



# AFFORDABLE HOUSING SUBCOMMITTEE

*Presented by*

Community Development Division Staff

November 7, 2023



# AGENDA

- ✓ Call to Order & Welcome
- ✓ Public Comment
- ✓ Approval of Meeting Minutes
  - October 17, 2023
- ✓ New Business
  - Quarterly ARPA-FRF Update
  - Quarterly CDBG-NR Update
  - Affordable Housing Services Program Revisions and Recommendations
  - Quarterly Affordable Housing Services Program Update & Goals
  - Goals, Projects, and Funding: 2030 Timeline
- ✓ Announcements
- ✓ Adjourn



# PUBLIC COMMENT



# ARPA-FRF UPDATE

Nancy Williams



# ARPA-FRF

## HOME REPAIR AND SUPPORT SERVICES

COMMUNITY DEVELOPMENT DIVISION | NANCY WILLIAMS

### Fast Facts

- *Funder:* Buncombe County Strategic Partnerships
- *Award:* \$400,000
- *Grant Dates:* November 2022 to June 2025
- *Grant Fiscal Years:* FY 2023 to FY 2025
- *Staffing:* 2
- *County Match:* None
- *Reporting Cycle:* Quarterly
- *Up to Date on Reporting:* Yes

### Overview

- Supports home repair for low-and moderate-income homeowners
- Nonprofit subrecipient(s) manage the home repair program
- Subrecipients: Asheville Area Habitat for Humanity & Mountain Housing Opportunities, Inc.

### Highlights

- Prioritizes home repairs up to \$30,000 per residence
- Will serve 26 homeowners at <80% Area Median Income

### Monitoring

- Eligibility and funding are monitored on many levels
- Buncombe County Strategic Partnerships staff monitor Buncombe County Community Development Division
- Buncombe County Community Development Division staff monitor subrecipients

### Department/Cost Center Issues/Roadblocks

- None at this time

### Department /Cost Center Solutions

- Not applicable



# ARPA-FRF

## HOME REPAIR AND SUPPORT SERVICES

COMMUNITY DEVELOPMENT DIVISION | NANCY WILLIAMS

### Fast Facts

- *Funder:* Buncombe County Strategic Partnerships
- *Award:* \$400,000
- *Grant Dates:* November 2022 to June 2025
- *Grant Fiscal Years:* FY 2023 to FY 2025
- *Staffing:* 2
- *County Match:* None
- *Reporting Cycle:* Quarterly
- *Up to Date on Reporting:* Yes

### Overview

- Supports home repair for low-and moderate-income homeowners
- Nonprofit subrecipient(s) manage the home repair program
- Subrecipients: Asheville Area Habitat for Humanity & Mountain Housing Opportunities, Inc.

### Highlights

- Prioritizes home repairs up to \$30,000 per residence
- Will serve 26 homeowners at <80% Area Median Income

### Monitoring

- Eligibility and funding are monitored on many levels
- Buncombe County Strategic Partnerships staff monitor Buncombe County Community Development Division
- Buncombe County Community Development Division staff monitor subrecipients

### Department/Cost Center Issues/Roadblocks

- None at this time

### Department /Cost Center Solutions

- Not applicable



# ARPA-FRF AWARDS

## **MOUNTAIN HOUSING OPPORTUNITIES:**

Minimum Homes Repaired = 4

Funding = \$ 120,000

## **ASHEVILLE AREA HABITAT FOR HUMANITY:**

Minimum Homes Repaired = 22

Funding = \$ 280,000



# ARPA-FRF ADMINISTRATION ACTIVITIES

- RFP Opened January 2023
- Select Subrecipient
- Contract with Subrecipient
- Start Construction



ARPA Reports and Draws Begin

- Monitor Activities Based on Contract and ARPA Guidelines
- Process Grant Compliant Draw Requests
- Project Close Out





# CDBG-NR UPDATE

Nancy Williams



# CDBG – NR

## COMMUNITY DEVELOPMENT BLOCK GRANT – NEIGHBORHOOD REVITALIZATION

COMMUNITY DEVELOPMENT DIVISION | NANCY WILLIAMS

### Fast Facts

- *Funder:* NC Department of Commerce
- *Award:* \$400,000
- *Grant Dates:* December 2022 to June 2025
- *Grant Fiscal Year:* FY 2023 to FY 2025
- *Staffing:* 2
- *County Match:* No
- *Reporting Cycle:* Quarterly
- *Up to Date on Reporting:* Yes

