provided to Budget Office
- Approved by Buncombe County Board of Commissioners



HCCBG HOUSING & HOME IMPROVEMENTS

Provider: Mountain Housing Opportunities

Funding: \$163,766 (\$88,318 (Allocated FY23) & \$75,448 (Recommendation FY24))

Impact: 83 households (65 households FY23 & 18 households FY24)

Projects: Repairing floors, installing safety grab bars, installing low rise stairs and/or ramps (fall risk reduction), appliance/water heater replacement, etc.

Average Investment Per Home: \$1,973 (\$1,358 (FY23) & \$4,191 (FY24))



HCCBG HOUSING & HOME IMPROVEMENTS

Program Eligibility

- Aged 60+

Apply via:

- web: www.mtnhousing.org
- email: info@mtnhousing.org
- phone: (828) 254-4030
- onsite: Mountain Housing Opportunities at 64 Clingman Avenue, Suite 101, Asheville NC 28801

Note: Funds cannot be used to pay for rent, utility bills, food, medicine, security deposits, utility deposits, taxes, home improvements negatively affecting the structural integrity of the home, home improvements that are the obligation of the landlord, or duplication of any home improvement service to the same housing unit for three (3) consecutive years following receipt of the initial service



ECONOMIC SERVICES

Phillip Hardin



EMERGENCY HOUSING ASSISTANCE

Emergency Rental Assistance: Rental and utility assistance

Eligibility: Individuals/families who have experience financial hardship due to or during COVID and $\leq 80\%$ AMI

Source: Emergency Rental Assistance Funding federal & state funds

Funding: \$850K

Impact: 123 individuals/families (complete)

Emergency Mortgage Assistance: Mortgage and utility assistance

Eligibility: Individuals/families who are homeowners who have experienced financial hardship during to COVID and $\leq 80\%$ AMI

Source: Community Development Block Grant

Funding: \$26.9M (\$21.9M spent, \$5M remaining)

Impact: 8,300 individuals/families (7,050 served, 1,250 estimated to be served)



COMMUNITY IMPACT

Program	Funds	Total Served	Funds Remaining	Impact Anticipated with Remaining Funds
CDBG	\$850K	123	\$0	0
ERA 1	\$7.8M	2,668	\$0	0
ERA 2	\$6.1M	2,112	\$0	0
NPro ERA 1	\$5.1M	1,733	\$0	0
NPro ERA 2	\$7.9M	537	\$5.0M*	1,250
Total	\$27.75M	7,173	\$5.0M*	1,250

*Ends 9/2025



EMERGENCY HOUSING ASSISTANCE

US Department of Housing & Urban Development (HUD) Guidelines

- 80% Area Median Income
- No reserve limits

Apply via:*

- web: www.buncombecounty.org
- phone: (828) 250-5500
- mail: 40 Coxe Ave, Asheville
- fax: (828) 250-6325

- Contact by worker to get needed information
- Finance issues payments when cases are approved

***Note: We are not currently accepting applications but may in the future.**



HOMEOWNERS GRANT PROGRAM

FY 23:

- \$300,000 Buncombe County
- \$150,000 City of Asheville
- \$15,000 Town of Woodfin
- 1,100 applications received; 725 applications approved
- \$275,000 total disbursed

FY 24:

- \$300,000 Buncombe County
- \$150,000 City of Asheville (anticipated)
- Revised rules reserve limit \$60,000; cannot own multiple properties/residences

Application Window: July 1 - September 30

Apply via (starting July 1):

- web: www.buncombecounty.org
- phone: (828) 250-5500



STRATEGIC PARTNERSHIPS

Samantha Bowers



STRATEGIC PARTNERSHIPS

- **\$50.7 million** American Rescue Plan Act (ARPA) “COVID Recovery Funding” allocation to Buncombe County
- Request for Proposals (RFP) for projects aligned to county & community priorities to build a strong, equitable recovery from COVID-19 & its negative economic impacts
- Visit www.BuncombeCounty.org/RecoveryFunding to view:
 - Community survey results
 - RFP documents
 - Submitted proposals
 - Rolling awards
 - Project reporting



ARPA COMMUNITY INPUT

Affordable Housing Highest Ranked Priority



HOUSING-RELATED ARPA INVESTMENTS

\$14.6 million out of \$46.5 million awarded to date: **31.4%** of total ARPA funds

