

Brookhill Village Update and Funding Recommendation

JUNE 12, 2023

Brookhill Village Update

- ▶ **Site History**
- ▶ **Current State**
- ▶ **Project Proposal**
- ▶ **Funding Recommendation**



Brookhill Village History

► Brookhill Village constructed in 1950

- Original community included 418 low-income, single-story attached rental units
- Land-owners established a 99-year ground lease, expiring in 2049

► Lookout Housing Ventures (LHV) development plan in 2020

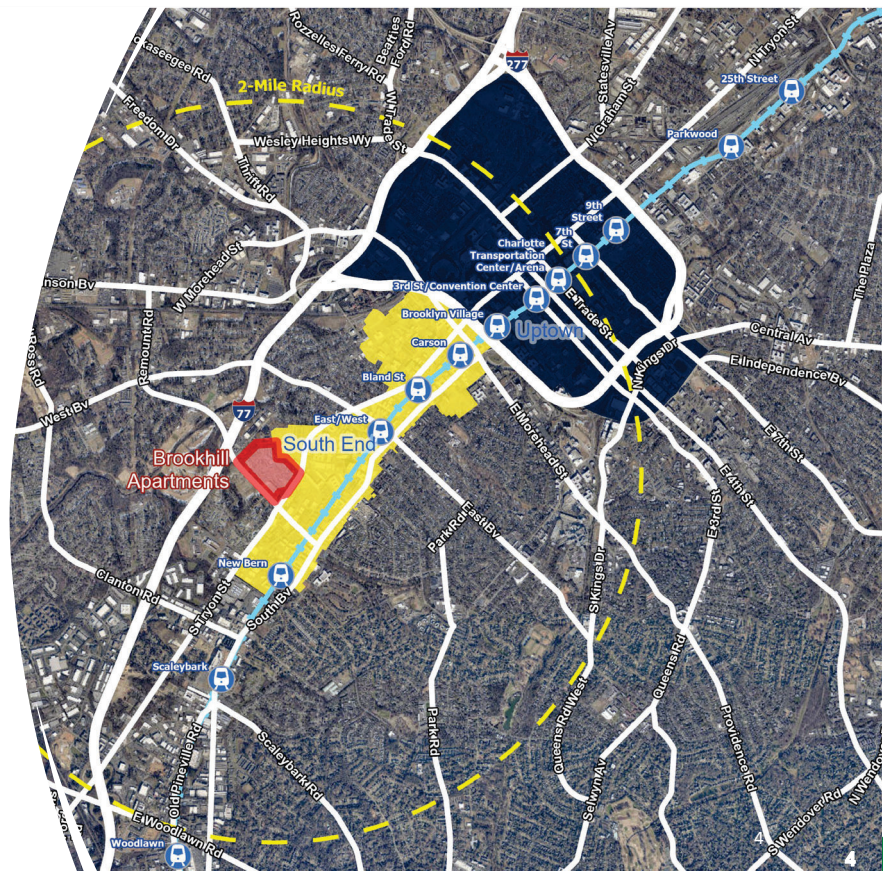
- Proposed \$84M redevelopment of 324 units (164 affordable units, and 160 workforce units)
- Initial funding request of ~\$10M submitted to City of Charlotte in early 2020
- City Council earmarked \$3M of Housing Trust Fund support (HTF) in late 2020, contingent on developer securing a long-term financing commitment from a senior lender
- \$3M earmark was replenished to the HTF in 2022 when LHV exited the project

► Griffin Brothers Companies development plan

- Ground lease acquired in 2022, with early termination option that expires on July 31, 2023
- Original plan to enable the preservation of existing affordable units through 2049 hinged on the receipt of Project-Based Vouchers (PBVs)
- In January 2023, Inlivan denied the Griffin Brothers Companies request for PBVs, creating a funding gap that has been under evaluation by City and County staff

Brookhill Village

- Convenient access to Uptown (two miles from Trade/Tryon)
- Adjacent to South End
- Close to:
 - Employment
 - Grocery
 - Banking
 - Healthcare
 - Blue Line

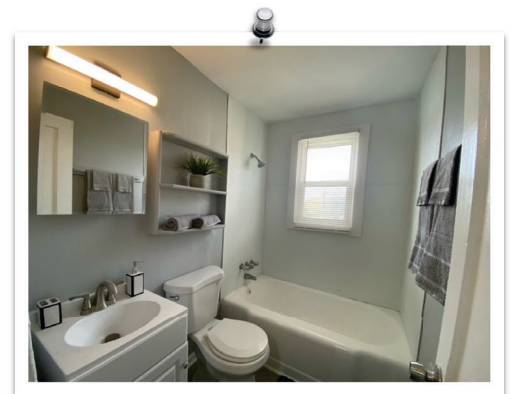


Brookhill Village Current State

- ▶ **Community survey results reflected the following household attributes:**
 - 97% African American; 64% female; average age of 54; 33% with children
 - 76% of households with length of residence greater than five years
 - 38% of residents have a disabling condition or are retired
- ▶ **78 occupied households as of May 2023**
 - Average monthly rent of \$466 (with 1/3 of households at less than \$400/month)
 - Average annual household income of \$23,200
- ▶ **Most on-site buildings have been demolished, except for 100 housing units (including 78 occupied) on 9 acres (of a total of 35 acres under the ground lease)**
- ▶ **Griffin Brothers Companies has not finalized the development plans for the balance of the property expected to include market-rate, mixed-use development**
- ▶ **Thousands of apartments have been built nearby in recent years, along with market-rate townhomes and attractive amenities**

Brookhill Village: Griffin Brothers Proposal

- ▶ **78 occupied households will retain housing and rents will remain at affordable levels**
- ▶ **Total of 100 housing units to undergo extensive interior and exterior renovation and be preserved through 2049**
- ▶ **The Harvest Center, a local non-profit focused on housing and jobs, will manage the units**
 - On-site office, community resource center and gym
 - Wrap-around services available to all residents
- ▶ **All 100 units will be required to remain affordable/transitional through the end of the ground lease in 2049**
- ▶ **Requested city funding (\$3.5million) and county funding (\$3.5million) in support of:**
 - Land lease acquisition
 - Affordable unit renovation costs
 - Annual rental subsidies through 2049



Recommended City Support (ARPA funding source)

| | |
|------------------------|---------------|
| Land lease acquisition | \$1m |
| Unit renovation | \$2.5m |
| Total | \$3.5m |

Value Proposition Summary

- 1. Advance a collaborative solution – City of Charlotte, Mecklenburg County, The Harvest Center – to a longstanding community challenge**
- 2. Avoid displacement and preserve affordability for 78 low-income households**
- 3. Create new transitional housing capacity for individuals/families experiencing or at risk of homelessness**
- 4. Provide on-site supportive services to all Brookhill Village households**
- 5. Enable City and County to access affordable housing stock as attrition occurs for legacy Brookhill Village residents**
- 6. Reliance on a federal funding source (ARPA)**

Next Steps

- ▶ Address Council questions and feedback**
- ▶ Monitor Mecklenburg County's plans in support of Brookhill**
- ▶ As appropriate, seek Council action on July 10, 2023 in support of \$3.5 million ARPA-funded forgivable loan**