



# AFFORDABLE HOUSING SUBCOMMITTEE

August 6, 2024



# AGENDA

- ✓ Call to Order & Welcome
- ✓ Public Comment
- ✓ Approval of Meeting Minutes
  - June 4, 2024
- ✓ Presentations
  - Asheville Regional HOME Consortium Update
  - Behavioral Health & Buncombe County Libraries Programs Update
- ✓ Reports & Discussion
  - Quarterly Reports
  - Affordable Housing Services Program Loan Terms
  - Review of 2030 Housing Goals
- ✓ New Business
  - Chair and Vice-Chair Appointment
- ✓ Next Steps
- ✓ Announcements & Adjourn



# PUBLIC COMMENT



# APPROVAL OF MEETING MINUTES



**JUNE 4, 2024**



# PRESENTATIONS



# ASHEVILLE REGIONAL HOME CONSORTIUM UPDATE

Jonathon Jones



# HOME CONSORTIUM UPDATE

Estimated 2024-2025 HOME Funding Allocation: \$1,011,026

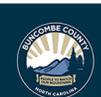
Project (LIHTC Status)	Organization	Units	Location	Requested	Recommended
Apple Ridge (Received)	Housing Assistance Corp.	60	Hendersonville	\$600,000	\$600,000
Lofts at Chadwick (Applied)	WDT	58	Hendersonville	\$238,949	TBD
<b>Lofts at Swannanoa (Applied)</b>	<b>WDT</b>	<b>52</b>	<b>Swannanoa</b>	<b>\$219,801</b>	TBD
<b>Swannanoa River Village (N/A)</b>	<b>Pivotal Development</b>	<b>62</b>	<b>Asheville</b>	<b>\$500,000</b>	TBD
Administration (10%)	City of Asheville	-	-	\$101,102	\$101,102
<b>Total</b>				<b>\$1,659,852</b>	<b>\$701,102</b>

\$309,924 in funds to be considered and awarded after LIHTC awards announced



# BEHAVIORAL HEALTH & BUNCOMBE COUNTY LIBRARIES PROGRAMS UPDATE

Victoria Reichard and Jason Hyatt



# COUNTY AFFORDABLE HOUSING EFFORTS & FUNDING UPDATE

- **Behavioral Health – Victoria Reichard**

- Maintenance of Effort (MOE) funding administered by VAYA Health via contract with Homeward Bound and Emergency Services Community Paramedicine

- **Buncombe County Libraries – Jason Hyatt**

- Contract with Homeward Bound outreach team and Pack Library Safety Associate



# BEHAVIORAL HEALTH

Victoria Reichard, Behavioral Health Manager



# VAYA HEALTH MAINTENANCE OF EFFORT (MOE) FUNDS

According to N.C.G.S. § 122C-115(d) counties shall appropriate funds for the support of programs that provide MH/IDD/SU services to people who do not have insurance or who are not eligible for Medicaid.

**Program:** Homeward Bound – Coordinated Entry & Permanent Supportive Housing (PSH)

## Target Population and Eligibility:

- **Coordinated Entry** for individuals and families currently unhoused or at risk of being unhoused with a formal written notice to vacate, history of homelessness or instability in the past 7 years and that are below certain income levels.
- **Permanent Supportive Housing** for individuals who have been homeless for a year or more and living with at least one disabling condition, physical, severe and persistent mental illness, or substance use disorder.

## FY24 Impact

- **Coordinated Entry (as of March 2024)**
  - Pre-screen Intakes = 773
  - Diversion Assessments = 616
  - Vulnerability Assessments = 593
  - 73% had a vulnerability score recommending PSH
  - 26% had a vulnerability score recommending Rapid Re-Housing
  - Moved into housing = 89 \*Compass Point Village
- **Permanent Supportive Housing (as of Jan 2024)**
  - Serving >208 households
  - Overall housing retention rate = 95%

**FY25 Budget:** \$430,000

**FY 26 Next Steps:** New process developed for allocating county safety net funds, to include MOE



# COMMUNITY PARAMEDICINE

**Program:** Buncombe County provides a community centered approach to facing issues around homelessness, the opioid epidemic, and mental health crisis head on. Through meaningful agency collaborations, person centered wrap around care, and harm reduction principles we continue to redefine public safety in a way that prioritizes life-saving care through trust in our community.

- Post Overdose Response Team
- Buncombe Bridge to Care (Medications for Opioid Use Disorder)
- Mobile Community Outreach Team (MCOT)
- Wound Care
- Crisis Response

## **FY24 Impact:**

- Community Paramedics responded to 4,202 calls (1,714 being after 5pm), had 1,500 interactions with someone who was unhoused, and provided 196 code purple transports.
- MCOT responded to 7,897 calls for service (474 being after 5pm), all interactions were with unhoused individuals, and provided 45 code purple transports.

