


## MEMORANDUM

To: Board of Commissioners

From: George Wood, Interim County Manager   
Nathan Pennington, CFM, Planning Director

Date: January 25, 2019

Subject: Affordable Housing Funding Process and Mountain Housing Opportunities East Haven Request

At your January 15<sup>th</sup> Board meeting, you asked me to: 1) review and make a recommendation on Mountain Housing Opportunities' East Haven Request, and 2) to develop a better process for reviewing and funding major affordable housing projects. This memo addresses both of those issues. Before getting into the details of each, a good overview of the affordable housing programs and policies Buncombe County currently uses should be helpful. The document is organized in the following sequence:

- Overview of affordable housing funding sources
- Historical overview of grant funding levels
- 15 years of partnership with Mountain Housing Opportunities
- East Haven Request
- Staff Recommendation on East Haven Request
- Staff Recommendation on Annual Competitive Application Process

### **Buncombe County Government Provision of Affordable Housing Funding**

Historically, Buncombe County government has provided three (3) recurring sources of funds for affordable housing:

1. **The Affordable Housing Services Program (AHSP) Funds.** The AHSP began in 2004 with an annual allocation of funding provided by Buncombe County. This annual allocation has traditionally been \$300,000. In FY 2019, the annual allocation was increased to \$450,000 in order to prioritize an additional \$150,000 for emergency repair funding. This allocation is projected to increase to \$630,000 in FY 2020 as a portion of the Strategic Partnership Grant funds (\$180,000) are moved into the AHSP program. AHSP funding is offered through a competitive application process, advertised each year to non-profit housing agencies and private developers in September or October. Eligible programs include: construction of new housing for sale or rent; conversion of existing non-residential units for rent or sale; emergency repair; down payment assistance; tenant based rental assistance; permit fee rebate program; Buncombe County employee housing assistance program; and the manufactured home removal program. Traditionally, much of the funding is offered through construction loans, which are returned through principal and interest

payments to the AHSP as program income. This program income is then applied toward additional affordable housing proposals.

2. **HOME Matching Funds.** Buncombe County allocates \$75,000 each year as matching funds for certain developments participating in the HOME Investment Partnership Program. The HOME Investment Partnership Program is a federal loan program available to support affordable housing activities within Buncombe County as a participant in the regional Housing Consortium. The lead entity of the Housing Consortium is the City of Asheville. Member governments include Buncombe, Madison, Transylvania, and Henderson Counties and the municipalities therein. Each year approximately \$1,000,000 in funds come to the Consortium directly from the US Department of Housing and Urban Development (HUD). The funds are made available through a competitive application process, advertised each year in February. Eligible activities include down payment assistance; multifamily rental unit construction; owner occupied rehabilitation; and single-family home construction.
3. **Strategic Partnership Grant Funds.** A portion of the Strategic Partnership Grant Funds were used to support affordable housing activities through FY 2019. In FY 2019, \$180,000 was awarded to support affordable housing activities for two (2) agencies: Asheville Area Habitat for Humanity and Mountain Housing Opportunities. The funds traditionally allocated to housing through this source (\$180,000) are proposed to be moved to the AHSP program in FY 2020. *The Strategic Partnership Grant Funds will be directed to non-housing requests beginning in FY 2020.*

Buncombe County has also provided non-recurring sources of funds for affordable housing, by acting on requests commonly referred to as “special asks.” Special asks occur when a housing agency has developed an affordable housing proposal and needs more local funding support than is available through the recurring programs. In these cases, an agency has made requests for funding support directly to the Board of Commissioners for consideration and action. The Board of Commissioners has recently responded to two (2) special asks by providing funding to two (2) affordable housing developments (Eagle Market Place and Lee Walker Heights).

### **Affordable Housing Funding Requests through the Affordable Housing Services Program (AHSP) & the Strategic Partnership Grant Program FY 2015 – FY 2019**

Buncombe County receives requests on an annual basis to support affordable housing services and programs. In the most recent five (5) fiscal years, these requests have largely been directed through the Affordable Housing Services Program (AHSP) and the Strategic Partnership Grant Program, with certain developments directing additional “special asks” to the Board of Commissioners outside of these programs, typically where the programs are not large enough to fund the development.

