

CITY OF ASHEVILLE  
AND THE  
ASHEVILLE REGIONAL HOUSING CONSORTIUM  
CONSOLIDATED STRATEGIC HOUSING AND  
COMMUNITY DEVELOPMENT PLAN  
2005-2010

Submitted to the Citizens of Buncombe, Henderson, Madison  
and Transylvania Counties  
and the U.S. Department of Housing and Urban Development

April 26, 2005

Asheville City Council

Charles R. Worley, Mayor  
Carl Mumpower, Vice Mayor  
Terry M. Bellamy  
Jan Davis  
\*Dr. Joe Dunn  
\*Holly Jones  
\*Brownie Newman

\* Member of the Housing and  
Community Development Committee

Asheville Regional Housing Consortium

Holly Jones, City of Asheville (Chair)  
Mark Burrows, Transylvania County  
(Vice Chair)  
Cynthia Barcklow, Buncombe County  
Selena Coffey, Henderson County  
John Fouts, Madison County  
Mike Morgan, Town of Weaverville  
Ron Nalley, Town of Montreat  
Bob Ogden, Henderson County  
Eric Rufa, Town of Fletcher  
Bob Smith, Buncombe County  
Dan Scallon, City of Brevard  
Barbara Volk, City of Hendersonville  
Jason Young, Town of Woodfin

# TABLE OF CONTENTS

EXECUTIVE SUMMARY ..... 1

Summary of Recommended Priorities ..... 4

    A. Affordable Housing – by County..... 4

    B. Homelessness ..... 6

    C. Non-Housing Community Development ..... 6

Summary of Performance Targets.....7

    A. Affordable Housing .....7

    B. Homelessness .....7

    C. Non-Housing Community Development .....7

CHAPTER I – INTRODUCTION ..... 9

1 - Background and Purpose of the Strategic Plan ..... 9

    What is this Plan? ..... 9

    The Community Development Block Grant Program..... 9

    The HOME Program ..... 9

    Contents of the Plan.....10

2 - The Consolidated Planning Process .....11

    1. How We Approached it .....11

    2. Oversight – The Steering Committee.....11

    3. Citizen Participation – The Focus Groups.....11

    4. Contracted Work.....12

    5. Formal Consultation and Plan Approval .....12

    6. Monitoring and Reporting.....12

        1. The Consortium Area.....13

        2. The City of Asheville.....16

    More Information .....18

CHAPTER II - AFFORDABLE HOUSING

1 - Housing Needs Assessment and Market Study

    Introduction .....20

    Summary.....20

2 - Priority Housing Needs by Tenure and Income

    General population.....27

    Special Needs .....28

3 - Institutional Structure for Addressing Affordable Housing Needs

    Buncombe County .....29

    Henderson County .....29

    Madison County .....30

    Transylvania County.....30

4 - Public Housing Authorities

    Introduction .....31

    Housing Authority of the City of Asheville .....31

5 - Lead Based Paint Hazards

    Nature of the Hazards .....33

    Distribution of Lead Poisoning Risk for Low-Income Children.....33

    Incidence of Lead Poisoning .....34

Current Resources and Activities Addressing LBP Hazards ..... 34  
 Gaps in Services..... 35  
 Strategies to address Lead Based Paint Hazards..... 36  
 6 - Fair Housing  
     Local Ordinance ..... 37  
     Analysis of Impediments..... 37  
 7 - Priority Goals and Strategies for Action  
     Priorities and Strategies for Asheville and Buncombe County..... 38  
     Priorities and Strategies for Henderson County ..... 42  
     Priorities and Strategies for Madison County ..... 43  
     Priorities and Strategies for Transylvania County..... 45  
     Affordable Housing Production..... 47  
 8 - Performance Targets  
     Outcomes and Performance Measures..... 47  
 Appendix – Removal of Regulatory Barriers to Affordable Housing ..... 49  
     Attachment to Q.12 – Major Regulatory Reforms within past 5 years that Reduce Barriers  
     to Affordable Housing ..... 52  
  
 CHAPTER III – Homelessness ..... 53  
     1 - Introduction – A Change in Approach  
     2- The Asheville/Buncombe Continuum of Care  
         A. Prevention..... 55  
         B. Outreach..... 56  
         C. Supportive Services..... 57  
         D. Emergency Shelter – Existing Facilities ..... 59  
         E. Transitional Housing – Existing Facilities..... 60  
         F. Permanent Supportive Housing - Existing Facilities ..... 60  
         HUD Table 1A: Homeless and Special Needs Populations ..... 61  
         Continuum of Care Housing Gaps Analysis Chart ..... 61  
     3 - Ten-year plan to End Homelessness in Asheville and Buncombe County  
         Introduction ..... 62  
         Summary of Recommendations ..... 63  
         Short Term Targets for 2005-2006..... 65  
         Medium Term Target..... 65  
         Long Term Target ..... 65  
     5- Addressing Homelessness outside Buncombe County  
         Madison County ..... 66  
         Henderson County ..... 66  
         Transylvania County..... 67  
         Summary of Services Outside Buncombe County..... 67  
         Priorities and Targets for Addressing Homelessness Outside Buncombe County ..... 69  
  
 CHAPTER IV –NON-HOUSING COMMUNITY DEVELOPMENT  
     1 - Introduction ..... 69  
     2 - Public Facilities And Infrastructure..... 70  
         A. Streets & Sidewalks..... 71  
         B. Greenways..... 72  
         C. Water Services ..... 72  
         D. Sewer Services ..... 74  
         E. Transportation..... 74  
         F. Community Centers, Parks and Playgrounds ..... 74

3 - Public Services

- A. Assessing Needs ..... 79
- B. General Demographics..... 79
- C. Basic Subsistence and Individual/Family Support ..... 80
- D. Housing Support Services ..... 81
- E. Transportation..... 82
- F. Education and Child Welfare ..... 82
- G. Health and Mental Health Services ..... 83

4 - Economic Development And Training

- A. Overview ..... 85
- B. Employment Opportunities ..... 85
- C. Employment Training and Education..... 87
- D. Economic Development Incentives..... 88
- E. Blighted Commercial Areas ..... 89
- F. Brownfield Redevelopment ..... 89

5 - Institutional Structure For Addressing Non-Housing Needs..... 89

6 - Priority Non-Housing Goals and Strategies for Action ..... 90

7 - Non-Housing Performance Targets and Outcomes ..... 93

- Output Targets ..... 94
- Performance Measurement ..... 94

Appendix – HUD Table 2B

**APPENDICES:**

- A. List of Abbreviations Used..... 102
- B. Regulatory Citations..... 104
- C. Formal Consultation and Comments Received ..... 105
- D. Anti-Poverty Strategy ..... 108
- E. Selections and Monitoring of Subrecipient Agencies ..... 111
- F. Maps..... 115

## EXECUTIVE SUMMARY

### ***Introduction***

This document sets out a framework for using federal HOME funds in Buncombe, Henderson, Madison, and Transylvania counties and Community Development Block Grant (CDBG) funds in Asheville. It explores needs in three main areas where these funds can be used: Affordable Housing, Homelessness, and Non-Housing Community Development. In each area it sets out priorities for the use of funds, suggests funding and other strategies that can be pursued to bring about desired results, and establishes specific performance targets to be achieved over the next five years.

The Plan meets the regulatory requirements of the U.S. Department of Housing and Urban Development (HUD), which manages both the CDBG and HOME programs.

### ***Affordable Housing***

Input from citizens and elected bodies has repeatedly confirmed that affordable housing is the most important community development need in our area, and this is the primary focus of the Plan. Because housing is a local issue, citizens in each county suggested slightly different priorities. These will be used to develop project evaluation criteria that are specific to each county.

For at least the past 7 or 8 years, the Asheville metropolitan statistical area has had the unenviable distinction of having the most expensive housing of any MSA in North Carolina, even though median income is below the state figure and hourly wages are well below state averages. Our housing market is booming, with high demand at all price levels fuelled by people moving in from other areas, attracted by the high quality of life. But in this mountainous area, level sites for large new housing developments are hard to find, and land prices continue to escalate, along with the prices of new and existing homes.

Median house prices are about \$170,000 throughout the Consortium and rising every quarter. For comparison the maximum price a 3-person household at 80% of median income can afford is \$131,000 (assuming no existing debt and enough savings for a substantial downpayment). In this area that will buy only a very modest older single-family home, or a mobile home or condominium unit. Because of debt and flawed credit, most households at this income level can afford much less, putting homeownership effectively out of reach.

Conditions in the rental market are more complex. Rents are higher than state averages, but not so much so as house prices. Vacancies have increased somewhat from the very tight market prevailing around 1999. The household at 80% of median income should be able to find a decent apartment that they can afford to rent. The problem here is low wages. A 2-bedroom apartment at HUD's "Fair Market Rent" – if you can find one – is unaffordable for households earning less than \$11.54 an hour (this is significant because 29% of all Consortium area households earn less than this amount). To afford the average rent for a 2-bedroom apartment requires wages of over \$16 an hour.

For those earning close to minimum wage, the private rental market essentially offers nothing that is decent, safe and affordable, and the number of subsidized units is insufficient to meet needs by a large margin. As a result, about 11,000 renter households in the Consortium area are cost-

burdened, paying more than 30% of their gross income in rent and utilities. This is a national problem; there is not a single jurisdiction in the country where a person working full-time at minimum wage can afford to rent a two bedroom apartment.

Lack of affordable homeownership opportunities hampers families in their quest for stability and wealth-building. It is also a brake on economic development because existing employers cannot attract the best staff and new businesses are unwilling to move in if their employees face unaffordable housing. But, more significantly, the inability to rent a safe affordable home is a personal and family disaster for our working class.

The priorities for affordable housing in this plan lean heavily towards providing rental housing for working people with very low income, and for the elderly, disabled, and homeless. Strategies suggested to achieve this include not only targeting of subsidies but also removal of zoning and “NIMBY” barriers.

However, the homeownership sector is not left out. Citizen input revealed a growing awareness of the barriers created by debt and poor credit. Education for homeownership and the need for financial education starting in school were common themes. Our citizen focus groups suggested additional incentives for the private sector to build modest, energy-efficient starter homes.

We must pay special attention over the next five years to increasing the homeownership rate among minority populations. Between 1990 and 2000, the homeownership rate for African-Americans in the Consortium fell dramatically from 59% to 46%, while homeownership among Whites increased from 75% to 76%. It appears that the children of African-American homeowners have been less successful than their parents at achieving and maintaining homeownership. We need to work together in every community to reverse this trend – we cannot afford to add to existing social disparities by becoming a region of White homeowners and Black renters.

### ***Homelessness***

The problem of homelessness is growing in our communities. Within the Consortium, Asheville has the most visible homeless population, numbering over 600 on a given night. There is also an increasing awareness of homelessness as a largely invisible problem in the rural areas of the Consortium. The “Continuum of Care” approach adopted by HUD in the early 1990s has been effective in coordinating services for the homeless and helping people in temporary crisis get back into permanent housing, but it has become apparent that structured, goal-oriented programs are ineffective at helping chronically homeless people with multiple problems of mental illness and substance abuse. About 300 chronic homeless people in Asheville consume a disproportionate share of homeless shelter services, and also place heavy burdens on emergency medical services, police, courts, and jail. Costs documented for 37 chronic urban homeless in Asheville revealed an average annual cost of \$22,700 per person.

A new approach is needed. The City of Asheville and Buncombe County have adopted a 10-Year Plan to End Homelessness. Built on demonstration programs in New York and other major urban centers, the ‘Housing First/Housing Plus’ model directly addresses the seemingly intractable problem of the chronic homeless. In place of the structured, congregate programs of the “Continuum of Care”, these individuals are offered immediate, permanent housing with highly professional 24-hour support services available to them but demanding little in return. Repeated studies have shown that in these circumstances, at least 80% of formerly chronic homeless remain

in stable housing, and most show some progress in managing their disabilities and increasing their self-sufficiency. In return for housing subsidy and support services, demands on emergency services are enormously reduced.

The Homelessness chapter of this Plan describes both the Continuum of Care and the Plan to End Homelessness, which will work side by side. The primary target, mandated by HUD, is to reduce the number of chronic homeless by 50% - 50 people - by 2008.

### ***Non-Housing Community Development***

The CDBG funds available to the City of Asheville can be used for an enormously wide range of activities benefiting low-income people or eliminating urban blight, including public services, public facilities and infrastructure, housing rehabilitation, and economic development. The challenge for this Plan has been to develop from all these possibilities a coordinated and focused set of priorities that support our other housing and homelessness priorities. This approach necessarily omits many other issues that are important to the community.

The priorities and strategies recommended by the citizen focus group address the following issues:

- Supporting affordable housing
- Ending homelessness
- Improving public transportation
- Serving disadvantaged youth
- Helping people improve their financial well-being
- Creating jobs that pay a living wage
- Supporting small business development
- Job training & placement

---

## SUMMARY OF RECOMMENDED PRIORITIES

---

### **A. Affordable Housing – by County**

#### ***Buncombe County (including Asheville)***

1. Provide affordable rental housing, particularly for people earning near minimum wage
2. Help those with special needs - the homeless, the frail elderly, and people with disabilities
3. Make efficient use of available land and infrastructure and preserve farmland
4. Preserve existing housing stock and stabilize deteriorated neighborhoods through rehabilitation
5. Coordinate housing development with transportation, jobs, and services
6. Increase the affordable housing stock through new construction
7. Emphasize high quality, energy efficient, environmentally friendly, neighborhood-compatible designs
8. Help people succeed through support services coordinated with housing development
10. Build using local resources - maximize use of local contractors and locally made supplies
11. Promote homeownership
12. Preserve long-term affordability.

#### ***Henderson County***

1. Help those with the greatest needs – including the homeless, people with very low incomes, the frail elderly, and people with physical and/or mental disabilities
2. Coordinate housing development with transportation, jobs, and services
3. Raise community awareness of the need for affordable housing
4. Increase the affordable housing stock – invest in new construction
5. Make efficient use of available land and infrastructure – build to reasonably high densities and use infill lots
6. Preserve existing housing stock
7. Stabilize deteriorated neighborhoods – use housing rehab and new construction to counter neighborhood blight
8. Preserve long-term affordability - ensure that assisted units remain affordable beyond the minimum period required by grant rules
9. Promote homeownership – to stabilize neighborhoods and help low-income people build wealth
10. Promote mixed use/mixed income development – reduces subsidy requirements by mixing lower-priced units in the same development as higher priced rental or home-ownership units
11. Help beneficiaries succeed for the long term – education and support services enable renters

to retain their units and homeowners build equity in their homes

12. Emphasize high quality, energy efficient, neighborhood compatible designs.

***Madison County***

1. Help those with incomes less than 30 percent of the area median income
2. Increase affordable housing stock through modular/stick-built construction
3. Preserve existing housing stock through rehabilitation
4. Develop county-wide process to measure results
5. Help beneficiaries succeed through support services
6. Increase the affordable housing stock through new construction .

***Transylvania County***

1. Make efficient use of available land and infrastructure – building to reasonably high densities and using infill lots
2. Promote homeownership – to stabilize neighborhoods and help low-income people build wealth
3. Help the “working poor” – working families with household income below 80% AMI
4. Increase the affordable housing stock – by investing in new construction
5. Preserve existing housing stock – rehabilitation is cheaper than new construction if done in time, and preserves neighborhood character
6. Help those with special needs – the homeless, the frail elderly, and people with disabilities
7. Promote mixed use/mixed income development – reducing subsidy requirements by mixing lower-priced units in the same development as higher priced rental or home-ownership units
8. Stabilize deteriorated neighborhoods – use housing rehabilitation and new construction as tools to counter neighborhood blight
9. Preserve long-term affordability – ensure that assisted units remain affordable beyond the minimum period required by grant rules
10. Emphasize high quality, energy efficient, neighborhood-compatible designs.

## **B. Homelessness**

1. Continue to support the elements of the Continuum of Care and fill identified gaps in services for:
  - Prevention
  - Outreach
  - Supportive Services
  - Emergency Shelter
  - Transitional Housing
  - Permanent Supportive Housing.
2. Implement the five main elements of the 10-Year Plan to End Homelessness:
  - Leading the Way: Designation of a lead entity
  - Developing the Infrastructure: Homeless Management Information System (HMIS)
  - Closing the Front Door: Prevention
  - Opening the Back Door: Housing First
  - Keeping it Going: Housing Plus.

## **C. Non-Housing Community Development**

1. Develop living wage employment (>\$11, adjusted annually) and provide accessible job training and placement for such employment
2. Provide needed services that directly support affordable housing, public transportation, youth services, and increased employment opportunities
3. Provide infrastructure and neighborhood improvements to support affordable housing, multi-modal transportation, and economic development
4. Increase services to help low-income people improve their financial well-being, avoid predatory lending, and improve their credit for homeownership and business ownership
5. Support start-up and growth of small businesses
6. Support the 10-year plan to eradicate homelessness, including enhanced homelessness prevention.

## SUMMARY OF PERFORMANCE TARGETS

The following targets are for outputs of Activities directly assisted with CDBG or HOME funds, over the five year period of the Plan . For each *output*, specific measurable targets for *outcomes* have also been developed and are set out in the relevant Chapters.

### **A. Affordable Housing**

1. New construction for homeownership - 200 units
2. New construction (or conversion) for rental – 300 units
3. Rehabilitation or repair of owner-occupied units – 200 units
4. Rehabilitation of existing rental units - 75 units
5. Homeownership assistance only (“downpayment assistance”) – 50 units
6. Assistance with rent and/or relocation costs – 175 units.

Total units: 1000

### **B. Homelessness**

#### ***Short Term Targets for 2005-2006***

1. Identify the Lead Entity for implementing the 10-Year Plan
2. Implement the HMIS
3. Provide Housing First accommodation to 30 chronic homeless in Woodfin Apartments, Griffin Apartments, and Housing Authority apartments
4. Develop plan to identify or construct 70 additional units of permanent supportive housing each year.
5. Expand to two Homeless Assertive Community Treatment (ACT) Teams, adding substance abuse expertise.

#### ***Medium Term Target***

- Reduce (point-in-time) chronic homeless number to no more than 150 by 2008.

#### ***Long Term Target***

- Further reduce chronic homelessness to a minimal number by 2015.

### **C. Non-Housing Community Development**

For each *output*, specific measurable targets for *outcomes* have also been developed and are set out in Chapter 4

1. Water / Sewer Improvements - 5000 linear feet
2. Street / Sidewalk Improvements - 2000 linear feet
3. Transportation Accessibility - 4 bus shelters; 100 route signs
4. Financial, Housing and Family Support Services - 6,000 persons
5. Homeless Services - 7,500 persons
6. Youth Services - 400 persons
7. Micro-Enterprise Assistance/Job Training - 900 persons.

**Intentionally blank page**

# CHAPTER I – INTRODUCTION

## I - BACKGROUND AND PURPOSE OF THE STRATEGIC PLAN

### What is this Plan?

The City of Asheville receives annual entitlements of federal funds under two programs administered by the U.S. Department of Housing and Urban Development (HUD). They are the Community Development Block Grant program (CDBG) and the HOME Investment Partnerships Act Program (HOME). In fiscal year 2005-06, these programs will bring just under \$3,000,000 of federal funds into our area to provide affordable housing, economic opportunities and other benefits for low-income people in Asheville and surrounding counties.

Every five years, the City prepares a Consolidated Strategic Plan, with help from residents, other local governments, and interested groups. This sets out needs and priorities for housing and community development activities for the next five years, strategies to be pursued, and performance targets to be achieved through CDBG- and HOME-funded activities.

This document is the Consolidated Strategic Housing and Community Development Plan for the City of Asheville and the Asheville Regional Housing Consortium for the five year period: July 1, 2005 through June 30, 2010.

In addition, the City must prepare an annual Consolidated Action Plan that describes in detail how funds are to be used over the next 12 months. The Action Plan for 2005/2006 is being submitted simultaneously with this Strategic Plan, but under separate cover.

### The Community Development Block Grant Program

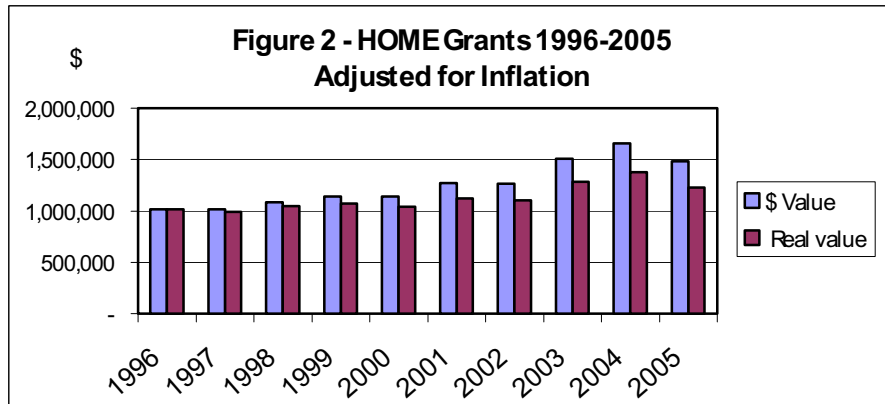
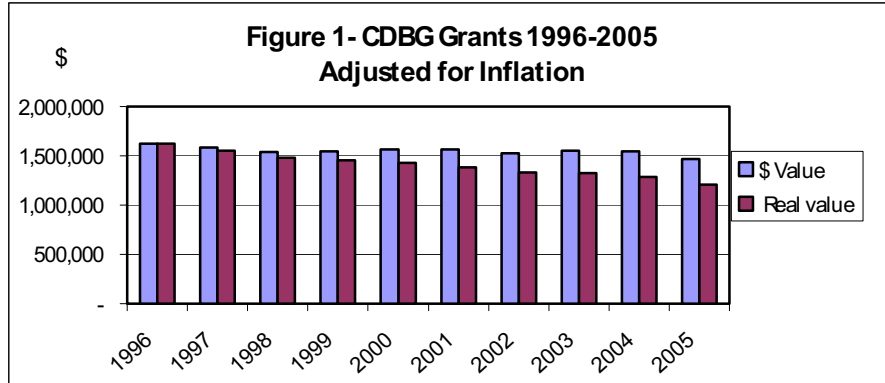
The CDBG program serves the City of Asheville only. CDBG funds can be used for a very wide range of activities that provide “decent housing and a suitable living environment and expanding economic opportunities”, but every CDBG-funded activity must either benefit low-income persons<sup>1</sup> or eliminate slum and blight. CDBG funding has decreased in absolute and real terms over the past 10 years. The \$1,465,512 that we will receive in CDBG funding for 2005-06 is worth, in real terms, only 75% of the grant received in 1996.

### The HOME Program

HOME funds serve a four-county area made up of Buncombe, Henderson, Madison, and Transylvania Counties. They can be used only to create or preserve affordable housing for low-income persons<sup>1</sup>. The program is managed by the City of Asheville, acting as Lead Agency under the direction of the Asheville Regional Housing Consortium. HOME funding increased steadily from 1997 to 2004, but then decreased by 11% to \$1,484,558 in 2005.

---

<sup>1</sup> For the purpose of this plan a “low-income person” is a member of a household whose income is less than 80% of area median income adjusted for family size; “very low income” refers to persons with income less than 50% of AMI; and “extremely low income” refers to persons with income less than 30% of AMI.



### Contents of the Plan

After an initial overview of community characteristics, the plan is divided into three main Chapters:

- Affordable Housing (including public housing)
- Homelessness
- Non-Housing Community Development, covering public facilities and infrastructure, public services, historic preservation, and economic development.

The first two of these chapters deal with the whole consortium area, while the third deals only with Asheville, since only CDBG funds can be used to address these needs and CDBG funds can only be used within the City of Asheville. Each chapter describes existing needs, determines priorities for action, lists proposed strategies, and sets performance targets.

The Appendices contain maps, some additional specific details required by HUD, comments received, the cost of the planning process, and a glossary of terms used in the plan. The Housing Needs Assessment is published as a separate companion document.

## **2 - THE CONSOLIDATED PLANNING PROCESS**

### **1. How We Approached it**

The Consolidated Strategic Plan is intended by HUD to be a community-wide process that shapes housing and community development processes into an effective and coordinated set of strategies. It creates an opportunity for citizens and government to review local community needs and assets in a comprehensive way, with linkages to the wider region, and to plan coordinated actions without duplication of efforts.

The planning process addressed the primary areas required by the HUD regulations: affordable housing (including public housing), homelessness, and non-housing community development, with the greatest emphasis on affordable housing. Within these areas, we attempted to bring in the widest possible range of community input. While HUD regulations require, at the minimum, a consultative process of providing information and seeking comments on the plan in draft form, the City has been at pains to go well beyond consultation and to call upon citizens to define the priorities – the core values – on which this plan is based, and to suggest the majority of the strategies for implementation.

Recognizing that the Consortium is composed of diverse communities with differing needs, key elements of the Affordable Housing component have been developed and are presented separately for each of the four counties comprising the Consortium. This is a distinct difference in approach from the 2000-2005 Plan.

### **2. Oversight – The Steering Committee**

Responsibility for preparing the Strategic Plan lies with the City of Asheville, as the Consortium’s “lead entity”. However, the Asheville Regional Housing Consortium Board acted as the Steering Committee, directing and overseeing the planning process. The Board consists of representatives of each member government within the Consortium and normally meets about six times a year, to oversee the use of HOME funds. Its work on the Strategic Plan started early in 2004 when it approved the outline for the planning process, the budget, and timeline. It oversaw and approved the selection of outside consultants, and received presentations on the progress and findings of the Housing Needs Assessment, and the citizen Focus Groups. Finally it reviewed and approved the draft Plan before submitting it to Asheville City Council for final approval.

### **3. Citizen Participation – The Focus Groups**

The most important elements in each section of the Plan are the priority needs and strategies. The priority needs will be used in allocating CDBG and HOME funds each year, by awarding points to funding applications according to how well they address the needs. The strategies set out steps for implementing the priorities over the five-year life of the Plan, through direct funding and in other ways. They are intended to be inclusive and non-binding; new strategies may be adopted as circumstances and opportunities develop and not all the strategies will necessarily be implemented.

