AFFORDABLE HOUSING SUBCOMMITTEE

March 31, 2026

AGENDA

- Call to Order & Welcome
- Public Comment
- Approval of Meeting Minutes
  - March 17, 2026
- Presentations
  - FY 2027 AHSP New Construction Applications
- New Business
  - Coxe Avenue & Ferry Road Affordable Housing Subcommittee Action
- Announcements
- Adjourn

PUBLIC COMMENT



APPROVAL OF MEETING MINUTES



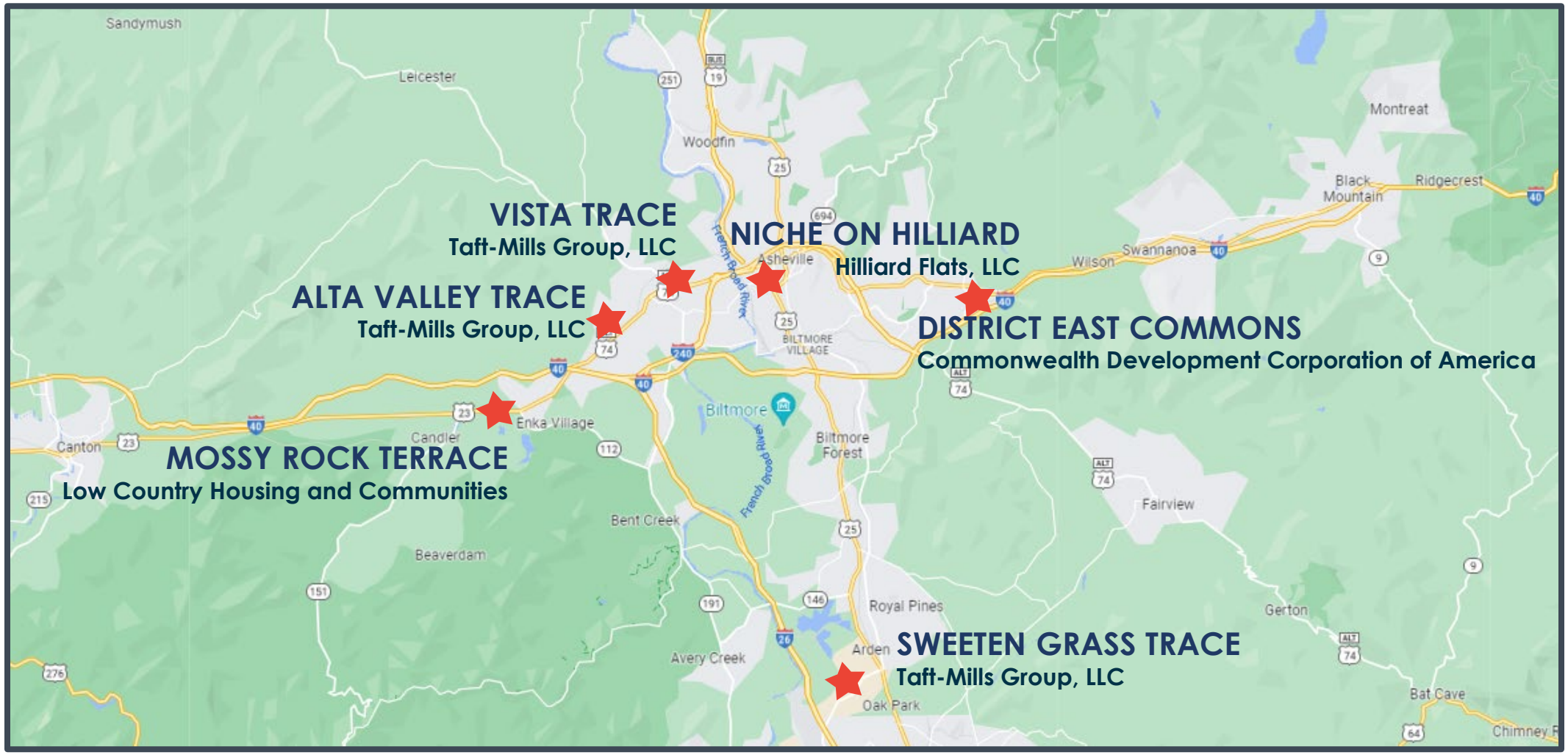
MARCH 17, 2026

PRESENTATIONS

FY27 AHSP NEW CONSTRUCTION APPLICATIONS

NEW CONSTRUCTION LOAN REQUESTS

COMPARISON OF LOCATION



FY27 AHSP CONSTRUCTION LOAN REQUESTS

Applicant	Project	LIHTC	Request	Units	AHSP per Unit	Total Project Cost
Low Country Housing & Communities	Mossy Rock Terrace	9%	$4,319,363	72	$59,991	$23,324,813
Commonwealth Dev. Corp. of America	District East Commons	9%	$697,500	93	$7,500	$26,287,599
Taft-Mills Group, LLC	Alta Valley Trace	9%	$750,000	120	$6,250	$34,968,516
Taft-Mills Group, LLC	Sweeten Grass Trace	4%	$750,000	153	$4,902	$43,641,112
Taft-Mills Group, LLC	Vista Trace	4%	$750,000	137	$5,474	$44,690,737
Hilliard Flats, LLC	Niche on Hilliard	-	$1,400,000	80	$17,500	$13,596,000
			$8,666,863			

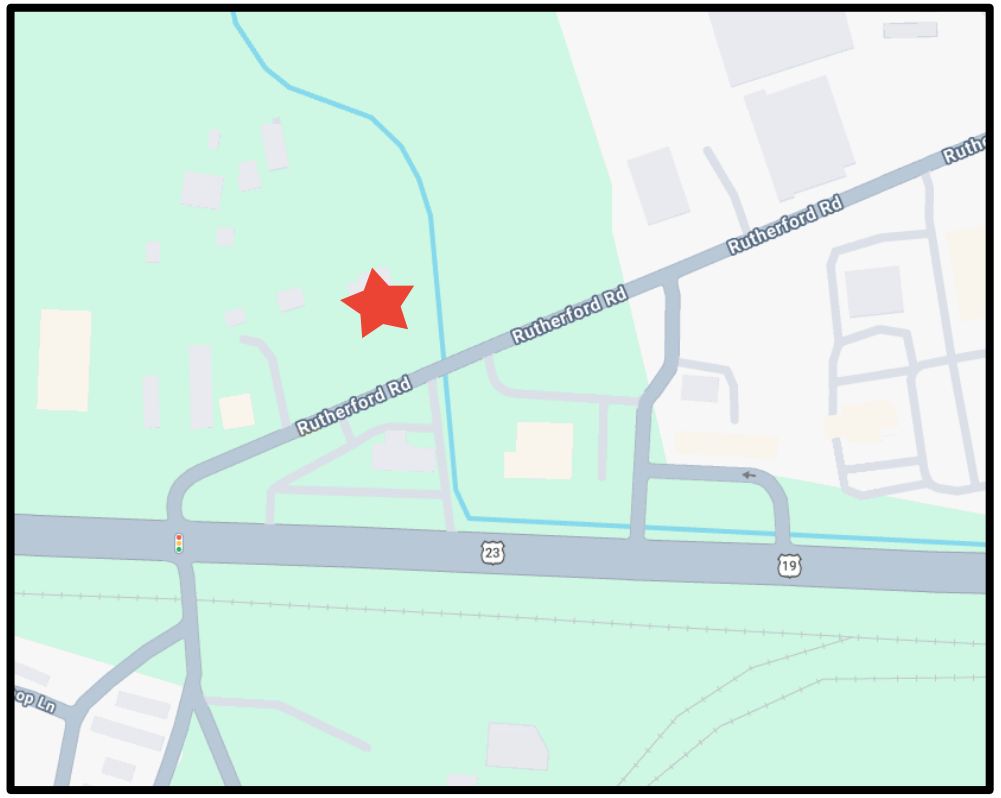
MOSSY ROCK TERRACE

LOW COUNTRY HOUSING AND COMMUNITIES

MOSSY ROCK TERRACE

PROJECT HIGHLIGHTS

- Request: $4,319,363
- Total Project Cost: $23,324,813
- Units: 72
- Location: Candler
- Development Status: Not Submitted
- Site Control: Purchase Option
- Voucher Acceptance: Not indicated
- 9% LIHTC Site Score: 68 out of 68 points



