



# AFFORDABLE HOUSING SUBCOMMITTEE

Presented by

Matthew Cable  
Matt Card  
Jake Ekberg  
Michael Frue



## AGENDA

- Call to Order & Welcome
- Meeting Minutes
  - September 6, 2022
- New Business
  - Potential Bond Funds Use – Michael Frue
  - Community Development Division Partner Meeting – Matthew Cable
  - FY 2024 AHSP Revisions – Matthew Cable & Matt Card
  - FY 2021, 2022 and FY 2023 Contract Status Update – Jake Ekberg
- Next Steps
- Announcements
- Public Comment
- Adjourn



# POTENTIAL BOND FUND USE

Michael Frue



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## NCGS BOND LANGUAGE

- GS 159-48(c)(6): [to provide for] housing projects for persons of low or moderate income, including construction or acquisition of projects to be owned by a county, redevelopment commission, or housing authority and the provision of loans, grants, interest supplements, and other programs of financial assistance to these persons. A housing project may provide housing for persons of other than low or moderate income if at least forty percent (40%) of the units in the project are exclusively reserved for persons of low or moderate income. No rent subsidy shall be paid from bond proceeds.
- (f) ... any of the following [considered] necessary or convenient:
  - 1) Acquire, construct, erect, provide, develop, install, furnish, and equip.
  - 2) Reconstruct, remodel, alter, renovate, replace, refurbish, and reequip.
  - 3) Enlarge, expand, and extend.
  - 4) Demolish, relocate, improve, grade, drain, landscape, pave, widen, and resurface.
- (h) ... “capital costs” include, without limitation, all of the following: ...  
 An expansive list including all items listed above, professional services, all costs of property both Real and Personal, financing costs, insurance, and any other services, costs, and expenses necessary or incidental to the purpose authorized



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# COMMUNITY DEVELOPMENT DIVISION PARTNER MEETING

Matthew Cable



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**Colaborativa  
La Milpa**



**THRIVE** ASHEVILLE

**PARTNERS IN  
ATTENDANCE**



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## PARTNER MEETING AGENDA

- 12:00 noon | **Welcome**  
Avril Pinder, County Manager
- 12:05 p.m. | **Community Oriented Development Presentation**  
Nathan Pennington, Planning Director
- 12:15 p.m. | **Meeting Overview**  
Mathew Cable, Community Development Division Manager
- 12:20 p.m. | **Partner Lunch**
- 1:00 p.m. | **Facilitated Discussion Regarding Buncombe County's Affordable Housing Services Program**

## FACILITATED DISCUSSION QUESTIONS

- Thinking about your recent application for Buncombe County affordable housing funds, **describe and share some positive aspects of that experience.**
- Again, thinking about your recent application for Buncombe County affordable housing funds, **describe and share any discouraging aspects of that experience.**
- Thinking about seeking affordable housing funding from Buncombe County in the future, **what would help you in submitting a successful application?**
- Again, about seeking affordable housing funding from Buncombe County in the future, **what might be a hinderance to submitting a successful application?**

# KEY TAKEAWAYS: PROCESS



# KEY TAKEAWAYS: RFP



# KEY TAKEAWAYS: APPLICATION



# FY 2024 AHSP UPDATES TO PROGRAM DESCRIPTION, REQUIREMENTS, AND GUIDELINES

Matt Cable & Matt Card



## PROGRAM DESCRIPTION LEAD DIVISION

### FY 2023 AHSP

### LEAD DIVISION

Community Development  
Division

### AHSP PROPOSED

### ADMINISTRATION\*

Add language about role of the **Affordable Housing Committee & Community Development Division Staff**

Add language about execution and amendments of **Affordable Housing Services Program Agreements**

Incorporate Sections XII. Review Procedure & XIII. Administration with this Section

\*See next slide for specific language



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## PROGRAM DESCRIPTION ADMINISTRATION

The **Affordable Housing Committee** (the Committee) may review AHSP applications and make recommendations regarding funding allocations to the Board of Commissioners. The Committee may recommend AHSP contract terms, including loan interest rates and loan deferral, to the Community Development (CD) Division.

The **CD Division** is authorized to:

- Administer funds budgeted by the Board of Commissioners for the AHSP;
- Contract with community partners, including AHSP applicants and recipients, on behalf of Buncombe County consistent with the spirit and intent of the guidelines contained herein and after consideration of the recommendations from the Committee; and
- Finalize scope, loan interest rates, deferral of loan terms, lien position, and/or other specific aspects of AHSP agreements consistent with the spirit and intent of the guidelines contained herein.

**Agreements** for the expenditure of AHSP funds may be executed and or amended as follows:

- \$0 - \$29,999 Planning Director or Designee;
- \$30,000 - \$499,999 Assistant County Manager or Designee; and
- \$500,000 or greater County Manager or Designee with the Board of Commissioners Notified.