The priorities and most of the strategies in this plan came directly from five citizen “focus groups”: a housing focus group in each of the four counties, and a non-housing community development focus group in Asheville. Each focus group met three times, once for information and orientation, once to establish and rank the priority needs, and once to brainstorm strategies.

The meetings were open to all who wished to participate and were extensively publicized, through newspaper advertisements, by direct mail, on city and county websites and e-newsletters, and on government cable channels. A total of 163 people took part in one or more of these 15 public meetings; the agencies they represented are listed in Appendix C.

#### **4. Contracted Work**

The work of preparing a Housing Needs Assessment and Market Analysis for 2005 was contracted out to Bay Area Economics. Their report is contained in a separate companion volume.

The Chapter on Homelessness is based on two existing plans – the 2004 Asheville Area Continuum of Care and the 10-year Plan to End Homelessness in Asheville and Buncombe County. Both these documents were prepared by a local non-profit agency, Pisgah Legal Services, which received CDBG and HOME planning grants.

#### **5. Formal Consultation and Plan Approval**

Details of the consultation process are set out in Appendix C. After the draft Plan was published on March 29, 2005, a final public hearing was held in front of Asheville City Council on April 12. The plan was then taken back to City Council for final approval on April 26, 2005.

#### **6. Monitoring and Reporting**

Each section of the Plan includes specific, measurable targets for both outputs and outcomes from our activities over the next five years. **Outputs** measure what we have done, e.g. “45 housing units rehabilitated or repaired”. **Outcomes** measure benefits to the community, e.g. “285 unit-years of extended housing life”. There will usually be other good outcomes which we cannot readily measure, e.g. improved health of children living in the home; elimination of blight encouraging more home improvements and increasing surrounding property values.

In addition to adopting targets for our Plan as a whole, we require every agency that receives HOME or CDBG funding to establish its own output and outcome measurements and targets.

Every year we will review and report on what has been achieved during the previous program year, which runs from July 1 to June 30. This report – the Consolidated Annual Performance and Evaluation Report (CAPER) – is available in draft form for comment in September each year, and published in October. The CAPER includes details of the year’s outputs and outcomes. There is a page of detail on each active project, maps showing the location of projects, financial data, and other program information.

The CAPER includes a self-evaluation section, in which we review progress towards meeting the five-year targets, discuss any weaknesses, barriers to progress, or new opportunities, and indicate how strategies may be changed as a result.

The City’s policy for selecting and monitoring agencies that receive CDBG and HOME funds is set out in Appendix E. A plan for monitoring specific programs is included in each year’s Consolidated Action Plan.

### 3 - COMMUNITY DESCRIPTION

#### 1. The Consortium Area

##### *Physical Characteristics*

Four western North Carolina counties comprise the Asheville Regional Housing Consortium area: Buncombe, Madison, Henderson, and Transylvania. The same counties make up the area of the Land of Sky Regional Council of Governments, or North Carolina Region B. The total land area is 1,867 square miles (1,187,904 acres).

The region is a river basin between the Blue Ridge and the Great Smoky Mountains, bounded by mountains 3000-6000 feet in height. The boundaries of the region closely follow the watershed boundaries of its main watercourse, the scenic and free-flowing French Broad River. Mountain ridges also form natural barriers throughout the region, defining individual communities.

##### *Local Government*

In addition to the four county governments, there are 15 incorporated municipalities within the Consortium. The City of Asheville is the principal urban center (2003 population estimate – 71,750<sup>1</sup>), followed by Hendersonville (11,674) and Brevard (6,748). Asheville, Hendersonville, and the corridor connecting them contain the majority of the region’s commercial, industrial, and public activities; the highest density of housing; the most developed transportation and utilities; and the highest concentrations of both low-income and minority residents. Brevard is the principal urban center and seat of government in Transylvania County, while Madison County has three towns of similar size: Marshall, the county seat, (843), Mars Hill (1,805), and Hot Springs (652). All four counties and 12 of the municipalities are members of the consortium.

##### *Population Trends*

The total population of the Consortium is 344,472. The Consortium’s population grew very strongly at 1.9% a year between 1990 and 2000, just slightly ahead of the state’s growth (1.8%) and well ahead of the national growth rate (1.3%). Henderson County had the greatest annual growth at 2.6%. Because of its natural beauty, mild four-season climate, cultural assets, and accessibility, the region is very attractive to people seeking to relocate. In particular it has seen a significant net inflow of people at or near retirement age in comfortable financial circumstances.

**Table 1: Population, 1980 - 2000**

Year	Consortium	Asheville	Buncombe County	Henderson County	Madison County	Transylvania County
1980	259,758	54,022	160,934	58,580	16,827	23,417
1990	286,579	61,607	174,821	69,285	16,953	25,520
2000	344,472	68,889	206,330	89,173	19,635	29,334

Source: US Census 1980, 1990, & 2000.

<sup>1</sup> Population estimates from North Carolina State Demographics - <http://demog.state.nc.us/>

Projection of future population growth is notoriously difficult. There is a distinct difference between the projections used in the Housing Needs Assessment, which are based on data provided by Claritas, Inc., a respected market information source, and the official projections of the NC State Data Center. Table A-5 of the HNA projects a much slower annual growth rate through 2009 of around 1% a year, while the NCSDC projects annual growth approaching 1.5%. In both projections Henderson County sees the most rapid growth.

### ***Composition by Race***

Minority populations in the Consortium area at the time of the 2000 census were less than 8% (less than 2% in Madison County), which is small compared with the state as a whole. Most of the minority population lived in a few census tracts in central Asheville and Hendersonville. The most numerous minority group in every county was African-American. Direct comparisons with the 1990 census are difficult because of changes in race classifications, but there do not appear to have been major changes in the racial minority populations.

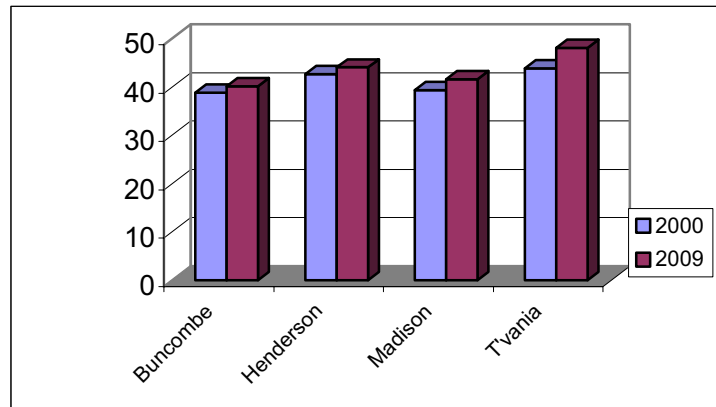
In contrast, the ethnically Hispanic or Latino population increased by 300 %, from 0.7% in the 1990 Census to 2.8% in 2000. Moreover, Census counts are believed to under-report the actual population because of undocumented immigration and distrust of government. More realistic estimates are contained in the Housing Needs Assessment.

### ***Age Trends***

According to NC State Data Center projections, the 25-44 age group showed the highest increase from 1990 to 2000, but will show the lowest increase from 2000 to 2009, as the baby boomers leave this group and move into the 55-64 age group, which will show the highest increase. A rapid increase in the oldest population, age 85 and above, can also be expected. These people have the greatest need for housing with supportive services. Median age is projected to increase in all counties over the same period, with Transylvania County showing both the highest median and the greatest increase.

**Table 2: Projected Age Distribution for the Consortium Area**

<b>Age Group</b>	<b>April 2000 Census</b>	<b>July 2004 Estimate</b>	<b>July 2009 Projection</b>	<b>Percent Change 2000-2009</b>
Under 18	73,823	76,340	81,231	10.0%
18-24	27,860	30,148	32,467	16.5%
25-44	95,734	96,022	98,728	3.1%
45-54	49,594	53,103	57,042	15.0%
55-64	36,932	44,030	51,988	40.8%
65-74	31,391	31,089	36,604	16.6%
75-84	21,724	22,685	23,075	6.2%
85 and over	7,414	8,416	10,141	36.8%
<b>Total</b>	<b>344,472</b>	<b>361,833</b>	<b>391,276</b>	<b>13.6%</b>

**Figure 3 – Median Age Projections**

Source Data: NC State Data Center

### ***Economic Conditions***

The region generally enjoys a buoyant economy with unemployment rates running well below the state and national averages. There are, however, distinct differences within the region. Most of the region's jobs lie in the "Regional Growth Corridor" which runs north-south through the middle of the region. With just 30% of the region's land area, the corridor contains approximately two-thirds of the region's population, and 77% of the jobs. Development elsewhere in the region is heavily restricted by steep terrain and large tracts of federally owned land (national forests and the Blue Ridge Parkway).

Buncombe and Henderson Counties both saw unemployment rates stay in the 2%-4% range in the early 2000's, peaking during the national recession in 2002. However, Transylvania County was hit by major manufacturing plant closures and its unemployment rate briefly exceeded 10% in 2003 and was still over 8% in the 3<sup>rd</sup> quarter of 2004. Madison County's unemployment runs a little higher than Buncombe County's, but the economy of the two counties is tied closely together, because more Madison County residents work in Buncombe County than in Madison County. Total employment in the region fell from a peak of 155,640 in 2000 to 153,263 in 2003, but recent indications are that it is starting to pick up again.

The region has followed the national trend of loss of jobs in the manufacturing sector and rapid growth in the educational, health, and social services sector. Construction jobs have also increased. Healthcare, tourism and the strong housing market have been the main engines for job growth.

### ***Incomes***

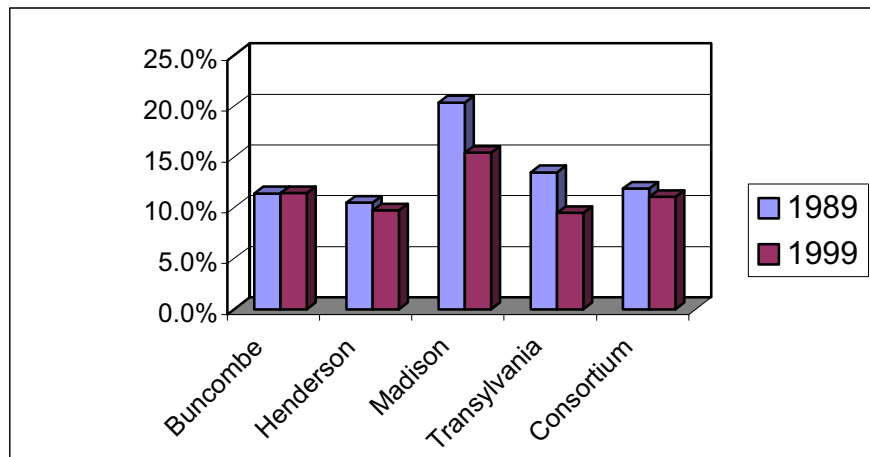
Local per capita and median household incomes grew faster than inflation for most of the decade from 1990 to 2000, but have since risen more slowly. Projections through 2009 show annual income growth of no more than 2%.

Wages and incomes continue to lag behind the state and nation. The average wage in the Asheville MSA is 22% below the national average, and 12% below the state. Per capita income is 13% below the national average and 4% below the state. A particular feature of local incomes is that non-earned income is increasingly replacing wages and salaries as the principal income source, possibly reflecting the large numbers of people living on retirement incomes. By 2002,

non-earned income was about 65% of total income in the Asheville MSA, compared with 45% nationally and 50% for the state<sup>1</sup>.

Incomes are not evenly distributed. In 1999 one person in nine (11%) in the region was living in poverty, a slight decrease from the proportion in 1989 (11.9%). The poverty rate in Buncombe County has remained almost unchanged, but significant decreases were seen in Madison and Transylvania counties. In the 2000 Strategic Plan we commented that: “In many ways Madison County stands out from the rest of the region as the poorest and least developed area. However, it seems likely that the extension of Interstate 26 through Madison County into Tennessee will cause a rapid development in the County”. This prediction is seen to be coming true, although incomes are still lower in Madison County than elsewhere in the region.

**Figure 4: Poverty Rates**



## 2. The City of Asheville

The City of Asheville is by far the largest city in the region and serves as the regional center for the 16 westernmost counties in North Carolina.

### *Physical Characteristics*

Asheville is situated in a gap in the Blue Ridge Mountains on a bluff above the confluence of the French Broad and Swannanoa Rivers. Its topography is rolling and deeply cut by numerous small ravines. A mountain ridge several hundred feet high forms a barrier just east of the central business district. Street connections within the City are often circuitous. The construction of the I-240 expressway around the north side of downtown in the 1960s enormously assisted traffic flows, but slashed through low-income residential neighborhoods, demolishing homes, severing pedestrian routes between neighborhoods and downtown, and permanently changing the character of the City.

The City has expanded by annexation, from its original circular core (4 miles across in 1882), into all the surrounding lowland areas, except the Biltmore Estate to the south. The southward march of commercial and residential development down Highways 25 (Hendersonville Road) and 191 (Brevard Road) has now almost encircled the Estate. Annexation continues in small, carefully planned steps, as the City increases its capacity to serve developed areas on its boundaries.

<sup>1</sup> Asheville Area Chamber of Commerce: 2004 Asheville Metro Economy Outlook

**History**

First incorporated in 1797 as a trading post, Asheville grew rapidly after the railway arrived in 1880. It became noted as a summer tourist center and year-round health resort. The construction of Biltmore House in the early 1890s was another stimulus to the local economy. This economic heyday continued until the 1929 financial crash. Asheville, which had made huge investments in municipal building and infrastructure in the 1920s, entered the great depression with the largest per capita municipal debt of any city in the nation, a legacy that dominated the City’s finances until the last pre-depression bond was paid off in 1976. The City still feels the consequences of neglect of infrastructure during those post-depression years but has benefited from the preservation of many downtown historic buildings that might otherwise have been demolished.

By the 1970s, the Central Business District and inner city neighborhoods were showing the consequences of neglect and middle class suburban flight that were common in cities across the nation. Through the use of Urban Renewal grants and other federal funding that was then relatively plentiful, the City’s Redevelopment Agency engaged in extensive redevelopment programs, buying property, demolishing dilapidated structures, building new streets and infrastructure, and selling hundreds of “dollar lots” to low-income families to build their own homes. This created a much less dense, more suburban, pattern of both commercial and housing development that was then considered desirable. It also led to relocation of many very low-income, mainly African American, families from the blighted areas to other neighborhoods, including public housing. Downtown redevelopment also started in the 1970s, and by the mid-1990s the combined effects of public and private re-investment had given Asheville’s downtown a national reputation for economic, social, and cultural vitality.

As a result Asheville now has no large blighted residential areas. Remaining patches of blight are being addressed through a series of small area plans. In some areas, such as the West-End/Clingman Avenue neighborhood, these plans have been very successful, in others, such as the South Pack Square commercial area, much less so. The key difference seems to be the extent to which local residents and other stakeholders are supportive or suspicious of plans and specific implementing proposals.

**Population**

Demographically, Asheville shows distinct differences from the surrounding rural and suburban areas of Buncombe County.

**Table 3: Population by race (2000 Census)**

County	Total	White	African-American	Asian	American Indian	Other	Hispanic (any race)
Asheville	68,889	53,701	12,129	635	240	2,184	2,589
Non-Asheville Buncombe County	137,441	130,059	3,296	733	563	2,789	3,141
Asheville - percent	100	78.0	17.6	0.9	0.3	3.2	3.8
Non-Asheville Buncombe - percent	100	94.6	2.4	0.5	0.4	2.0	2.3

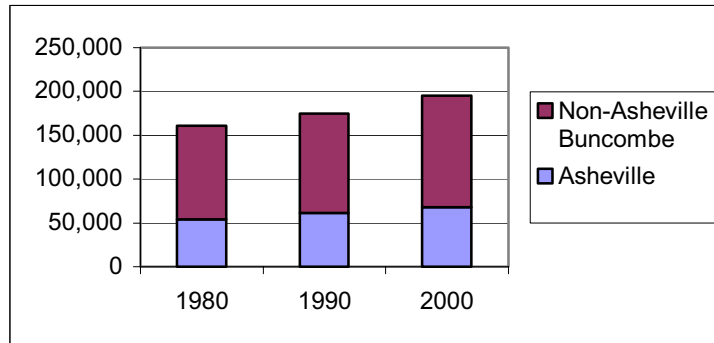
Asheville is not only the largest population center in the Consortium (indeed in Western North Carolina); to an even greater extent it is the center of African American population, with 63% of

the Consortium’s African Americans living in the City in 2000. That proportion is down from 68% in 1990; nonetheless it is still true to say that how African Americans fare in Asheville, in housing, education, and economic opportunity, is how they fare in the region.

**Population Growth**

Asheville’s population growth in the past 20 years has been largely the result of annexation. The population of inner city census tracts has actually declined in the same period, except for the Central Business District, where growth in the last 10 years can be attributed to the development of downtown condominiums for the middle class, and a much larger prison population and homeless population.

**Figure 4: Population growth in Asheville and Buncombe County**



Source: US Census

**Incomes**

Asheville has the greatest concentration of very low-income residents in Buncombe County, with a poverty rate of 15.5% compared with 9.4% in non-Asheville Buncombe. In eight of Asheville’s 24 significantly populated census tracts the majority of the population has less than 80% of area median income. Although the Housing Authority of the City of Asheville serves the whole of Buncombe County, all of its public housing units are located within Asheville, and so also are the majority of institutions that house low-income people such as homeless shelters and group homes. (An even more marked disparity between city and county exists between Hendersonville and Henderson County). One result is a much lower rate of homeownership in Asheville (and Hendersonville) than in the rest of the Consortium.

**Economic Conditions**

The economy of the City of Asheville is reviewed in the Chapter on Non-Housing Community Development.

**More Information**

More detailed information on demographics and other characteristics may be found in the 2005 Housing Needs Assessment.

Intentionally blank page

## CHAPTER II – AFFORDABLE HOUSING

### I - SUMMARY OF HOUSING NEEDS ASSESSMENT AND MARKET ANALYSIS

#### **Introduction**

The City of Asheville commissioned a Housing Needs Assessment and Market Study for the Consortium from a professional housing analyst, Bay Area Economics, Inc. The entire study forms a companion volume to this Plan. The Executive Summary is included below.

The Housing Needs Assessment provides a detailed and quantitative overview of housing demand and supply for the entire Consortium. It addresses the specific housing needs of low-income people, the elderly, racial and ethnic minorities, and people with special needs, and projects affordable housing needs for the next five years. A set of tables in the Appendix provides a wealth of supporting information.

To assist policy makers, residents, and others in every part of the Consortium, a separate set of data tables has been produced for each county within the Consortium, with an Executive Summary specific to that county. This data is available on the City of Asheville's web site or in printed form on request.

#### **Summary**

The Asheville Regional Housing Consortium area, consisting of Asheville and Buncombe, Henderson, Madison and Transylvania counties, has varied and significant housing problems. Most relate to housing affordability.

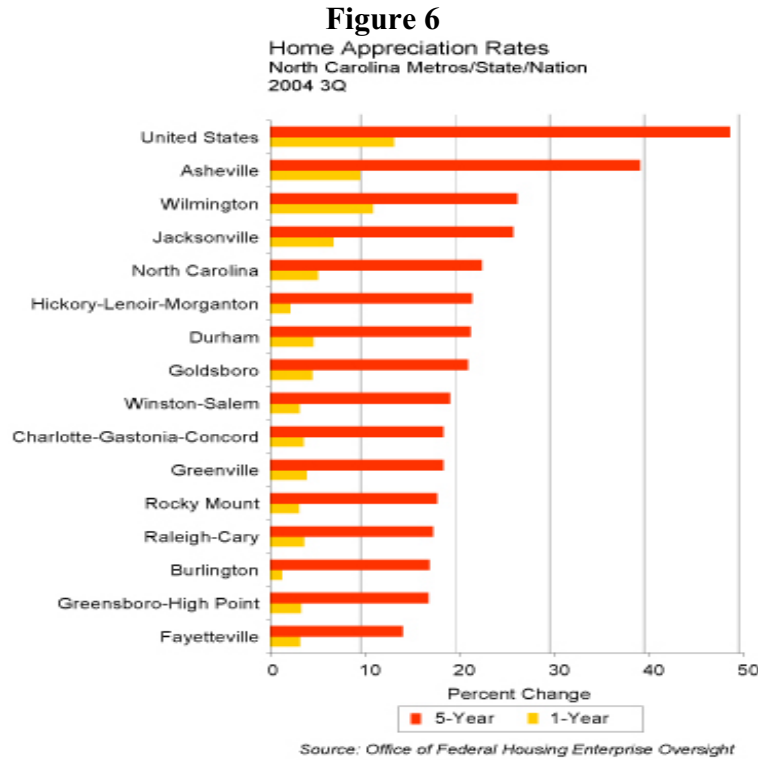
#### ***Economic Conditions***

The region enjoys a strong and growing economy with unemployment rates consistently below those of the state and the U.S. However, the nature of the economy is shifting with continuing losses in manufacturing jobs replaced by lower-paid jobs in service and other industries. The region's dependence on tourism and service jobs limits the incomes of many of its households, particularly those with a single earner. The region is a recognized tourism center and a retirement location of growing popularity. Five percent of the housing stock (8,334 units) is held as second homes for occasional use by residents of other regions.

#### ***House Prices***

The price competition from retirees and second-home buyers, coupled with the high land and construction costs related to the region's mountainous terrain, has led to high housing prices and rents. In fact, successive studies have demonstrated that the Asheville Metropolitan Statistical Area (Buncombe and Madison Counties) has the most expensive housing of any MSA in the

state, both in absolute terms and relative to median incomes<sup>2</sup>. House prices continue to increase more rapidly in the Asheville area than elsewhere in the state. Prices in Henderson and Transylvania counties are similarly high.



**Rents**

Rents in the Asheville MSA are also high relative to incomes, although not the highest in the state. Reflecting current rent levels, the U.S. Department of Housing and Urban Development (HUD) has established Fair Market Rents (FMRs) as follows for the Consortium area:

**Table 4: 2005 Fair Market Rents**

Unit Type	Asheville Metro Area*	Henderson County	Transylvania County
Efficiency	\$460	\$371	\$320
One Bedroom	\$537	\$457	\$445
Two Bedrooms	\$600	\$572	\$493
Three Bedrooms	\$816	\$754	\$622
Four Bedrooms	\$1054	\$838	\$656

\*Buncombe and Madison Counties

<sup>2</sup> National Association of Home Builders Housing Opportunity Index, 2002 & 2004; Coldwell Banker Housing price survey 2002.

**Table 5: Fair Market Rents by Metropolitan Statistical Area**

Location	Zero Bedroom FMR	One Bedroom FMR	Two Bedroom FMR	Three Bedroom FMR	Four Bedroom FMR
North Carolina	\$485	\$546	\$623	\$813	\$905
Raleigh--Durham--Chapel Hill	\$574	\$701	\$779	\$995	\$1,076
Charlotte--Gastonia--Rock Hill	\$597	\$647	\$719	\$913	\$1,000
Wilmington	\$496	\$553	\$673	\$951	\$979
Greensboro--Winston-Salem--High Point	\$501	\$558	\$627	\$834	\$902
<b>Asheville</b>	<b>\$460</b>	<b>\$537</b>	<b>\$600</b>	<b>\$816</b>	<b>\$1,054</b>
Fayetteville	\$476	\$509	\$574	\$820	\$965
Rocky Mount	\$366	\$441	\$562	\$698	\$719
Greenville	\$420	\$439	\$545	\$790	\$815
Jacksonville	\$432	\$463	\$520	\$730	\$857
Hickory--Morganton--Lenoir	\$427	\$449	\$516	\$662	\$771
Goldsboro	\$366	\$434	\$508	\$636	\$850

**Affordability Gap**

HUD defines housing as affordable if no more than 30% of the occupant’s income goes towards housing and utility costs. Affording the Asheville area FMR for a two-bedroom unit requires a wage of \$11.54 per hour for a single earner working 40 hours per week. Many important jobs pay much less than \$11.54 per hour, including:

<u>Occupation</u>	<u>Average Wage</u>
Cashiers	\$7.52
Home Health Aides	\$8.66
Nursing Aides	\$9.13
Pre-school Teachers	\$9.75
Security Guards	\$9.77
Pharmacy Technicians	\$10.12
Cooks, Restaurants	\$10.25
Office Clerks	\$11.05

A worker earning minimum wage would need to work 90 hours per week to afford that same two-bedroom unit. While many single persons and single parents work two or more jobs to be able to afford housing, most low-income households end up paying more than they can afford for housing.

HUD defines three categories of low-income households adjusted for household size:

- Extremely-low-income households with incomes equal to 30 percent or less of the Area Median Family Income (AMI)
- Very-low-income households with incomes of 31 to 50 percent of AMI
- Low-income households with incomes of 51 to 80 percent of AMI.

The tables below show what rent or house price a three-person family at the upper end of each income range can afford in the Asheville metro area, with no more than 30 percent of their gross income going towards housing costs. At \$170,000, the median sale price for a three-bedroom house is 30 percent above the maximum price a low-income household can afford, and more than double what a very-low-income household can afford.