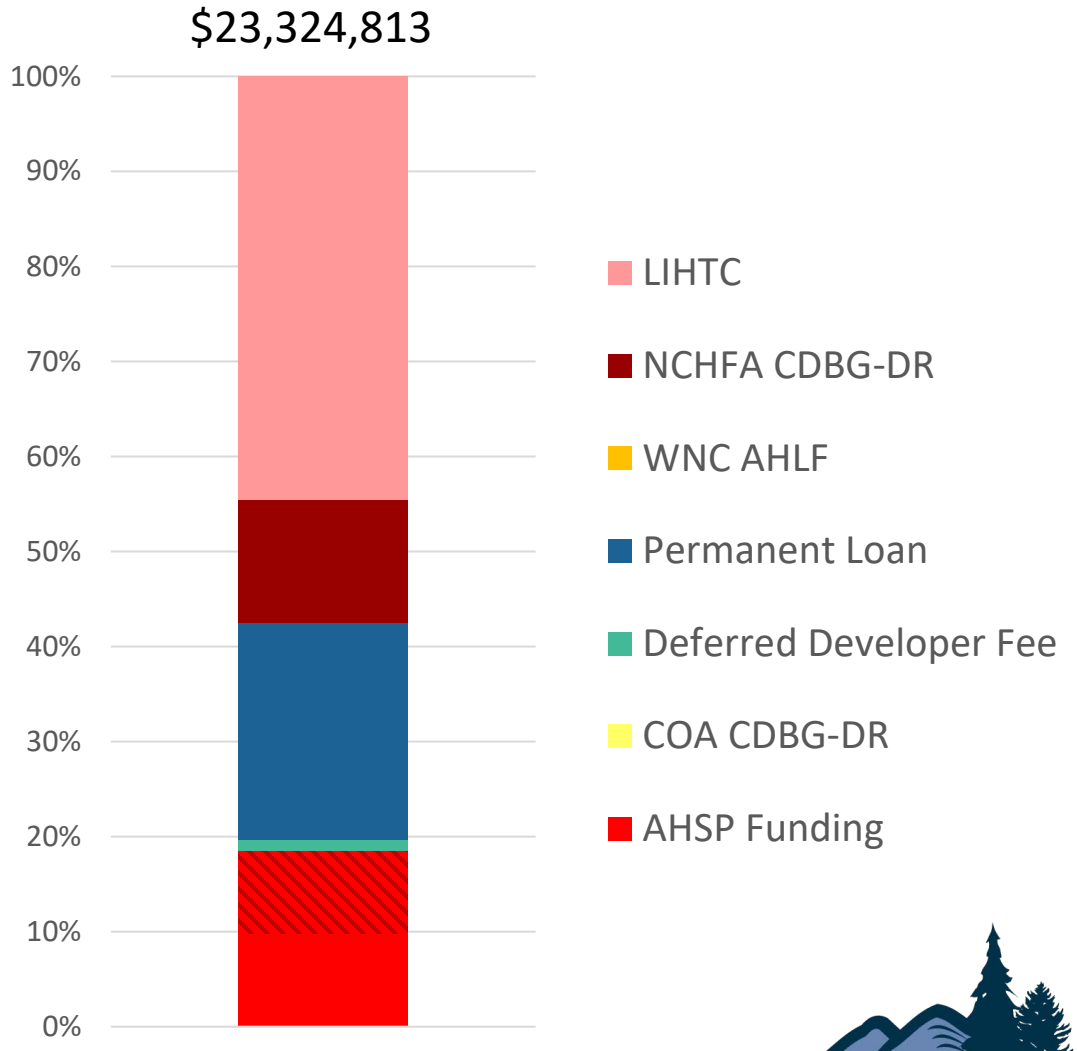
MOSSY ROCK TERRACE

REQUESTED

- $10,398,960 (9% LIHTC - $0.80 per tax credit)
- $5,350,000 permanent loan (35 years at 6%, principal and interest)
- $4,319,363 AHSP (20 years at 2%, cashflow loan)
- $3,000,000 in NCHFA CDBG-DR (30 years at 0%, balloon payment loan)

DEFERRED DEVELOPER FEE

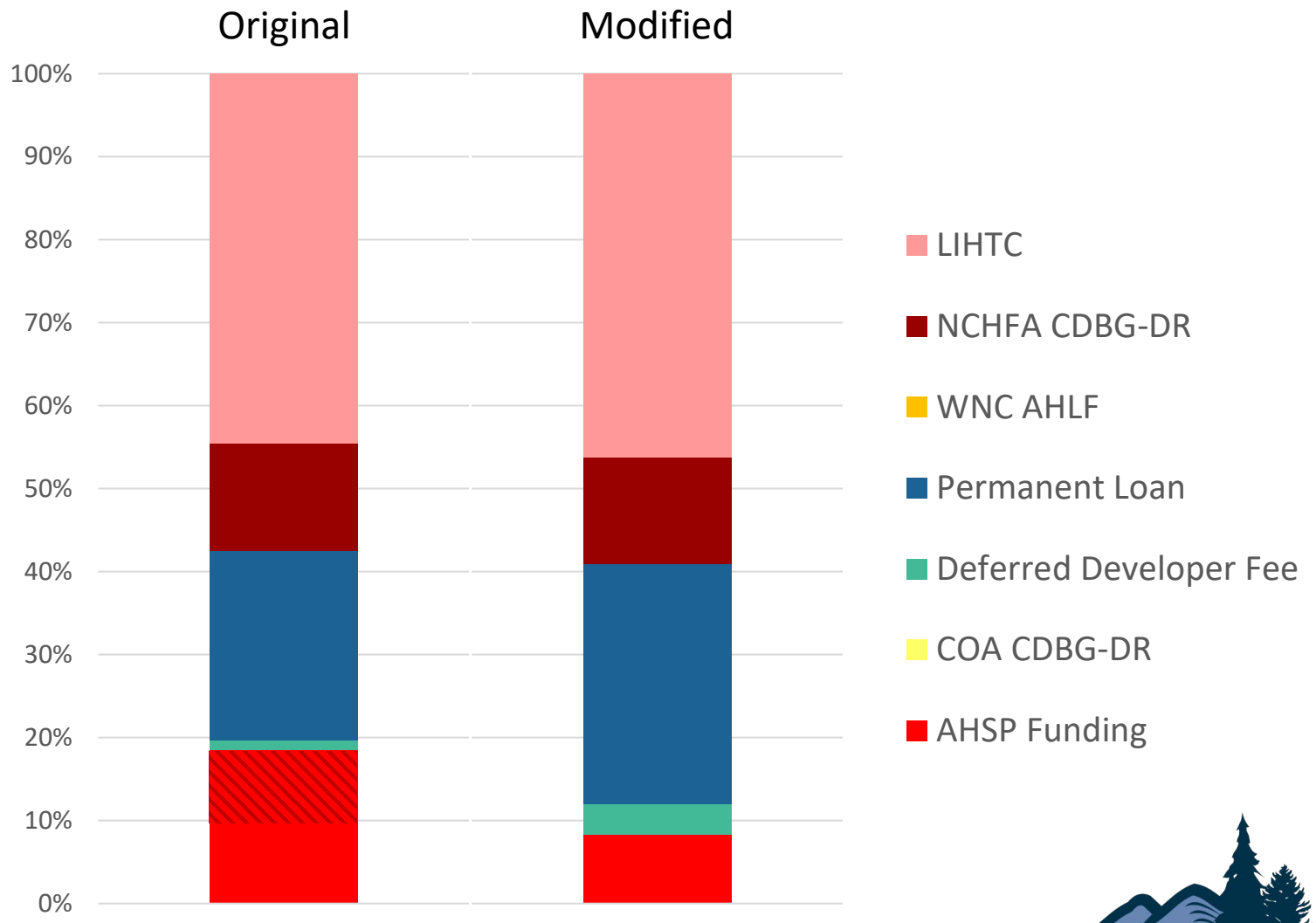
- $256,490 (Maximum of $864,000 can be deferred)



MOSSY ROCK TERRACE

CAPITAL STACK MODIFICATIONS

- Increase tax credit pricing to $.83
- Add non-profit partner to leverage property tax exemption and increase permanent loan.
- Defer additional developer fee to the LIHTC maximum of 50%



MOSSY ROCK TERRACE

Household AMI Targets	
AMI	Units
≤80%	27
≤60%	27
≤30%	18
Total	72

Unit Mix	
Bedrooms	Units
1	11
2	35
3	26
Total	72

Target Populations	
Served	Percentage
Age 55+	0%
Disability	0%
BIPOC	0%
Justice Involved	0%
Vouchers	0%
Hard to House	0%
Homeless / At Risk	0%
CoC Referral	0%

MOSSY ROCK TERRACE

RECOMMENDATION

Provided the applicant can reduce the identified gap in the capital stack, the Affordable Housing Subcommittee may recommend a loan between $1,943,258 - $2,332,481 with a 20-year term, at an interest rate of 2%, annual payment from cashflow with balloon payment. A loan amount below the recommended range would require the applicant to secure other funding. Any amount within the range would reduce the deferred developer fee from the 50% maximum. A loan above the recommended range would exceed AHSP guidelines.