The total funds requested between the Affordable Housing Services Program (AHSP) and Strategic Partnership Grant Program, over the last five (5) fiscal years (FY 2015 – FY 2019), were \$17,431,113 (See Table 1: Requests & Allocation History, FY 2015 – FY 2019). The requested funds were inflated by a \$4,200,000 request to the Strategic Partnership Grant Program in FY 2016 associated with the Housing Authority’s Lee Walker Heights development (which was later submitted as a “special ask” to the Board of Commissioners).

**Table 1: Request & Allocation History, FY 2015 - FY 2019**

Fiscal Year	Affordable Housing Services Program		Strategic Partnership Grant Program*		Combined Program Total	
	Requested	Allocated	Requested	Allocated	Requested	Allocated
2015	\$ 1,552,000	\$ 315,000	\$ 382,000	\$ 135,000	\$ 1,934,000	\$ 450,000
2016	\$ 2,250,500	\$ 750,000	\$ 4,997,000	\$ 177,500	\$ 7,247,500	\$ 927,500
2017	\$ 3,060,263	\$ 492,000	\$ 1,392,500	\$ 177,500	\$ 4,452,763	\$ 669,500
2018	\$ 2,085,850	\$ 670,850	\$ 353,000	\$ 165,000	\$ 2,438,850	\$ 835,850
2019	\$ 1,045,000	\$ 638,145	\$ 313,000	\$ 180,000	\$ 1,358,000	\$ 818,145
<b>Total</b>	<b>\$ 9,993,613</b>	<b>\$ 2,865,995</b>	<b>\$ 7,437,500</b>	<b>\$ 835,000</b>	<b>\$ 17,431,113</b>	<b>\$ 3,700,995</b>

\* Strategic Partnership Grant Program requests/allocations included herein are those associated with affordable housing projects/programs only. The requests/allocations do not include any requests/allocations received that are not associated with affordable housing.

Of the \$17,431,113 in funds requested, \$3,700,955 were allocated to projects. The average annual requests were \$3,486,223 with average annual allocations being \$740,199. On average, for each \$5.00 requested \$1.06 is allocated. Attachment 1, A Five-Year Program Request and Allocation History, provides additional information and detail regarding recent requests in recent fiscal years.

### Mountain Housing Opportunities Construction Loans & Balances FY 2005 – FY 2019

Buncombe County, through the Affordable Housing Services Program (AHSP), has allocated construction loan funding to Mountain Housing Opportunities (MHO) for multifamily/rental unit developments and single family developments. Buncombe County has provided additional construction loan funding to two (2) MHO developments as the result of “special asks.”

Buncombe County has allocated to MHO \$791,800 in AHSP construction loans for multifamily/rental unit developments. MHO has received two (2) loans for two (2) multifamily/rental unit developments totaling \$500,000 (not all allocations resulted in loans). Both loans resulted in a 2% interest rate paid over a 20 year term. Table 2, below, provides additional details regarding the current open multifamily/rental unit development construction loans provided to MHO through the Affordable Housing Services Program (AHSP).

**Table 2: AHSP Construction Loans for MHO Multifamily/Rental Unit Developments**

Development	Loan Type	Loan Amount	Total Repayment Anticipated	Payments Received Since Origination	Payment Schedules			Total Scheduled Payments Remaining FY 2019 - 2033	Total Projected Interest Collected
					Recurring Annual 2019 - 2032	Recurring Annual FY 2033	Balloon FY 2033		
Eagle Market Place	Interest Only, Balloon Principal	\$300,000	\$ 420,000	\$ 30,000	\$ 6,000	\$ 6,000	\$ 300,000	\$ 390,000	\$ 120,000
Residences at Glen Rock	Traditional, Principal & Interest	\$200,000	\$ 244,627	\$ 73,388	\$ 12,231	\$ -	\$ -	\$ 171,239	\$ 44,627
	<b>Total</b>	<b>\$500,000</b>	<b>\$ 664,627</b>	<b>\$ 103,388</b>	<b>\$ 18,231</b>	<b>\$ 6,000</b>	<b>\$ 300,000</b>	<b>\$ 561,239</b>	<b>\$ 164,627</b>

Buncombe County has allocated to MHO \$482,000 in AHSP construction loans for single family developments. MHO has received four (4) loans for four (4) single family developments totaling \$482,000. All loans resulted in a 2% interest rate, and are repaid on a completion of unit basis at the time of the sale of the unit. Table 3, below, provides additional details regarding the single family development construction loans provided to MHO through the Affordable Housing Services Program (AHSP).

