

# Housing Trust Fund: Request for Proposals Overview

HOUSING COMMITTEE

APRIL 6, 2026

1

## Housing Trust Fund RFP Overview

### Council Priority Alignment

- ▶ Affordable Housing; Great Neighborhoods

### Purpose

- ▶ Provide an overview of the Housing Trust Fund Request for Proposals (RFP) and staff review process. Preview the requests for affordable housing development support submitted in response to the recent RFP and receive guidance on Committee priorities.

### Key Takeaways

- ▶ This is the third funding cycle following the expansion of the housing bond and City Council's adoption of the Affordable Housing Funding Policy
- ▶ This round, we received a total of 18 proposals requesting more than \$45.6 Million across three bond investment categories: Rental Housing Production, Homeownership, and Innovation
- ▶ RFP submissions are evaluated for financial feasibility and alignment with City Council's funding policy and investment priorities
- ▶ Staff will present funding recommendations to City Council at Action Preview on April 13, 2026

2

## Housing Trust Fund (Est. 2001)

Charlotte's Affordable Housing Bonds	
2002	\$10 M
2003	\$20 M
2004	\$15 M
2006	\$10 M
2008	\$10 M
2010	\$15 M
2014	\$15 M
2016	\$15 M
2018	\$50 M Housing Charlotte Framework
2020	\$50 M
2022	\$50 M HTF Tune-Up
2024	\$100 M Affordable Housing Funding Policy

- ▶ **25 Years of Leadership and Policy Innovation**
- ▶ **Each iteration is responsive to community needs**
- ▶ **Council policy sets priorities and drives change, development cycles follow (~12-18 months)**

## Housing Trust Fund Overview

- ▶ **Provides gap financing for affordable housing developments**
- ▶ **Fund replenished on biennial basis via bond referendum and federal allocations**
- ▶ **Request For Proposals (RFP) process provides predictability for development partners and streamlines the project review process**
- ▶ **Separate “rolling RFP” for Rental Housing Preservation and Land Acquisition (open until funds exhausted)**
- ▶ **Proposals evaluated for alignment with City Council's Affordable Housing Funding Policy**
- ▶ **The Winter RFP schedule aligns with state tax credit application deadlines in May**

## Tax Credits for Affordable Housing

- ▶ **The Low-Income Housing Tax Credit (LIHTC) is the primary federal incentive for the development and rehabilitation of affordable rental housing**
  - The credit incentivizes private sector investment in affordable housing by offering a reduction in a taxpayer's income tax liability in return for making a long-term housing investment
  - State agencies award housing credits to developers, who then exchange the credits to private investors for equity investments in the project
  - These funds allow developers to borrow less money and pass through the savings in lower rents for income-qualified tenants
- ▶ **Tax credits reduce the financial ask from other public subsidy sources, including the Housing Trust Fund**

## Tax Credits for Affordable Housing

- ▶ **In NC, the tax credit program is administered by the North Carolina Housing Finance Agency (NCHFA)**
- ▶ **There are two components to the tax credit program:**
  - 9% Tax Credits - Offers higher equity to developers, limited availability, highly competitive, awarded by NCHFA annually, typically covers ~50-70% of a project's costs
  - 4% Tax Credits - Paired with tax-exempt housing bond financing, typically covers ~30-40% of a project's costs
- ▶ **Key parameters:**
  - Qualified Allocation Plan, Qualified Census Tracts, Qualified Costs
- ▶ **Tax credits are the production engine - creates the vast majority of affordable multi-family rental housing in Charlotte and across the nation**
- ▶ **Local funding requirements and council priorities strengthen the quality of proposed developments and support resident outcomes.**

## 2024 Housing Bond Investment Goals Tracker



\* At the April 13, 2026 business meeting, City Council will consider a \$3.5 M investment for the preservation of a NOAH development as recommended by Housing Committee.