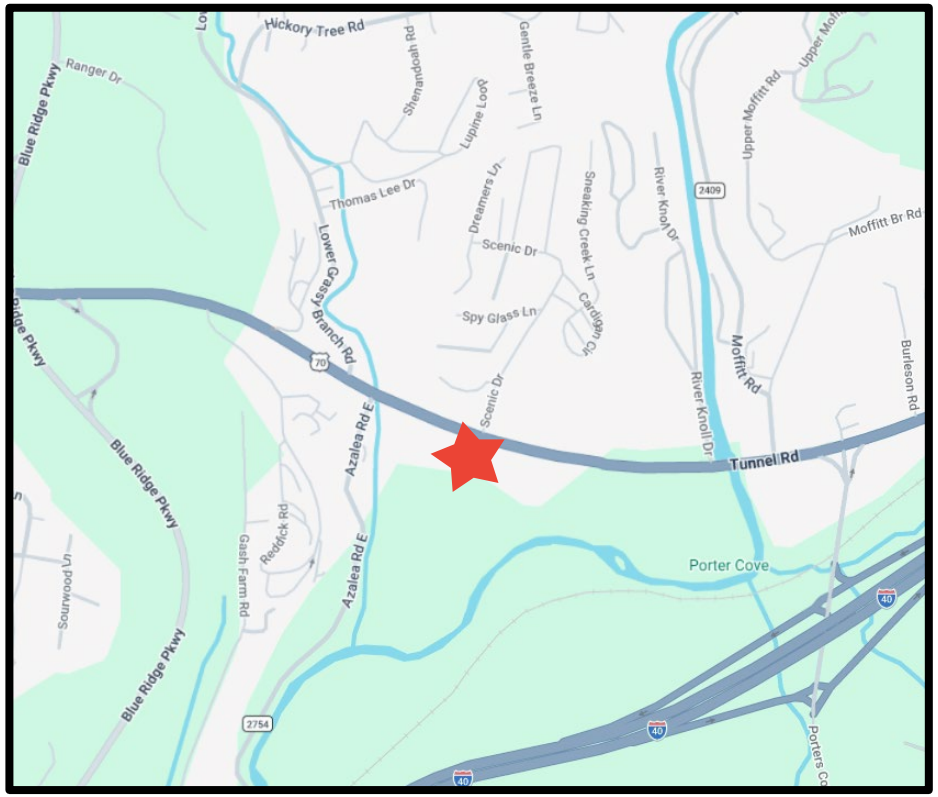
DISTRICT EAST COMMONS

COMMONWEALTH DEVELOPMENT CORPORATION OF AMERICA

DISTRICT EAST COMMONS

PROJECT HIGHLIGHTS

- Request: $697,500
- Total Project Cost: $26,381,426
- Units: 93 affordable units
- Location: 1301 & 1311 Tunnel Road *(Asheville)*
- Development Status: Requires CZ
- Site Control: Purchase Option
- Voucher Acceptance: Anticipates 18 vouchers
- LIHTC 9% Project: Site Score of 68 out of 68



DISTRICT EAST COMMONS

COMMITTED

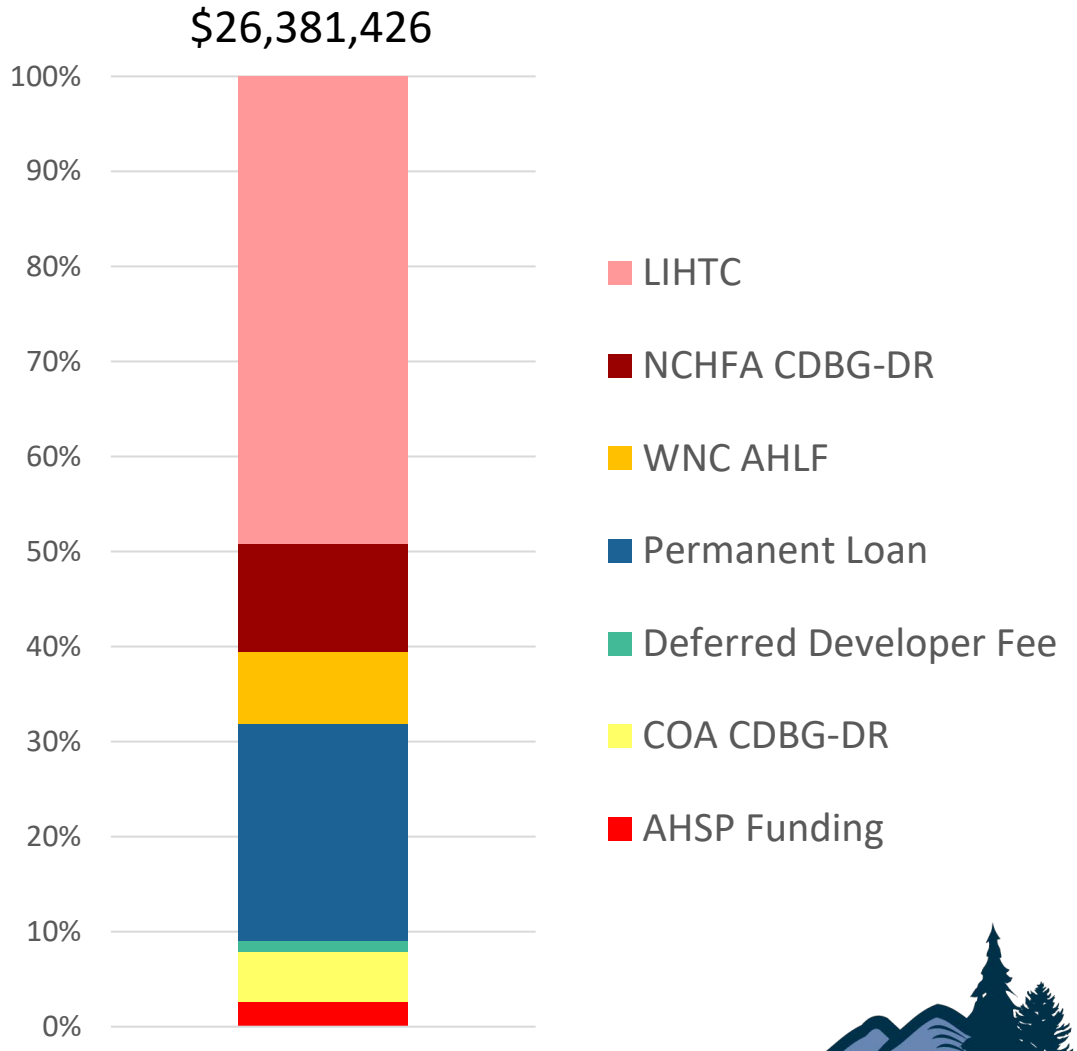
- $100 General Partner Equity

REQUESTED

- $12,973,703 (9% LIHTC - $0.85 per tax credit)
- $2,000,000 mezzanine loan from WNC Affordable Housing Loan Fund (15 years at 2.45%, interest only)
- $1,385,000 CDBG-DR loan from City of Asheville (35 years at 0%, annual payments of 50% cashflow)
- $3,000,000 in NCHFA CDBG-DR (30 years at 0%, balloon payment loan)
- $6,011,000 permanent loan (40 years at 6.54%, principal and interest)
- $697,500 AHSP (20 years at 2%, cashflow loan)

DEFERRED DEVELOPER FEE

- $314,123 (Maximum of $1,116,000 can be deferred)



DISTRICT EAST COMMONS

Household AMI Targets	
AMI	Units
≤70%	69
≤30%	19
≤20%	5
Total	93

Unit Mix	
Bedrooms	Units
1	60
2	33
Total	93

Target Populations	
Served	Percentage
Age 55+	100 %
Disability	24.8 %
BIPOC	19.9 %
Justice Involved	14 %
Vouchers	20 %
Homeless / At Risk	10 %
CoC Referral	12.5 %
Helene Impact	10 %

DISTRICT EAST COMMONS

RECOMMENDATION

Community Development Division staff have reviewed the request and determined alternative assumptions regarding replacement reserves may result in a successful LIHTC application and a complete project without an AHSP funding commitment.