### Monitoring

- Eligibility and funding are monitored on many levels
- NC Department of Commerce Rural Economic Development Division staff monitor Buncombe County and the Subrecipient
- Community Development Division staff monitor the Subrecipients

### Overview

- Supports home repair for low-and moderate-income homeowners
- Nonprofit subrecipient(s) will manage the home repair program
- Subrecipient: Asheville Area Habitat for Humanity

### Highlights

- Prioritizes home repairs up to \$30,000 per residence
- Will serve 40+ homeowners at <70% Area Median Income
- Available to homeowners outside the City of Asheville
- Subrecipient will form a CDBG required selection committee



# CDBG – NR

## COMMUNITY DEVELOPMENT BLOCK GRANT – NEIGHBORHOOD REVITALIZATION

COMMUNITY DEVELOPMENT DIVISION | NANCY WILLIAMS

### Roadblocks

- Project design (post award subrecipient selection) atypical
- Subrecipient limited organizational capacity
- Grant timeframes may result in use of less than full award

### Solutions

- County requested extension to complete subrecipient selection
- Subrecipient indicated additional capacity in a future year
- County requested extension to allow for additional use of award



# CDBG-NR GRANT ADMINISTRATION ACTIVITIES

- Submit CDBG-NR Required Award Documents
- RFP Rounds April and July 2023
- Select Subrecipient – Asheville Area Habitat for Humanity
- ➔ Contract with Subrecipient
- Recipient Selection Committee Convenes
- Home Repair Sites Selected
- Monitor Activities Based on Contract and CDBG-NR Guidelines
- Process Grant Compliant Draw Requests
- Project Close Out with NCDOC REDD



# AHSP REVISIONS AND RECOMMENDATIONS

Jonathon Jones



# AFFORDABLE HOUSING SERVICE PROGRAM SUMMARY OF REVISIONS

- **Homelessness Preference:** Strong preference given to projects accepting referrals for households experiencing homelessness.
- **Energy Efficiency Preference:** Strong preference will be given to projects that include renewable energy systems or participate in energy efficiency programs.
- **Property Tax Exemption:** Construction projects will be required to apply for property tax exemption.
- **Require acceptance of rental subsidies:** Projects must accept vouchers and cannot disqualify residents or prospective tenants from renting a housing unit with legal sources of income.



# AFFORDABLE HOUSING SERVICE PROGRAM SUMMARY OF REVISIONS

- **Income Determination:** Income eligibility documentation is valid for 12 months.
- **Align Income, Rent and Home Sales Limits with annual HUD Updates:** Projects must adhere to the income, rent and home sales limits published by HUD at the time that assistance is provided, lease signing or home sale.
- **Application Due Date:** The AHSP application is scheduled to open December 11, 2023 and close January 26, 2024 for the FY 2025 funding cycle.



# PROJECT PRIORITIES & PREFERENCES

## PROPOSED ENERGY EFFICIENCY PREFERENCE

### Current AHSP

Not included.

### Proposed AHSP

Strong preference will be given to projects that will include renewable energy systems, participate in local utility efficiency programs, and/or demonstrate compliance with energy efficiency standards including but not limited to ENERGY STAR.





# ENERGY EFFICIENCY INCENTIVES

## REQUEST TO EXCEED LOAN MAXIMUM

### Current AHSP

None

### Proposed AHSP

*Applicants may request:*

- *Loans exceeding the maximum amounts listed above (10%/20%) where the project includes on-site renewable generations for residential benefit, achieves Leadership in Environmental and Energy Design (LEED) certification, or follows the Department of Energy's Zero Ready Home (ZERH) program provided the applicant indicates program cost to support any request beyond the maximum loan amount.*



# AFFORDABLE HOUSING SERVICE PROGRAM REQUEST FOR COMMITTEE ACTION

Recommend the Board of Commissioners adopt the Affordable Housing Services Program (AHSP) Description, Requirements, and Guidelines as presented.



