



Affordable Housing Committee

May 28, 2019 2:30 p.m.
200 College Street
Ground Floor Conference Room

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Agenda

- Call to Order & Welcome
- Buncombe County HOME Match Funding Options
- Homeward Bound Asheville-Buncombe House Project Overview
- AAHH Old Haywood Road Phase I Funding Request
- Affordable Housing Subcommittee FY 2020 AHSP Budget Recommendation
- Announcements
- Public Comment
- Adjourn

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Public Comment

Public Comment will be taken at the end of the meeting



Please Sign-in now on the Sign-In Sheet if you wish to make public comment

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HOME Awards FY 2019-2020

Funds Available: \$1,144,453

Funds Requested: \$2,786,000

BC Funds Awarded: \$312,092

BC Funds Requested: \$756,000

Total Projects Funded: 6

Total Projects Considered: 13

Agency	Project Type	Project	Requested	Final Award	Awarded (%)	Jurisdiction
Workforce Homestead, Inc.	Construction Multifamily Units	Jasper	\$ 400,000	\$ 312,092	78.02%	Buncombe (Swannanoa)
Mountain Housing Opportunities	Rehabilitation	Unsafe Home Replacement (Pilot)	\$ 156,000	\$ -	0.00%	Buncombe
Asheville Area Habitat for Humanity	Downpayment Assistance	Brevard Road	\$ 100,000	\$ -	0.00%	Buncombe
Vision Property LLC	Construction Rental Units	Renison Heights Tiny Rentals	\$ 80,000	\$ -	0.00%	Buncombe
Vision Property LLC	Construction Rental Units	Renison Heights Garage Apartment 1	\$ 20,000	\$ -	0.00%	Buncombe
Housing Authority of the City of	Tenant-Based Rental	Resident Mobility	\$ 75,000	\$ -	0.00%	Buncombe (Asheville)
Homeward Bound	Rehabilitation	296 Short Michigan PSH	\$ 330,000	\$ 89,153	27.02%	Asheville
Asheville Area Habitat for Humanity	Downpayment Assistance	Old Haywood Road Phase 1	\$ 300,000	\$ -	0.00%	Asheville
Homeward Bound	Tenant-Based Rental	HOME-Diversion	\$ 35,000	\$ 20,000	57.14%	Asheville
Housing Assistance Corporation (CHDO)	Construction Multifamily Units	Seven Pines Apartments	\$ 350,000	\$ 184,373	52.68%	Transylvania
Workforce Homestead, Inc.	Construction Multifamily Units	Falling Waters	\$ 350,000	\$ 283,595	81.03%	Brevard/ Transylvania
WDT Development	Construction Multifamily Units	The Village at Mills River	\$ 320,000	\$ 255,240	79.76%	Henderson
Henderson County Habitat for Humanity	Construction Single Family	Dodd Meadows Phase 6	\$ 270,000	\$ -	0.00%	Henderson
Total			\$ 2,786,000	\$ 1,144,453	41.08%	

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HOME Program Match Consideration

Buncombe County HOME Program Match Budget = \$123,214

- \$75,000 (FY 2020 Budget Request)
- \$48,214 (Prior Year Program Income & Unused HOME Program Match)

Match Can Be Applied to:

- Workforce Homestead, Inc. (Jasper)*
- MHO (Unsafe Home Replacement)
- AAHH (Brevard Road)
- Vision Property LLC (Renison Heights Tiny Rentals)
- Vision Property LLC (Renison Heights Garage Apartment 1)

*This project was awarded \$312,092 of \$400,000 requested HOME Program Funds.



