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

1. **Date submitted to Clerk's Office:** 12/22/2025

2. **Primary contact person and Department requesting agenda item:** Kaylee Pulliam, CED

3. **Requested Council meeting date:** 1/13/2026

4. **Subject:** Ratification of a funding agreement with Commonwealth Development Corporation (dba Fairhaven Meadows LLC) for the development of affordable housing.

5. **Action Requested:** Resolution ratifying a funding agreement with Commonwealth Development Corporation (dba Fairhaven Meadows LLC) in the amount of $1,305,000 for the development of affordable housing.

6. **Note if time sensitive, and why:** Yes, the developer has submitted their first draw request, but the current amount of funding available is lower than the requested amount.

7. **Potential fiscal impact(s) - if known by staff at time of request:** $1,305,000 total amount of HOME funding

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:**
   - May 21, 2025 - the Asheville Regional Housing Consortium voted to approve additional funding for Fairhaven Meadows for a total $1,275,000.
   - August 27, 2025 - The Consortium was updated on the total amount of $1,305,000.

10. **Identify - key issues:**
    - The City of Asheville receives funding from the Department of Housing and Urban Development (e.g. HOME funds). The City acts as the Participating Jurisdiction for these funds and the use of funds are approved and overseen by the Asheville Regional Housing Consortium, as mandated. Final authorization lies with City Council.
    - Located in Brevard, the Fairhaven Meadows project provides 42 units for families at 40-70% AMI (area median income) and has received HOME funding to support the project.
    - Previous Council resolutions have approved a total of $1,159,924 in HOME funds for this project, however the final contract amount equals $1,305,000. The remaining $115,076 gap was funded by a combination of HOME Program Income (PI) and administrative funds, which HUD has authorized, however, Council approval was not obtained for the final amount.
    - The addition of the HOME funds to the Fairhaven Meadows project did not require a substantial amendment from HUD due to the amount of funds added.
    - ARHC was notified of the additional funding on May 21, 2025 and updated on August 27, 2025.
    - A funding agreement in the amount of $1,305,000 was executed, however CED staff has identified a lack of formal Council authorization for $115,076 of the total funding amount.
    - We are seeking to ratify the contract for the full and final amount of $1,305,000.