



NEST Commission Recommendations

Housing, Safety & Community Committee Co-Chair Briefing
September 5, 2023

Charlotte's Anti-Displacement Strategy supports four goals, though support for businesses will be addressed through future planning.

GOAL 1
SUPPORT RESIDENTS
Enhance housing stability at both the household and neighborhood levels

GOAL 2
STRENGTHEN COMMUNITIES
Preserve social capital and help communities advocate and plan for future needs

GOAL 3
FOSTER INCLUSIVITY
Build trust and transparency; ensure diverse participation in decision-making about displacement

GOAL 4
EMPOWER BUSINESSES
Retain legacy businesses and support local entrepreneurship

Strategies to be developed through future planning efforts

Charlotte Anti-Displacement Strategy | HR&A Advisors



Advancing the Strategy: NEST Commission Recommendations

GOAL 1 SUPPORT RESIDENTS

1. Revive and expand the **Acquisition, Rehab, Resale** program
2. Expand the **House Charlotte Plus** homeownership assistance program
3. Fund **small landlord investments** in unit rehab and other supports
4. Fund rehab/preservation of **small NOAH communities**
5. Expand the **Accessory Dwelling Unit (ADU)** pilot program
6. Increase access to services that promote resident stability and mobility through **resource/referral services** and community partnerships
7. **Reduce barriers to programs and information** through neighborhood organizing, neighborhood resilience hubs, and targeted outreach and communications

GOAL 2 STRENGTHEN COMMUNITIES

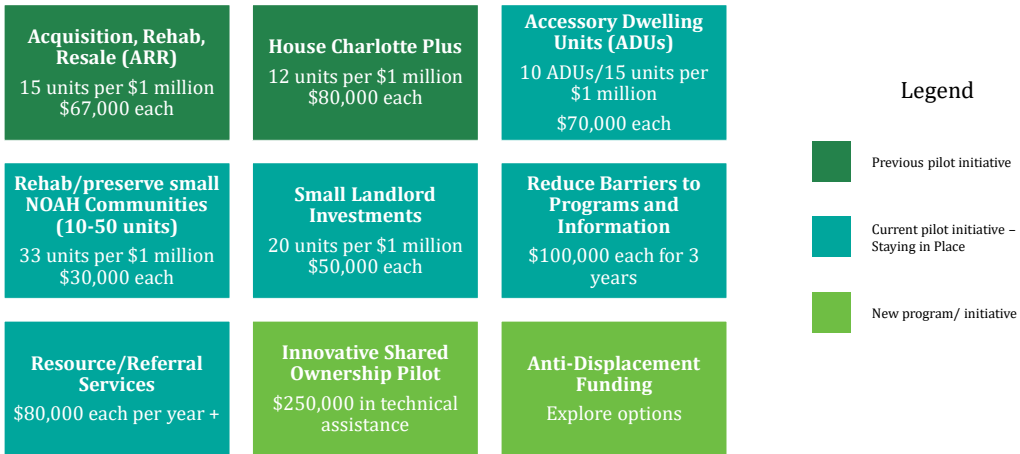
8. Establish a pilot program to increase capacity for **innovative shared ownership models**

GOAL 3 FOSTER INCLUSIVITY

9. Explore options and best practices for a dedicated and **sustainable funding source** to support and advance anti-displacement programs and activities

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Programmatic Investment Unit Costs



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Acquisition, Rehabilitation & Re-sell

- ◀ Authorized by Council in 2021 with a \$1.5 million investment
- ◀ Funding is used to acquire the unit, complete rehab and subsidize cost to the buyer
- ◀ Creates available affordable stock for low- and moderate-income homeowners (investors may not purchase)
- ◀ Sales proceeds are recycled back into the program
- ◀ 20 units purchased with average subsidy at that time of \$30,000



2042 BENZIGER COURT

FOR SALE

> 2100+ SF
> 3 bedrooms
> 2.5 baths
> Attached Garage

\$239,000

This lovely Charlotte home was recently renovated by Red Cedar Construction under the guidance of The City of Charlotte's Department of Housing & Neighborhood Services.