**Table 6: Gap Between Market and Affordable Rents for a Three-Person Household**

	<b>Extremely-Low-Income Households</b>	<b>Very-Low-Income Households</b>	<b>Low-Income Households</b>
Maximum Income	\$13,400	\$22,400	\$35,800
Maximum Affordable Gross Rent	\$335	\$559	\$895
Fair Market Rent			
Two Bedrooms	\$600	\$600	\$600
Three Bedrooms	\$816	\$816	\$816
FMR as Percent of Maximum Affordable Rent			
Two Bedrooms	179%	107%	67%
Three Bedrooms	243%	146%	91%

**Table 7: Gap Between Market and Affordable Sales Prices for a Three-Person Household**

	<b>Extremely-Low-Income Households</b>	<b>Very-Low-Income Households</b>	<b>Low-Income Households</b>
Maximum Income	\$13,400	\$22,400	\$35,800
Maximum Housing Price*	\$48,927	\$81,606	\$130,715
Median Sale Price: Three Bedrooms	\$170,000	\$170,000	\$170,000
Median Sale Price as Percent of Maximum Affordable Price	347%	208%	130%

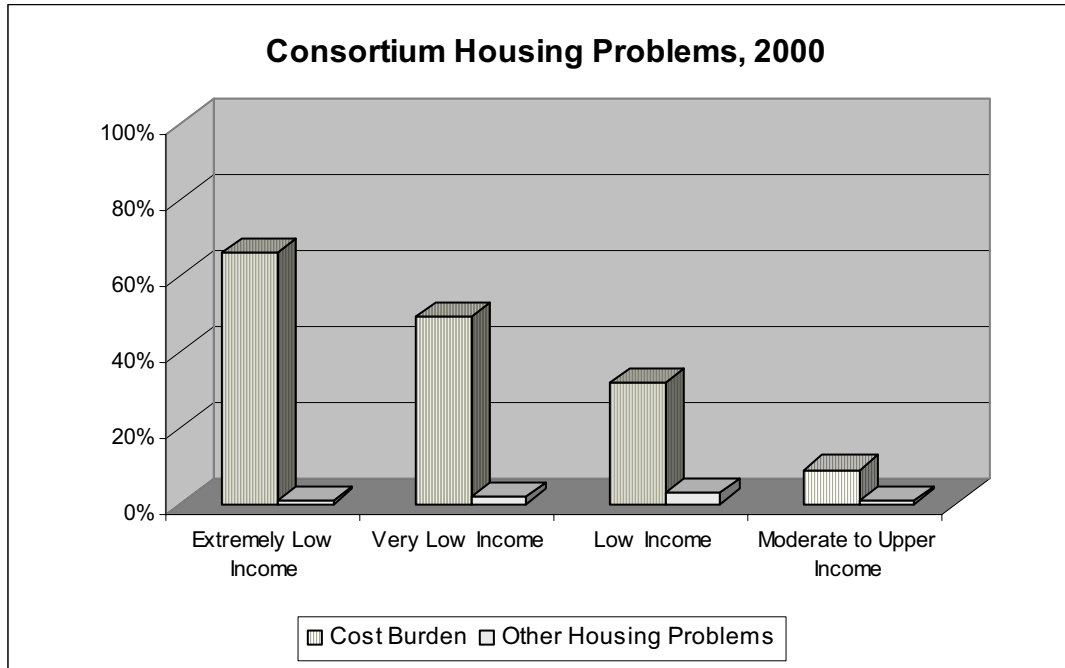
*\*Assumes a 10-percent downpayment, a 6.5-percent mortgage interest rate and a 0.25-percent private mortgage insurance premium.*

**Housing Problems**

The significant gap between market rent/price levels and affordable levels is also evidenced by “housing problem” data from the 2000 U.S. Census. As shown in HUD Table 1 on page 26, 67 percent of Consortium area’s extremely-low-income households reported housing problems, almost all with cost burdens of 30 percent or more. This includes 7,230 households (53 percent of the income group) with severe cost burdens, paying one-half or more of their income for housing. Other housing problems include overcrowding and units with physical defects, primarily lacking complete plumbing facilities. Though at a lesser rate than extremely-low-income households, 7,950 or 51 percent of very-low-income households had housing problems, including 23 percent with severe cost burdens. Thirty-five percent of low-income households had

housing problems, including 9 percent spending half or more of their income for housing. In general, renters have more housing problems than homeowners, but this is not always true in the extremely-low-income group. The above percentages for the Consortium area are almost identical to state trends for all income levels.

**Figure 7**



Source: *Comprehensive Housing Affordability Strategy Datebook; Bay Area Economics, 2004*

Defining the need for assisted housing based on housing problems and cost burdens would suggest a need for the following number of units at rents/prices affordable at the three income levels (where “unit” production may include new construction, rehabilitation, or financial assistance).

**Table 8: Unmet Need for Affordable Units**

	Extremely-Low-Income Households	Very-Low-Income Households	Low-Income Households	Total
<b>Rental Units:</b>				
For Households with Housing Problems	5,050	4,080	2,950	12,080
For Households with Severe Cost Burdens	4,060	1,530	250	5,840
<b>Owners:</b>				
For Households with Housing Problems	4,820	3,870	6,110	14,800
For Households with Severe Cost Burdens	3,190	2,030	2,090	7,310

***Minority Housing Needs***

Minorities in the Consortium region face significantly worse housing problems than White households. They are disproportionately represented in the lower-income categories compared with their share of the population. They also face cost burdens and other housing problems in disproportionate numbers. Furthermore, these problems have increased since 1990, relative to the majority White population. While the number of minority homeowners has shown a modest increase in the last 10 years, their homeownership rate has significantly decreased from 58.2 percent in 1990 to 44.9 percent in 2000.

***Special Needs Populations***

Beyond the general need for affordable housing, some populations have special needs for specialized housing and/or supportive services, focused on four groups:

- Elderly
- Frail elderly
- Persons with physical disabilities
- Persons with mental disabilities

The region's supply of assisted housing addresses these needs but falls short, leaving significant unmet needs for permanent supportive housing and housing accessible for disabled people.

***Barriers to Affordable Housing***

Among the barriers to addressing affordable housing needs in the Consortium area are:

- High land and construction costs related to topography and the limited supply of developable land;
- Lack of public water and sewer service to developable sites in the four counties;
- Lack of vacant developable land in the City of Asheville;
- The high per-unit cost of making rental housing affordable for extremely-low and very-low income groups, coupled with declining federal funding;
- Limited multi-family housing construction;
- Neighborhood opposition to higher-density housing; and
- Predatory lending

*For more detailed information on housing needs and market conditions in the Consortium as a whole and in each County separately, the full text of the Housing Needs Assessment with its accompanying tables and maps is available at the City of Asheville's Community Development Division, City Hall, PO Box 7148, Asheville NC 28801, tel: (828) 259-5821, or on the internet at [www.ashevillenc.gov/planning/strategic.htm](http://www.ashevillenc.gov/planning/strategic.htm)*



## 2 - PRIORITY HOUSING NEEDS BY TENURE AND INCOME

### General population

HUD Table 2A (below) summarizes, in a format required by HUD, the numbers of households within the Consortium area who have housing problems, and the priorities for CDBG or HOME assistance over the period of this Plan. **High (H)** priority indicates that we intend to allocate CDBG or HOME funds to address the housing needs of this category of households over the next five years, **medium (M)** priority indicates that funds may or may not be allocated, depending on availability, and **low (L)** priority indicates that it is unlikely that funds will be allocated specifically for this category. However the City will consider providing technical assistance and/or certifications of consistency with the Plan to support applications for other funding that address low priority categories. The data to support this table is in the Housing Needs Assessment, Table A-25, and the priorities developed by the focus groups in each county.

The targets are based on the numbers of units that can realistically be assisted with CDBG and HOME funds at their current (2004) levels, and assume continuing opportunities to leverage other funding sources such as Low Income Housing Tax Credits, HUD Homeless Supportive Housing Program, and the state Housing Trust Fund. **A significant reduction in any of these funding sources will cause output to fall below the target level.**

**HUD Table 2A: Priority Needs Summary Table**

Priority Housing Needs (households)		Income Level	Priority Level	Unmet Needs	Plan target for assisted units
<b>Renter Households</b>	<b>Small Related (2-4 persons)</b>	Extremely low income	H	1,874	125
		Very low income	H	1,344	55
		Low income	M	962	35
	<b>Large Related (&gt;4 persons)</b>	Extremely low income	H	261	20
		Very low income	H	341	15
		Low income	M	319	10
	<b>Elderly</b>	Extremely low income	H	1,071	75
		Very low income	H	704	30
		Low income	M	450	15
	<b>Other Households (non elderly single &amp; unrelated)</b>	Extremely low income	H	1,878	130
		Very low income	M	1,677	40
		Low income	L	1,204	0
<b>All Owner Households**</b>	Extremely low income	H	2,240	120	
	Very low income	H	2,350	220	
	Low income	H	4,761	110	
Total				21,436	1000

\* Extremely low income: 0-30% AMI; Very low income: 31%-50% AMI; Low income: 51%-80% AMI

\*\* Includes owner-occupied rehab and homeownership assistance.

### Special Needs

HUD Table 1B (below) provides estimates of the level and priority of needs for people with special housing needs (other than homelessness). Typically these residents need some level of long term support services as well as housing. Options include group homes, assisted living facilities, and conventional housing (rental or homeowner) which is constructed for physical accessibility and/or linked to services such as outpatient treatment or case management. A more detailed discussion of special needs can be found in the Housing Needs Assessment.

Because the data for the HUD Tables 1B and 2A are derived from different sources, there is considerable overlap between the two tables. People with special needs make up a significant part of the very low income (0-30% of median) population and are very likely to experience cost burdens, overcrowding, or substandard housing conditions in addition to their other needs. The target units in Table 1B are therefore also included in Table 2A.

Our target is that at least 20% of all assisted units will benefit people with special needs.

**HUD Table 1B: Special Needs (Non-Homeless) Population**

Special Needs Populations	Priority Needs Level (High, Medium, Low)	Estimated Unmet Needs	Cost to Address Unmet Needs*	Goals
Frail Elderly	H	450	\$27,000,000	80
Severe Mental Illness	H	260	\$16,000,000	40
Developmentally Disabled	M	650	\$39,000,000	10
Physically Disabled (not elderly)	H	2,000	\$10,000,000	60
Persons w/ Alcohol/ Other Drug Addictions	M	300	\$18,000,000	10
Persons w/ HIV/AIDS	M	140	\$11,000,000	0
Total		3,800	\$110,000,000	200

Source: US Census, 2000; Comprehensive Housing Affordability Strategy Databook, 2000; Claritas, Inc. 2000

\* Costs are based on a conservative estimate of \$60,000 per unit for construction of assisted rental units, except for physically disabled where cost is based on retrofitting existing units at \$5,000 per unit. Operation and support services not included in cost.

### 3 - INSTITUTIONAL STRUCTURE FOR ADDRESSING AFFORDABLE HOUSING NEEDS

Most areas within the Consortium are fortunate to have strong institutional structure in the field of affordable housing.

#### **Buncombe County**

Both the City of Asheville and the Buncombe County Commission have appropriated funds from their general revenues to create **Housing Trust Funds** to assist in the development of affordable housing. The City's fund was set up in 2000 and now has a total value of \$2,492,000. The County's fund began in 2004 with a \$300,000 appropriation and continued in 2005 with another \$300,000.

The County has several active and experienced local **non-profit housing developers**, including Mountain Housing Opportunities (MHO), Neighborhood Housing Services (NHS), Asheville Area Habitat for Humanity, and WNC Housing Inc. Within the past five years several other non-profits have become active developers: Our Next Generation, a small grass roots organization, is now developing HOME-assisted single family homes; First Step Farm and Flynn Christian Fellowship Home are expanding their group homes for recovering substance abusers; and National Church Residences, an Ohio-based non-profit with nationwide experience has acquired and renovated Battery Park Apartments and is now planning a similar acquisition of the Vanderbilt Apartments, thus preserving two key downtown apartment buildings for elderly people.

Buncombe County's non-profits have an enviable reputation for working together. Key to this cooperation is the work of the Affordable Housing Coalition of Asheville and Buncombe County (AHC). Founded in 1991 to promote permanent solutions to the housing crisis and increase access to services through collaboration and cooperation between service providers, AHC now has 8 member agencies and 7 community members. Member agencies include non-profit developers, housing providers, and supportive services. AHC coordinates members' activities, promotes affordable housing at city, county and state level, operates housing counseling and other direct services that promote stable housing and self-sufficiency, and provides housing assistance to victims of domestic violence.

**The Housing Authority of the City of Asheville (HACA)** serves the whole of Buncombe County, and in addition to operating its core public housing and voucher programs, has been active in acquiring and renovating older multifamily developments, including expiring Section 8 projects. HACA is currently working in partnership with Mountain Housing Opportunities and WNC Housing to renovate the Woodfin Apartments in downtown Asheville as permanent supportive housing for homeless people with special needs.

#### **Henderson County**

Three productive **non-profit housing agencies** are based in Henderson County: the Housing Assistance Corporation (HAC), Western Carolina Community Action (WCCA), which also operates Section 8 voucher programs for both Henderson and Transylvania Counties, and

Henderson County Habitat for Humanity. These agencies have significantly increased their capacity and production in the past five years. Additionally, concerned residents have recently formed an Affordable Housing Coalition for the county. The Town of Fletcher, which is experiencing some of the fastest growth in the Consortium, commissioned a separate Housing Needs Assessment in 2002.

### **Madison County**

Apart from its four public housing authorities, Madison County does not have a full-time non-profit housing organization. Volunteers with Madison County Habitat for Humanity have built 14 homes in the County, Community Action Opportunity of Buncombe-Madison offers a weatherization program, and some church groups provide emergency repairs. The County maintains an active housing rehabilitation program by contracting its administration to the Northwestern Regional Housing Authority based in Watauga County. The recently formed Community Housing Coalition of Madison County has actively promoted affordable housing programs. In 2002 it published a housing resource guide, and in 2003 commissioned a detailed Housing Needs Assessment for the County.

### **Transylvania County**

Transylvania County also has a shortage of non-profit housing development capacity. The Transylvania County Housing Development Corporation built a small number of units before becoming inactive in 2004. WCCA is currently building rental housing in Brevard and operating a small American Dream Downpayment Initiative (ADDI) program for Transylvania County. The Land of Sky Regional Council of Governments administers a state CDBG Revitalization Grant for the Rosenwald community in Brevard, partnering with NHS for the home-ownership component, and the County operates a scattered site CDBG Rehabilitation program using a for-profit consultant to administer the program.

## 4 - PUBLIC HOUSING AUTHORITIES

### Introduction

Within the Consortium area there are seven public housing authorities (PHAs) providing a total of 4470 units of affordable housing. The public housing units and Section 8 Housing Choice Vouchers managed by these PHAs are detailed in the Housing Needs Assessment (pages 9-10 and 17-18). All the PHAs are currently updating their own five-year plans and the final plans are not all available; most of them have yet to be approved by the PHAs' own Boards. We have concentrated on gathering information from and consulting with the Housing Authority of the City of Asheville (HACA), which is by far the largest, managing 2895 public housing units and vouchers – 65% of the units in the Consortium.

### Housing Authority of the City of Asheville

#### *Organizational Relationship*

The Housing Authority of the City of Asheville (HACA) is an independent entity, directly funded by HUD. The Mayor of the City of Asheville appoints its five Board members, but the City has no direct control over its funding or operations, nor are there any formal arrangements regarding hiring, contracting, procurement, or development. Nonetheless, there is a long history of cooperation and collaboration by the two bodies.

#### *Strategic Plan*

HACA's Strategic Plan for 2005-09 has not yet been completed. However, it has established its primary strategic goals. Over the next five years HACA will pursue the following:

1. Sustainability
  - a. **Seek additional funding sources**
  - b. Explore and implement methods of asset-building
  - c. Seek to build more "non-federal" dollars
  - d. Establish fiscal self-sufficiency
2. Quality of Life Issues
  - a. **Eliminate illegal drugs in public housing**
  - b. Streamline the selection process (moving people more rapidly from the top of the waiting list into housing)
  - c. Secure and increase funding for the Safety Team
  - d. Purchase and install security systems and surveillance cameras
  - e. **Reduce public housing density (through HOPE VI or similar program)**
  - f. Increase staffing where appropriate
3. More Effective Collaboration with the Community
  - a. Implement Memorandum of Agreement with the Dept. of Social Services for case management
  - b. **Explore educational opportunities, truancy, and drop-out problems with AB Tech, Children First, YWCA, Community Action Opportunities and other agencies**

- c. Enforce Compliance with HUD Community Service Requirements
  - d. Create an active Section 3 employment program**
  - e. Expand Homeownership efforts**
4. Optimize the Organization's Human Resources
    - a. Management Development
    - b. Employee Development through specific skills training and emphasis on customer service
    - c. Complete comparability study
    - d. Increase accountability
    - e. Increase performance
  5. Technology Needs
    - a. Provide easily accessible resident payment statements
    - b. Identify and fulfill computer needs agency-wide
    - c. Improve telephone system
    - d. Improve security and surveillance systems**
    - e. Establish protocols for file security and levels of entry on the main computer system

**Bold type** identifies the strategies in which the City expects to be most closely involved. Details of the City's involvement with HACA initiatives will be contained in the Annual Action Plans to reflect the changing nature of our involvement over time.

#### ***Capital Improvement Plan***

Over the next five years subject to the availability of funds, HACA's capital program priorities are to complete the comprehensive renovation of 154 units at Klondyke Homes and start comprehensive renovation of Livingston Heights (150 units).

From time to time HACA is faced with challenges not foreseen in the five-year planning process and must take emergency measures to insure the long-term sustainability of its housing stock. An example of this is the current necessity of re-roofing numerous buildings in the Erskine-Walton development and elsewhere that have endured a number of damaging storms over a short period of time. Such needs may delay renovations of previously planned projects beyond the period established in the five-year plan.

#### ***Resident Self Sufficiency Initiatives***

HACA is active in developing resident self sufficiency initiatives. It operates:

- Family Self Sufficiency programs for Section 8 voucher holders and for public housing residents, emphasizing employment readiness, education, and homeownership. Tools for FSS participants include:
  - A Housing Choice Voucher home-ownership program started in 2003, which has already helped four voucher-holder become homeowners
  - IDA savings accounts for homeownership, education, and other investments necessary for self-sufficiency. The State Dept. of Labor provides a 2:1 match
  - A revolving loan fund (in development) to provide small additional loans as gap-fillers for homebuyers.

- A Section 3 employment program (in development), which will place residents in jobs created by HACA contractors and other federally funded construction projects.
- A Resident Management Corporation – training Hillcrest residents in housing management; the organization is currently managing the Hillcrest development.
- A Resident Council, with which it contracts for lawn maintenance and moving services.

The City will continue to be involved in these initiatives, particularly the homeownership activities, which it is already supporting through ADDI and other programs, and the Section 3 program.

## 5 - LEAD BASED PAINT HAZARDS

### Nature of the Hazards

The hazard created by old lead-based paint (LBP) in homes occupied by young children continues to be a problem in our area. While the use of lead in paints for residential use was banned in 1978, homes built before this date may contain LBP. It is particularly common in homes built before 1950, especially on exterior siding and trim, porches, windows, doors, interior trim, and kitchen and bathroom walls. Surfaces painted with LBP are considered hazardous when the paint is peeling, chipping, or flaking, and when dust from friction on painted surfaces such as window sashes accumulates. Small children may be poisoned by ingesting or inhaling minute amounts of LBP. The risk becomes particularly acute when painted surfaces are disturbed by renovation or redecoration activities, which can put large quantities of lead dust into the air and on to surfaces in the home unless carried out using lead-safe work practices (LSWP).

Studies have shown that there is no safe blood lead level for young children; even low levels may cause developmental disabilities, particularly when associated with poor diet. **Lead poisoning from LBP is the #1 environmental disease among young children in the USA** (Centers for Disease Control). Because of multiple environmental and socio-economic factors, low-income and minority children are particularly at risk.

### Distribution of Lead Poisoning Risk for Low-Income Children

According to the 2000 census data, a total of 28,813 homes in the Consortium area were built before 1950 (about 18% of the housing stock) and can be assumed to contain at least some LBP. According to the 2000 census data, there were 9,873 children under the age of six in families earning up to twice poverty-income, which approximates roughly to 80% of area median income. In other words, there are approximately 9,900 low income children under the age of six in the Consortium. Equally distributing children among households, we estimate that 1,800 low income children under the age of six are living in homes built before 1950 and are therefore presumed to be at high risk of lead poisoning.

Map 12 in the Appendix shows the percentage of low income children at risk in each census tract in the Consortium.

### Incidence of Lead Poisoning

Children can be screened for lead with a simple finger-prick blood test. The state’s target is to test all children aged one and two every year. Information on the number of children in this target group actually screened for lead in each county in the four year period 2000-2003 is shown in the table below. An elevated blood lead level (EBL) is more than 10 micrograms of lead per deciliter (µg/dl).

Comparison with data recorded in the 2000-05 Plan shows that screening levels have increased over the past four years, although they still lag the state average. Madison County, where a shortage of private primary care facilities means that most children visit the County Health Center for immunizations, is the only county where the screening rate exceeds the state average. It is heartening that, Consortium-wide, EBL incidence appears to have fallen by more than 50% over the past five years, from 3.4% to 1.8% of those screened (see the equivalent table in the Strategic Plan for 2000-2005). **The highest rates of lead poisoning are still in Henderson and Madison Counties, where both are well above state average.** Buncombe County’s rate is below the state average, which is both surprising and gratifying, given the high level of risk factors present in Asheville’s older neighborhoods. In fact there appears to be little correlation in this area between the risk factors of age of housing and low income families and the actual incidence of poisoning. Other factors must be at work.

**Table 9: Incidence of Lead Poisoning in children aged 1 and 2 years for 2000 through 2003**

County	Target Population*	Number Screened	Percent Screened	Number EBL	Percent EBL (of those screened)
Buncombe	20,174	4,917	24.4	53	1.1
Henderson	8,449	2,147	25.4	61	2.8
Madison	1,775	758	42.7	28	3.7
Transylvania	2,225	623	28.0	7	1.1
Consortium	32,623	8,445	25.9	149	1.8
State	933,166	332,357	35.6	4,872	1.5

Source: Child Environmental Health Branch of the NC Dept. of Environment & Natural Resources

\* Target population for each year is the number of live births in the two preceding years

### Current Resources and Activities Addressing LBP Hazards

In Buncombe County, three separate organizations are currently involved in addressing LBP hazards as they impact children: the Buncombe County Health Center (BCHC), the North Carolina Department of Environment and Natural Resources (DENR), and the Lead Poisoning Prevention Program of the University of North Carolina at Asheville (LPPP).

**Buncombe County Health Center** offers free blood lead screening for children on a walk-in basis and for samples sent in by private medical providers. It also systematically screens all children covered by the WIC and Head Start programs and offers screening at community events. Its Environmental Health Division employs a Lead Coordinator who follows up children with Elevated Blood Lead (EBL) levels (above 10 micrograms per deciliter) to identify the source of

poisoning and to work with the family to mitigate the problem. A nurse is available for medical follow-up and the center's two Environmental Health Specialists are certified to carry out LBP risk assessments. However, In 2004, the Health Center scaled back its lead inspection program and returned its X-ray fluorescence (XRF) unit to the state.

The state **Department of the Environment and Natural Resources** (DENR) maintains a regional office in Asheville. The staff includes a certified Risk Assessor who has the skills and equipment to perform detailed assessments of the lead risks in a building, and works with county health departments in the region to identify the precise hazards in a home associated with an EBL child.

The **UNCA Lead Poisoning Prevention Program**, funded by grants from the Centers for Disease Control, employs a full-time Program Coordinator, part-time Lead Inspector/Assistant Coordinator, and part-time student assistant. The Program's goals are to increase awareness of lead hazards, increase the level of screening, and provide assistance to families of children with EBL levels that are measurable but below the threshold for state intervention. In 2002, the LPPP was able to purchase an XRF unit with a grant from the Sisters of Mercy Foundation, and is now able to test homes for LBP. It provides accurate testing services for CDBG- and HOME-funded rehab programs. The LPPP targets educational efforts to physicians and other health professionals and performs outreach in neighborhoods with older housing stock.

Additionally, the **City of Asheville** employs a Rehabilitation Inspector who is a certified risk assessor and ensures that all CDBG- and HOME-funded rehab activities are carried out using lead-safe work practices in compliance with HUD regulations, as well as participating actively in the Lead Hazard Task Force (see below).

**Outside Buncombe County**, resources are more limited. Madison County continues to have a high testing rate due to the activity of its Health Center. Efforts have been somewhat scaled back in Transylvania County and also in Henderson County because other environmental health issues such as mold have required increased attention. However all County Health Departments continue to offer blood tests for young children and have capacity to follow up EBL cases.

There has been a renewed interest in the **Lead Hazard Task Force** – a group with members from all county health departments, DENR, non-profit housing programs, Community Action Opportunities, and Children's Developmental Services. The Task Force is working to coordinate efforts aimed at reducing lead hazards. In the last four years Task Force members have trained more than 100 contractors, painters, and property managers in lead-safe work practices through a program at Asheville Buncombe Technical Community College.

The number of **private firms** in our area certified by the state to work on hazard abatement has increased from two to five over the past five years. Most individuals who are certified work for one of these firms or for one of the agencies listed above.

## Gaps in Services

Funding is needed for LBP abatement/interim controls hazard reduction. The implementation of new HUD regulations has placed a greater financial burden on landlords and low -income homeowners who participate in federally-funded housing rehabilitation programs.

There remains a shortage of contractors who are willing to undertake the training and work requirements necessary to perform hazard abatement work in accordance with HUD guidelines.

The vast majority of state-certified contractors are located in the central part of the state and only a few would consider working in the Consortium area.

Despite strong local concern about other environmental issues (e.g. indoor air quality, air pollution, pesticide contamination), the public continues to be generally unconcerned about LBP hazards. There is little demand for LBP abatement/interim controls except through federally-funded housing rehabilitation programs.

There is still no public mechanism for identifying hazards and enforcing hazard control, except after a child has been found to be poisoned. There are no provisions for LBP-inspection in any of the local housing codes and private physicians are not required to test children for blood lead level.

### **Strategies to address Lead Based Paint Hazards**

1. Provide grant assistance to households in housing rehabilitation programs to cover the cost of lead hazard reduction work.
2. Continue to support the efforts of the Lead Hazard Task Force to coordinate interagency programs and maximize the effectiveness of their hazard identification/reduction strategies.
3. Continue to provide training in lead-safe work practices through AB Tech in conjunction with the Lead Poisoning Prevention Program.
4. Local governments should use their building or housing code inspectors to draw attention to the hazards of LBP in pre-1978 homes and to distribute educational materials to owners and tenants.
5. Households and landlords participating in federally-funded housing rehabilitation programs should be enrolled in the state Preventative Maintenance Program.

