Asheville Regional Housing Consortium

Housing Needs Assessment and Market Study

Prepared for the City of Asheville and
Asheville Regional Housing Consortium

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Table of Contents

Executive Summary i
Glossary viii
List of People Interviewed ix
Barriers to Affordable Housing Development and Potential Strategies xi

Housing Needs Assessment & Market Study

Buncombe County

Henderson County

Madison County

Transylvania County

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Executive Summary

Purpose

This study examines the housing market and the specific housing needs of low income households in the four counties that make up the Asheville Regional Housing Consortium: Buncombe, Henderson, Madison, and Transylvania. It is intended to provide a factual and quantitative background to the Consortium's next Consolidated Strategic Plan covering the period July 2010 to June 2015. The study does not indicate priority areas or make recommendations for strategies to be pursued: that belongs to the planning process. We have, however, included a section on barriers to affordable housing and potential strategies that emerged during interviews with local government staff and housing professionals.

Methodology

The previous Needs Assessment, performed in late 2004 based its findings on data from the 2000 decennial census. This study focuses on changes since 2000 using new information from the U.S. Census Bureau's American Communities Survey for 2005-2007. The ACS collects sample data each year and combines them into rolling three-year estimates. The first multiyear estimates were based on ACS data collected from 2005 through 2007[1], and are available for geographic areas with a population of 20,000 or more. Because they are based on samples, all the data is subject to sampling errors, which are most significant for small populations, especially numbers less than 1000. Errors add up when changes are calculated from two numbers, so that apparently large changes in relatively small populations should be viewed with caution.

It should also be noted that the ACS data reflects conditions before the start of the national housing crisis and current economic recession in 2008.

In some sections of the report we have been able to obtain data from other reliable sources, some of which are more recent than ACS. We also carried out numerous interviews with professionals in the housing field to gather both quantitative data and their informed views on needs, barriers and strategies.

Key Findings

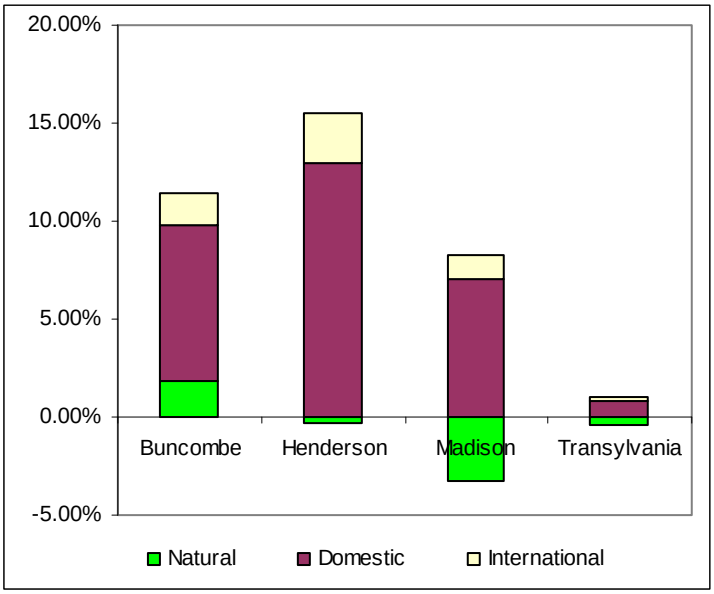
A. Demographic & Economic Indicators

Stable population growth. All consortium counties have experienced stable and consistent population growth over the last eight years; with annual growth rates ranging from 0.3% in Transylvania County to 1.6% in Henderson County. Domestic in-migration has

[1] ACS data for 2006-2008 were published in late October 2009, too late to be incorporated into this study.

been the main source of net population change, followed by international in-migration. Natural growth (births over deaths) has been positive only in Buncombe County.

Sources of Net Population Growth 2000-2008 as percentages of 2000 Population



Source: U.S. Census Bureau

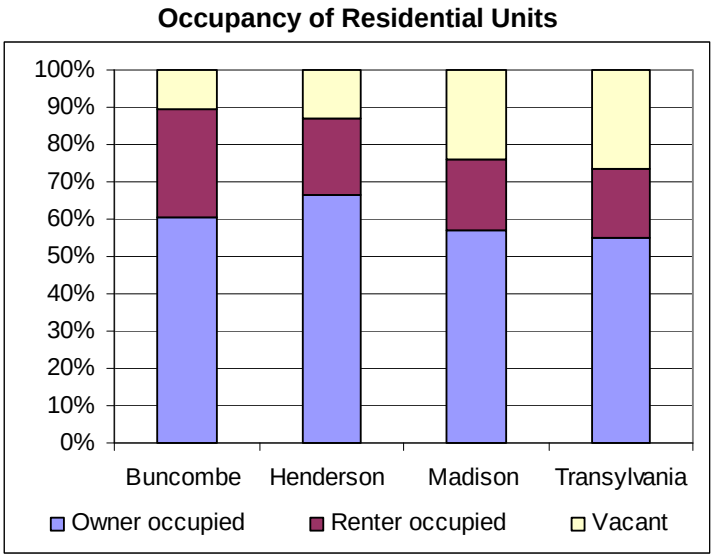
Consistent economic growth. Economic drivers in the consortium are varied, but *Health Care, Manufacturing, Tourism,* and *Population In-migration* have been the major areas of economic specialization. As a result of this economic diversification the area has weathered most national and state economic downturns with minimal disruption, and enjoyed relatively consistent employment growth.