**FY25 Budget:** \$1,846,649 of Opioid Settlement Funds



# OPIOID SETTLEMENT'S SOCIAL DETERMINANTS OF HEALTH FUNDS

**Program:** Assist County employees and partnering agencies to provide bridge and gap funding to address social determinants of health needs for people with Opioid Use Disorder (OUD) or any co-occurring substance use disorder (SUD) or mental health condition that are engaged in a Buncombe County program. These funds would help people with OUD or any co-occurring SUD or mental health condition in accessing addiction treatment, recovery support, harm reduction services, primary healthcare, or other services or supports they need to improve their health or well-being.

## **FY24 Impact (partial/implementation year):**

- Impact data is still being processed; however, over \$8,000 of the \$44,000 spent was used to support individuals needing access to Recovery Housing programs or to retain current housing.

**FY25 Budget:** \$224,900 of Opioid Settlement Funds



# BUNCOMBE COUNTY LIBRARIES

Jason Hyatt, Library Director



# LIBRARY OUTREACH

**Program:** Library Safety Associate and Homeward Bound Library-based Part-time Social Worker Positions. Pack Library has many regular patrons who are dealing with housing insecurity and related concerns. Both positions are available to help any library visitor, however a large percentage of their time is spent assisting these patrons.

- **Part-time Social Worker:**

- Placed through an ongoing partnership with Homeward Bound
- Works to connect library visitors with affordable housing options, medical care, referrals to other area agencies, and additional needs.

- **Library Safety Associate:**

- Position hired in February 2024
- Supports the community at large by assisting with immediate intervention needs, safety and security concerns, relationship building, and resource referrals.

**Target Population:** Supporting and providing services to the many visitors to Pack Memorial Library.

**FY24 Impact:** Social worker at Pack Memorial Library assisted multiple individuals in obtaining safe and reliable housing in FY24. Over 65 clients were also directly served through on-site services.

**FY25 Budget:** \$48,650 for Library Safety Associate; \$75,000 for Homeward Bound Partnership

**Next Steps:** Researching best practices to enhance community support through libraries



# QUARTERLY REPORTS

Matt Cable



# AFFORDABLE HOUSING SERVICES PROGRAM LOAN TERMS

Jonathon Jones



# AFFORDABLE HOUSING SERVICES PROGRAM

## Affordable Housing Committee authorized to:

- Finalize loan interest rates and deferral of loan terms, and
- Make funding recommendations to full Board of Commissioners for approval.

## CD Division authorized to:

- Administer funds budgeted by the Board of Commissioners for the AHSP;
- Contract with partners consistent with the *spirit and intent of the guidelines of the AHSP* and after consideration of the recommendations from the Committee; and
- Finalize scope, lien position, and/or other specific aspects of agreements consistent with the *spirit and intent of the guidelines of the AHSP*.



# AVAILABLE LOAN TERMS

Standard Terms	
Fully Amortizing; Annual Principal and Interest Payment	
Term	Interest Rate
7 years	2.50%
10 years	2.75%
15 years	3.25%
20 years	3.75%

Optional Terms	
Non-amortizing; Annual Interest Payment with Principal Balloon Payment	
Term	Interest Rate
7 years	3.00%
10 years	3.25%
15 years	3.75%
20 years	4.25%

Special Cash Flow Terms	
Annual Payment from Cash Flow with Principal Balloon Payment	
Term	Interest Rate
20 years	2.00%
Eligibility	
Projects seeking LIHTC	
Projects targeting 30% AMI	



# COMPLEXITIES OF FINALIZING SPECIFIC ASPECTS OF CASH FLOW LOAN TERMS

## Basic Structure

- Accrue interest and require a balloon payment at maturity
- Annual payments of interest and principal only required when rental income exceeds operating expenses, debt service, and deferred developer fee

## Payment Priority

- CD Staff, County Legal and the applicant structure the repayment schedule within the specific cash flow model
- Payment priority differs from lien position
- The AHSP does not prescribe payment priority
- Payments are proportional/shared with other soft loans



# AVAILABLE LOAN TERMS

Standard Terms	
Fully Amortizing; Annual Principal and Interest Payment	
Term	Interest Rate
7 years	2.50%
10 years	2.75%
15 years	3.25%
20 years	3.75%

Optional Terms	
Non-amortizing; Annual Interest Payment with Principal Balloon Payment	
Term	Interest Rate
7 years	3.00%
10 years	3.25%
15 years	3.75%
20 years	4.25%

Special Cash Flow Terms	
Annual Payment from Cash Flow with Principal Balloon Payment	
Term	Interest Rate
20 years	2.00%
Eligibility	
Projects seeking LIHTC	
Projects targeting 30% AMI	