## 6 - FAIR HOUSING

### **Local Ordinance**

In 1985 The City of Asheville became the first municipality in the nation to adopt a Fair Housing Ordinance that was substantially equivalent to federal and state Fair Housing legislation, and set up a local commission to enforce it. Buncombe County joined this initiative in 1990, creating the Asheville-Buncombe Fair Housing Commission. This Commission is supported by staff of the Asheville Buncombe Community Relations Council (ABCRC), which provides investigative and conciliation services, as well as handling complaints that do not meet federal criteria.

The City of Asheville receives an annual Fair Housing Assistance Program (FHAP) grant which is sub-granted in its entirety to ABCRC. In 2003-04 ABCRC investigated and resolved 11 fair housing complaints.

Outside Asheville-Buncombe, people with fair housing complaints must address them to the North Carolina Fair Housing Center in Raleigh or to HUD in Greensboro, or take private legal action.

### **Analysis of Impediments**

In 1997, the Consortium commissioned the North Carolina Fair Housing Center to carry out an Analysis of Impediments to Fair Housing Choice. An Implementation Plan, based on the twelve identified impediments and recommended actions, was incorporated into the Strategic Plan for 2000-05, and progress has been tracked annually in the CAPER.

In 2005, a new Analysis of Impediments was commissioned from Pisgah Legal Services. This was not completed in time to incorporate it into this plan. Approximately 60% of the work on the analysis has been completed to date. Input has been received from local housing providers, financial institutions, disability advocates, and the local FHAP agency. The analysis is scheduled to be completed in July 2005.

## 7 - PRIORITY GOALS AND STRATEGIES FOR ACTION

Throughout the Consortium, there is growing awareness of housing problems and interest in finding practical solutions. For example, In 2003, almost 200 people in Asheville and Buncombe County participated in an extended Community Dialogue on housing issues, attending several workshops over a four week period. Some of the strategies that emerged from that process are included below.

In developing this Strategic Plan, the Consortium Board recognized that, while housing affordability is an issue for the whole region, there are distinct local differences. **Accordingly, we invited Housing Focus Groups in each county to suggest their own local priorities for addressing affordable housing needs.** These priorities cover a wider variety of needs than those encompassed in the HUD Priority Tables. In FY 2006 onwards, we will use them in a direct and practical way to evaluate applications for HOME and CDBG funding for housing development. About 1/3 of the points available in the evaluation tool will be awarded according to how well the application addresses the local priorities, with the remaining points for project feasibility, leverage, and agency capacity.

The remaining part of this section lists, by county, the broad priorities and suggested strategies for action that emerged from the Housing Focus Groups. The priorities are ranked in the order of importance determined by each focus group; the strategies are not ranked and include items suggested by Asheville City and county staff as well as by the focus groups.

The following priorities and strategies for each County are the core of this Strategic Plan, so far as housing is concerned.

### Priorities and Strategies for Asheville and Buncombe County

Priorities (in ranked order)	Strategies (not ranked)
<p><b>1. Provide affordable rental housing, particularly for people earning near minimum wage</b></p>	<ul style="list-style-type: none"> <li>● Maximize use of federal and state Low Income Housing Tax Credit programs for M/F rental developments</li> <li>● Target expiring Section 8 projects for preservation</li> <li>● Continue to support non-profit developers who can provide housing for very low income people that the private sector cannot serve</li> <li>● Promote collaborative efforts among housing providers</li> <li>● Develop housing with community living space to economize on individual unit sizes</li> <li>● Build efficiencies and SRO-type accommodation for single working people</li> <li>● Provide transitional rental housing (some furnished) for families in crisis</li> </ul>
<p><b>2. Help those with special needs - the homeless, the frail elderly, and people with disabilities</b> (See chapter on Homelessness for specific</p>	<ul style="list-style-type: none"> <li>● Support developments that leverage s.811, s.202 and similar grant programs.</li> <li>● Improve public transportation and locate housing near necessary facilities</li> <li>● Develop housing with “cafeteria” support options to</li> </ul>

<p>Homelessness for specific strategies to address the needs of the homeless)</p>	<p>accommodate independent living</p> <ul style="list-style-type: none"> <li>● Incorporate walkable community concepts in new developments</li> <li>● Encourage interior and exterior accessibility for disabled occupants and “visitability” for guests in <u>all</u> housing (affordable and market rate)</li> <li>● Support “shared housing” – pairing elderly or disabled homeowners who have extra space in their homes with people needing housing</li> </ul>
<p><b>3. Make efficient use of available land and infrastructure and preserve farmland</b></p>	<ul style="list-style-type: none"> <li>● Revisit the UDO and re-evaluate zoning that effectively excludes affordable housing</li> <li>● Merge single-family and multi-family zoning districts into “residential” zoning districts, with appropriate design guidelines to protect neighborhood characteristics</li> <li>● Conduct residential land-use efficiency analysis, to compare the need for various housing types with available, appropriately zoned land</li> <li>● Encourage and support Planned Unit Developments, including redevelopment of older retail strips for mixed commercial and housing</li> <li>● Encourage and support community gardens and recreation space in place of large individual lots</li> <li>● Review regulatory barriers to conversion of existing structures into housing – comparing costs with actual benefits</li> </ul>
<p><b>4. Preserve existing housing stock and stabilize deteriorated neighborhoods through rehabilitation</b></p>	<ul style="list-style-type: none"> <li>● Teach homeowners how to maintain and repair their homes</li> <li>● Continue to support emergency repair programs</li> <li>● Continue to provide and increase awareness of housing rehabilitation programs</li> <li>● Develop cooperative housing programs</li> <li>● Develop organization, modeled on Habitat for Humanity, that uses volunteer efforts to rehabilitate housing</li> <li>● Re-instate periodic inspections of rental housing for compliance with minimum housing code</li> </ul>
<p><b>5. Coordinate housing development with transportation, jobs, and services</b></p>	<ul style="list-style-type: none"> <li>● Encourage higher density construction near transit, including “urban villages”, by providing incentives for projects that incorporate these concepts</li> <li>● Explore redevelopment potential of underutilized “grayfield” commercial sites</li> <li>● Encourage collaboration with transit, employment, and services agencies in planning stage of developments</li> <li>● Develop multi-modal transportation plan for Buncombe County, including possibility of expanded and subsidized public transportation services; explore “fare-free” model used in Chapel Hill</li> </ul>
<p><b>6. Increase the affordable housing stock through new construction</b></p>	<ul style="list-style-type: none"> <li>● Maintain fee rebate incentives</li> <li>● Continue to grow the Housing Trust Funds in Asheville and Buncombe Counties</li> <li>● Develop consortium of local lenders to provide construction</li> </ul>

	<p>financing for affordable housing developments</p> <ul style="list-style-type: none"> <li>● Continue and increase efforts to inform developers of existing incentives for affordable housing, and of zoning ordinances, subdivision regulations, and other government actions affecting the development process</li> <li>● Use City or federal funds for infrastructure improvements required for new affordable housing (e.g. sidewalks)</li> <li>● Expand range of “use by right” provisions in UDO to allow staff approval of affordable housing developments that clearly comply with regulations</li> <li>● Explore options for “inclusionary zoning”, requiring large developments to provide a proportion of affordable units in exchange for benefits such as density bonuses and “fast track” zoning and permit approval</li> <li>● Critically review building code regulations and infrastructure standards, weighing costs against actual benefits</li> <li>● Continue to work towards “one-stop” permitting</li> <li>● Foster diversity in affordable housing designs and choices</li> <li>● Encourage development of good quality manufactured housing that qualifies as real estate</li> <li>● Elected officials should adhere to their policies for encouraging affordable housing everywhere and stand up to NIMBY pressures</li> <li>● Educate people that small and affordable homes do not mean bad neighbors or downward pressure on housing values</li> <li>● Create program of neighborhood incentives to make changes resulting from residential development more acceptable</li> </ul>
<p><b>7. Emphasize high quality, energy efficient, environmentally friendly, neighborhood-compatible designs</b></p>	<ul style="list-style-type: none"> <li>● Maximize use of externally monitored construction standards such as System Vision™ and Energy Star™, and seek associated grant funding</li> <li>● Encourage other energy-efficient and “green” building techniques where they provide lower occupancy costs, e.g. passive solar design, energy-efficient appliances, tankless water heaters</li> <li>● Encourage use of recycled products and waste reduction strategies</li> <li>● Educate public on benefits of high quality manufactured, system-built, and modular housing</li> <li>● Apply Universal Design criteria for disabled accessibility and “visitability”</li> <li>● Apply clear design standards to ensure that new structures “fit” the surrounding community</li> <li>● Encourage site layout and landscaping to follow CPTED (Crime Prevention Through Environmental Design) principles</li> </ul>
<p><b>8. Help people succeed through support services coordinated with housing development</b></p>	<ul style="list-style-type: none"> <li>● Continue the Affordable Housing Fair piloted in October 2004</li> <li>● Continue supporting non-profit agencies in this field</li> <li>● Provide post-purchase counseling for new homeowners</li> <li>● Provide early interventions to prevent foreclosure through non-profit agencies and volunteer efforts</li> </ul>

	<ul style="list-style-type: none"> <li>● Develop program of free energy audits by volunteers, modeled on commercial programs</li> </ul>
<p><b>10. Build using local resources - maximize use of local contractors and locally made supplies</b></p>	<ul style="list-style-type: none"> <li>● Encourage use of local subcontractors</li> <li>● Offer education on building one’s own house</li> <li>● Use day labor services to provide opportunities for homeless and other unemployed workers</li> <li>● Encourage designs that incorporate local products, e.g. rock in place of brick, so long as affordability is not compromised</li> </ul>
<p><b>11. Promote homeownership</b></p>	<ul style="list-style-type: none"> <li>● Affirmatively market programs to minority homebuyers</li> <li>● Launch serious education campaign to prepare people for homeownership, including in-depth financial education and home maintenance;</li> <li>● Make financial education part of required high school curriculum.</li> <li>● Provide financial assistance to homebuyers in the form of downpayment assistance, mortgage interest rate buydowns, Individual Development Accounts, etc.</li> <li>● Encourage employer-assisted homeownership programs modeled on Mission Hospitals’ program</li> <li>● Promote apartment ownership through condominium or housing cooperative models</li> <li>● Support rent-to-own programs</li> <li>● Remove zoning barriers to allow higher density S/F housing with small square-footage, and M/F condominium development</li> <li>● Encourage clustered housing with common green space; pedestrian-friendly parking solutions; and transportation options (e.g. bikeways).</li> <li>● Encourage efficient construction methods, including system-built, modular, and high-quality manufactured homes</li> <li>● Encourage development of smaller starter homes</li> </ul>
<p><b>12. Preserve long-term affordability</b></p>	<ul style="list-style-type: none"> <li>● Support rental assistance programs</li> <li>● Use deed restrictions along with financial assistance, to provide for extended rent restrictions; right of first refusal on resale; and/or shared equity appreciation on resale</li> <li>● Create Community Land Trust to retain non-profit ownership of land when housing units are sold</li> </ul>

### Priorities and Strategies for Henderson County

Priorities (in ranked order)	Strategies (not ranked)
<p><b>1. Help those with the greatest needs</b> (Includes the homeless, people with very low incomes, the frail elderly, and people with physical and/or mental disabilities)</p>	<ul style="list-style-type: none"> <li>• Develop additional homeless programs and transitional housing</li> <li>• Develop a county-wide affordable housing plan (joint city-county)</li> <li>• Municipalities and county work together with non-profit agencies to try to solve affordable housing problems</li> <li>• City and county look at zoning maps to consider re-zoning property for affordable housing</li> <li>• Develop formal fair housing complaint procedure</li> <li>• Keep process of obtaining and retaining affordable housing as simple as possible in regards to contracts, payment process, report or repair of damage, consolidation of utilities, etc.</li> </ul>
<p><b>2. Coordinate housing development with transportation, jobs, and services</b></p>	<ul style="list-style-type: none"> <li>• Enlist more Municipality/County support of public transportation</li> <li>• Encourage affordable housing within Urban Service Area</li> <li>• Expand transit routes</li> <li>• Provide incentives for economic development and job creation in Urban Service Area</li> <li>• Adjust zoning and subdivision processes to facilitate affordable housing development</li> </ul>
<p><b>3. Raise community awareness of the need for affordable housing</b></p>	<ul style="list-style-type: none"> <li>• Raise awareness with politicians, community leaders, developers, business owners, banks, lending institutions, and others</li> <li>• Arrange tours of low-income housing to demonstrate need</li> <li>• Bring employers and business owners together to make affordable housing an issue</li> <li>• Locate grant money to fund programs to raise community awareness of the need for affordable housing</li> </ul>
<p><b>4. Increase the affordable housing stock</b> (Invest in new construction)</p>	<ul style="list-style-type: none"> <li>• Create directory of land available for new construction and property available for acquisition and rehab, close to jobs and/or transportation</li> <li>• Develop Housing Trust Fund in Henderson County, with low interest rates. This might possibly be accomplished by levying a real estate tax on every transaction</li> <li>• Require a certain percentage of a large multi-family development to be affordable. Offer incentives to developers to offset costs</li> <li>• Find housing development plans for affordable construction and high density</li> <li>• Provide incentives to encourage developers to build affordable housing, such as reduced permit fees</li> </ul>
<p><b>5. Make efficient use of available land and infrastructure</b> (Build to reasonably high densities and use infill lots)</p>	<ul style="list-style-type: none"> <li>• Offer density bonus for affordable housing</li> <li>• Increase density and create common open space for recreation</li> <li>• Encourage public and private cost sharing programs for infrastructure development</li> <li>• Municipalities and County work together to coordinate development with infrastructure, emphasizing affordable housing</li> <li>• Focus new water and sewer in Urban Service Area</li> <li>• Emphasize affordable housing in water and sewer planning</li> <li>• Work towards consistent zoning between City and County</li> <li>• Allow increased density for affordable housing where existing or</li> </ul>

	<p>planned infrastructure is adequate</p> <ul style="list-style-type: none"> <li>• Target State CDBG funds for expansion of public infrastructure. Areas of existing or planned affordable housing development should take highest priority, next to those of health and safety</li> </ul>
<b>6. Preserve existing housing stock</b>	<ul style="list-style-type: none"> <li>• Establish and enforce county-wide minimum housing code and encourage municipalities to participate</li> <li>• Increase community awareness of need and set up volunteer rehab program</li> <li>• Encourage and fund county-wide housing rehabilitation program</li> </ul>
<b>7. Stabilize deteriorated neighborhoods</b> (Use housing rehab and new construction to counter neighborhood blight)	<ul style="list-style-type: none"> <li>• Prioritize infill development</li> <li>• Review land use regulations and provide incentives that encourage rehabilitation and infill development</li> </ul>
<b>8. Preserve long-term affordability</b> (Ensure that assisted units remain affordable beyond the minimum period required by grant rules)	<ul style="list-style-type: none"> <li>• Preserve long-term affordability by using deed restrictions and/or covenants within development</li> <li>• Encourage buy-back programs</li> <li>• Develop equity sharing program</li> <li>• Develop maintenance assistance program</li> </ul>
<b>9. Promote homeownership</b> (Stabilizes neighborhoods and helps low-income people build wealth)	<ul style="list-style-type: none"> <li>• Provide education programs to prepare people for homeownership, with classes on budgeting and debt reduction, home maintenance, and energy conservation</li> <li>• Support the development of good quality manufactured housing</li> </ul>
<b>10. Promote mixed use/mixed income development</b> (Reduces subsidy requirements by mixing lower-priced units in the same development as higher priced rental or home-ownership units)	<ul style="list-style-type: none"> <li>• Revise County Zoning Ordinance to allow affordable housing in a variety of zoning districts, including mixed use</li> <li>• Encourage completion of long-term transportation plan for county, so that rights-of-way, set-backs, etc. may be established</li> <li>• Emphasize modes of transportation that increase the mobility of low income individuals in future plans and ordinances. Included issues should be pedestrian, transit, bicycle, etc.</li> </ul>
<b>11. Help beneficiaries succeed for the long term</b> (Support services help renters keep their units and homeowners build equity)	<ul style="list-style-type: none"> <li>• Require attendance at homeownership classes by all who receive homeownership assistance</li> <li>• Develop housing information center</li> <li>• Offer job readiness and retention programs</li> </ul>
<b>12. Emphasize high quality, energy efficient, neighborhood compatible designs</b>	<ul style="list-style-type: none"> <li>• Provide development incentives to developers to encourage these designs (waive permit fees, tax incentives, infrastructure provision, etc)</li> <li>• Require these features through land-use regulations</li> <li>• Ensure that affordable housing designs are internally efficient and work fruitfully with existing land use and infrastructure</li> </ul>

### Priorities and Strategies for Madison County

<b>Priorities (in ranked order)</b>	<b>Strategies (not ranked)</b>
<b>1. Help those with incomes less than 30 percent of the area median income</b>	<ul style="list-style-type: none"> <li>• Pursue maximum access to funding resources without restrictions to land ownership</li> <li>• Educate community citizens about housing programs</li> </ul>

	<ul style="list-style-type: none"> <li>• Verify applicant income</li> <li>• Streamline process to include agencies and organizations</li> <li>• Pursue grants in addition to loans</li> <li>• Pursue outreach efforts through DSS, schools, Fire Department</li> </ul>
<p><b>2. Increase affordable housing stock through modular/stick-built construction</b></p>	<ul style="list-style-type: none"> <li>• Educate citizens about the increased long-term equity in modular and stick-built homes</li> <li>• Partner with different groups</li> <li>• Educate citizens with large land holdings to use land value as collateral</li> <li>• Pursue private developers</li> <li>• Preserve long-term affordability</li> <li>• Make efficient use of available land and infrastructure</li> <li>• Incorporate high quality, energy efficient, neighborhood compatible design</li> </ul>
<p><b>3. Preserve existing housing stock through rehabilitation</b></p>	<ul style="list-style-type: none"> <li>• Educate community about various programs</li> <li>• Create some sort of clearinghouse for information</li> <li>• Pursue grants, not loans, to fund rehab activities</li> <li>• Find ways to increase rehab production</li> <li>• Pursue quality rehabs and quality contractors</li> </ul>
<p><b>4. Develop county-wide process to measure results</b></p>	<ul style="list-style-type: none"> <li>• Log in all requests and results</li> <li>• Follow-up on all referrals</li> <li>• Develop process for establishing priorities for assistance</li> <li>• See a need, not a name</li> <li>• Go to the need</li> <li>• Develop a quantifiable measurement standard</li> </ul>
<p><b>5. Help beneficiaries succeed through support services</b></p>	<ul style="list-style-type: none"> <li>• Provide education to citizens about available services</li> <li>• Develop credit counseling and education to help families prevent financial crises</li> </ul>
<p><b>6. Increase the affordable housing stock through new construction</b></p>	<ul style="list-style-type: none"> <li>• Pursue private developers</li> <li>• Emphasize the working poor</li> <li>• Make more accurate determination of what is affordable for Madison County</li> </ul>

### Priorities and Strategies for Transylvania County

Priorities (in ranked order)	Strategies (not ranked)
<p><b>1. Make efficient use of available land and infrastructure</b> – building to reasonably high densities and using infill lots</p>	<ul style="list-style-type: none"> <li>● Initiate zoning changes that will allow higher-density development for affordable housing</li> <li>● Extend city water and sewer to assist development in the county</li> <li>● Pursue infill development</li> <li>● Map out vacant lots in the city that are developable</li> </ul>
<p><b>2. Promote Homeownership</b> – to stabilize neighborhoods and help low-income people build wealth</p>	<ul style="list-style-type: none"> <li>● Provide incentives to developers to build lower cost housing (fee rebates; subsidies to offset cost of infrastructure)</li> <li>● Continue support for homebuyer education programs</li> <li>● Promote credit and financial counseling</li> <li>● Encourage the development of multi-family housing for sale (condominiums)</li> <li>● Continue WCCA’s IDA program; expand if possible</li> <li>● Provide post-homeownership counseling and foreclosure prevention counseling</li> </ul>
<p><b>3. Help the “working poor”</b> – working families with household income below 80% AMI</p>	<ul style="list-style-type: none"> <li>● Create a Transylvania Housing Partnership including WCCA, Habitat, an advocacy group, developers, bankers, etc. for affordable housing</li> <li>● Promote the development of jobs in Transylvania County that pay a “living wage”</li> <li>● Raise public awareness of the need for affordable housing</li> <li>● Join socialserve.com and promote awareness of this tool</li> <li>● Support homebuyer education and credit counseling</li> </ul>
<p><b>4. Increase the affordable housing stock</b> – by investing in new construction</p>	<ul style="list-style-type: none"> <li>● Create a local Housing Trust Fund</li> <li>● Make use of manufactured (HUD code) and modular homes (built to state code) for affordable housing</li> <li>● Local government to educate private developers better on existing housing and development programs</li> <li>● Encourage development of multi-family rental and condominiums</li> <li>● Provide incentives to developers to produce lower cost housing</li> </ul>
<p><b>5. Preserve existing housing stock</b> – rehabilitation is cheaper than new construction if done in time, and preserves neighborhood character</p>	<ul style="list-style-type: none"> <li>● Continue to apply for CDBG scattered site rehab</li> <li>● Apply for USDA Housing Preservation Grant</li> <li>● Enforce City of Brevard housing code</li> <li>● Develop and enforce minimum housing code in the county</li> <li>● Collect data from Asheville Housing Consortium on availability and adequacy of housing stock in Transylvania County</li> </ul>
<p><b>6. Help those with special needs</b> – the homeless, the frail elderly, and people with disabilities</p>	<ul style="list-style-type: none"> <li>● Encourage the development of accessible housing</li> <li>● Support existing transitional housing and provide new transitional housing in Transylvania County</li> <li>● Investigate “Home-sharing” for elderly persons and/or persons with disabilities</li> </ul>
<p><b>7. Promote mixed use/mixed income development</b> – reducing subsidy requirements by mixing lower-priced units in the</p>	<ul style="list-style-type: none"> <li>● Rewrite city and county development ordinances to facilitate the building, renovation, and restoration of affordable housing, including:                             <ul style="list-style-type: none"> <li>○ Reducing barriers to higher-density development</li> </ul> </li> </ul>

<p>same development as higher priced rental or home-ownership units.</p>	<ul style="list-style-type: none"> <li>o Encouraging development of multi-family rental and condominium housing</li> <li>o Removing barriers to building or converting structures for mixed use (housing and commercial)</li> </ul>
<p><b>8. Stabilize deteriorated neighborhoods</b> – use housing rehabilitation and new construction as tools to counter neighborhood blight.</p>	<ul style="list-style-type: none"> <li>● Strategies used for Priorities 4 &amp; 5 would work here also</li> <li>● Pursue revitalization grants and/or concentrated needs grants in eligible areas (similar to Rosenwald neighborhood)</li> </ul>
<p><b>9. Preserve long-term affordability</b> – ensure that assisted units remain affordable beyond the minimum period required by grant rules.</p>	<ul style="list-style-type: none"> <li>● Make use of deed restrictions</li> <li>● Recapture a share of equity appreciation when homes are resold to reinvest in new projects</li> <li>● Investigate the use of Community Land Trusts to retain non-profit ownership of land when housing units are sold</li> </ul>
<p><b>10. Emphasize high quality, energy efficient, neighborhood-compatible designs.</b></p>	<ul style="list-style-type: none"> <li>● Encourage the use of available rebates/grants for energy efficient upgrades (e.g. the NCHFA’s System Vision program)</li> <li>● Advocate for the use of tax credits for energy efficiency</li> </ul>
<p><b>11. Help beneficiaries succeed for the long term</b> – education and support services enable renters retain their units and homeowners build equity in their homes.</p>	<ul style="list-style-type: none"> <li>● Educate young people about financial management (especially in schools)</li> <li>● Continue and expand the financial management course at the Sharing House</li> <li>● Provide post-homeownership counseling / foreclosure prevention counseling</li> </ul>

## 8 - PERFORMANCE TARGETS

### Affordable Housing Production

The Asheville Regional Housing Consortium will endeavor to meet the following specific targets for **affordable housing production assisted with HOME or CDBG Entitlement funds** in the period 2005-2010. In setting these targets we have assumed that federal and state assistance will remain at approximately the level of FY 2004, after allowing for inflation. The targets are higher than those set in the previous plan, reflecting the increased number, experience, and capacity of our partner agencies. **Any reduction in HOME or CDBG funding will have a direct and damaging effect on our ability to serve the housing needs of low- income people in the Consortium.**

The production categories are intended to be mutually exclusive: for example, a family buying a newly-constructed assisted unit may also receive downpayment assistance, but will not be counted twice.

**Table 10: Production (Output) Targets 2000-2005**

Production Type	Annual Target	Five Year Target
New Construction for Homeownership	40	200
New Construction (or conversion) for Rental	60	300
Rehabilitation or repair of owner-occupied units (including acquisition/rehab/resale)	40	200
Rehabilitation of existing rental units	15	75
Homeownership assistance only (“downpayment assistance”)	10	50
Assistance with rent and/or relocation costs	35	175
<b>Total units</b>	<b>200</b>	<b>1000</b>

Although we hope that private sector production not assisted with federal funds will continue to play an important role in providing housing for low -income people (those with 50-80% of area median income and above), we do not think it appropriate to set specific targets for this production.

### Outcomes and Performance Measures

Producing units - program outputs - does not in itself ensure that we are addressing our needs. We plan to look more closely at measuring the outcomes of our activities – the direct effect our activities have on our intended beneficiaries. If we can achieve the unit production targets set out above for HOME- and CDBG-assisted programs in the Consortium area, we hope to produce the specific outcomes shown in the table on the next page, with appropriate performance measurements and annual targets.