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HOME Program Match Consideration

Prioritizing Match : Staff Recommended Criteria

- HOME Program Project (Full)
- HOME Program Project (Partial)
- Tax Credit Project (Pending Award)
- Multifamily Rental Construction Project
- Homeownership Construction Project
- Home Rehabilitation Project
- Project Not Eligible for AHSP Program Funds
- More than One (1) Project Type (Multifamily/Homeownership/Rehabilitation)



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HOME Program Match Consideration Option 1

\$87,908 to Workforce Homestead, Inc. Project; \$35,306 to AAHH Project

- HOME Program Project (Full) ✓
- HOME Program Project (Partial) ✓
- Tax Credit Project (Pending Award) ✓
- Multifamily Rental Construction Project ✓
- Homeownership Construction Project ✓
- Home Rehabilitation Project
- Project Not Eligible for AHSP Program Funds
- More than One (1) Project Type (Multifamily/Homeownership/Rehabilitation) ✓

Total Units Supported: 23



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HOME Program Match Consideration Option 2

\$19,214 to Workforce Homestead, Inc. Project; \$104,000 to MHO Project

- HOME Program Project (Full)
- HOME Program Project (Partial) ✓
- Tax Credit Project (Pending Award) ✓
- Multifamily Rental Construction Project ✓
- Homeownership Construction Project
- Home Rehabilitation Project ✓
- Project Not Eligible for AHSP Program Funds ✓
- More than One (1) Project Type (Multifamily/Homeownership/Rehabilitation) ✓

Total Units Supported: 7



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Asheville Buncombe House

May 28, 2019

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Homeward Bound

- 32-year history of serving people experiencing homelessness in Buncombe County
- Funded partner of Buncombe County via Behavioral Health contracts
- Transitioned from *managing* homelessness to *ending* homelessness in 2006, using the Housing First model
- Match level of housing service to level of housing need
- 2,038 people housed since 2006: 89% success



89% isn't good enough.

- Housing market tightening as population acuity increasing
- Needed new type of housing intervention for the 11%: generally evicted for visitors and damage
- Partnered with the Housing Authority and Buncombe County to create The Woodfin Apartments April 1, 2016



The Woodfin



18 units
(mix of efficiencies/1-BRs)

Model:

- Master lease: screen in/prevent eviction
- On-site case management
- 24/7 support staff/access control

Target population:

- Formerly chronically homeless people with multiple evictions in HB's programs
- People with highest barriers to housing stability: severe and persistent mental illness, substance use, chronic health conditions (e.g. HIV/AIDS, Hep C, TBI), significant criminal justice involvement, longest histories of homelessness



The Woodfin: Outcomes

100% housing retention rate:
0 returns to homelessness

- 26 clients served:
 - 4 deceased
 - 2 moved to long-term care
 - 1 moved out of area
 - 1 moved to scattered site unit
- 65% reduction in arrests
 - Decreases BCDF use
 - Change in Familiar Faces status



Building on The Woodfin's Success

- The Woodfin works: we need more.
 - About 3,000 unduplicated people homeless annually; 500+ on any given night
 - Most people self-resolve; some need assistance; about 200 are chronically homeless (homeless at least 12 months)
 - A subset of chronically homeless people need specialized supportive housing, like the Woodfin.
- We recognize that we need to be the solution for the highest needs' people in the community.
- Best practice: many other communities have had success with this kind of dedicated housing (e.g. Moore Place in Charlotte).



Vision: Asheville-Buncombe House

- 80 efficiency units
- 24/7 support staff/access control
- Permanently affordable
- On-site case management
- Near transit, groceries, and basic amenities
- On-site space for programming (e.g. health fairs, resident socials) and community partner space (e.g. ACTT, Steady Collective, healthcare services, SNAP)
- Person-centered services focused on harm reduction and housing stabilization

