City Council Agenda Item Request
Submit to Clerk's Office
No later than 30 days before the proposed Council meeting

1. **Date submitted to Clerk's Office:** 8-5-25

2. **Primary contact person and Department requesting agenda item:** Sasha Vrtunski, Affordable Housing Officer, Community & Economic Development Department

3. **Requested Council meeting date:** 9-9-25

4. **Subject:** A request to allocate $10 Million of the 2024 Affordable Housing Bond dollars to the WNC Affordable Housing Loan Fund.

5. **Action Requested:** Approval of a request to allocate $10 million of the Affordable Housing Bond to the WNC Affordable Housing Loan Fund to create affordable rental housing within the city limits, including a loan agreement with Self-Help Ventures Fund for the loan administration, underwriting, and servicing.

6. **Note if time-sensitive and why:**

7. **Potential fiscal impact(s) - if known by staff at the time of request:** The funding request will require the City to transfer funds to the WNC Affordable Housing Loan Fund.

8. **Identify all vendor outreach for Minority & Women-Owned Business Enterprises (MWBE).** N/A

9. **Identify all Boards, Commissions, and Council Committees with tentative dates - add in the vote and recommendation from each Board:**
    - Housing & Community Development Committee - August 19, 2025 - recommended approval unanimous (3-0)

10. **Identify key issues:**
    - The WNC Affordable Housing Loan Fund provides low-interest loans to developers. It was created in early 2024 by a partnership between Self Help Credit Union and Dogwood Health Trust. The loan fund is currently used to create and preserve affordable rental housing.
    - The City has been invited to participate in the fund.
    - Self-Help has five Affordable Housing Loan Funds operating in North Carolina:
        i. Wake County Affordable Housing Preservation Fund
        ii. Durham Affordable Housing Loan Fund
        iii. Greensboro Housing Fund
        iv. Chapel Hill Affordable Housing Loan Fund
        v. Western North Carolina Affordable Housing Loan Fund

    - Low-interest gap financing is challenging for many projects. By joining the WNC Affordable Housing Loan Fund, the City can strategically partner with Dogwood, leveraging our 0% interest capital with private funds (at approximately 5%) to offer projects an impactful low interest rate (currently 2.45%).
    - City involvement will dramatically increase the number of projects the fund can support, ensuring our public dollars go further in addressing critical community needs.

- Streamlines and consolidates the loan application process for developers to one application.
- The application-to-approval time for the WNC Affordable Housing Loan Fund is ~90 days and is on a rolling basis.
- Self-Help Staff would take over all underwriting and loan administration duties, freeing up staff time to carry out other important Council priorities in the AH Plan.
- City funds will only be used for projects within the City limits of Asheville.