**Table 3: AHSP Construction Loans for MHO Single Family Developments**

Development	Loan Amount	Total Repayment Anticipated	Payments Received Since Origination	Total Payment Remaining	Total Interest
Central Ave	\$ 110,000	\$ 119,439	\$ 119,439	\$ 0	\$ 9,439
Byrd Rd	\$ 100,000	\$ 104,526	\$ 104,526	\$ 0	\$ 4,526
Compass Park	\$ 72,000	\$ 75,372	\$ 75,372	\$ 0	\$ 3,372
Lille Farm Lane*	\$ 200,000	\$ 205,000	\$ 150,300	\$ 54,700	\$ 5,000
<b>Total</b>	<b>\$ 482,000</b>	<b>\$ 504,337</b>	<b>\$ 449,637</b>	<b>\$ 54,700</b>	<b>\$ 22,337</b>

\*Lillie Farm Lane is still in progress therefore the total repayment anticipated, total payment remaining, and total interest are projected based on current development status.

The Buncombe County Board of Commissioners have approved \$2,500,000 in loans to MHO for additional multifamily/rental unit developments as a response to “special asks” by MHO. A \$500,000 loan with 0% interest to be repaid over a 25 year term was provided for MHO’s Larchmont, approved by the Board of Commissioners by Resolution #09-11-12 on November 17, 2009. A \$2,000,000 loan with 2% interest to be repaid as a balloon payment of principal and interest at the end of a 20 year term for MHO’s Eagle Market Street was approved by the Board of Commissioners through the issuance of a Letter of Intent on May 15, 2012. Table 4, below, provides additional details regarding the multifamily/rental unit development construction loans provided to MHO through “special ask” requests.

**Table 4: Construction Loans for MHO Multifamily/Rental Unit Developments Approved by the Board of Commissioners as a "Special Ask"**

Development	Loan Type	Loan Amount	Total Repayment Anticipated	Payments Received Since Origination	Payment Schedules			Total Scheduled Payments Remaining FY 2019 - 2036	Total Projected Interest Collected
					Recurring Annual FY 2019 - 2036	Balloon 2033	FY		
Larchmont	Principal	\$ 500,000	\$ 500,000	\$ 140,000	\$ 20,000			\$ 360,000	\$ -
Eagle Market	Balloon	\$ 2,000,000	\$ 2,800,000	\$ -	\$ -	\$ 2,800,000		\$ 2,800,000	\$ 800,000
	<b>Total</b>	<b>\$ 2,500,000</b>	<b>\$ 3,300,000</b>	<b>\$ 140,000</b>	<b>\$ 20,000</b>	<b>\$ 2,800,000</b>		<b>\$ 3,160,000</b>	<b>\$ 800,000</b>

Buncombe County has provided a combined \$3,482,000 in construction loans to MHO between FY 2005 and FY 2019. Buncombe County has received repayment of \$693,025 from MHO on these construction loans. The total anticipated payments remaining from MHO are \$3,775,939. (See the Affordable Housing Investments Summary in Attachment #3).

#### **Issue #1: Mountain Housing Opportunities’ East Haven Apartments Development Request**

Buncombe County is experiencing an extreme demand for affordable housing units. The East Haven Apartments, by Mountain Housing Opportunities (MHO), is an affordable housing development which will consist of 95 apartment units, to be rented to households at or below 60% of area median income (See Table 5 below). The permitted number of apartment units for this development exceed standard density as allowed by the Buncombe County Zoning Ordinance Community Oriented Development (COD) program provisions. The development was the recipient of low-income housing tax credits through the North Carolina Housing Finance Agency.

The development serves an area outside the city limits of the City of Asheville, is located on existing infrastructure, and is located close to employment, shopping, and medical facilities. The development will be located in Swannanoa, along US Highway 70, just west of Riverwood Road. The development is located near schools and employers including Ingles Market, Ingles Warehouse, and the Charles George VA Medical Center. A City of Asheville transit stop, constructed and funded by Buncombe County, is within walking distance of the development.

The development will offer multifamily rental units with a variety of floor plans and staggered rents (See Table 5: Rental Units and Rates for East Haven Apartments). Resident amenities include: laundry facilities, a playground, a community room, a computer center, and a fitness room are proposed to be provided on-site. All units will be reserved for families below 60% AMI (area median income). A total of 10 units will be set aside for formerly homeless Veterans. A total of 19 units will be set aside for households with persons with disabilities. MHO has successfully completed developments like East Haven Apartments and has site control, zoning approval, and is currently in the building permit review process. The proposed start of construction is March 2019, with a move in date projected for October 2020.