7

## \$100 Million Housing Bond Activation

Investment Category	Goal	Balance	Hold for Open RFPs and Committee Recs	Estimated Balance after Holds
Rental Housing Production	\$35 M	\$11.3 M	-	\$11.3 M
Homeownership	\$25 M	\$12.4 M	-	\$12.4 M
Rental Housing Preservation	\$14 M	\$3.5 M	\$3.5*	\$0
Supportive Housing and Shelter Capacity	\$9 M	\$2.8 M	-	\$2.8 M
Housing Rehab and Emergency Repair	\$5 M	\$5 M	\$4 M**	\$1 M
Innovation Pilot Fund	\$5 M	\$5 M	-	\$5 M
Site Acquisition	\$5 M	\$2.6 M	-	\$2.6 M
Administration & Evaluation	\$2 M	\$1.8 M	\$1.6 M**	\$0.2 M
<b>Total</b>	<b>\$100 M</b>	<b>\$44.4 M</b>	<b>\$9.1 M</b>	<b>\$35.3 M</b>

**Notes:**

\*At the April 13, 2026 business meeting, City Council will consider a \$3.5 M investment for the preservation of a NOAH development as recommended by Housing Committee.

\*\*Requests for Proposals are currently open for these categories. Holds represent the estimated investment.

8

# Housing Trust Fund RFP Schedule

Milestone	Dates
Release Request For Proposals	December 4, 2025
Proposal Submission Deadline	January 30, 2026
<b>Council Committee Discussion</b>	<b>April 6, 2026</b>
City Council Action Review	April 13, 2026
City Council Vote	April 27, 2026

# HTF RFP Round 3 (Winter FY 2026): Summary of Applications Submitted

2024 Affordable Housing Bond*			
Investment Category	Council Allocation Goal	Funds Committed To-Date	Current Balance
Rental Housing Production	\$35,000,000	\$23,787,000	\$11,213,000
Homeownership	\$25,000,000	\$12,629,000	\$12,371,000
Innovation	\$5,000,000	\$0	\$5,000,000

Responses to RFP	
Number of Applications Submitted	Total Funding Requested
8	\$35,230,000
9	\$9,654,000
1	\$800,000
<b>18</b>	<b>\$45,684,000</b>

\*Note: Only categories for which a funding application was submitted through the recent RFP process are shown here. Refer to Slides 7 and 8 for full details of the Affordable Housing Bond.

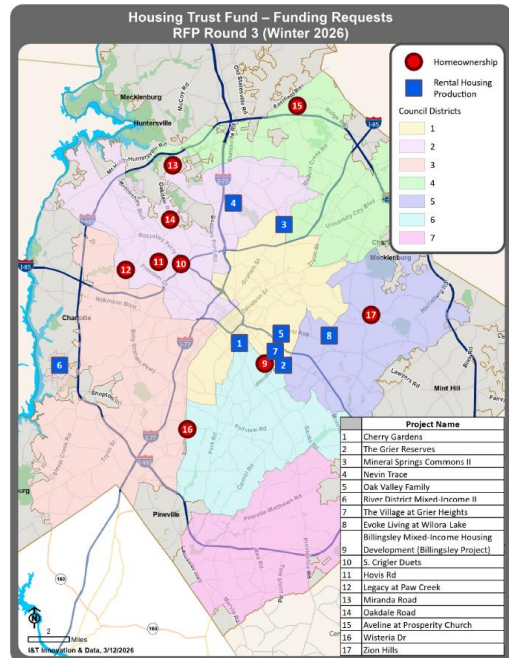
# RFP Round 3 (Winter FY 2026): Applications Submitted