Category	Funded Partners	\$ Investment
Affordable Housing	Habitat for Humanity, Housing Authority, Mountain Housing Opportunities, Haywood Street Community Development, Homeward Bound	\$10,548,133
Homelessness Response	Helpmate	\$2,000,000
Household Assistance	Eblen Charities, Green Built Alliance, Land of Sky Regional Council, The Arc of Buncombe County, Thrive Asheville	\$1,439,071
Home Repair	Buncombe County Planning & Development, Colaborativa la Milpa	\$600,000



ARPA AFFORDABLE HOUSING DEVELOPMENT

Organization	Project	\$ Investment
Asheville Area Habitat for Humanity	<i>Glenn Bridge and New Heights Phase II</i> 89 units, affordable mortgages to households at ≤80% Area Median Income (AMI)	\$2,600,000
Housing Authority of the City of Asheville (HACA)	<i>Deaverview Reimagined</i> 80 units, household average affordability ≤60% AMI	\$935,286
Mountain Housing Opportunities	<i>Lakeshore Villas</i> 120 units, household average affordability ≤60% AMI	\$3,263,847
Haywood Street Community Development	<i>West Haywood Street Apartments</i> 41 units, households at ≤80% AMI with at least half leased to HACA housing choice voucher holders	\$749,000
Homeward Bound	<i>Compass Point</i> 85 units, households at ≤30% AMI	\$3,000,000



ARPA HOUSING-RELATED PROJECTS

Organization	Project	\$ Investment
Helpmate	Emergency shelter for survivors of domestic violence	\$2,000,000
Thrive Asheville	Buncombe Rental Assistance Collaborative (BRAC)	\$356,571
Eblen Charities	Household assistance for people with low-income	\$287,500
Green Built Alliance	Clean energy upgrades for people with low-income	\$250,000
The Arc of Buncombe County	Household assistance for people with intellectual and developmental disabilities	\$100,00
Land of Sky Regional Council	Internet access and digital literacy for residents in public housing	\$445,000
Colaborativa La Milpa	Repair Naturally Occurring Affordable Housing (NOAH)	\$200,000
Buncombe County Planning & Development	Home repair and support services	\$400,000