If the higher replacement reserve is required by another funder, the project does demonstrate a need for the requested funds. The Affordable Housing Subcommittee may recommend a loan up to $697,500 with a 20-year term, at an interest rate of 2%, annual payment from cashflow with principal balloon. Given the anticipated refinancing ahead of the requested 20-year term, Community Development Division staff would advise any funding award to require interest only annual payments.

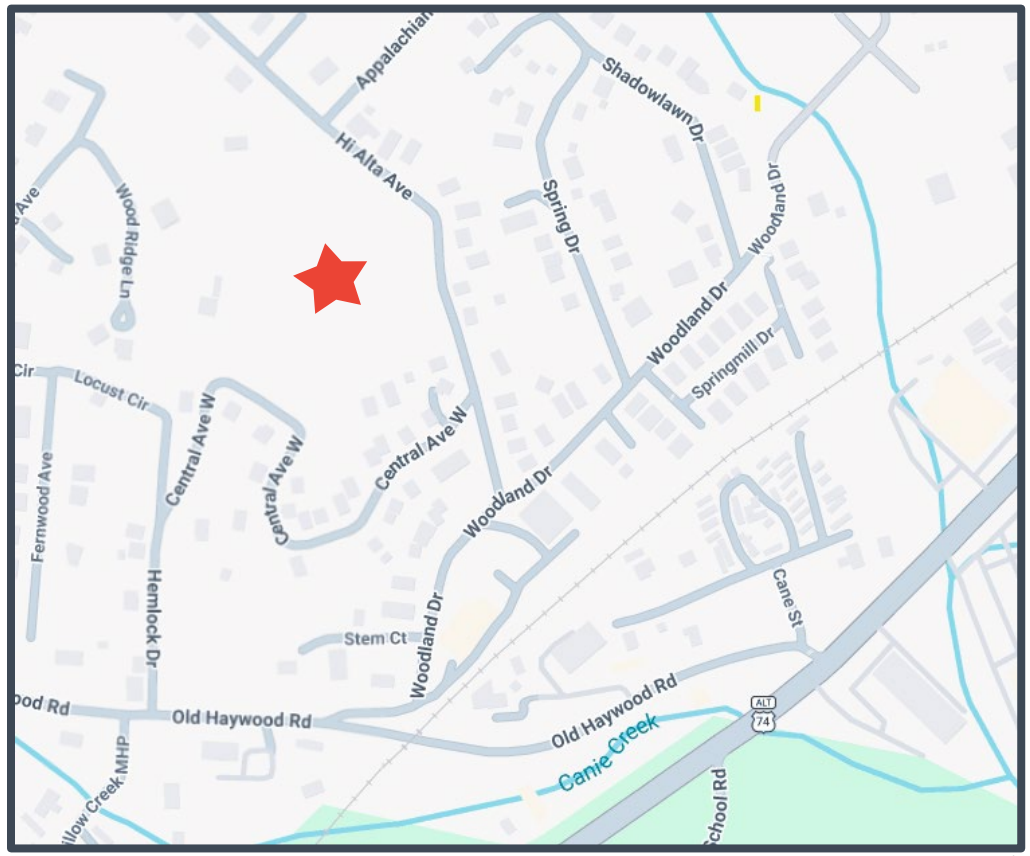
ALTA VALLEY TRACE

Taft-Mills Group, LLC

ALTA VALLEY TRACE

PROJECT HIGHLIGHTS

- Request: $750,000
- Total Project Cost: $34,968,516
- Units: 120 units
- Location: City of Asheville
- Development Status: CZ Required
- Site Control: Purchase Option
- Voucher Acceptance: Yes
- 9% LIHTC Site Score: 68 out of 68 points



ALTA VALLEY TRACE

COMMITTED

- $100 General Partner Equity

REQUEST NOT SUBMITTED

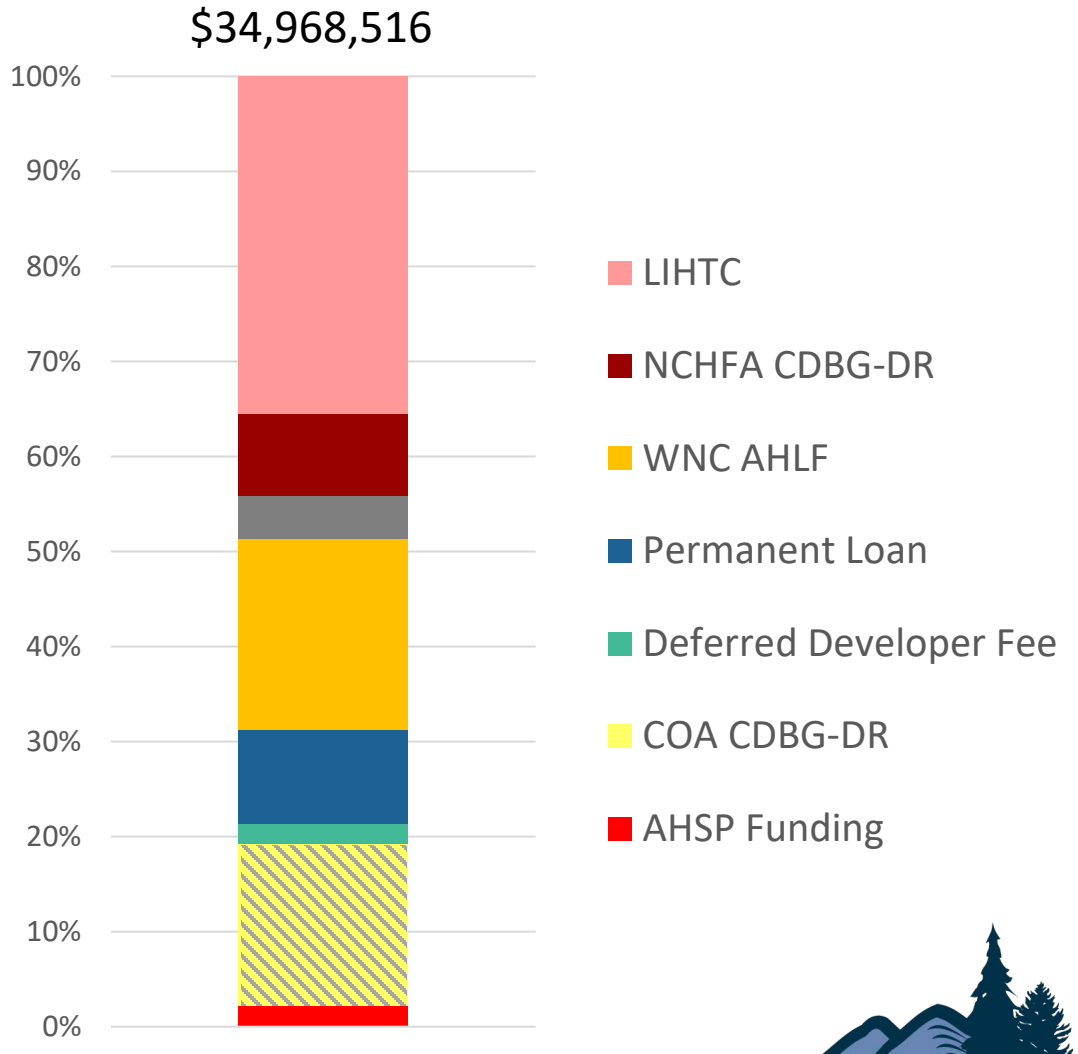
- $6,000,000 CDBG-DR loan from City of Asheville (40 years at 0%, payments of 50% cashflow)

REQUESTED

- $12,448,775 (9% LIHTC - $0.83 per tax credit)
- $7,000,000 mezzanine loan from WNC Affordable Housing Loan Fund (15 years at 2.45%, interest only)
- $3,450,000 permanent loan (40 years at 7%, principal and interest)
- $3,000,000 CDBG-DR loan from NCHFA (30 years at 0%, balloon payment)
- $1,600,000 Rental Production Program Loan from NCHFA (30 years at 7%, principal and interest)
- $750,000 AHSP (20 years at 2%, cashflow loan)

DEFERRED DEVELOPER FEE

- $744,661 (Maximum of $1,440,000 can be deferred)



ALTA VALLEY TRACE

Household AMI Targets	
AMI	Units
≤60%	50
≤50%	21
≤30%	49
Total	120

Unit Mix	
Bedrooms	Units
1	21
2	72
3	27
Total	120

Target Populations	
Served	Percentage
Age 55+	0%
Disability	10%
BIPOC	19%
Justice Involved	0%
Vouchers	0%
Homeless / At Risk	10%
CoC Referral	10%
Helene Impact	10%

ALTA VALLEY TRACE

RECOMMENDATION

Community Development Division staff, with the materials provided in the application, are not positioned to advise the Affordable Housing Subcommittee to recommend a loan award. Alternative assumptions at this stage in the project may result in a successful LIHTC application and a complete project without an AHSP funding commitment. The applicant could apply in a future round if the proforma were to change and a gap in funding is identified as the project moves forward.

