



Affordable Housing Subcommittee

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Agenda

- ✓ Call to Order & Welcome
- ✓ Approval of Minutes
- ✓ New Business
 - FY 2021 AHSP Contract Status & Extensions
 - Peer Comparisons
 - Land Use Incentive Program Grant Review
- ✓ Next Steps
- ✓ Announcements
- ✓ Public Comment
- ✓ Adjourn



Public Comment

Public Comment will be taken at the end of the meeting



Please refer to the agenda for information regarding submitting comments.



FY 2021 AHSP Contract Status & Extension

FY 2021 AHSP Projects	Anticipated Impact (Units/HH)	Actual Expenditures to Date	Impact to Date (Units/HH)	Balance of Obligation	Percent Open
Jasper Homestead LLC Multifamily Development*	84	\$961,628	0	\$106,848	10%
Eblen Charities Tenant Based Rental Assistance	104	\$109,673	143	\$46,327	30%
Eliada Homes Tenant Based Rental Assistance	7	\$0	7	\$10,050	100%
Habitat for Humanity Emergency Repair	52	\$77,579	20	\$210,870	73%
Mountain Housing Opportunities Emergency Repair	40	\$117,398	21	\$182,602	61%
Eliada New Start Homeless Services Building Design	42	\$0	0	\$25,000	100%
CIMA PODER New Start Home Repair	20	\$5,127	0	\$19,873	79%
On Track Education Program	592	\$21,273	390	\$3,727	0%
Total	941	\$1,292,678	581	\$605,297	32%



Peer Comparison Agenda

- Affordable Housing Case Studies
 - System Structure
 - Program list
 - Funding
 - Goals
- City of Asheville Land Use Incentive Grants





ORANGE COUNTY
NORTH CAROLINA

Orange County

Population: 148,476

Square Miles: 97

Median Household Income: \$71,723

Median Value of Owner-occupied Housing: \$308,800



Orange County System Structure

- County and municipalities all signed on to common Affordable Housing Strategic Plan in 2016, running through 2020; cities and county contribute general fund dollars and other funds
- HOME consortium includes County and all municipalities; County is the lead entity
- Strong partnership with Community Home Trust and the Housing Authority
 - Community Home trust manages 320 homes for 80-115% AMI, in perpetuity (\$200,000/year from Orange County)
 - Community Home Trust's properties are acquired through the Town of Chapel Hill's inclusionary zoning.
 - Housing Authority Board appointed by the County; County manages voucher program
- 25 FTE's (15.5 FTE's- Homelessness/Vouchers)

Divisions

- Housing Voucher Program
- Community Development
- Homelessness



Orange County Programs



- New Construction

- ✓ Direct Funding- \$5M bond



- Regulatory Reform

- ✓ Impact fee reimbursements – *(Buncombe County does not have impact fees)*



- Preservation

- ✓ Emergency Housing Assistance – funds for rent, mortgage and utility payments, security deposits, application fees and other emergency housing-related expenses

- ✓ Orange County Home Preservation Coalition (OCHPC) – clearing house for home repair, focused on aging population

- ✓ Urgent Repair Program (URP) – NCHFA program and local county funds

- ✓ Single Family Rehabilitation (SFR) - NCHFA program and local county funds



Orange County & Municipal Funding

- ✓ County - \$7M annual operating
- ✓ Chapel Hill dedicates 1 cent on the tax rate
- ✓ Carrboro dedicates 1.5 cents on the tax rate
- ✓ Chapel Hill Affordable Housing Bond - \$10M
- ✓ Orange County Affordable Housing Bond - \$5M



Orange County Goals

Overarching, shared countywide goal of 1,000 affordable housing units over the next 5 years

- 500 should be new rental units
- 250 should be rental units serving extremely low and very low income households (30% – 50 % of AMI)
- 250 should serve special needs populations including the homeless, persons with physical and or mental disabilities and seniors



Orange County Goals- Sample Actions

- Negotiate an agreement for the Housing Authority to maintain an affordable housing inventory
- County conducted conditions survey of mobile home parks and partner on repairs and preservation
- Create a coordinated community-wide service model for intake of homeless individuals and a displacement plan for larger housing displacements
- Work with Housing Authority to create a path to homeownership/successful rental program
- Expand the County's Urgent Repair Program to serve 50 to 60 senior residents and or persons with disabilities, thereby substantially reducing or practically eliminating a long waiting list to serve this population for urgent housing repair needs. This would require an additional \$150,000 to \$200,000 to the current fiscal year funding level of \$75,000 allocated to complete approximately 25 owner-occupied housing units of senior households and or households with persons with a disability.
- Single Family Rehab - Few homes can be completed based on the state requirement of only \$45K to bring each home up to code. Additional funds of \$200,000 - \$250,000 will allow the County to complete approximately 10 homes instead of three (3) homes and fully and more effectively leverage state funding.
- Educate the public about the Fair Housing Act, local services and regulations





Durham County

Population: 321,488

Square Miles: 286

Median Household Income: \$60,958

Median Value of Owner-occupied Housing: \$223,000



Durham County System Structure

- Joint City/County Planning Department – managed by the City
- County provides funding annually
- Coordination with Housing Authority – (manages over 2,500 Housing Choice vouchers)
- 32 FTE's (5 FTE's – Homelessness)

