

FY 2022 AHSP Application Staff Summary:

Asheville Area Habitat for Humanity: Glenn Bridge

| | | | | |
|---|--|--|--|--------------------------------------|
| 29 Homes to Be Constructed | \$25,000 AHSP Request Per Unit | \$1.00 : \$6.65 Leverage Ratio AHSP \$: Other \$ | <80% AMI Target | 5+ Period of Affordability |
| \$191,138 Average Cost Per Home | \$127.04 – 239.09 Average Cost Per Square Foot | | 1, 2 and 3 Bedrooms per Unit | |

Project Description: Asheville Area Habitat for Humanity (AAHH) has submitted an application requesting loan funds in the amount of **\$725,000** to support the Glenn Bridge project in Avery Creek. AAHH, after submittal of the New Construction Units for Sale application, clarified with staff that the request of \$725,000 was inclusive of a **\$290,000 Construction Loan** request and a **\$435,000 Downpayment Assistance Loan** request. AAHH submitted a single application under the New Construction Units for Sale category, as a combined New Construction Units for Sale/Downpayment Assistance application type was unavailable.

Strategic Plan Community Focus Area: Resident Well Being

Strategic Plan Vision: Our residents are safe, healthy, and engaged in their community.

AHSP Goal: Preserve and increase the stock of affordable housing including rental developments.

Project Priority Addressed: Priority 1: Construction Loans for Multifamily Developments with Units for Sale and Priority 4: Construction Loans for Single Family Units for Sale

Summary: AAHH's request (\$725,000) is intended to fund the development of the \$5,542,988, 29-home Glenn Bridge community. AAHH is committed to repaying \$290,000 over the course of the 5-year term (repayment of infrastructure loans to occur incrementally at the sale of each of the 29 homes to qualified homebuyers). The remaining \$435,000 will transfer to the 29 qualified homebuyers as downpayment assistance (\$15,000 per unit). Downpayment assistance funds will be repaid to Buncombe County upon the future sale of the home to a non-qualified homebuyer (should the home be reacquired by AAHH or purchased by a low-income homebuyer, the downpayment assistance may be transferred).

AAHH relies on internal funding, donations, ReStore revenue, sponsorships, and other sources to support projects. Funding for pre-development and infrastructure costs on a community of this scale is among the most difficult to secure, and has traditionally been sought from local government or federal programs. Securement of these funds would allow the applicant to commence work July 1, 2021, and ideally begin offering homes for sale in calendar year 2022.

The project reflects AAHH's emerging strategy to develop more compact communities and provide a greater variety of housing types. Of the 29 homes proposed, 21 are in the form of attached townhomes. This strategy is based on the idea of making the community more attractive to a broader population, including smaller families and aging adults. The project has been reviewed and approved by Buncombe County Planning staff and Board of Adjustment, and possesses the required approvals to proceed.

Recommendation: Community Development Division staff reviewed the project, and confirm it adheres to the requirements of the FY22 AHSP, and appears eligible for funding. The project should be ready for implementation July 1, 2021. Consideration of full award is recommended given that: (1) this project type addresses the Affordable Housing Committee's highest priority; (2) the shovel ready nature of the project; (3) the ability to create immediate impact through the production of units which will be available for occupancy as early as calendar year 2023; and (4) the nature of the loan structure which will return \$290,000 in loan repayment within five (5) years, generate additional program income based off loan interest, and which will allow the balance of the award (\$435,000 in downpayment assistance loans) to potentially be repaid upon future sale of the homes.

Attachments:

- Project Summary Sheet
- Program Budget
- Application

| PROJECT SUMMARY SHEET | | Y/N |
|---|--|------------|
| Project Description/Narrative | | |
| Clearly affordable housing focused | | Y |
| Aligns with all components of the application | | Y |
| Aligns with all tenants of the AHSP program | | Y |
| Aligns with the selected strategic goal | | Y |
| Designed to Serve Households with AMI | | |
| <80% | | Y |
| <50% | | Y |
| <30% | | N |
| Designed to Serve | | |
| General populous eligible for the program | | Y |
| Individuals who are hard to house | | N |
| Individuals who are homeless | | N |
| Individuals who are disabled | | Y |
| Individuals who are elderly | | Y |
| Project Expenses | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Sources | | |
| Complete | | Y |
| Reasonable | | Y |
| Includes leveraging additional investment (non-AHSP funds) | | Y |
| Project Schedule | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Team | | |
| Relevant experience and qualifications to complete the project | | Y |
| Project History | | |
| Indicates success in completing projects in the program category | | Y |
| Applicant | | |
| Has timely audits free of qualifications and findings which would adversely indicate ability to manage an AHSP allocation | | Y |
| Shows a healthy financial position | | Y |
| Is a non-profit applicant | | Y |

| CONSTRUCTION PROJECT ADDITIONAL SUMMARY INFO | Y/N |
|--|-----|
| Project | |
| Preserves long-term affordability beyond the loan term | Y |
| Emphasizes quality design and construction | Y |
| Participates in an energy efficiency program | Y |
| Contains mixed unit types (affordable, workforce, market) | N |
| Contains mixed unit types (multifamily and single family) | Y |
| Contains mixed unit types (units with varied number of bedroom (1,2,3+)) | Y |
| Is geographically separated from other affordable housing projects | Y |
| Is coordinated with employment, services, and existing infrastructure | Y |
| Is located within 3/4 miles of a public transportation route | N |



BUNCOMBE COUNTY FY 2022

AFFORDABLE HOUSING SERVICES PROGRAM (AHSP)

Construction Budget

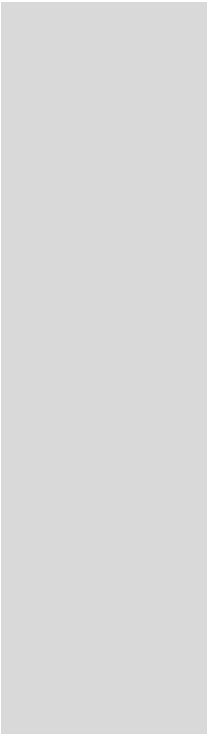
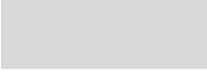
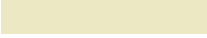
Applicant for Construction Project Instructions: Please fill out the items in gold completely. Where appropriate, "Not Applicable" may be an acceptable response.

| | | | | |
|------------------------------------|----|---|------|------------------|
| Number of Units to Be Constructed: | 29 | Difference Between Project Costs (Expenditures) and Funding by Source (Revenues): | \$ - | Must be "\$0.00" |
|------------------------------------|----|---|------|------------------|

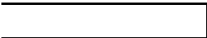
| Project Costs (Expenditures) | Total | Description | Percent of Project Cost | Average Cost Per Unit |
|---|------------------------|---|-------------------------|-----------------------|
| 1 Land Acquisition | \$ 332,514.64 | land acquisition costs - net of sales of 3 properties | 6.00% | \$ 11,466.02 |
| 2 Site Preparation | \$ 1,012,091.00 | includes demolition | 18.26% | \$ 34,899.69 |
| 3 Construction | \$ 3,650,716.00 | | 65.86% | \$ 125,886.76 |
| 4 Construction Contingency | \$ - | | 0.00% | \$ - |
| 5 Appraisal | \$ 5,800.00 | | 0.10% | \$ 200.00 |
| 6 Survey | \$ 14,500.00 | | 0.26% | \$ 500.00 |
| 7 Architect/Engineering | \$ 40,000.00 | site preparation engineering fees | 0.72% | \$ 1,379.31 |
| 8 Permits | \$ 87,000.00 | | 1.57% | \$ 3,000.00 |
| 9 Taxes | \$ - | | 0.00% | \$ - |
| 10 Financing Cost (Include Interest) | \$ 77,016.69 | | 1.39% | \$ 2,655.75 |
| 11 Legal | \$ 56,550.00 | | 1.02% | \$ 1,950.00 |
| 12 Marketing | \$ - | | 0.00% | \$ - |
| 13 In-house Administrative Costs/Developers Fee | \$ 261,000.00 | non-construction costs and marketing | 4.71% | \$ 9,000.00 |
| 14 Other (Describe) | \$ 5,800.00 | insurance | 0.10% | \$ 200.00 |
| 15 Other (Describe) | \$ - | | 0.00% | \$ - |
| 16 Other (Describe) | \$ - | | 0.00% | \$ - |
| 17 Other (Describe) | \$ - | | 0.00% | \$ - |
| 18 Other (Describe) | \$ - | | 0.00% | \$ - |
| Total | \$ 5,542,988.33 | | 100.00% | \$ 191,137.53 |

| Funding by Source (Revenues) | Total | Description | Status | Percent of Funding | Average Funds Per Unit* | Funds Committed | Funds Applied For |
|-------------------------------|------------------------|--|-----------------|--------------------|-------------------------|-----------------|----------------------|
| 1 AHSP Funding Request | \$ 725,000.00 | this request | Applied For | 13.08% | \$ 25,000.00 | \$ - | \$ 725,000.00 |
| 2 Acquisition Loan | \$ - | | | 0.00% | \$ - | \$ - | \$ - |
| 3 Construction Loan | \$ - | | | 0.00% | \$ - | \$ - | \$ - |
| 4 Equity | \$ - | | | 0.00% | \$ - | \$ - | \$ - |
| 5 Other Loan (Describe) | \$ 327,091.00 | private loan | To Be Requested | 5.90% | \$ 11,279.00 | \$ - | \$ - |
| 6 Other Loan (Describe) | \$ - | | | 0.00% | \$ - | \$ - | \$ - |
| 7 Other Loan (Describe) | \$ - | | | 0.00% | \$ - | \$ - | \$ - |
| 8 Other Loan (Describe) | \$ - | | | 0.00% | \$ - | \$ - | \$ - |
| 9 Grant (Describe) | \$ 1,595,000.00 | Private funding - house sponsorships (\$55K/home for 29 homes) | To Be Requested | 28.78% | \$ 55,000.00 | \$ - | \$ - |
| 10 Grant (Describe) | \$ 435,000.00 | Private funding - adopt a lot sponsorships (\$15K/lot for 29 lots) | To Be Requested | 7.85% | \$ 15,000.00 | \$ - | \$ - |
| 11 Grant (Describe) | \$ 2,460,897.33 | Private funding, undesignated revenue, earned income | To Be Requested | 44.40% | \$ 84,858.53 | \$ - | \$ - |
| 12 Federal Funding (Describe) | \$ - | | | 0.00% | \$ - | \$ - | \$ - |
| 13 Federal Funding (Describe) | \$ - | | | 0.00% | \$ - | \$ - | \$ - |
| 14 Federal Funding (Describe) | \$ - | | | 0.00% | \$ - | \$ - | \$ - |
| Total | \$ 5,542,988.33 | | | 100.00% | \$ 191,137.53 | \$ - | \$ 725,000.00 |
| | | | | Percent | | 0.00% | 13.08% |

*A maximum of \$25,000 in AHSP construction funding is available per unit.



| Funds To Be Requested | |
|-----------------------|--------------|
| \$ | - |
| \$ | - |
| \$ | - |
| \$ | - |
| \$ | 327,091.00 |
| \$ | - |
| \$ | - |
| \$ | - |
| \$ | 1,595,000.00 |
| \$ | 435,000.00 |
| \$ | 2,460,897.33 |
| \$ | - |
| \$ | - |
| \$ | - |
| \$ | 4,817,988.33 |
| | 86.92% |



FY 2022 AHSP Application Staff Summary:

The Arc of Buncombe County: TBRA

| | | | | |
|--------------------------------|--|--|------------------------------|------------------------------|
| 15 Households Served | \$1,667 AHSP Request Per Household | \$1.00 : \$0.00 Leverage Ratio AHSP \$: Other \$ | <80% AMI Target | 38.0% % Admin Cost |
|--------------------------------|--|--|------------------------------|------------------------------|

Project Description: The Arc of Buncombe County (The Arc) has submitted a **Tenant-Based Rental Assistance (TBRA)** application requesting grant funds in the amount of **\$25,000** to support its rental assistance program for intellectually and developmentally disabled adults and families.