SWEETEN GRASS TRACE

Taft-Mills Group, LLC

SWEETEN GRASS TRACE

PROJECT HIGHLIGHTS

- Request: $750,000
- Total Project Cost: $43,641,112
- Units: 153 units
- Location: City of Asheville
- Development Status: Not submitted
- Site Control: Purchase Option
- Voucher Acceptance: Yes
- 4% LIHTC Site Score: 67 out of 68 points



SWEETEN GRASS TRACE

COMMITTED

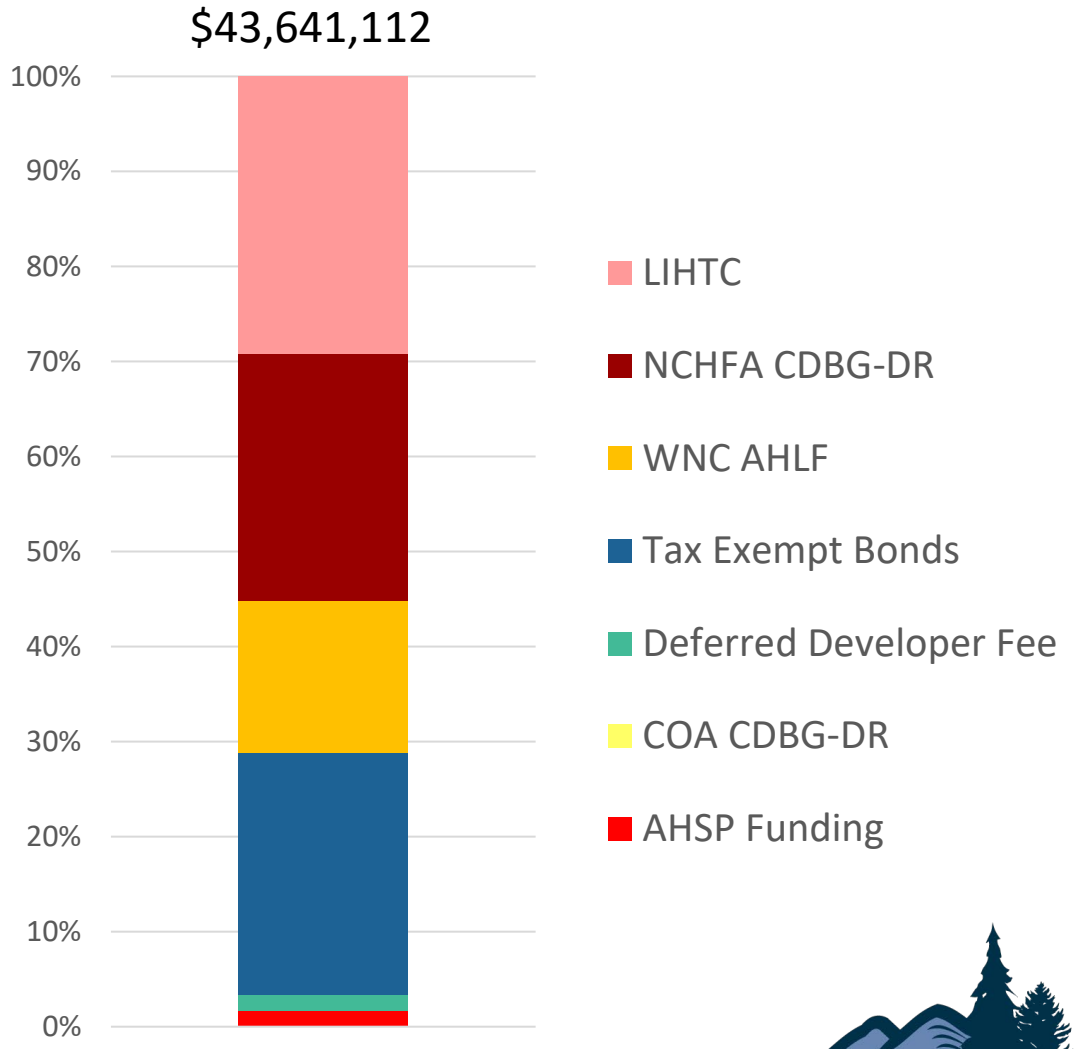
- $100 General Partner Equity

REQUESTED

- $12,718,080 (4% LIHTC - $0.83 per tax credit)
- $11,350,000 CDBG-DR loan from NCHFA (30 years at 0%, balloon payment at maturity)
- $11,100,000 permanent loan on tax exempt bonds (30 years at 7%, principal and interest)
- $7,000,000 mezzanine loan from WNC Affordable Housing Loan Fund (15 years at 2.45%, interest only)
- $750,000 AHSP (20 years at 2%, cashflow loan)

DEFERRED DEVELOPER FEE

- $722,932 (Maximum of $1,836,000 can be deferred)



SWEETEN GRASS TRACE

Household AMI Targets	
AMI	Units
≤60%	153
Total	153

Unit Mix	
Bedrooms	Units
1	24
2	99
3	30
Total	153

Target Populations	
Served	Percentage
Age 55+	0%
Disability	10%
BIPOC	19%
Justice Involved	0%
Vouchers	0%
Homeless / At Risk	10%
CoC Referral	10%
Helene Impacted	10%

SWEETEN GRASS TRACE

RECOMMENDATION

Community Development Division staff, with the materials provided in the application, are not positioned to advise the Affordable Housing Subcommittee to recommend a loan award. Alternative assumptions at this stage in the project may result in a successful LIHTC application and a complete project without an AHSP funding commitment. The applicant could apply in a future round if the proforma were to change and a gap in funding is identified as the project moves forward.

VISTA TRACE

Taft-Mills Group, LLC

VISTA TRACE

PROJECT HIGHLIGHTS

- Request: $750,000
- Total Project Cost: $44,469,737
- Units: 137
- Location: City of Asheville
- Development Status: CZ Required
- Site Control: Purchase Option
- Voucher Acceptance: Yes
- 4% LIHTC Site Score: 68 out of 68 points