**Table 5: Rental Units and Rates for East Haven Apartments**

Unit Type	Resident(s) with Incomes < or = 30% AMI		Resident(s) with Incomes >30% AMI but < or = 50% AMI		Resident(s) with Incomes >50% AMI but < or = 60% AMI		Resident(s) with Incomes < or = 60% AMI	
	Units	Rent	Units	Rent	Units	Rent	Total Units	Rent Range
1 Bedroom	8	\$ 257.00	11	\$ 472.00	12	\$ 581.00	31	\$ 257.00 - \$ 581.00
2 Bedroom	12	\$ 300.00	17	\$ 561.00	18	\$ 648.00	47	\$ 300.00 - \$ 648.00
3 Bedroom	4	\$ 341.00	5	\$ 617.00	8	\$ 697.00	17	\$ 341.00 - \$ 697.00
<b>Total</b>	<b>24</b>		<b>33</b>		<b>38</b>		<b>95</b>	<b>\$ 257.00 - \$ 697.00</b>

The development has received low-income housing tax credit funding, combined with many additional sources of state and federal funds which are outlined below based upon year of application and receipt.

#### **Mountain Housing Opportunities East Haven Apartments Development History:**

- 2014:** Mountain Housing Opportunities (MHO) proposes a 40 unit apartment development, the East Haven Apartments to the Friends and Neighbors of Swannanoa (FANS), a community group, and to Buncombe County Planning and Development staff.
- 2015:** MHO acquires an additional parcel, and expands the East Haven Apartments to include an additional 20 units, increasing the development from 40 to 60 units. MHO's East Haven Apartments development was allocated \$125,000 in Affordable Housing Services Program (AHSP) loan funds but, when the development did not receive tax credit awards, MHO did not move forward with the AHSP loan. MHO applied for, but did not receive, \$200,000 in funding requested through Buncombe County's Strategic Partnership Grant Program.
- 2016:** MHO applied for and was approved for a Conditional Use Permit, through the Buncombe County Zoning Ordinance Community Oriented Development (COD) program provisions, to receive increased density on the East Haven Apartments project site to allow for 95 units (ZPH2016-00023 on 5/11/2016). MHO's East Haven Apartments development was allocated \$140,000 in Affordable

Housing Services Program (AHSP) loan funds but, when the development did not receive the tax credit awards, MHO did not move forward with the AHSP loan.

**2017:** MHO's East Haven Apartments development was awarded: (1) \$8 million in low-income housing tax credits through the North Carolina Housing Finance Agency; (2) \$1 million in Rental Product Program (RPP) loan funds through the North Carolina Housing Finance Agency (NCHFA); (3) \$250,000 in Workforce Housing Loan Program (WHLP) loan funds through the NCHFA ; (4) \$675,000 in Housing and Urban Development (HUD) funds through the Home Investment Partnerships Program (HOME) loan by the Asheville Regional Housing Consortium; and (5) \$75,000 through Buncombe County HOME matching loan funds.

**2018:** MHO's East Haven Apartments development was awarded: (1) \$1.35 million Integrated Supporting Housing Program (ISHP) loan funding through the North Carolina Housing Finance Agency (NCHFA); and (2) \$1 million in HUD HOME loan funds by the Asheville Regional Housing Consortium. MHO received a Federal Home Loan Bank (FHLB) loan of \$500,000. MHO applied for and was approved for an extension of conditional use permit validity for the East Haven Apartments development (ZPH2018-00026 on 7/11/2018).

**2019:** MHO presented a request to the Buncombe County Board of Commissioners on January 15, 2019, for a \$2,200,000 loan at 0% interest to be repaid with a balloon payment of \$2,200,000 at the end of a 20 year term.