**Table 11: Annual Affordable Housing Outcomes and Performance Measures**

Production Type	Unit Output	Outcomes	Performance Measures	Annual Targets	Notes
New Construction for Homeownership	40	<ol style="list-style-type: none"> <li>Permanent addition to housing stock</li> <li>LI and minority households achieve homeownership and build assets</li> </ol>	<ol style="list-style-type: none"> <li># of units</li> <li># of LI Homebuyers</li> <li># of LI Minority homebuyers</li> </ol>	<p>60</p> <p>40</p> <p>10</p>	<ol style="list-style-type: none"> <li>Includes other units in mixed income developments and units assisted with Trust Fund or fee rebates</li> </ol>
New construction for rent	60	<ol style="list-style-type: none"> <li>Permanent addition to rental housing stock</li> <li>Provides affordable housing for LI renters</li> </ol>	<ol style="list-style-type: none"> <li># of units</li> <li>Unit-years of affordability</li> </ol>	<p>60</p> <p>900</p>	<ol style="list-style-type: none"> <li>Assumes minimum of 15 years of affordability per unit, but will vary by project</li> </ol>
Owner-occupied rehab/repair	40	<ol style="list-style-type: none"> <li>Makes units safe and preserves them for LI homeowners</li> <li>Removes LBP hazards</li> </ol>	<ol style="list-style-type: none"> <li>Unit-years of extended housing life</li> <li>Units with LBP pass clearance test after rehab</li> </ol>	<p>275</p> <p>5</p>	<ol style="list-style-type: none"> <li>Assumes 15 years for substantial rehab; 2 years for emergency repairs.</li> </ol>
Rental rehabilitation	15	<ol style="list-style-type: none"> <li>Makes units safe and preserves them for LI renters</li> <li>Removes LBP hazards</li> </ol>	<ol style="list-style-type: none"> <li>Unit years of extended affordability</li> <li>Units with LBP pass clearance test after rehab</li> </ol>	<p>225</p> <p>5</p>	<ol style="list-style-type: none"> <li>Assumes minimum of 15 years of affordability per unit, but will vary by project</li> </ol>
Downpayment assistance only	10	<ol style="list-style-type: none"> <li>LI and minority households achieve homeownership and build assets</li> </ol>	<ol style="list-style-type: none"> <li># of LI Homebuyers</li> <li># of LI African American &amp; Latino homebuyers</li> </ol>	<p>10</p> <p>4</p>	
Rent or relocation assistance	35	Prevents homelessness	# of ELI & VLI renters obtaining safe, affordable housing	30	
Total	200				

## APPENDIX – REMOVAL OF REGULATORY BARRIERS TO AFFORDABLE HOUSING

This Appendix summarizes responses from Consortium Counties and Asheville to HUD’S Initiative on Removal of Barriers to Affordable Housing. The questions have been slightly abbreviated.

Barrier Questions	Buncombe		Henderson		Transylvania		Asheville	
	Barrier	No Barrier	Barrier	No Barrier	Barrier	No Barrier	Barrier	No Barrier
1. Does the jurisdiction’s comprehensive plan include a housing element?		X		X		X		X
2. Does the comprehensive plan provide estimates of current and anticipated housing needs, including low-, moderate-, and middle-income families, for at least the next five years?		X		X	X			X
3. Does zoning ordinance or other land use control conform to the comprehensive plan regarding housing needs by providing: (a) sufficient land use and density categories; (b) sufficient land zoned or mapped ‘‘as of right’’ in these categories, that can permit the building of affordable housing addressing the needs identified in the plan?		X		X		X		X
4. Does jurisdiction’s zoning ordinance set minimum building size requirements that exceed the local housing or health code or are otherwise not based on explicit health standards?	X			X		X		X
5. If jurisdiction has development impact fees, are the fees specified and calculated under local or state statutory criteria? If no, skip to question #7. If your jurisdiction does not have impact fees you may enter yes		X		X		X		X
6. If yes to question #5, does the statute provide criteria that set standards for the allowable type of capital investments that have a direct relationship between the fee and the development (nexus), and a method for fee calculation?		X		X		X		X
7. If jurisdiction has impact or other significant fees, does it provide waivers of these fees for affordable housing?		X		X		X		X
	Buncombe		Henderson		Transylvania		Asheville	
	Barrier	No	Barrier	No	Barrier	No	Barrier	No

8. Has the jurisdiction adopted specific building code language regarding housing rehabilitation that encourages such rehabilitation through graduated regulatory requirements applicable as different levels of work are performed in existing buildings?	X	Barrier	X	Barrier	X	Barrier	X	Barrier
9. Does the jurisdiction use a recent version (i.e. published within the last five years or, if no recent version has been published, the last version published) of one of the nationally recognized model building codes?		Barrier	X	Barrier	X	Barrier	X	Barrier
10. Does the jurisdiction's zoning ordinance or land use regulations permit manufactured (HUD-Code) housing "as of right" in all residential districts and zoning classifications in which similar site-built housing is permitted?	X	Barrier	X	Barrier	X	Barrier	X	Barrier
11. Within the past five years, has the jurisdiction officially convened or funded comprehensive studies, commissions, or hearings, or has the jurisdiction established a formal ongoing process, to review the rules, regulations, development standards, and processes of the jurisdiction to assess their impact on the supply of affordable housing?		Barrier	X	Barrier	X	Barrier	X	Barrier
12. Within the past five years, has the jurisdiction initiated major regulatory reforms either as a result of the above study or as a result of information identified in the barrier component of the jurisdiction's "HUD Consolidated Plan?" If yes, attach a brief list of these major regulatory reforms (see attachment).		Barrier	X	Barrier	X	Barrier	X	Barrier
13. Within the past five years has the jurisdiction modified infrastructure standards to significantly reduce the cost of housing?	X	Barrier	X	Barrier	X	Barrier	X	Barrier
14. Does the jurisdiction give "as-of-right" density bonuses as an incentive for any market rate residential development that includes a portion of affordable housing?	X	Barrier	X	Barrier	X	Barrier	X	Barrier

	Buncombe		Henderson		Transylvania		Asheville	
	Barrier	No Barrier	Barrier	No Barrier	Barrier	No Barrier	Barrier	No Barrier

15. Has the jurisdiction established a single, consolidated permit application process for housing development that includes building, zoning, engineering, environmental, and related permits?		X		X	X					X
16. Does the jurisdiction provide for “fast track” permitting for affordable housing projects?	X		X						X	
17. Has the jurisdiction established time limits for government review and approval or disapproval of development permits in which failure to act results in automatic approval?	X		X						X	
18. Does the jurisdiction allow “accessory apartments” either as: (a) a special exception or conditional use in all single-family residential zones, or (b) “as of right” in a majority of residential districts otherwise zoned for single-family housing?		X		X				X		X
19. Does the jurisdiction have an explicit policy that adjusts or waives existing parking requirements for all affordable housing developments?	X		X					X		X
20. Does the jurisdiction require affordable housing projects to undergo public review or special hearings when the project is otherwise in full compliance with the zoning ordinance and other development regulations?		X		X				X		X

## **Attachment to Q.12 – Major Regulatory Reforms within past 5 years that Reduce Barriers to Affordable Housing**

### **Buncombe County**

In 2004, Buncombe County created local Housing Trust Funds specifically to overcome the barrier of lack of local investment in affordable housing. The Trust Funds support the following programs:

- Low Interest loans for new construction of single-family and multi-family homes that are priced affordably (\$135,000 or less)
- Downpayment Assistance Programs
- Reduced permit fees for construction of affordable homes.

### **City of Asheville**

#### ***Creation of Housing Trust Fund (2000)***

In 2000 the City of Asheville created a local Housing Trust Funds specifically to overcome the barrier of lack of local public investment in affordable housing, and has annually appropriated additional funding to the Trust Fund.

#### ***Development Standards Bonuses (2003)***

Allows higher densities in all residential (RS, RM) zoning districts for projects that exhibit exceptional design or help achieve key City goals. Requires conditional use approval by City Council.

- RS - up to 125% density bonus, 150% for 20% or more affordable units
- RM - up to 150% density bonus, 200% for 20% or more affordable units

#### ***Duplexes in RS Districts (2003)***

Allows duplexes as a use of right in all single-family (RS) zoning districts, subject to certain conditions:

- 150' separation in RS-4/RS-8 districts, 300' in RS-2 district (measured along block face)
- minimum lot size greater than 90% of average lot size for the block
- parking located in rear and screened, with exceptions granted by P&D Director
- design requirements (height, roof pitch, set-back, orientation etc, related to existing buildings on the same block)

Duplexes not meeting these conditions, and triplexes, and quadraplexes are allowed subject to conditional use approval by City Council.

#### ***Group Homes in Residential Districts (2003)***

Allows group homes (residential home for persons needing sheltered living conditions for rehabilitation) as conditional uses in RS-8, RM-6, and RM-8 zoning districts and use of right in RM-16, UR, and UV districts, subject to certain conditions.

#### ***Residential Density Increase (2003)***

Small reductions in allowable lot sizes and consequent increase in allowable density in all residential zoning districts.

***Urban Residential District (2003)***

Intended to provide new development and redevelopment opportunities for urban-scaled residential structures located along significant transit corridors and/or in high growth areas.

- Allows high-density housing (32 units/acre) with limited mixture of other uses
- Building(s) located along streetfront
- 2-4 stories in height
- Parking to side or rear and reduced for transit/bike/pedestrian amenities
- Design standards

***Alternative to Public Hearing Process (2003)***

Optional substitution of neighborhood/developer meetings in place of formal Planning & Zoning Commission hearings (2003)

***Neighborhood Corridor District (2002)***

Intended to provide new development and redevelopment opportunities offering services to surrounding neighborhoods in the form of mixed-use structures that relate to the street. Intended to be located along connector corridors.

- Allows high-density housing (24 units/acre) and variety of office, service, and retail uses
- Building(s) located along street front
- 2-3 stories in height
- Parking to side or rear, and reduced for transit/bike/pedestrian amenities
- Design standards
- Additional size, height, and density incentives for certain uses/design

***High Density Urban Village District (2001)***

Allows unlimited housing density, lot sizes, and structure sizes for major (10 acres or more) developments that incorporate the defined characteristics of an “Urban Village”.

***Increased thresholds for “Level II” Review (2002)***

The maximum number of units in a multifamily development subject to “Level I” review (staff review only) was increased from 8 to 20. This reduced the number of developments requiring more extensive “Level II” review by the City’s Technical Review Committee.

***Amendments to the Technical Standards and Specifications (2001)***

Reduced the cost of providing infrastructure to support housing, including:

- Provision for valley curbing
- Reduced cul-de-sac radii
- Reduced right-of-way widths

***Flexible development standards (2001)***

Allows minor variances to parking, setback, lot size requirements to be made administratively.

***Conditional Use Zoning (2000)***

Allows zoning changes to be tailored to specific proposals to mitigate community objections.

---

## CHAPTER III – HOMELESSNESS

## I - INTRODUCTION – A CHANGE IN APPROACH

The Homeless Coalition of Asheville & Buncombe County estimates that **about 2,000 different individuals experience homelessness each year in Buncombe County**. About 300 of these (15%) are believed to be chronically homeless (i.e. homeless for over a year, or having had at least four episodes of homelessness in three years). However, point-in-time counts taken on one particular night typically show 600-700 homeless individuals in homeless shelters, transitional housing, or sleeping outside, of whom about **40% are chronically homeless**. These figures indicate that chronically homeless people use a disproportionate amount of resources because they are always present while others move into and out of homelessness within a few weeks or months.

This pattern exists across the nation. That is why the model for addressing homelessness is undergoing a major change at all levels of government.

In the existing model, services to the homeless are delivered through a “**Continuum of Care**”, a sequence of interventions from emergency shelter, through transitional housing with support services, to permanent independent housing. People move along the Continuum as they demonstrate readiness for the next stage (and as resources are available). This model works for the majority of homeless people, who become homeless through financial or other crises and are ready to accept help and comply with service plans in order to regain stable housing.

The Continuum of Care fails to help a substantial minority of the homeless who have a pattern of chronic homelessness with underlying mental health and/or substance abuse problems. These individuals are unable to demonstrate the cooperative, consistent, goal-oriented behaviors needed to progress through the Continuum. They remain homeless, living outdoors or seeking only emergency shelter, or they become homeless over and over again as they fail to meet the expectations of group homes, transitional housing providers, or family members.

The chronic homeless not only use up a disproportionate amount of resources for the homeless; they also place heavy burdens on other resources: police, courts, jail, and emergency medical services. We have documented that, over a three-year period, 37 chronically homeless individuals incurred a total of \$839,900 a year in criminal justice, medical, and emergency shelter costs - or \$22,700 a year each.

In response to the seemingly intractable problem of chronic homelessness, the City of Asheville and Buncombe County adopted, in January 2005, a new plan entitled: “**Looking Homeward: a 10-Year Plan to End Homelessness**”, with initial emphasis on eliminating chronic homelessness. In this Chapter of the Consolidated Plan we briefly describe both the Continuum of Care and the 10-Year Plan to End Homelessness, which will operate side by side.

## 2- THE ASHEVILLE/BUNCOMBE CONTINUUM OF CARE

The Continuum of Care (CoC) is a plan developed and annually updated by the Asheville-Buncombe Coalition for the Homeless, an unincorporated group of service providers who work together voluntarily and democratically to coordinate services to the homeless within Buncombe County. Pisgah Legal Services provides planning and resource development services to the Coalition. The CoC was last updated in July 2004. A summary of its main components is set out below.

The CoC demonstrates that by far the largest unmet need is for permanent supportive housing for single homeless people with disabilities. This need is also highlighted in the 10-year Plan. These two approaches are complementary, not inconsistent.

## A. Prevention

### *Services in place*

Homeless prevention is an essential element to our continuum of care system. The following services exist to help individuals and families avoid homelessness:

#### Income Support

- a. Work First is the state Welfare to Work program that assists needy families. As families move into work, and welfare regulations change, there remain many hard-to-place recipients with little or no work history and poor education.
- b. Social Security (SSI and SSDI) provides elderly and disabled persons with monthly stipends and survivor benefits to spouses with dependent children under 16.
- c. Food Stamps are provided to low-income households to meet nutritional needs. Food stamps reduce a family's need to choose between food and rent.
- d. Section 8 subsidies are provided to low-income clients who live in a subsidized unit (project based) or are awarded a Section 8 voucher (tenant based). A household receiving Section 8 pays no more than 30-40% of its total income toward rent and utilities.

#### Emergency Cash/Rent Assistance

Assistance is provided by several organizations including: ABCCM, the Department of Social Services, Affordable Housing Coalition, Hospitality House, Salvation Army, St. Vincent-DePaul Society, Eliada Homes, Inc., Flynn Homes, and Helpmate, Inc. These programs provide screening and case management to ensure that the needs are valid, and that the assistance will prevent homelessness.

#### Case Management/Financial Counseling/Education

## Continuum of Care Participants

### **Federal agencies:**

*VA Medical Center*

### **State agencies:**

*Buncombe Co. Dept. of Social Services*

### **Local government agencies:**

*Asheville Fire Department*

*Asheville Police Department*

*City of Asheville Community Development*

### **Public Housing Authorities:**

*Housing Authority of the City of Asheville*

### **Non-profit organizations:**

*Asheville Buncombe Community Christian Ministries*

*Adelaide's Group Home*

*Affordable Housing Coalition*

*Asheville-Buncombe Community Relations Council*

*Western Highlands LME*

*Eagle/Market Streets Development Corp.*

*Eliada Homes*

*Flynn Christian Homes*

*Helpmate*

*Hospitality House*

*Inn Exchange*

*Interlace*

*Life on Life's Terms*

*Mary Benson House*

*New Vistas*

*Oxford Houses*

*Our Next Generation*

*Pisgah Legal Services*

*Safe Haven for Men*

*Salvation Army*

*Trinity Place*

*Western Carolina Rescue Mission*

*WNC AIDS Project*

*WNC Community Health Services*

*YMCA*

*YWCA*

### **Business/Business Associations:**

*Asheville Downtown Association*

*Downtown Churches*

*Mountain Housing Opportunities*

*WNC Housing, Inc.*

### **Other:**

*Church of the Advocate*

These services are provided by the Affordable Housing Coalition, Consumer Credit Counseling Services, Western North Carolina AIDS Project, and Pisgah Legal Services to aid clients in budgeting and management of resources in order to avoid eviction, foreclosure, and homelessness.

Legal Services for Individuals and Families at Risk of Homelessness

Pisgah Legal Services provides eviction and foreclosure defense to low-income individuals and families.

Mediation for Landlord/Tenant Disputes

The Affordable Housing Coalition, Pisgah Legal Services, The Mediation Center, and Asheville-Buncombe Community Relations Council provide mediation services between landlords and tenants to help tenants avoid homelessness.

***Services planned***

The Affordable Housing Coalition operates a Home Share program which matches elderly homeowners or renters with others who are seeking housing, allowing renters to pay a lower rent and get full advantage of the rental and homeownership education classes offered by AHC as well as budget counseling by Consumer Credit Counseling Services, Inc.

***How persons access/receive assistance***

Individuals and families access resources either by self-referral or by referral from other agencies. The Department of Social Services works closely with agencies to facilitate referrals. Additionally, many agencies conduct outreach to educate low-income people and other agency staff about available services.

**B. Outreach**

***Services in place***

Outreach for Street Homeless:

Outreach to the homeless community is provided through an aggressive network of outreach workers in various agencies.

- Outreach workers from A HOPE and the New Vistas PATH Program contact and build relationships with **seriously mentally ill street homeless**, visiting campsites and other outdoor locations and specifically targeting those who may be wary of shelters. The A HOPE Safe Haven and Day Center has enabled significantly more contacts and referrals.
- Outreach to street homeless who suffer from **substance abuse** is provided by local rehabilitation centers and transitional housing programs, including Life on Life's Terms, Flynn Home, Mary Benson House, and the Western Carolina Rescue Mission. Both Mary Benson House and the Mountain Area Perinatal Substance Abuse Program reach out to homeless pregnant women who suffer from substance abuse. The Salvation Army actively refers to its treatment program in Charlotte, NC. The A HOPE Safe Haven reaches out to substance abusers and brings persons needing treatment to a local recovery program.
- Case managers from Trinity Place and Asheville Inn Exchange conduct regular on-the-street outreach to **transient and homeless youth**; meeting them on the street or in coffee shops and other local gathering places.

Outreach to other homeless persons:

- Our active VA Medical Center provides outreach to **veterans** through regular visits to emergency shelters and internally throughout its own hospital.

- For homeless people who have **HIV/AIDS**, extensive outreach and education is conducted by the Western North Carolina AIDS Project and Western North Carolina Community Health Services. Additionally, both agencies provide housing resources for persons who are homeless or need rental assistance. Medical services and HIV education and testing are offered regularly at the A HOPE Safe Haven and Outreach Center by Western North Carolina Community Health Services.
- For homeless who have been abused through **domestic violence**, Helpmate and Interlace conduct outreach and education through presentations to community groups and domestic violence trainings at many public agencies. Referrals are made by local law enforcement, the Asheville Police Department and the Buncombe County Sheriff's Department. Also, Helpmate and Interlace collaborate in reaching out to women who have been victims of domestic violence and would be appropriate applicants to the Interlace program.

### *Services planned*

- Plans are in place to renew the PATH grant to continue providing an outreach worker to work with the **chronic and street homeless** population. A HOPE is continuing to solicit information from residents to find campsites where many street homeless reside. Manna Food Bank has begun a sandwich program to provide food to homeless residing in campsites by the French Broad River.
- Caring for Children is planning a street outreach program and drop-in center for **runaway, homeless and street youth**. A HOPE Safe Haven and Day Center will continue building contacts within the Continuum in order to facilitate referrals to the numerous services A HOPE can offer. Helpmate has added a Spanish-speaking counselor in order to provide outreach and services to Spanish-speaking homeless victims of domestic violence.

## **C. Supportive Services**

### *Services in Place*

#### Case Management

Case management services are offered in-house at: ABCCM, Affordable Housing Coalition, Eliada Homes, Flynn Homes, Helpmate, Hope House, Hospitality House, Interlace, Life on Life's Terms, Mary Benson House, Our Place, Salvation Army, Shelter Plus Care, Trinity Place and Western Carolina Rescue Mission.

#### Life Skills Training

Life skills training is offered in-house at: ABCCM, Eliada Homes, Helpmate, Hope House, Hospitality House, Interlace, Life on Life's Terms, Mary Benson House, Salvation Army, Shelter Plus Care, and Trinity Place; training is linked off-site at Our Place.

#### Substance Abuse

Services are offered in-house at: Hope House, Life on Life's Terms, Martha Home, Mary Benson House, Shelter Plus Care, Trinity Place, Western Carolina Rescue Mission, and Department of Veterans Affairs Medical Center of Asheville. These services are linked off site to participants at: ABCCM, Eliada Homes, Flynn Home, Helpmate, Hospitality House, Interlace, Our Place, Oxford House, and Salvation Army.

#### Mental Health Care

Mental health treatment is offered in-house at: Hope House, Shelter Plus Care, Trinity Place, and Department of Veterans Affairs Medical Center of Asheville; services are linked off-site at: ABCCM, Flynn Home, Helpmate, Hospitality House, Interlace, Life on Life's Terms, and Our Place.

#### AIDS-related Treatment

WNC Community Health Services and the WNC AIDS Project provide health care, medication, counseling, housing services, and other related services for homeless persons suffering from HIV/AIDS. WNC Community Health Services also provides testing and services at the A HOPE Day Center.

#### Education

Agencies work to link clients with Asheville-Buncombe Technical Community College for GED classes as well as advanced technical training. Clients are also linked with Good Will Industries who provide job-training classes.

#### Employment Assistance

Job training is offered in-house at: ABCCM, Eagle/Market Streets Development Corporation, Eliada Homes, Hospitality House, Life on Life's Terms, Salvation Army, and Department of Veterans Affairs Medical Center of Asheville. Job Training is linked off-site at Helpmate and Interlace.

#### Child Care

Childcare services are offered in-house at: Eliada Homes, Helpmate, Martha Home, and Mary Benson House.

#### Transportation

Transportation services are offered in-house at: Eliada Homes, Hope House, Hospitality House, Our Place, Shelter Plus Care, Trinity Place, and Department of Veterans Affairs Medical Center. These services are linked off-site at Salvation Army. Transportation is offered in-house and linked off-site at: ABCCM, Helpmate, and Interlace.

#### Housing Assistance

Housing assistance in the form of housing counseling and emergency cash assistance is offered in-house at: ABCCM, Affordable Housing Coalition, Eliada Homes, Hope House, Hospitality House, Interlace, Life on Life's Terms, Salvation Army, Shelter Plus Care, and Department of Veterans Affairs Medical Center of Asheville.

#### Legal Services

Pisgah Legal Services provides civil legal assistance to help clients meet basic needs, e.g., representation to prove eligibility for subsidized housing or disability income, or to prevent homelessness resulting from domestic violence, eviction, or foreclosure.

#### ***Services planned***

- ABCCM's women and children's shelter will begin offering in-house mental health treatment
- ABCCM's men's shelter will begin offering substance abuse services in-house
- New Vistas has secured funding for a homeless ACT Team (Assertive Community Treatment Team) that will provide wrap-around services to homeless clients.

#### ***How homeless persons access/receive assistance***

Many supportive services are offered at shelters and other places where homeless persons reside. Outreach workers make a concerted effort to connect other homeless persons with needed

services, and each agency or service provider actively refers clients to other agencies. The A HOPE Day Center also provides a central location for homeless people to receive most services.

#### D. Emergency Shelter – Existing Facilities

Provider Name	Facility Name	Target Pop.		2004 Year-Round Beds		
		A	B	Family units	Family beds	Individual beds
Hospitality House	Calvary Shelter	SMF				14
Hospitality House	AHOPE Safe Haven	SMF				6
Hospitality House	Room in the Inn	SF				12
Salvation Army	Center of Hope	M			12	49
Helpmate	Helpmate Shelter	M	DV		16	
ABCCM	207 Coxe Avenue	SM	VET S			75
ABCCM	141 Hillside	M		7	17	26
WC Rescue Mission	Overnight Program	SM				43
Caring for Children	Trinity Place	YMF				6
		Subtotal		7	45	231

There are no new Emergency Shelter Units under development.

Legend: S = Single males (18 and older)      SF = Single females (18 and older)  
 SMF = Single males and females      FC = Families with children  
 YM = Young males (under 18)      YF = Young females (under 18)  
 YMF = Young males and females      M = More than one group served  
 DV = Domestic violence victims      VAT = Veterans  
 AIDS = Person with HIV/AIDS

### E. Transitional Housing – Existing Facilities

Provider Name	Facility Name	Target Pop.		2004 Year-Round Units/Beds		
		A	B	Family units	Family beds	Individual beds
Flynn Homes	Transitional Hsg.	SM				16
Hospitality House	Sojourner House	M			5	
Hospitality House	Phoenix House	SM				6
Safe Haven for Men	Transitional Hsg.	SM				15
Miss Adelaide's Group Home	Transitional Hsg.	SM				12
WC Rescue Mission	Martha Home	SF				9
WC Rescue Mission	Men's Recovery Program	SM				36
Affordable Housing Coalition	Interlace	M	DV	16	48	
WC Community Health Services	Hope House	M	AIDS			6
Caring for Children	Cornerstone	YMF				9
Life on Life's Terms	Transitional Hsg.	SM				21
ARP-Phoenix	Mary Benson Hse.	M			12	
Oxford House	Oxford House	M				26
		Subtotal		16	65	156

### New Transitional Housing Units Under Development

Flynn Homes	Flynn Homes Expansion	SM				6
-------------	-----------------------	----	--	--	--	---

### F. Permanent Supportive Housing - Existing Facilities

Provider Name	Facility Name	Target Population		2004 Year-Round Units/Beds		
		A	B	Family units	Family beds	Individual beds
Western Highlands	Shelter Plus Care	M		2	7	32
Asheville Housing Authority	Home Again	SMF		2	8	2
WNC Community Health Services	Bridge to Recovery	M	AIDS	2	6	2
WNC Housing, Inc.	Independence Cottages	SMF				5
Mountain Housing Opportunities	Annandale	M		1	2	5
		Subtotal		7	23	46

### New Permanent Housing Units Under Development

Housing Authority of the City of Asheville	Woodfin Apartments	SMF	AIDS		19
WNC Housing, Inc.	Independence Cottages 2	SMF			4
WNC Housing, Inc.	Ross Creek Common	SMF			8
Mountain Housing Opportunities	Griffin Apartments	SMF			15
		Subtotal			47

### Homeless Population Chart (From 2004 Point-in-Time Count)

	Sheltered		Unsheltered	Total
	Emergency	Transitional		
1. Homeless Individuals	244	130	199	573
2. Homeless Families with Children	13	15	5	33
2a. Persons in Families with Children	35	61	15	111
<b>Total (lines 1 + 2a)</b>	279	191	214	684
<b>Part 2: Homeless Subpopulations</b>	Sheltered		Unsheltered	Total
1. Chronic Homeless	156		137	293
2. Serious Mentally Ill	127			
3. Chronic Substance abuse	194			
4. Veterans	88			
5. Persons with HIV/AIDS	5			
6. Victims of Domestic Violence	81			
7. Youth	6			

### HUD Table 1A: Homeless and Special Needs Populations

#### Continuum of Care Housing Gaps Analysis Chart

		Current Inventory	Under Development	Estimated Unmet Need/Gap
<b>Individuals</b>				
Beds	Emergency Shelter	231	0	20
	Transitional Housing	156	6	15
	Permanent Supportive Hsg	46	32	282
	Total	433	38	317
<b>Persons in Families with Children</b>				
Beds	Emergency Shelter	45	0	15
	Transitional Housing	65	6	16
	Permanent Supportive Hsg	23	0	99
	Total	133	6	130

### 3 - TEN-YEAR PLAN TO END HOMELESSNESS IN ASHEVILLE AND BUNCOMBE COUNTY

#### **Introduction**

Under the leadership of the United States Interagency Council on Homelessness, a national consensus has emerged that all levels of government must focus on improving efforts to house chronically homeless people, i.e. those who have been homeless for one year or longer or have had four episodes of homelessness in three years. The vast majority of these are individuals with a disabling mental health or substance abuse condition.

