



Housing Funding Support Requests

City Council Briefing

July 8, 2019

BRIEFING OBJECTIVES

- Housing Programs Overview
- Housing Trust Fund Balance
- Request for Proposals
 - Supporting Framework and Guidelines
 - Community Participation
 - Joint Proposal Review Process
 - Evaluation Criteria
 - Housing Trust Fund Balance
 - Review Team
 - Approach & Guidelines
 - Schedule
 - Summary of Proposals
 - Recommended
 - Non-recommended
- Next steps



HOUSING PROGRAMS OVERVIEW

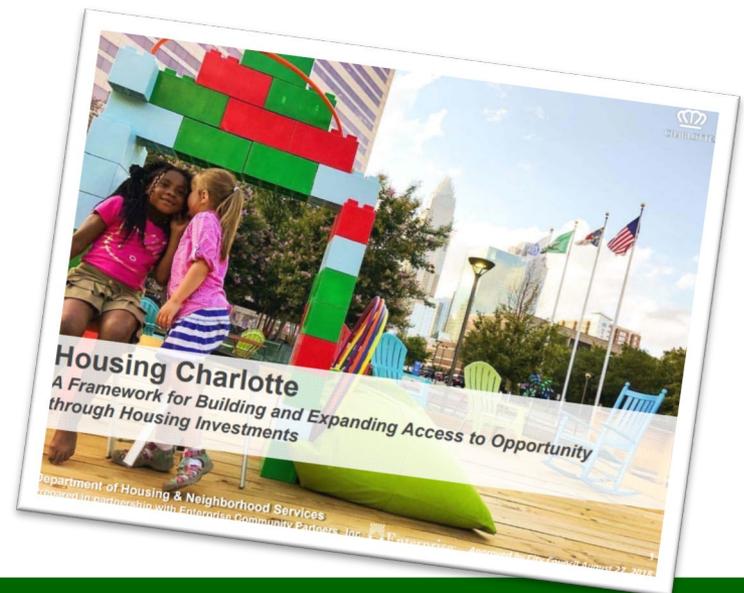
- The City's Housing Programs are consistent with the U.S. Department of Housing and Urban Development's requirements.



HOUSING PROGRAMS OVERVIEW

Program	FY 2020 Allocation
House Charlotte Down Payment Assistance	\$2,400,000
Safe Home Rehabilitation	\$3,000,000
TLC by CLT Targeted Rehabilitation	\$1,000,000
Habitat for Humanity	\$375,000
Emergency Repair	\$500,000
Aging In Place	\$750,000
Tenant Based Rental Assistance	\$430,000
Voluntary Relocation	\$150,000
Emergency Rent & Utility	\$425,000
HOPWA	\$2,700,000
A Way Home Endowment	\$10,000,000 (5-year pledge complete)
Housing Trust Fund	\$30,376,000 (Balance as of 7-1-19)
Total	\$52,106,000

- In August 2018, City Council approved the Housing Charlotte Framework.
- In 2018, City Council approved the Housing Locational Guidelines.
- In February 2019, City Council approved the City-Owned Land Disposition Guidelines.



