

Land Acquisition Funding Recommendation: Five Points

HOUSING COMMITTEE
 FEBRUARY 5, 2026

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Land Acquisition Funding Recommendation: Five Points

Council Priority Alignment

- ▶ Great Neighborhoods; Affordable Housing

Purpose

- ▶ Provide an overview of the city's Land Acquisition Request for Proposals and introduce a staff recommendation for land acquisition investment in a Transit-Oriented Development area along the Gold Line in District 2.

Key Takeaways

- ▶ Land acquisition in Transit-Oriented Development areas is funded by Affordable Housing Density Bonus Fee-in-Lieu funds and allocations in the Housing Trust Fund.
- ▶ The city has a rolling Request for Proposal (RFP) for Land Acquisition in Transit-Oriented Development Areas. A response to this RFP was submitted by Historic West End Partners and The Integral Group on January 20, 2026.
- ▶ Staff recommends investment of \$4.13 Million in the Developer's acquisition of land along the Gold Line for future affordable housing.

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Land Acquisition for Affordable Housing

- ▶ Land acquisition is an affordable housing development approach that allows the city to make forward-leaning investments in strategic development locations
- ▶ Acquisitions can be made by the city directly or through a development partner
- ▶ This approach typically involves a two-stage process:
 - In stage one, the city supports the land acquisition
 - In stage two, the city approves the affordable housing development including any subsidy investment
- ▶ The Barton South affordable housing community along the Blue Line (2022) and the Dorton Street parcel along the Blue Line Extension (2024) are examples of city-funded land acquisition

Transit-Oriented Development Land Acquisition Program Overview

- ▶ As part of the Unified Development Ordinance adopted in 2022, the city established Development Bonuses to incentive the voluntary inclusion of City Council objectives in certain development areas, including affordable housing [Section 16.3]
- ▶ The Affordable Housing Density Bonus allows developers to increase project density through several options:
 - Provide affordable housing units on-site, pay a fee-in-lieu, provide affordable housing off-site, and dedicate land for affordable housing
- ▶ When collected, fee-in-lieu revenue is allocated to support land acquisition in Transit-Oriented Development areas
 - Current available balance of \$1.74 Million (additional \$14 Million in commitments)
- ▶ In addition, City Council allocated \$5 Million in the 2024 Housing Bond to strategic land acquisition in transit areas

Transit-Oriented Development Land Acquisition Program Overview

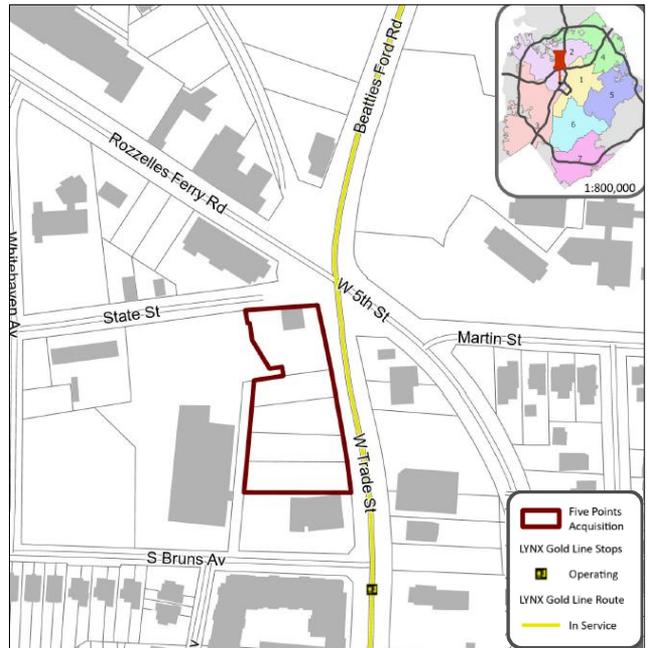
- ▶ In January 2024, the city issued a rolling Transit-Oriented Development (TOD) Land Acquisition RFP to support developer acquisition of TOD-zoned land for future affordable housing
- ▶ The rolling RFP allows the city to evaluate proposals on a rolling basis as market opportunities arise, and allows developers/community partners to be responsive to quickly changing market conditions
- ▶ The RFP allows for 90% financing of land acquisition in TOD areas through a short-term (up to three years) loan
- ▶ When proposals seeking land acquisition support are approved by the city, staff will then work with the developer over the term of the loan to finalize project concepts for the development of affordable housing on the property, in alignment with City Council priorities
- ▶ Full proposals for affordable housing will be considered by City Council through future Housing Development Fund requests for proposal
- ▶ The city's investment is protected through a lien against the property

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Development Details

- **Historic West End Partners**
- **District:** 2
- **Request:** \$4,131,000
- **Description:** Acquisition of 1.25-acre assembled site for a proposed affordable housing development. Estimated yield of 145 units (exact yield TDB)
- **Zoning:** NC
- **HTF within 0.5 miles:** 1
- **Site Score:**

Proximity	Access	Change	Diversity	Total
8.0	5.9	8.6	6.2	28.70



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Housing Trust Fund Forecast [If Recommendation Is Approved]

Land Acquisition / Housing Trust Fund Balance	
Affordable Housing Density Bonus Fee-in-Lieu Revenue Current Balance	\$1,740,000
Housing Trust Fund Site Acquisition Category Current Balance	\$5,000,000
Less Land Acquisition Recommendation	(\$4,140,000)
Housing Trust Fund Site Acquisition Category Ending Balance <i>(if recommended project is approved)</i>	\$2,600,000
Housing Trust Fund Total Ending Balance <i>(if recommended project is approved)</i>	\$44,200,000

Next Steps

- ▶ February 5, 2026 – Economic Development and Workforce Committee will receive an overview of the proposed Five Points Mixed-Use Development
- ▶ February 9, 2026 – Council will receive an overview of the land acquisition recommendation at Action Preview meeting
- ▶ February 23, 2026 – Council Vote on Land Acquisition at Council Business Meeting



Questions

 CITY of CHARLOTTE

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