#### **Issue #1: Recommendation on Mountain Housing Opportunity Request**

One of the Board's six major goals is to increase the amount of affordable housing in Buncombe County. Consequently, we should leverage our taxpayers' money to provide as much housing as possible as quickly as possible. MHO's request in our opinion does not do that as well as a revolving loan fund methodology. It asks that you not receive any of your loan money back until the end of a 20-year period, and that you receive no interest. That ties your money up for 20 years. It also leaves us with a lien subordinated to other liens which gives us poor collateral, with no reduction in that risk over a 20-year period. Our recommendation is as follows:

- BC would enter into a 20-year loan agreement with MHO, with documents and agreements similar to those used on the Eagle Market Project such as a promissory note, deed of trust and other agreements.
- The loan would be at 2.25% annual interest, which is comparable to what we could earn on this money if it remained invested.
- The repayment schedule would be structured like our bond issues, which is interest payments every six months, and a principal payment once a year. The principal amount would be level payments over 20 years, which at \$2,200,000 would be \$110,000 annually. The first year's interest would be \$44,000, then decrease by \$2,200 per year. This reduces our risk in the event of a default, and **more importantly, provides you with additional funds that can be used to fund additional affordable housing projects. (See Attachment #2 for a detailed example.)**
- BC would provide the \$2,200,000 to MHO once the project was completed. That means that our Inspections Department would have issued a permanent, not temporary, Certificate of Occupancy for the entire project, all amenities and landscaping would have been installed, and

the units would have been ready to be occupied. This is how Eagle Market was done. It also means that this would not impact the current fiscal year's budget.

- The documents would contain a provision, as in the Eagle Market Project, that the property would be, and remain, taxable for property tax purposes.

As Attachment #2 clearly documents, by having annual repayment of principal instead of a balloon payment, **you could reinvest that repayment money into four additional projects of \$2,000,000 each in the same 20-year timeframe.** You put the \$2,200,000 back into use much more quickly this way. This is the far better option for getting more affordable housing in place as quickly as possible.

## **Issue 2: Recommendation on an Annual Open Competitive Process in Lieu of "Special Ask" Process**

You had asked that the Staff develop a better process for reviewing affordable housing financial assistance requests. Currently, no money is budgeted annually for this, as the County reacts to these individual requests as they are received. Obviously, this favors the entity that makes a request first. Second, it could impact the budget at mid-year because no money has been budgeted for these requests. This is not a good way to budget, as these requests can exceed \$5,000,000 annually. That needs to be budgeted at the beginning of the fiscal year, not in the second half of the fiscal year.

Our recommendation is as follows:

- Include in the annual budget the amount of loan or grant funds that the BOC wants to put into affordable housing in the next year.
- Develop an annual timetable for an application process, which would be integrated with the deadlines for the various grants and loans from other agencies that affordable housing developers use. This would include also the notification timing for federal tax credit awards. That will probably be in the December-January timeframe. We are confident that these dates can be meshed into a good process.
- The application process would be a Request for Proposals that would be within our budgeted funds, under the same financial and legal terms as we have recommended for the MHO Request above.
- The Planning Staff would be the agency tasked with developing the RFP for BOC approval each year. Each year the BOC would determine if it wants to specify a portion of the funding for homeownership versus rental units; special populations; and geographic dispersion of the housing throughout all areas of the county. The RFP would be written to reflect those goals.
- The Planning Staff would meet with potential developers to thoroughly review the goals, the financial and legal terms, and answer any other questions about the RFP process. The RFP would ask for details on the proposed project such as location, acreage, number and size of the housing units, amenities, utilities, access to transportation and public transit, proximity to commercial areas, employment centers and schools, total cost of the project and the sources of all funding, the County's lien position for collateral, estimated construction time, financial information on the applicant, and other information to adequately evaluate the proposal.
- A staff review team from both the Planning and Finance Department would review and evaluate the proposals.
- The Planning Staff would evaluate the proposal from a planning and housing perspective.
- The Finance Department Staff would evaluate and compare the proposals from a financial standpoint, such as which proposal provides the most units in the most economical manner.

- These two departments would work with the County Manager's Office to formulate a detailed report to the BOC recommending which proposal(s) should be funded, at what amounts.
- The BOC would act on that recommendation at a public meeting that would include presentations by each of the applicants, and review of the staff recommendation.

We will need some time to flesh out the details of the timeline for applications, and the specifics in the application. We see no reason this cannot be in place before the next round of financial and tax credit approvals next fall. The first step is to determine an amount for next year's budget in June, and later the priorities as discussed above.