Strategic Plan Foundational Focus Area: Resident Well-Being

Strategic Plan Vision: Our residents are safe, healthy, and engaged in their community.

AHSP Goal: Address issues of homelessness

Project Priority Addressed: Priority 6: Tenant-Based Rental Assistance Program Grants

Summary: The Arc's request (\$25,000) is intended to supplement its larger rental assistance fund (partly funded by Buncombe County DHHS). The Arc is an established non-profit who work with disabled adults and families in Buncombe County, and provide a range of services meant to stabilize and enrich the lives of its clients. An element of its programming is housing support, and it regularly aids clients in locating and maintaining safe, appropriate housing. The Arc serves a specific community that can be extremely vulnerable if unhoused. Guidance from DHHS indicated that many clients of The Arc may be low-income, but have not experienced losses due to COVID-19, and therefore may not be available for relief funds. That need predicated this request.

Recommendation: Community Development Division staff reviewed the project, confirm it adheres to the requirements of the FY22 AHSP, and confirm it appears eligible for funding. The project appears ready for implementation July 1, 2021. Consideration of full or partial award is recommended given the ability to implement the project immediately and the ability to create immediate impact to Buncombe County households.

Attachments:

- Project Summary Sheet
- Program Budget
- Application

| PROJECT SUMMARY SHEET | | Y/N |
|---|--|------------|
| Project Description/Narrative | | |
| Clearly affordable housing focused | | Y |
| Aligns with all components of the application | | Y |
| Aligns with all tenants of the AHSP program | | Y |
| Aligns with the selected strategic goal | | Y |
| Designed to Serve Households with AMI | | |
| <80% | | Y |
| <50% | | Y |
| <30% | | Y |
| Designed to Serve | | |
| General populous eligible for the program | | N |
| Individuals who are hard to house | | Y |
| Individuals who are homeless | | Y |
| Individuals who are disabled | | Y |
| Individuals who are elderly | | N |
| Project Expenses | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Sources | | |
| Complete | | Y |
| Reasonable | | Y |
| Includes leveraging additional investment (non-AHSP funds) | | Y |
| Project Schedule | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Team | | |
| Relevant experience and qualifications to complete the project | | Y |
| Project History | | |
| Indicates success in completing projects in the program category | | Y |
| Applicant | | |
| Has timely audits free of qualifications and findings which would adversely indicate ability to manage an AHSP allocation | | Y |
| Shows a healthy financial position | | Y |
| Is a non-profit applicant | | Y |



BUNCOMBE COUNTY FY 2022

AFFORDABLE HOUSING SERVICES PROGRAM (AHSP)

Tenant-Based Rental Assistance Budget

Applicant for Tenant-Based Rental Assistance Instructions: Please fill out the items in gold completely.

| Description | Total | Percent |
|--|--------------|---------|
| Total Project Cost | \$ 25,000.00 | 100.00% |
| Total AHSP Funding Requested | \$ 25,000.00 | 100.00% |
| Balance of Project Cost Not Covered by AHSP Funding | \$ - | 0.00% |
| Number of Households Proposed to be Supported by the Total Project | 15 | 100.00% |
| Number of Households Proposed to be Supported by AHSP Funding | 15 | 100.00% |
| Number of Households Proposed to be Supported Using Other Funding (Not-AHSP Funds) | 0 | 0.00% |
| Portion of AHSP Funding as Direct Project Delivery (Not Administrative) | \$ 15,500.00 | 62.00% |
| Portion of AHSP Funding as Project Administration | \$ 9,500.00 | 38.00% |
| Average AHSP Funding Per Supported Household* | \$ 1,666.67 | 100.00% |
| Average AHSP Funding Per Household to Direct Project Delivery (Not Administrative) | \$ 1,033.33 | 62.00% |
| Average AHSP Funding Per Household Directed to Project Administration | \$ 633.33 | 38.00% |

| If the Balance of Project Cost Not Covered by AHSP Funding (Cell D11) is > \$0.00 Provide the Following: | |
|--|-------------------|
| Source of Other Funds | Amount of Funding |
| Crisis Intervention grants can be used for housing; however, it is the only option for medical appointment copays, medical equipment, school supplies, food, clothing, transportation, car repairs and other emergency needs of clients. Please read Organizational Status attachment for an overview of the Arc/BC. | \$ - |
| WNC Bridge Crisis Intervention | \$ 22,600.00 |
| Dogwood Health Trust | \$ 25,000.00 |

*A maximum of \$2,500 can be provided to each household per the requirements of the AHSP. Where assistance exceeds \$1,500 per household, such assistance shall be for the purposes of eviction prevention.

FY 2022 AHSP Application Staff Summary:

Asheville Area Habitat for Humanity: Emergency Home Repair

| | | | | |
|--------------------------------|--|--|---------------------------|-----------------------------|
| 55 Households Served | \$5,545 AHSP Request Per Household | \$1.00 : \$1.03 Leverage Ratio AHSP \$: Other \$ | ≤70% AMI Target | 0.0% % Admin Cost |
|--------------------------------|--|--|---------------------------|-----------------------------|

Project Description: Asheville Area Habitat for Humanity (AAHH) has submitted an **Emergency Repair Program Grant** application requesting **\$305,000** to support repair work for low-income homeowners in Buncombe County.

Strategic Plan Community Focus Area: Resident Well Being

Strategic Plan Vision: Our residents are safe, healthy, and engaged in their community.

AHSP Goal: Reduce substandard housing and expand opportunities for home repair.

Project Priority Addressed: Priority 8: Emergency Repair Program Grants

Summary: AAHH's request (\$305,000) is intended to support a project budget of \$620,013 for the continuation of its emergency repair program through FY22. To date, AAHH has served 30 of the 51 households supported by the FY21 AHSP emergency repair grant. The demand for emergency repair in the County has resulted in a waitlist of 34 new households, with a projected 55 households to be served through FY22. AAHH's emergency repair program focuses primarily on essential home health and safety issues. The program is available to households up to 70% of AMI with most repair recipients below 50% of AMI. Most construction labor is conducted by AAHH staff. Homeowners are expected to commit 20% toward the cost of repairs.

Recommendation: Community Development Division staff reviewed the project, confirm it adheres to the requirements of the FY22 AHSP, and confirm it appears eligible for funding. Staff anticipate applying for CDBG-NR funds which, if awarded, may be able to support emergency repairs being conducted as early as the spring of CY22. The project appears ready for implementation July 1, 2021. Consideration of full or partial award is recommended given the shovel ready nature of the project and the ability to create immediate impact to Buncombe County households.

Attachments:

- Project Summary Sheet
- Program Budget
- Application

| PROJECT SUMMARY SHEET | | Y/N |
|---|--|------------|
| Project Description/Narrative | | |
| Clearly affordable housing focused | | Y |
| Aligns with all components of the application | | Y |
| Aligns with all tenants of the AHSP program | | Y |
| Aligns with the selected strategic goal | | Y |
| Designed to Serve Households with AMI | | |
| <80% | | Y |
| <50% | | Y |
| <30% | | Y |
| Designed to Serve | | |
| General populous eligible for the program | | Y |
| Individuals who are hard to house | | N |
| Individuals who are homeless | | N |
| Individuals who are disabled | | Y |
| Individuals who are elderly | | Y |
| Project Expenses | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Uses | | |
| Complete | | Y |
| Reasonable | | Y |
| Includes leveraging additional investment (non-AHSP funds) | | Y |
| Project Schedule | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Team | | |
| Relevant experience and qualifications to complete the project | | Y |
| Project History | | |
| Indicates success in completing projects in the program category | | Y |
| Applicant | | |
| Has timely audits free of qualifications and findings which would adversely indicate ability to manage an AHSP allocation | | Y |
| Shows a healthy financial position | | Y |
| Is a non-profit applicant | | Y |



BUNCOMBE COUNTY FY 2022
AFFORDABLE HOUSING SERVICES PROGRAM (AHSP)

Emergency Repair Budget

Applicant for Emergency Repair Instructions: Please fill out the items in gold completely.

| Description | Total | Percent |
|--|---------------|---------|
| Total Project Cost | \$ 620,013.00 | 100.00% |
| Total AHSP Funding Requested | \$ 305,000.00 | 49.19% |
| Balance of Project Cost Not Covered by AHSP Funding | \$ 315,013.00 | 50.81% |
| Number of Households Proposed to be Supported by the Total Project | 55 | 100.00% |
| Number of Households Proposed to be Supported by AHSP Funding | 55 | 100.00% |
| Number of Households Proposed to be Supported Using Other Funding (Not-AHSP Funds) | 0 | 0.00% |
| Portion of AHSP Funding as Direct Project Delivery (Not Administrative) | \$ 305,000.00 | 100.00% |
| Portion of AHSP Funding as Project Administration | \$ - | 0.00% |
| Average AHSP Funding Per Supported Household* | \$ 5,545.45 | 100.00% |
| Average AHSP Funding Per Household to Direct Project Delivery (Not Administrative) | \$ 5,545.45 | 100.00% |
| Average AHSP Funding Per Household Directed to Project Administration | \$ - | 0.00% |

| If the Balance of Project Cost Not Covered by AHSP Funding (Cell D11) is > \$0.00 Provide the Following: | |
|--|-------------------|
| Source of Other Funds | Amount of Funding |
| City of Asheville CDBG (pending) | \$ 128,000.00 |
| The Home Depot Foundation Veteran Repair Corps (pending) | \$ 30,000.00 |
| Other Private Funding (to be secured) | \$ 157,013.00 |
| | \$ - |
| | \$ - |

*A maximum of \$15,000 can be provided to each household per the requirements of the AHSP. Additional requirements apply to any household receiving \$10,000 or more in AHSP funded emergency repairs.