VISTA TRACE

COMMITTED

- $100 General Partner Equity

NEWLY REQUESTED, NOT INCLUDED IN APPLICATION

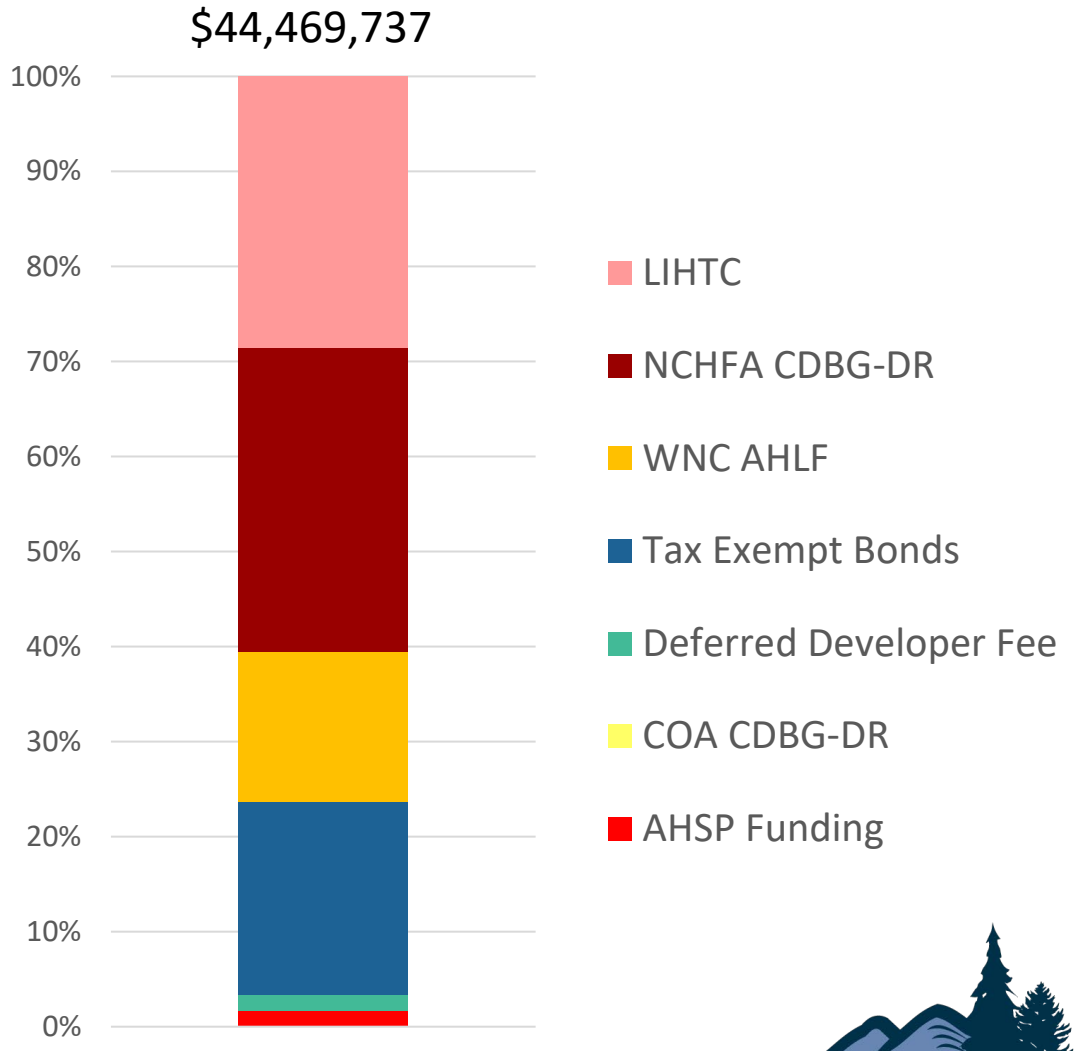
- $4,500,000 CDBG-DR loan from City of Asheville
  (40 years at 0%, payments of 50% cashflow)

REQUESTED

- $12,921,409 (4% LIHTC - $0.83 per tax credit)
- $7,000,000 mezzanine loan from WNC Affordable Housing Loan Fund
  (15 years at 2.45%, interest only)
- $14,250,000 in NCHFA CDBG-DR (30 years at 0%, balloon payment loan)
- $9,010,000 permanent loan on tax exempt bonds (40 years at 7%, principal and interest)
- $750,000 AHSP (20 years at 2%, cashflow loan)

DEFERRED DEVELOPER FEE

- $759,228 (Maximum of $1,644,000 can be deferred)



VISTA TRACE

Household AMI Targets	
AMI	Units
≤60%	137
Total	137

Unit Mix	
Bedrooms	Units
1	32
2	94
3	11
Total	137

Target Populations	
Served	Percentage
Age 55+	0%
Disability	10%
BIPOC	19%
Justice Involved	0%
Vouchers	0%
Homeless	10%
CoC Referral	10%
Helene Impacted	10%

VISTA TRACE

RECOMMENDATION

Community Development Division staff, with the materials provided in the application, are not positioned to advise the Affordable Housing Subcommittee to recommend a loan award. Alternative assumptions at this stage in the project may result in a successful LIHTC application and a complete project without an AHSP funding commitment. The applicant could apply in a future round if the proforma were to change and a gap in funding is identified as the project moves forward.

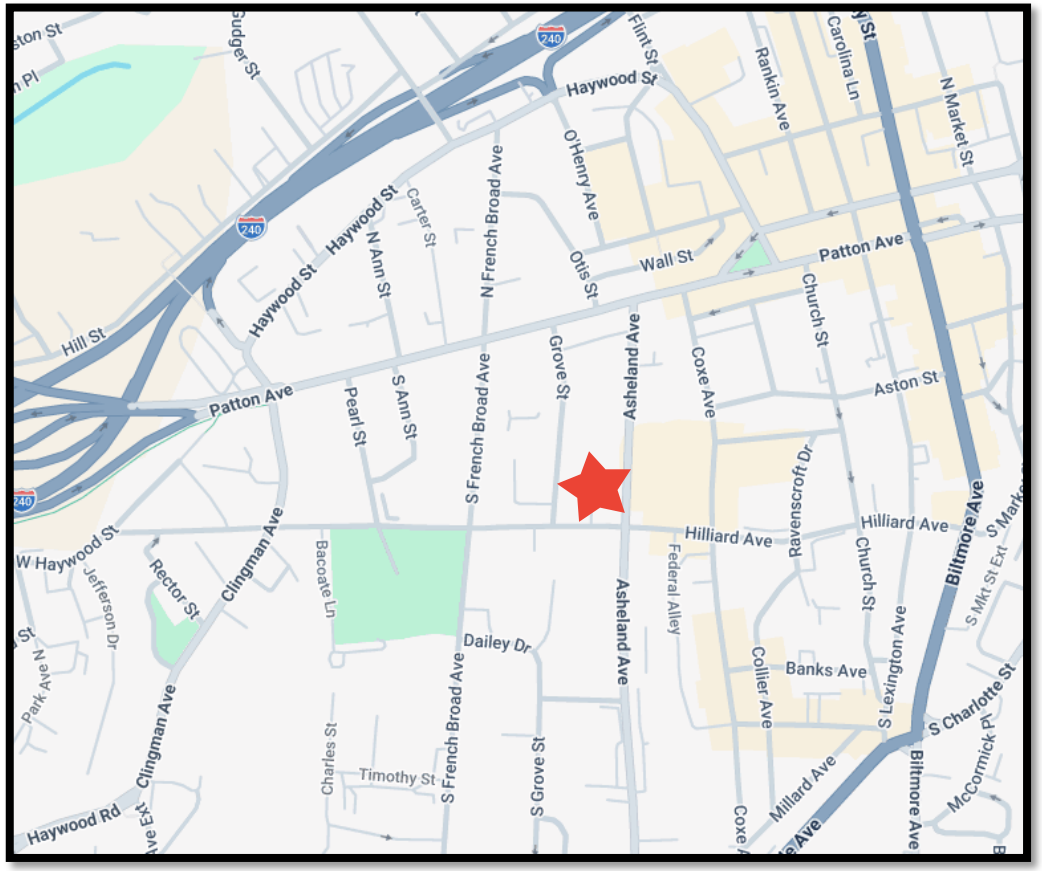
NICHE ON HILLIARD

HILLIARD FLATS, LLC

NICHE ON HILLIARD

PROJECT HIGHLIGHTS

- Request: $1,400,000
- Total Project Cost: $13,596,000
- Units: 80 units
- Location: City of Asheville
- Development Status: CZ Approved
- Site Control: Applicant owns the site
- Application does not anticipate vouchers