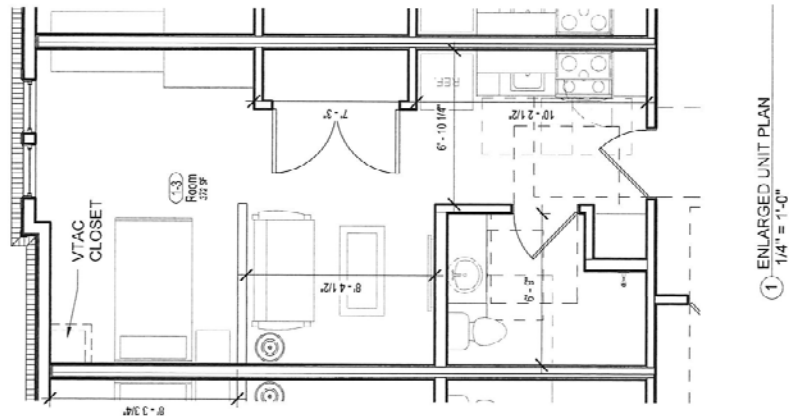


Target Population

- Chronically homeless individuals
- Most vulnerable/highest level of need
- Longest histories of homelessness
- Behavioral health diagnoses (severe and persistent mental illness, substance use)
- Critical physical health issues
- Extensive criminal justice involvement
- Primarily local residents with average of 13+ years in Buncombe County
- <30% AMI



Unit Design



Project Team

Housing Development Committee

- Brian Methvin, HB Board of Directors
- Vann Vogel, HB Board of Directors
- Angie Cullen, HB Board of Directors; Nest Realty
- Joel Storrow, McGill and Associates
- Henry Watts, Beverly Grant (retired)
- Erik Rowen, McKibbon Hospitality
- Greg Angelo, Randall Commercial Group

Rowhouse Architects

Staff

- Meredith Switzer, Executive Director
- Emily Ball, Senior Program Director



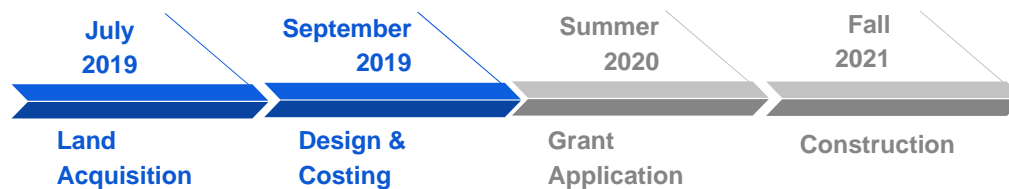
Potential Impact

- Significant cost savings across sectors: reduced criminal justice involvement, decreased use of health and human services and emergency services
- Increased stock of permanently affordable housing targeting the lowest AMI with the most barriers to accessing and maintaining housing
- Stability and recovery for our community's most vulnerable residents
- This housing creates the possibility of ending chronic homelessness in Buncombe County



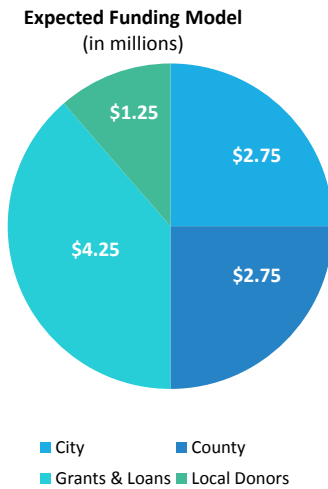
Status

- Currently evaluating multiple viable sites; expect to close on land purchase by mid-summer
- Site selection will enable us to complete the building design and develop a construction cost estimate.
- Grant applications can begin once building costs are defined and local government support secured.





Projected Cost



- Preliminary estimate: \$11M construction + \$500K maintenance endowment
- A funding model used in other communities is for local governments to fund approximately half of project costs. This level of support enables Homeward Bound to attract grants and low-interest financing from NCHFA, Federal Home Loan Bank, banks, federal HOME funds, and other sources.
- We will also conduct a private capital campaign and have already secured a signature capital commitment of \$500,000 from a local donor.
- Goal: minimal capital debt at occupancy
- Operations primarily funded by project-based Housing Choice Vouchers



Funding Request

- Projecting request of \$2.75M capital grant
- Projecting full construction and operating pro formas complete fall 2019
- Seeking commitment to the project now, with funding to begin in FY 20-21 which strengthens our grant applications to NCHFA, FHLB, HUD, and corporate foundations