FY 2022 AHSP Application Staff Summary:

Eliada Homes: Tenant Based Rental Assistance

| | | | | |
|-------------------------------|--|---|---------------------------|-------------------------------|
| 7 Households Served | \$1,929 AHSP Request Per Household | \$1.00 : \$24.37 Leverage Ratio AHSP \$: Other \$ | ≤60% AMI Target | 22.22% % Admin Cost |
|-------------------------------|--|---|---------------------------|-------------------------------|

Project Description: Eliada Homes has submitted a **Tenant Based Rental Assistance (TBRA)** application requesting funds in the amount of **\$13,500** to support rental assistance for youth in its Homeless Services Project program.

Strategic Plan Foundational Focus Area: Resident Well-Being

Strategic Plan Vision: Our residents are safe, healthy, and engaged in their community.

AHSP Goal: Address issues of homelessness.

Summary: Eliada Homes’ request (\$13,500) is intended to support its Homeless Services Project, a program which helps young adults transition to independent living. Individuals served by this program are uniquely vulnerable as they transition to adulthood and full self-sufficiency, and a safe and stable living environment is a key element of ensuring successful. This is the second year Eliada has pursued tenant based rental assistance funds, and its housing program has grown significantly in that time. A full-time position has been created to focus on identifying housing and ensuring individuals placed are able to succeed when living independently. The request is for an amount sufficient to serve seven (7) individuals with a deposit and first month’ rent.

Recommendation: Community Development Division staff reviewed the project, confirm it adheres to the requirements of the FY22 AHSP, and confirm it appears eligible for funding. The project appears ready for implementation July 1, 2021. Consideration of full or partial award is recommended given the ability to implement the project immediately and the ability to create immediate impact to Buncombe County households.

Attachments:

- Project Summary Sheet
- Program Budget
- Application

| PROJECT SUMMARY SHEET | | Y/N |
|---|--|------------|
| Project Description/Narrative | | |
| Clearly affordable housing focused | | Y |
| Aligns with all components of the application | | Y |
| Aligns with all tenants of the AHSP program | | Y |
| Aligns with the selected strategic goal | | Y |
| Designed to Serve Households with AMI | | |
| <80% | | Y |
| <50% | | Y |
| <30% | | Y |
| Designed to Serve | | |
| General populous eligible for the program | | N |
| Individuals who are hard to house | | Y |
| Individuals who are homeless | | Y |
| Individuals who are disabled | | Y |
| Individuals who are elderly | | N |
| Project Expenses | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Sources | | |
| Complete | | Y |
| Reasonable | | Y |
| Includes leveraging additional investment (non-AHSP funds) | | Y |
| Project Schedule | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Team | | |
| Relevant experience and qualifications to complete the project | | Y |
| Project History | | |
| Indicates success in completing projects in the program category | | N |
| Applicant | | |
| Has timely audits free of qualifications and findings which would adversely indicate ability to manage an AHSP allocation | | Y |
| Shows a healthy financial position | | Y |
| Is a non-profit applicant | | Y |



BUNCOMBE COUNTY FY 2022
AFFORDABLE HOUSING SERVICES PROGRAM (AHSP)

Tenant-Based Rental Assistance Budget

Applicant for Tenant-Based Rental Assistance Instructions: Please fill out the items in gold completely.

| Description | Total | Percent |
|--|---------------|---------|
| Total Project Cost | \$ 342,429.00 | 100.00% |
| Total AHSP Funding Requested | \$ 13,500.00 | 3.94% |
| Balance of Project Cost Not Covered by AHSP Funding | \$ 328,929.00 | 96.06% |
| Number of Households Proposed to be Supported by the Total Project | 46 | 100.00% |
| Number of Households Proposed to be Supported by AHSP Funding | 7 | 15.22% |
| Number of Households Proposed to be Supported Using Other Funding (Not-AHSP Funds) | 39 | 84.78% |
| Portion of AHSP Funding as Direct Project Delivery (Not Administrative) | \$ 10,500.00 | 77.78% |
| Portion of AHSP Funding as Project Administration | \$ 3,000.00 | 22.22% |
| Average AHSP Funding Per Supported Household* | \$ 1,928.57 | 100.00% |
| Average AHSP Funding Per Household to Direct Project Delivery (Not Administrative) | \$ 1,500.00 | 77.78% |
| Average AHSP Funding Per Household Directed to Project Administration | \$ 428.57 | 22.22% |

| If the Balance of Project Cost Not Covered by AHSP Funding (Cell D11) is > \$0.00 Provide the Following: | |
|--|-------------------|
| Source of Other Funds | Amount of Funding |
| HOME TBRA and CDBG - some pending | \$ 58,880.00 |
| ESG TBRA and Homeless Services | \$ 110,198.00 |
| Buncombe County Strategic Partnership - pending | \$ 24,000.00 |
| Community Foundation WNC - pending | \$ 41,060.00 |
| Duke Endowment - pending | \$ 75,000.00 |
| Juvenile Crime Prevention Council - pending | \$ 40,000.00 |

*A maximum of \$2,500 can be provided to each household per the requirements of the AHSP. Where assistance exceeds \$1,500 per household, such assistance shall be for the purposes of eviction prevention.

FY 2022 AHSP Application Staff Summary:

Eblen Charities: Tenant Based Rental Assistance

| | | | | |
|--------------------------------|--|--|------------------------------|-----------------------------|
| 67 Households Served | \$1,493 AHSP Request Per Household | \$1.00 : \$0.50 Leverage Ratio AHSP \$: Other \$ | <80% AMI Target | 0.0% % Admin Cost |
|--------------------------------|--|--|------------------------------|-----------------------------|

Project Description: Eblen Charities has submitted a **Tenant Based Rental Assistance (TBRA)** application requesting grant funds in the amount of **\$100,000** to support rental assistance for youth in its Adult Housing Assistance Program.

Strategic Plan Foundational Focus Area: Resident Well-Being

Strategic Plan Vision: Our residents are safe, healthy, and engaged in their community.

AHSP Goal: Address issues of homelessness.

Project Priority Addressed: Priority 6: Tenant Based Rental Assistance Program Grants

Summary: Eblen Charities' request (\$100,000) is intended to support the continuation of the Adult Housing Assistance Program in FY22. The program seeks to serve households without children that are ineligible for most DHHS individual assistance funds. Most commonly served are elderly or disabled individuals on fixed incomes who have life events that have pushed them towards housing instability due to delinquencies with housing or utility costs. The current request is leveraged with a Bridge Foundation grant and, if fully funded, aims to directly serve 67 Buncombe County households.

Recommendation: Community Development Division staff reviewed the project, confirm it adheres to the requirements of the FY22 AHSP, and confirm it appears eligible for funding. The project appears ready for implementation July 1, 2021. Consideration of full or partial award is recommended given the ability to implement the project immediately and the ability to create immediate impact to Buncombe County households.

Attachments:

- Project Summary Sheet
- Program Budget
- Application

| PROJECT SUMMARY SHEET | | Y/N |
|---|--|------------|
| Project Description/Narrative | | |
| Clearly affordable housing focused | | Y |
| Aligns with all components of the application | | Y |
| Aligns with all tenants of the AHSP program | | Y |
| Aligns with the selected strategic goal | | Y |
| Designed to Serve Households with AMI | | |
| <80% | | Y |
| <50% | | Y |
| <30% | | Y |
| Designed to Serve | | |
| General populous eligible for the program | | Y |
| Individuals who are hard to house | | Y |
| Individuals who are homeless | | Y |
| Individuals who are disabled | | Y |
| Individuals who are elderly | | Y |
| Project Expenses | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Sources | | |
| Complete | | Y |
| Reasonable | | Y |
| Includes leveraging additional investment (non-AHSP funds) | | Y |
| Project Schedule | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Team | | |
| Relevant experience and qualifications to complete the project | | Y |
| Project History | | |
| Indicates success in completing projects in the program category | | Y |
| Applicant | | |
| Has timely audits free of qualifications and findings which would adversely indicate ability to manage an AHSP allocation | | Y |
| Shows a healthy financial position | | Y |
| Is a non-profit applicant | | Y |



BUNCOMBE COUNTY FY 2022
AFFORDABLE HOUSING SERVICES PROGRAM (AHSP)

Tenant-Based Rental Assistance Budget

Applicant for Tenant-Based Rental Assistance Instructions: Please fill out the items in gold completely.

| Description | Total | Percent |
|--|---------------|---------|
| Total Project Cost | \$ 150,000.00 | 100.00% |
| Total AHSP Funding Requested | \$ 100,000.00 | 66.67% |
| Balance of Project Cost Not Covered by AHSP Funding | \$ 50,000.00 | 33.33% |
| Number of Households Proposed to be Supported by the Total Project | 100 | 100.00% |
| Number of Households Proposed to be Supported by AHSP Funding | 67 | 67.00% |
| Number of Households Proposed to be Supported Using Other Funding (Not-AHSP Funds) | 33 | 33.00% |
| Portion of AHSP Funding as Direct Project Delivery (Not Administrative) | \$ 100,000.00 | 100.00% |
| Portion of AHSP Funding as Project Administration | \$ - | 0.00% |
| Average AHSP Funding Per Supported Household* | \$ 1,492.54 | 100.00% |
| Average AHSP Funding Per Household to Direct Project Delivery (Not Administrative) | \$ 1,492.54 | 100.00% |
| Average AHSP Funding Per Household Directed to Project Administration | \$ - | 0.00% |

| If the Balance of Project Cost Not Covered by AHSP Funding (Cell D11) is > \$0.00 Provide the Following: | |
|--|-------------------|
| Source of Other Funds | Amount of Funding |
| WNC Bridge Foundation | \$ 50,000.00 |
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |

*A maximum of \$2,500 can be provided to each household per the requirements of the AHSP. Where assistance exceeds \$1,500 per household, such assistance shall be for the purposes of eviction prevention.

