AFFORDABLE HOUSING SUBCOMMITTEE

November 4, 2025

AGENDA

- Call to Order & Welcome
- Public Comment
- Approval of Meeting Minutes
- Presentations
  - 2025 Housing Needs Assessment – Land of Sky Regional Council
- New Business
  - AHSP Revisions
- Announcements
- Adjourn

PUBLIC COMMENT



APPROVAL OF MEETING MINUTES



OCTOBER 7, 2025

PRESENTATIONS

2025 Asheville Region Housing Needs Assessment by Bowen

Jacob Compher, Land of Sky Regional Council

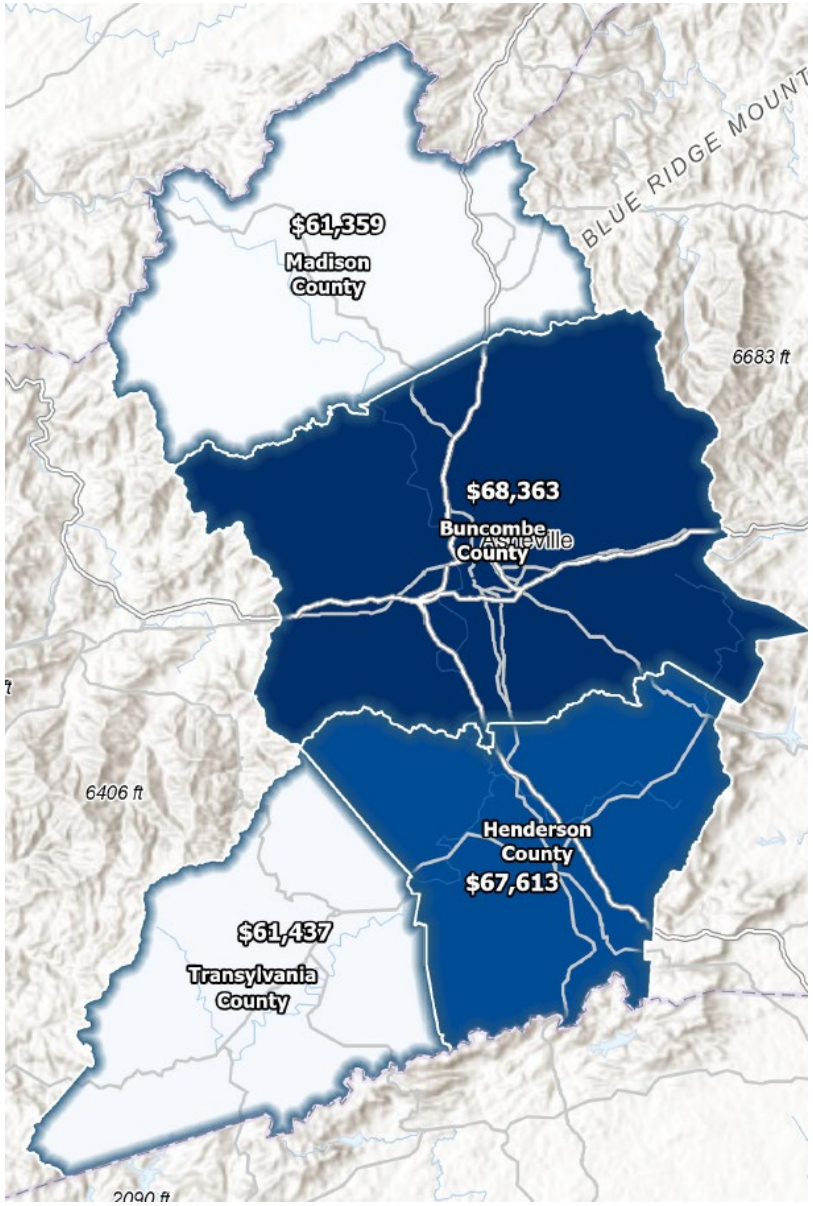
Study Overview

BOWEN NATIONAL RESEARCH

- Covers Buncombe, Henderson, Madison, and Transylvania Counties + City of Asheville
- Updated from 2020 study
- Conducted Nov 2024 – May 2025
- Census, ESRI, ACS, stakeholder surveys

Key Demographics

- 2024 Regional Population: ~456,700
- Median Household Income: $67,389
- Household Growth (2024–2029): +6,973 (+3.5%)
- Renter/Owner Split: 32% / 68%



The current housing market in the Asheville area is characterized by….

