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

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, refurnish, 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.
COMMUNITY DEVELOPMENT DIVISION PARTNER MEETING

Matthew Cable
### PARTNER MEETING AGENDA

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
</tr>
</thead>
<tbody>
<tr>
<td>12:00 noon</td>
<td>Welcome</td>
</tr>
<tr>
<td></td>
<td>Avril Pinder, County Manager</td>
</tr>
<tr>
<td>12:05 p.m.</td>
<td>Community Oriented Development Presentation</td>
</tr>
<tr>
<td></td>
<td>Nathan Pennington, Planning Director</td>
</tr>
<tr>
<td>12:15 p.m.</td>
<td>Meeting Overview</td>
</tr>
<tr>
<td></td>
<td>Mathew Cable, Community Development Division Manager</td>
</tr>
<tr>
<td>12:20 p.m.</td>
<td>Partner Lunch</td>
</tr>
<tr>
<td>1:00 p.m.</td>
<td>Facilitated Discussion Regarding Buncombe County’s Affordable Housing Services Program</td>
</tr>
</tbody>
</table>

---

### 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: APPLICATION

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

Matt Cable & Matt Card
PROGRAM DESCRIPTION
ILEAD DIVISION

FY 2023 AHSP
LEAD DIVISION
Community Development Division

AHSP PROPOSED
IADMINISTRATION*

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

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.
PROGRAM REQUIREMENTS & GUIDELINES

STRATEGIC GOALS

FY 2023 AHSP

STRATEGIC GOALS

- Preserve and increase the stock of affordable housing (including rental developments);
- Reduce substandard housing and expand opportunities for home repair;
- Support homeownership initiatives, including savings, credit building, and downpayment assistance; and
- Address issues of homelessness.

AHSP Proposed

AFFORDABLE HOUSING GOALS

- Increase the supply of Affordable Housing for rent
- Increase the supply of Affordable Housing for homeownership, especially for BIPOC households
- Preserve the supply of Naturally Occurring Affordable Housing (NOAH)
- Support activities that achieve functional zero Homelessness
- Support activities that encourage the use of all vouchers

BUNCOMBE COUNTY

15

PROGRAM REQUIREMENTS & GUIDELINES

AFFORDABLE HOUSING OBJECTIVES

FY 2023 AHSP

Not Included

Buncombe County will impact 2,800-3,150 affordable housing units by 2030.
- 1,500-1,850 rental units for households at <80% AMI
  - average at <60% AMI across all households
  - 1,200-1,480 units should leverage the LIHTC program
  - 200 units for <30% AMI
- 400 ownership units for households at <80% AMI
- 500 repair units for households at <80% AMI
- 400 ownership or rental units for households at >80% to <120% AMI*

AHSP Proposed

*Funding available through the AHSP may not be used to accomplish this objective.

BUNCOMBE COUNTY

16
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.

PROGRAM REQUIREMENTS & GUIDELINES

ACTIVITIES

AHSP Proposed
Add rehabilitation of existing affordable units as eligible activity
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.

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.
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 if 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

<table>
<thead>
<tr>
<th>FY 2021 AHSP Projects</th>
<th>Anticipated Impact (Units/HH)</th>
<th>Actual Expenditures to Date</th>
<th>Impact to Date (Units/HH)</th>
<th>Balance of Obligation</th>
<th>Percent Open</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jasper Homestead LLC Multifamily Development</td>
<td>84</td>
<td>$961,628</td>
<td>0</td>
<td>$106,848</td>
<td>10%</td>
</tr>
<tr>
<td>Eblen Charities Tenant Based Rental Assistance</td>
<td>104</td>
<td>$156,000</td>
<td>222</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td>Eliada Homes Tenant Based Rental Assistance</td>
<td>7</td>
<td>$10,500</td>
<td>7</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td>Habitat for Humanity Emergency Repair</td>
<td>52</td>
<td>$288,449</td>
<td>75</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td>Mountain Housing Opportunities Emergency Repair</td>
<td>48</td>
<td>$300,000</td>
<td>48</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td>Eliada New Start Homeless Services Building Design</td>
<td>42</td>
<td>$21,000</td>
<td>0</td>
<td>$4,000</td>
<td>16%</td>
</tr>
<tr>
<td>CIMA PODER New Start Home Repair</td>
<td>20</td>
<td>$25,000</td>
<td>16</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td>On Track Education Program</td>
<td>592</td>
<td>$25,000</td>
<td>526</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>941</strong></td>
<td><strong>$1,787,127</strong></td>
<td><strong>890</strong></td>
<td><strong>$110,848</strong></td>
<td><strong>6%</strong></td>
</tr>
</tbody>
</table>