Low wages. Wages in the consortium remain below the state and nation. The gap ranges from 12% below the state level in Buncombe County to 34% in Madison. Wages lag even further behind the national average wage. These gaps have continued to widen over the past ten years.

Falling homeownership rates. The proportion of housing that is renter occupied has increased in all the counties over the period.[2] Although the home ownership rate remains high, from 68% in Buncombe to 76% in Henderson, it has dropped by 2 to 4 percentage points since 2000. This runs counter to the nationwide trend of increasing homeownership rates.

Increasing vacancy rates. Vacant housing has increased in all counties. Rates in Buncombe and Henderson counties remain similar to the state and nation, but rates in Madison and Transylvania are significantly higher; perhaps indicating the presence of larger second home markets.

[2] Unless stated otherwise "the period" means from 2000 to 2005-2007, the dates for which reliable census information is available.

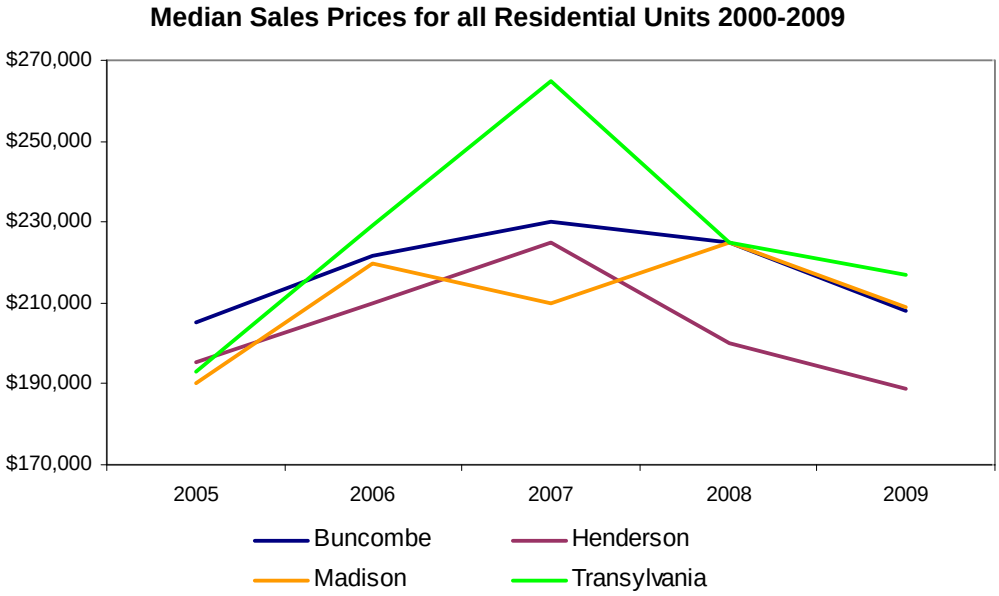


Source: U.S. Census Bureau – ACS 2005/2007

Changing household structures. Households headed by a married couple are still the majority in owner occupied housing, but single parent households and "*nonfamily households"*, have increased strongly in most counties. Renter households show even more diversity in household types. Average household size continues to fall in all counties, down to 1.73 in Transylvania.

B. Homeownership Market

Rise and fall of house prices. Median house prices peaked in 2007 then fell. The most dramatic changes were seen in Transylvania. But this did not translate into increased opportunities for lower-income buyers. Prices declined mainly at the upper end of the market and tighter underwriting requirements by lenders have kept many buyers out of the market. The number of homes sold below $150,000 has declined steadily since 2005.



Source: Mountain Multiple Listing Service 2009

Growth in multifamily market. Alternatives to the traditional detached single family house have become more popular. This trend has been most marked in Hendersonville where sales of new townhomes, condominiums, and other "multifamily" types have exceeded sales of single family homes two to one since 2005.

Increased foreclosure rate. Foreclosure actions have almost doubled in the past three years with the highest rate in Buncombe and the lowest in Transylvania. But the rate in the Consortium is only about half the statewide rate, and the state is well below the national rate. We found no evidence that foreclosures are causing visible blight or a localized drop in home values in any neighborhoods.

Increasing affordability problems for existing homeowners. Cost burdens have increased over the period and now affect between 19% and 25% of home owners, with the highest rate in Buncombe County.

Increasing affordability gap for homebuyers. Despite the recent decline in median house prices, the median remains well above what a 4-person household at 80% AMI can afford. Data available only for Buncombe shows a continuing increase in the amount of subsidy or downpayments assistance needed by homebuyers below 80% AMI.

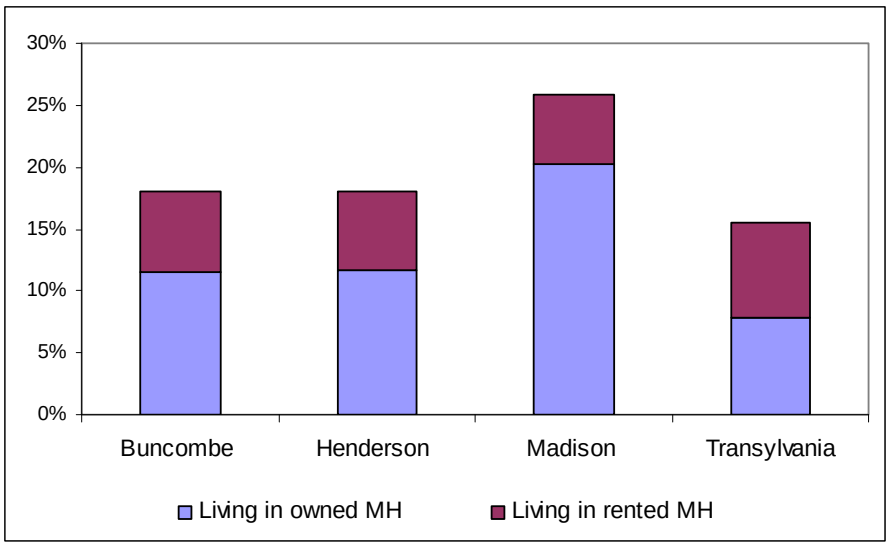
C. Rental Market

Increasing affordability problems for renters. The number of renters who are cost burdened (housing costs exceeding 30% of household income) increased substantially, ranging from a 41% increase in Buncombe County to a 90% increase in Transylvania. The highest incidence of cost burdens is now in Henderson (46% of renters), the lowest in Madison (36%). Of the top 20 occupations in each county most do not earn enough afford Fair Market Rent on even a one-bedroom apartment.

Rent increases followed by decline. Median rents increased over the period from 21% in Henderson to 66% in Madison. Recent information, available for Buncombe only, indicates that rental vacancies increased and market rents started to fall in 2008. However, demand for subsidized rental units remains high, with few or no vacancies in such units.

Importance of mobile homes. Mobile homes are an important part of the housing stock, from 16% of all homes in Henderson to 25% in Madison, and are perceived as providing some of the most affordable rental housing. Many are owner occupied, but ownership of a mobile home on rented land does not offer the benefits of conventional homeownership.

Proportion of population living in Mobile Homes 2005-2007

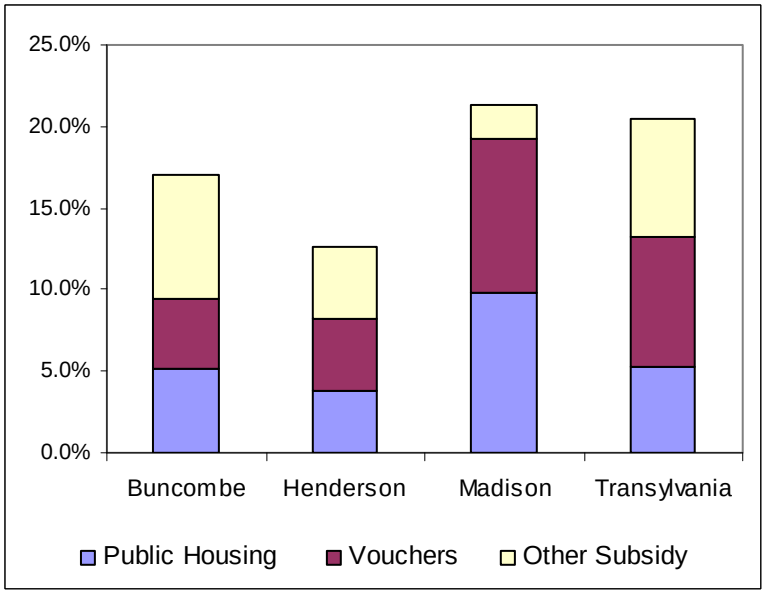


Source: U.S. Census Bureau – ACS 2005/2007

D. Subsidized Rental Housing

Importance of subsidized housing. Including public housing and housing choice vouchers, subsidized housing makes up 25% of all rental housing in the Consortium. Buncombe has the highest proportion at 34% and Henderson the lowest at 8%. A complete inventory is provided for each county. All these properties charge below market rents; some also have rent subsides that reduce the tenant's share to 30% of household income.

Proportion of Rental Housing Units that are Subsidized



Sources: C.Caplan 2009; US Census Bureau - ACS 2005/2007

Long waits for public housing. Public housing, Housing Choice Vouchers, and subsidized units with rent subsidies provide the only decent rental housing that is affordable at the lowest income levels (0% - 30% AMI). Waiting lists vary, but waits of a year or more are common. The longest waits are for vouchers: two to three years in Asheville/Buncombe.

Critical shortage of funds for vouchers. HUD now funds vouchers at a fixed amount regardless of actual costs which depend on tenant incomes. In order to stay within budget, the Asheville housing authority is currently reducing the number of vouchers in use by not re-issuing vouchers that are turned in, and WCCA has been forced to withdraw vouchers from four tenants.

Mismatch of public housing units and needs. A problem specific to the Asheville housing authority is a critical shortage of 1-bedroom units because of diminishing household sizes. 68% of applicants on the waiting list are single people but only 30% of its units are one-bedroom or efficiency units.

E. Special needs

Large unmet need for independent living. Throughout the Consortium there are long waiting lists for affordable independent housing for elderly and disabled people. In Asheville the number of disabled applicants is particularly high.

Need for repair/modification programs. There appears to be a large need for essential housing repairs and accessibility modifications to help elderly and disabled people remain in their own homes. We found numerous church volunteer groups undertaking this type of work, but only the agencies with professional staff can tackle the more challenging repairs.

Sufficient assisted units for elderly. We found that in all counties there are sufficient beds in assisted living facilities for elderly people needing help with daily living activities. However, the quality of facilities is not uniformly good. Also people with income above the Medicaid ceiling may have difficulty finding assisted living they can afford.

Major need for mental health facilities. In the entire Consortium there is only one 6-bed facility licensed to care for people with severe and persistent mental illness. Many individuals with SPMI are housed inappropriately in adult care homes intended for the elderly. Licensed group homes with staff trained to care for the mentally ill are urgently needed in all counties.

F. Construction trends and capacity

Housing starts still falling. Analysis of residential building permit data shows a sharp decline in new housing starts since 2007 (since 2005 in Transylvania and unincorporated areas of Buncombe). There are no clear signs of recovery yet.

Steady production by non-profits. Production by the non-profit sector has not diminished, and could increase if funding and land are available.

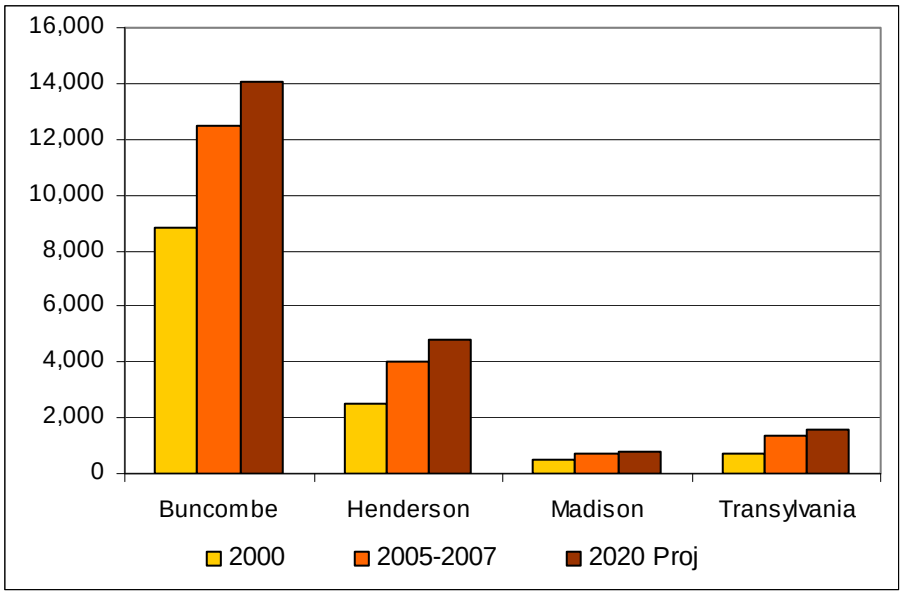
Uncertainty in for-profit sector. Most for-profit developers we spoke to are planning to build fewer units in the next five years than in the past. Almost all were building for sale, not rental, and only a few have a product that is affordable to buyers below median

income. But both volume and type of construction could change with market conditions, particularly if credit restrictions are eased.

G. Housing Needs & Gaps – projection through 2020

Increasing unmet rental needs. Projected needs for affordable rental housing exceed projected supply and the number of cost-burdened or inadequately housed households will continue to grow in all counties, absent major new government initiatives.

Actual and Projected Numbers of Cost-burdened Rental Household With Housing Costs >30% of gross income



Sources: U.S. Census Bureau; T. Tveidt 2009.

Aging population. The 65-74 age group will be the fastest growing age group in all counties except Transylvania. Increased demand for smaller units seems likely.

Decreasing homeownership rate? It will become increasingly difficult for low income households (below 80% AMI) to become homeowners. If current credit restrictions are maintained indefinitely homeownership rates will probably continue to fall in most income groups and rental demand will increase accordingly.

Glossary

Some abbreviations and technical terms used in this study are:

ACS	American Communities Survey
AMI	Area Median Income (also called Median Family Income). HUD uses income groups based on AMI as follows: 0-30% AMI – Extremely low income (ELI) 30.1%-50% AMI - Very low income (VLI) 50.1-80% AMI - Low income
Consortium	The Asheville Regional Housing Consortium, comprising Buncombe, Henderson, Madison and Transylvania counties
FHH	Female Headed Household
HAC	Housing Assistance Corporation, non-profit developer based in Hendersonville
HACA	The Housing Authority of the City of Asheville, serving Asheville and Buncombe County
HUD	The U.S. Department of Housing and Urban Development
LIHTC	Low Income Housing Tax Credit (a rental housing subsidy program)
MHO	Mountain Housing Opportunities, non-profit developer based in Asheville
SPMI	Severe and persistent mental illness
Subsidized	Developed with financial assistance from a government program. Also called "assisted", but this could be confused with "assisted living", which means housing with care services.
USDA	The U.S. Department of Agriculture
Vouchers	Housing Choice Vouchers, formerly called "Section 8 vouchers". A form of tenant-based rent subsidy. It pays the difference between 30% of the tenant's income and the actual rent of an apartment, up to Fair Market Rent.
WCCA	Western Carolina Community Action, non-profit based in Hendersonville which manages the Housing Choice Voucher program in Henderson and Transylvania counties and also develops affordable housing.

People Interviewed for the Housing Needs Assessment

Buncombe County

David Nash, Anthony Goodson, Samantha Bowers	Housing Authority of the City of Asheville
Mike Vance, Joe Quinlan, Sadie Funderburk, Cindy Weeks, James Dennis, Rich Olejniczak, Lloyd Freel	Mountain Housing Opportunities
Lew Kraus, Nancy Erwin, Joan Cooper, Jim Lowder, Ariane Kjellquist	Asheville Area Habitat for Humanity
Tom Leeper	Biltmore Baptist Church, SPAN program
Cynthia Barcklow, Donna Cottrell	Buncombe Co. Planning Dept.
Judy Daniel, Shannon Tuch, Jeff Staudinger, Randy Stallings	City of Asheville, Planning & Development Dept
Elizabeth Teague	Town of Black Mountain, Planning Dept
Dawn Wilson	Black Mountain Housing Commission
Marlene Frisbee	Asheville Code Enforcement
Mack Salley	Buncombe Co. Fire Marshall
Roger Presley	Buncombe Co. Environmental Control
Angie Pittman	Buncombe County Dept. of Social Services
Martha Thompson, Greta Byrd	Liberty Corners
Teri Sferlazza	WNC Community Health Services
Wendy Marsh	Council on Aging, Buncombe County

Henderson County

Pat Calloway	Hendersonville Housing Authority
Warner Behley, Mike Tate, Bob Henson	Henderson County Habitat for Humanity
Patrick Kennedy, Hugh Lipham, Noelle McKay	Housing Assistance Corp
Sheryl Fortune	Western Carolina Community Action
Parker Sloan	Henderson Co. Planning Dept.
Amy Brantley	Henderson Co. Research & Budget
Sue Anderson	Hendersonville Planning Dept.
Toby Linville	Henderson Co. Code Enforcement Services
Tom Sluder	Henderson Co. Building Services
Donna Lovelace	Henderson Co. DSS

Madison County

Beatrice Banks	Marshall Housing Authority
Barbara Robinson	Mars Hill Housing Authority
Genelle King	Madison County Housing Authority
Jeanne Caldwell	Hot Springs Housing Authority
Gil Henry	Madison Co. DSS
Ryan Cody	Madison Co.
Steve Garrison	Madison County
Lori Massey	Community Housing Coalition of Madison Co.
Maxine Pendleton	Madison Co. Habitat for Humanity

Transylvania County

Don Rogers	Transylvania Co. Workforce Housing Coalition
Linda Rote	Transylvania County Habitat for Humanity
Judy Griffin, Sherry Rivenbark	Brevard Housing Authority
Louise Koontz	Transylvania Co. DSS
Mark Burrows	Transylvania Co. Planning Dept.
Sarah Lutz-Pietersen	City of Brevard, Planning Dept.
Jeff Fisher	Transylvania County, Building Dept.
Sheryl Fortune, Sonya Flynn	Western Carolina Community Action

Other Housing Professionals

Karen Kiehna	Land of Sky RCOG
Robin Merrell	Pisgah Legal Services
Jonathan Stansell, Becky Brown	On Track Financial Education & Counseling
Mary Reca Todd	Manager, Supportive Housing, NCHFA
Pat Shelton	Partnership Property Management
Patty Brittan	Partnership Property Management
J.T. Engelhardt	Volunteers of America
Rod Hubbard & John Isgrig	Rod Hubbard Inc.
Harry Weiss	Public Interest Projects
Bruce Alexander	Lifestyle Homes of Distinction
Gerald Green	GreenPlan (828) 254-1575
Michael Figuera	Eco Realty Concepts
Harry Pilos	Delphi Development
Gus Campano	Glade Holdings
Noah George	Keller Williams Hendersonville Office
Bryan Wooding	Asheville Board of Realtors
Lane Sarver, Jon Sarver	Sarver Housing Group
Linda Kendall Fields	Aging Services Consultant
Laura Willis	Western Highlands Network
Guy Morris	ARC of WNC
Bart Floyd	Western Alliance for Independent Living

Barriers to the Development of Affordable Housing and Potential Strategies

Land & Infrastructure – Barriers

- Shortage of developable land because of conservation lands, steep slopes, and protections for other environmentally sensitive areas; contributing to high land costs throughout area, but especially in Asheville
- Non-availability of sewer lines over much of unincorporated land area is major barrier to development and a crucial factor in zoning. Waste water treatment capacity is not a problem except in parts of Madison County. Septic field failure is an increasing problem particularly in north Buncombe and threatens well water quality too.
- Water distribution lines also limited (water supply not a problem except in Madison County. Private wells are a questionable source of supply in long term - hundreds went dry in drought years 2007 & 2008.
- Tensions between pressure to extend water & sewer in order to accommodate growth and pressure to limit it in order to retain rural character of less-developed parts of county.
- State legislation has increased the set-backs for septic fields resulting in minimum developable lot size of about one acre in most areas without sewer service.
- Madison County: Marshall has been forced to place a moratorium on all development until a new water supply is in place (currently in planning stage). Hot Springs has outdated water & sewer systems which limit development. Mars Hill is near the limit of its waste water treatment capacity.

Land & Infrastructure – Strategies

- Zoning policies that encourage denser development in urban areas and other areas with water/sewer service (more strategies below)
- Land-banking while land prices are depressed – possibly through a Community Land Trust. Potential use of Housing Trust Funds
- Local government investment in water/sewer extension for affordable housing, e.g. Cost-sharing for utility line extensions/upgrades for affordable housing (model: Asheville Water Resources Department)
- Use of newly available bond capacity for water & sewer extensions: "Special Assessments for Critical Infrastructure Needs" GS §153A-210
- **Madison County**: potential project linking Mars Hill and Marshall's water and sewer systems would increase development options for affordable housing.
- **Transylvania County**: potential project extending water and sewer lines along US 64 between Brevard and Rosman (to include appropriate zoning)

Zoning & Development Standards – Barriers

- Shortage of appropriately zoned land for M/F & dense S/F housing.
- Major zoning changes have tended to restrict high density development (Asheville in 1995, Henderson in 2004, Buncombe in 2006). In Henderson Co. maximum is 8 per acre with water & sewer service. Exceptions: Black Mountain & Brevard have increased density in some areas.
- Resistance to "smart growth" development (adding density in urban/suburban areas) by residents who wish to preserve existing low-moderate densities of 2-8 units/acre.
- Zoning regulations and/or local opposition restrict location of group homes, particularly for SPMI and formerly incarcerated clients. Madison County restrictions currently facing legal challenge.
- Complaints by developers of delays caused by government rules and procedures in zoning decisions & permitting
- Cost of complying with environmental standards (street standards, storm water retention, stream buffers, slope restrictions, etc.) especially in incorporated areas.
- **Buncombe County:** with few "greenfield" sites suitable for industrial development, the county sees a need to preserve these areas to build economic base rather than for housing.
- **Transylvania County:** The county has no zoning ordinance. This is a barrier to the extension of water and sewer lines – the City of Brevard will not extend lines into unzoned areas.

Zoning & Development Standards – Possible Strategies

- Inclusionary zoning ordinance (questionable whether this is compliant with state law, but is in place in Davidson and not yet challenged)
- Zoning density bonuses for affordable housing (currently only in Asheville)
- Allowing attached or detached accessory units and small multifamily structures by right in all residential zoning districts, subject to design requirements. (Asheville and Black Mountain allow accessory structures and duplexes and Asheville is considering 3- and 4-plexes).
- Allowing clustered "cottage developments" of small units on lots below minimum size (Asheville has a Cottage Development Code for up to 12 units).
- Allowing manufactured homes as single family housing, subject to design requirements.
- Assessing impact of all new development ordinances on affordable housing, as part of public documentation.
- Re-assessing ordinances that have the effect of restricting location of affordable housing, including group homes.
- Simplifying the permitting process. A one-stop permitting model was adopted by Asheville in 2009
- A flexible Rehabilitation Code can make conversion or rehabilitation of older buildings less costly (model: New Jersey)
- Ensuring that building inspectors enforce accessibility standards for all new multifamily housing.
- Requiring that single family housing assisted with local funds meet "visitability" standards.

Financial – Barriers

- Tighter credit for construction financing impacting affordable housing developers.
- Tighter credit for homebuyers. Lenders are requiring higher credit scores, down payments and income stability, even from "prime" borrowers.
- Exceptionally tight conditions for condo mortgages making this the hardest type of housing to sell, despite relative affordability.
- Sharp increase in the cost of Private Mortgage Insurance
- Appraisals are continuing to reduce, making it harder still for borrowers to meet bank's decreased loan-to-value ratios.
- "Cash for clunkers" program harmed home sales – people who took on new car loans damaged their chances of mortgage approval
- Building for homeownership for households below 80% AMI income limit is increasingly difficult. Non-profits using federal funding must market to a narrowing slice of households just below 80%;
- Lack of downpayment or other assistance for buyers in the 80%-120% AMI range (exception: Mission Home Help program.
- Sporadic local and state funding for repair and DPA programs and inadequate allowance for admin costs makes it hard for non-profits to sustain programs.
- Smaller communities need to build up funds over a period of years in order to accomplish a project, but this is not permitted under most program regulations (e.g. HOME).

Financial - Possible Strategies

- Seek funds from more sources. Keep up to date with program & funding changes at federal & state agencies.
- Use of HOPE VI (or successor program) to revitalize a selected Asheville public housing development.
- Seek state CDBG Community Revitalization grants for high-need areas outside Asheville.
- Utilize tax increment financing (self-financing bonds) as part of revitalization initiatives.
- Utilize general obligation bonds with an affordable housing development component (used by several other NC cities).
- Creating Local Housing Trust Funds (HTFs) providing low-interest loans for affordable housing development to meet equity requirements for conventional financing or give federal funding applications a competitive edge (Buncombe County & Asheville have models).
- Increased emphasis on rental housing by existing HTFs
- Extended uses for HTFs, including grants for repairs, rent assistance, and administration of those programs.
- Fee Rebate programs (models: Asheville, Buncombe Co) available for affordably-priced homes <u>and</u> those bought by income-qualified buyers using downpayment assistance
- Facilitate employer-assisted housing (EAH) programs using IDA savings model; federal DHHS "Assets for Independence" program.
- Using HOME funds for rent assistance. Highest priority is people with disabilities.
- Seek state tax incentives for EAH programs – model: Illinois Regional Employer-Assisted Collaboration for Housing (REACH)

Existing Housing Stock – Barriers

- Mobile homes on rented pads do not provide the security and asset-building of homeownership.
- Poor maintenance, high heating costs, and excessive water charges in many mobile home parks. Cannot consider grossly substandard units as a legitimate part of the affordable housing stock.
- Madison County has a significant proportion of severely substandard homes
- Adult Care Homes and Family Care Homes are unsuited to care for non-elderly developmentally disabled and mentally ill residents.
- A shortage of licensed contractors ready to do rehabilitation work to federal and state standards, which include lead-based paint hazard reduction and energy efficiency requirements (reported by Benchmark CMR, Inc.)
- Owners' reluctance to seek assistance with rehabilitation if this requires a lien on their property, even one that is forgivable over time.

Existing Housing Stock – Possible Strategies

- Minimum housing code to improve quality of rental housing (particularly older mobile homes). In place in Asheville, Buncombe, Henderson (since 2008) and Hendersonville; in preparation in Madison County.
- More aggressive enforcement of minimum housing code through mandatory inspections (as in Asheville until 2002). Could be made more acceptable with reduced frequency of inspections and sampling rates for compliant landlords.
- Mobilizing volunteers, particularly church groups, in housing repair programs, similar to Biltmore Baptist's SPAN mission in Buncombe Co. and French Broad Baptist Men's Association in Madison Co.
- Maximizing use of State HOME & CDBG repair/rehab funds. Especially taking advantage of changes in NCHFA allocation that reward productivity.
- Potential opportunities to acquire mobile home parks, while land prices are depressed, for improvement and resident ownership. State tax credit is now available as an incentive to sellers (models: programs in New Hampshire and other states)
- Loans to Adult Care Homes & Family Care Homes to upgrade facilities to Mental Health licensing standards and better serve residents with mental illness and developmental disabilities.

New Construction – Barriers

- High infrastructure costs for development – sloping sites, accessing water & sewer.
- Construction costs have fallen by at least 10% in last year due to recession, but still higher in Consortium area than most other NC cities.
- Fees & permits are a disproportionately large part of the cost of building affordable housing. (Asheville & Buncombe fee rebate programs address this).

New Construction – Possible Strategies

- If financing is available, 2010 could prove a good time to build, taking advantage of lower construction costs.
- Creating partnerships between for-profits and non-profits to build mixed-income developments. For-profits interested in building for low-moderate income market but lack skills in attracting federal/state financing and complying with the accompanying regulations.
- Increasing flexibility of affordable rental housing stock by including more one-bedroom units in "family" developments, to provide housing options for retired, disabled, and single working people as an alternative to building specialized independent housing for these groups.

Transportation – Barriers

- Lack of public transportation (outside Asheville & Hendersonville) is a barrier to the location and affordability of housing, particularly for elderly, disabled, and extremely low income residents, for whom private vehicle ownership is not an option.

Transportation – Possible Strategies

- Incentives for denser development on transit corridors, where public transport exists.
- Reducing off-street parking requirements for multifamily development near transit corridors.
- Extension of transportation services when financially feasible, and retention of vulnerable longer distance routes (e.g. Weaverville-Asheville) during periods of financial constraints.
- Increased frequency and weekend services providing greater independence and economic opportunities for those without access to private vehicles.

Education & Marketing – Barriers

- Outside Buncombe County, affordable housing not seen as a local government priority.
- Loss of income and uncertainty for the future is holding back homebuyers; even Habitat affiliates have difficulty in attracting a sufficient pool of qualified buyers.
- Buyer resistance to condos and townhomes.
- Buyers reluctant to accept downpayment assistance through second mortgages because they are intimidated by complex repayment rules.
- Landlords unwilling to accept Housing Choice Vouchers

Education & Marketing – Possible Strategies

- Encourage input from local housing advocates in policy development affecting affordable housing
- Support financial literacy and housing counseling programs.
- Financial education in schools.
- Partner with Multiple Listing Service to create website listing all homes for sale under $175,000 (under consideration in Buncombe County
- Take advantage of current oversupply of rental units to build pool of landlords willing to accept Housing Choice Vouchers
- Promote state legislation to prohibit discrimination against renters on basis of income source (models: 13 states including UT, NJ CA, WI, OR)
- Reduce complexity of second-mortgage terms at expense of reducing long-term affordability.

Miscellaneous Barriers

- Lack of funding for supportive services limits construction of special needs housing.
- Stringent credit & criminal record checks in affordable rental housing, imposed to protect property condition and neighborhood relations, further marginalize the most vulnerable households.
- Loss of effective non-profits (NHS & AHC), because of financial and/or leadership crises. Recession has reduced income from donations.
- Little tradition of strong corporate support of non-profits in the area.
- Lobbying efforts by those who benefit from the status quo, e.g. nursing homes against increased state support for independent housing for people with disabilities.
- Lack of non-profit capacity/experience in **Madison and Transylvania** counties
- **Henderson Co**. – for certain USDA programs the entire county is now considered non-rural and therefore ineligible.

Miscellaneous Strategies

- Encourage and build inter-agency co-operation – recent progress in Transylvania County shows benefits of this.
- Local government support for the operational costs of non-profit housing agencies.
- Improved coordination of housing & services for people with special needs (appointment of Housing Coordinator at Western Highlands Network has helped).
- Ensuring that non-profit grantees have effective boards with strong oversight of finances and policies to prevent financial and leadership crises.
- Asheville Area Habitat would like opportunity to deconstruct any public buildings being demolished or renovated in Buncombe County.
- Promoting state legislation to prohibit discrimination against renters on basis of income source (models: 13 states including Utah, New Jersey; Montgomery County, MD.)
- Redevelopment of older public housing complexes with better size mix.