

Housing Trust Fund Recommendations

FOLLOW-UP DISCUSSION WITH CITY COUNCIL
OCTOBER 13, 2025

Supportive Housing and Shelter Capacity

- ▶ **\$9 Million investment goal in the Affordable Housing Funding Policy for Supportive Housing and Shelter Capacity**
 - Includes single-use and scattered site permanent supportive housing, transitional housing, and emergency shelter capacity
- ▶ **Policy Alignment**
 - Priority Populations – Focus on vulnerable populations
 - Resident Services – Link housing and services to create stronger outcomes
 - Partnerships & Leverage – Priority given to proposals that incorporate broad partnerships, partnerships to provide resident services, and investments that improve quality of life and access to opportunity
- ▶ **Financial Structure**
 - Per unit/per room construction costs typically higher for supportive housing types
 - Requires space for case worker and system navigator offices, medical facilities, classrooms, and other types of amenities that directly support specific needs of residents
 - Little to no rent, and cannot carry debt – leverage ratios are often 1:2-1:4 as public and philanthropic dollars constitute the majority of the project capital

Supportive Housing & Shelter Capacity

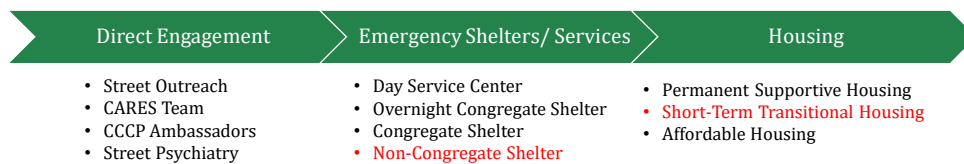
Data

- ▶ According to the January 2025 Point-in-Time count data, there were **444 people (421 households) experiencing unsheltered homelessness** in Mecklenburg County (a 16% increase from prior year and highest count since 2010)
- ▶ According to a 2024 survey (of approximately 180 unsheltered residents) administered by UNC-Charlotte and Mecklenburg County, having **"more privacy"** was cited as the primary factor that would make the survey participants **more likely to use shelter services**

Stakeholder Feedback

- ▶ Residents cite persistent quality-of-life challenges associated with the unhoused
- ▶ Uptown employers have identified challenges associated with unhoused as a top priority
- ▶ Local stakeholders identified the NCES idea as the best starting point to address unhoused challenges

Simplified Ecosystem Snapshot



Mecklenburg County Hotel Conversion

Non-Congregate Shelter

District 2 | 6309 Banner Elk Drive



Financial Summary

Funding Request	\$	4,250,000
Prev. City Funding	\$	-
Investment per Room	\$	68,548
Investment per Room per Year	\$	692
Total Project Cost	\$	8,500,000
Acquisition	\$	5,500,000
Renovation	\$	3,000,000
Development Cost per Room	\$	137,097
City Funding as % of Sources		50%

Key Indicators

Rooms	62
Affordability Period	99 years
HTF Within 0.5 Miles	2
CBI Commitment	13%

Non-Congregate Emergency Shelter (NCES)

Defining Attributes of the NCES

- ▶ Non-congregate design (62 residential rooms)
- ▶ 24-hour shelter (i.e., guests not required to vacate each morning)
- ▶ Low-barrier entrance requirements
- ▶ Serve adults (including multi-member adult households without minor children)
- ▶ On-site medical care, mental health services, and substance use treatment
- ▶ Transportation options embedded in the model
- ▶ **Some shelter capacity earmarked for direct referrals from City/County street outreach partners**

Desired Model for Public-Private Partnership

- ▶ City-County collaboration to fund the acquisition and conversion/renovation of an existing building
- ▶ Private sector to fund first three years of operating costs for the shelter – **City funding contingent on private sector commitment**
- ▶ Qualified, experienced service provider to be selected (through a national search) to operate the shelter, and be responsible for advancing a sustainable financial model starting in year 4

Dream Center Campus

Transitional Housing



Charlotte Mecklenburg Dream Center

District 2 | 5612 Freedom Dr

Financial Summary

Funding Request	\$	2,000,000
Prev. City Funding	\$	-
Investment per Unit/Room	\$	41,667
Investment per Unit/Room per Year	\$	421
Total Project Cost	\$	12,100,685
Total Development Cost per Unit/Room	\$	252,098
City Funding as % of Sources		17%

Key Indicators

Units / Rooms	8 / 48
Affordability Period	99 years
HTF Within 0.5 Miles	-
CBI Commitment	13%

Dream Center Campus

- ▶ **Charlotte-Mecklenburg Dream Center is a faith-based non-profit engaged in community work supporting low-income communities in Charlotte since 2014**
 - Partnership with True Homes to develop the housing units at cost
- ▶ **Proposes a holistic approach to transitional housing that combines stable housing, health, life-skills, and job readiness training**
 - Will serve individuals and families impacted by drug and alcohol addiction, homelessness, displaced persons, and individuals reentering the community from institutional settings
- ▶ **Resident services include wraparound supports for mental health and addiction recovery, daycare services, and recreational facilities**
 - Partnerships include Atrium Health, Charlotte Works, Noble Food & Pursuit, Precision Plumbing, and Interstate Electric

Appendix

Kendall Crossing

4% Tax Credit - Senior



Location Summary				
Proximity	Access	Change	Diversity	Total
5.0	3.4	8.1	5.0	21.5

Unit Mix							
30%	40%	50%	60%	70%	80%	Market	Total
20	0	0	37	43	0	0	100

The Paces Foundation, Inc.