- Housing shortage
- Rising costs
- Affordability challenges
- Special needs populations



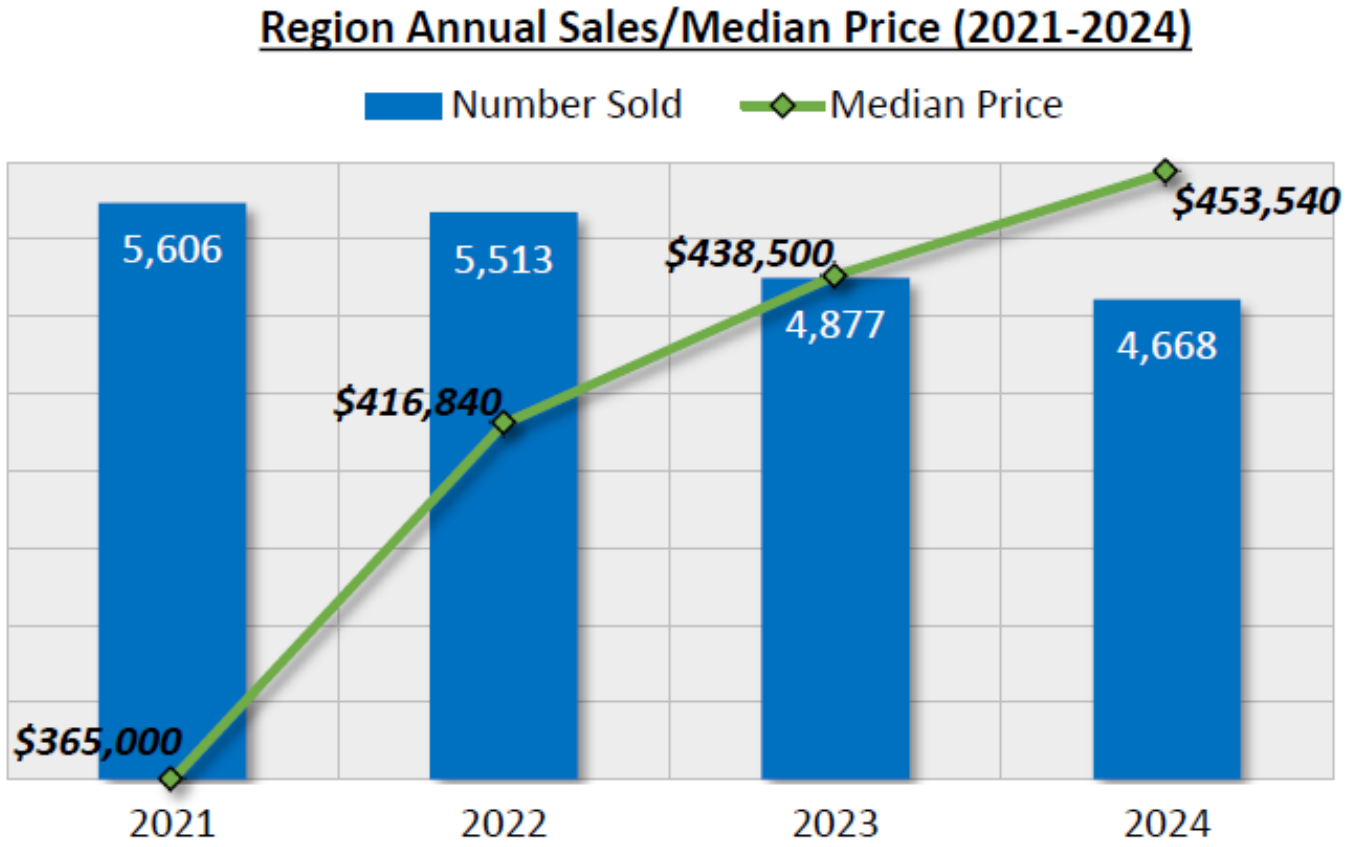
Housing Shortage



- Over 34,000 units are needed by 2029
- 13,921 rental units and 20,437 for-sale units
- Rental vacancy rates are low (*Rental Vacancies Impacted by Helene*)
- High demand indicated by waitlists
- Government-subsidized units near full occupancy

Rising Costs

- Home prices have risen significantly since 2020
- Median list prices ranging from $499,000 to $675,000
- Median rents for market-rate units exceeding $1,800 for a 2BR unit