Project Name	Developer	Address	Council District	Type	Total # Afford. Units	City Funding Requested	City Cost Per Unit	Location Score
<b>Rental Housing Production</b>								
1 Cherry Gardens	Mosaic Development Group, Inc.	506 Avant Street	1	Rental	42	\$ 500,000	\$ 11,905	31.8
2 The Grier Reserves	DreamKey Partners, Inc.	3500 Ellington Street	1	Rental	150	\$ 7,000,000	\$ 46,667	25.2
3 Mineral Springs Commons II	Wesley Community Development Corporation	2024 W Sugar Creek Road	4	Rental	91	\$ 1,760,000	\$ 19,341	21.9
4 Nevin Trace	Woda Cooper Companies, Inc.	6230 Statesville Rd	2	Rental	144	\$ 4,320,000	\$ 30,000	19.9
5 Oak Valley Family	Horizon Development Properties, Inc.	2700 Oak Valley Lane	1	Rental	188	\$ 4,700,000	\$ 25,000	24.5
6 River District Mixed-Income II	Laurel Street Residential, LLC	7972 Dixie River Road	3	Rental	123	\$ 6,100,000	\$ 49,593	18.4
7 The Village at Grier Heights	DreamKey Partners, Inc.	3430 Wheatley Ave	1	Rental	80	\$ 5,000,000	\$ 62,500	29.0
8 Evoke Living at Wilora Lake	Crosland Southeast	4000 North Sharon Amity Road (TBD)	5	Rental	120	\$ 5,850,000	\$ 48,750	29.0
<b>Homeownership</b>								
9 Billingsley Mixed-Income Housing	CrossRoads	3430 Wheatley Avenue	1	Homeownership	21	\$ 1,050,000	\$ 50,000	29.9
10 S. Crigler Duets	West Side CLT (West Side Community Land Trust)	113 - 117 S. Crigler Street	2	Homeownership	6	\$ 360,000	\$ 60,000	19.7
11 Hovis Rd	Prosperity Alliance and True Homes Foundation	4500 Hovis Rd	2	Homeownership	39	\$ 780,000	\$ 20,000	19.8
12 Legacy at Paw Creek	Kingdom Development Partners, LLC	5701 & 5703 Paw Creek Rd	2	Homeownership	23	\$ 1,334,000	\$ 58,000	19.1
14 Oakdale Road	Habitat for Humanity of the Charlotte Region, Inc	1239, 1225 and 1215 Oakdale Rd	2	Homeownership	65	\$ 2,930,000	\$ 45,077	14.7
15 Aveline at Prosperity Church	DreamKey Partners, Inc.	6135 Prosperity Church Road	4	Homeownership	16	\$ 800,000	\$ 50,000	15.5
16 Wisteria Dr	Habitat for Humanity of the Charlotte Region, Inc	6505 Wisteria Dr	6	Homeownership	27	\$ 1,400,000	\$ 51,852	27.2
17 Zion Hills	Habitat for Humanity of the Charlotte Region, Inc.	6806 Robinson Church Road	5	Homeownership	20	\$ 1,000,000	\$ 50,000	16.1
<b>Innovation</b>								
Modular Home + ADU	West Side CLT (West Side Community Land Trust)	TBD	TBD	Modular + ADU	10	\$ 800,000	\$ 80,000	n/a

\*Numbers in first column correspond to locations on the map on the next page. The Innovation request does not have a number as a site has not yet been finalized by the applicant.

## Map of Applications

	Project Name
<b>Rental Housing Production</b>	
1	Cherry Gardens (9%, Seniors)
2	The Grier Reserves (4%, Family)
3	Mineral Springs Common II (9%, Seniors)
4	Nevin Trace (4%, Family)
5	Oak Valley Family (4%, Family)
6	River District Mixed-Income II (4%, Family)
7	The Village at Grier Heights (9%, Seniors)
8	Evoke Living at Wilora Lake (4%, Seniors)
<b>Homeownership</b>	
9	Billingsley Mixed-Income Housing
10	S. Crigler Duets
11	Hovis Road
12	Legacy at Paw Creek
13	Miranda Road
14	Oakdale Road
15	Aveline at Prosperity Church
16	Wisteria Drive
17	Zion Hills