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# PROGRAM REQUIREMENTS & GUIDELINES STRATEGIC GOALS

<p><b>FY 2023 AHSP</b></p> <p><b>STRATEGIC GOALS</b></p> <ul style="list-style-type: none"> <li>• Preserve and increase the stock of affordable housing (including rental developments);</li> <li>• Reduce substandard housing and expand opportunities for home repair;</li> <li>• Support homeownership initiatives, including savings, credit building, and downpayment assistance; and</li> <li>• Address issues of homelessness.</li> </ul>	<p><b>AHSP Proposed</b></p> <p><b>AFFORDABLE HOUSING GOALS</b></p> <ul style="list-style-type: none"> <li>• Increase the supply of Affordable Housing for rent</li> <li>• Increase the supply of Affordable Housing for homeownership, especially for BIPOC households</li> <li>• Preserve the supply of Naturally Occurring Affordable Housing (NOAH)</li> <li>• Support activities that achieve functional zero Homelessness</li> <li>• Support activities that encourage the use of all vouchers</li> </ul>
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# PROGRAM REQUIREMENTS & GUIDELINES AFFORDABLE HOUSING OBJECTIVES

<p><b>FY 2023 AHSP</b></p> <p>Not Included</p>	<p><b>AHSP Proposed</b></p> <p>Buncombe County will impact 2,800-3,150 affordable housing units by 2030.</p> <ul style="list-style-type: none"> <li>• 1,500-1,850 rental units for households at <math>\leq</math>80% AMI             <ul style="list-style-type: none"> <li>○ average at <math>\leq</math>60% AMI across all households</li> <li>○ 1,200-1,480 units should leverage the LIHTC program</li> <li>○ 200 units for &lt;30% AMI</li> </ul> </li> <li>• 400 ownership units for households at &lt;80% AMI</li> <li>• 500 repair units for households at &lt;80% AMI</li> <li>• 400 ownership or rental units for households at &gt; 80% to &lt;120% AMI*</li> </ul> <p style="text-align: center; margin-top: 10px;">*Funding available through the AHSP may not be used to accomplish this objective.</p>
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## PROGRAM REQUIREMENTS & GUIDELINES PROJECT PRIORITIES

### FY 2023 AHSP

#### PROJECT PRIORITIES

AHC project prioritization activity results included and reflected

### AHSP Proposed

#### PROJECT PRIORITIES & PREFERENCES

Funding constraints, individual project merits, and achievement of the desired mix of project types will all factor into project prioritization. Strong preference will be given to projects that: demonstrate intent to leverage other sources of debt, equity, or other funding prior to and beyond the AHSP request; include deferred developer fees; and accept vouchers. Applicants seeking only program administrative support or applications where the proportion of administrative support is high relative to project costs are less preferred.



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## PROGRAM REQUIREMENTS & GUIDELINES ACTIVITIES

### AHSP Proposed

Add **rehabilitation** of existing affordable units as eligible activity



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## PROGRAM REQUIREMENTS & GUIDELINES

### IV. DEFINITION OF AFFORDABILITY

#### FY 2023 AHSP

Have a maximum sales price as described in HUD's 2021 HOME and Housing Trust Fund Homeownership Sales Price Limits Table available at the time of the opening of the RFP process.

#### AHSP Proposed

Have a maximum sales price as described in HUD's 2021 HOME and Housing Trust Fund Homeownership Sales Price Limits Table available at the time of the opening of the RFP process; **or sell at a higher price but only the first mortgage is affordable to the buyer based on their income.**



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## PROGRAM REQUIREMENTS & GUIDELINES

### V. PROJECT AND REIMBURSEMENT TIMEFRAME

#### FY 2023 AHSP

Construction and conversion projects must be scheduled to break ground by **January 31, 2022** and begin requesting reimbursement by **July 31, 2023**. All other projects must complete expenditures and request reimbursement by July 31, 2023.

#### AHSP Proposed

Construction and conversion projects must be scheduled to break ground by **June 30 of the calendar year following the year of application** and begin requesting reimbursement by **July 31 of the calendar year following the year of application**. All other projects must complete expenditures and request reimbursement by July 31 of the calendar year following the year of application.



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## PROGRAM REQUIREMENTS & GUIDELINES VI. CONSTRUCTION LOAN PROGRAM

### FY 2023 AHSP

An applicant may request the *option of interest only payments* with principal balloon provided the applicant indicates such at the time of application and demonstrates a need for such terms for project viability.

Requests for **interest only** payments does not guarantee award of a loan on those terms.

### AHSP Proposed

An applicant may request the *option of annual payments from cashflow with principal balloon* provided the applicant indicates such at the time of application and demonstrates a need for such terms for project viability.

Requests for payments from **cashflow with principal balloon** does not guarantee award of a loan on those terms.

