

Affordable Housing Committee
January 21, 2020, 11:00-12:00 pm
30 Valley Street

DRAFT MINUTES

Committee Members Present

Joe Belcher, Amanda Edwards, Brownie Newman

County Staff Present

Matthew Cable, Donna Cottrell, Cynthia Fox-Clark, Sybil Tate, Michael Frue, Jennifer Barnette, Don Warn

Discussion

- Commissioner Newman called the meeting to order.
- Commissioner Belcher motioned to approve the minutes from the January 7, 2020 meeting and Commissioner Edwards seconded the motion. The motion was approved.
- Matt Cable presented the New Business item under consideration. The FY2021 Affordable Housing Services Program budget includes the East Haven Apartment loan, the Behavioral Health Programs related to affordable housing (including Homeward Bound coordinated assessment AHOPE program support, Homeward Bound Project Rebound support, and the City of Asheville Homelessness Assistance), Lee Walker Heights Grant, HOME matching funds, and the Affordable Housing Services Program. Matt reviewed the encumbrances related to the East Haven Apartment loan and the Lee Walker Heights grant over time. Matt also reviewed the variation for FY2021, and the proposed request from the general fund.
- Commissioner Belcher would like to see the County grow its investment in affordable housing, and avoid situations where the County has to react and take more money out of the general fund.
- Discussion followed regarding how the goals for new production should be planned over the next five (5) years, and the funding need that would be required to make this happen should be based on a rate of inflation of 3-4%. It was suggested that the CPI index be considered for annual growth. Discussion was had regarding what the County can do to plan early for the larger projects. There was concern that there is equity throughout the County, with projects that make the most difference, and keeping in mind prior project awards. County owned property that could be used for affordable housing should be considered.
- Commissioner Edwards would like to see additional prior years' investments in affordable housing added to the presentation. Commissioner Newman would like to see total units produced for the funding levels, which would help in determining goals for future production, such as an annual goal of a 9% tax credit project that produces approximately 100 units, with additional smaller projects with production targets, as well.

Next Steps

- The Emergency Repair discussion has been moved to the February 4 meeting. Also, an update on information requested from today's meeting will be provided. Tentative dates for the Affordable Housing Committee Retreat will be provided.

Public Comment

- Andy Barnett with Asheville Habitat for Humanity provided comment. Andy appreciates the projection information focus for future years, and growing the total amount of investment. He recommends consideration of a Housing Trust Fund, or an allocated, sustained pool for funding each year that would provide more opportunity for prioritizing projects.
- Scott Dedman with Mountain Housing Opportunities shared his appreciation of today's discussion. Scott said that MHO would like to expand production from 100 to 150 households receiving for emergency/urban repair each year, because of the need represented on the waiting list. MHO indicated that for rental production, the index MHO uses is the number of households paying greater than 50% of their income for rent (7,400) in identifying need. Scott supports the annual goal of 100 units through the 9% tax credit program and would recommend we follow the Charlotte model, and make multiple commitments contingent on tax credit funding approval. He anticipates this would require \$2-3 million/year from local government. Pursuing a 4% tax credit project, similar to Lee Walker Heights, would require \$3 million each from the County and City each year. He would recommend that the County consider an index related to Buncombe County land values, with one penny/\$100 of tax value; subsequently growing the housing fund according to that tax base. This would have been \$3.8million/year last year.
- Justin Edge with Pisgah Legal Services spoke, and echoed the previous points. He appreciates that the County is projecting total amounts, and likes the idea of adding the innovative program line item in our AHSP application.

Meeting Materials

- Agenda
- January 7, 2020 Minutes
- Affordable Housing Services Program Activities Presentation