We want to stress one additional critical component of this proposed policy. As you know, the Dogwood Health Trust has been created to handle the investment of funds, and distribution of fund investment earnings. This is as a result of the sale of Mission Hospital to HCA. The Trust is to make grant awards to entities that impact the social determinants of health. We believe that affordable, safe housing meets that definition. While the sale of the hospital is not yet complete, it appears to be imminent. Once that is done, the proceeds will go to the Trust. It will need to then invest the funds, and determine its processes for accepting applications for awards. Obviously, it will take over a year for those actions to take place, and the Trust earn enough from investments to begin awards. The Trust earnings are estimated to be substantial, with some saying it may be the second largest such entity in NC. *Consequently, it could dramatically increase the financial resources this community can use for affordable housing.*

Once that happens, we strongly believe that Buncombe County should apply for a portion of those funds annually to support this affordable housing process we have outlined above. The County would be the grantee receiving funds from the grantor, the Trust. Then our process would result in selecting developers who would be sub-grantees of the County to actually build the affordable housing units. We believe this would be an excellent process for the Dogwood Health Trust to use to help finance affordable housing without having to go through a lengthy process of evaluating individual applications.

We want to thank the staff of the Planning, Finance and Performance Management departments who worked on this project. Please call either of us if you have any questions or comments on this matter.



**Attachment 1: A Five-Year Program Request and Allocation History, FY 2015 - FY 2019**

	FY 2015		FY 2016		FY 2017		FY 2018		FY 2019		FY 2015-FY 2019		Average Annual	
	Requested	Allocated	Requested	Allocated	Requested	Allocated	Requested	Allocated	Requested	Allocated	Requested	Allocated	Requested	Allocated
<b>Affordable Housing Services Program</b>														
Low-Interest Construction Loan Program	\$ 1,447,000	\$ 250,000	\$ 2,019,000	\$ 621,000	\$ 2,735,000	\$ 342,000	\$ 1,840,000	\$ 425,000	\$ 610,000	\$ 365,000	\$ 8,651,000	\$ 2,003,000	\$ 1,730,200	\$ 400,600
Emergency Repair Program	\$ 105,000	\$ 65,000	\$ 170,000	\$ 100,000	\$ 180,000	\$ 150,000	\$ 181,500	\$ 181,500	\$ 375,000	\$ 263,145	\$ 1,011,500	\$ 759,645	\$ 202,300	\$ 151,929
Tenant Based Rental Assistance Program	\$ -	\$ -	\$ 61,500	\$ 29,000	\$ 40,000	\$ -	\$ 40,000	\$ 40,000	\$ 50,000	\$ -	\$ 191,500	\$ 69,000	\$ 38,300	\$ 13,800
Permit Fee Rebate Program*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,350	\$ 24,350	\$ -	\$ -	\$ 24,350	\$ 24,350	\$ 4,870	\$ 4,870
Employee Housing Assistance Program*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 2,000	\$ 2,000
Downpayment Assistance	\$ -	\$ -	\$ -	\$ -	\$ 105,263	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105,263	\$ -	\$ 21,053	\$ -
<b>Total Affordable Housing Services Program</b>	<b>\$ 1,552,000</b>	<b>\$ 315,000</b>	<b>\$ 2,250,500</b>	<b>\$ 750,000</b>	<b>\$ 3,060,263</b>	<b>\$ 492,000</b>	<b>\$ 2,085,850</b>	<b>\$ 670,850</b>	<b>\$ 1,045,000</b>	<b>\$ 638,145</b>	<b>\$ 9,993,613</b>	<b>\$ 2,865,995</b>	<b>\$ 1,998,723</b>	<b>\$ 573,199</b>