# QUARTERLY AHSP CONTRACTS UPDATE

Jake Ekberg



# FY 2023 AHSP CONTRACT STATUS

FY 2023 AHSP Projects	Anticipated Impact (Units/HH)	Actual Expenditures to Date	Impact to Date (Units/HH)	Balance of Obligation	Percent Remaining
Affordable Housing Studies	0	\$102,390	0	\$318,308	76%
VOA Construction Loan to Laurel Wood	104	\$0	0	\$800,000	100%
Habitat for Humanity Emergency Repair	45	\$275,000	45	\$0	0%
Mountain Housing Opportunities Emergency Repair	24	\$225,000	31	\$0	0%
<b>Total</b>	<b>418</b>	<b>\$431,449</b>	<b>38</b>	<b>\$1,117,751</b>	<b>61%</b>

Contracts executed and in progress

Commitment made and project start pending

FY 2023 also includes \$580,000 in unallocated funds.



# FY 2024 AHSP CONTRACT STATUS

FY 2024 AHSP Projects	Anticipated Impact (Units/HH)	Actual Expenditures to Date	Impact to Date (Units/HH)	Balance of Obligation	Percent Remaining
Eblen Charities Tenant Based Rental Assistance	103	\$0	0	\$110,000	100%
Eliada Homes Tenant Based Rental Assistance	15	\$0	0	\$15,000	100%
ARC of Buncombe County Tenant Based Rental Assistance	15	\$0	0	\$25,000	100%
CDCA Construction Loan to Fairhaven Summit	77	\$0	0	\$1,235,000	100%
Housing Authority Construction Loan to Deaverview Redevelopment	82	\$0	0	\$1,564,714	100%
Mountain Housing Opportunities Construction Loan to Star Point	60	\$0	0	\$500,000	100%
Habitat for Humanity Emergency Repair	36	\$18,697	4	\$231,303	93%
Mountain Housing Opportunities Emergency Repair	23	\$14,950	2	\$210,050	93%
PODER Emma Emergency Repair	7	\$0	0	\$100,000	100%
OnTrack Homebuyer Education Expansion New Start	96	\$0	0	\$40,000	100%
<b>Total</b>	<b>514</b>	<b>\$33,648</b>	<b>0</b>	<b>\$4,031,066</b>	<b>99%</b>

Contracts executed and in progress
Commitment made and project start pending



# FY 2024 AHSP BOND CONTRACT STATUS

FY 2024 AHSP Projects	Anticipated Impact (Units/HH)	Actual Expenditures to Date	Impact to Date (Units/HH)	Balance of Obligation	Percent Remaining
Buckeye Community Hope Construction Loan to Redwood Commons	70	\$0	0	\$1,826,000	100%
MHO Construction Loan to Lakeshore Villas	120	\$0	0	\$3,318,616	100%
LDG Development Construction Loan to Meribel	156	\$0	0	\$8,468,195	100%
<b>Total</b>	<b>346</b>	<b>\$0</b>	<b>0</b>	<b>\$12,894,195</b>	<b>100%</b>

Contracts executed and in progress

Commitment made and project start pending



# AFFORDABLE HOUSING GOALS

1. Increase the supply of Affordable Housing for rent
2. Increase the supply of Affordable Housing for homeownership, especially for BIPOC households
3. Preserve the supply of Naturally Occurring Affordable Housing (NOAH)
4. Support activities that achieve functional zero Homelessness
5. Support activities that encourage the use of all vouchers