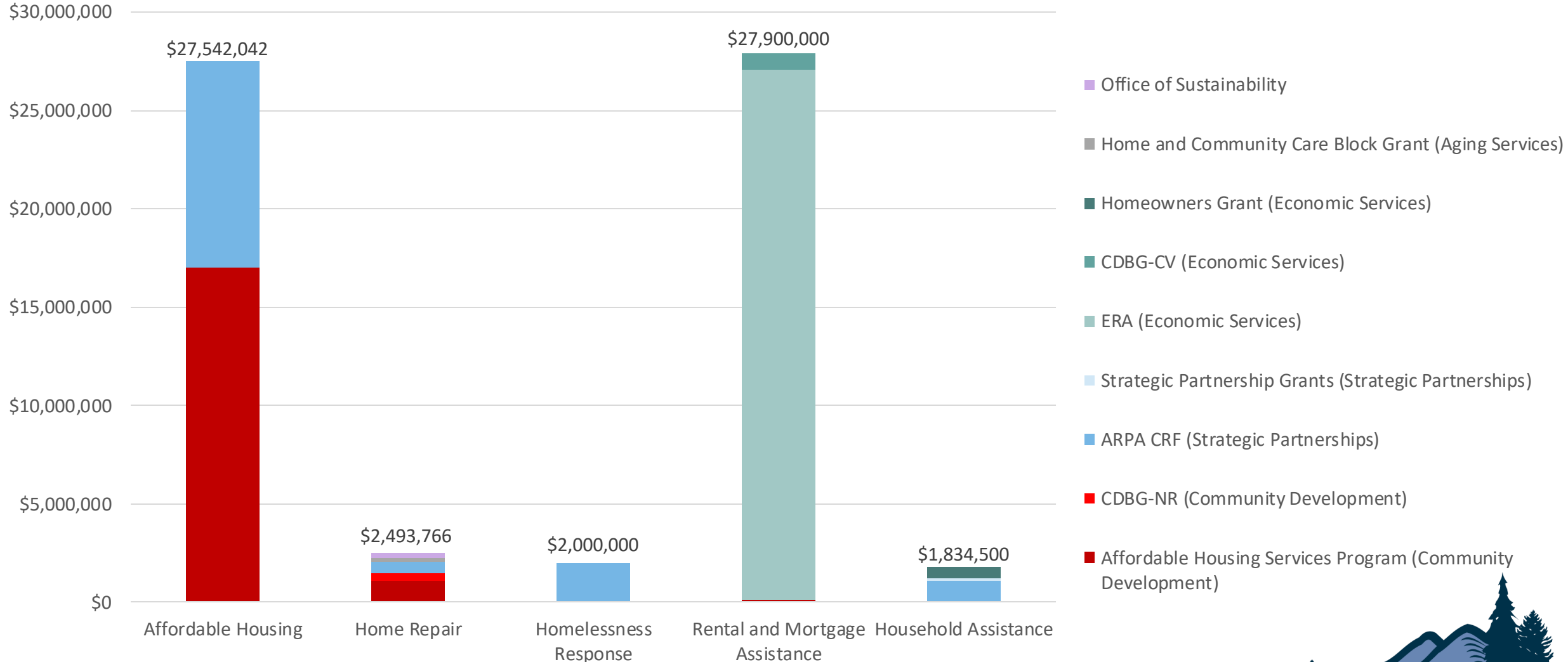
ANNUAL STRATEGIC PARTNERSHIP GRANTS

FY2024 General Fund Housing-Related Community Investments *pending approval with County budget adoption*

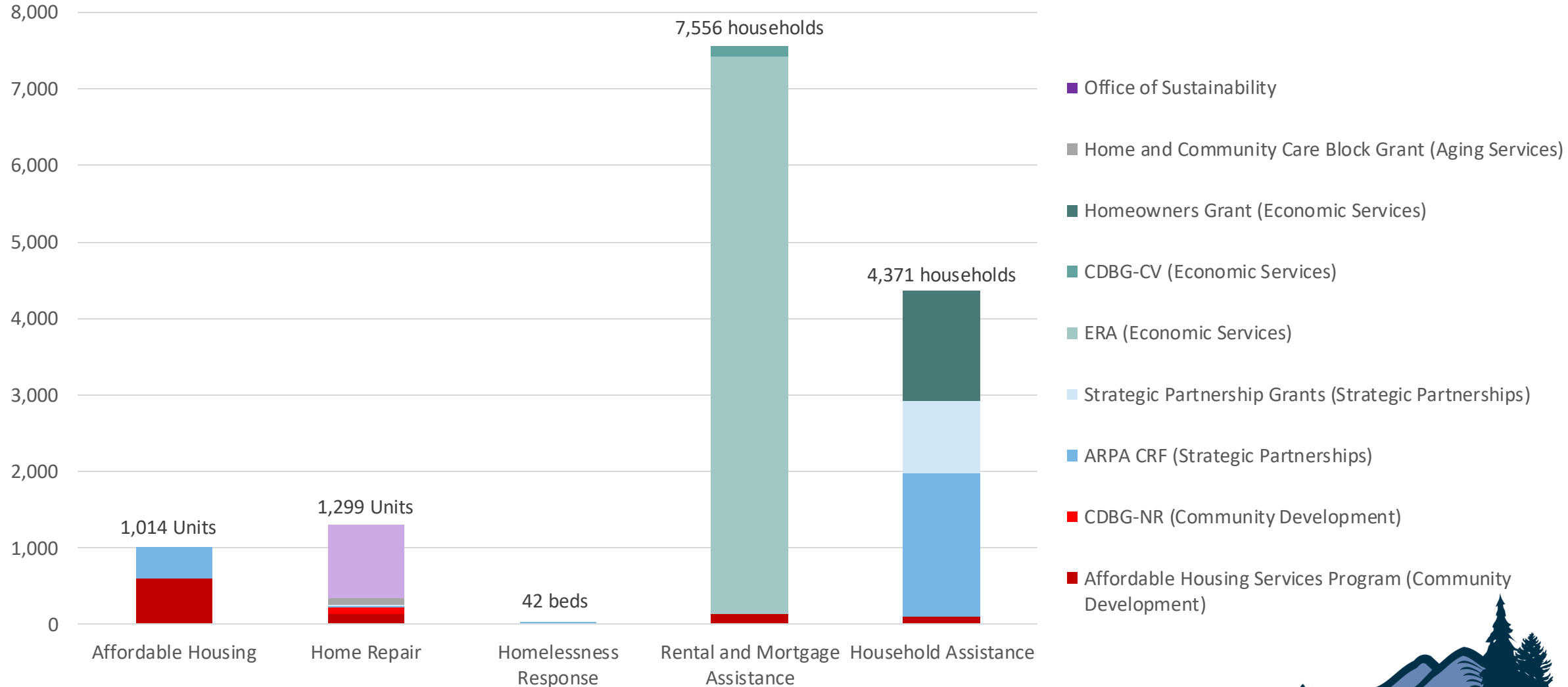
Organization	Project	Investment
Eliada Homes	Case management, housing support services, and tenant-based rental assistance to youth aging out of foster care	\$48,000
Hammer & Heart	Urgent home repairs within the Swannanoa Valley with a focus on elderly, disabled, and low-income households	\$5,000
Pisgah Legal Services	Free, high-quality civil legal services on an on-going basis to people with low-income and their families facing housing challenges	\$64,000