\*Buncombe County program administered internally

	FY 2015		FY 2016		FY 2017		FY 2018		FY 2019		FY 2015-FY 2019		Average Annual	
	Requested	Allocated	Requested	Allocated	Requested	Allocated	Requested	Allocated	Requested	Allocated	Requested	Allocated	Requested	Allocated
<b>Strategic Partnership Grant Program</b>														
Asheville Area Habitat for Humanity - Housing Services	\$ 100,000	\$ 60,000	\$ 75,000	\$ 72,500	\$ 75,000	\$ 72,500	\$ 100,000	\$ 70,000	\$ 140,000	\$ 80,000	\$ 490,000	\$ 355,000	\$ 98,000	\$ 71,000
Mountain Housing Opportunities - Housing Services	\$ 82,000	\$ 75,000	\$ 102,000	\$ 90,000	\$ 117,500	\$ 90,000	\$ 103,000	\$ 80,000	\$ 108,000	\$ 80,000	\$ 512,500	\$ 415,000	\$ 102,500	\$ 83,000
Asheville Area Habitat for Humanity - Home Repair	\$ -	\$ -	\$ 20,000	\$ 15,000	\$ 60,000	\$ 15,000	\$ 50,000	\$ 15,000	\$ 40,000	\$ 20,000	\$ 170,000	\$ 65,000	\$ 34,000	\$ 13,000
Mountain Housing Opportunities - East Haven Apartments	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ 40,000	\$ -
ABCCM - Transformation Village	\$ -	\$ -	\$ 600,000	\$ -	\$ 550,000	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 1,250,000	\$ -	\$ 250,000	\$ -
ABCCM - Steadfast House	\$ -	\$ -	\$ -	\$ -	\$ 240,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 240,000	\$ -	\$ 48,000	\$ -
ABCCM - Veterans Village	\$ -	\$ -	\$ -	\$ -	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 350,000	\$ -	\$ 70,000	\$ -
Swannanoa Valley Christian Ministry - Hope for Tomorrow	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ 25,000	\$ -	\$ 5,000	\$ -
Housing Authority - Lee Walker Heights	\$ -	\$ -	\$ 4,200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,200,000	\$ -	\$ 840,000	\$ -
<b>Total Strategic Partnership Grant Program</b>	<b>\$ 382,000</b>	<b>\$ 135,000</b>	<b>\$ 4,997,000</b>	<b>\$ 177,500</b>	<b>\$ 1,392,500</b>	<b>\$ 177,500</b>	<b>\$ 353,000</b>	<b>\$ 165,000</b>	<b>\$ 313,000</b>	<b>\$ 180,000</b>	<b>\$ 7,437,500</b>	<b>\$ 835,000</b>	<b>\$ 1,487,500</b>	<b>\$ 167,000</b>

	FY 2015		FY 2016		FY 2017		FY 2018		FY 2019		FY 2015-FY 2019		Average Annual	
	Requested	Allocated	Requested	Allocated	Requested	Allocated	Requested	Allocated	Requested	Allocated	Requested	Allocated	Requested	Allocated
<b>Total Combined Affordable Housing Services &amp; Strategic Partnership Grant Program</b>	<b>\$ 1,934,000</b>	<b>\$ 450,000</b>	<b>\$ 7,247,500</b>	<b>\$ 927,500</b>	<b>\$ 4,452,763</b>	<b>\$ 669,500</b>	<b>\$ 2,438,850</b>	<b>\$ 835,850</b>	<b>\$ 1,358,000</b>	<b>\$ 818,145</b>	<b>\$ 17,431,113</b>	<b>\$ 3,700,995</b>	<b>\$ 3,486,223</b>	<b>\$ 740,199</b>