### FY 2022 AHSP Contract Status

<table>
<thead>
<tr>
<th>FY 2022 AHSP Projects</th>
<th>Anticipated Impact (Units/HH)</th>
<th>Actual Expenditures to Date</th>
<th>Impact to Date (Units/HH)</th>
<th>Balance of Obligation</th>
<th>Percent Open</th>
</tr>
</thead>
<tbody>
<tr>
<td>Habitat for Humanity Construction Loan to DPA Glen Bridge</td>
<td>29</td>
<td>$450,000</td>
<td>0</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td>Eblen Charities Tenant Based Rental Assistance</td>
<td>67</td>
<td>$63,976</td>
<td>135</td>
<td>$36,023</td>
<td>36%</td>
</tr>
<tr>
<td>Eliada Homes Tenant Based Rental Assistance</td>
<td>7</td>
<td>$9,142</td>
<td>8</td>
<td>$4,367</td>
<td>32%</td>
</tr>
<tr>
<td>ARC of Buncombe County Tenant Based Rental Assistance</td>
<td>15</td>
<td>$10,951</td>
<td>9</td>
<td>$14,048</td>
<td>56%</td>
</tr>
<tr>
<td>Habitat for Humanity Emergency Repair</td>
<td>37</td>
<td>$67,042</td>
<td>11</td>
<td>$138,583</td>
<td>67%</td>
</tr>
<tr>
<td>Mountain Housing Opportunities Emergency Repair</td>
<td>27</td>
<td>$110,781</td>
<td>17</td>
<td>$92,161</td>
<td>45%</td>
</tr>
<tr>
<td>ABCLT Real Estate Project Program Management New Start</td>
<td>2</td>
<td>$0</td>
<td>0</td>
<td>$25,000</td>
<td>100%</td>
</tr>
<tr>
<td>OnTrack Expanding Homeownership Possibilities Program New Start</td>
<td>365</td>
<td>$25,000</td>
<td>442</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td>Ferry Road Predevelopment Services (DFI)</td>
<td>0</td>
<td>$0</td>
<td>0</td>
<td>$137,400</td>
<td>100%</td>
</tr>
<tr>
<td>Affordable Housing Feasibility Study (DFI)</td>
<td>0</td>
<td>$0</td>
<td>0</td>
<td>$83,500</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>549</strong></td>
<td><strong>$736,883</strong></td>
<td><strong>622</strong></td>
<td><strong>$531,085</strong></td>
<td><strong>42%</strong></td>
</tr>
</tbody>
</table>
FY 2023 AHSP Contract Status

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

Meeting Date | Update, Discussion, & Actionable Items
--- | ---
November 1 | Updates: Middle Income Housing; Property Analysis Process Presentation; NCHFA LIHTC Awards
Discussion: AHSP Revisions
Actionable Item: Recommend FY 2024 AHSP for Adoption by Full Board of Commissioners

December 6 | Updates: Affordable Housing Website; Affordable Housing Mapping
Discussion: Affordable Housing Committee Bylaws

January 3 | Updates: FY 2022 & FY 2023 Contract Status; 2030 Affordable Housing Goals Advancement
Actionable Item: Affordable Housing Committee Bylaws

February 7 | Updates: Contract Monitoring Activities

March 4 | Discussion: AHSP Applications Overview

*Potential Special Called Meeting
ANNOUNCEMENTS

PUBLIC COMMENT

ADJOURN