# AFFORDABLE HOUSING OBJECTIVES

**Buncombe County will impact 2,800-3,150 affordable housing units by 2030.**

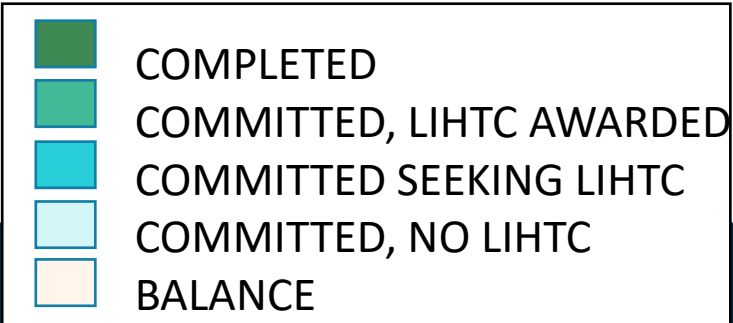
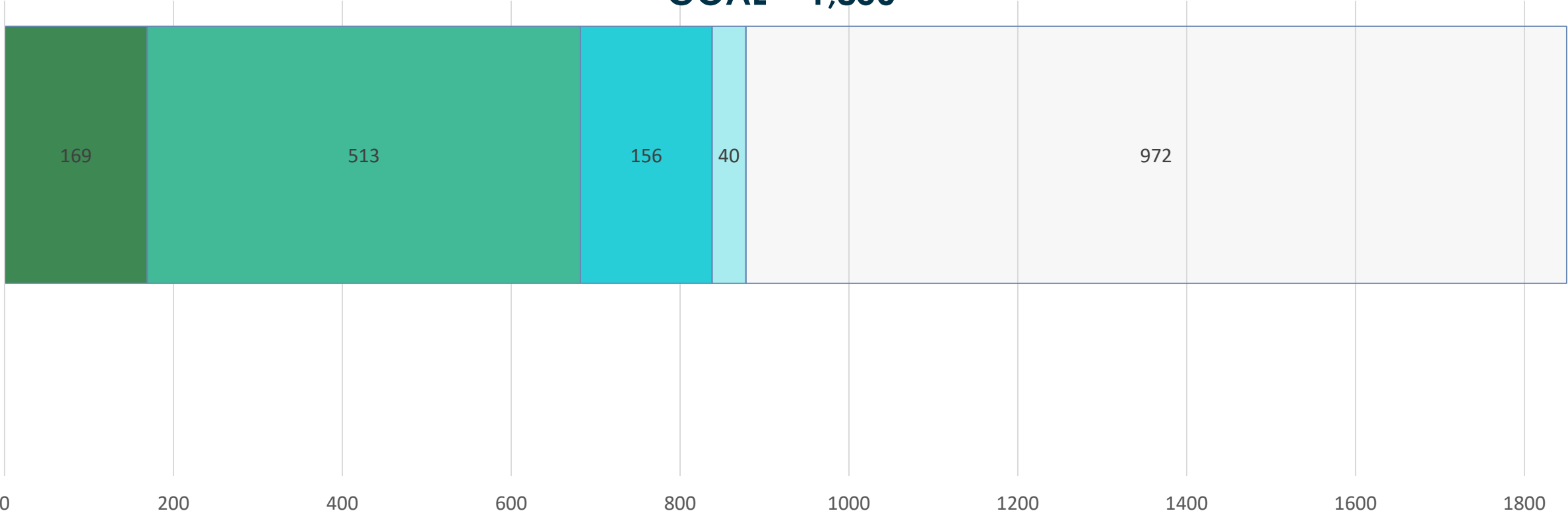
- 1,500-1,850 rental units for households at  $\leq 80\%$  AMI
  - average at  $\leq 60\%$  AMI across all households
  - 1,200-1,480 units should leverage the LIHTC program (will leverage an estimated \$100 - \$120 million in tax credit equity to Buncombe Co.)
  - 200 units for  $\leq 30\%$  AMI
- 400 ownership units for households at  $\leq 80\%$  AMI
- 500 repair units for households at  $\leq 80\%$  AMI
- 400 ownership or rental units for households at  $> 80\%$  to  $\leq 120\%$  AMI