# Sample Slide: HTF Presentation

## Kendall Crossing

4% Tax Credit - Senior

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%

### 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

### 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		-

# Sample Pages: HTF Booklet

**Multi-Family Support Request Details**  
Recommended for Funding - October 2025  
Kendall Crossing / The Paces Foundation

**DEVELOPMENT SUMMARY**

Development Name	Kendall Crossing
Developer	The Paces Foundation, Inc.
Address	9400 Kendall Drive
Council District	3
Total Units	100
Investment Category	Senior Housing Production
Development Type	4% LIHTC Seniors

**FINANCIAL SUMMARY**

Requested Support	\$4,975,000
Prev. City Investment	\$0
Investment Per Unit	\$49,750
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
Investment Realization Period	13 years
% at 30%	20%
% > 2BR	0%
10-Year Rent Savings	\$3,783,906
HTF Within 0.5 Miles	0
Community Meeting Held	Yes
Leverage Ratio	5:1

**DEVELOPMENT PROJECT SUMMARY**

Kendall Crossing is a proposed senior affordable housing development including 100 units within a four-story elevator-served multi-story building and located on approximately 20.8 acres. Onsite amenities include a community room, exercise room, computer room, tenant storage spaces, health/care/examination room, gazebo with seating, and a walking trail.

**Developer Background / Experience:** Paces Foundation, a 501(c)(3), has over 33 years of experience in affordable housing development, having successfully completed more than 4,000 units across 10 states, including both senior and family projects. Paces has experience with LIHTC, HOME, and tax-exempt bond financing. Paces delivered a 130-unit senior community (Lages at Carr Heights) supported by the Housing Trust Fund and LIHTC in 2021 through collaboration with the West Side Community Land Trust and the West Side Neighborhood Coalition including a Community Benefits Agreement with the community.

**COUNCIL INVESTMENT PRIORITIES**

**Eligibility/Qualifications:** Kendall Crossing includes rents capped at 70% AMI and will serve seniors (55+). In addition, 10 units will be set aside for a master lease with Roof Above's LIME Program which helps seniors on a fixed income including those receiving disability, retirement, or Social Security benefits gain access to affordable housing.

**Location:** The site is located within 0.3 miles of Food Lion, CVS Pharmacy, and Family Dollar; 0.2 miles from CareMort Family Medicine Center. The site is not served by a bus line, but is located within a planned microtransit zone, with access to bus stops along Mt. Holly Road. There are no HTF investments within a 2-mile radius of the site.

**Resident Services:** Resident services will be provided to the 10 units master leased through Roof Above by Roof Above. The scope of services includes supportive services such as case management, benefits enrollment assistance, and connection to healthcare and transportation resources. Services will be provided on an as-needed basis with monthly check-ins, with Roof Above maintaining a consistent presence. In addition, an onsite health examination/preventative care room will be provided, available to all residents of the community.

**Distraction/Leverage:** The investment leverage ratio is 5:1. This includes funding commitments from Red Stone (LIHTC equity) and Berkeley (LIHTC). As noted above, the development partners with Roof Above related to 10 units.

**Illustration:** Kendall Crossing introduces an innovative approach to resident services and operations, as evidenced by the master lease with Roof Above.

**Staff Funding Recommendation:** City staff recommend this project for funding.

**Multi-Family Support Request Details**  
Recommended for Funding - October 2025  
Kendall Crossing / The Paces Foundation

**DEVELOPMENT SUMMARY**

Development Name	Kendall Crossing
Developer	The Paces Foundation, Inc.
Address	9400 Kendall Drive
Council District	3
Total Units	100
Investment Category	Senior Housing Production
Development Type	4% LIHTC Seniors

**FINANCIAL SUMMARY**

Requested Support	\$4,975,000
Prev. City Investment	\$0
Investment Per Unit	\$49,750
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
Investment Realization Period	13 years
% at 30%	20%
% > 2BR	0%
10-Year Rent Savings	\$3,783,906
HTF Within 0.5 Miles	0
Community Meeting Held	Yes
Leverage Ratio	5:1

**DEVELOPMENT PROJECT SUMMARY**

Kendall Crossing is a proposed senior affordable housing development including 100 units within a four-story elevator-served multi-story building and located on approximately 20.8 acres. Onsite amenities include a community room, exercise room, computer room, tenant storage spaces, health/care/examination room, gazebo with seating, and a walking trail.