Divisions

- Multi-family rental
- Homelessness
- Neighborhood Stabilization
- Compliance and Contracts
- Finance and Planning



Durham County Programs

New Construction:



- ✓ Development on school system property
- ✓ **Development on county-owned property**
- ✓ Down payment assistance

Regulatory Reform:



- ✓ Expanding Housing Choices - UDO reform to support missing middle
- ✓ Density Bonus
- ✓ Transit Oriented Development
- ✓ Eviction Diversion in partnership with Legal Aid

Preservation:



- ✓ Repair programs (increasing funding)
- ✓ Tax assistance grants (in discussion)
- ✓ **Long-term plan for redeveloping Housing Authority sites**



Durham County Funding

- ✓ \$16.8M annual operating fund (\$7M in grant funds)
- ✓ Revolving fund for apartments built using HUD funds that are coming out of period of affordability (\$20M)
- ✓ City bond (\$95M) combined with other local, federal, state, philanthropic funds to total \$160M
 - ✓ Increased property tax by 1.6 cents to repay bond



Durham County Goals/Outcomes

- 5 year goal for \$160M (shared by City/County/HA)
 - Build 1,600 new affordable housing units and preserve 800 affordable rental units.
 - Move 1,700 homeless individuals and households into permanent housing.
 - Provide 400 affordable homeownership opportunities for first-time homebuyers.
 - Help 3,000 low-income renters and homeowners remain in or improve their homes.





Wake County

Population: 1,111,761

Square Miles: 835

Median Household Income: \$80,591

Median Value of Owner-occupied Housing: \$281,700



Wake County System Structure

- Coordinated efforts and aligned resources with City of Raleigh, Town of Cary, and 2 Housing Authorities
- Four divisions
 1. Operations
 2. Community Development
 3. Permanent Housing and Supportive Services
 4. Homelessness Prevention
- 85 FTE's (Homelessness (Housing and Prevention)– 71 FTE's)



Wake County Programs



New Construction

- ✓ Affordable Housing Development Program
- ✓ Affordable Home Ownership Program



Regulatory Reform

- ✓ Land Disposition



Preservation

- ✓ Rental Assistance Housing Program
- ✓ Elderly & Disabled Housing Rehabilitation Program
- ✓ Emergency Rehabilitation Program
- ✓ Neighborhood Revitalization, Public Facilities, and Public Improvements
- ✓ Acquisition/Preservation Fund



Wake County Funding

- \$21M annual operating budget
- Wake County contributes to housing and homeless service programs through the use of local property taxes.
- Federal funds are used with County dollars to support housing development, supportive services, emergency shelter, prevention, second mortgages, land acquisition, and tenant based rental assistance.



Wake County Goals/Outcomes

- Increase and preserve affordable housing
- Annual Plan Goals – (# of households impacted)
 - Rental Assistance - 215
 - Production of New Units - 50
 - Rehab of Existing Units - 37
 - Acquisition of Existing Units - 5



Wake County Goals- Sample Actions

- Create a land acquisition fund for future affordable housing
- Landlord partnership program with HA to increase acceptance of vouchers
- Affordable Housing warning system to prevent conversion of affordable units to market rate units
- Redevelopment of public housing sites
- Extend affordability requirements to 50 years
- Public Housing redevelopment plan





New Hanover County

Population: 234,473

Square Miles: 191

Median Household Income: \$54,891

Median Value of Owner-occupied Housing: \$243,600



New Hanover County Org Structure

- City of Wilmington is lead agency. Wilmington has existing rehabilitation, down payment assistance, and construction loan programs.
- County has one employee for affordable housing
- Cooperation happens through the Workforce Advisory Committee
 - New Hanover and Wilmington jointly appoints members
 - City and County jointly staff committee
 - Recommendations from the Workforce Housing Advisory Committee would expand programs into the county



New Hanover County Programs - *Current*



Preservation:

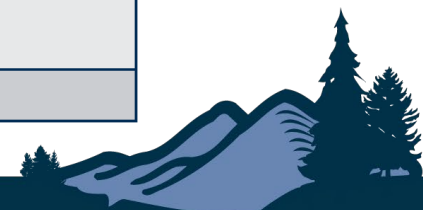
- ✓ Gap rental assistance pilot program – *beginning Aug. 2021*
- ✓ Water and Sewer Revolving Loans – *not currently active*



New Hanover County Programs & Funding - Proposed

✓ Considering \$50M bond on November 2022 ballot

ACTIVITY	AMOUNT	PROJECTED BENEFICIARIES	AMI Range	Revolving
Affordable Housing Development		1,333 units		
Gap Financing, Infrastructure, LIHTC, PSH	20 M		0% - 80% AMI	\$
NOAH Preservation		200 units		
Property Acquisition and Rehabilitation for ownership and rental	25 M		0% - 80% AMI	\$\$
Expansion of Programs				
Homeownership Programs (HOP & DPA)	3 M	32 units	60% - 120% AMI	\$\$
Owner-Occupied Major Rehabilitation	1.5 M	20 units	0% - 80% AMI	\$
Owner-Occupied Minor Repairs/Modifications	.5 M	50 units	0% - 80% AMI	
Total	\$50M	1,635 units		