District 3 | 9400 Kendall Drive

Financial Summary	
Funding Request	\$ 4,975,000
Prev. City Funding	\$ -
Investment per Unit	\$ 49,750
Investment per Unit per Year	\$ 503
Total Development Cost (TDC)	\$ 29,793,505
TDC per Unit	\$ 297,935
CBI Commitment	15%
City Funding as % of Sources	17%

Key Indicators	
Affordability Period	99 years
% at 30%	20%
% >2BR	0%
Investment Realization Period	13 years
10-Year Rent Savings	\$ 3,783,906
HTF Within 0.5 Miles	-

River District Apartments

Non-LIHTC - Family



Location Summary				
Proximity	Access	Change	Diversity	Total
0.0	3.2	8.1	3.3	14.6

Unit Mix							
30%	40%	50%	60%	70%	80%	Market	Total
18	0	0	15	0	54	0	87

Laurel Street Residential, LLC

District 3 | 6998 Westrow Avenue

Financial Summary	
Funding Request	\$ 900,000
Prev. City Funding	\$ 5,800,000
Investment per Unit	\$ 77,011
Investment per Unit per Year	\$ 778
Total Development Cost (TDC)	\$ 23,820,000
TDC per Unit	\$ 273,793
CBI Commitment	15%
City Funding as % of Sources	28%

Key Indicators	
Affordability Period	99 years
% at 30%	21%
% >2BR	16%
Investment Realization Period	13 years
10-Year Rent Savings	\$ 5,158,608
HTF Within 0.5 Miles	-

Weddington Road Apartments

4% Tax Credit - Family



Location Summary				
Proximity	Access	Change	Diversity	Total
3.5	1.8	3.0	10.0	18.3

Unit Mix							
30%	40%	50%	60%	70%	80%	Market	Total
18	0	0	67	0	0	0	85

DreamKey Partners, Inc.

District 7 | 3900 Weddington Road

Financial Summary	
Funding Request	\$ 3,990,000
Prev. City Funding	\$ 3,150,000
Investment per Unit	\$ 84,000
Investment per Unit per Year	\$ 848
Total Development Cost (TDC)	\$ 25,619,120
TDC per Unit	\$ 301,401
CBI Commitment	13%
City Funding as % of Sources	28%

Key Indicators	
Affordability Period	99 years
% at 30%	21%
% >2BR	19%
Investment Realization Period	10 years
10-Year Rent Savings	\$ 7,515,398
HTF Within 0.5 Miles	-

Aveline at Newell Town Homes

Homeownership



Location Summary				
Proximity	Access	Change	Diversity	Total
1.0	5.7	9.3	2.0	18.0

Unit Mix							
30%	40%	50%	60%	70%	80%	Market	Total
0	0	0	0	0	54	0	54



DreamKey Partners, Inc.

District 4 | 8049 Old Concord Road

Financial Summary	
Funding Request	\$ 702,000
Prev. City Funding	\$ 2,430,000
Investment per Unit	\$ 58,000
Investment per Unit per Year	\$ 1,933
Total Development Cost (TDC)	\$ 17,738,955
TDC per Unit	\$ 328,499
CBI Commitment	13%
City Funding as % of Sources	18%
Years of Affordability	30 years

Sales Price & Additional Information	
Average First Mortgage	\$171,000
Sales Price Range	\$267k - \$281k

Ellington Townhomes

Homeownership



Location Summary

Proximity	Access	Change	Diversity	Total
9.0	6.0	9.9	5.0	29.9

Unit Mix

30%	40%	50%	60%	70%	80%	Market	Total
0	0	0	0	35	0	0	35

DreamKey Partners, Inc.

District 1 | 3430 Wheatley Avenue

Financial Summary

Funding Request	\$	1,750,000
Prev. City Funding	\$	-
Investment per Unit	\$	50,000
Investment per Unit per Year	\$	1,667
Total Development Cost (TDC)	\$	10,923,990
TDC per Unit	\$	312,114
CBI Commitment		13%
City Funding as % of Sources		16%
Years of Affordability		30 years

Sales Price & Additional Information

Average First Mortgage	\$169,000
Sales Price Range	\$255k - \$270k

Unity Oaks

Homeownership



Location Summary

Proximity	Access	Change	Diversity	Total
2.5	3.1	5.4	5.4	16.4

Unit Mix

30%	40%	50%	60%	70%	80%	Market	Total*
0	0	0	17	10	4	40	31

*Total reflects only the affordable units.

Habitat for Humanity of the Charlotte Region, Inc.

District 4 | Grier Road and W.T. Harris Blvd

Financial Summary

Funding Request	\$	1,395,000
Prev. City Funding	\$	-
Investment per Unit	\$	45,000
Investment per Unit per Year	\$	455
Total Development Cost (TDC)	\$	9,430,206
TDC per Unit	\$	304,200
CBI Commitment		13%
City Funding as % of Sources		15%
Years of Affordability		99 years

Sales Price & Additional Information

Average First Mortgage	\$198,646
Sales Price Range	\$265,000