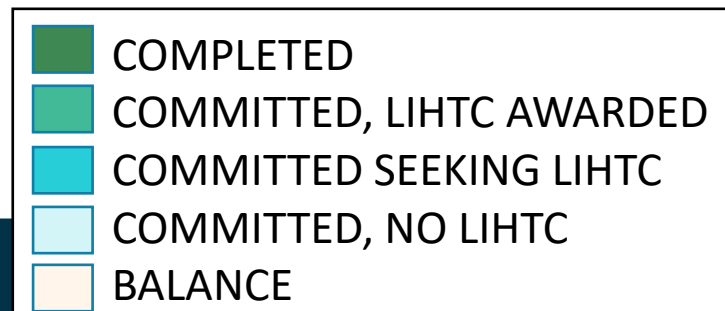
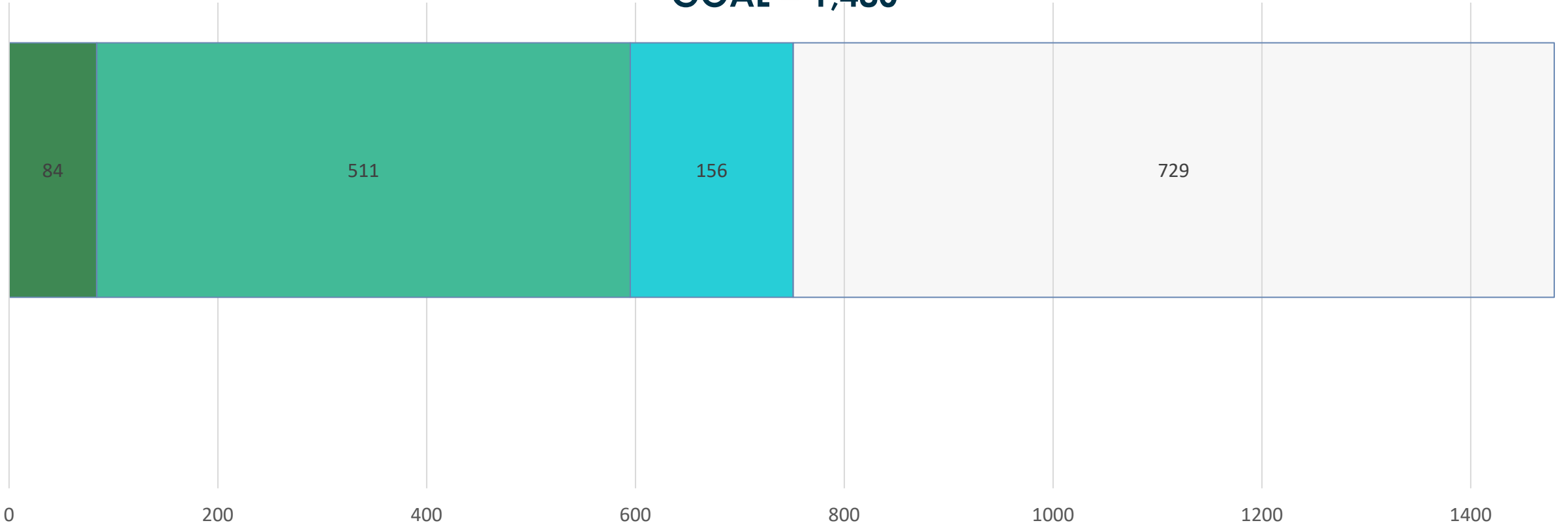
# RENTAL UNITS FOR HOUSEHOLDS AT <80% AMI