FY 2022 AHSP Application Staff Summary:

Beaucatcher Commons: 16 Restaurant Court

| | | | | |
|---|--|--|-------------------------------|--------------------------------------|
| 40 Units to Be Constructed | \$12,500 AHSP Request Per Unit | \$1.00 : \$8.63 Leverage Ratio AHSP \$: Other \$ | <80% AMI Target | 20 Period of Affordability |
| \$120,383 Average Cost Per Unit | \$116.77 Average Cost per Unit Square Foot | | 1 Bedrooms per Unit | |

Project Description: Kirk Booth (doing business as Beaucatcher Commons) has submitted a **New Construction Units for Rent Multifamily** application requesting loan funds in the amount of **\$500,000** to support the 16 Restaurant Court project off of Tunnel Road in Asheville (formerly known as 2 Restaurant Court). The applicant previously received an FY20 AHSP award of \$296,334 but did not move forward within the project within the specified construction timeframes or finalize a contract with the County. These FY20 AHSP funds have not been reallocated but are eligible to be reallocated at this time. The applicant is requesting the County continue to support the original funding request (\$296,334) and expand the commitment (an additional \$203,666) under modified FY22 AHSP loan terms. The applicant has requested a **20-year deferred principal loan with interest accruing at 2% per annum**. The FY22 AHSP offers a standard **20-year deferred principal loan with interest accruing at 4.25% per annum**.

Strategic Plan Community Focus Area: Resident Well Being

Strategic Plan Vision: Our residents are safe, healthy, and engaged in their community.

AHSP Goal: Preserve and increase the stock of affordable housing including rental developments.

Project Priority Addressed: Priority 3: Construction Loans for Multifamily Developments with Units for Rent and Which Do Not Seek Low Income Housing Tax Credit (LIHTC) Funding

Summary: Beaucatcher Commons' request (\$500,000) is intended to support the \$4,775,566, 40-unit project known as 16 Restaurant Court. In the period following FY20 AHSP award, Beaucatcher Commons' builder (Clayton Homes) ceased producing the factory-built structure intended to be used for the project. The current proposal retains the same unit count and mix, as well as site design, but intends to employ stick-built methods to construct the units. This shift in construction method results in an increase in the cost of construction, which has caused the applicant to request \$500,000 in FY22 AHSP funds. The applicant also intends to seek an additional \$500,000 through the City of Asheville's Housing Trust Fund. The City of Asheville is currently committed to provide \$1,000,000 in funding support.

Recommendation: Community Development Division staff reviewed the project, confirm it adheres to the requirements of the FY22 AHSP, and appears eligible for funding. The applicant currently has site control. In accordance with the FY22 AHSP, the project is slated to begin construction before January 31, 2022 (proposed construction start date of 7/15/2021) and begin requesting reimbursement by July 31,

2022. Consideration of renewed or expanded award is recommended given the: (1) shovel ready nature of the project and (2) ability to create immediate impact through the production of units which will be available for occupancy as early as calendar year 2022. The FY22 AHSP requires the applicant clearly demonstrate the proposed deferred loan and interest only payments are necessary for project viability. Staff recommends the applicant provide a full financial model to confirm the deferred loan is necessary before the Affordable Housing Committee recommend allocating funding with modified loan terms.

Attachments:

- Project Summary Sheet
- Program Budget
- Application

| PROJECT SUMMARY SHEET | | Y/N |
|---|--|------------|
| Project Description/Narrative | | |
| Clearly affordable housing focused | | Y |
| Aligns with all components of the application | | Y |
| Aligns with all tenants of the AHSP program | | Y |
| Aligns with the selected strategic goal | | Y |
| Designed to Serve Households with AMI | | |
| <80% | | Y |
| <50% | | Y |
| <30% | | Y |
| Designed to Serve | | |
| General populous eligible for the program | | Y |
| Individuals who are hard to house | | Y |
| Individuals who are homeless | | Y |
| Individuals who are disabled | | Y |
| Individuals who are elderly | | Y |
| Project Expenses | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Sources | | |
| Complete | | Y |
| Reasonable | | Y |
| Includes leveraging additional investment (non-AHSP funds) | | Y |
| Project Schedule | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Team | | |
| Relevant experience and qualifications to complete the project | | Y |
| Project History | | |
| Indicates success in completing projects in the program category | | Y |
| Applicant | | |
| Has timely audits free of qualifications and findings which would adversely indicate ability to manage an AHSP allocation | | N/A |
| Shows a healthy financial position | | N/A |
| Is a non-profit applicant | | N |

| CONSTRUCTION PROJECT ADDITIONAL SUMMARY INFO | | Y/N |
|--|--|------------|
| Project | | |
| Preserves long-term affordability beyond the loan term | | N |
| Emphasizes quality design and construction | | N |
| Participates in an energy efficiency program | | N |
| Contains mixed unit types (affordable, workforce, market) | | N |
| Contains mixed unit types (multifamily and single family) | | N |
| Contains mixed unit types (units with varied number of bedroom (1,2,3+)) | | N |
| Is geographically separated from other affordable housing projects | | Y |
| Is coordinated with employment, services, and existing infrastructure | | Y |
| Is located within 3/4 miles of a public transportation route | | Y |

FY 2022 AHSP Application Staff Summary:

Homeward Bound: Permanent Supportive Housing Apartments

| | | | | |
|---|--|--|--|---------------------------------------|
| 85 Units to Be Constructed | \$23,529 AHSP Request Per Unit | \$1.00 : \$5.38 Leverage Ratio AHSP \$: Other \$ | <30% AMI Target | 99+ Period of Affordability |
| \$150,000 Average Cost Per Unit | \$239.72 Average Cost per Unit Square Foot | | Efficiencies Bedrooms per Unit | |

Project Description and Eligibility: Homeward Bound has submitted a **Conversion Construction Units for Rent Multifamily** application requesting loan funds in the amount of **\$2,000,000** to support the Permanent Supportive Housing project on Tunnel Road near downtown Asheville. The applicant has requested a **20-year deferred term at 0% interest with the expectation of forgiveness at a future date** based on the deep affordability of the project’s units and the commitment of a 99-year affordability period. The FY22 AHSP offers a standard **20-year deferred principal loan with interest accruing at 4.25% per annum**.

Strategic Plan Community Focus Area: Resident Well Being

Strategic Plan Vision: Our residents are safe, healthy, and engaged in their community.

AHSP Goal: Address issue of homelessness

Project Priority Addressed. Priority 3: Construction Loans for Multifamily Developments with Units for Rent and Which Do Not Seek Low Income Housing Tax Credit (LIHTC) Funding

Summary: Homeward Bound’s request (\$2,000,000) is intended to support the acquisition and redevelopment of the Days Inn motel on Tunnel Road in Asheville with a total project cost of \$12,750,000 for 85 units. The site is currently secured with a Purchase and Sale Agreement through mid-April 2021 with the potential for two (2) future extensions of 60 days each. The acquisition price for the property is \$6,400,000, and the current AHSP request has been submitted in coordination with similar requests to the City of Asheville, the Asheville Regional Housing Consortium, and the Dogwood Health Trust. Should the applicant receive the necessary financial support from local entities, they plan to proceed with the acquisition and undertake a significant renovation of the property.

The primary use of the space will be the permanent housing of 85 of the most vulnerable homeless and formerly homeless individuals in Buncombe County. To achieve appropriate care for this population, Homeward Bound is proposing substantial on-site staff and resources, which will include case management from Homeward Bound staff as well as related community partners.

The project will require the conversion of existing motel rooms to single units that adhere to HUD standards (units are required to meet specific standards to be eligible for most rental assistance funding, namely that they contain features such as kitchen space that allow the maintenance of a self-sufficient lifestyle). The remaining units and common space at the property will also be renovated to provide office and institutional space for Homeward Bound staff and other partners serving the homeless population.

Recommendation: Community Development Division staff reviewed the project, confirm it adheres to the requirements of the FY22 AHSP, and appears eligible for funding. The applicant currently has an active Purchase and Sale Agreement in order to establish site control. In accordance with the FY22 AHSP, the project is slated to begin construction before January 31, 2022 (proposed construction start date of 12/1/2021) and begin requesting reimbursement by July 31, 2022. Consideration of the award is recommended given the: (1) shovel ready nature of the project; (2) ability to create immediate impact through the production of units which will be available for occupancy as early as calendar year 2023; and (3) direct effect on one of the hardest populations to serve in Buncombe County. The FY22 AHSP requires the applicant clearly demonstrate the proposed deferred loan with no interest or payments are necessary for project viability. Staff recommends the applicant provide a full financial model to confirm the deferred loan is necessary before the Affordable Housing Committee recommend allocating funding with modified loan terms. Staff does not recommend establishing an expectation of forgiveness at a future date, as maintaining an active lien on a project protects the County's interest and ensures compliance over the term of the loan.

Attachments:

- Project Summary Sheet
- Program Budget
- Application

FY 2022 AHSP: Homeward Bound – Permanent Supportive Housing Apartments

| PROJECT SUMMARY SHEET | | Y/N |
|---|--|------------|
| Project Description/Narrative | | |
| Clearly affordable housing focused | | Y |
| Aligns with all components of the application | | Y |
| Aligns with all tenants of the AHSP program | | Y |
| Aligns with the selected strategic goal | | Y |
| Designed to Serve Households with AMI | | |
| <80% | | Y |
| <50% | | Y |
| <30% | | Y |
| Designed to Serve | | |
| General populous eligible for the program | | N |
| Individuals who are hard to house | | Y |
| Individuals who are homeless | | Y |
| Individuals who are disabled | | Y |
| Individuals who are elderly | | Y |
| Project Expenses | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Sources | | |
| Complete | | Y |
| Reasonable | | Y |
| Includes leveraging additional investment (non-AHSP funds) | | Y |
| Project Schedule | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Team | | |
| Relevant experience and qualifications to complete the project | | Y |
| Project History | | |
| Indicates success in completing projects in the program category | | Y |
| Applicant | | |
| Has timely audits free of qualifications and findings which would adversely indicate ability to manage an AHSP allocation | | Y |
| Shows a healthy financial position | | Y |
| Is a non-profit applicant | | Y |

FY 2022 AHSP: Homeward Bound – Permanent Supportive Housing Apartments

| CONSTRUCTION PROJECT ADDITIONAL SUMMARY INFO | Y/N |
|--|-----|
| Project | |
| Preserves long-term affordability beyond the loan term | Y |
| Emphasizes quality design and construction | Y |
| Participates in an energy efficiency program | Y |
| Contains mixed unit types (affordable, workforce, market) | N |
| Contains mixed unit types (multifamily and single family) | N |
| Contains mixed unit types (units with varied number of bedroom (1,2,3+)) | N |
| Is geographically separated from other affordable housing projects | Y |
| Is coordinated with employment, services, and existing infrastructure | Y |
| Is located within 3/4 miles of a public transportation route | Y |

FY 2022 AHSP Application Staff Summary:

Asheville-Buncombe Community Land Trust: New Start

| | | | | |
|-------------------------------|---|--|------------------------------|-----------------------------|
| 2 Households Served | \$12,500 AHSP Request Per Household | \$1 : \$11.48 Leverage Ratio AHSP \$: Other \$ | <60% AMI Target | 100% % Admin Cost |
|-------------------------------|---|--|------------------------------|-----------------------------|

Project Description: The Asheville-Buncombe Community Land Trust (ABCLT) has submitted a **New Start** application requesting grant funds in the amount of **\$25,000** to support a Real Estate Project Manager position.