← CD Division Authorized to Adjust Terms



# REVIEW OF 2030 HOUSING GOALS

Jonathon Jones



# AFFORDABLE HOUSING OBJECTIVES

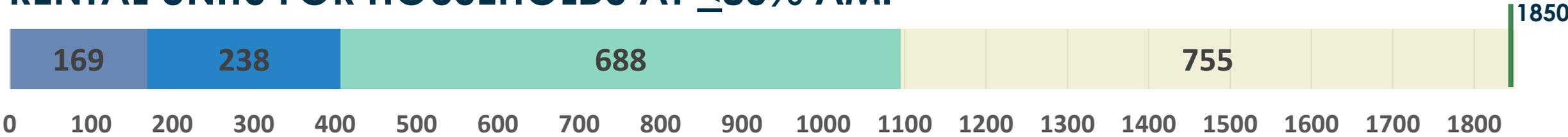
**Buncombe County will impact 2,800-3,150 affordable housing units by 2030.**

- 1,500-1,850 rental units for households at  $\leq 80\%$  AMI
  - average at  $\leq 60\%$  AMI across all households
  - 1,200-1,480 units should leverage the LIHTC program (will leverage an estimated \$100 - \$120 million in tax credit equity to Buncombe Co.)
  - **200 units for  $\leq 30\%$  AMI**
- 400 ownership units for households at  $\leq 80\%$  AMI
- **500 repair units for households at  $\leq 80\%$  AMI**
- 400 ownership or rental units for households at  $> 80\%$  to  $\leq 120\%$  AMI

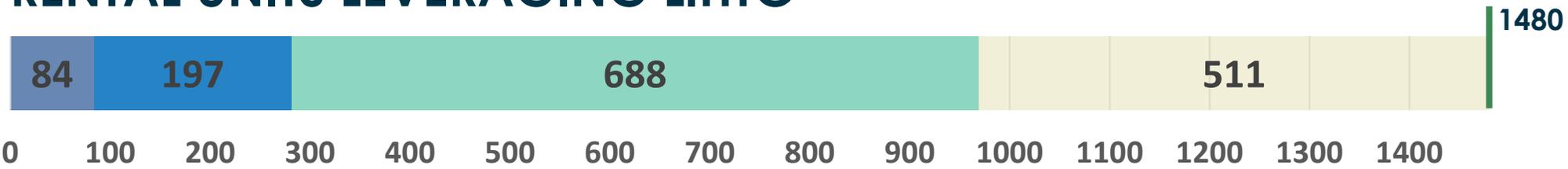


# HOUSING GOALS: NO CHANGE RECOMMENDED

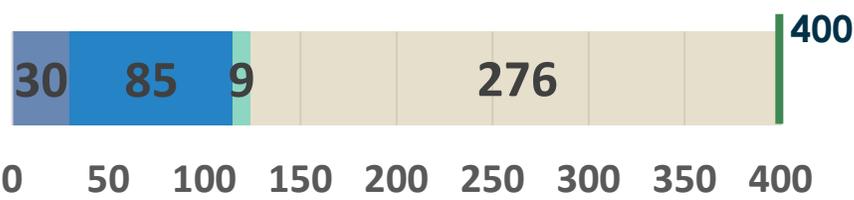
## RENTAL UNITS FOR HOUSEHOLDS AT ≤80% AMI



## RENTAL UNITS LEVERAGING LIHTC



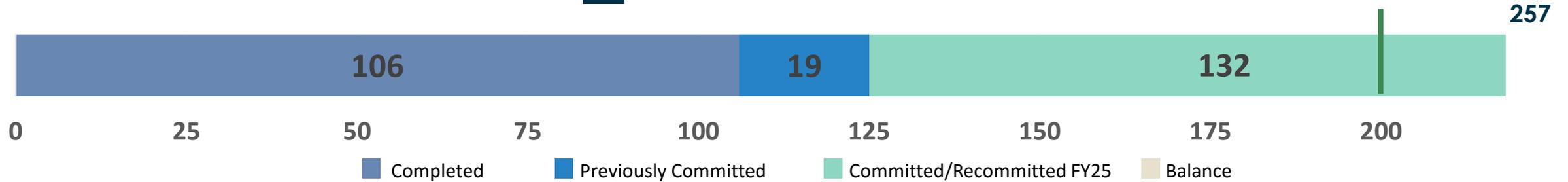
## OWNERSHIP UNITS FOR HOUSEHOLDS AT ≤80% AMI



■ Completed    
 ■ Previously Committed    
 ■ Committed/Recommended FY25    
 ■ Balance



# RENTAL UNITS FOR $\leq 30\%$ AMI GOAL ADJUSTMENT



Compass Point Village (85 units) + LIHTC Projects (172 units)

