

AFFORDABLE HOUSING FUNDING RECOMMENDATIONS

APRIL 14, 2025 – CITY COUNCIL ACTION REVIEW

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Affordable Housing Funding Recommendations

Council Priority Alignment

- ▶ Great Neighborhoods; Affordable Housing

Purpose

- ▶ To review and discuss staff recommendations for affordable housing development support requests received in response to recent Request for Proposals (RFP)

Key Takeaways

- ▶ This is the first funding cycle following the expansion of the housing bond and City Council's adoption of the Affordable Housing Funding Policy
- ▶ This was a very competitive RFP round, with a total of 25 proposals received totaling \$77.8 M
- ▶ Proposals include a mixture of development types including multi-family development and NOAH preservation, homeownership, TOD site acquisition, and leveraging city-owned land for affordable housing development
- ▶ Staff recommends approval of 13 Housing Trust Fund proposals and two proposals for the use of city-owned land for affordable housing development
- ▶ Staff recommends deferral to the next RFP cycle for others, to provide an opportunity for staff to continue working with developers to refine their proposals

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Affordable Housing Funding Recommendations

Previous Council Communication

- ▶ **September 2024: Council adopts Affordable Housing Funding Policy**
- ▶ **April 3, 2025: Memo and report summarizing the proposals received in response to RFPs distributed in Council's weekly packet**

Future Council Action

- ▶ **April 28, 2025: Recommended investments will be on the Business Agenda for consideration**

HOUSING: STORY

Traditional Focus on Housing Unit Production



More Holistic Focus on Resident Outcomes



Economic Mobility



Neighborhood Affordability



Residential Stability

\$100 Million Housing Bond Activation

Investment Category	Goal	Activation Plan
Rental Housing Production	\$35 M	<ul style="list-style-type: none"> Housing Trust Fund RFP <ul style="list-style-type: none"> First round recommendations April 14, 2025 Second round opens in May, recommendations in September
Homeownership	\$25 M	<ul style="list-style-type: none"> Housing Trust Fund RFP House Charlotte – New program guidelines Acquisition, Rehab, Resale Revolving Loan Fund
Rental Housing Preservation	\$14 M	<ul style="list-style-type: none"> Rolling NOAH RFP Small Landlord Retrofit Program
Supportive Housing & Shelter	\$9 M	<ul style="list-style-type: none"> Housing Trust Fund RFP
Housing Rehab and Emergency Repair	\$5 M	<ul style="list-style-type: none"> RFP for Partners CiviForm application for Emergency Repair
Innovation Pilot Fund	\$5 M	<ul style="list-style-type: none"> HSC Committee to provide guidance, staff will cultivate future opportunities and bring forward for consideration
Site Acquisition	\$5 M	<ul style="list-style-type: none"> TOD Land Acquisition RFP
Administration & Evaluation	\$2 M	<ul style="list-style-type: none"> Partner Contracts for Evaluation and Services
Total	\$100 M	

Housing Funding Policy Goals

► Economic Mobility

Residents will have access to services that increase employment, income, and wealth and reduce barriers to housing stability

► Neighborhood Affordability

Residents of all incomes will have access to diverse housing options in thriving neighborhoods

► Residential Stability

Residents will have access to safe, quality, affordable housing and supports to help them maintain housing stability

Housing Bond Investment Priorities

► Priority Populations

Focus on homebuyers, lower-wage workers, households at-risk for displacement, and vulnerable populations

► Location Priorities

Incentivize locations where investment increases housing choice and creates the greatest impact

► Resident Services

Link housing and services to create stronger outcomes

► Partnerships and Leverage

Build partnerships and leverage the market

► Innovation

Activate bold ideas with potential to scale

Housing Development Fund Overview

► Provides gap financing for affordable housing developments

► Fund replenished on biennial basis via bond referendum and federal allocations

► Winter Request For Proposals (RFP) aligns with state tax credit application deadlines

► Separate “rolling RFP” for NOAH and TOD funding requests

► Proposals evaluated for alignment with City Council's Affordable Housing Funding Policy

Housing Development Fund Schedule

Milestone	Dates
Release Request For Proposals	November 27, 2024
Proposal Submission Deadline	January 24, 2025
City Council Action Review	April 14, 2025
City Council Approval	April 28, 2025
Next RFP	May to September 2025

Note: NOAH & TOD Acquisition are rolling RFPs that stay open until funds are depleted. Applications for those development types may come forward to Council outside this cycle.