Strategic Plan Foundational Focus Area: Resident Well-Being

Strategic Plan Vision: Our residents are safe, healthy, and engaged in their community.

AHSP Goal: Support homeownership initiatives, including savings, credit building, and downpayment assistance.

Project Priority Addressed: Priority 9: New Start Program Grants

Summary: ABCLT's request (\$25,000) is intended to fully support the salary of a part-time Real Estate Project Manager position. The position will guide the construction and sale of two (2) affordable homes in Buncombe County (outside the City of Asheville). These will be the first ABCLT supported homes in Buncombe County (outside the City of Asheville). The receipt of significant commitments from the Asheville Regional Housing Consortium (\$261,963) and the City of Asheville (\$1,000,000 restricted to land acquisition and construction) will allow ABCLT to establish a steady home production program after this initial New Start grant receipt. Managing construction and sale of affordable homes exceeds current staff capacity, which precipitated the request.

Recommendation: Community Development Division staff reviewed the project, confirm it adheres to the requirements of the FY22 AHSP, and confirm it appears eligible for funding. The project appears ready for implementation July 1, 2021. Consideration of full award is recommended given the ability to support the expansion of ABCLT staffing, which will ultimately support the successful production of two (2) for-sale affordable homes in Buncombe County (outside the City of Asheville). If award is recommended by the Affordable Housing Committee, staff suggests ABCLT provide a schedule for the construction and sale of the two (2) affordable homes.

Attachments:

- Project Summary Sheet
- Program Budget
- Application

| PROJECT SUMMARY SHEET | | Y/N |
|---|--|------------|
| Project Description/Narrative | | |
| Clearly affordable housing focused | | Y |
| Aligns with all components of the application | | Y |
| Aligns with all tenants of the AHSP program | | Y |
| Aligns with the selected strategic goal | | Y |
| Designed to Serve Households with AMI | | |
| <80% | | Y |
| <50% | | Y |
| <30% | | N |
| Designed to Serve | | |
| General populous eligible for the program | | Y |
| Individuals who are hard to house | | N |
| Individuals who are homeless | | N |
| Individuals who are disabled | | Y |
| Individuals who are elderly | | Y |
| Budget of Expenses | | |
| Complete | | Y |
| Reasonable | | Y |
| Budget of Revenues | | |
| Complete | | Y |
| Reasonable | | Y |
| Includes leveraging additional investment (non-AHSP funds) | | Y |
| Project Schedule | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Team | | |
| Relevant experience and qualifications to complete the project | | Y |
| Project History | | |
| Indicates success in completing projects in the program category | | N |
| Applicant | | |
| Has timely audits free of qualifications and findings which would adversely indicate ability to manage an AHSP allocation | | N |
| Shows a healthy financial position | | Y |
| Is a non-profit applicant | | Y |



BUNCOMBE COUNTY FY 2022
AFFORDABLE HOUSING SERVICES PROGRAM (AHSP)

New Start Program Budget

Applicant for New Start Program Instructions: Please fill out the items in gold completely.

| Description | Total | Percent |
|--|---------------|---------|
| Total Project Cost | \$ 286,963.00 | 100.00% |
| Total AHSP Funding Requested | \$ 25,000.00 | 8.71% |
| Balance of Project Cost Not Covered by AHSP Funding | \$ 261,963.00 | 91.29% |
| Number of Households Proposed to be Supported by the Total Project | 2 | 100.00% |
| Number of Households Proposed to be Supported by AHSP Funding | 2 | 100.00% |
| Number of Households Proposed to be Supported Using Other Funding (Not-AHSP Funds) | 0 | 0.00% |
| Portion of AHSP Funding as Direct Project Delivery (Not Administrative) | \$ 25,000.00 | 100.00% |
| Portion of AHSP Funding as Project Administration | \$ - | 0.00% |
| Average AHSP Funding Per Supported Household* | \$ 12,500.00 | 100.00% |
| Average AHSP Funding Per Household to Direct Project Delivery (Not Administrative) | \$ 12,500.00 | 100.00% |
| Average AHSP Funding Per Household Directed to Project Administration | \$ - | 0.00% |

| If the Balance of Project Cost Not Covered by AHSP Funding (Cell D11) is > \$0.00 Provide the Following: | |
|--|-------------------|
| Source of Other Funds | Amount of Funding |
| HOME | \$ 261,963.00 |
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |

*A maximum of \$25,000 can be provided to an eligible applicants.

FY 2022 AHSP Application Staff Summary:

Mountain Housing Opportunities: Emergency Home Repair

| | | | | |
|--------------------------------|--|--|---------------------------|-----------------------------|
| 40 Households Served | \$7,500 AHSP Request Per Household | \$1.00 : \$1.25 Leverage Ratio AHSP \$: Other \$ | ≤50% AMI Target | 4.8% % Admin Cost |
|--------------------------------|--|--|---------------------------|-----------------------------|

Project Description: Mountain Housing Opportunities (MHO) has submitted an **Emergency Repair Program Grant** application requesting **\$300,000** to support repair work for low-income homeowners in Buncombe County.

Strategic Plan Community Focus Area: Resident Well Being

Strategic Plan Vision: Our residents are safe, healthy, and engaged in their community.

AHSP Goal: Reduce substandard housing and expand opportunities for home repair.

Project Priority Addressed: Priority 8: Emergency Repair Program Grants

Summary: MHO's request (\$300,000) is intended to support a project budget of \$774,000 for the continuation of its emergency repair program through FY22. To date, MHO has currently served 20 of the 40 households supported by the FY21 AHSP emergency repair grant. The demand for emergency repair in the County has resulted in a waitlist of 42 new households, which is reflected in the request for AHSP funds to support 40 households in FY22. MHO's emergency repair program serves households at the very low income level (<50% AMI), and prioritizes immediate health and safety issues including access to heat, water, and remediation of environmental hazards. Emergency repair program work is provided in the form of a grant, excepting repairs over \$10,000, which are secured by a lien held by MHO and forgivable after five (5) years.

Recommendation: Community Development Division staff reviewed the project, confirm it adheres to the requirements of the FY22 AHSP, and confirm it appears eligible for funding. Staff anticipate applying for CDBG-NR funds which, if awarded, may be able to support emergency repairs being conducted as early as the spring of CY22. The project appears ready for implementation July 1, 2021. Consideration of full or partial award is recommended given the shovel ready nature of the project and the ability to create immediate impact to Buncombe County households.

Attachments:

- Project Summary Sheet
- Program Budget
- Application

| PROJECT SUMMARY SHEET | | Y/N |
|---|--|------------|
| Project Description/Narrative | | |
| Clearly affordable housing focused | | Y |
| Aligns with all components of the application | | Y |
| Aligns with all tenants of the AHSP program | | Y |
| Aligns with the selected strategic goal | | Y |
| Designed to Serve Households at AMI Level | | |
| <80% | | Y |
| <50% | | Y |
| <30% | | Y |
| Designed to Serve | | |
| General populous eligible for the program | | Y |
| Individuals who are hard to house | | N |
| Individuals who are homeless | | N |
| Individuals who are disabled | | Y |
| Individuals who are elderly | | Y |
| Budget of Expenses | | |
| Complete | | Y |
| Reasonable | | Y |
| Budget of Revenues | | |
| Complete | | Y |
| Reasonable | | Y |
| Includes leveraging additional investment (non-AHSP funds) | | Y |
| Project Schedule | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Team | | |
| Relevant experience and qualifications to complete the project | | Y |
| Project History | | |
| Indicates success in completing projects in the program category | | Y |
| Applicant | | |
| Has timely audits free of qualifications and findings which would adversely indicate ability to manage an AHSP allocation | | Y |
| Shows a healthy financial position | | Y |
| Is a non-profit applicant | | Y |



BUNCOMBE COUNTY FY 2022
AFFORDABLE HOUSING SERVICES PROGRAM (AHSP)

Emergency Repair Budget

Applicant for Emergency Repair Instructions: Please fill out the items in gold completely.

| Description | Total | Percent |
|--|---------------|---------|
| Total Project Cost | \$ 774,000.00 | 100.00% |
| Total AHSP Funding Requested | \$ 300,000.00 | 38.76% |
| Balance of Project Cost Not Covered by AHSP Funding | \$ 474,000.00 | 61.24% |
| Number of Households Proposed to be Supported by the Total Project | 100 | 100.00% |
| Number of Households Proposed to be Supported by AHSP Funding | 40 | 40.00% |
| Number of Households Proposed to be Supported Using Other Funding (Not-AHSP Funds) | 60 | 60.00% |
| Portion of AHSP Funding as Direct Project Delivery (Not Administrative) | \$ 285,600.00 | 95.20% |
| Portion of AHSP Funding as Project Administration | \$ 14,400.00 | 4.80% |
| Average AHSP Funding Per Supported Household* | \$ 7,500.00 | 100.00% |
| Average AHSP Funding Per Household to Direct Project Delivery (Not Administrative) | \$ 7,140.00 | 95.20% |
| Average AHSP Funding Per Household Directed to Project Administration | \$ 360.00 | 4.80% |

| If the Balance of Project Cost Not Covered by AHSP Funding (Cell D11) is > \$0.00 Provide the Following: | |
|--|-------------------|
| Source of Other Funds | Amount of Funding |
| Competitive Federal Grants | \$ 151,000.00 |
| Competitive Local & State Grants | \$ 155,000.00 |
| Private & Business Contributions | \$ 93,000.00 |
| United Way & NeighborWorks | \$ 50,000.00 |
| Foundation and Other Grants | \$ 25,000.00 |
| | \$ - |

*A maximum of \$15,000 can be provided to each household per the requirements of the AHSP. Additional requirements apply to any household receiving \$10,000 or more in AHSP funded emergency repairs.

FY 2022 AHSP Application Staff Summary:

Mountain Housing Opportunities: Lakeshore Villas

| | | | | |
|---|--|---|---|---|
| 120 Units to Be Constructed | \$8,333 AHSP Request Per Unit | \$1.00 : \$19.50 Leverage Ratio AHSP \$: Other \$ | <80% AMI Target | 30/50 Period of Affordability |
| \$170,823 Average Cost Per Unit | \$183.76 Average Cost per Unit Square Foot | | 1, 2, and 3 Bedrooms per Unit | |

Project Description: Mountain Housing Opportunities, Inc. (MHO) has submitted a **New Construction Units for Rent Multifamily** application requesting loan funds in the amount of **\$1,000,000** to support the Lakeshore Villas project in Arden. The applicant has requested a **20-year deferred term at 0% interest with lump sum payment at the end of the 20-year period** based on the project’s limited projected cash flow. The applicant is proposing to extend the affordability period from the minimum 30 years to 50 years should the deferred loan request be approved. The FY22 AHSP offers a standard **20-year deferred principal loan with interest accruing at 4.25% per annum.**

Strategic Plan Community Focus Area: Resident Well Being

Strategic Plan Vision: Our residents are safe, healthy, and engaged in their community.