Affordability Challenges

	Estimated Cost Burdened/Severe Cost Burdened Households by Tenure PSA (Asheville Region)					
	Cost Burdened			Severe Cost Burdened		
	Renter	Owner	Total	Renter	Owner	Total
Asheville	11,080	4,633	15,713	4,007	1,589	5,596
Buncombe County	21,920	14,326	36,246	9,458	5,468	14,926
Henderson County	5,478	7,506	12,984	2,397	3,349	5,746
Madison County	642	1,506	2,148	377	526	903
Transylvania County	1,351	2,095	3,446	892	791	1,683
PSA	29,391	25,433	54,824	13,124	10,134	23,258
North Carolina	648,305	545,353	1,193,658	311,542	226,264	537,806

Source: American Community Survey; ESRI; Bowen National Research

- 46%-49% of renters cost burdened
- 19%-21% of homeowners cost burdened
- Planned development of 3,741 multifamily units and 434 for-sale homes, but most target higher-income households, leaving gaps for low- and middle-income residents.

Affordability Challenges

Income Needed to Reasonably Afford Housing by Study Area PSA (Asheville Region)		
Area	**Required Income for Rent**	**Required Income for Purchase**
Asheville	$60,480 (Asheville, NC MSA)	$178,500
Buncombe County		$177,660
Henderson County		$149,700
Madison County		$167,850
Transylvania County	$46,000	$202,500

Source: Novogradac & Company LLP; Redfin.com; Bowen National Research

Housing Affordability at Median Wage by Occupation At Fair Market Rent/Median List Price								
Occupation Title	Buncombe County/ Asheville		Henderson County		Madison County		Transylvania County	
	Rent	Own	Rent	Own	Rent	Own	Rent	Own
Retail Salespersons	X	X	X	X	X	X	X	X
Cashiers	X	X	X	X	X	X	X	X
Sales Representatives, Wholesale	X	X	X	X	X	X	✓	X
First-Line Supervisors of Retail	X	X	X	X	X	X	X	X
Sales Representatives of Services	X	X	X	X	X	X	✓	X
Fast Food and Counter Workers	X	X	X	X	X	X	X	X
Waiters and Waitresses	X	X	X	X	X	X	X	X
Cooks, Fast Food	X	X	X	X	X	X	X	X
Cooks, Restaurant	X	X	X	X	X	X	X	X
First-Line Supervisors, Food Prep	X	X	X	X	X	X	X	X
Food Preparation Workers	X	X	X	X	X	X	X	X
Bartenders	X	X	X	X	X	X	X	X
Office Clerks, General	X	X	X	X	X	X	X	X
Customer Service Representatives	X	X	X	X	X	X	X	X
Medical Secretaries	X	X	X	X	X	X	X	X
Bookkeeping/Accounting Clerks	X	X	X	X	X	X	X	X
Secretaries/Administrative Assist.	X	X	X	X	X	X	X	X
First-Line Supervisors of Office	X	X	X	X	X	X	✓	X
Receptionists/Information Clerks	X	X	X	X	X	X	X	X
Misc. Assemblers and Fabricators	X	X	X	X	X	X	X	X
Stockers and Order Fillers	X	X	X	X	X	X	X	X
Laborers/Freight/Stock, Hand	X	X	X	X	X	X	X	X
Heavy/ Tractor-Trailer Drivers	X	X	X	X	X	X	✓	X
Light Truck Drivers	X	X	X	X	X	X	X	X
Elementary School Teachers	X	X	X	X	X	X	✓	X
Secondary School Teachers	X	X	X	X	X	X	✓	X
Teaching Assistants	X	X	X	X	X	X	X	X
Substitute Teachers, Short-Term	X	X	X	X	X	X	X	X
Registered Nurses	✓	X	✓	X	✓	X	✓	X
Home Health/Personal Care Aides	X	X	X	X	X	X	X	X
Nursing Assistants	X	X	X	X	X	X	X	X
Medical Assistants	X	X	X	X	X	X	X	X
General and Operations Managers	✓	X	✓	X	✓	X	✓	X
Accountants and Auditors	✓	X	✓	X	✓	X	✓	X
Maintenance and Repair Workers	X	X	X	X	X	X	X	X
Construction Laborers	X	X	X	X	X	X	X	X
First-Line Supervisors, Const.	✓	X	✓	X	✓	X	✓	X
Police/ Sheriff's Patrol Officers	X	X	X	X	X	X	✓	X
Janitors and Cleaners	X	X	X	X	X	X	X	X
Maids and Housekeeping	X	X	X	X	X	X	X	X
Landscaping and Groundskeeping	X	X	X	X	X	X	X	X
TOTAL # AFFORDABLE (%)	4 (9.8%)	0 (0.0%)	4 (9.8%)	0 (0.0%)	4 (9.8%)	0 (0.0%)	11 (26.8%)	0 (0.0%)
TOTAL # UNAFFORDABLE (%)	37 (90.2%)	41 (100.0%)	37 (90.2%)	41 (100.0%)	37 (90.2%)	41 (100.0%)	30 (73.2%)	41 (100.0%)