NICHE ON HILLIARD

COMMITTED

- $1,496,000 Equity

REQUESTED, NOT APPROVED

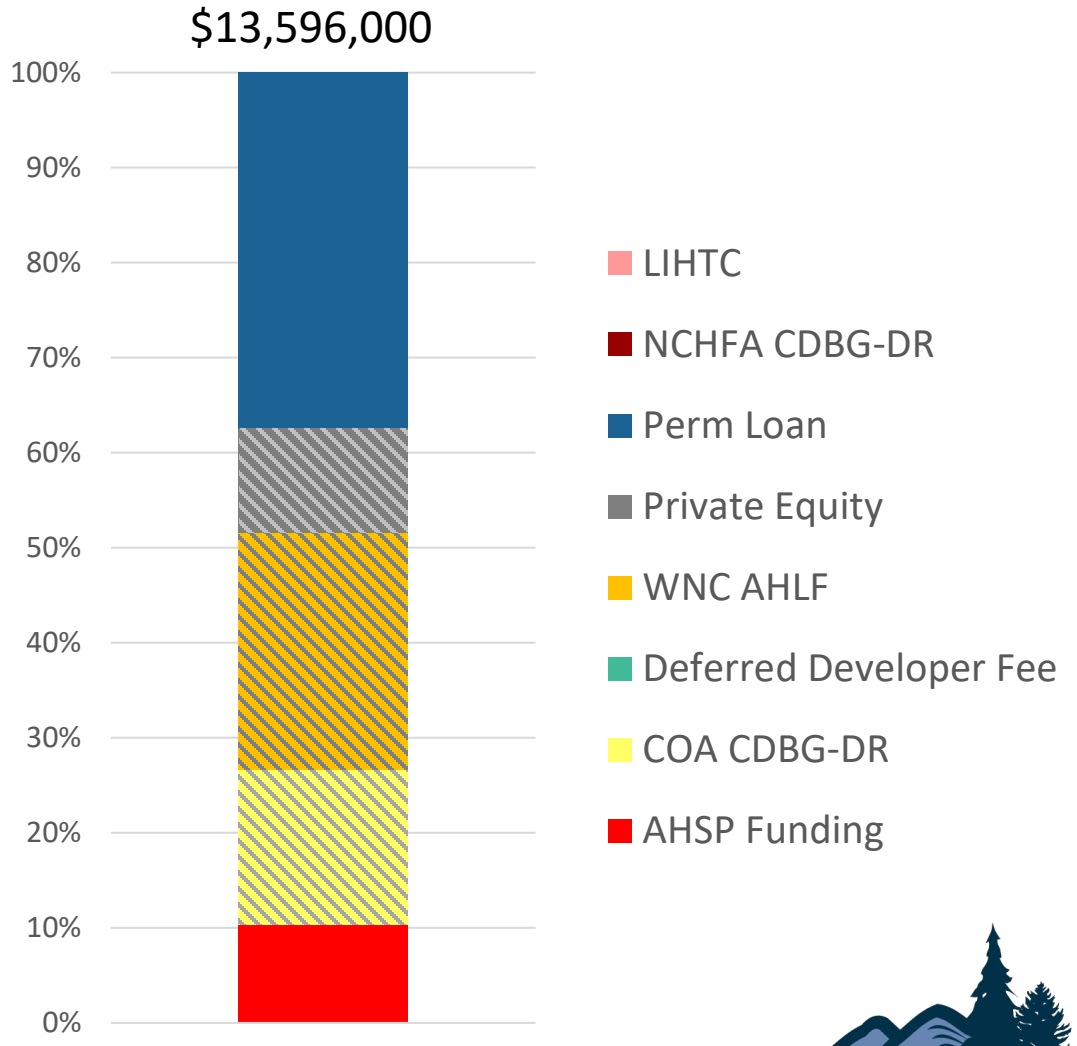
- $3,400,000 mezzanine loan from WNC Affordable Housing Loan Fund (15 years at 2.45%, interest only)
- $2,200,000 from City of Asheville CDBG-DR (15 years amortized for 30 years at 2.45%)

REQUESTED

- $5,100,000 permanent loan (10 years at 6%, principal and interest)
- $1,400,000 AHSP (20 years at 2%, cashflow loan)

DEFERRED DEVELOPER FEE

- No deferred developer fee



NICHE ON HILLIARD

Household AMI Targets	
AMI	Units
≤80%	80
Total	80

Unit Mix	
Bedrooms	Units
Efficiency	80
Total	80

Target Populations	
Served	Percentage
Age 55+	0%
Disability	0%
BIPOC	0%
Justice Involved	0%
Vouchers	0%
Homeless / At Risk	0%
CoC Referral	0%
Helene Impact	0%

NICHE ON HILLIARD

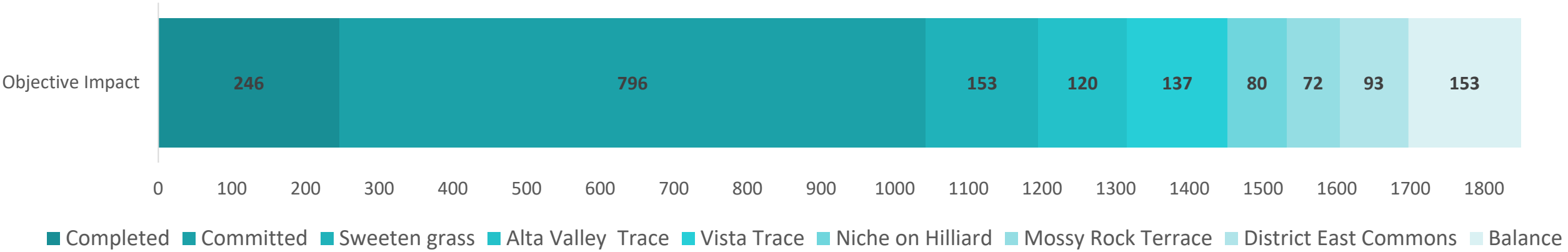
RECOMMENDATION

Community Development Division staff, based on the project's exceptions to the AHSP Guidelines, the identified financing gap, and proforma analysis, are not positioned to advise the Affordable Housing Subcommittee to recommend a loan award. The applicant could apply in a future round if the proforma were to change and gap funding is identified as the project moves forward.

