

Asheville Housing MTW Activity No. 2024-3 – Local Non-Traditional Activity – Housing Development Program

Waivers approved:

- MTW Activity 17.c. – Housing Development Programs (Conditionally Approved)

Asheville Housing has already received conditional approval for use of MTW Funding to acquire, renovate, and build affordable units for low-income families (see original text below). This activity will amend that previous initiative to also include specific utilization towards the purchasing, renovation, and building of units specifically for our Homeownership Program. This waiver adjustment will serve the statutory goal of increasing Housing Choice by reducing the barriers between low-income households that have met all requirements to qualify for Homeownership but struggle to procure quality long-term homes at affordable rates in an increasingly competitive housing market.

All original designations and commitments will remain in effect, including compliance with PIH Notice 2011-45, section 30 of the 1937 Housing Act, and the awarding of any funds to third-party contractors through a competitive process. No more than 10% of the annual HAP budget will be cumulatively spent on this and all other LNT projects altogether, and all households benefiting through this waiver will meet the HUD definition of low-income (income at or below 80% of AMI).

Waiver requested: MTW Activity 17.c. – Local Non-Traditional Activity – Housing Development Program

Statutory Objective(s): Housing Choice

Cost Implications: Neutral

Applies to: New admissions and currently assisted households; all family types; tenant-based voucher families only.

Safe Harbor Waiver Required? No

Impact Analysis or Hardship Policy Required? No

Original text for MTW Activity 2023-4.

Asheville Housing will initiate an MTW Housing Development Program to use HAP funding to acquire, renovate and/or build affordable units for low-income families that are not public housing units. Activities will include gap financing for development of affordable housing, development of project-based voucher units and tax credit partnerships.

The initial development projects include:

- Reimagining Deaverview, a tax-credit partnership that will include the phased redevelopment of Deaverview Apartments, an Asheville Housing project-based voucher community. New residential buildings will be constructed on vacant land before demolition of any existing units is required, ensuring that families will only have to relocate once, directly into their new apartments. When all phases are complete, the existing 160 apartments will be replaced by 320 new apartments and townhomes, including a combination of tax credit, PBV, and homeownership units.
- A similar phased redevelopment of Pisgah View Apartments, another Asheville Housing PBV community, in the future.
- Development of three new affordable housing apartments on Gaston Street, across the street from the Arthur Edington Career & Education Center.

Asheville Housing will not spend more than 10% of its annual HAP budget on this program, alone or in combination with other local, non-traditional activities. Families receiving housing through this local, non-traditional activity shall meet the HUD definition of low-income (income at or below 80% of AMI). Activities will be subject to PIH Notice 2011-45 or any successor notice/guidance from the HUD MTW Office. Asheville Housing will comply with any applicable provisions of Section 30 of the 1937 Housing Act. Any MTW funds awarded to a third-party provider will be through a competitive procurement process.

These activities will be funded initially from unused HAP funds currently in HUD-Held Reserves to minimize any impact on voucher utilization.