New Hanover County Goals

- No goals set



Program Options

Org Structure	New Construction	Regulatory	Preservation	Funding
City/County unified effort	Development on county-owned property	Land Disposition policy	Emergency Housing Assistance	Bond
Housing Authority partnership	Direct Funding		Orange County Home Preservation Coalition (OCHPC)	Pooled funds from all municipalities
Land Trust partnership			Urgent Repair Program (URP)	Philanthropic funding
Homelessness			Single Family Rehabilitation (SFR)	Dedicate a specific amount of property tax to AH
			Acquisition/Preservation Fund	HUD funding
			Long-term plan for redeveloping Housing Authority sites	
			Neighborhood Revitalization, Public Facilities, and Public Improvements	



Other North Carolina Bonds

- City of Durham (\$95M)
- City of Raleigh (\$80M)
- City of Charlotte (\$50M)
- City of Greensboro (\$25M)
- City of Asheville (\$25M)
- City of Winston Salem (\$11.7M)
- Town of Chapel Hill (\$10M)
- Orange County (\$5M)



System Comparison

County	Population	Budget	FTE's
Orange	148,476	\$7M	17
Durham	321,488	\$16.8M	32
Wake	1,111,761	\$21M	85
New Hanover	234,473	\$74k (staff)	1
Buncombe	261,191	\$3.5M	1.5



Goal Comparison

Orange County	5 year goal
New rental	500
Rental units (30% – 50 % of AMI)	250
Units serving homeless, persons with physical and or mental disabilities and seniors	250
TOTAL	1,000

Buncombe County	5 year goal
New units	629
Rehab	348
Rental Assistance	289
Supportive Services	1005
TOTAL	2,271

Durham County	5 year goal
New units	1,600
Preserved units	800
Units for first-time homebuyers	400
Rehab/remain in home	3,000
TOTAL	5,800
Housing for homeless	1,700

Wake County	1 year goal
Rental assistance	215
New units	50
Rehab	37
Acquisition of existing units	5
TOTAL	307



City of Asheville Land Use Incentive Grants (LUIG)



Statutory Authority – Effective July 1, 2021

- N.C. Gen. Stat. § 160D-1316 - To engage in and to appropriate and expend funds for residential housing construction, new or rehabilitated, for sale or rental to persons and families of low and moderate income.



Land Use Incentive Agreement

- Land Use Incentive Agreement (LUIG) – is a new program where the City of Asheville is using economic grants to incentivize developers into building affordable housing units for their residential development projects.
- The City will pay the developer the difference between the City property tax currently assessed at the time of the LUIG application and the City property taxes after the project has been fully developed (i.e. from the date of the release of all occupancy permits).
- The repayment period is from 1 to 20 years.
- The developer can receive a max of \$80,000 per affordable housing unit over the term of the program.



Qualifications

- Development must be two or more dwelling units for rent
- At least 20% of the units must meet the affordability standards set by the City
- Affordability units must be affordable for 20 years
- Development must be at least 70% residential
- Must be located to provided access to jobs, schools and services
- Project is awarded points based on a matrix. Every 5 points is a year of incentive.
- Development must be in the City



Determinations

- City must determine the financial feasibility of the City awarding any grant amount.
- Based on a matrix the City determines the number of points the project has scored. Every 5 points equals 1 year of incentive.
 - Affordability, term of affordability, rental assistance, location to transit stop, brownfield redevelopment, energy efficiency etc.
- Matrix is only a guide – City Council ultimately determines the projects score based on factors like the developments characteristics, potential benefits, potential detriments etc.
- LUIG is not an entitlement and the City is under no obligation to award the grant and reserves the right to deny any application at the City sole discretion.



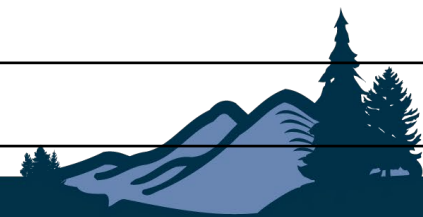
Awarding

- City Council awards the grant after a public hearing.
- Developer required to enter into a LUIG Agreement with the City.
- Developer is required to stay in compliance with the terms and conditions.



Schedule

Meeting Date	Discussion Topic
July 13, 1pm	Contextual Data - existing AH goals in Strategic Plan and Equity Plan; trends/draft dashboard
August 3, 1pm	Contextual data - What are other local governments doing?
August 17, 1pm	Contextual data – outside of NC; Policy Framework
September 7, 1pm	Policy Framework
September 21, 1pm	Goal Setting
October 5, 1pm	Funding Strategies
October 19, 1pm	Program review
Nov. 2, 1pm	Application review discussion
Nov 16, 1pm	Application review and budget/contract discussion
December 7, 1pm	Final application review



NEXT STEPS



ANNOUNCEMENTS



PUBLIC COMMENT



ADJOURN