## PROGRAM REQUIREMENTS & GUIDELINES X. EMERGENCY REPAIR PROGRAM

### FY 2023 AHSP

Repairs at **\$10,000** and up to **\$15,000**:

Must be forgivable loan, secured with a Note and Deed of Trust and repayable within ten (10) years if the eligible homeowner sells or no longer occupies the unit;

### AHSP Proposed

Repairs at **\$15,000** and up to **\$25,000**:

Must be forgivable loan, secured with a Note and Deed of Trust **which reduces \$15,000 in year one and by \$5,000 each successive year until such time as the loan is forgiven. The forgivable loan may be transferred to a new and verified income qualified household. If the eligible homeowner sells to a non-income qualified household or no longer occupies the unit during the repayment period, the balance of the note shall be due;**

# PROGRAM REQUIREMENTS & GUIDELINES CONSIDERATIONS

NEW START GRANT PROGRAM REVISIONS

PROGRAM ADMINISTRATIVE SUPPORT GRANT



# FY 2021, 2022, & 2023 AHSP CONTRACT STATUS UPDATE

Matthew Cable



## FY 2021 AHSP Contract Status

FY 2021 AHSP Projects	Anticipated Impact (Units/HH)	Actual Expenditures to Date	Impact to Date (Units/HH)	Balance of Obligation	Percent Open
Jasper Homestead LLC Multifamily Development	84	\$961,628	0	\$106,848	10%
Eblen Charities Tenant Based Rental Assistance	104	\$156,000	222	\$0	0%
Eliada Homes Tenant Based Rental Assistance	7	\$10,500	7	\$0	0%
Habitat for Humanity Emergency Repair	52	\$288,449	70	\$0	0%
Mountain Housing Opportunities Emergency Repair	40	\$300,000	49	\$0	0%
Eliada New Start Homeless Services Building Design	42	\$21,000	0	\$4,000	16%
CIMA PODER New Start Home Repair	20	\$25,000	16	\$0	0%
On Track Education Program	592	\$25,000	526	\$0	0%
<b>Total</b>	<b>941</b>	<b>\$1,787,127</b>	<b>890</b>	<b>\$110,848</b>	<b>6%</b>

## FY 2022 AHSP Contract Status

FY 2022 AHSP Projects	Anticipated Impact (Units/HH)	Actual Expenditures to Date	Impact to Date (Units/HH)	Balance of Obligation	Percent Open
Habitat for Humanity Construction Loan to DPA Glen Bridge	29	\$450,000	0	\$0	0%
Eblen Charities Tenant Based Rental Assistance	67	\$63,976	135	\$36,023	36%
Eliada Homes Tenant Based Rental Assistance	7	\$9,142	8	\$4,367	32%
ARC of Buncombe County Tenant Based Rental Assistance	15	\$10,951	9	\$14,048	56%
Habitat for Humanity Emergency Repair	37	\$67,042	11	\$138,583	67%
Mountain Housing Opportunities Emergency Repair	27	\$110,781	17	\$92,161	45%
ABCLT Real Estate Project Program Management New Start	2	\$0	0	\$25,000	100%
OnTrack Expanding Homeownership Possibilities Program New Start	365	\$25,000	442	\$0	0%
Ferry Road Predevelopment Services (DFI)	0	\$0	0	\$137,400	100%
Affordable Housing Feasibility Study (DFI)	0	\$0	0	\$83,500	100%
<b>Total</b>	<b>549</b>	<b>\$736,883</b>	<b>622</b>	<b>\$531,085</b>	<b>42%</b>

## FY 2023 AHSP Contract Status

FY 2022 AHSP Projects	Anticipated Impact (Units/HH)	Actual Expenditures to Date	Impact to Date (Units/HH)	Balance of Obligation	Percent Open
CDCA Construction Loan to Fairhaven Summit	77	\$0	0	\$1,000,000	100%
LDG Construction Loan to Monticello Family	168	\$0	0	\$1,500,000	100%
VOA Construction Loan to Laurel Wood	104	\$0	0	\$800,000	100%
Habitat for Humanity Emergency Repair	45	\$0	0	\$275,000	100%
Mountain Housing Opportunities Emergency Repair	24	\$0	0	\$225,000	100%
<b>Total</b>	<b>418</b>	<b>\$0</b>	<b>0</b>	<b>\$3,800,000</b>	<b>100%</b>

## NEXT STEPS

Meeting Date	Update, Discussion, & Actionable Items
<b>November 1</b>	<b>Updates:</b> Middle Income Housing; Property Analysis Process Presentation; NCHFA LIHTC Awards <b>Discussion:</b> AHSP Revisions <b>Actionable Item:</b> Recommend FY 2024 AHSP for Adoption by Full Board of Commissioners
<b>December 6</b>	<b>Updates:</b> Affordable Housing Website; Affordable Housing Mapping <b>Discussion:</b> Affordable Housing Committee Bylaws
<b>January 3</b>	<b>Updates:</b> FY 2022 & FY 2023 Contract Status; 2030 Affordable Housing Goals Advancement <b>Actionable Item:</b> Affordable Housing Committee Bylaws
<b>February 7</b>	<b>Updates:</b> Contract Monitoring Activities
<b>March 4</b>	<b>Discussion:</b> AHSP Applications Overview

\*Potential Special Called Meeting

**ANNOUNCEMENTS**



**PUBLIC COMMENT**



**ADJOURN**



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