



Charlotte City Council
Housing, Safety & Community Committee
Summary
May 1, 2023

COMMITTEE AGENDA TOPICS

1. A Home for All Overview (Informational/Discussion)
2. Housing Trust Fund Follow-Up (Action)

COMMITTEE INFORMATION

Committee Members Present:	Victoria Watlington (CMGC), LaWana Mayfield (CMGC), Tariq Bokhari (CMGC), Renee' Johnson (CMGC)
Council Members Absent:	Marjorie Molina
Other Council Members Present:	n/a
Staff Resources:	Reenie Askew, City Manager's Office Shawn Heath, Housing & Neighborhood Services Rebecca Hefner, Housing & Neighborhood Services Patrick Baker, City Attorney's Office
Guests:	Kathryn Firmin-Sellers, United Way
Meeting Duration:	4:00 – 5:30 PM
Video available online:	https://youtu.be/ZnV6WOPNEHk?t=21783

MEETING MATERIALS

All meeting materials are available online at <https://charlottenc.legistar.com>

1. Presentation: A Home for All Overview
2. Presentation: Housing Trust Fund Follow-up Discussion from April 24, 2023 Business Meeting

DISCUSSION HIGHLIGHTS

City Council member Watlington called the meeting to order and asked everyone to introduce themselves.

A Home for All Overview

Shawn Heath reminded the committee that the A Home For All effort is intended to address the entire continuum including not only homelessness but also housing. Heath shared that a number of things that will come up in the discussion will not be brand new but instead will build upon what is already underway, and where possible the city will want this to dovetail with the A Home For All efforts into a seamless strategy.

Kathryn Firmin-Sellers provided an overview of the A Home For All effort, including the background of the initiative, key milestones, and the role of United Way. Firmin-Sellers outlined the three key pillars that need to be addressed: person-directed care, prevention (keeping people housed), and housing production. Firmin-Sellers explained why the pillars are crucial, and shared a proposed pilot for each. Firmin-Sellers shared that seed-funding has been requested from the city and county for a number of items, and that it is believed that both the city and county should invest in support of the work. Firmin-Sellers shared that all of the proposals were informed by individuals with relevant experience, and going forward each implementation / planning team will also have individuals with lived experiences to help inform project design - this will help ensure that programs are representative of the people in need and populations that historically are hard to serve. Firmin-Sellers shared that the planning grants are to make sure that the programs will be optimally designed to have maximum impact and include an evaluation structure; the planning grants are not to research the

problem which is already well known. Firmin-Sellers also shared that there will be an advocacy agenda attached to the implementation strategy. The next step is to begin the work of moving the proposed pilots forward over the next few years and as those begin to gain traction then other initiatives will be moved forward.

Rebecca Hefner shared that the idea about investing in the planning grants is to redesign the system to make it easier for residents to participate in available programs by coordinating across the various funding streams and partners.

Heath shared that the seed-funding request is reasonable for fiscal year 2024 and can be accommodated through existing resources.

The committee shared the following feedback:

- It's important to make sure that governance including program development is truly representative of the community we are trying to serve.
- The proposed model with collaboration with the County for supportive services is important.
- Importance of being transparent; the expectation should be that overhead is captured externally.
- Be crystal clear about what we are investing in and how it is different from what we are already doing, and what we expect to get from United Way.
- Leveraging real-time information/data to inform program design.
- Desire to capture real-time information about occurrences of landlords not accepting vouchers.
- Desire to explore expunging eviction records to help remove housing barriers.

Patrick Baker shared an update on Bill 551. As the bill is currently written he feels confident that it would not prohibit enforcement of the city's recent policy when it comes to source of income discrimination in city-supported affordable housing.

Housing Trust Fund Follow-up

Shawn Heath provided an overview of the current status of the Housing Trust Fund (HTF) and the forthcoming funding opportunities (e.g., traditional HTF RFPs, rolling NOAH RFP, and rolling RFP for land acquisition). Two specific questions were referred to the committee by the Mayor and City Council from the April 24, 2023 business meeting: 1. evaluation of the Sycamore Station project, and 2. when the city releases HTF RFPs in the future should we be more explicit that projects that have closed on financing and commenced construction should not be eligible. It has always been understood that the role of the HTF was to provide gap funding as last dollars in and but-for the city dollars the project would not happen, and this has been before financing was closed and construction was underway. Heath shared that he is concerned about the signal that funding a project under construction/close to completion could send to the marketplace because the HTF is the best money in town and there's a reason developers want HTF dollars – it's the softest financing that's available and the bar should be the highest of high bars in order for a developer to receive funds. The Sycamore Station project deviates far from the HTF historical standards in that it is over 90% complete. The project is different from the most recent HTF gap funding awards – the biggest distinction is that those projects had previously been awarded HTF funds and there was already a partnership in place where the city had a vested interest. While those were unusual circumstances, the Sycamore project takes those circumstances to the Nth degree. Heath also acknowledged that there is a value proposition for Council to consider, including delivering 30 percent units to the marketplace quicker than any other scenario except NOAH.

Council member Mayfield encouraged the committee to keep the "but-for" requirement for city funds, and particularly as the city has very limited dollars. Mayfield shared her concern about setting a new precedent and having developers perceive the HTF as a source that they can easily access by making a couple of adjustments to their project. Mayfield supports staff researching the issue of funding after construction, including talking with current partners so that they are at the table. Mayfield also asked Patrick Baker to advise if the city can require that residents that have lived in Charlotte and been on waiting lists in Charlotte for longer periods of time be given preference in developments supported with city funds. Baker said he would need to get back with the answer to this.

Council member Johnson shared that she supports HTF funds for the Sycamore Station project. The city needs to be aggressive and do something different. There might be a process where a developer is at the end of construction and they are willing to house our most vulnerable residents. The city could put other criteria on this last minute funding such as not discriminating against someone with a criminal background. It could be a process that the city would be consistent with so that all developers were aware of the opportunity. Johnson shared that she believes there is a huge value proposition for supporting the Sycamore development.

Council member Watlington shared that she believes the city is in the best negotiating space it could ever be in, and it could not look much better for the city and the people that actually need housing. Being further along in construction and able to bring units online more quickly instead of three years out for new construction projects is worth discussing.

Council member Bokhari shared his concern that a developer is over 90 percent done with their project, and things have changed for the development so they looked at their options and identified that city funds make the most sense. He also shared that the city needs to get serious about changing the model to make a real difference. He is prepared to vote yes to send the project back to full Council and let the full Council have the opportunity to make a decision of support or not.

MOTION AND VOTE. Council member Johnson made a motion to advance the Sycamore Station \$1.7 million Housing Trust Fund request to full City Council for discussion and vote. Council member Watlington seconded the motion. The vote was 3:1 in favor of the motion (Approved: Watlington, Bokhari, Johnson; Opposed: Mayfield)

Next Meeting

The next meeting will occur on June 5, 2023.

Meeting adjourned at approximately 5:30 pm.