Housing Development Proposals

Investment Categories	Council Allocation of \$100 M	Committed to Date	Funding Available	Number of Proposals	Funding Requested
Rental Housing Production	\$35 M	-	\$35 M	13	\$ 61,157,000
Homeownership	\$25 M	-	\$25 M	4	\$ 4,782,000
Rental Housing Preservation & Anti-Displacement	\$14 M	\$5.1 M	\$8.9 M*	2	\$ 10,400,000
Site Acquisitions**	-	-	-	1	\$ 1,500,000
City-Owned Land	-	-	-	5	-
Total				25	\$ 77,839,000

*Council approved a \$5.1 M NOAH development on February 10, 2025

**Leveraging TOD Fee-in-Lieu Fund, not Housing Trust Fund



Recommended Developments: Rental Production

Baker Crossing

9% Tax Credit - Family



Location Summary

Proximity	Access	Change	Diversity	Total
8.0	5.8	0.0	3.9	17.7

Unit Mix

30%	40%	50%	60%	70%	80%	Market	Total
15	-	9	8	-	26	-	58

Woda Cooper

District 1 | 6351 N Tryon Street

Financial Summary

Funding Request	\$ 1,972,000
Prev. City Funding	\$ -
Investment per Unit	\$ 34,000
Investment per Unit per Year	\$ 343
Total Development Cost (TDC)	\$ 18,193,431
TDC per Unit	\$ 313,680
CBI Commitment	20%
City Funding as % of Sources	11%

Key Indicators

Affordability Period	99 years
% at 30%	26%
% >2BR	14%
Investment Realization Period	6 years
10-Year Rent Savings	\$ 3,563,249
HTF Within 0.5 Miles	-

The Barton South

4% Tax Credit - Family



Location Summary

Proximity	Access	Change	Diversity	Total
8.0	6.1	9.1	3.0	26.2

Unit Mix

30%	40%	50%	60%	70%	80%	Market	Total
28	-	23	53	-	36	-	140

Blue Ridge Atlantic Development

District 3 | 6000 Old Pineville Road

Financial Summary

Funding Request	\$ 3,000,000
Prev. City Funding	\$ 3,000,000
Investment per Unit	\$ 42,857
Investment per Unit per Year	\$ 433
Total Development Cost (TDC)	\$ 46,594,622
TDC per Unit	\$ 332,819
CBI Commitment	13%
City Funding as % of Sources	6%

Key Indicators

Affordability Period	99 years
% at 30%	20%
% >2BR	23%
Investment Realization Period	7 years
10-Year Rent Savings	\$ 9,750,304
HTF Within 0.5 Miles	-

Havenridge at Sharon Amity

4% Tax Credit - Senior



Location Summary

Proximity	Access	Change	Diversity	Total
10.0	4.2	6.8	3.0	24.0

Unit Mix

30%	40%	50%	60%	70%	80%	Market	Total
24	-	-	60	-	36	-	120

Dominion

District 5 | 2912 & 2922 North Sharon Amity

Financial Summary

Funding Request	\$ 6,000,000
Prev. City Funding	\$ -
Investment per Unit	\$ 50,000
Investment per Unit per Year	\$ 505
Total Development Cost (TDC)	\$ 38,000,000
TDC per Unit	\$ 316,667
CBI Commitment	20%
City Funding as % of Sources	16%

Key Indicators

Affordability Period	99 years
% at 30%	20%
% >2BR	0%
Investment Realization Period	9 years
10-Year Rent Savings	\$ 7,352,932
HTF Within 0.5 Miles	-

Union at Graham

4% Tax Credit - Family



Location Summary

Proximity	Access	Change	Diversity	Total
4.7	3.4	8.0	2.9	19.0

Unit Mix

30%	40%	50%	60%	70%	80%	Market	Total
40	-	21	7	130	-	-	198

Annex Group

District 1 | 2701 Oneida Rd

Financial Summary

Funding Request	\$ 4,400,000
Prev. City Funding	\$ -
Investment per Unit	\$ 22,222
Investment per Unit per Year	\$ 224
Total Development Cost (TDC)	\$ 55,240,017
TDC per Unit	\$ 278,990
CBI Commitment	13%
City Funding as % of Sources	8%

Key Indicators

Affordability Period	99 years
% at 30%	20%
% >2BR	18%
Investment Realization Period	6 years
10-Year Rent Savings	\$ 8,326,491
HTF Within 0.5 Miles	-

Woodward Apartments

4% Tax Credit - Family



Location Summary

Proximity	Access	Change	Diversity	Total
7.9	5.2	9.9	4.3	27.3

Unit Mix

30%	40%	50%	60%	70%	80%	Market	Total
27	-	-	65	-	38	-	130

Standard Communities

District 1 | 901 Woodward Ave

Financial Summary

Funding Request	\$ 4,550,000
Prev. City Funding	\$ -
Investment per Unit	\$ 35,000
Investment per Unit per Year	\$ 354
Total Development Cost (TDC)	\$ 36,026,119
TDC per Unit	\$ 277,124
CBI Commitment	20%
City Funding as % of Sources	13%

Key Indicators

Affordability Period	99 years
% at 30%	21%
% >2BR	9%
Investment Realization Period	5 years
10-Year Rent Savings	\$11,548,437
HTF Within 0.5 Miles	3

Long Creek Commons

9% Tax Credit - Senior



Location Summary

Proximity	Access	Change	Diversity	Total
5.0	2.8	7.9	9.7	25.4

Unit Mix

30%	40%	50%	60%	70%	80%	Market	Total
12	-	8	24	4	-	-	48

South Creek Development

District ETJ | 9102 Beatties Ford Road

Financial Summary

Funding Request	\$ 800,000
Prev. City Funding	\$ -
Investment per Unit	\$ 16,667
Investment per Unit per Year	\$ 333
Total Development Cost (TDC)	\$16,048,332
TDC per Unit	\$ 334,340
CBI Commitment	15%
City Funding as % of Sources	5%

Key Indicators

Affordability Period	50 years
% at 30%	25%
% >2BR	0%
Investment Realization Period	4 years
10-Year Rent Savings	\$2,696,029
HTF Within 0.5 Miles	1



Further Evaluation

Brooklyn Village Multifamily I & II Legacy Development

4% Tax Credit - Family

District 1 | 700 Brooklyn Village Avenue



Development Summary

Funding Request	\$ 13,500,000
Prev. City Funding	\$ -
Investment per Unit	\$ 54,000
Investment per Unit per Year	\$ 545
Total Development Cost (TDC)	\$ 103,305,863
TDC per Unit	\$ 409,049
CBI Commitment	35%
City Funding as % of Sources	13%
Affordability Period	99 years

► Key Points

- Significant site, part of the Brooklyn Village redevelopment master plan
- Multiple public partnerships at play – City, Mecklenburg County, INLIVIAN
- As designed, there are challenges with the project financials
- Largest ask in HTF history would essentially exhaust Council's Rental Production allocation goal

► Recommendation

- Defer for now, but direct staff to convene partners to explore alternatives to the current funding structure. Bring a recommendation back to City Council in June.



Recommended Developments: Homeownership

Aveline Newell Townhomes - DreamKey



Homeownership

District 4 | 8049 Old Concord Road



Financial Summary

Funding Request	\$ 2,430,000
Prev. City Funding	
Investment per Unit	\$ 45,000
Investment per Unit per Year	\$ 1,500
Total Development Cost (TDC)	\$15,020,322
TDC per Unit	\$ 278,154
CBI Commitment	13%
City Funding as % of Sources	16%
Years of Affordability	30 years

Location Summary

Proximity	Access	Change	Diversity	Total
1.0	5.7	8.2	1.0	15.9

Unit Mix

30%	40%	50%	60%	70%	80%	Market	Total
-	-	-	13	14	27	-	54

Sales Price & Additional Information

Average First Mortgage	\$135,000
Sales Price Range	\$267K - \$276K

Carya Pond Townhomes - Habitat

Homeownership

District 5 | Carya Pond Lane



Financial Summary

Funding Request	\$ 1,632,000
Prev. City Funding	
Investment per Unit	\$ 51,000
Investment per Unit per Year	\$ 3,400
Total Development Cost (TDC)	\$12,482,462
TDC per Unit	\$ 390,077
CBI Commitment	11%
City Funding as % of Sources	13%
Years of Affordability	15 years

Location Summary

Proximity	Access	Change	Diversity	Total
1.0	2.7	7.6	4.7	16.0

Unit Mix

30%	40%	50%	60%	70%	80%	Market	Total*
-	-	10	11	5	6	41	32

*Total reflects only affordable units

Sales Price & Additional Information

Average First Mortgage	\$213,000
Sales Price Range	\$285K - \$320K

*Re-sale provision is 15 years; effective period of additional restrictions is 45 years, including right-of-first refusal, and unit may not be used as a rental.

Frew Road Townhomes - Habitat

Homeownership

District 1 | 3547 Frew Road



Financial Summary

Funding Request	\$ 315,000
Prev. City Funding	
Investment per Unit	\$ 45,000
Investment per Unit per Year	\$ 3,000
Total Development Cost (TDC)	\$ 2,807,787
TDC per Unit	\$ 401,112
CBI Commitment	9%
City Funding as % of Sources	11%
Years of Affordability	15 years

Location Summary

Proximity	Access	Change	Diversity	Total
9.00	6.70	9.80	3.30	28.80

Unit Mix

30%	40%	50%	60%	70%	80%	Market	Total*
0	0	2	2	3	0	1	7

*Total reflects only affordable units

Sales Price & Additional Information

Average First Mortgage	\$195,000
Sales Price Range	\$265K - \$285K

*Re-sale provision is 15 years; effective period of additional restrictions is 45 years, including right-of-first refusal, and unit may not be used as a rental.

Tom Hunter Homes - Habitat

Homeownership

District 1 | 424 Tom Hunter Road



Financial Summary

Funding Request	\$ 405,000
Prev. City Funding	
Investment per Unit	\$ 45,000
Investment per Unit per Year	\$ 3,000
Total Development Cost (TDC)	\$ 3,543,636
TDC per Unit	\$ 393,737
CBI Commitment	9%
City Funding as % of Sources	11%
Years of Affordability	15 years

Location Summary

Proximity	Access	Change	Diversity	Total
8.5	6.1	9.6	3.2	27.4

Unit Mix

30%	40%	50%	60%	70%	80%	Market	Total*
-	-	3	2	-	4	1	9

*Total reflects only affordable units

Sales Price & Additional Information

Average First Mortgage	\$213,000
Sales Price Range	\$265K - \$285K

*Re-sale provision is 15 years; effective period of additional restrictions is 45 years, including right-of-first refusal, and unit may not be used as a rental.



Recommended Developments: Rental Preservation

This application has been withdrawn by Developer

The Hideaway at Kingspark

Rental Preservation - NOAH



Location Summary							
Proximity	Access		Change		Diversity		Total
6.5	6.6		9.9		3.0		26.0
Unit Mix							
30%	40%	50%	60%	70%	80%	Market	Total
33	-	-	55	-	22	-	110

Sandee Road Ventures

District 3 | 2425 Kingspark Dr

Financial Summary	
Funding Request	\$ 5,000,000
Prev . City Funding	
Investment per Unit	\$ 45,455
Investment per Unit per Year	\$ 1,136
Total Development Cost (TDC)	\$ 18,000,000
TDC per Unit	\$ 163,636
CBI Commitment	13%
City Funding as % of Sources	28%

Key Indicators	
Affordability Period	40 years
% at 30%	30.00%
HTF Within 0.5 Miles	4

Woodford Estates (Willow Park NOAH)

Rental Preservation - NOAH



Location Summary

Proximity	Access	Change	Diversity	Total
10.0	5.0	3.5	3.4	21.9

Unit Mix

30%	40%	50%	60%	70%	80%	Market	Total
68	-	-	114	-	46	-	228

Ascent Housing

District 5 | 4630 Central Ave

Financial Summary

Funding Request	\$ 5,400,000
Prev. City Funding	
Investment per Unit	\$ 23,684
Investment per Unit per Year	\$ 1,184
Total Development Cost (TDC)	\$ 35,850,000
TDC per Unit	\$ 157,237
CBI Commitment	13%
City Funding as % of Sources	15%

Key Indicators

Affordability Period	20 years
% at 30%	29.82%
HTF Within 0.5 Miles	2

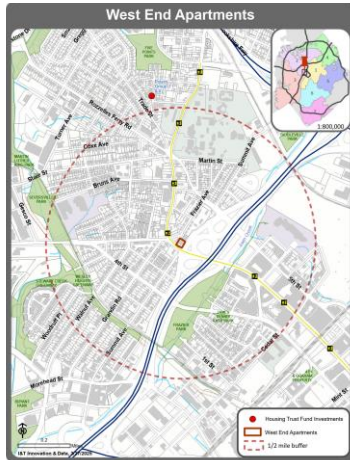
Note: Development funding also includes a \$2.5 Million request to Mecklenburg County.



Recommended Developments: TOD Land Acquisition

West End Apartments

TOD Land Acquisition



Urban Trends

District 2 | 1414 W Trade Street

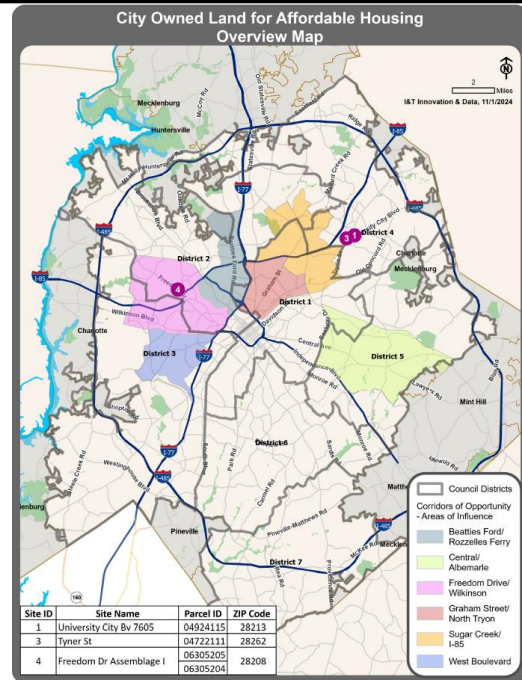
Summary					
Funding Request		\$ 1,500,000			
Description		Acquisition of 0.45-acre site for a proposed affordable housing development. There is an estimated yield of 102 units, with the exact yield and mix to be determined.			
Zoning		TOD - NC			
HTF within 0.5 Miles		-			
Site Score	Proximity	Access	Change	Diversity	Total
	8.0	7.1	9.7	3.4	28.2



Recommended Developments: City-Owned Land

Land Development Strategy

- City-Owned Land Requests for Proposals
- City-Directed Development
- Land Acquisition and Development



7825 Tyner Street

Parcel Summary	
Council District	4
Acreage	0.782 acres
Appraised Value	\$681,275
Appraisal Date	8/16/2024
Current Conditions	Vacant



7825 Tyner Street

City-Owned Land



Camino CDC + True Homes

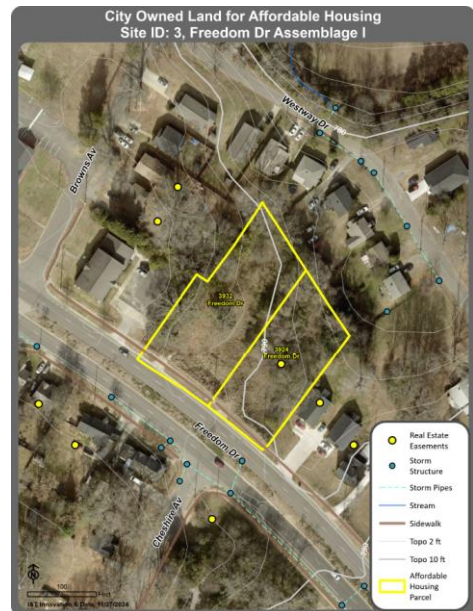
District 4 | 7825 Tyner St

Summary	
Developer	Camino CDC & True Homes
Land Conveyance Type	Ground Lease
Total Units	12 (townhomes) 2 (transitional homes)
Development Type	New Construction - Rental
AMI	30% - 90%
Affordability Period	99 years

Freedom Drive Assemblage

3924 Freedom Dr & 3932 Freedom Dr

Parcel Summary	
Council District	2
Acreage	1.260 acres
Appraised Value	\$728,000
Appraisal Date	8/20/2024
Current Conditions	Vacant



Freedom Drive Assemblage

City-Owned Land



True Homes & Prosperity Alliance

District 2 | 3924 & 3932 Freedom Dr

Summary	
Developer	True Homes & Prosperity Alliance
Land Conveyance Type	Fee Simple
Total Units	12 (townhomes)
Development Type	New Construction
AMI	60% - 80%
Affordability Period	20 years



Housing Development Recommendations Summary

Recommended Developments Summary

Development	Developer	Development Type	District	Affordable Units	Recommended Funding	Negotiated Affordability Period	City Cost Per Unit	City Cost Per Unit Per Year
Rental Housing Production - Housing Trust Fund				646	\$ 19,922,000			
Baker Crossing	Woda Cooper	9% - Family	1	58	\$ 1,972,000	99	\$ 34,000	\$ 343
The Barton South*	Blue Ridge Atlantic Development	4% - Family	3	140	\$ 3,000,000	99	\$ 42,857	\$ 433
Havenridge at Sharon Amity	Dominion Group	4% - Seniors	5	120	\$ 6,000,000	99	\$ 50,000	\$ 505
Union at Graham	The Annex Group	4% - Family	1	198	\$ 4,400,000	99	\$ 22,222	\$ 224
Woodward Apartments	Standard Communities	4% - Family	1	130	\$ 4,550,000	99	\$ 35,000	\$ 354
Rental Housing Production - Federal Funding				48	\$ 800,000			
Long Creek Commons	South Creek Development	9% - Seniors	ETJ	48	\$ 800,000	50	\$ 16,667	\$ 333
Homeownership				102	\$ 4,782,000			
Aveline Newell Townhomes	DreamKey Partners, Inc.	Homeownership	4	54	\$ 2,430,000	30	\$ 45,000	\$ 1,500
Carya Pond Townhomes	Habitat for Humanity	Homeownership	5	32	\$ 1,632,000	15	\$ 51,000	\$ 3,400
Frew Road Townhomes	Habitat for Humanity	Homeownership	1	7	\$ 315,000	15	\$ 45,000	\$ 3,000
Tom Hunter Homes	Habitat for Humanity	Homeownership	1	9	\$ 405,000	15	\$ 45,000	\$ 3,000
Rental Housing Preservation & Anti-Displacement				338	\$ 10,400,000			
The Hideaway at Kingspark**	Sandee Road Ventures	NOAH	3	110	\$ 5,000,000	40	\$ 45,455	\$ 1,136
Woodford Estates (Willow Park)**	Ascent Housing	NOAH	5	228	\$ 5,400,000	20	\$ 23,684	\$ 1,184
TOD Land Acquisition					\$ 1,500,000			
West End Apartments	Urban Trends	Land Acquisition	1	TBD	\$ 1,500,000			
City-Owned Land					*Appraised Value			
7825 Tyner St	Camino CDC & True Home	Mixed	4	TBD	\$ 681,275			
Freedom Dr Assemblage	True Homes & Prosperity Alliance	Homeownership	2	TBD	\$ 728,000			

*Note: Development previously awarded \$3 Million in HTF funding for land acquisition.

**Note: If both developments awarded funding, investment would exceed the allocation goal for Rental Housing Preservation.

Recommended Developments: AMI Summary and Rent/Sales Price Range

	Number of Units	Rent Range Efficiency to 3BR	Sales Price Range
30% AMI	247	\$556 - \$826	
50% AMI	61	\$927 - \$1,378	
60% AMI	386	\$1,113 - \$1,653	
70% AMI	134	\$1,298 - \$1,929	
80% AMI	204	\$1,484 - \$2,205	
Homeownership	102		\$267K - \$285K
Total	1,134		

Deferred Developments Summary

Development	Developer	LHFC	District	Affordable Units	Funding Request	Proposed Affordability Period	City Cost Per Unit	City Cost Per Unit Per Year
Rental Housing Production				717	\$ 40,435,000			
Brooklyn Village*	Legacy Real Estate Development	4% - Family	1	250	\$ 13,500,000	99	\$ 54,000	\$ 545
Kendall Crossing	The Paces Foundation	4% - Seniors	3	100	\$ 4,975,000	99	\$ 49,750	\$ 503
Evoke Living at Mountain Island	Crosland Southeast	9% - Seniors	2	72	\$ 5,200,000	50	\$ 72,222	\$ 1,444
Oak Valley Phase I	Horizon Development Properties	4% - Family	1	130	\$ 6,500,000	99	\$ 50,000	\$ 505
Weddington Road Apartments**	DreamKey	4% - Family	7	85	\$ 4,500,000	99	\$ 90,000	\$ 909
Wheatley Senior Apartments	DreamKey	9% - Seniors	1	80	\$ 5,760,000	99	\$ 72,000	\$ 727
City-Owned Land				*Appraised Value				
7605 University City Blvd	TBD	TBD	4		\$ 681,275			

*Note: Development recommended for further evaluation.

**Note: Development previously awarded \$3.15 Million in HITF funding.

Housing Trust Fund Forecast [If Recommendations Are Approved]

Housing Trust Fund Balance	
Housing Trust Fund Current Balance	\$94,900,000
Rental Housing Production Recommendations	\$19,922,000
Rental Housing Preservation Recommendations	\$10,400,000*
Homeownership Development Recommendations	\$4,782,000
Less Total Recommended Developments	(\$35,104,000)
Housing Trust Fund Ending Balance (if all recommended projects are approved)	\$59,796,000

* If both developments awarded, investment would exceed the allocation goal for Rental Housing Preservation

Housing Trust Fund Forecast [If Recommendations Are Approved]

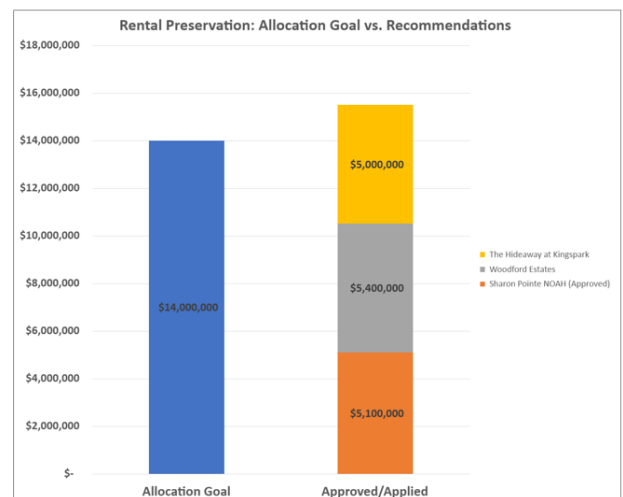
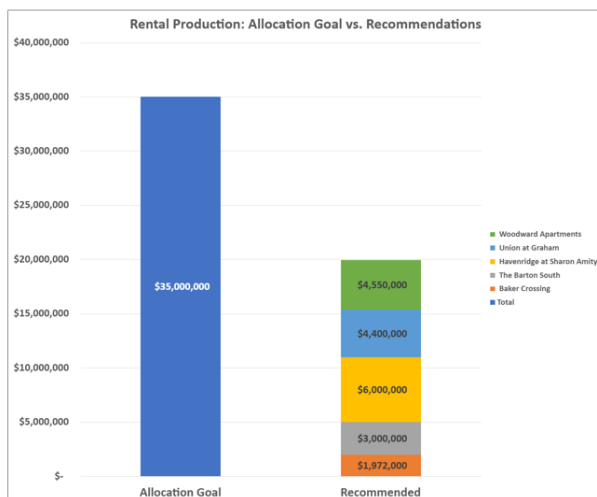
Investment Category*	Goal	Committed To Date	Funding Available	Funding Recommended	Balance
Rental Housing Production	\$35 M		\$35 M	\$19,922,000	\$15,078,000
Homeownership	\$25 M		\$25 M	\$4,782,000	\$20,218,000
Rental Housing Preservation	\$14 M	\$5.1 M**	\$8.9 M	\$10.4 M***	(\$1.5 M)

* Categories shown in table are only those for which a funding recommendation is being made

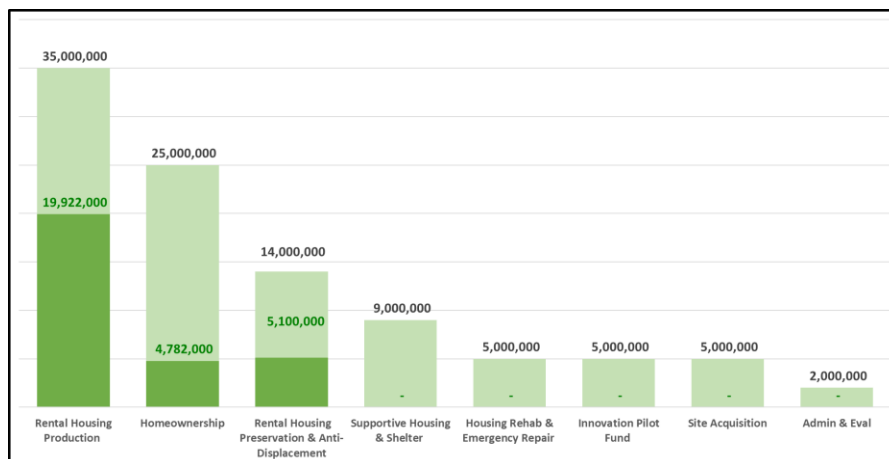
** Council approved a \$5.1 M NOAH development on February 10, 2025

*** If both developments awarded, investment would exceed the allocation goal for Rental Housing Preservation

Housing Trust Fund Forecast [If Recommendations Are Approved]



Housing Trust Fund Forecast [If Recommendations Are Approved]



Housing Development Fund Schedule



City-Owned Land Schedule



Questions