Source: U.S. Bureau of Labor Statistics, May 2023 Occupational Employment and Wage Statistics (OEWS); Bowen National Research

Special Needs Populations

- High demand for accessible housing, domestic violence survivors, seniors, individuals with disabilities, and youth aging out of foster care.
- Elderly population is growing rapidly
- Projected need for 7,705 senior care beds by 2029

Special Needs Populations Asheville Region, North Carolina	
Special Needs Group	**Number of Persons**
Persons with Disabilities	63,295
Victims of Domestic Violence	1,305**
Unaccompanied Youth / Aging Out of Foster Care	31*
Ex-Offenders (Parole/Probation)	764
Adults with Mental Illness	83,455
Persons with Substance Abuse	1,504
Elderly (Age 65+) (Frail Elderly)	111,789 (18,444)

*Number only available for Buncombe County
**Number of Domestic Violence victims who requested shelter within the Asheville Region

Stakeholder Survey

- 48 respondents
- All 4 counties
- Diverse areas of expertise and backgrounds

What are the five most common housing issues experienced in your area?	
Issue	**Share of Respondents**
Rent Affordability	97.8%
Home Purchase Affordability	86.7%
Limited Availability	80.0%
Investors buying properties/increasing rents	51.1%
Conversion of housing into short-term rentals	44.4%

What common barriers or obstacles exist in the area you serve that you believe limit residential development?	
Issue	**Share of Respondents**
Cost of Land	95.4%
Availability of Land	81.4%
Cost of Labor/Materials	76.7%
Cost of Infrastructure	69.8%
Overall Development Costs	65.1%
Lack of Buildable Sites	65.1%

Homeowner/Buyer Assistance Priorities	
Assistance Type	**Share of Respondents**
Homebuyer Downpayment Assistance	72.1%
Home Repair Assistance	65.1%
Homebuyer/Homeowner Education	46.5%
Home Modification Assistance	46.5%
Credit Repair Assistance	44.2%
Home Weatherization Assistance	37.2%
Housing Counselor	34.9%
Property Maintenance Education	32.6%
Legal Aid Services for Housing	25.6%
Foreclosure Avoidance Education	20.9%
Background Check Resolution	4.7%
Other (Please Specify)	4.7%

Renter Assistance Priorities	
Assistance Type	Share of Respondents
Renter Security Deposit Assistance	58.1%
Legal Aid Services for Housing	48.8%
Renter Eviction Prevention	41.9%
Credit Repair Assistance	41.9%
Housing Placement Service	37.2%
Properties that Meet Code/Life Safety Compliance	37.2%
Rental Registry	34.9%
Housing Resource Center	32.6%
Housing Counselor	27.9%
Landlord/Tenant Conflict Resolution	18.6%
Background Check Resolution	16.3%
Rental Housing Inspection Program	16.3%
Other (Please Specify)	7.0%

REHAB & BUILD!

Priority of Housing Construction Types	
Construction Type	**Weighted Score***
Repair/Renovation/Revitalization of Existing Housing	86.9
New Construction	86.6
Mixed-Use (Residential with Commercial)	71.4
Clear Blighted/Unused Structures to Create Land for New Development	67.3
Adaptive Reuse (i.e., Warehouse Conversion to Residential)	62.5

*High Priority = 100.0, Moderate Priority = 50.0, Low Priority = 25.0

Recommendations

- Set realistic/attainable short-term housing goals, outline long-term objectives and monitor progress.
- Develop municipal-, county-specific and regional-level housing plans.
- Capacity building, hire professionals to spearhead housing efforts.
- Develop a centralized housing resource center.
- Enhance/leverage existing housing incentives to encourage the preservation of existing housing and development of new residential units.
- Explore/support other housing policies, programs and incentives
- Support efforts to develop units that meet the needs of seniors and the workforce.
- Market the Asheville Region to potential residential development partners.