# ATTACHMENT #2: REINVESTMENT OF LOAN PRINCIPAL COMPARISON

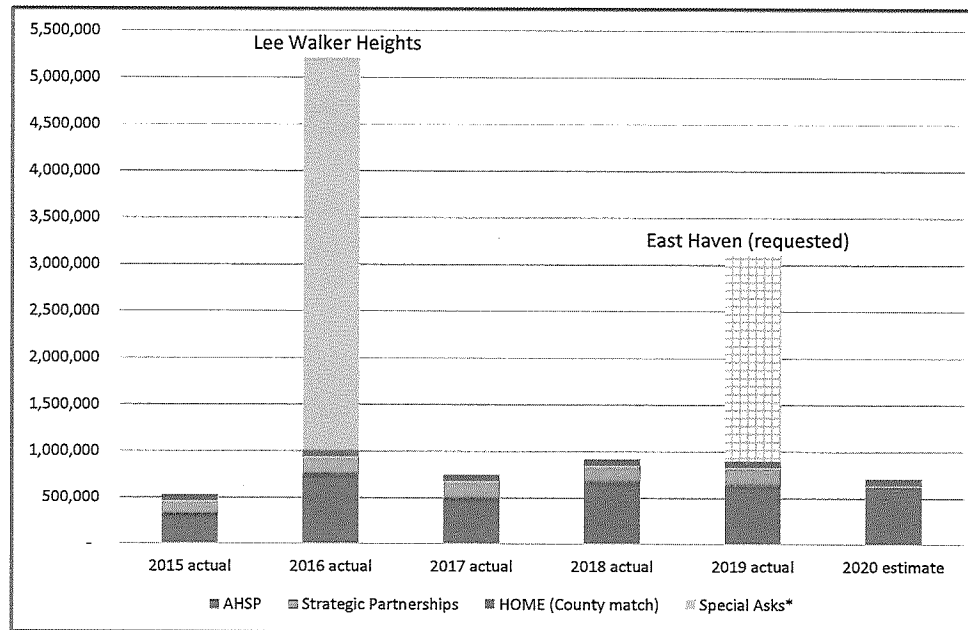
YEAR	MHO REQUEST		MANAGER/PLANNING DIRECTOR RECOMMENDATION				
			MHO	2ND PROJ	3RD PROJ	4 PROJ	REINVESTED
1	\$	-	\$ 110,000				
2	\$	-	\$ 110,000				
3	\$	-	\$ 110,000				
4	\$	-	\$ 110,000				
5	\$	-	\$ 110,000				\$ 550,000
6	\$	-	\$ 110,000	\$ 100,000			
7	\$	-	\$ 110,000	\$ 100,000			
8	\$	-	\$ 110,000	\$ 100,000			
9	\$	-	\$ 110,000	\$ 100,000			
10	\$	-	\$ 110,000	\$ 100,000			\$ 1,050,000
11	\$	-	\$ 110,000	\$ 100,000	\$ 100,000		
12	\$	-	\$ 110,000	\$ 100,000	\$ 100,000		
13	\$	-	\$ 110,000	\$ 100,000	\$ 100,000		
14	\$	-	\$ 110,000	\$ 100,000	\$ 100,000		
15	\$	-	\$ 110,000	\$ 100,000	\$ 100,000		\$ 1,550,000
16	\$	-	\$ 110,000	\$ 100,000	\$ 100,000	\$ 100,000	
17	\$	-	\$ 110,000	\$ 100,000	\$ 100,000	\$ 100,000	
18	\$	-	\$ 110,000	\$ 100,000	\$ 100,000	\$ 100,000	
19	\$	-	\$ 110,000	\$ 100,000	\$ 100,000	\$ 100,000	
20	\$	2,200,000	\$ 110,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 2,050,000
21				\$ 100,000	\$ 100,000	\$ 100,000	
22				\$ 100,000	\$ 100,000	\$ 100,000	
23				\$ 100,000	\$ 100,000	\$ 100,000	
24				\$ 100,000	\$ 100,000	\$ 100,000	
25				\$ 100,000	\$ 100,000	\$ 100,000	
26					\$ 100,000	\$ 100,000	
27					\$ 100,000	\$ 100,000	
28					\$ 100,000	\$ 100,000	
29					\$ 100,000	\$ 100,000	
30					\$ 100,000	\$ 100,000	
31						\$ 100,000	
32						\$ 100,000	
33						\$ 100,000	
34						\$ 100,000	
35						\$ 100,000	
	\$	2,200,000	\$ 2,200,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	
	\$	2,200,000	Comparison of Reinvestment Funding and Timing				\$ 5,200,000

Staff Recommendation lets you do four projects, and have \$2,050,000 to invest in a fifth project in year 21.

MHO Request lets you invest in a second project in year 21.

## Affordable Housing Investments

Funding source	2015 actual	2016 actual	2017 actual	2018 actual	2019 actual	2020 estimate	Total
AHSP	315,000	750,000	492,000	670,850	638,145	630,000	3,495,995
Strategic Partnerships	135,000	177,500	177,500	165,000	180,000	-	835,000
HOME (County match)	75,000	75,000	75,000	75,000	75,000	75,000	450,000
Special Asks*	-	4,200,000	-	-	2,200,000	-	6,400,000
<b>Total</b>	<b>525,000</b>	<b>5,202,500</b>	<b>744,500</b>	<b>910,850</b>	<b>3,093,145</b>	<b>705,000</b>	<b>11,180,995</b>



Type	2015 actual	2016 actual	2017 actual	2018 actual	2019 actual
*Special Asks (project) reported by the fiscal year of the loan:					
Glen Rock	Multi				
Eagle Market Place	Multi				
Larchmont	Multi				
Lee Walker Heights	Multi	4,200,000			
East Haven	Multi				2,200,000
Central Avenue	Single				
Byrd Rd	Single				
Compass Park	Single				
Lille Farm Lane	Single				