To respond to this, Asheville City Council and the Buncombe County Commission set up a Joint Steering Committee in June 2004, comprised of 33 local business, non-profit and government leaders and formerly homeless people. The resulting plan: *Looking Homeward: the 10-Year Plan to End Homelessness in Asheville and Buncombe Count*, was presented to and approved by City Council and the County Commission in January 2005.

*Looking Homeward* is a long-range, comprehensive plan to end long-term, or “chronic,” homelessness by helping homeless people in our area return to healthy and stable lives in permanent housing. Its recommendations are evidence-based, and draw from the best practices of innovative programs and initiatives throughout the country.

The most innovative recommendation in the plan is to adopt a Housing First/Housing Plus model. This approach focuses on moving people out of homelessness and into housing as quickly as possible. A participant does not have to be sober or accept treatment for mental illness to receive the housing. Supportive services are provided in permanent housing, not in emergency or transitional shelter. An Assertive Community Treatment Team (ACT Team) provides the service in a non-threatening, consumer-driven approach. Housing First/Housing Plus projects across the nation have seen phenomenal results. After 5 years, 80-90% of participants have remained in permanent housing.

*Looking Homeward* is consistent with, and complementary to, the federal government’s efforts in this area. Likewise, the state of North Carolina, through its Interagency Council on Coordinating Homeless Programs, is creating a plan that will coordinate state efforts with federal and local plans. Federal, state, and local plans must complement each other, because each level of government will play an integral part in implementation.

A summary of the plan’s findings and recommendations is set out below. The complete text of the plan is available from the City’s Community Development Division, from Pisgah Legal Services, and on the internet at [www.ashevillenc.gov/planning/homelessness.pdf](http://www.ashevillenc.gov/planning/homelessness.pdf)

## Summary of Recommendations

*Looking Homeward* will end chronic homelessness and reduce all types of homelessness over the next decade by investing our resources in a coordinated, sustained effort that addresses the underlying causes of homelessness. This effort will:

- Reduce the number of people who become homeless
- Increase the number of homeless people placed into permanent housing
- Decrease the length and disruption of homeless episodes
- Provide community based service and supports that prevent homelessness before it happens and diminish opportunities for homelessness to recur.

These goals will be accomplished through a five-pronged approach:

1. **Leading the Way: Designation of a lead entity** – an organization will be chosen to oversee implementation of the plan, including:
  - a. Implementing the HMIS (described below);
  - b. Identifying and developing additional resources;
  - c. Coordinating the activities of service providers and local governments;
  - d. Reporting progress to the community.
2. **Developing the Infrastructure: HMIS** – a Homeless Management Information System, or HMIS, will be implemented to:
  - a. Link all services;
  - b. Establish a “no wrong door” entry into the network of services;
  - c. Screen for program eligibility;
  - d. Comply with HUD grant requirements;
  - e. Gather data needed to monitor progress.

Work on a statewide HMIS is already well advanced and Asheville’s service providers have committed to adopting this system.

3. **Closing the Front Door: Prevention** – Steps will be taken to stop individuals and families from becoming homeless. These steps include:
  - a. Coordinate and expand short-term financial, counseling, and legal assistance to avoid homelessness;
  - b. Assess the eligibility of assisted households for mainstream programs and provide effective links;
  - c. Improve discharge planning for people leaving public institutions such as hospitals, prisons, jail, foster care, transitional programs, recovery programs, and half-way houses;
  - d. Establish zero-tolerance for discharge to homelessness;
  - e. Utilize the United Way 211 system for referrals
  - f. Educate landlords on homelessness and services available.
4. **Opening the Back Door: Housing First** – Development and implementation of a community-wide Housing First program that will include permanent housing for all homeless:
  - a. Create new permanent supportive housing units with project-based housing subsidies for persons with serious and persistent disabilities;
  - b. Utilize existing housing market by making public housing more accessible and working with landlords to further acceptance of rental subsidies;
  - c. Use local public funding to create or subsidize housing units for homeless individuals, families, and youth;

- d. Develop both project-based and tenant-based rental subsidies
  - e. Develop appropriate housing first models for families and homeless youth;
  - f. Modify the Uniform Development Ordinance (UDO) so that more affordable, multi-family housing can be developed within the city limits;
  - g. Link SocialServe.com with HMIS to create a clearinghouse of affordable housing units;
  - h. Intensify outreach to homeless populations, particularly campers;
5. **Keeping it Going: Housing Plus** – Necessary services will be provided to ensure that homeless individuals and families placed in permanent housing can remain housed long-term.
- a. Expand community-based case management services through treatment teams, such as ACT Teams, that use a wrap-around services approach.
  - b. Develop formal systems integration strategies between the Housing First system and mainstream service systems, such as public entitlements (TANF, Medicaid, Social Security and Food Stamps), employment training, public health, community mental health and substance abuse, to ensure that formerly homeless households have streamlined access to the formal supports available in the community.
  - c. Establish a working group to identify alternative resources to fund targeted supportive services for persons with severe and persistent disabilities and/or substance abuse disorders placed in permanent supportive housing.
  - d. Set up emergency detoxification center for chronic homeless in conjunction with law enforcement.

## 4 - PERFORMANCE TARGETS FOR ADDRESSING HOMELESSNESS IN ASHEVILLE & BUNCOMBE COUNTY

Achievement of these performance targets will depend on funding availability at local, state, and federal levels.

### Short Term Targets for 2005-2006

1. Identify the Lead Entity for implementing the 10-Year Plan
2. Implement the HMIS
3. Provide Housing First accommodation to 30 chronic homeless in Woodfin Apartments, Griffin Apartments, and Housing Authority apartments.
4. Develop plan to identify or construct 70 additional units of permanent supportive housing each year.
5. Expand to two Homeless ACT Teams adding substance abuse expertise.

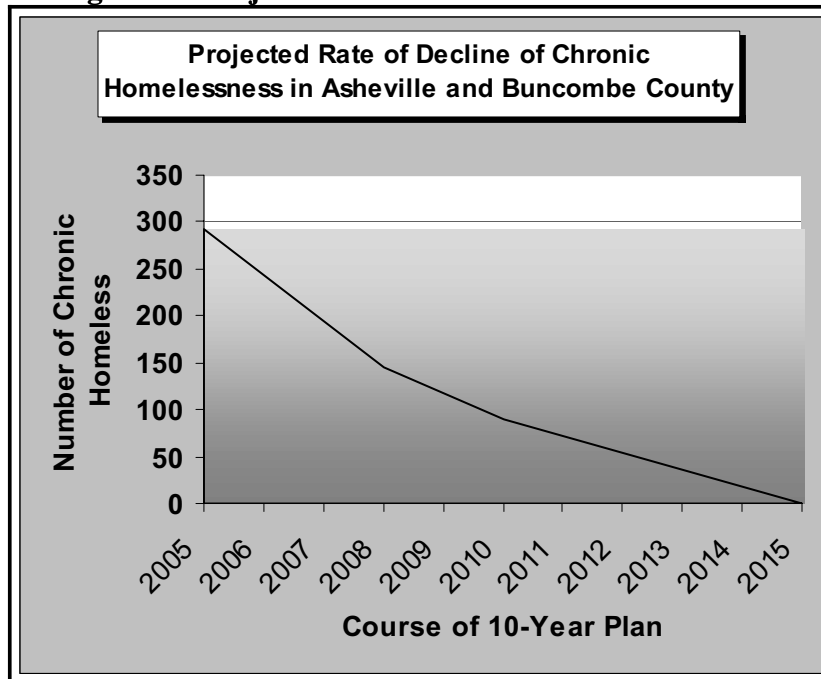
### Medium Term Target

- Reduce (point-in-time) chronic homeless number to no more than 150 by 2008

### Long Term Target

- Further reduce chronic homelessness to a minimal number by 2015.

**Figure 8: Projected Numbers of Homeless 2005-2015**



## 5- ADDRESSING HOMELESSNESS OUTSIDE BUNCOMBE COUNTY

Homelessness is both more prevalent and more apparent in urban places such as Asheville. Outside Asheville, homelessness is more scattered and harder to measure, and there are fewer services available for the homeless. Nonetheless, the coordination of services in the rest of the Consortium area is improving and in 2004 the first Continuum of Care Plan was produced for Madison, Henderson and Transylvania Counties

### **Madison County**

Homelessness in Madison County is best described as typical rural homelessness. There are no emergency shelters, and those in a housing crisis double up or “couch-up” with friends and family members. The Sheriff’s Department has an arrangement with a bed & breakfast inn to house homeless individuals. Deputies also drive homeless individuals to the emergency shelters in Asheville. Neighbors in Need ministry can provide single night stays at motels and, on occasion, a week in a rooming house for those in need.

Some homeless people live in various kinds of substandard housing, including farm outbuildings and abandoned tobacco barns. Some live in their cars, and some camp in national forests. Family members may pool resources to secure housing for those at risk of homelessness. Some build lean-tos or set up tents on family land. Others use empty trailers that occasionally house migrant workers. The Sheriff’s Department reported about 6 situations involving homeless people in 2003. Most of these were transients.

Domestic violence is one of the leading causes of homelessness in Madison County. My Sister’s Place (formerly Helpmate) provides emergency shelter for victims, but there is no transitional housing available. There is a lack of affordable housing options, a shortage of childcare services, and no public transportation. These factors make it difficult for those who are homeless due to domestic violence to get back on their feet in Madison County.

The capacity at My Sister’s Place is 16. The shelter is full to capacity at all times. In 2004, My Sister’s Place served 212 women and 163 children. Otherwise, homelessness in Madison County is largely undocumented.

### **Henderson County**

Henderson County is the second largest in the Consortium. Homelessness is a more significant problem than in Madison and Transylvania Counties, although not on the scale that Asheville and Buncombe County see. In 2004, service providers in Henderson County joined providers in Transylvania, Rutherford, and Polk counties to create a Continuum of Care and submit a grant application to HUD for Continuum of Care funding. This grant application was not successful, but forming the Continuum of Care enabled service providers and government agencies to gather information about each other.

A point-in-time count was held on June 7, 2004 for the Continuum of Care. A total of 57 homeless people were counted in Henderson County, 50 adults and 7 children. Emergency shelter is provided at the Hendersonville Rescue Mission and Mainstay (the domestic violence shelter). The Rescue Mission has a year-round bed capacity of 81 and is full during the winter months. Mainstay has 18 beds and is usually full year round.

## **Transylvania County**

Transylvania County's homelessness shares characteristics with both Madison and Henderson Counties. Most homelessness is actually families or individuals who are doubled-up with other family members. There are, however, two emergency shelters, Transylvania Christian Ministries, with 10 year-round beds and Bread of Life, with 19 year-round beds. Transylvania County also has a domestic violence shelter, SAFE, Inc., which has a year-round bed capacity of 8. On June 7, 2004, Transylvania County also participated in the point-in-time count and had 40 sheltered and unsheltered homeless people. Thirty-seven were adults and 3 were children.

## **Summary of Services Outside Buncombe County**

This section describes existing services for the homeless in Madison, Henderson and Transylvania counties using the Continuum of Care format.

### ***Prevention Services***

#### Income Support

- Work First is the North Carolina Welfare to Work program that assists families in need. As families move into work, and welfare regulations change, there still remain many hard-to-place recipients with little or no work history and/or poor education.
- Social Security (SSI and SSDI) provides elderly and disabled persons with monthly stipends, and provides survivor benefits to surviving spouses with dependent children under 16.
- Food Stamps are provided to certain low-income households to ensure their nutritional needs are met. By covering a substantial portion of a family's food budget, food stamps lessen the need for a family to choose between food and rent.
- Section 8 subsidies are provided to clients by virtue of living in a subsidized unit (project based) or by being awarded a Section 8 voucher (tenant based). A low-income household receiving Section 8 pays no more than 30-40% of income toward rent and utilities. Section 8 in Henderson and Transylvania Counties is administered by Western Carolina Community Action, and in Madison County by the Madison County Housing Authority. Due to factory closures, there is high demand for the Section 8 vouchers.

#### Emergency Cash/Rent Assistance

This assistance is provided by several agencies including: Interfaith Assistance Ministries, Salvation Army, all 3 Departments of Social Services, Transylvania Christian Ministries, Beacon of Hope, and Neighbors in Need.

#### Case Management/Financial Counseling/Education

These services are provided to aid clients in budgeting and management of resources in order to avoid eviction, foreclosure, and homelessness. These services are provided by: all 3 Departments of Social Services, Western Carolina Community Action, New Vistas, Mountain Laurels, Mainstay, My Sister's Place and SAFE.

#### Legal Services for Individuals and Families at Risk of Homelessness

Pisgah Legal Services provides eviction and foreclosure defense to low-income individuals and families to avoid homelessness.

Mediation for Landlord/Tenant Disputes

The Dispute Settlement Center provides mediation services between landlords and tenants in order to help tenants remain in the units and prevent homelessness.

***Outreach***

Outreach for Street Homeless:

Outreach to the unsheltered homeless is provided through an aggressive network of outreach workers in various agencies.

- Outreach to the seriously mentally ill street homeless is conducted by outreach workers from Mountain Laurel and New Vistas who make contact, and build relationships, with seriously mentally ill homeless.
- Outreach to street homeless who suffer from substance abuse: New Vistas and Mountain Laurels.

Outreach to other homeless persons:

- Our active VA Medical Center provides outreach through regular visits to emergency shelters and internally throughout its own hospital.
- For homeless people who have HIV/AIDS, extensive outreach and education is conducted by the Western North Carolina AIDS Project and Western North Carolina Community Health Services. Additionally, both agencies provide housing resources for persons who are homeless or need rental assistance.
- For victims of domestic violence, SAFE, Mainstay and My Sister's Place conduct outreach and education through presentations to community groups and domestic violence trainings at many public agencies. Referrals are made by local law enforcement agencies.

***Supportive Services***

Case management services are offered in-house at: Thermal Belt Outreach Ministry, Family Resources, Inc., all County Department of Social Services, Western Carolina Community Action, Steps to Hope, New Vistas, Mountain Laurels, Grace of God Rescue Mission, Gail's House, Mainstay and SAFE.

Life skills training is offered in-house at: all County Departments of Social Services, Western Carolina Community Action, Transylvania Christian Ministry, New Vistas, Mountain Laurels, My Sister's Place, Mainstay and Safe.

Services to address substance abuse are offered in-house at: New Vistas and Mountain Laurels.

Mental health care treatment is offered through Mountain Laurels and New Vistas.

AIDS Related Treatment: Western North Carolina Community Health Services and Western North Carolina AIDS Project provide health care, medication, counseling, housing services, and other related services for homeless persons suffering from HIV/AIDS.

Education: Agencies work to link clients with Blue Ridge Community College and Asheville-Buncombe Technical Community College for GED classes as well as advanced technical training. Clients are also linked with Good Will Industries who provide job-training classes.

Employment assistance and job training is offered in-house at: Western Carolina Community Action, and the Job-Link Career Centers.

Child care services are offered by the County Departments of Social Services

Transportation services are offered by Transylvania Christian Ministry, Mainstay, My Sister's Place, and SAFE.

Legal Services: Pisgah Legal Services provides civil legal assistance to help very low income clients meet basic needs, e.g., prove eligibility for subsidized housing or disability income, or to prevent homelessness resulting from eviction.

## **Priorities and Targets for Addressing Homelessness Outside Buncombe County**

Because of the scattered nature of homelessness in these counties and the lack of coordinating capacity, it is not feasible at present to develop specific reporting and performance targets.

## CHAPTER IV –NON-HOUSING COMMUNITY DEVELOPMENT

### I. INTRODUCTION

This chapter of the Plan is restricted to the City of Asheville, since non-housing community development issues can be addressed only with CDBG funds, and the use of CDBG entitlement grant funds is restricted to the City. The chapter is divided into three sections: Public Facilities and Infrastructure; Public Services; and Economic Development and Training. Within these broad areas, a very wide range of activities are eligible for CDBG funding. The first task that had to be addressed in developing this chapter was to identify the areas of greatest concern that could, in practice, be impacted by the use of CDBG funds.

Our planning process involved the participation of a non-housing focus group composed of over 60 community members, City staff and local agencies. The focus group met three times, once for information and orientation, once to establish and rank the priority needs, and once to brainstorm strategies, as described in Chapter I of the Plan. The priority statements set out by this group are central to this section of the Plan. They focus on supporting access to living wage employment, housing, transportation, financial stability, and youth services.

The analysis of non-housing needs has also been informed by the work of the Asheville-Buncombe Vision, a community-wide process that was initiated in 1995 to establish a common vision to make our community a better place for work, recreation and family life. That process continued through 2004, tracking progress through 48 benchmark indicators in civic participation, economic development, education, environment, equal opportunity, health, public safety, and quality of life.

Another important planning initiative, undertaken shortly prior to this Plan, is Asheville City Council's Strategic Operatic Plan (SOP). The Plan, adopted in 2004 will guide staff in actions and performance in a prioritized fashion over the next five years. Several of this Plan's priorities and strategies spring directly from the SOP.

The appendix to this Chapter contains **HUD Table 2B** which summarizes priority Community Development needs in a different format prescribed by HUD.

## 2. PUBLIC FACILITIES AND INFRASTRUCTURE

Modern public facilities and efficient infrastructure are essential to delivering quality public services, facilitating economic development, and improving the quality of life for Asheville's citizens. Due to depression-era debt and a moderate tax base, Asheville has far more infrastructure needs than funds to meet them. The City struggles to fund capital improvements to its public facilities, including neighborhood facilities, parks and playgrounds, public transportation and infrastructure needs such as streets and sidewalks. It has been successful in leveraging outside funding and in mobilizing community resources, for example using hundreds of volunteers to build new playgrounds.

### A. Streets & Sidewalks

The City has a large number of distressed streets and deteriorated sidewalks needing improvement. Continued investment in the maintenance and improvement of the City's streets and sidewalks are outlined in the Capital Improvements Plan (CIP) for 2005-2010.

**Table 12: Planned Public Works Improvements in Low Income Areas**

Census Tract/ Block Group	Sidewalks (linear feet)	Streets (linear feet)	Storm Drains	Estimated Cost	5 Yr CIP Activities
1.1	1,200	1,000	5	\$ 80,500	Grove St
2.1	4,000	1,400		\$ 191,000	Elizabeth Ave; Harrison St; Starnes Ave
2.2	1,500	7,400		\$ 368,500	Houston St; Courtland Pl; Courtland Ave
3.1		1,800		\$ 39,000	Westover Dr; Rosewood Ave; Danville Pl; Hibritten Dr
4.1	3,400	7,700		\$ 284,000	Chatham Rd; Edgewood Rd;
4.3	3,500	9,200		\$ 350,500	Sevier St; Vivian St
6.2	3,700			\$ 156,500	Orange St; Orchard St
6.3	3,400	2,200		\$ 193,000	Holland PL
7.1		2,800		\$ 63,000	Beaumont St; Ardmion Park
9.1	2,400			\$ 131,500	Congress St; Banks Ave
9.2	700	8,100		\$ 104,500	Short McDowell; Southern St; Oakland Rd
9.4	3,500		16	\$ 217,000	S French Broad Ave; Jefferson St; N Ann St; S Ann St; Pearl St; Depot St
10.1		6,500		\$ 126,000	Deaver St; Vandalia Ave; Craven St, Desota St
10.2	5,300	4,300		\$ 425,500	Fifth Ave; Ridgelawn Ave; Richmond Ave; Michigan Ave; Short Michigan Ave; State St
11.1	700	1,600		\$ 60,000	Bryant St; Ohio St; Majestic Ave
11.2	3,900			\$ 165,500	Virginia Ave; State St
13.1		800		\$ 30,000	Baker Dr
<b>Total</b>	<b>37,200</b>	<b>54,800</b>	<b>21</b>	<b>2,986,000</b>	

Source: Asheville Department of Public Works

Over the past five years CDBG money has assisted street improvements in the West End/Clingman Avenue Neighborhood, including construction of Prospect Street, which has enabled the development of new affordable housing. CDBG money has been able to leverage

other federal, state, local and private sources in this neighborhood. Mountain Housing Opportunities is currently partnering with the City and the state Department of Transport to improve storm drainage and streetscape design along Clingman Avenue.

In 2005, the City of Asheville updated its Pedestrian Thoroughfare Plan which addresses the need for safe, convenient and coordinated systems of sidewalks, trails and pathways that interconnect neighborhoods and activity centers. According to this plan, an estimated \$27 million is needed for 122 miles of new sidewalk linkages, ADA compliance needs, and identified maintenance/upgrade needs.

## B. Greenways

In 2000, the Asheville Parks and Recreation Department created the Greenway Commission to establish a comprehensive system of linear park areas within the city to be known as greenways. Like parks, greenways positively affect individuals and improve communities by providing not only recreation opportunities but also transportation alternatives and by influencing housing and economic development. Over the past five years, over \$1 million has been invested in four greenway projects that are now complete or currently underway. The table below outlines the planned greenway projects for 2005-2010 that impact low-income areas.

**Table 13: Planned Greenway Projects for 2005-2010**

Name	Amenities	Status	Estimated Cost	Time-frame
Glenn's Creek Ph. I	paved trail	project improvements	\$60,000	2005
Glenn's Creek Ph. II	paved trail	planning	\$62,000	2006
Reed Creek Phase I & II	paved trail	planning/ under construction	\$800,000	2005-2008
French Broad River Corridor (Hominy Creek)	trail	planning	\$450,000	2007
Clingman Forest	wetland construction, paved trail	planning	\$870,000	TBD
<b>Total Costs</b>			<b>\$2,242,000</b>	

Source: Asheville Parks and Recreation Department

## C. Water Services

Water is a basic infrastructure necessary to the health, growth and development of cities. The City of Asheville has sufficient water production capacity for both the city's and region's needs for the foreseeable future. However, increasing demand on an aging distribution system requires significant investment. There are areas in the City where low water flow prevents the construction of new housing or business establishments and even compromises fire safety for existing structures. A long-range multi-million dollar maintenance and enhancement program has been identified but not yet initiated due to the management structure of the system.

This management structure was formed as part of a 1981 agreement that requires approval of the system's annual budget by the Regional Water Authority and by both the Asheville

City Council and Buncombe County Board of County Commissioners. Buncombe County has refused to approve budgets for the past two years that would pay for these improvements. The City of Asheville is following the termination process of the agreement that created this "dependent authority" and the City expects to have the water system under its sole control in mid-2005. At that time, funding will be allocated to initiate the improvement program.

Recently, CDBG funds have been used in the replacement of old, undersized waterlines in the West End/Clingman Avenue Neighborhood and low- income areas of West Asheville.

The charts below identify the total needed improvements within low-income neighborhoods and those that are currently included in the 5-year CIP.

**Table 14: Waterline Improvements Needed in Low-Income Census Tracts**

Area (Census Tract)	Linear Feet	Cost
<b>North</b>		
CT 2	14,200	\$820,000
CT 3	1,100	\$65,000
CT 4	8,900	\$790,000
CT 6	15,300	\$1,075,000
<b>Central</b>		
CT 1	62,200	\$6,000,000
CT 7	11,400	\$850,000
CT 9	9,900	\$570,000
<b>West</b>		
CT 10	18,600	\$1,070,000
CT 11	13,800	\$800,000
CT 12	9,600	\$550,000
CT 13	10,400	\$600,000
CT 14	10,500	\$600,000
<b>Asheville</b>	<b>185,900</b>	<b>\$13,790,000</b>

**Table 15: Planned Waterline Improvements in Low-Income Areas in 5-Year Capital Improvement Plan**

Location	Waterline Linear Feet	Hydrants	Estimated Cost
<i>Merrimon Avenue Water Line Replacement</i>	6,930	15	\$880,000
<i>College Street Water Line Replacement</i>	3,241	6	\$560,000
<i>Central Business District Water Line Replacements</i>	49,900	100	\$6,000,000

## **D. Sewer Services**

Most of the City is served by the Metropolitan Sewerage District, a separate public authority. However access to sewer services is a common problem for developers. There are many sites where accessing the nearest available sewer line requires an easement across neighboring properties. Negotiating an easement can become complicated if the neighbor objects. The Metropolitan Sewerage District (MSD) has powers of eminent domain but may not be prepared to use them in every case.

In other locations the existence of old, distressed clay pipeline requiring upgrade can restrict development. MSD is usually prepared to do a 50% cost share to upgrade or replace line in these cases, but even so the cost can impact the affordability of the housing or make the project infeasible.

MSD has scheduled several small section pipe upgrades and major collection line improvements throughout Asheville over the next five years. Significant projects planned within low- to moderate-income neighborhoods include replacement of the main collection lines (interceptors) along Lower Smith Mill Creek following Patton Ave in West Asheville (6,125lf – \$2 million) and the Lower Swannanoa project along Meadow Road (6,475lf – \$2.5 million).