COUNTY AFFORDABLE HOUSING EFFORTS & FUNDING UPDATE: COMBINED INVESTMENTS



COUNTY AFFORDABLE HOUSING EFFORTS & FUNDING UPDATE: IMPACT



CONSIDER AMENDING FY 2024 AHSP BOND FUNDING RECOMMENDATIONS

Jonathon Jones



AMENDING RECOMMENDATIONS

Affordable Housing Committee FY 2024 AHSP Bond Fund Recommendation:

- \$8,468,195 for a 156-unit development known as Meribel (LDG)
- \$2,600,000 for a 120-unit development known as Lakeshore Villas (MHO)
- \$1,826,000 to support a 70-unit development known as Redwood Commons (Buckeye Community Hope)
- \$500,000 for a 52-unit development known as Villas at Haywood (WDT Development, LLC)

WDT Development, LLC revised its LIHTC application to the NCHFA, reduced the total number of units proposed, did not include Buncombe County funding in the proforma and has rescinded the \$500,000 allocation.

Staff Proposal to the Committee for Consideration:

- Remove the \$500,000 recommended allocation for the 52-unit development known as Villas at Haywood from the FY 2024 Budget Ordinance.



CONSIDER AHSP CONSTRUCTION LOAN EXTENSION FOR LAUREL WOOD

Matt Card



PROJECT STATUS: LAUREL WOOD APARTMENTS

- Commissioners approved \$800K allocation in FY23
- AHSP Guidance: "Projects must begin request reimbursement by 7/31/23"
- County's letter of commitment expires 6/30/23
- Developer unable to begin construction as a result of delayed permitting despite consistent effort to adhere to program guidance



CONSIDERATION: LAUREL WOOD APARTMENTS

- Given an existing contract is not yet in place, CD staff recommend extending the letter of commitment through 12/31/23 to allow for contract execution under the FY23 AHSP Program guidance,
- This would be an exception to the AHSP guidance as the project would be expected to begin requesting reimbursement by 12/31/23 and would not meet the 7/31/23 requirement



CONSIDER DOWNPAYMENT ASSISTANCE NOTES AND DEEDS OF TRUST ASSIGNMENT TO MHO

Matt Card



PREVIOUS NOTES AND DEEDS OF TRUST ASSIGNMENTS TO MHO

Previous Assignments of Notes and Deeds of Trust MHO

\$676,505 (2012)
+ \$102,636 (2017)
\$779,141 (Total)

What Does Assignment Mean?

- County DPA notes and deeds of trust "assigned" become repayable/due to MHO

Buncombe County Capital Fund

- MHO required to establish a separate capital fund associated with the DPA assignments
- 10% Loan Loss Reserve \$78,914
- Minimum Required to Hold in Fund: \$710,500
- Actual Held (2022): \$993,288.96 (\$968,288.96 in notes and deeds of trust; \$25,000 in cash held)



DOWN PAYMENT ASSISTANCE & MOUNTAIN HOUSING OPPORTUNITIES

Benefits:

- MHO uses a shared appreciation model that allows for funds to grow
- MHO can redeploy the funds as downpayment assistance when needed (not annual cycle)
- MHO can show DPA funds as an asset which allows MHO to receive funding from US Treasury
- MHO DPA loans are fully deferred, no interest and no fees

How Can MHO Obtain Other DPA Funds?

- MHO operates as a CDC/CDFI (Community Development Financial Institute) which are community based financial service providers

What is MHO Seeking?