PROPERTY FEATURES

- Cul de sac lot in a vibrant neighborhood
- Large deck walks out to good sized yard
- Fresh neutral paint throughout
- New wood laminate and carpet
- Granite countertops (kitchen/bath)
- Large 2nd floor overlook loft area
- New stainless steel appliance package
- HOME UNDER WARRANTY

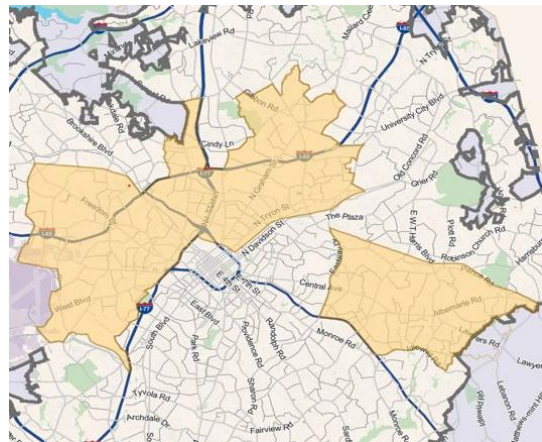
LIKE NEW!

CITY OF CHARLOTTE

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House Charlotte Plus – Pilot Launched

- ◀ Up to \$80,000 in down payment assistance available in Corridors of Opportunity
- ◀ May be combined with other down payment programs
- ◀ Funding is provided in the form of a deferred forgivable loan for buyers below 80% of AMI and meet other qualifications
- ◀ Pilot program funding of \$1,560,000 dollars supported homeownership for 27 households and was fully committed within 3 months



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Accessory Dwelling Units (ADUs)

Homeowner Model

- Eligibility: Homeowners up to 80% AMI (*up to 110% AMI?*)
- Fund 100% construction cost for homeowners
- Owner receives income stream
- 15-year affordability restriction at various AMI levels for the ADU
- Property management included for homeowner model, includes taxes, insurance, and maintenance reserves
- Program recovers 50% of cost over time, recycles back into program

Investor-Owner Model

- Fund 40% of construction cost for local investors/developers
- 15-year affordability restriction at various AMI levels for both primary and accessory unit

Making it Easy

- ADU Program Guide
- Streamlined Application/Permit Process
- Pre-Approved/Buildable Plans – Mix of Sizes, Styles and Construction Types
- Map-based User Tool (potential for ADU on a site)
- Outreach and Promotion



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Small Landlord Investments and Rehab/Preserve Small NOAH Communities

- ◁ **Investor-owned properties currently eligible for city rehab programs with 15-year affordability restriction**
- ◁ **Small landlords and developers want to be able to compete for city investment**
 - Through Housing Trust Fund Tune-up, NOAH eligibility has been expanded to include communities 10-49 units
- ◁ **Gap in training/education, capital and capacity for community-focused real estate development**
 - E.g., [Jumpstart Germantown](#) – provides training, mentoring, networking and loans to local, aspiring developers

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Reduce Barriers to Programs and Information

◀Community Organizing Training

- Train city staff, neighborhood leaders, residents and other community stakeholders on community organizing basics – together
- Final session includes canvassing the Staying in Place neighborhoods to share anti-displacement resources

◀Neighborhood Info Networks

- Community-led approach to distributing information and creating two-way communication with city and county
- Neighborhoods will create a plan to activate/mobilize quickly in threats/emergencies (e.g., displacement events)

◀Resiliency Hubs

- Neighborhood-based spaces that bring together resources that help residents achieve stability and support

Resource / Referral Services

Community Health Workers



Innovative Shared Ownership Pilot

◀ Design a pilot to increase community capacity to advance innovative shared ownership models

- Identify groups interested in establishing models such as residential cooperatives, community investment trusts, and community land trusts
- Dedicate \$250,000 in technical assistance to community and nonprofit partners interested in exploring shared ownership models
- Support acquisition of residential property by providing funding, identifying publicly-owned land, or helping to connect partners with property owners interested in selling property

Anti-Displacement Funding

◀ Explore best practices to advance Objective 3.3 of the Anti-Displacement Strategy: **Dedicated funding to meet anti-displacement goals**

- Recommend an **annual operating budget** for anti-displacement programming
- Evaluate **potential local funding sources** that can meet funding needs – new funding and allocation of existing
- **Modeling the impact** of various anti-displacement strategies at a neighborhood level (partnership with Knight Foundation and Neighborhood Investment Advisory Committee)

◀ Deliver recommendation to Housing, Safety, Community Committee in advance of the FY 2025 budget cycle

Questions & Feedback