**Developer Background / Experience:** Paces Foundation, a 501(c)(3), has over 33 years of experience in affordable housing development, having successfully completed more than 4,000 units across 10 states, including both senior and family projects. Paces has experience with LIHTC, HOME, and tax-exempt bond financing. Paces delivered a 130-unit senior community (Lages at Carr Heights) supported by the Housing Trust Fund and LIHTC in 2021 through collaboration with the West Side Community Land Trust and the West Side Neighborhood Coalition including a Community Benefits Agreement with the community.

**COUNCIL INVESTMENT PRIORITIES**

**Eligibility/Qualifications:** Kendall Crossing includes rents capped at 70% AMI and will serve seniors (55+). In addition, 10 units will be set aside for a master lease with Roof Above's LIME Program which helps seniors on a fixed income including those receiving disability, retirement, or Social Security benefits gain access to affordable housing.

**Location:** The site is located within 0.3 miles of Food Lion, CVS Pharmacy, and Family Dollar; 0.2 miles from CareMort Family Medicine Center. The site is not served by a bus line, but is located within a planned microtransit zone, with access to bus stops along Mt. Holly Road. There are no HTF investments within a 2-mile radius of the site.

**Resident Services:** Resident services will be provided to the 10 units master leased through Roof Above by Roof Above. The scope of services includes supportive services such as case management, benefits enrollment assistance, and connection to healthcare and transportation resources. Services will be provided on an as-needed basis with monthly check-ins, with Roof Above maintaining a consistent presence. In addition, an onsite health examination/preventative care room will be provided, available to all residents of the community.

**Distraction/Leverage:** The investment leverage ratio is 5:1. This includes funding commitments from Red Stone (LIHTC equity) and Berkeley (LIHTC). As noted above, the development partners with Roof Above related to 10 units.

**Illustration:** Kendall Crossing introduces an innovative approach to resident services and operations, as evidenced by the master lease with Roof Above.

**Staff Funding Recommendation:** City staff recommend this project for funding.

# Housing Locational Tool

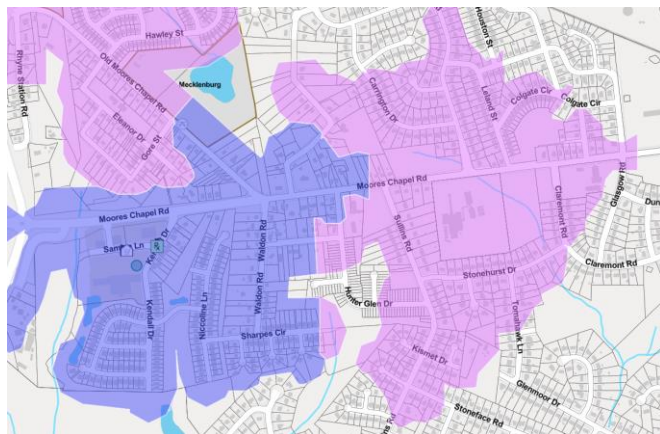
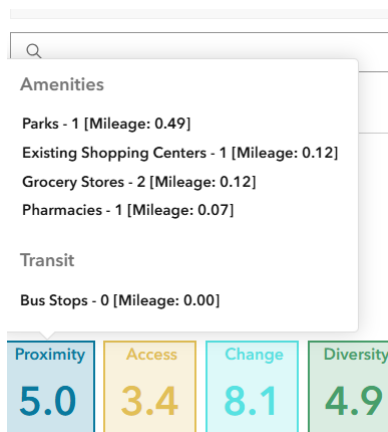
## ► Why Scoring?