AHSP Goal: Preserve and increase the stock of affordable housing including rental developments.

Project Priority Addressed: Priority 2: Construction Loans for Multifamily Developments with Units for Rent and Which Seek Low Income Housing Tax Credit (LIHTC) Funding

Summary: MHO’s request (\$1,000,000) is intended to support the \$20,498,767 120-unit Lakeshore Villas project. The project is seeking 9% Low Income Housing Tax Credits (LIHTC) from the North Carolina Housing Finance Agency (NCHFA). Should the LIHTC application for Lakeshore Villas prove successful, it promises to provide a high number of deeply affordable units to Buncombe County along a key commercial corridor.

The project addresses the production of multifamily units that receive LIHTC funding. The project also possesses a number of characteristics that align with broader Buncombe County housing goals, namely high-density residential development in areas with proximity to jobs and services, the incorporation sustainable building techniques and site design, and the provision of community space and resident services within properties. The efficiency inherent in the project’s scale and the presence of significant external subsidy demands fewer AHSP resources per unit than comparable multifamily projects.

LIHTC awards are traditionally announced by NCHFA around August of each calendar year and, while it is not a formal element of the scoring system, the presence of local support can improve the competitiveness of a project. The current NCHFA parameters make it highly unlikely that more than one

9% project will be awarded in Buncombe County. MHO is submitting a second 9% application for its Pentland Place project. Should Buncombe County commit funds to a project that is ultimately unsuccessful in its pursuit of LIHTC, the Buncombe County funds will need to be reallocated.

Recommendation: Community Development Division staff reviewed the project. The applicant currently has an active Purchase and Sale Agreement in order to establish site control; however, the project does not adhere to all the requirements of the FY22 AHSP (with regard to project schedule). In accordance with the FY22 AHSP, the project should be slated to begin construction before January 31, 2022 (proposed construction start date of 6/1/2022) and begin requesting reimbursement by July 31, 2022. The committee should consider if the ability to request reimbursement by July 31, 2022 is consistent enough with program guidance to allow a start of construction date beyond January 31, 2022. Consideration of full or partial award is recommended given the: (1) applicant is seeking LIHTC tax credits; and (2) local funding support could positively affect the project's competitiveness in the NCHFA's evaluation of LIHTC applications. The FY22 AHSP requires the applicant clearly demonstrate the proposed deferred loan with no interest or payments are necessary for project viability. Staff recommends the applicant provide a full financial model to confirm the deferred loan is necessary before the Affordable Housing Committee recommend allocating funding with modified loan terms.

Attachments:

- Project Summary Sheet
- Program Budget
- Application

FY 2022 AHSP: Mountain Housing Opportunities – Lakeshore Villas

| PROJECT SUMMARY SHEET | | Y/N |
|---|--|------------|
| Project Description/Narrative | | |
| Clearly affordable housing focused | | Y |
| Aligns with all components of the application | | Y |
| Aligns with all tenants of the AHSP program | | Y |
| Aligns with the selected strategic goal | | Y |
| Designed to Serve Households with AMI | | |
| <80% | | Y |
| <50% | | Y |
| <30% | | Y |
| Designed to Serve | | |
| General populous eligible for the program | | Y |
| Individuals who are hard to house | | N |
| Individuals who are homeless | | Y |
| Individuals who are disabled | | Y |
| Individuals who are elderly | | Y |
| Project Expenses | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Sources | | |
| Complete | | N |
| Reasonable | | Y |
| Includes leveraging additional investment (non-AHSP funds) | | Y |
| Project Schedule | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Team | | |
| Relevant experience and qualifications to complete the project | | Y |
| Project History | | |
| Indicates success in completing projects in the program category | | Y |
| Applicant | | |
| Has timely audits free of qualifications and findings which would adversely indicate ability to manage an AHSP allocation | | Y |
| Shows a healthy financial position | | Y |
| Is a non-profit applicant | | Y |

FY 2022 AHSP: Mountain Housing Opportunities – Lakeshore Villas

| CONSTRUCTION PROJECT ADDITIONAL SUMMARY INFO | Y/N |
|--|-----|
| Project | |
| Preserves long-term affordability beyond the loan term | Y |
| Emphasizes quality design and construction | Y |
| Participates in an energy efficiency program | Y |
| Contains mixed unit types (affordable, workforce, market) | N |
| Contains mixed unit types (multifamily and single family) | Y |
| Contains mixed unit types (units with varied number of bedroom (1,2,3+)) | Y |
| Is geographically separated from other affordable housing projects | Y |
| Is coordinated with employment, services, and existing infrastructure | Y |
| Is located within 3/4 miles of a public transportation route | Y |

FY 2022 AHSP Application Staff Summary:

Mountain Housing Opportunities: Pentland Place

| | | | | |
|---|--|---|------------------------------|---|
| 110 Units to Be Constructed | \$9,091 AHSP Request Per Unit | \$1.00 : \$18.34 Leverage Ratio AHSP \$: Other \$ | <80% AMI Target | 30/50 Period of Affordability |
| \$175,800 Average Cost Per Unit | \$173.84 Average Cost per Unit Square Foot | 1, 2, and 3 Bedrooms per Unit | | |

Project Description: Mountain Housing Opportunities, Inc. (MHO) has submitted a **New Construction Units for Rent Multifamily** application requesting loan funds in the amount of **\$1,000,000** to support the Pentland Place project in Leicester. The applicant has requested a **20-year deferred term at 0% interest with lump sum payment at the end of the 20-year period** based on the project’s limited projected cash flow. The applicant is proposing to extend the affordability period from the minimum 30 years to 50 years should the deferred loan request be approved. The FY22 AHSP offers a standard **20-year deferred principal loan with interest accruing at 4.25% per annum.**

Strategic Plan Community Focus Area: Resident Well Being

Strategic Plan Vision: Our residents are safe, healthy, and engaged in their community.

AHSP Goal: Preserve and increase the stock of affordable housing including rental developments.

Project Priority Addressed: Priority 2: Construction Loans for Multifamily Developments with Units for Rent and Which Seek Low Income Housing Tax Credit (LIHTC) Funding

Summary: MHO’s request (\$1,000,000) is intended to support the \$19,338,043 110-unit Pentland Place project. The project is seeking 9% Low Income Housing Tax Credits (LIHTC) from the North Carolina Housing Finance Agency (NCHFA). Should the LIHTC application for Pentland Place prove successful, it promises to provide a high number of deeply affordable units to Buncombe County in a well-developed commercial node on New Leicester Highway.

The project addresses the production of multifamily units that receive LIHTC funding. The project also possesses a number of characteristics that align with broader Buncombe County housing goals, namely high-density residential development in areas with proximity to jobs and services, the incorporation sustainable building techniques and site design, and the provision of community space and resident services within properties. The efficiency inherent in the project’s scale and the presence of significant external subsidy demands fewer AHSP resources per unit than comparable multifamily projects.

LIHTC awards are traditionally announced by NCHFA around August of each calendar year and, while it is not a formal element of the scoring system, the presence of local support can improve the competitiveness of a project. The current NCHFA parameters make it highly unlikely that more than one

9% project will be awarded in Buncombe County. MHO is submitting a second 9% application for its Lakeshore Villas project. Should Buncombe County commit funds to a project that is ultimately unsuccessful in its pursuit of LIHTC, the Buncombe County funds will need to be reallocated.

Recommendation: Community Development Division staff reviewed the project. The applicant currently has an active Purchase and Sale Agreement in order to establish site control; however, the project does not adhere to all the requirements of the FY22 AHSP (with regard to project schedule). In accordance with the FY22 AHSP, the project should be slated to begin construction before January 31, 2022 (proposed construction start date of 6/1/2022) and begin requesting reimbursement by July 31, 2022. The committee should consider if the ability to request reimbursement by July 31, 2022 is consistent enough with program guidance to allow a start of construction date beyond January 31, 2022. Consideration of full or partial award is recommended given the: (1) applicant is seeking LIHTC tax credits; and (2) local funding support could positively affect the project's competitiveness in the NCHFA's evaluation of LIHTC applications. The FY22 AHSP requires the applicant clearly demonstrate the proposed deferred loan with no interest or payments are necessary for project viability. Staff recommends the applicant provide a full financial model to confirm the deferred loan is necessary before the Affordable Housing Committee recommend allocating funding with modified loan terms.

Attachments:

- Project Summary Sheet
- Program Budget
- Application

| PROJECT SUMMARY SHEET | | Y/N |
|---|--|------------|
| Project Description/Narrative | | |
| Clearly affordable housing focused | | Y |
| Aligns with all components of the application | | Y |
| Aligns with all tenants of the AHSP program | | Y |
| Aligns with the selected strategic goal | | Y |
| Designed to Serve Households with AMI | | |
| <80% | | Y |
| <50% | | Y |
| <30% | | Y |
| Designed to Serve | | |
| General populous eligible for the program | | Y |
| Individuals who are hard to house | | N |
| Individuals who are homeless | | Y |
| Individuals who are disabled | | Y |
| Individuals who are elderly | | Y |
| Project Expenses | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Sources | | |
| Complete | | N |
| Reasonable | | Y |
| Includes leveraging additional investment (non-AHSP funds) | | Y |
| Project Schedule | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Team | | |
| Relevant experience and qualifications to complete the project | | Y |
| Project History | | |
| Indicates success in completing projects in the program category | | Y |
| Applicant | | |
| Has timely audits free of qualifications and findings which would adversely indicate ability to manage an AHSP allocation | | Y |
| Shows a healthy financial position | | Y |
| Is a non-profit applicant | | Y |

FY 2022 AHSP: Mountain Housing Opportunities – Pentland Place

| CONSTRUCTION PROJECT ADDITIONAL SUMMARY INFO | Y/N |
|--|-----|
| Project | |
| Preserves long-term affordability beyond the loan term | Y |
| Emphasizes quality design and construction | Y |
| Participates in an energy efficiency program | Y |
| Contains mixed unit types (affordable, workforce, market) | N |
| Contains mixed unit types (multifamily and single family) | Y |
| Contains mixed unit types (units with varied number of bedroom (1,2,3+)) | Y |
| Is geographically separated from other affordable housing projects | Y |
| Is coordinated with employment, services, and existing infrastructure | Y |
| Is located within 3/4 miles of a public transportation route | N |

FY 2022 AHSP Application Staff Summary:

Homeward Bound: Permanent Supportive Housing Apartments

| | | | | |
|---|--|--|------------------------------|---------------------------------------|
| 85 Units to Be Constructed | \$23,529 AHSP Request Per Unit | \$1.00 : \$5.38 Leverage Ratio AHSP \$: Other \$ | <30% AMI Target | 99+ Period of Affordability |
| \$150,000 Average Cost Per Unit | \$239.72 Average Cost per Unit Square Foot | Efficiencies Bedrooms per Unit | | |

Project Description and Eligibility: Homeward Bound has submitted a **Conversion Construction Units for Rent Multifamily** application requesting loan funds in the amount of **\$2,000,000** to support the Permanent Supportive Housing project on Tunnel Road near downtown Asheville. The applicant has requested a **20-year deferred term at 0% interest with the expectation of forgiveness at a future date** based on the deep affordability of the project’s units and the commitment of a 99-year affordability period. The FY22 AHSP offers a standard **20-year deferred principal loan with interest accruing at 4.25% per annum**.