## Consideration:

- Scale Rental Units for  $\leq 30\%$  AMI Goal to Rental Units Leveraging LIHTC Goal
- Recent LIHTC Project Unit Mixes: 25% of LIHTC project units available to  $\leq 30\%$  AMI
- Rental Units Leveraging LIHTC Goal: 511 LIHTC units remain to be filled by 2030
- Applying Conservative 20% Average to Rental Units Leveraging LIHTC Goal (511): 103 units for  $\leq 30\%$  AMI
- Increase Rental Units for  $\leq 30\%$  AMI Goal to 360 units (257 +103)

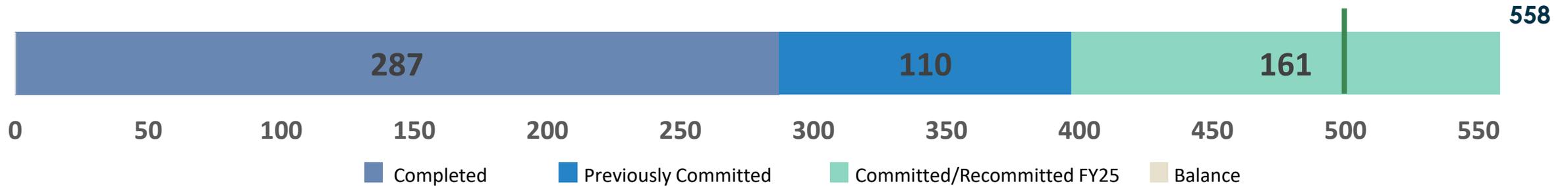


# RECENT LIHTC PROJECT $\leq$ 30 AMI COMPOSITION

FY	Project	Funding	LIHTC	30% Units	Total Units	Percent of Units	Total Investment	Investment Per Unit
2021	Jasper Apartments	AHSP	9%	21	84	25%	\$ 1,068,476	\$ 12,720
2022	Compass Point	ARPA-FRF		85	85	100%	\$ 3,000,000	\$ 35,294
2024	Fairhaven Summit	AHSP	9%	19	77	25%	\$ 1,235,000	\$ 16,039
2025	Meribel	Bond	4%	58	156	37%	\$ 8,468,195	\$ 54,283
2025	Rocky River	Bond	4%	28	120	23%	\$ 7,889,950	\$ 65,750
2025	Star Point	AHSP	9%	15	60	25%	\$ 1,102,838	\$ 18,381
2025	Redwood Commons	Bond	9%	18	70	26%	\$ 1,826,000	\$ 26,086
2025	Lofts at Swannanoa	Bond	9%	13	52	25%	\$ 379,787	\$ 7,304



# REPAIR UNITS FOR HOUSEHOLDS AT <80% AMI GOAL ADJUSTMENT



AHSP; ARPA FRF & CDBG-NR add funds to AHSP projects and extend unit impact of AHSP funds

## Consideration:

- FY20-22: \$1.23M; 229 units; \$5,400 per unit average
- FY23-25: \$2.36M; 319 units; \$7,400 per unit average
- FY26-30: \$2.14M; 242 units; \$8,700 per unit average
- Increase Repair Units for Households at <80% AMI Goal to 800 units (558 +242)



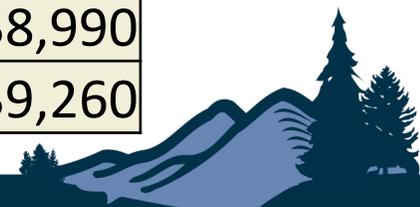
# REPAIR UNITS

## COMMITTED OR COMPLETED

AHSP Year	Commitment	Units	Average Investment Per Unit
2020	\$231,533	40	\$5,788
2021	\$588,449	119	\$5,029
2022	\$408,568	70	\$5,837
2023	\$500,000	76	\$6,494
2024	\$574,999	82	\$7,012
2025	\$1,286,000	161	\$7,988

## ESTIMATED FUTURE YEAR INVESTMENT

AHSP Year	Commitment	Units	Average Investment Per Unit
2026	\$400,000	48	\$8,227
2027	\$412,000	48	\$8,474
2028	\$424,360	48	\$8,728
2029	\$437,091	48	\$8,990
2030	\$462,990	50	\$9,260



# CHAIR AND VICE CHAIR APPOINTMENT



# NEXT STEPS

Date	Update, Discussion, & Actionable Items
September 3	<b>Updates:</b> 2024 LIHTC Award Notification, 2025 QAP Comment Period <b>Discussion:</b> AHSP Policy Revisions
October 1	<b>Discussion:</b> AHSP Policy Revisions
November 5	<b>Updates:</b> DDA and QCT Updates, Quarterly Reports AHSP Policy Recommendations to the Board of Commissioners



# ANNOUNCEMENTS



# ADJOURN

