Council Meeting Date: January 27, 2026

Subject: Allocation of 2025-2026 HOME awards.

Staff Resource(s): Nikki Reid, Community Development Department Director and Kaylee Pulliam, Community Development Analyst I

Action Requested: Adoption of a resolution authorizing the City Manager to execute all contracts, grants, and loan agreements, after approval by the City Attorney, with the designated agencies for the 2025-2026 HOME Investment Partnership program.

Background:

- The City of Asheville is the participating jurisdiction with the US Department of Housing and Urban Development and receives formula funding through the HOME Investment Partnerships Program (HOME).
- The City receives these allocations annually through a federal formula allocation process.
- HOME funds support affordable housing activities within the four-county Consortium region, including Buncombe, Madison, Transylvania, and Henderson Counties.
- The City of Asheville was awarded $1,051,896.84 in HOME funding for the Fiscal year 2025-2026 from the Department of Housing and Urban Development. Additionally, non-committed program income of $193,490 and rescinded project funding of $200,000 brought the total available HOME funds to $1,445,386 during this funding round.
- On June 11, 2025, the Asheville Regional Housing Consortium (ARHC) allocated the 2025 HOME award funds to three key areas: Tenant-Based Rental Assistance, Homeowner Rehabilitation, and Down Payment Assistance.
- City Council approved these funding amounts via the 2025-2026 Annual Action Plan as part of the 2025-2029 Consolidated Plan
- The City of Asheville opened the HOME Application on November 10th, 2025, and closed the applications on December 10th, 2025.
- Community Development staff reviewed and summarized all of the submitted applications.
- A subcommittee of the ARHC made initial recommendations and the full membership of the ARHC voted in support of the following funding recommendations:
    - Henderson County Habitat for Humanity (Down-Payment Assistance): $200,000
    - Housing Assistance Corporation (Homeowner Rehabilitation): $204,000
    - Community Housing Coalition of Madison County (Homeowner Rehabilitation): $200,000
    - Helpmate Inc. (Tenant-based rental assistance): $170,000
    - Asheville Housing Authority (Tenant-based rental assistance): $75,000
    - ARC of Buncombe County (Tenant-based rental assistance): $55,000
- The recommended awards total $904,000, with an additional $436,197 remaining for future award allocations and $105,189 for administrative costs.
- The funding recommendations were presented and approved by the HOME Consortium on January 14th, 2026.
- City Council, as the governing body of the participating jurisdiction for the HOME Consortium, must authorize the City Manager to execute agreements to award the funding.

Council Goal(s):

- Quality Affordable Housing

Committee(s):

- Asheville City Council - June 11, 2025 - Voted to approve program allocations
- Asheville Regional Housing Consortium Funding Committee- January 7, 2026.

- Asheville Regional Housing Consortium Board - January 14, 2026 - Consortium members approve funding award recommendations

Pro(s)

- Approval of the resolution paves the way for HUD funding to be utilized by partners in the City of Asheville and the region, to provide rental assistance, down payment assistance, and homeowner rehabilitation to our community members that are in need.

Con(s)

- None identified.

Fiscal Impact:

- The proposed projects are fully funded from the federal HOME entitlement grants, unspent funds from prior-year allocations, and estimated program income.
- Staff costs to administer the program are paid from federal sources.

Suggested Motion:

- Motion to authorize the City Manager to execute all contracts, grants, and loan agreements, after approval by the City Attorney, with the designated agencies for the 2025-2026 HOME Investment Partnership program.

Attachments:

- Resolution
- Exhibit A

RESOLUTION NO. 26-____

AUTHORIZING THE 2025-2026 HOME FUNDING ALLOCATIONS FROM THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT TO SUBRECIPIENTS AND AUTHORIZING THE CITY MANAGER TO EXECUTE ALL NECESSARY DOCUMENTS.

WHEREAS, the City of Asheville is the participating jurisdiction for the US Department of Housing & Urban Development's HOME Investment Partnership (HOME) program as part of the Asheville Regional Housing Consortium (HOME Consortium); and

WHEREAS, of the $1,445,386 in HOME funding available for allocation in the 2025-2026 program year, $193,490 is uncommitted program income, $200,000 is rescinded project funding available from prior years, and $1,051,896 is the annual allocation from HUD for 2025-2026; and

WHEREAS, the City Council adopted Resolution 25-145 that authorized staff to submit the 2025-2026 Annual Action Plan to HUD, which allocated $587,602.84 for Homeowner Rehabilitation, $400,000 for Down Payment Assistance, and $300,000 for Tenant Based Rental Assistance; and

WHEREAS, the City of Asheville submitted the 2025-2026 Annual Action Plan to HUD, which was approved and a formal grant agreement was executed on December 5, 2025;

WHEREAS, an application cycle was held for all three programs from November 10, 2025 to December 10, 2025 to solicit proposals from potential partner organizations to implement HOME-funded programs on behalf of the City of Asheville; and

WHEREAS, the City of Asheville and the HOME Consortium Funding Committee reviewed the applications and recommended awards in the amounts summarized and attached as Exhibit A; and

WHEREAS, the HOME Consortium met on January 14, 2026 and approved the recommended awards to Subrecipients in the amounts summarized and attached as **Exhibit A**;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

City Council authorizes staff to award the 2025-2026 HOME funding allocation from the Department of Housing and Urban Development to subrecipients, and authorizes the City Manager to execute all contracts, grants, and loan agreements, after approval by the City Attorney, with the designated agencies.

Read, approved and adopted this the 27th day of January, 2026.

_____ _____

City Clerk Mayor

Approved as to form:

_____

City Attorney

EXHIBIT A

Projected Revenue:

2025-2026 HOME Funding	$1,051,896
Uncommitted Program Income	$ 193,490
Rescinded Project Funding Available	$ 200,000
Total HOME funds available	**$1,445,386**

Proposed Use of Funds:

Program	**Recommended Funding**
Henderson County Habitat for Humanity - Down Payment Assistance - Dodd Meadows Phase 6	$ 200,000
Housing Assistance Corporation- Homeowner Rehabilitation	$ 204,000
Community Housing Coalition - Homeowner Rehabilitation	$ 200,000
Helpmate, Inc - Tenant-Based Rental Assistance for Domestic Violence Survivors	$ 170,000
Asheville Housing Authority- Tenant-Based Rental Assistance	$ 75,000
The ARC of Buncombe County - Tenant-Based Rental Assistance	$ 55,000
CHDO Set-Aside (15% of annual grant for future projects)	$ 157,784
HOME Program Administration (10% of annual grant)	$ 105,189
Funding available for 2026/2027 Projects	$ 278,413
Total	**$ 1,445,386**