Strategic Plan Community Focus Area: Resident Well Being

Strategic Plan Vision: Our residents are safe, healthy, and engaged in their community.

AHSP Goal: Address issue of homelessness

Project Priority Addressed. Priority 3: Construction Loans for Multifamily Developments with Units for Rent and Which Do Not Seek Low Income Housing Tax Credit (LIHTC) Funding

Summary: Homeward Bound’s request (\$2,000,000) is intended to support the acquisition and redevelopment of the Days Inn motel on Tunnel Road in Asheville with a total project cost of \$12,750,000 for 85 units. The site is currently secured with a Purchase and Sale Agreement through mid-April 2021 with the potential for two (2) future extensions of 60 days each. The acquisition price for the property is \$6,400,000, and the current AHSP request has been submitted in coordination with similar requests to the City of Asheville, the Asheville Regional Housing Consortium, and the Dogwood Health Trust. Should the applicant receive the necessary financial support from local entities, they plan to proceed with the acquisition and undertake a significant renovation of the property.

The primary use of the space will be the permanent housing of 85 of the most vulnerable homeless and formerly homeless individuals in Buncombe County. To achieve appropriate care for this population, Homeward Bound is proposing substantial on-site staff and resources, which will include case management from Homeward Bound staff as well as related community partners.

The project will require the conversion of existing motel rooms to single units that adhere to HUD standards (units are required to meet specific standards to be eligible for most rental assistance funding, namely that they contain features such as kitchen space that allow the maintenance of a self-sufficient lifestyle). The remaining units and common space at the property will also be renovated to provide office and institutional space for Homeward Bound staff and other partners serving the homeless population.

Recommendation: Community Development Division staff reviewed the project, confirm it adheres to the requirements of the FY22 AHSP, and appears eligible for funding. The applicant currently has an active Purchase and Sale Agreement in order to establish site control. In accordance with the FY22 AHSP, the project is slated to begin construction before January 31, 2022 (proposed construction start date of 12/1/2021) and begin requesting reimbursement by July 31, 2022. Consideration of the award is recommended given the: (1) shovel ready nature of the project; (2) ability to create immediate impact through the production of units which will be available for occupancy as early as calendar year 2023; and (3) direct affect to one of the hardest populations to serve in Buncombe County. The FY22 AHSP requires the applicant clearly demonstrate the proposed deferred loan with no interest or payments are necessary for project viability. Staff recommends the applicant provide a full financial model to confirm the deferred loan is necessary before the Affordable Housing Committee recommend allocating funding with modified loan terms. Staff does not recommend establishing an expectation of forgiveness at a future date, as maintaining an active lien on a project protects the County's interest and ensures compliance over the term of the loan.

Attachments:

- Project Summary Sheet
- Program Budget
- Application

FY 2022 AHSP: Homeward Bound – Permanent Supportive Housing Apartments

| PROJECT SUMMARY SHEET | | Y/N |
|---|--|------------|
| Project Description/Narrative | | |
| Clearly affordable housing focused | | Y |
| Aligns with all components of the application | | Y |
| Aligns with all tenants of the AHSP program | | Y |
| Aligns with the selected strategic goal | | Y |
| Designed to Serve Households with AMI | | |
| <80% | | Y |
| <50% | | Y |
| <30% | | Y |
| Designed to Serve | | |
| General populous eligible for the program | | N |
| Individuals who are hard to house | | Y |
| Individuals who are homeless | | Y |
| Individuals who are disabled | | Y |
| Individuals who are elderly | | Y |
| Project Expenses | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Sources | | |
| Complete | | Y |
| Reasonable | | Y |
| Includes leveraging additional investment (non-AHSP funds) | | Y |
| Project Schedule | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Team | | |
| Relevant experience and qualifications to complete the project | | Y |
| Project History | | |
| Indicates success in completing projects in the program category | | Y |
| Applicant | | |
| Has timely audits free of qualifications and findings which would adversely indicate ability to manage an AHSP allocation | | Y |
| Shows a healthy financial position | | Y |
| Is a non-profit applicant | | Y |

FY 2022 AHSP: Homeward Bound – Permanent Supportive Housing Apartments

| CONSTRUCTION PROJECT ADDITIONAL SUMMARY INFO | Y/N |
|--|-----|
| Project | |
| Preserves long-term affordability beyond the loan term | Y |
| Emphasizes quality design and construction | Y |
| Participates in an energy efficiency program | Y |
| Contains mixed unit types (affordable, workforce, market) | N |
| Contains mixed unit types (multifamily and single family) | N |
| Contains mixed unit types (units with varied number of bedroom (1,2,3+)) | N |
| Is geographically separated from other affordable housing projects | Y |
| Is coordinated with employment, services, and existing infrastructure | Y |
| Is located within 3/4 miles of a public transportation route | Y |

FY 2022 AHSP Application Staff Summary:

OnTrack Financial Education and Counseling: New Start

| | | | | |
|-------------------|----------------------------|--------------------------------------|-----------------|--------------|
| 365 | \$68.49 | \$1.00 : \$25.20 | ≤80 | 20.0% |
| Households Served | AHSP Request Per Household | Leverage Ratio AHSP \$: Other \$ | % AMI Target | % Admin Cost |

Project Description: OnTrack Financial Education and Counseling has submitted a **New Start** application requesting grant funds in the amount of **\$25,000** to support its Expanding Homeownership Opportunities program.

Strategic Plan Foundational Focus Area: Equity

Strategic Plan Vision: Systems, policies, and practices that support equity for all people and an organizational culture that embraces diversity and inclusion.

AHSP Goal: Support home ownership initiatives, including savings, credit building, and downpayment assistance.

Project Priority Addressed: Priority 9: New Start Program Grants

Summary: OnTrack’s request (\$25,000) is to support a project budget of \$629,975 and which will allow for adaptation and expansion of homeowner education courses and related programs (financial coaching and credit building) to meet local needs and address local conditions. The project includes developing digital access and involves intentional outreach to marginalized communities excluded from wealth building because of systematic racism. The project is intended to serve a growing demand for affordable for-sale housing, and to prepare individuals to access available resources.

Recommendation: Community Development Division staff reviewed the project, confirm it adheres to the requirements of the FY22 AHSP, and confirm it appears eligible for funding. Staff notes that the broader program is not restricted only to households at or below 80% of AMI. The applicant has indicated that 72% of participants will be at or below 80% of AMI. The costs to support 72% of the project are \$453,582 and the grant request is well under that cost. The project appears ready for implementation July 1, 2021. If award is recommended staff suggests OnTrack provide: (1) a detailed plan on how it will engage marginalized communities excluded from wealth building because of systematic racism; and (2) detailed reporting of households served that fall at or below 80% of AMI. Consideration of full award is recommended given the ability to create immediate impact on marginalized Buncombe County households seeking a path to homeownership.

Attachments:

- Project Summary Sheet
- Program Budget
- Application

| PROJECT SUMMARY SHEET | | Y/N |
|---|--|------------|
| Project Description/Narrative | | |
| Clearly affordable housing focused | | Y |
| Aligns with all components of the application | | Y |
| Aligns with all tenants of the AHSP program | | Y |
| Aligns with the selected strategic goal | | Y |
| Designed to Serve Households with AMI | | |
| <80% | | Y |
| <50% | | Y |
| <30% | | Y |
| Designed to Serve | | |
| General populous eligible for the program | | Y |
| Individuals who are hard to house | | N |
| Individuals who are homeless | | N |
| Individuals who are disabled | | Y |
| Individuals who are elderly | | Y |
| Budget of Expenses | | |
| Complete | | Y |
| Reasonable | | Y |
| Budget of Revenues | | |
| Complete | | Y |
| Reasonable | | Y |
| Includes leveraging additional investment (non-AHSP funds) | | Y |
| Project Schedule | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Team | | |
| Relevant experience and qualifications to complete the project | | Y |
| Project History | | |
| Indicates success in completing projects in the program category | | Y |
| Applicant | | |
| Has timely audits free of qualifications and findings which would adversely indicate ability to manage an AHSP allocation | | Y |
| Shows a healthy financial position | | Y |
| Is a non-profit applicant | | Y |



BUNCOMBE COUNTY FY 2022
AFFORDABLE HOUSING SERVICES PROGRAM (AHSP)

New Start Program Budget

Applicant for New Start Program Instructions: Please fill out the items in gold completely.

| Description | Total | Percent |
|--|---------------|---------|
| Total Project Cost | \$ 629,975.00 | 100.00% |
| Total AHSP Funding Requested | \$ 25,000.00 | 3.97% |
| Balance of Project Cost Not Covered by AHSP Funding | \$ 604,975.00 | 96.03% |
| Number of Households Proposed to be Supported by the Total Project | 0 | 0.00% |
| Number of Households Proposed to be Supported by AHSP Funding | 0 | 0.00% |
| Number of Households Proposed to be Supported Using Other Funding (Not-AHSP Funds) | 0 | 0.00% |
| Portion of AHSP Funding as Direct Project Delivery (Not Administrative) | \$ 25,000.00 | 100.00% |
| Portion of AHSP Funding as Project Administration | \$ - | 0.00% |
| Average AHSP Funding Per Supported Household* | \$ - | 0.00% |
| Average AHSP Funding Per Household to Direct Project Delivery (Not Administrative) | \$ - | 0.00% |
| Average AHSP Funding Per Household Directed to Project Administration | \$ - | 0.00% |

| If the Balance of Project Cost Not Covered by AHSP Funding (Cell D11) is > \$0.00 Provide the Following: | |
|--|-------------------|
| Source of Other Funds | Amount of Funding |
| Grants - Corporate and Foundation | \$ 252,035.00 |
| Grants - Government | \$ 115,917.00 |
| Contracts with Employers | \$ 92,195.00 |
| Contributions - Individual and Corporate | \$ 61,265.00 |
| Program Fees | \$ 42,584.00 |
| United Way Allocations | \$ 40,979.00 |

*A maximum of \$25,000 can be provided to an eligible applicants.

