



## Buncombe County Board of Commissioners

### Request for Board Action

**Meeting Date: 9/19/2023**

#### New Business

**Department:** Strategic Partnerships

**Presenter:** Tyler Henry

**Contact:** Rachael Sawyer Nygaard, Strategic Partnerships Director

**Subject:** Request for Bond Funding & COVID Recovery Funding Reallocation

#### **Brief Summary:**

##### Mountain Housing Opportunities Lakeshore Villas Funding

In November 2021, Buncombe County awarded Mountain Housing Opportunities (MHO) \$2,545,231 of COVID Recovery Funding for their “Recovery Starts at Home” project to support the development of new affordable rental housing at Lakeshore Villas, located on Heywood Road in Arden, NC. In May 2022, the project was awarded an additional \$718,616.

MHO has not signed the subrecipient agreement to accept the additional \$718,616) due to concerns with certain claw back requirements included in the county’s contract. They rescinded the second allocation of COVID Recovery Funding and are seeking an alternate financing source to replace this award.

##### Bond Funds

Staff brought the new gap in the financing of Lakeshore Villas to the Affordable Housing Committee on September 5<sup>th</sup> to consider options. The Affordable Housing committee recommended that the Board increase the Affordable Housing Bond Proceeds allocated to the Lakeshore Villas project by \$718,616 to replace the second allocation of COVID Recovery Funding. This would increase the Affordable Housing Bond Proceeds commitment from \$2,600,000 to \$3,336,782.

### HOME Funds

The Affordable Housing Committee also requested that MHO seek the additional \$299,702 in HOME funds for the Lakeshore Villas project through the reallocation process planned to be considered by the Asheville Regional HOME Consortium in October. While these funds are not guaranteed, the Affordable Housing staff believe that they can make a strong case in support of this reallocation. Depending on the outcome of this reallocation, the Board may receive an additional request to increase Bond Proceeds for Lakeshore Villas should MHO receive a partial or no amount of the HOME funds available.

### COVID Recovery Funding Reallocation

Another project, "Ferry Road Infrastructure" has been awarded \$4,264,716 to date. The project is in need of additional funding to support the creation of an access road to affordable housing on a county-owned property in South Asheville, NC. This project is led by Buncombe County in partnership with Development Finance Institute and the North Carolina Department of Transportation. With an additional \$718,616, the total awarded to this project will total \$4,983,332.

### **Recommended Motions & Requested Actions:**

1. Consider approval of changes to COVID Recovery Funding awards as listed:
  - Reduce "Recovery Starts at Home" by \$718,616
  - Increase "Ferry Road Infrastructure" by \$718,616
2. Consider an amendment of the Bond Proceeds amount allocated to the Lakeshore Villas project by \$718,616.