## **E. Transportation**

The cost of transportation is second only to housing as a burden on household expenses. Improving transportation options allows the consumer an opportunity to save money and increase the affordability of their living situation. It also allows those without personal vehicles the opportunity to access jobs and services, reduces road congestion and pollution, and generally increases the quality of urban life, particularly for the lowest income residents.

The City of Asheville transit system currently runs 18 routes throughout Asheville, connecting neighborhoods to business, shopping and vice versa. There are approximately 700 bus stops along these routes, only 17 of which have bus shelters.

Despite area-wide coverage, there are multiple barriers to using public transportation in Asheville. Buses typically run only hourly or half-hourly. Lack of sidewalks makes it unsafe, sometimes impossible, for potential transit users to access the bus. Lack of bus shelters leaves users exposed to the weather during long waits. Information and signage is inadequate. In 2005, City Transit Services will begin adding new shelters to bus stops in busy shopping centers and dense residential neighborhoods. They will also install route information at each bus stop. CDBG funds will be used in both programs.

## **F. Community Centers, Parks and Playgrounds**

Over the past five years the City's Parks and Recreation Department has made significant strides in meeting the facility and service needs of the community. Despite failure of a 1999 bond referendum, work is continuing on the Asheville Parks and Recreation Department 2015 Comprehensive Plan through the City's capital improvement budget, alternate funding sources, grants, donations and sponsorships. On average, Parks and Recreation has been successful at raising 80% of its capital improvements from outside sources. Since 2000, new projects totaling over \$6 million have established the first phases of two district parks –

Azalea Park in East Asheville and Carrier Park in West Asheville, built 7 playgrounds, 2 greenways, and the new Food Lion Skate Park. Table 16 outlines the planned recreational improvements in 2005-1010.

Asheville's Parks and Recreation Department provides a multitude of facilities and services throughout the community. Table 17 details the amenities at the main recreational facilities within the City of Asheville. In addition to recreational uses, some of the facilities indicated as "centers" have an important role as sites for senior citizens programs, child day care, and after-school and summer youth programs. The City would like to extend these programs to more centers, but repairs and safety improvements must be accomplished first. Currently, renovations are underway at Memorial Stadium and WC Reid Center. Fundraising is under way for the Montford Center. Although not currently included in the planned 2005-2010 improvements, there are also needs to be addressed at the Burton Street and Shiloh Centers.

The Emma Family Resource Center (EFRC), operated by Children First of Buncombe County, serves as a local model of a different type of community-based neighborhood center. Operating out of a donated manufactured unit on the campus of Emma Elementary School, the Center offers an integrated array of family-focused supportive services to low-income youth and families in West Asheville's Emma community. Its success has spurred a growing interest in community-based and community-driven neighborhood service centers. In the coming years, the Shiloh Neighborhood in South Asheville hopes to bring this model to their neighborhood.

**Table 16: Planned Parks and Recreation Projects for 2005-2010**

Name	Location	Facility Type	Description	Status	Estimated Cost	Time-frame
Carrier Park Ph. II	West	district park	trails, picnic shelter, outdoor interpretive area, river overlooks	construction documents	\$500,000	2006
Memorial Stadium	Central	special interest park	concession/restroom/field house, basketball, picnic shelter, trail, event plaza, veteran memorial	construction drawings/planning	\$2,000,000	2006
Montford Complex Renovation	Central	Neighbor-hood park	trail, concession/restroom, amphitheater, playground, ropes course, picnic area	planning	\$950,000	2007
Aston Park Renovation	Central	community park/ spec. interest park	trail, picnic shelter, playground, basketball, tennis backboard, tennis center	planning	\$765,000	2007
Richmond Hill Park	West	district park	ball fields, picnic shelter, playground, trails, disc golf, natural areas	planning	\$2,500,000	2008
Pack Square/City-County Plaza	Central	special interest park	Redesign Pack square and City-County Plaza to reduce traffic and increase pedestrian activity; increase green space; provide a play area, performance stage, water features and pavilion.	planning	\$13,000,000	2008
Azalea Park Ph. II & III	East	district park	Thomas Wolfe cabin, disc golf, ball field, volleyball, playground, picnic shelters and areas, trails, river overlook, natural areas	planning	\$3,000,000	2009
Reid Center	Central	community center	theater, amphitheater, basketball, library, kitchen, recording studio, dance studio, music and art rooms, gym	planning	\$2,800,000	2009
Jake Rusher Park	South	community park	trail, gazebo, volleyball, basketball, horseshoes	planning	\$1,700,000	2010
				<b>Total Costs:</b>	<b>\$27,215,000</b>	

Source: Asheville Parks and Recreation Department

**Table 17: City of Asheville Parks and Recreation Facilities**

FACILITY NAME	Hours Open	Office	Multi-Purpose	Kitchen/Concess.	Restrooms	Parking	Ball-field	Tennis Court	Play Ground	Picnic Area	Trails	Gym	Swim Pool	Classes offered	Library	Child Day Care	After-sch. Care	Tutor	Senior Prog.	Summer Program	Accessible
<b>North Area</b>																					
North Asheville Ctr.	Rental	X	X	X	X	X								X	X						X
Weaver Park	8-10			X	X	X	X	X	X	X	X										X
Griffing Rose Garden	8-10																				
Grove Park	8-10									X											X
Sunset Parkway	8-10																				
<b>South Area</b>																					
Shiloh Rec Ctr.	10-10	X	X	X	X	X	X	X	X	X	X	X		X	X		X	X	X	X	X
Ray Kishiah Park	8-10			X	X	X	X														X
Shiloh Park	8-10		X		X	X	X	X	X	X	X										X
Jake Rusher	8-10		X		X	X			X	X	X										X
<b>East Area</b>																					
East Ashe. Rec Ctr	10-9	X	X	X	X	X			X	X				X	X		X			X	X
Murphy Oakley Ctr.	10-9	X	X	X	X	X	X	X	X	X	X			X	X		X			X	X
Ann P. Joyce Park	8-10		X						X	X											X
Charlie Bullman Park	8-10			X	X	X	X														X
Murphy Oakley Park	8-10		X	X	X	X	X	X	X	X											X
Azalea Park	8-10		X	X	X	X	X		X	X	X										X
Seven Springs	8-10										X										
Valley Springs	5-10			X	X	X	X														X
<b>West Area</b>																					
Burton Street Ctr.	10-9	X	X	X	X	X	X		X					X			X	X	X	X	X
West Ashe. Ctr.	10-9	X	X	X	X	X			X					X	X		X		X	X	X
Roger Farmer Park	8-10			X	X	X	X			X											X
Malvern Hills Park	8-10		X	X	X	X	X	X	X	X	X		X								X
West Ashe. Park	8-10		X	X	X	X	X		X	X											X
French Br. Riv. Pk.	8-10		X	X	X	X			X	X	X										X
Carrier Park	8-10		X	X	X	X	X		X	X	X										X
Richmond Hill Park	8-10		X	X	X	X			X	X	X										X
Amboy Road	8-10		X	X	X	X				X	X										X

FACILITY NAME	Hours Open	Office	Multi-Purpose	Kitchen/Conces.	Rest-rooms	Parking	Ball-field	Tennis Court	Play Ground	Picnic Area	Trails	Gym	Swim Pool	Classes offered	Library	Child Day Care	After-sch. Care	Tutor	Senior Prog.	Summer Program	Accessible
<b>Central Area</b>																					
Montford Rec. Ctr.	10-10	X	X	X	X	X	X	X	X	X	X	X		X			X	X		X	X
WC Reid Ctr.	10-10	X	X	X	X	X			X			X		X			X	X		X	X
Stephens Lee Ctr.	10-10	X	X	X	X	X			X	X	X	X		X			X	X		X	X
Senior Opport. Ctr.	9-6	X	X	X	X	X								X	X				X		X
Harvest House	9-6	X	X	X	X	X				X				X	X				X		X
Lakewood Park	8-9		X			X	X		X												X
Livingston St. Park	8-10		X		X	X	X	X			X										X
Kenilworth Park	8-10		X		X	X		X	X	X											X
Thomas Wolfe Plaza	8-10			X	X	X	X														X
Magnolia Park	8-10		X		X	X			X	X	X										X
City County Plaza	8-10		X																		X
Pack Square	8-10				X																X
Martin Luther King	8-10		X	X	X	X	X		X												X
Meadow Park	8-10		X			X			X	X											X
Montford Park	8-10		X		X	X		X	X	X											X
Pritchard Park	8-10									X											X
Mountainside Park	8-10		X		X	X			X	X											X
Walton Street Park	8-10		X		X	X	X		X	X			X	X		X					X
Montford Complex	8-10		X	X	X	X	X		X												X
Food Lion Skate Park	Various	X		X	X	X				X				X				X			X
Murray Hill Park	8-10		X		X	X				X	X										X
Memorial Stadium	8-10		X	X	X	X															X

Source: Asheville Parks and Recreation Department

### 3 - PUBLIC SERVICES

#### A. Assessing Needs

As in most communities, government and non-profit agencies in Asheville provide a wide range of public services, which meet the needs of the community to varying extents. Systematic and comparable data on the levels of need for different services are not available. Waiting lists for existing services are not an accurate guide to the level of need, and provide no information at all on gaps in services (i.e. needs that are not met). The following pages contain necessarily selective information on some available indicators of need.

#### B. General Demographics

Table 18 provides a general population profile of age and poverty. Over the past ten years Asheville has experienced a moderate 1.1% increase in population per year and is projected to remain relatively flat throughout the next decade. Compared with statewide averages, Asheville has more elderly people but relatively fewer elderly people in poverty, consistent with the in-migration of middle- and high-income elderly. With the nationwide aging of area baby boomers and the local in-migration of retirees Asheville is seeing a need for different senior programming services including more skill development, computer training, second career training and continued opportunities for social interaction and support. Despite the affluence of many elderly people in Asheville, 29% of elderly households have yearly incomes of less than \$15,000. This opens up a multitude of issues ranging from housing cost burdens, to housing repair needs and the susceptibility to predatory lending. Three senior centers and six meal site programs operate in Buncombe County.

In contrast to relatively modest needs for the elderly, the proportion of children in poverty remains well above the state average. Despite a nominal reduction in the number and proportion of Asheville children living in poverty from 1990 to 2000, one quarter of the City's children under the age of five still live in impoverished conditions. Half of the children in Asheville City Schools are eligible for free lunches and one in three are eligible in Buncombe County Schools.

Persons with disabilities face innumerable difficulties with physical and mental limitations and accessibility to support services and housing. The 2000 U.S. Census identified 19,516 persons with physical disabilities and 10,800 persons with mental disabilities in Asheville and Buncombe County.

In Asheville, the African-American (non-Hispanic) population is disproportionately represented in the lower-income categories. Table A-14 in the Housing Market and Needs Assessment shows that 27 % of African-American households fall into the extremely low income group, while only 13% of all households in City fall within this income range.

**Table 18: Demographic Indicators of Need (Asheville)**

Category	1990	2000	Percent Change	Percent of Local Population	Statewide Percent
Total Population	61,654	68,952	12%		
Age less than 5	3,685	3,599	-2%	5.2%	6.7%
Elderly (65 and older)	12,484	12,740	2%	18.5%	12.0%
African American	12,207	11,882	-3%	17.2%	21.5%
Hispanic/Latino	528	2,713	414%	3.9%	4.6%
Poverty*	9,442	10,305	9%	15.5%	12.3%
Age <5 in Poverty*	993	872	-12%	24.2% of age group	17.6% of age group
Elderly in Poverty*	1,771	1,226	-31%	9.6% of age group	12.6% of age group
Disabled** (16-64)	2,446	5,111	109%	7.4%	8.5%
Elderly Disabled***	2318	3658	58%	28.7% of age group	32.4% of age group

Source: US Census 1990 and 2000

\* In population for which poverty is determined

\*\* Employment disability

\*\*\* With a self-care or mobility limitation

North Carolina has one of the fastest growing Latino (Hispanic) populations in the nation. While this ethnic group is still only 3.9% of Asheville's population, its growth is extremely rapid. Most service agencies are seeing increasing use of their services by Latinos and have added translation services and cross-cultural training for staff. Asheville-Buncombe Community Relations Council has seen a rise in fair housing complaints by Latinos.

### C. Basic Subsistence and Individual/Family Support

Basic subsistence and individual / family support are essential to survival and achievement. The Asheville-Buncombe community provides a wide array of services aimed at stabilizing households and building success.

Homeless prevention is an essential element of this Plan. Beyond the existing federal income support programs, many local programs provide emergency cash and rent assistance to prevent homelessness. Case management, renter education and financial counseling services are provided by such agencies as the Affordable Housing Coalition, Consumer Credit Counseling, and WNC AIDS Project to assist clients in budgeting and management of resources to avoid eviction, foreclosure or homelessness. Additional agencies like the Emma Family Resource Center, Community Action Opportunities, Eagle Market Streets Development Corporation, and Hospitality House work hands-on with clients to stabilize basic subsistence issues and provide life skills training and on-going support. Pisgah Legal Services provides civil legal assistance for low-income residents to resolve housing issues resulting from domestic violence, eviction, foreclosure or fair housing, and provide representation to prove eligibility for subsidized housing or disability income.

Household financial stability has become an increasing critical concern. The problems of families who are stretched beyond their means to meet the cost of housing, transportation, and child care are being exacerbated by mounting credit card debt and predatory lending. The number of "payday" lending firms offering small loans at exorbitant interest rates - 400% or even more - has markedly increased in the past few years. Too many households must make monthly

choices between paying debt and sustaining basic subsistence. Through CDBG funding, the Affordable Housing Coalition and Consumer Credit Counseling Services offer housing and financial counseling to households in financial crisis.

**D. Housing Support Services**

Over the past five years, affordable housing developers and the City’s Housing Rehab Program have experienced difficulties in getting qualified applicants due to poor credit ratings and high consumer debt. According to the Home Mortgage Disclosure Act (HMDA) database, credit history is the biggest reason for denial of applications for conventional home-purchase loans in the Asheville MSA. There is a demonstrated need for intense, long-term counseling to educate and support prospective buyers who need to stabilize and repair their credit. In addition, post-purchase counseling has also been determined to be a growing need. The community is beginning to recognize the need to provide financial literacy education earlier, with the idea of preventing credit problems in the first place. **In the next five years, financial literacy programs should be established in the community and through the school systems, to educate individuals of all age levels in budgeting and the use of credit.**

Predatory lending is a real housing and financial problem in our area. North Carolina borrowers with annual incomes less than \$25,000 received a higher proportion of subprime to prime housing loans than in any other state (Table 19). In 2003, according to the HMDA database, subprime lenders in Buncombe County originated over 1500 loans totaling more than \$160 million. Although some subprime lenders are operating ethically to fulfill a legitimate market need, others target uninformed borrowers who could obtain much better terms or make high-interest, high-fee loans to high-risk borrowers without due regard to ability to pay. Many of these borrowers fail to meet the obligations of the loan and find themselves in foreclosure. The number of court cases issued for foreclosure in Buncombe County increased by 149% between 1998 and 2003. Payday lending is also rife in the City – small, short-term loans with effective annual interest rates of 400% or more.

**Table 19: North Carolina Subprime Lending to Low-Income Borrowers  
(Annual Income Less Than \$25,000), 1998-2000**

Year	Percent of all Home Loans	N.C. Rank (out of 50 States and DC)
1998	26.2%	3
1999	33.5%	2
2000	32.9%	1

*Source: Home Mortgage Disclosure Act data, Randall M. Scheessele, Manufactured Home and Subprime Lender List”, HUD 2001; Bay Area Economics, 2004*

An additional concern is that African-American homeownership rates in Asheville are falling alarmingly. The proportion of African-Americans in Asheville who are homeowners dropped from 43.4% in 1990 to 39.3% in 2000. In 2003, African Americans in the Asheville MSA received 1.70% of total mortgage loans, although they comprise nearly 7% of the population (Table 20). Income disparity, credit problems, targeting by predatory subprime lenders, and possibly discrimination by prime lenders, are thought to be major factors. In 2005-2010 Asheville will work with local nonprofits to increase the number of African-American households attaining homeownership, through education and financial counseling as well as direct homeownership assistance.

**Table 20: Minority Borrowers Obtaining Mortgages in Asheville MSA, 2003**

Borrower Race/Ethnicity	Number of Loans Approved	No. of Loans as % of Total	Population in MSA*	Percent of Total Population
Native	5	0.13%	798	0.35%
Asian/Pacific Islander	26	0.69%	1,475	0.65%
African-American	64	1.70%	15,470	6.85%
Hispanic	75	2.00%	5,996	2.65%
Other/Mixed	66	1.76%	2,501	1.11%
Total Minority	236	6.28%	26,240	11.61%
White	3,522	93.72%	199,725	88.39%
<b>Total</b>	<b>3,758</b>		<b>225,965</b>	

*Note: Lending institutions not operating in any metropolitan area are excluded from HMDA data.  
Source: Home Mortgage Disclosure Act 2003, US Census 2000; Bay Area Economics, 2004.*

### E. Transportation

Lack of transportation continues to be a major obstacle for low income persons trying to access services and employment. Mountain Mobility and the Asheville Transit System provide the bulk of the area’s public transportation. Since 2000, the Asheville Transit System has shown a steady increase in riders. In 2004, Asheville Transit provided over 1 million rides and Mountain Mobility provided over 130,000 trips. In a 2005 survey conducted by the Asheville Transit System, 89% of respondents stated they did not have a vehicle, and 51% reported use of the bus for travel to work. The Emma Family Resource Center reported in 2004 that 35% of families surveyed in its area did not have a personal vehicle. Plans are underway to increase the accessibility of transportation in Asheville. These physical improvements can be found in the Infrastructure section. The City and its transportation partners will continue to look at opportunities to sustain and expand its services to low income persons.

However, federal funding for transit service will be facing a serious reduction in the near future. According to the 2000 census, the Asheville Metropolitan Area exceeded 200,000 persons, placing our transit system into a new funding category which places a greater fiscal responsibility on the local municipalities. Although the City of Asheville has not seen the impact of this change yet, \$700,000 of annual federal funding will soon be cut from the operating and capital budget.

### F. Education and Child Welfare

Asheville-Buncombe Vision, Inc. has tracked certain key benchmarks which provide information about the well-being of our community and of our children. The table below indicates that City and County schools have made some improvement in the number of students who drop out of school. The minority achievement gap, which is based on the percentages of minority and majority students passing end-of-grade tests, has also improved slightly. However, the performance difference between white and black students remains significant.

**Table 21: Education Benchmarks**

	<b>Asheville City Schools</b>	<b>Buncombe County Schools</b>	<b>North Carolina</b>
Annual Dropout Rate (%)			
2000	3.99	4.87	4.34
2001	3.53	3.94	3.86
2002	3.22	4.01	3.52
2003	3.22	3.38	3.23
2004	3.05	3.63	3.29
Student Retention (%)			
2000	56.7	59.4	56.9
2001	53.3	57.2	57.1
2002	65.4	61.5	58.5
2003	60.0	62.2	59.8
2004	NA	NA	NA
Performance Gap (%)			
2002	38	21	27
2003	29	15	22
2004	28	20	21

*Source: Asheville-Buncombe Vision 2004 and 2005*

In 1997, Asheville City and Buncombe County schools began a community discussion about why children in our community – particularly African-American males – were failing in school and dropping out. In 1997-98, North Carolina Department of Public Instruction reported that the achievement gap between black and white students in North Carolina was 32%. That same year, Asheville City's gap was 42% and Buncombe County's was at 20%. The Asheville-Buncombe Education Coalition grew out of concern about this significant “achievement gap”. The Coalition is an alliance of two public school systems, 15 youth-serving nonprofit organizations, and 3 institutions of higher education. The Coalition collaborates with other youth services to provide mentoring, tutoring and support services that will eliminate the achievement gaps and help all Asheville City and Buncombe County public school children complete their education and graduate. In 2004, the state gap was reduced to 21%, and Asheville City Schools narrowed their gap to 28%. During the 2004-05 school year, 447 children were served through member agencies, including the Hillcrest Enrichment Center, Project POWER, YWCA, Asheville Parks and Recreation, and more.

**G. Health and Mental Health Services**

Asheville is home to the region’s largest medical facility – Mission Hospitals - one of the nation’s “Top 100” hospitals for its quality of care, financial performance and community service. For those with insurance or Medicaid, Asheville offers excellent health services. However, according to the 2004 United Way Community Assessment Survey, 18.5% of adults between the ages of 18 and 64 in Buncombe County have no insurance coverage to pay for health care, compared with the national level of 14.8%.

There are several health programs to assist the uninsured:

- Buncombe County Medical Society’s award-winning Project Access provides over 24,000 uninsured low-income people with access to affordable health care, using county funds, volunteer services, and grants. Its impact is significant. In the agency’s 2000 Community

Health Assessment , uninsured Buncombe County residents persons were actually found to be in better health than those who were insured.

- The Emma Health Center and Minnie Jones Family Health Center are accessible, neighborhood clinics that provide low-cost medical services and limited transportation.
- “Health Check”, offered by Buncombe County Health Center, provides well-child examinations funded through Medicaid. In January 2005, Buncombe County had 14,848 children enrolled (about 76% of those eligible).
- Buncombe County’s “Health Choice” program, funded through the federal Children’s Health Insurance Program, provides preventive health care, prescriptions, surgery, dental, vision, immunizations and more to low income children with no medical insurance or Medicaid coverage. In January 2005, 3,732 children were enrolled.

In 2004, state mental health reform resulted in the dissolution of Blue Ridge Center – the primary regional provider of mental-health, developmental-disability and substance-abuse services. In its place, the Western Highlands Network screens and refers eligible patients to private treatment. New Vistas is the private nonprofit agency created to be the provider of last resort for services not otherwise available in the community. It is yet to be demonstrated how this system is working and whether local private providers will fill the gaps for needed services. There remains an acute shortage of inpatient mental health beds and substance abuse services in our area.

Another significant change is that substance abuse alone is no longer a targeted condition. Only those dually-diagnosed (with substance abuse and mental illness) receive state-funded treatment. This has created a huge gap in services, especially for the homeless population. It is estimated that annually over 500 homeless persons in Asheville are in need of substance abuse services, yet go without.

As explained in the Chapter on Homelessness, New Vistas is endeavoring to meet the challenge of ending chronic homelessness by creating multidisciplinary Assertive Community Treatment (ACT) Teams. Such teams will provide case management and physical and mental health services to homeless people on the streets, in the shelters, and in supportive housing.

## 4 - ECONOMIC DEVELOPMENT AND TRAINING

### A. Overview

Appropriate economic development is a continuing topic of discussion and concern for the City of Asheville. In 2000, the City adopted a Sustainable Economic Development Plan which identified four priorities: land and zoning, the development process, workforce education and the riverfront. A number of resulting achievements have impact on economic opportunities for low-income people:

- Providing density-bonuses and new zoning districts to allow increased density and mixed-use development in underutilized areas of the city
- Establishing a Development Services Task Force to make recommendations on streamlining the development process
- Several simplifications to the development process, including neighborhood meetings as an alternative to formal Planning & Zoning Commission hearings
- Expansion of AB Tech's Small Business Center and the creation of its Small Business Incubator focusing on the application of new technologies
- Adoption of the Wilma Dykeman Riverway Master Plan to guide future development along the riverfront area.

In 2004, City Council adopted a Strategic Operating Plan identifying key goals and objectives for the community and specific tasks to achieve those goals. Both economic development and affordable housing are central to the plan. The economic development goals are:

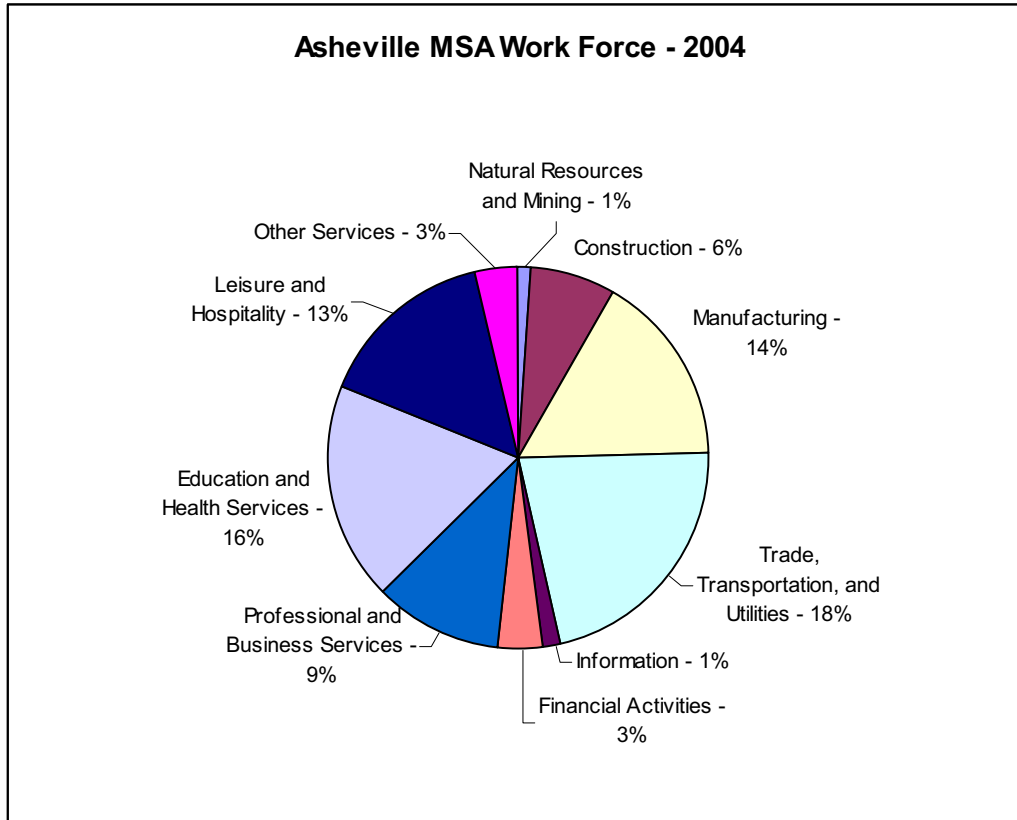
1. **A strong small business environment** - Develop and implement a strategy for small businesses to flourish through technical assistance and small business development
2. **An efficient and economical permitting process** - Reform the permitting process to make it more conducive to do business in Asheville
3. **Balanced and collaborative economic growth** - Re-evaluate current structures for planning and create a model that will produce an effective regional economic development plan
4. **Increased employment training opportunities** - Develop a realistic strategy to increase the amount of vocational training available in Asheville that is consistent with City Council's role and authority.