POTENTIAL IMPACT ON HOUSING GOAL

RENTAL UNITS FOR HOUSEHOLDS AT ≤80% AMI

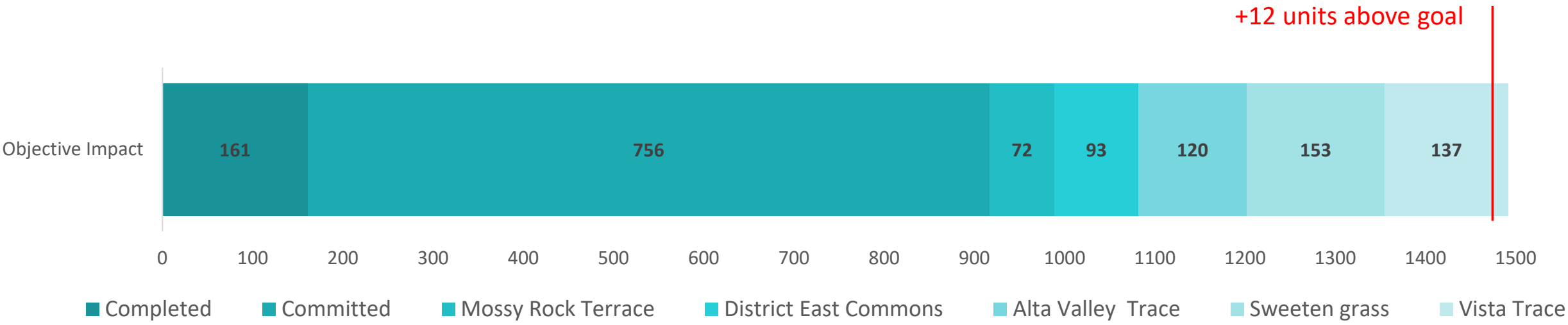
GOAL = 1,850



POTENTIAL IMPACT ON HOUSING GOAL

RENTAL UNITS LEVERAGING LIHTC

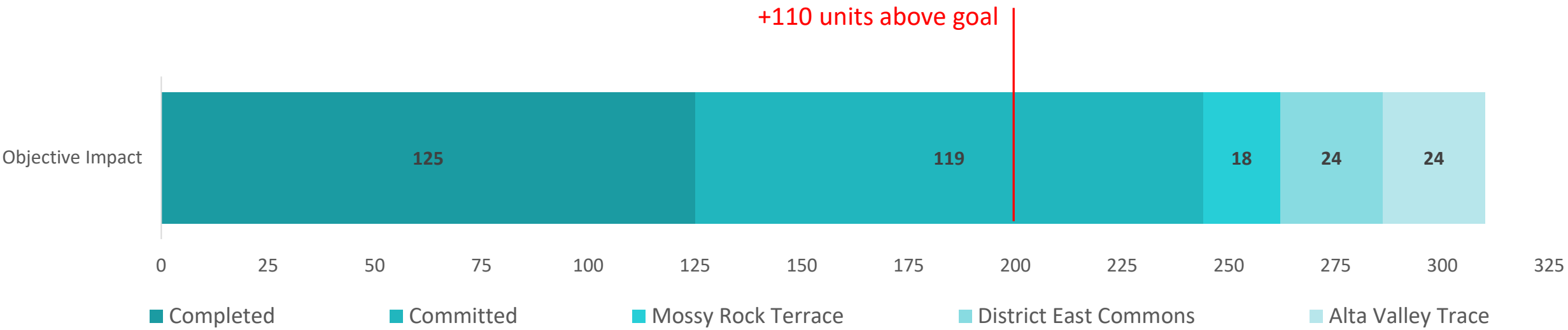
GOAL = 1,480



POTENTIAL IMPACT ON HOUSING GOAL

RENTAL UNITS FOR HOUSEHOLDS AT ≤30% AMI

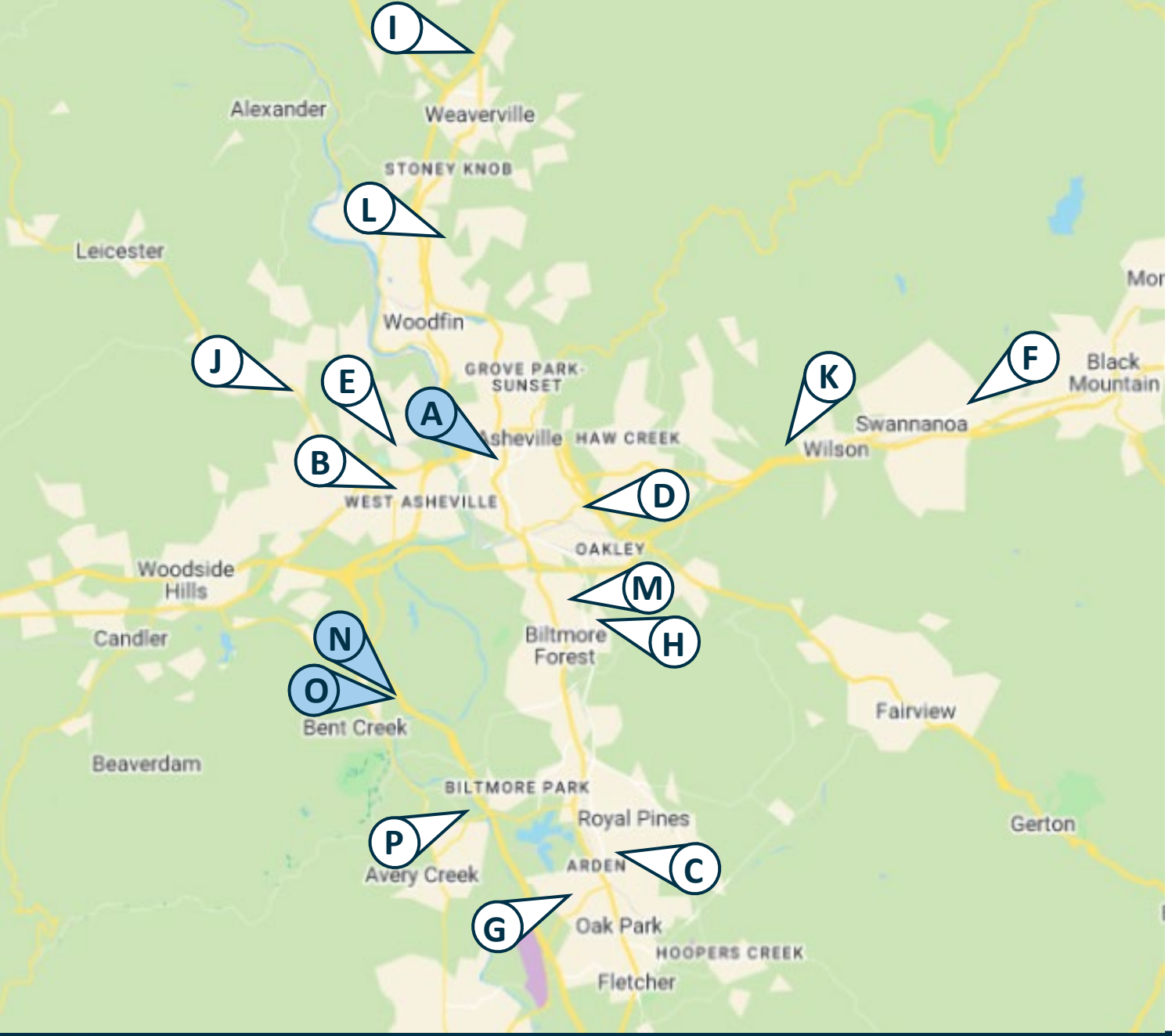
GOAL = 200



QUESTIONS?



COXE AVENUE & FERRY ROAD AFFORDABLE HOUSING SUBCOMMITTEE ACTION



4% LIHTC Projects	Score	Units
A. 50 Coxe Avenue	68	203
B. Vista Trace	68	137
C. Arden Terrace	68	130
D. Terrace at River Hills	68	126
E. Apex on Hazel Mill	68	89
F. Valley Commons	68	88
G. Sweeten Grass Trace	67	153
H. Sweeten Creek Rd Apts	66	126
I. Bleumont	65	168
J. Vesta at Erwin	62	159
K. Beacon Ridge	62	147
L. Arborvale	62	114
M. Caribou Commons Apts	62	100
N. Ferry Road I	57	200
O. Ferry Road II	57	70
Total		**2,040**

P. Arcadia Trace	Withdrawn	68

SUBCOMMITTEE ACTION NEEDED

- **Request:** Affordable Housing Subcommittee to make a recommendation on funding levels, sources and loan terms to the Board of Commissioners
- **Purpose:** To allow for issuance of Commitment Letters necessary for the LIHTC applications (lack of commitment letters will prevent applicants from submitting final application in May)
- **Timeframe:** By March 31, 2026

Project	County Commitment per Solicitations (2024) with Source not Identified
Coxe Avenue	$9.8M
Ferry Road	$5.0M

INVESTMENT HISTORY

General Fund Budget Allocations to AHSP:

$9,800,000 (Coxe Avenue Need)
$5,000,000 (Ferry Road Need)
$14,800,000 Total Need

$9,942,628 (Bond Funds Available)
$1,264,015 (Prior Year Unallocated & Program Income)
$2,311,845 (Typical Annual General Fund Request)
$1,281,512 (Additional General Fund Request)
$14,800,000 Total Sources

LOAN TERMS

- Term of at least twenty (20) years, fixed interest rate of 2%, with no balloon payments due for at least fifteen (15) years
- Amortization period of the loan shall be twenty (20) years
- Payments due annually from available cash flow

REQUESTS FOR SUBCOMMITTEE ACTION

- Recommend the Board of Commissioners designate $9,942,628 in bond funds, $1,264,015 in prior year unallocated funds and program income, and $3,593,357 in general funds to support the Coxe Avenue and Ferry Road projects.
- Recommend the Board of Commissioners approve a $9,800,000 loan to the Coxe Avenue Project and a combined $5,000,000 loan to the Ferry Road Project with the following recommended loan terms for both: (1) term of at least twenty (20) years, (2) fixed interest rate of 2% with no balloon payments due for at least fifteen (15) years, (3) an amortization period of the loan at twenty (20) years, and (4) payments due annually from available cash flow.

ANNOUNCEMENTS



JUST HOME FUNDING OPPORTUNITY

- Buncombe County is accepting “Just Home Project” proposals from partners interested in developing housing that supports individuals experiencing housing instability and repeated incarceration.
- Identified developer may be eligible to receive a MacArthur Foundation loan up to $5 million.
- Application includes a high-level overview of a Housing Investment Action Plan (HIAP) which will guide the funding opportunity.
- Virtual Information Session: Thursday, April 2, 2026, at 1:00pm. Attendance is encouraged but not required. Link provided in application.
- Application Deadline: **Wednesday, April 15 at 12:00pm.**
- Interested developers may apply at buncombenc.gov/apply.
- Questions may be sent to Max Taintor (max.taintor@buncombenc.gov).

AFFORDABLE HOUSING SUBCOMMITTEE NEW MEETING LOCATION

Beginning April 21, 2026, the Affordable Housing Subcommittee will begin meeting in the Basement Board Room at 35 Woodfin Street Asheville, NC 28801.

ADJOURN