- Site scoring allows for better understanding of the relationship of a site to the surrounding community and allows developers to select sites that align with city goals and priorities.

## ► Score Components:

- **Proximity** - This measure looks at the amenities near the proposed site. The amenities reviewed include grocery stores, pharmacies, parks, schools, shopping centers and high-frequency transit stops. Sites with high proximity scores have many amenities near the proposed site.
- **Employment Access** - Access is a measure of the number of jobs within commuting distance to a proposed site. The site is assessed for both a public transit and car commute and the resulting score is a combined measure of both.
- **Neighborhood Change** - Using median income, change in housing sales prices and permit volumes, this score indicates areas of increased real estate and construction activity. A high score in neighborhood change helps to identify the neighborhoods undergoing the most rapid price increases, property transfers and increased likelihood of resident displacement.
- **Diversity** - This measure looks at two aspects of diversity. First, the score awards points for developments located in areas with lower poverty rates. High poverty rates often reflect existing housing for lower income households. Next this score compares the affordability of housing to be provided and the median income of the community. Points are awarded for providing housing options that increase the diversity of the available housing options.

## Example: Kendall Crossing



[community.charlottenc.gov](https://community.charlottenc.gov)

# Housing Trust Fund RFP Process



Eligibility Review	Staff Review	Negotiation & Refinement	Evaluation	Recommendations
<ul style="list-style-type: none"> <li>• Submittal is complete</li> <li>• Site control and zoning</li> <li>• Meets community engagement requirements</li> <li>• Compliance with Housing Code and Asset Management</li> </ul>	<ul style="list-style-type: none"> <li>• Financial feasibility (sources/uses, debt capacity, gaps)</li> <li>• Development team capacity &amp; track record</li> <li>• Planning review</li> </ul>	<ul style="list-style-type: none"> <li>• Right-size public subsidy</li> <li>• Adjust affordability levels and term</li> <li>• Evaluate leverage of other funding (LIHTC, debt)</li> <li>• Address risks and close gaps</li> </ul>	<ul style="list-style-type: none"> <li>• Alignment with <u>Affordable Housing Funding Policy</u> priorities</li> <li>• Cost per affordable unit</li> <li>• Feasibility within fund balance constraints</li> </ul>	<ul style="list-style-type: none"> <li>• Development details</li> <li>• Funding amount</li> <li>• Key terms (affordability period, unit mix)</li> <li>• Rationale for recommendation</li> </ul>

# 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

## What Sets Strong Projects Apart

### ► Value Proposition

- **Financial** – realistic, well-structured financing and efficient use of public funds
- **Terms** – long-term affordability commitments and strong track record of stewardship
- **Location** – access to amenities and
- **Resident Outcomes** – services or features that support holistic wellbeing and economic opportunity

### ► Advancing & Expanding Our Impact

- **Partnerships & Leverage** – incorporating partnerships & leveraging outside capital to enhance resident outcomes while extending the reach of public funding
- **Innovation** – bold ideas with the potential to scale

### ► Advancement of Council's Strategic Priorities and Initiatives

- **Access, Mobility & Connectivity**
- **Faith in Housing**

## Next Steps

### ► Current Bond (2024)

- April 6<sup>th</sup> – Housing Committee Previews Housing Trust Fund applications
- April 13<sup>th</sup> – Staff presents recommendations at City Council Action Preview
- April 27<sup>th</sup> – Council considers recommendations at Business Meeting

### ► Next Bond (2026)

- May 4<sup>th</sup> – Manager presents Recommended FY 2027 Budget
- June 8<sup>th</sup> – City Council Budget Adoption

### ► Affordable Housing Funding Policy (after bond amount recommended)

- Committee discuss investment categories and allocation goals
- Staff provide draft recommendations based on Committee feedback, for Committee consideration and deliberation
- City Council considers policy recommendations advanced by Committee

**Discussion**

 CITY of CHARLOTTE

21