GOAL = 1,850



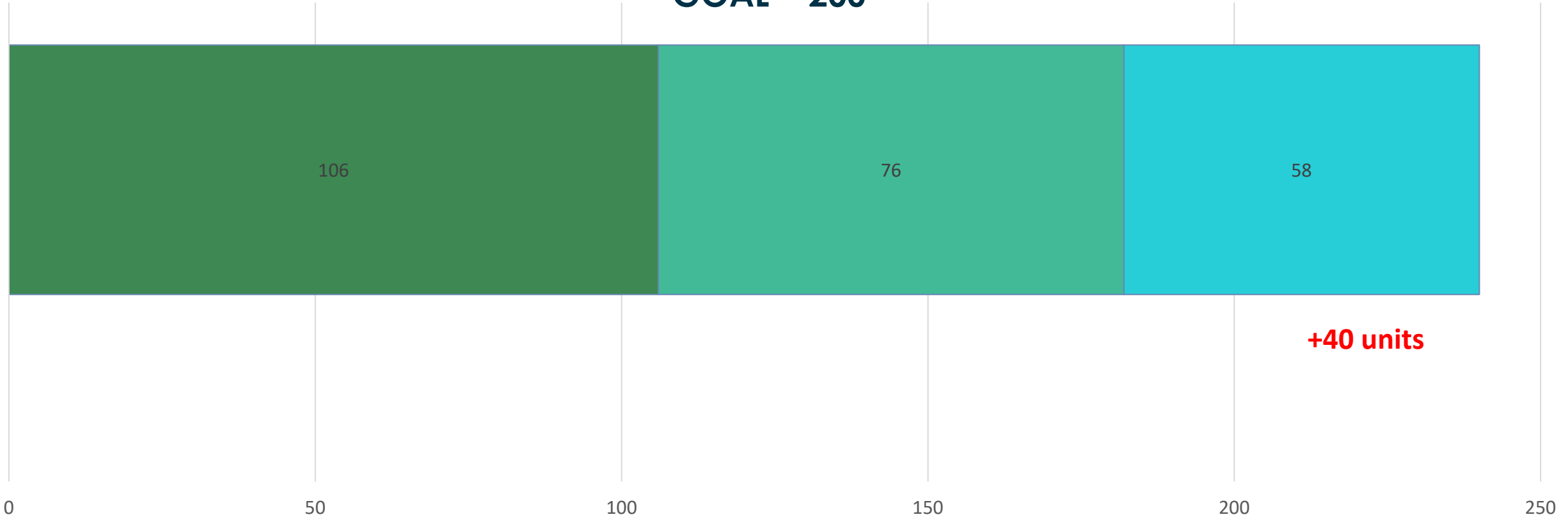
# RENTAL UNITS LEVERAGING LIHTC

GOAL = 1,480

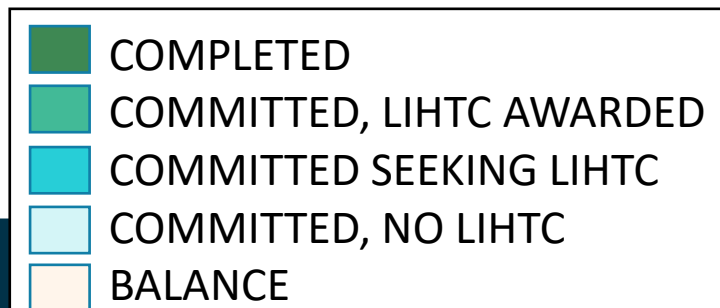


# RENTAL UNITS FOR HOUSEHOLDS AT <30%

GOAL = 200

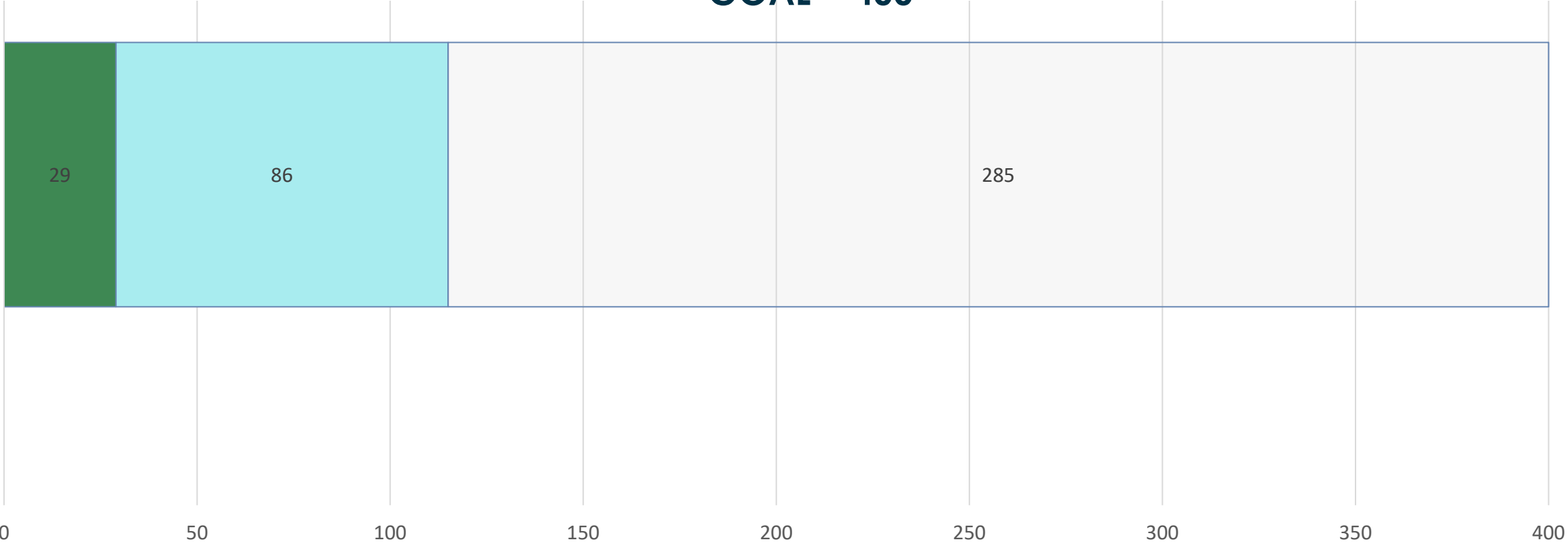


+40 units



# OWNERSHIP UNITS FOR <80% AMI

GOAL = 400

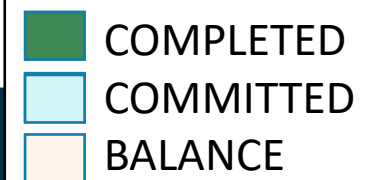
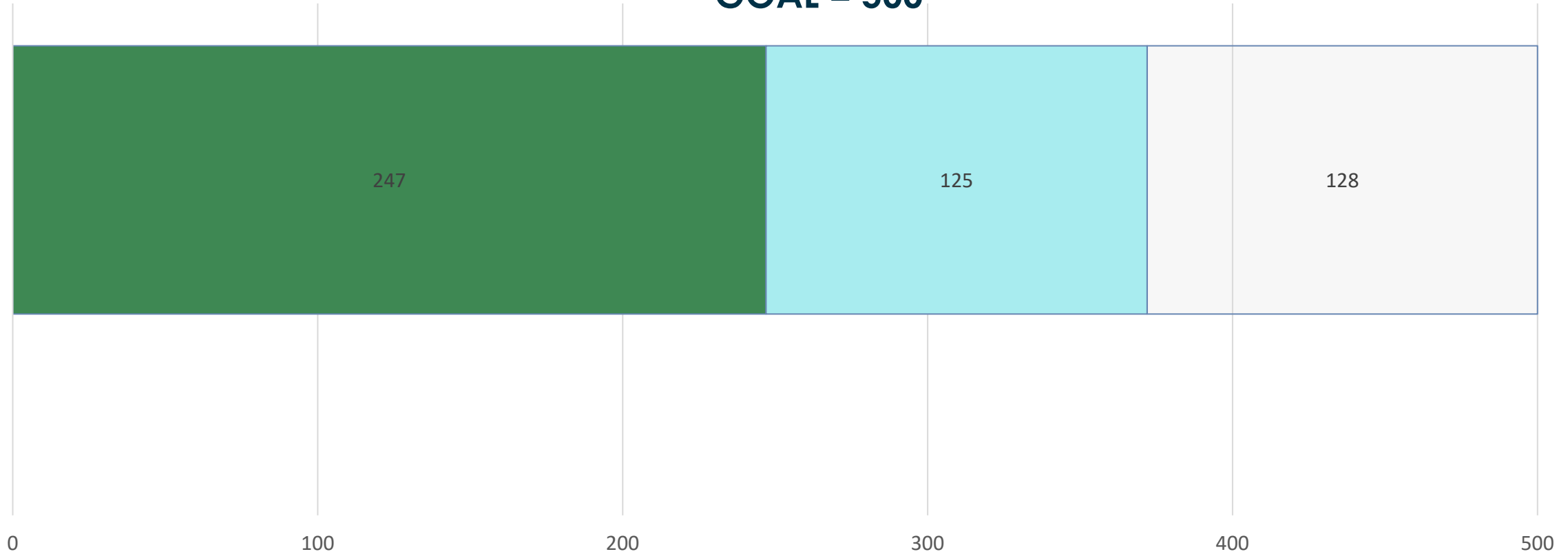


- COMPLETED
- COMMITTED
- BALANCE



# EMERGENCY REPAIR

GOAL = 500



# GOALS, PROJECTS, AND FUNDING: 2030 TIMELINE

Matthew Cable



# COMMITTEE NEXT STEPS

Meeting Date	Update, Discussion, & Actionable Items
<b>December 5</b>	<b>Update:</b> Housing Authority of the City of Asheville, HOME Consortium <b>Discussion:</b> Fair Housing Plan <b>Action:</b> AHSP Commitment Extension Request
<b>January 2</b>	<b>Discussion:</b> LIHTC Program Overview, AHC Calendar <b>Update:</b> Point-in-Time / Homelessness
<b>February 6</b>	<b>Discussion:</b> Preliminary AHSP Application Review
<b>March 5</b>	<b>Update:</b> Quarterly AHSP Update & Goals, CDBG-NR, ARPA-FRF <b>Discussion:</b> AHSP Applications



# ANNOUNCEMENTS



# ADJOURN