Old Haywood Road Neighborhood Loan Terms

Old Haywood Road Neighborhood Phase I Loan Term Considerations

Terms	FY 2019 AHSP Contract	FY 2020 Pending Request	Combined FY 2019 AHSP Contract + Pending Request	AHSP Standard
Interest Rate	2.00%	2.00%	2.00%	2.00%
Repayment Period (Years)	4	5	5	5
Disbursement Schedule (FY)	2019	2020	2019-2020	
Units Supported	24	38	38	
Construction Loan	\$ 160,800	\$ 766,656	\$ 927,456	
Construction Loan Per Unit (Average)	\$ 6,700	\$ 20,175	\$ 24,407	\$25,000 Maximum
Downpayment Assistance Loan	\$ 79,200	\$ 633,344	\$ 712,544	
Downpayment Assistance Per Unit (Average)	\$ 3,300	\$ 16,667	\$ 18,751	\$20,000 Maximum
Total Loan	\$ 240,000	\$ 1,400,000	\$ 1,640,000	
Annual Repayment (Average)	\$ 41,455	\$ 163,015	\$ 196,179	
Principal Repayment (Total)	\$ 160,800	\$ 766,656	\$ 927,456	
Estimated Interest Payments (Total)	\$ 5,019	\$ 48,420	\$ 53,439	
Total Repayment	\$ 165,819	\$ 815,076	\$ 980,895	
Program Income Year 1	\$ 77,200	\$ 217,504	\$ 294,705	
Program Income Year 2	\$ 81,902	\$ 229,545	\$ 311,447	
Program Income Year 3	\$ 6,716	\$ 294,373	\$ 301,089	
Program Income Year 4	\$ -	\$ 73,653	\$ 73,653	
Program Income Year 5-30	\$ -	\$ -	\$ -	
Total Program Income	\$ 165,819	\$ 815,075	\$ 980,894	

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FY2019 Commitments: \$5,654,395

General Fund Budget	Budget	Budget
Affordable Housing Services Program	Planning & Development	\$488,145
Manufactured Home Removal Program	Planning & Development	\$49,250
HOME Matching Funds	Planning & Development	\$75,000
A Hope Day Center Program Support	Behavioral Health	\$130,000
Project Rebound Funds	Behavioral Health	\$50,000
City of Asheville Homeless Initiative Funds	Behavioral Health	\$32,000
Strategic Partnership Grant Funds (Housing)	Strategic Partnership Grants	\$180,000
		\$1,004,395
Prior Fund Balance Appropriation		Budget
MHO Eagle Market Street Grant	Special Programs Fund	\$2,000,000
Housing Authority/MHO Lee Walker Heights Grant	Special Programs Fund	\$2,500,000
		\$4,500,000
Program Income Re-investment in AHSP		Budget
Homeownership Unit Construction Loans/Downpayment Assistance Loans	Planning & Development	\$108,469
Rental Unit Construction Loans	Planning & Development	\$41,531
		\$150,000

FY2020 Commitments/Requests: \$3,812,000

General Fund Budget	Budget	Request
Affordable Housing Services Program (\$581,795 recurring, \$768,955 additional)	Planning & Development	\$1,350,750
Manufactured Home Removal Program	Planning & Development	\$49,250
HOME Matching Funds	Planning & Development	\$75,000
MHO East Haven Apartments Loan	Special Programs Fund	\$925,000
A Hope Day Center Program Support	Behavioral Health	\$130,000
Project Rebound Funds	Behavioral Health	\$50,000
City of Asheville Homeless Initiative Funds	Behavioral Health	\$32,000
		2,612,000
Prior Fund Balance Appropriation		Budget
Housing Authority/MHO Lee Walker Heights Grant	Special Programs Fund	\$1,200,000
		\$1,200,000
Program Income Re-investment in AHSP		Scheduled
Homeownership Unit Construction Loans/Downpayment Assistance Loans	Planning & Development	TBD
Rental Unit Construction Loans	Planning & Development	\$44,531
		\$44,531

Future Agenda Items



Announcements



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Public Comment



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Adjourn



Next Meeting:

