

# AFFORDABLE HOUSING FUND REPORT

Urban County Council – Work Session  
June 6, 2017



**LEXINGTON**



## Purpose of Fund

- Leverage public and private investment to preserve and produce safe, quality affordable housing for Fayette County residents whose incomes are at or below 80% of area median income.
- Housing is considered affordable when housing costs are no more than 30% of gross household income.

## Area Median Income

Household Size	100% of AMI	80% of AMI	60% of AMI	50% of AMI	30% of AMI
1	\$46,310	\$37,050	\$27,786	\$23,155	\$13,893
2	\$52,940	\$42,350	\$31,764	\$26,470	\$15,882
3	\$59,560	\$47,720	\$33,936	\$29,780	\$17,868
4	\$66,100	\$52,900	\$39,660	\$33,050	\$19,830



# Affordable Housing Costs Per Month

Household Size	80% of AMI	60% of AMI	50% of AMI	30% of AMI
1	\$926	\$695	\$579	\$347
2	\$1,059	\$794	\$662	\$397
3	\$1,193	\$848	\$745	\$447
4	\$1,323	\$992	\$826	\$496



## Affordable Housing Board

- Paul Thornsberry, Chair
- Jeff Fugate, Vice Chair
- Anthony Wright
- Paul Thornsberry
- Paula King
- Bill Alverson
- Matthew DeMoss
- Vice Mayor Steve Kay
- Council Member James Brown
- Lisa Ball
- Harry Richart
- Charlie Lanter
- Vacant



## Advisory Committee

- Lexington Fair Housing Commission
- Lexington Housing Authority
- Urban League
- AU Associates
- Central Ky. Homeless and Housing Initiative
- Hope Center
- Habitat For Humanity
- Home Builders Association
- Community Ventures
- REACH
- Community Action Council
- Winterwood Property Management and Development



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## Application Process

1. Initial contact and review of program guidelines
2. Application submission and review
3. Technical submission
4. Board of Directors review
5. Pre-Construction conference and closing
6. Construction and placed in service/Inspections
7. Compliance monitoring
8. Loan Servicing/Asset Management



## **Evaluation Criteria**

- Need/Market
- Design of Development
- Financial Feasibility
- Capacity of Developer
- Readiness to Proceed





## **Funding History**

- Fiscal Year 2015 - \$3 Million
- Fiscal Year 2016 - \$2 Million
- Fiscal Year 2017 - \$2 Million
- Fiscal Year 2018 - \$2 Million



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## Financial Report and Projections—June 30, 2018

### Revenue

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Total Allocations	\$9,000,000
Fee Income Earned	\$62,143
Loan Receipts	\$1,716,173
<b>Total</b>	<b>\$10,778,315</b>

### Expenses

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Administrative Expenses	\$486,342
Funding Commitments	\$8,455,365
<b>Funds Available</b>	<b>\$1,836,609</b>



## Fund Activity

### Allocations

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Amortizing loans	\$5,236,641
Forgivable loans and grants	\$3,218,724
<b>Total Allocations</b>	<b>\$8,455,365</b>

### Leverage

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Outside Funding in Developments	\$61,778,229
Affordable Housing Fund Allocation Per Unit	\$11,647

### Loan Repayments

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Annual Loan Repayments	\$176,664
Lump Sum Loan Repayments—FY '18	\$974,866
<b>Total Loan Repayments</b>	<b>\$1,151,530</b>



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## **Affordable Housing Units**

### **Units**

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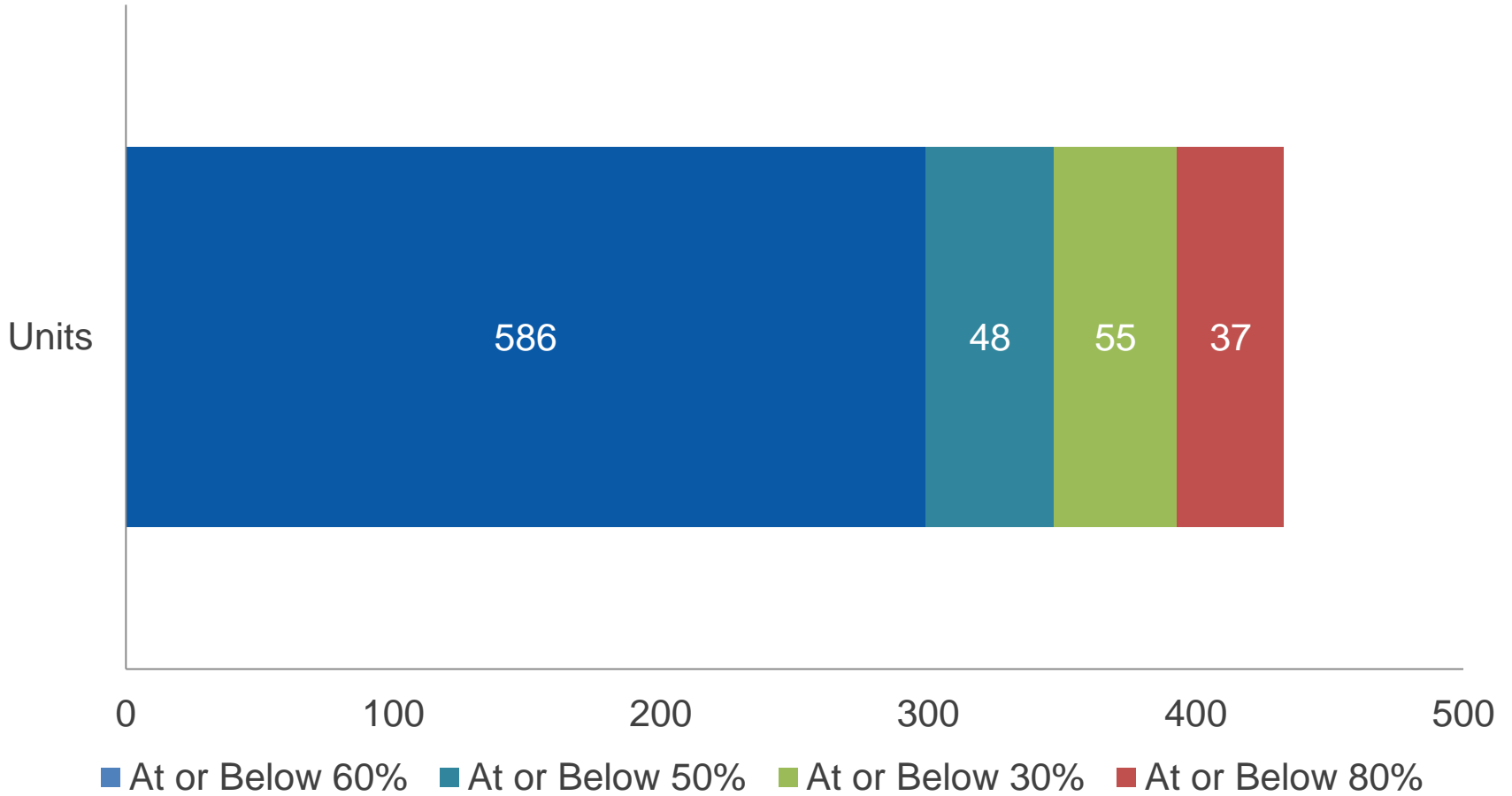
Affordable units preserved	374
New affordable housing units	352
<b>Total units funded</b>	<b>726</b>

### **Special Needs Populations Served**

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Survivors of domestic violence	24
Homeless	34
Mentally and physically disabled	14
Elderly and disabled	59
Severe mental illness	4
Veterans	52
<b>Total special needs units funded</b>	<b>187</b>

## Area Median Income Served





## **Moving Forward**

- Numerous developments are in the pipeline.
- Examine how to further leverage fund resources
- Streamline loan servicing and compliance functions

# Questions?





## Projects

- St. James Place Apartments
  - 169 Deweese Street
  - Phase 1 of development preservation (30 units)
  - Homeless
  - \$403,000 grant





## Projects

- Wilson Street Apartments
  - 329 Wilson Street
  - Rehab of 4 units
  - 3 units for 80% of area median income and below; 1 unit for 50% and below
  - \$41,044 grant



## Projects

- Parkway Plaza Apartments
  - 431 Rogers Road
  - Rehabilitation of 180 units
  - Households at or below 60% of area median income
  - \$159,374 pre-development loan



## Projects

- Stonebridge Apartments
  - 1261 Village Drive
  - Rehabilitation of 47 units
  - Households at or below 50% of area median income (referrals from homeless providers)
  - \$150,000 loan and \$345,092 grant



## Projects

- Kentucky Council Against Domestic Violence
  - Briar Hill Road, Mackenzie lane, Cambridge Drive
  - New construction of 12 units, rehabilitation of 12 units
  - Survivors of domestic violence (referrals from Greenhouse 17); at or below 60% of area median income
  - \$415,686 loan; \$165,000 grant



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## Projects

- Community Ventures
  - Race, Goodloe, Chestnut, Ohio and Warnock Streets
  - Acquisition, new construction and rehabilitation of 8 homeownership units
  - Households at or below 80% of area median income
  - \$394,866 loan, \$260,000 grant



## Projects

- Habitat for Humanity
  - 301 Ash Street
  - Acquisition of site to build home
  - Households at or below 50% of area median income
  - \$5,290 grant



## Projects

- North Limestone Community Development Corporation
  - 142-148 York Street
  - Acquisition and construction of 6 homeownership units
  - Households at or below 80% of area median income
  - Loan for \$159,103; grant for \$163,096



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## Projects

- Lexington Housing Authority
  - 325 Wilgus Avenue
  - Acquisition and rehabilitation of single family home
  - Homeless family
  - \$35,000 loan; \$47,350 grant





## Projects

- 7 Upper Apartments
  - 7<sup>th</sup> and Upper Streets
  - Acquisition and rehabilitation of 7 units
  - Households at or below 80% of area median income (taking referrals from various nonprofit agencies)
  - \$252,000 loan



## Projects

- Parkside III
  - 1048 Cross Keys Drive
  - New construction of 36 units
  - Households at or below 60% of area median income
  - \$1,165,656 loan



## Projects

- Ferrill Square Apartments
  - 471 Price Road
  - Renovation of 59 units
  - Elderly and disabled
  - \$447,768 loan; \$400,000 grant



## Projects

- 5<sup>th</sup> Street Apartments
  - 5<sup>th</sup> and Smith Streets
  - Acquisition and rehabilitation of 4 units
  - Households at or below 80% of area median income
  - \$212,000 loan, \$54,000 grant



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## Projects

- Bob Brown House
  - 507 Rogers Road
  - Rehabilitation of 14 units
  - Mentally and physically disabled
  - \$227,000 grant



## Projects

- Lexington Urban League
  - Chestnut Street and Eastern Avenue
  - Acquisition and rehabilitation of 2 duplexes
  - Households at or below 80% of area median income
  - \$363,187 Loan



## Projects

- New Beginnings, Bluegrass Inc.
  - Rehabilitation of existing building to create 4 units
  - Households with severe mental illness
  - \$96,992 Grant



## Projects

- Arlington Lofts
  - 1001 and 1021 North Limestone Street
  - New construction of 81 units
  - Households at or below 60% of area median income
  - \$500,000 Loan and \$500,000 grant





## Projects

- North Limestone Community Development Corp
  - York Street
  - New Construction of 5 units for homeownership
  - Households at or below 80% of area median income
  - \$250,000 loan and \$140,260 grant



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## Projects

- Two Way Prayer LLC
  - Charles Avenue and Whitney Avenue
  - Acquisition/Rehabilitation of 2 units
  - Veterans
  - \$60,000 grant



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## Projects

- Community Initiatives LLC
  - Anderson Street, Greenwood Avenue, Corral Street, Carlisle Avenue
  - Acquisition/Rehabilitation of 4 units
  - Households who are formerly homeless
  - \$102,000 Loan and \$10,600 grant



## **Projects**

- **Downing Place Apartments**
  - Spangler Avenue
  - Acquisition/Rehabilitation of 155 Units
  - Households at or below 60% of area median income
  - \$300,000 loan and \$300,000 grant



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## Projects

- Leestown Veterans Administration Development
  - Opportunity Way and Leestown Road
  - New Construction/Rehabilitation 50 Units
  - Veterans and their families
  - \$330,000 pre-development loan