FY 2022 AHSP Application Staff Summary:

Haywood Street Community Development: Asheland Apartments

| | | | | |
|---|--|--|--|---------------------------------------|
| 42 Units to Be Constructed | \$25,000 AHSP Request Per Unit | \$1.00 : \$6.42 Leverage Ratio AHSP \$: Other \$ | <80% AMI Target | 99+ Period of Affordability |
| \$185,517 Average Cost Per Unit | \$151.65 Average Cost per Unit Square Foot | | 1, 2 and 3 Bedrooms per Unit | |

Project Description: Haywood Street Community Development has submitted a **New Construction Units for Rent Multifamily** application requesting loan funds in the amount of **\$1,050,000** to support the Asheland Apartments project in downtown Asheville. The applicant has requested a **20-year deferred term at 0% interest with the possibility to initiate payments later in the term as the project stabilizes**. The FY22 AHSP offers a standard **20-year deferred principal loan with interest accruing at 4.25% per annum**.

Strategic Plan Community Focus Area: Resident Well Being

Strategic Plan Vision: Our residents are safe, healthy, and engaged in their community.

AHSP Goal: Preserve and increase the stock of affordable housing including rental developments.

Project Priority Addressed: Priority 3: Construction Loans for Multifamily Developments with Units for Rent and Which Do Not Seek Low Income Housing Tax Credit (LIHTC) Funding

Summary: Haywood Street Community Development’s request (\$1,050,000) is intended to support the \$7,791,723 42-unit Asheland Apartments project. The project budget indicates significant commitments from the City of Asheville, Dogwood Health Trust, donors, and a private lender. The project intends to deliver a mixture of deeply affordable rental apartments (22 of the 42 units are to be restricted to incomes at or below 30% of AMI) and community space secured in perpetuity. The project has received HCD committee approval from the City of Asheville to transfer the parcel of land and furnish a \$1,000,000 loan. For these commitments to become binding, approval is needed from the City of Asheville City Council.

Recommendation: Community Development Division staff reviewed the project, confirm it adheres to the requirements of the FY22 AHSP, and appears eligible for funding. In accordance with the FY22 AHSP, the project is slated to begin construction before January 31, 2022 (proposed construction start date of 6/1/2021) and begin requesting reimbursement by July 31, 2022. The applicant does not currently have site control, which was originally anticipated to be confirmed by February 23, 2021. An award is not recommended given the lack of site control, which could have significant impact on the proposed project schedule and budget. Should the Affordable Housing Committee remain interested in providing funding to the project despite the lack of site control, the FY22 AHSP requires the applicant clearly

demonstrate the proposed deferred loan and interest only payments are necessary for project viability. Staff recommends the applicant provide a full financial model to confirm the deferred loan is necessary before the Affordable Housing Committee move forward with recommending allocating funding with modified loan terms.

Attachments:

- Project Summary Sheet
- Program Budget
- Application

FY 2022 AHSP: Haywood Street Community Development – Asheland Apartments

| PROJECT SUMMARY SHEET | | Y/N |
|---|--|------------|
| Project Description/Narrative | | |
| Clearly affordable housing focused | | Y |
| Aligns with all components of the application | | Y |
| Aligns with all tenants of the AHSP program | | Y |
| Aligns with the selected strategic goal | | Y |
| Designed to Serve Households with AMI | | |
| <80% | | Y |
| <50% | | Y |
| <30% | | Y |
| Designed to Serve | | |
| General populous eligible for the program | | Y |
| Individuals who are hard to house | | Y |
| Individuals who are homeless | | Y |
| Individuals who are disabled | | Y |
| Individuals who are elderly | | Y |
| Project Expenses | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Sources | | |
| Complete | | Y |
| Reasonable | | Y |
| Includes leveraging additional investment (non-AHSP funds) | | Y |
| Project Schedule | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Team | | |
| Relevant experience and qualifications to complete the project | | Y |
| Project History | | |
| Indicates success in completing projects in the program category | | N |
| Applicant | | |
| Has timely audits free of qualifications and findings which would adversely indicate ability to manage an AHSP allocation | | Y |
| Shows a healthy financial position | | Y |
| Is a non-profit applicant | | Y |

FY 2022 AHSP: Haywood Street Community Development – Asheland Apartments

| CONSTRUCTION PROJECT ADDITIONAL SUMMARY INFO | Y/N |
|--|-----|
| Project | |
| Preserves long-term affordability beyond the loan term | Y |
| Emphasizes quality design and construction | Y |
| Participates in an energy efficiency program | Y |
| Contains mixed unit types (affordable, workforce, market) | N |
| Contains mixed unit types (multifamily and single family) | N |
| Contains mixed unit types (units with varied number of bedroom (1,2,3+)) | Y |
| Is geographically separated from other affordable housing projects | Y |
| Is coordinated with employment, services, and existing infrastructure | Y |
| Is located within 3/4 miles of a public transportation route | Y |

FY 2022 AHSP Application Staff Summary:

Volunteers of America National Services: Laurel Wood

| | | | | |
|---|---|---|-------------------------------------|--------------------------------------|
| 104 Units to Be Constructed | \$8,654 AHSP Request Per Unit | \$1.00 : \$19.81 Leverage Ratio AHSP \$: Other \$ | <80% AMI Target | 30 Period of Affordability |
| \$180,119 Average Cost Per Unit | \$170.11 Average Cost per Square Foot | | 1 and 2 Bedrooms per Unit | |

Project Description and Eligibility: Volunteers of America National Services (VOA) has submitted a **New Construction Units for Rent Multifamily** application requesting loan funds in the amount of **\$900,000** to support the Laurel Wood project in south Asheville. The applicant has requested a **20-year deferred principal loan with interest accruing at 2% per annum** due to the project’s limited cash flow and commitments to the requirements of other funders. The FY22 AHSP offers a standard **20-year deferred principal loan with interest accruing at 4.25% per annum**.

Strategic Plan Community Focus Area: Resident Well Being

Strategic Plan Vision: Our residents are safe, healthy, and engaged in their community.

AHSP Goal: Preserve and increase the stock of affordable housing including rental developments.

Project Priority Addressed: Priority 2: Construction Loans for Multifamily Developments with Units for Rent and Which Seek Low Income Housing Tax Credit (LIHTC) Funding

Summary: VOA’s request (\$900,000) is intended to support the \$18,733,204 104-unit Laurel Wood project which includes the addition of 54 units to an existing 50-unit affordable housing property in south Asheville designated for individuals at the age of 55 or above. The existing 22-years old property is in need of modest rehabilitation to extend the project’s lifespan and these costs are included in the project. For the past several years, the applicant has pursued several different methods to pair the rehabilitation work with the construction of 54 new units on site (resulting in a 104-unit property fully set aside for 55+ households).

VOA unsuccessfully pursued this project as a 9% LIHTC application in 2020, as it failed to meet the perfect score required to receive those funds. The current proposal seeks to use the non-competitive 4% credits, along with increased private debt. Although the project is sited inside the Asheville city limits, VOA has been unsuccessful in obtaining a commitment from the City of Asheville’s Housing Trust Fund.

The project offers impactful units in a location proximate to transit and services, and promises long-term affordability in Buncombe County where high demand for affordable senior housing is anticipated for the foreseeable future. The applicant has made commitments to maintain a full-time service coordinator

at the property and plans to program services and activities beneficial to 55+ residents, as well as dedicate a percentage of the units to households with rental assistance from HACA.

Recommendation: Community Development Division staff reviewed the project. The applicant currently has site control through direct ownership of the site; however, the project does not adhere to all the requirements of the FY22 AHSP (with regard to project schedule). In accordance with the FY22 AHSP, the project should be slated to begin construction before January 31, 2022 (proposed construction start date of 3/1/2022) and begin requesting reimbursement by July 31, 2022. The committee should consider if the ability to request reimbursement by July 31, 2022 is consistent enough with program guidance to allow a start of construction date beyond January 31, 2022. Consideration of full or partial award is recommended. Given the location within the City of Asheville, the Affordable Housing Committee may wish to consider if funding from the City of Asheville should be committed before County funding is awarded. The FY22 AHSP requires the applicant clearly demonstrate the proposed deferred loan with no interest or payments are necessary for project viability. The applicant has provided a full financial model and staff is prepared to determine if the deferred loan is necessary before the Affordable Housing Committee recommends allocating funding with modified loan terms.

Attachments:

- Project Summary Sheet
- Program Budget
- Application

| PROJECT SUMMARY SHEET | | Y/N |
|---|--|------------|
| Project Description/Narrative | | |
| Clearly affordable housing focused | | Y |
| Aligns with all components of the application | | Y |
| Aligns with all tenants of the AHSP program | | Y |
| Aligns with the selected strategic goal | | Y |
| Designed to Serve Households with AMI | | |
| <80% | | Y |
| <50% | | Y |
| <30% | | Y |
| Designed to Serve | | |
| General populous eligible for the program | | N |
| Individuals who are hard to house | | N |
| Individuals who are homeless | | Y |
| Individuals who are disabled | | Y |
| Individuals who are elderly | | Y |
| Project Expenses | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Sources | | |
| Complete | | Y |
| Reasonable | | Y |
| Includes leveraging additional investment (non-AHSP funds) | | Y |
| Project Schedule | | |
| Complete | | Y |
| Reasonable | | Y |
| Project Team | | |
| Relevant experience and qualifications to complete the project | | Y |
| Project History | | |
| Indicates success in completing projects in the program category | | Y |
| Applicant | | |
| Has timely audits free of qualifications and findings which would adversely indicate ability to manage an AHSP allocation | | Y |
| Shows a healthy financial position | | Y |
| Is a non-profit applicant | | Y |

| CONSTRUCTION PROJECT ADDITIONAL SUMMARY INFO | Y/N |
|--|-----|
| Project | |
| Preserves long-term affordability beyond the loan term | Y |
| Emphasizes quality design and construction | Y |
| Participates in an energy efficiency program | N |
| Contains mixed unit types (affordable, workforce, market) | N |
| Contains mixed unit types (multifamily and single family) | N |
| Contains mixed unit types (units with varied number of bedroom (1,2,3+)) | Y |
| Is geographically separated from other affordable housing projects | Y |
| Is coordinated with employment, services, and existing infrastructure | Y |
| Is located within 3/4 miles of a public transportation route | Y |