Strategies included: improving the permitting process, funding for and partnership with AB Tech's small business center and employment education programs, implementation of a regional economic development plan, and the direct allocation of CDBG funds to small business development.

### B. Employment Opportunities

Through the 2001-02 recession, Buncombe County maintained one of the lowest unemployment rates in the state (3.5% in 2004, *U.S. Bureau of Labor Statistics*). In common with the national

trend, employment has been transitioning away from manufacturing towards service jobs, often lower-paid. More than 3500 manufacturing jobs were lost in the Asheville MSA in the past five years, an average annual decline of 5.4 percent. The education, health, and social services sector continues to expand, as does the leisure and hospitality sector.



*U.S. Bureau of Labor Statistics*

However, employment in Asheville is not a guarantee of self-sufficiency. Local wages continue to lag behind state and national averages.

**Table 22: Average wage per job (2003)**

MSA	Annual Wage
Asheville	\$28,750
Winston-Salem	\$34,722
Charlotte	\$39,805
Greensboro-	\$32,873
North Carolina	\$32,995

*U.S. Bureau of Labor Statistics*

The growing disparity between the cost of living in Buncombe County and the potential earning power of its workforce is a persistent problem for the region. The consequences for housing affordability are well documented in the Housing Needs Assessment.

In addition to housing affordability gaps, many lower-wage jobs (i.e. retail, restaurant, service industry) provide no health care coverage for employees. Workers in these jobs are unlikely to be

able to afford private health insurance, but may still be above the Medicaid income limits. Many of these jobs also fail to provide sick pay, family leave or retirement benefits.

The combination of extremely low unemployment and persistently low wages runs counter to conventional economics. The shortage of labor, as evidenced not only by the unemployment figures but also by the prevalence of “help wanted” notices in retail and service establishments, should push up wages as employers compete for the available work force. It has been suggested that at least two factors are at work in the opposite direction. First, employers are actively recruiting from sectors of the population who do not figure in unemployment statistics: students, retirees, homemakers, and people prepared to work two or even three jobs. Second, Asheville’s reputation for high quality of life and tolerance for unconventional lifestyles has attracted significant numbers of people who could command higher wages elsewhere but are prepared, at least for a time, to accept low wages in order to live here – a form of voluntary poverty.

## **C. Employment Training and Education**

### ***Job Training***

Strengthening and growing job training opportunities in this area and investing in the appropriate technologies and equipment in the classroom will be increasingly important in preparing Asheville’s workforce to meet the needs of changing economy and increase earnings among the low -income population.

Many low-income individuals face economic disadvantage, job loss, and other serious barriers to employment. Employment education opportunities can provide job readiness training and other services that result in increased employment and earnings, increased educational and occupational skills, and decreased welfare dependency. Employment training can offer greater mobility and opportunity in the workplace and prepare the labor force to compete in a changing economy.

Asheville has a network of employment education and training resources operated by AB Tech, Goodwill Industries, NC Vocational Rehabilitation Services, Buncombe County DSS, Community Action Opportunities, and Eagle-Market Streets Development Corporation as well as several employers providing on-site training. This list is not exhaustive. Training can be as specific as technical skills development, and internship opportunities. It can also be one-on-one consultations in career preparation and job search and job readiness skills (i.e. resume writing, budget).

Many of these programs are at capacity and keep long waiting lists. Continued expansion requires adequate funding and classroom space, equipment and personnel. AB Tech has recently added 12,000 square feet to its continuing education facilities. Goodwill Industries holds several classes in their 30,000 square feet facilities, and has been exploring ways to offer night classes, due to full classrooms and limited equipment.

### ***Self Employment Opportunities***

Between 2000 and 2004, Buncombe County had 51 business closings affecting 2,304 people and 29 layoffs affecting 1,179 people. (Employment Security Commission) In the wake of such job loss, low-income persons may seek economic self-sufficiency through self-employment.

In 2002, Buncombe County had 19,400 microenterprises (business with four or less employees) providing more than 25,000 jobs - nearly 20% of Buncombe's total employment (Association for Enterprise Opportunities). City residents have access to small business support through a

number of organizations: Asheville-Buncombe Technical Community College Small Business Center, the Asheville Business Development Center, Mountain Microenterprise Fund (MMF), The University of North Carolina's Small Business and Technology Development Center, SCORE and the SBA. However, barriers such as class schedules and high reading levels of training materials make it difficult for low-income people to access resources. CDBG supports programs that broaden access and specifically meet the needs of low-income individuals. The survival rate, after 2.6 years, of small businesses that receive business development services is 79% for low-income owners and over 90% for moderate-income owners, compared with only 60% for those who do not receive services (Association for Enterprise Opportunities)

A strong business plan does not ensure success. Lack of adequate capital is a primary reason for small business failure. Low-income people entering self-employment have particular difficulty accessing capital. Poor or no credit history, insufficient collateral, low wealth, language barriers, and other barriers prevent low-income entrepreneurs from securing a loan from conventional lending institutions. Mountain Microenterprise Fund offers a Small Business Loan program which has been able to provide particularly creative and flexible loan packages to clients who cannot access credit from banks. In 2004, 90% of MMF's Latino borrowers, and 70% of their overall borrowers were low-income. Long waiting lists and a high percentage of low-income participants indicates the high demand for MMF's services. The Self Help Credit Union's Asheville branch is another source for non-conventional financing.

In 2004, the SBA located a branch office in Asheville offering a number of programs for low-income and minority businesses including loan guarantee, micro-loans and loan pre-qualification, through intermediary organizations such as MMF.

#### **D. Economic Development Incentives**

Current economic development policies and incentives include local, state and federal opportunities for business and industrial assistance. The City offers both an incentive grant program and an infrastructure grant program which reimburse businesses and industries a portion of increased property tax from their investment. The City has awarded \$750,000 dollars in grants since 2001, leveraging \$31,000,000 dollars of private investment, resulting in the creation of 250 new jobs in Asheville. The City continues to explore other possible opportunities for promoting economic development using City resources. Ideas have included using City capital improvements to provide incentives, expanding funding, pursuing user-supported funding, particularly room tax and prepared food and beverage tax, as well as seeking public-private partnerships for infrastructure projects.

The state currently offers a variety of economic incentives through its Development Zone program. These primarily include tax credits for manufacturing and job creation projects. Historic preservation tax credits are available through both state and federal sources. Asheville has been allocated more historic preservation tax credits than all other cities in North Carolina combined.

The federal government enacted the New Market Tax Credit program in 2000, allowing large investors to obtain tax credits by investing in economic development projects in low-income areas. However, Asheville has yet to see a project using this type of funding.

In November 2004, North Carolina voted to approve tax increment financing as an economic development tool. This allows local governments to borrow money, typically in the form of a bond, against the future increase in tax revenue from specific improvements. This mechanism

has been used in forty-eight states for a variety of projects ranging from the extension of water and sewer for industrial projects to cleaning up contaminated sites for new development.

## **E. Blighted Commercial Areas**

Asheville has a handful of commercial districts in low-income areas that are underutilized or have been in decline for a number of years. Reinvestment in these commercial districts can benefit the surrounding neighborhoods and Asheville as a whole.

- **South Pack Square**, also called “The Block” was formerly the center of African-American business life for the whole region. It has suffered for many years from pervasive blight and disuse. Over the past 10 years, significant amounts of CDBG funding has been invested in planning and property acquisition through Eagle Market Streets Development Corporation, but broad local support for specific redevelopment projects has been lacking, and several initiatives have failed through political and legal opposition. Some recent private investment has been successful in renovating a few buildings and bringing businesses into the area, but the neighborhood still requires significant investment and extensive redevelopment.
- **Haywood Road** was the “Main Street” of West Asheville. Over the past five years it has enjoyed moderate private investment in new businesses and several buildings are being renovated. However, the pattern of existing land uses and underutilized properties continue to inhibit the area’s full potential. This area still deserves continued observation and consideration for CDBG funding.
- **The Riverfront Area** lies west and south of the central business district. This old industrial area has been in decline for many years and offers exciting opportunities for revitalization with a mix of residential, commercial, industrial and recreational uses. It has seen the growth of an “artist’s colony” of small workshops and studios in former industrial buildings, but major investment has yet to take place. CDBG or HOME investment in residential development together with CDBG investment in small businesses is a possibility.

## **F. Brownfield Redevelopment**

Brownfields are underutilized properties where development is hindered by real or perceived contamination. Several such properties spot the City’s landscape in poor and disadvantaged neighborhoods, including a significant number of empty warehouses, dilapidated factories, and junk lots in the riverfront area.

Transforming brownfields is an opportunity to attract new businesses and residents, create new jobs, and increase tax revenues. The Land-of-Sky Regional Council has created a broad public-private partnership called the Regional Brownfields Initiative (RBI). The RBI has been awarded \$400,000 Brownfield Assessment Grant and a \$1,000,000 Brownfields Revolving Loan Fund Grant from the US Environmental Protection Agency (EPA) for brownfield redevelopment. The Revolving Loan Fund will be used to provide low-interest loans to small businesses and sub-grants to local governments for brownfields cleanup projects within the Land-of-Sky region (Buncombe, Henderson, Madison, Transylvania).

This initiative represents a leverage opportunity for CDBG funds as well as technical support for the redevelopment of Asheville's blighted areas. There are presently three properties within Asheville registered under the program, the former Andrex Industries site on Deaverview Road, and two parcels occupied by the former Cotton Mill on Riverside Drive. However, at least 20 more have been identified as potential brownfield sites and 75-100 sites remain to be investigated.

---

## 5 - INSTITUTIONAL STRUCTURE FOR ADDRESSING NON-HOUSING NEEDS

---

The City's Departments of Public Works and Parks & Recreation, the Regional Water Authority, and the Metropolitan Sewerage District have the capacity to carry out all public improvements recommended in this plan. Only funding is lacking.

A network of governmental ("mainstream") and non-profit organizations is in place to provide housing and human services, job training and business assistance within the community. These have been identified in the preceding narrative. The City will continue to work over the next five years with nonprofit providers, local lenders, and with county, and State governments to strengthen, coordinate, and integrate actions for housing, infrastructure, public/human services and economic development efforts.

## 6 - PRIORITY NON-HOUSING GOALS AND STRATEGIES FOR ACTION

The following priorities and strategies for Asheville were developed by the Non-Housing Focus Group and are the core of this Strategic Plan, so far as non-housing issues are concerned.

<b>Priorities (in ranked order)</b>	<b>Strategies (not ranked)</b>
<p><b>1. Develop living wage employment (&gt;\$11, adjusted annually) and provide accessible job training and placement for such employment</b></p>	<ul style="list-style-type: none"> <li>• Encourage programs which provide affordable or free employment training</li> <li>• Provide resources to support career exploration, counseling and job placement for dislocated workers, youth and ex-offenders</li> <li>• Publicize local job training and support programs</li> <li>• Create “apprenticeship” program to plug willing participants wanting to acquire skills into job opportunities</li> <li>• Provide funding for incentives to businesses to develop Brownfield sites and provide jobs to LI persons</li> <li>• Provide funding to support small business incubators</li> <li>• Provide resources to support youth employment &amp; job training</li> <li>• Develop a job coach program for young people entering the job market</li> <li>• Fund programs that provide low-income persons with clothing and tools needed for employment</li> <li>• Continue to support employment services in South Pack Square</li> </ul>
<p><b>2. Provide needed services that directly support affordable housing, public transportation, youth services, and increased employment opportunities</b></p>	<ul style="list-style-type: none"> <li>• Provide support for homebuyer education, home maintenance, post-purchase and housing counseling; make available in English and other languages</li> <li>• Provide free bus passes to shelters, transitional housing and housing counseling agencies</li> <li>• Increase public transportation’s hours of operation and frequency</li> <li>• Change zoning to increase residential/commercial development along bus lines; provide density bonuses for transit accessibility</li> <li>• Provide life skills training and coaching for low-income persons (adults and youth) to gain skills to obtain financial, home, interpersonal, and job stability</li> <li>• Expand the role of community centers and neighborhood associations; encourage neighborhood services and newsletters</li> <li>• Expand the hours of operation of community centers and pools; increase the variety of programs, youth services, mentoring ,, summer programs, internet access</li> <li>• Encourage intergenerational services and opportunities for learning</li> </ul>

<b>Priorities (in ranked order)</b>	<b>Strategies (not ranked)</b>
	<ul style="list-style-type: none"> <li>• Assist the elderly with accessing needed services; offer services on-site in communities</li> <li>• Provide car/ transportation share programs</li> <li>• Provide transportation and child care services to support people in job training</li> <li>• Provide low-cost interim, drop-in and sick child care for job seekers, those on waiting lists for permanent child care, and those who are eligible for shift work</li> <li>• Provide substance abuse treatment to improve employment, neighborhood and housing stability</li> <li>• Continue community policing efforts and education in LI housing; encourage residents to take control of their neighborhoods</li> </ul>
<p><b>3. Provide infrastructure and neighborhood improvements to support affordable housing, multi-modal transportation, and economic development</b></p>	<ul style="list-style-type: none"> <li>• Upgrade water and sewer lines to stabilize neighborhood infrastructure and encourage new infill development</li> <li>• Provide sidewalks and bicycle paths for neighborhood connection and access to public transportation, schools, services, shopping, etc.</li> <li>• Provide bus shelters in low-income neighborhoods</li> <li>• Provide incentives to developers to include green spaces, sidewalks, bike lanes, bike paths</li> <li>• Offer infrastructure funding incentives for inclusionary zoning developments</li> <li>• Provide funding for infrastructure improvements to encourage redevelopment of Brownfield sites</li> <li>• Incorporate public gathering spaces and streetscape improvements that foster neighborhood identity and community involvement</li> <li>• Approach neighborhood improvements using CPTED (Crime Prevention Through Environmental Design) principles</li> <li>• Develop park'n'ride lots for ride-share programs</li> </ul>
<p><b>4. Increase services to help low-income people improve their financial well-being, avoid predatory lending, and improve their credit for homeownership and business ownership</b></p>	<ul style="list-style-type: none"> <li>• Provide education to low-income individuals on basic financial literacy, lending, and credit.</li> <li>• Provide education and materials in languages other than English</li> <li>• Include personal finance education in school curriculums</li> <li>• Publicize local training and support programs and offer them in easily accessible neighborhood locations</li> <li>• Support legislation to deter predatory lending</li> <li>• Encourage prime lenders to offer ethical and affordable sub-prime loans as an alternative to predatory lending</li> <li>• Encourage service exchange between low-income people to help them financially (“Emma Bucks” model)</li> </ul>
<p><b>5. Support start-up and</b></p>	<ul style="list-style-type: none"> <li>• Support programs offering access to capital for small businesses</li> </ul>

<b>Priorities (in ranked order)</b>	<b>Strategies (not ranked)</b>
<p><b>growth of small businesses</b></p>	<ul style="list-style-type: none"> <li>• Support entrepreneurship training and technical assistance</li> <li>• Provide incentives to developers to offer affordable space to small businesses</li> <li>• Focus on expanding local businesses as well as recruiting businesses from out of town</li> <li>• Coordinate training of low-income persons with the employee needs of small business</li> </ul>
<p><b>6. Support 10-year plan to eradicate homelessness, including enhanced homeless prevention</b></p>	<ul style="list-style-type: none"> <li>• Fund the 10-Year Plan to end homelessness</li> <li>• Create a referral service for homeless persons at shelters and other locations, including access to 211</li> <li>• Advertise homeless services to homeless persons as well as to service providers to increase awareness of programs</li> <li>• Provide and support transitional services for offenders re-entering the community, including transitional housing for offenders and their families</li> <li>• Implement a “secret shopper” to evaluate the effectiveness, accessibility, and level of respect of homeless services currently provided</li> <li>• Build capacity for permanent supportive housing and support services for homeless persons (as outlined in the 10-year plan)</li> <li>• Provide transportation for homeless persons (for example, free bus passes to access employment)</li> <li>• Create work programs for homeless persons</li> <li>• Support transitional housing that allows families to remain intact</li> <li>• Provide mental health services for homeless persons and evaluate eligibility for benefits (such as disability, social security, veterans, etc.)</li> <li>• Create a 24-hour Crisis Center (similar to the “23-hour House” in Wilmington, NC)</li> <li>• Increase the availability of substance abuse treatment for the homeless, and to prevent homelessness</li> </ul>

## 7 - NON-HOUSING PERFORMANCE TARGETS AND OUTCOMES

### Output Targets

The City Of Asheville will endeavor to meet the following specific targets for **non-housing activities assisted with CDBG Entitlement funds** in the period 2005-2010. In setting these targets we have assumed that federal and state assistance will remain at approximately the level of FY 2004, after allowing for inflation. The targets are higher than those set in the previous plan, reflecting the increased number, experience, and capacity of our partner agencies. **Any reduction in CDBG funding will have a direct and damaging effect on our ability to serve the needs of low- income people in the City Of Asheville.**

Under CDBG regulations, funding for the operation of public services is limited to no more than 15% of the annual budget. Decreases in CDBG funding over time have led to a reduction in the number and variety of public services receiving CDBG support. The needs of non-housing activities clearly outstrip the amount of CDBG funding available. As a result, we will focus our funding on activities of high priority that facilitate housing, economic development, transportation, and the financial stability of persons living in Asheville.

**Table 23: Program (Output) Targets 2005-2010**

Programs	Targets	
	5-Year	Annual
Water / Sewer Improvements	5000 linear feet	1000 linear feet
Street / Sidewalk Improvements	2000 linear feet	400 linear feet
Transportation Accessibility	4 bus shelters, 100 route signs	Varies
Financial, Housing and Family Support Services	6,000 persons	1,200 persons
Homeless Services	7,500 persons	1,500 persons
Youth Services	400 persons	80 persons
Micro-Enterprise Assistance	800 persons	160 persons
Job Training	100 persons	20 persons

*Note: Annual targets are averages - it is not expected that every program area will be addressed each year*

### Performance Measurement

The amount of infrastructure constructed or improved and the number of people provided with services are considered *program outputs*. Program outputs do not, in themselves, ensure that the identified needs have been met. The City plans to look more closely at measuring the actual *outcomes* of our activities – the direct effect our activities have on our intended beneficiaries. If we can achieve the program targets set out above for CDBG-assisted programs in Asheville, we hope to produce the specific outcomes shown in Table 24, on the next page.

**Table 24: Annual Non-Housing Outcomes and Performance Measures**

<b>Program Type</b>	<b>Annual Output Target</b>	<b>Outcome</b>	<b>Performance Measures</b>	<b>Annual Outcome Target</b>
Water / Sewer, Street and Sidewalk Improvements	<ul style="list-style-type: none"> <li>• Water/ Sewer – 1000 linear feet</li> <li>• Streets/Sidewalks – 400 linear feet</li> </ul>	<ol style="list-style-type: none"> <li>1. Improved infrastructure in low-income residential areas</li> <li>2. Availability of water/sewer to vacant infill lots</li> </ol>	<ol style="list-style-type: none"> <li>1. # of households that have access to improved infrastructure</li> <li>2. # of vacant lots now with water/sewer availability</li> </ol>	<p>20</p> <p>8</p>
Transportation Accessibility	<ul style="list-style-type: none"> <li>• 2 bus stop shelters</li> <li>• 50 route signs</li> </ul>	<ol style="list-style-type: none"> <li>1. Improved infrastructure in low-income areas</li> <li>2. Increased transit accessibility along LI area routes</li> </ol>	<ol style="list-style-type: none"> <li>1. # of persons in LI areas that have access to bus shelters/signage</li> <li>2. Increase in public transit ridership</li> </ol>	<p>13,500 (8900 low-income)</p> <p>2000 (10,000 over 5 years)</p>
Financial, Housing and Family Support Services	<ul style="list-style-type: none"> <li>• 1200 persons</li> </ul>	<ol style="list-style-type: none"> <li>1. Prevent homelessness and stabilize households</li> <li>2. Improve financial well being</li> <li>3. Low-income and minority households achieve homeownership</li> </ol>	<ol style="list-style-type: none"> <li>1. # of households avoided eviction, foreclosure, or obtained safe affordable housing</li> <li>2. # persons improved credit</li> <li>3. # of LI homebuyers,; # of LI African American &amp; Latino homebuyers</li> </ol>	<p>260</p> <p>325</p> <p>40 (total)</p> <p>10 (minority)</p>
Homeless Services	1500 persons	<ol style="list-style-type: none"> <li>1. Homeless persons will increase income by obtaining entitlement benefits</li> <li>2. Engage in mental health treatment / counseling</li> <li>3. Move to permanent housing</li> </ol>	<ol style="list-style-type: none"> <li>1. # persons who obtain at least one form of entitlement benefit</li> <li>2. # persons attend at least one mental health treatment or counseling session</li> <li>3. persons that obtain permanent housing</li> </ol>	<p>150</p> <p>130</p> <p>50</p>

Program Type	Annual Output Target	Outcome	Performance Measures	Annual Outcome Target
Youth Services	80 persons	<ol style="list-style-type: none"> <li>Students academic performance improves</li> <li>Parent involvement increases</li> </ol>	<ol style="list-style-type: none"> <li># students improve their grades &amp; attendance</li> <li># parents attending meetings, trainings or volunteer w/ program</li> </ol>	<p>40</p> <p>10</p>
Micro-Enterprise Assistance / Job Training	<p>160 persons for microenterprise;</p> <p>20 persons for job training</p>	<ol style="list-style-type: none"> <li>Participants complete training program</li> <li>Participants gain sustaining employment</li> <li>Create or expand small businesses</li> <li>Create jobs</li> <li>Sustain small businesses</li> </ol>	<ol style="list-style-type: none"> <li># training graduates</li> <li># obtaining employment</li> <li># of start ups &amp; expansions</li> <li># of FTE jobs</li> <li># assisted remain operational 12 months after assistance</li> </ol>	<p>140</p> <p>10</p> <p>100</p> <p>100</p> <p>40</p>

*LI = Low income*

*FTE = Full-time equivalent*

## APPENDIX – HUD TABLE 2B

The table below, in a format prescribed by HUD, identifies various types of non-housing needs and assigns a priority to each. These are not the absolute priorities for the community, but are for the use of CDBG funds, taking into account regulatory restrictions on CDBG funding, the limited amount of funding available, and the need to coordinate with other priorities in the Housing and Homelessness areas. A need given a “low” priority ranking may be very significant for the community, but the City is unlikely to be able to allocate CDBG funds to it during the next 5 years.

**HUD Table 2B - Prioritization of Community Development Needs**

Priority Community Development Needs	Priority for CDBG funding	Unmet Need (Gap)	Dollars to Address Unmet Need	Goals / Targets
<b>PUBLIC FACILITY NEEDS</b>				
Senior Centers	L	0	0	0
Handicapped Centers	L	n/a	n/a	0
Homeless Facilities	H	35 beds	\$3,000,000	35
Child Care Centers	L	0	0	0
Health Facilities	L	0	0	0
Neighborhood Facilities	M	1	\$300,000	0
Parks, Recreation, Youth Facilities	M	9	\$27,000,000	0
Parking Facilities	L	1	\$20,000,000	0
Non-Residential Historic Preservation	L	4	\$500,000	0
Other Public Facility Needs	L	n/a	n/a	0
<b>INFRASTRUCTURE</b>				
Water / Sewer Improvements	H	186,000 LF	\$13,790,000	5,000 LF
Street Improvements	M	54,800 LF	\$1,985,000	1500 LF
Sidewalks	H	37,200 LF	\$980,000	500 LF
Solid Waste Disposal Improvements	L	n/a	n/a	n/a
Flood Drain Improvements	M	21 units	\$21,000	0
Transportation Infrastructure	H	700 signs, 200 benches, 30 shelters	\$480,000	100 signs, 4 shelters
<b>PUBLIC SERVICE NEEDS</b>				
Senior Services	L	500 persons	\$50,000	0
Handicapped Services	L	n/a	n/a	0
Youth Services	H	500 persons	\$500,000	400
Child Care Services	M	200 persons	\$4,000,000	0
Transportation Services	M	1,500,000 trips	\$3,500,000	0
Substance Abuse Services	M	500 persons	\$2,500,000	0
Employment Training	H	1000 persons	\$1,250,000	100
Health Services	L	12,000 persons	\$12,000,000	0
Lead Hazard Screening/Investigation	L	500 screenings	\$200,000	0
Crime Awareness	L	n/a	n/a	n/a
Financial, Housing and Family Support Services	H	10,000 persons	\$6,000,000	6,000
Homeless Services	L	8,000 persons	\$4,000,000	7,500

Priority Community Development Needs	Priority for CDBG funding	Unmet Need (Gap)	Dollars to Address Unmet Need	Goals / Targets
<b>ECONOMIC DEVELOPMENT</b>				
ED Assistance to For Profit Businesses	M	100 businesses	\$3,500,000	0
ED Technical Assistance to Businesses	L	500 businesses	\$1,000,000	0
Micro-Enterprise Assistance to Businesses	H	1,500 persons or businesses	\$3,000,000	800
Rehab of Publicly or Privately-Owned Commercial / Industrial Properties	M	634,550 square feet	\$12,691,000	0
Commercial or Industrial Infrastructure Development	M	n/a	n/a	n/a
Other Economic Development Projects	L	n/a	n/a	n/a
<b>PLANNING</b>				
Planning	M	n/a	n/a	n/a
<b>Total Estimated Dollars Needed:</b>			\$122,247,000	

**Explanation of terms:**

H = High Priority – CDBG funds will be used to address this area of need over the next 5 years.

M = Medium Priority – CDBG funds may be used to address this area of need.

L = Low Priority – CDBG funds are unlikely to be used to address this area of need, but the City may certify that other programs addressing the need are consistent with this Plan.

n/a = data not available

LF = linear feet

Intentional blank page