- MHO Request: \$300,000 in Notes and Deeds of Trust (County's Current DPA Notes and Deeds of Trust = \$1,147,751)



CONSIDERATION: ASSIGNMENT

Affordable Housing Committee is asked to consider its interest in recommending the Board of Commissioners assign notes and deeds of trust to MHO and expand MHO's Buncombe County Capital Fund.



REVIEW WEBSITE UPDATES

Jake Ekberg



HOUSING SUPPORT FOR BUNCOMBE COUNTY EMPLOYEES

Sybil Tate



CURRENT COUNTY PROGRAM

- Loan
- Purchase or repair
- 80% AMI
- \$10K max

No new approved applications in 2+ years

80% AMI	
Household Size	Income
1	\$47,600
2	\$54,400
3	\$61,200
4	\$68,000
5	\$73,450
6	\$78,900



PROPOSED PROGRAM

- Loan (County) and Grant (LGFCU)
- 120% AMI
- \$1:\$3 Match
- Up to \$20K total (\$5K employee, \$7.5K County, \$7.5K LGFCU)
- Partner with OnTrack, MHO, Self-Help, LGFCU
- Pilot: Up to 15 employees to begin OnTrack financial education class; anticipate 5 employees complete program/receive funds in 2 years
- If employee leaves County, MHO continues to service loan
- Creates MHO managed revolving loan fund (estimate repayments coming back into the fund in 5-10 years to cover future loans)

120% AMI	
Household Size	Income
1	\$71,400
2	\$81,600
3	\$91,800
4	\$102,000
5	\$110,200
6	\$118,350



PARTNERS

- **OnTrack Financial Education & Counseling** provides :
 - Program enrollment
 - Money management and homebuyer education
 - Homebuyer counseling (includes affordability calculations and budget strategies)
 - Credit builder counseling (as needed)
 - Action plans and ongoing support for participants toward goal of home purchase
 - Assistance connecting with DPA resources
 - Monitoring participants' progress towards savings goals and program participation (partner with **Self-Help**)
 - Apply for and manage grant funds from **LGFCU**



PARTNERS

- **Mountain Housing Opportunities, Inc.** provides:
 - Revolving loan fund
 - County funds held as restricted asset, assessable only to eligible employees
 - For program participants, will handle:
 - Applications for the deferred, downpayment assistance loan
 - Loan processing/underwriting
 - Closings
 - Loan servicing

*Approval includes a review of borrower eligibility, the property, and the first mortgage loan product to promote both the affordability and sustainability of homeownership



ELIGIBILITY CRITERIA

- 120% AMI Household
- Liquidity – No more than \$60K
- Must be in “good standing”
- 2 years of employment
- Full-time employee (after pilot, part-time could be eligible)
- Home must be in Buncombe County
- Manufactured homes are eligible
- Must be primary home and only home
- Program can be accessed multiple times as long as it is for the primary home and no other homes are owned

120% AMI	
Household Size	Income
1	\$71,400
2	\$81,600
3	\$91,800
4	\$102,000
5	\$110,200
6	\$118,350



APPLICANT PROCESS OVERVIEW

1. Online application portal; Lottery
2. HR screens applicants for eligibility
3. Eligible applicants enroll with OnTrack
 - Financial counseling classes
 - Open matched savings account
4. Applicant achieves savings goal (\$5K) & receives \$7.5K grant + \$7.5K loan
5. Applicant engages in loan agreement with MHO, upon purchase of a home
6. Applicant repays loan to MHO – repayments used for future loans



NEXT STEPS

- \$60K in HR budget for FY24
- If adopted in the budget, program build out will begin July 2024



COMMITTEE NEXT STEPS

Meeting Date	Update, Discussion, & Actionable Items
July 4	Proposed: Cancellation
August 1	Updates: Homelessness, CDBG-NR, ARPA, AHSP Contracts and Goals, LIHTC Award Notification Discussion: Bond Strategy, LIHTC QAP Comment Window, Affordable Housing Committee Workplan
September 5	Updates: HOME Consortium, LIHTC Award Notification Discussion: AHSP Revisions, LIHTC QAP Comment Window
October 3	Updates: Quarterly AHSP Update & Goals, HOME Consortium Discussion: AHSP Revisions
November 7	Updates: CDBG-NR, ARPA Action: AHSP Revisions and Recommendation to the Board of Commissioners
December 5	Discussion: LIHTC Program Overview



ANNOUNCEMENTS



ADJOURN

