

## REQUEST FOR BOARD ACTION

### HENDERSON COUNTY BOARD OF COMMISSIONERS

**MEETING DATE:** November 16, 2016

**SUBJECT:** 2016 HOME Grant Non-programmed Funds Application

**PRESENTER:** Amy Brantley, Assistant County Manager  
Matt Champion, Transportation Planner

**ATTACHMENTS:** 1. Project Summary  
2. Excerpts of Habitat for Humanity Application

#### SUMMARY OF REQUESTS:

The Asheville Regional Housing Consortium announced a second call for HOME grant applications for \$543,472 in HOME funds currently available for reallocation. The available HOME funds for reallocation were awarded to two projects applying for Low Income Housing Tax Credits that were not selected and withdrew their applications.

Habitat for Humanity of Henderson County is requesting application approval for HOME Investment Partnerships Program (HOME) funds. HOME funds are administered through the Asheville Regional Housing Consortium. All projects propose to serve County residents within a range of median household income. The median Henderson County household income in 2014 was \$53,482.

Habitat for Humanity of Henderson County is requesting \$154,215 in HOME funds in order to aid in the construction of 9 homes in phase five of the Dodd Meadows residential neighborhood off Crest Road. Habitat for Humanity plans to use the funds to pay for costs of footings and slab, HVAC, insulation, and flooring. Using the grant funds, Habitat for Humanity plans to provide affordable housing for families whose income is between 30% and 80% of the median income in Henderson County as adjusted for family size.

These grants require no County matching funds. The Asheville Regional Housing Consortium requires approval by the Board of Commissioners as part of the application process. The complete applications were too lengthy to include in the agenda packet but are available upon request.

#### BOARD ACTION REQUESTED:

Planning Staff recommends approval of the HOME funding application to the Asheville Regional Housing Consortium at their full amount.

**Suggested Motion:** I move that the Board approve the HOME application for Henderson County Habitat for Humanity.

## **Henderson County Board of Commissioners**

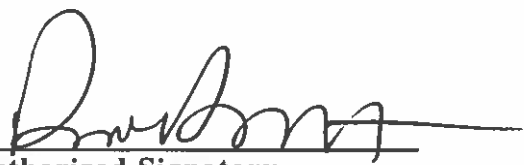
### **Asheville Consortium HOME Proposal from Henderson County Habitat for Humanity**

Henderson County Habitat for Humanity is requesting Asheville Consortium HOME support in the amount of \$154,215 to cover the costs associated with installation of the footings and slab, HVAC, insulation, and flooring in nine homes in Phase 5 of Dodd Meadows. These elements of construction cost \$17,135 per home and represent 24% of the total construction cost of these homes.

Dodd Meadows is our newest community development designed to provide quality, affordable housing for low- and very low-income families of Henderson County. Low- and very low-income are defined as families who fall within 30% to 80% of the Area Median Income as adjusted for family size. Dodd Meadows is located in East Flat Rock at the corner of Crest Road and East Blue Ridge Road.

Our Habitat affiliate finances the homes we construct with 30 year 0% interest loans. Our commitment is to guarantee that a partner family's monthly housing costs, including principal payments, and escrows for homeowner insurance, property taxes, and Homeowners Association fees, do not exceed 30% of the family's gross monthly income. An award from the Asheville Consortium will help to keep our out-of-pocket costs down, thereby helping to ensure that every Habitat house in Dodd Meadows, Phase 4 is "affordable" as defined by Housing and Urban Development (HUD).



  
**Authorized Signatory** \_\_\_\_\_

## SECTION II PROJECT DESCRIPTION

**II.A. Project Title:** Dodd Meadows Phase 5 Construction

**II.B. Project Location(s)** (be as specific as possible): A portion of the 22 acre tract located in East Flat at the intersection of Crest Eoad and East Blie Ridge Road

**II.C. Type of Activity** (check one):

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> New Construction for Homeownership | <input type="checkbox"/> Rental Housing Rehabilitation                 |
| <input type="checkbox"/> New Construction for Rental                   | <input type="checkbox"/> Owner Occupied Housing Rehabilitation         |
| <input type="checkbox"/> Predevelopment Loan (HOME Only)               | <input type="checkbox"/> Public Facility or Infrastructure (CDBG Only) |
| <input type="checkbox"/> Acquisition/Rehab/Sale                        | <input type="checkbox"/> Commercial Property Improvement (CDBG Only)   |
| <input type="checkbox"/> Other (Specify)                               |  |

**II.D. Project Overview**

**1. What is your project? Please provide a short description of your project proposal, activity type, and who will be served. (600 characters)**

Phase 5 construction covers 9 homes at Dodd Meadows. It will cover specific costs in the construction of these 9 homes. These homes will be built for families primarily in the 30-60% of the median income for the county. Habitat needs this grant to be able to maintain a building schedule of 10-12 homes per year for these needy families.

**2. How do you specifically intend to use these grant funds for your program? What will they be used to pay for? (600 characters)**

The grant will cover the following costs per home: (1) Slab and Footings, (2) HVAC, (3) Insulation, and (4) Flooring. These elements of construction cost \$17,135 per home and represent 24% of the total construction cost of these homes.

**3. What is the purpose of your project? (400 characters)**

To provide affordable housing for families whose income falls between 30 to 80% of the median income in the County. The majority of these families have an income below 50% of the median county income and are a single parent with children. Without Habitat support they could not dream of owning their own home. Importantly, the children will have the opportunity to grow up in a safe environment.

## **II.E. Project Justification**

**1. Which 2015-2016 Consolidated Plan priority does your proposed program meet? Describe how your program meets that priority. If it does not meet a priority, explain why it should be considered a priority for funding. (Click [here](#) for link to the plan, 1000 characters)**

**Affordable single family housing for those in the low and very-low income categories does not have the highest priority in the 2015 plan. We question whether a monthly rent for a 3 or 4 bedroom is truly "affordable" for those in the low income levels that Habitat targets.**

**Dodd Meadows homes will enjoy the following sustainable attributes.**

**A location close to schools and a community college.**

**Close to shopping and employment opportunities.**

**Dodd Meadows will have a community center, playground areas, garden plots and walking trails.**

**All homes will be energy efficient and qualify as an Energy Star 3.0 home and will be System Vision certified with a guaranteed average monthly heating/cooling cost of no more than \$31 per month and an estimated overall cost for all utilities of \$125 per month.**

**Because the monthly mortgage payment for a Habitat home is less than 30% of their monthly income (about \$340/month) Habitat knows that our homes will have great appeal to low income families.**

**2. What local or regional need or market does the program address? (400 characters)**

**Habitat is the only builder constructing homes that families in the low income categories can afford. They never can qualify for a conventional mortgage. We even adjust the monthly housing cost so it doesn't exceed 30% of the HUD income standard. We are able to offer homes at this low cost because of the 1400 hours of volunteer labor in each home. The low down payment of \$1000 is a factor also.**

**3. Provide objective data- including information from reports, surveys, client records and other data sources- that documents your local or regional market and need. (1000 characters)**

**Habitat receives over 100 applications per year and this figure has remained constant for several years. It confirms the need for affordable housing for those families in the low income categories. The Henderson County Council has listed affordable/substandard housing as a top priority for the County and has appointed an action team to address the problem. The United Way and WCCA conducted a study of the needs of the county, and that study ranked affordable housing as the third most pressing problem after health issues and children's needs. Research clearly shows that homeownership in a safe environment also addresses some of the needs of children.**

## **II.F Project Site Details**