2025 Asheville Region Housing Needs Assessment

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NEW BUSINESS

AHSP REVISIONS

Jonathon Jones

Community Development Analyst

SUMMARY OF REVISIONS

- **Rent standard for units receiving Project Based Vouchers**
- Awards may not be combined to exceed program maximums
- Awards are reimbursement based unless approved at time of application
- Borrower entities must be identified at time of application
- Clarification of eligible constructions costs
- Clarification of recourse loan structure
- Construction loans to be converted to downpayment assistance loans may request 0% interest terms.
- Construction loans structured with construction and permanent phases

PROGRAM REQUIREMENTS AND GUIDELINES
IV. DEFINITION OF AFFORDABILITY

Current

Rented at a rate not to exceed HUD's Fair Market Rent as described in HUD's Fair Market Rent Documentation System in effect at the time the lease is signed.

Proposed Additional Language

Rented at a rate not to exceed HUD's Fair Market Rent as described in HUD's Fair Market Rent Documentation System in effect at the time the lease is signed. Units receiving Project Based Vouchers are permitted to follow the annual rent payment standards approved by the Housing Authority of the City of Asheville in compliance with HUD regulations;

PROGRAM DESCRIPTION
VII. PROJECT PRIORITIES & PREFERENCES

Current

Proposed Additional Language

Applicants may not combine multiple applications or awards from the same or different program years to exceed program maximums.

PROGRAM REQUIREMENTS AND GUIDELINES
V. PROJECT AND REIMBURSEMENT TIMEFRAME

Current

Proposed Additional Language

AHSP loans and grants are reimbursement based and are reimbursed upon receipt of documentation of eligible expenses paid. At the time of application, grantees may request advanced payments only if able to demonstrate such payments are necessary for project viability.

PROGRAM REQUIREMENTS AND GUIDELINES

VI. CONSTRUCTION LOAN PROGRAM

TERMS APPLICABLE TO ALL CONSTRUCTION LOANS

Current

Eligible Applicants: For-profit corporations, partnerships, or sole proprietors; private incorporated non-profit agencies with IRS 501(c)(3) or similar designation; or public non-profit agencies.

Proposed Additional Language

Eligible Applicants: For-profit corporations, partnerships, or sole proprietors; private incorporated non-profit agencies with IRS 501(c)(3) or similar designation; or public non-profit agencies. Applicants must indicate if the borrower entity is or will be different from the applicant.

PROGRAM REQUIREMENTS AND GUIDELINES

VI. CONSTRUCTION LOAN PROGRAM

TERMS APPLICABLE TO ALL CONSTRUCTION LOANS

Current

Uses: Affordable unit construction, infrastructure improvements, professional services, and costs of permitting (including site work and soft costs).

Proposed Additional Language

Uses: Affordable unit construction, infrastructure improvements, professional services, and costs of permitting (including site work and soft costs).Funds may not be used for property acquisition, purchase options, feasibility studies, or other pre-development costs incurred prior to the execution of the AHSP loan agreement. These expenses should be reflected in the total project budget, but funds may not be used to reimburse these expenses.

PROGRAM REQUIREMENTS AND GUIDELINES

VI. CONSTRUCTION LOAN PROGRAM

TERMS APPLICABLE TO ALL CONSTRUCTION LOANS

Current

Proposed Additional Language

Structure: Loans are structured as recourse loans. At the time of application, applicants may request non-recourse terms for the permanent phase of the loan only if able to demonstrate the loan structure is necessary for project viability.

PROGRAM REQUIREMENTS AND GUIDELINES

VI. CONSTRUCTION LOAN PROGRAM ADDITIONAL LOAN TERMS APPLICABLE TO NEW AND CONVERSION CONSTRUCTION AND REHABILITATION: UNITS FOR SALE

Current

Term and Interest Rate: Five (5) years or until the property is transferred or sold, whichever occurs first. Fully amortizing at an interest rate of 2.00%.

Proposed Additional Language

Term and Interest Rate: Five (5) years or until the property is transferred or sold, whichever occurs first. Fully amortizing at an interest rate of 2.00%. At the time of application, public or private non-profit agencies with IRS 501(c)(3) or similar designation may request 0% interest if all borrowed funds will convert to downpayment assistance loans.

PROGRAM REQUIREMENTS AND GUIDELINES

VI. CONSTRUCTION LOAN PROGRAM ADDITIONAL LOAN TERMS APPLICABLE TO NEW AND CONVERSION CONSTRUCTION AND REHABILITATION: UNITS FOR RENT

Current

Proposed Additional Language

Conversion: Loans are structured with a construction phase then convert to a permanent loan for the approved term. During the construction phase, funds may be reimbursed for eligible expenses paid and interest will accrue on funds drawn.

RECOMMENDED ACTION

Motion to recommend approval of revisions of the AHSP Guidelines to the full Board of Commissioners.

ANNOUNCEMENTS



ADJORN