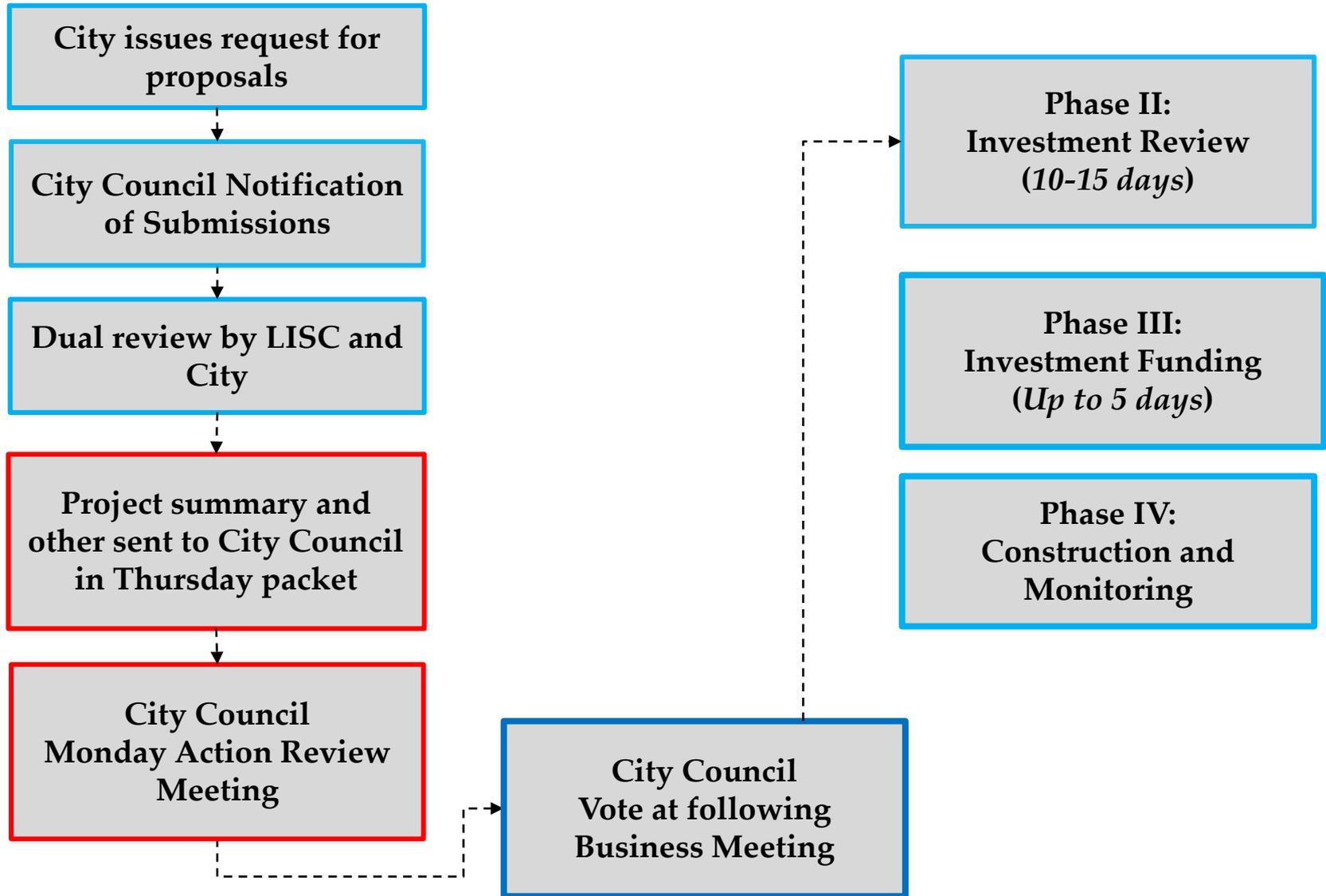
- To ensure community collaboration, the City will implement a process improvement to inform and seek community input on bond-funded housing support requests, specifically including those who advocate for or are personally impacted by displacement and homelessness.
- Additionally, LISC will establish a local community committee to ensure comparable community participation.



First round schedule for City Housing Trust Fund (HTF) and LISC Charlotte Housing Opportunity Investment Fund (CHOIF)

Milestone	Dates
RFP Issued	April 26, 2019
Submission Deadline	May 15, 2019
City Council Notification	May 28, 2019
City Council Action Briefing	July 8, 2019
City Council Approval	July 22, 2019

JOINT PROPOSAL REVIEW PROCESS - RECAP



I. City Policies:

- Number of years affordable
- Neighborhood displacement and revitalization
- Locational Guidelines (site scoring)

II. Development Strength:

- Number of affordable units
- At minimum at or below 30% Area Median Income
- Income: 60% or less Area Median Income

III. Developer Experience:

- Developer track record
- Property Management

IV. Financial Strength :

- Leverage of City funds
- City investment per unit

V. Market Study Review:

- Proposed site
- Impact in the community
- Demand and capture rate

VI. Community Engagement:

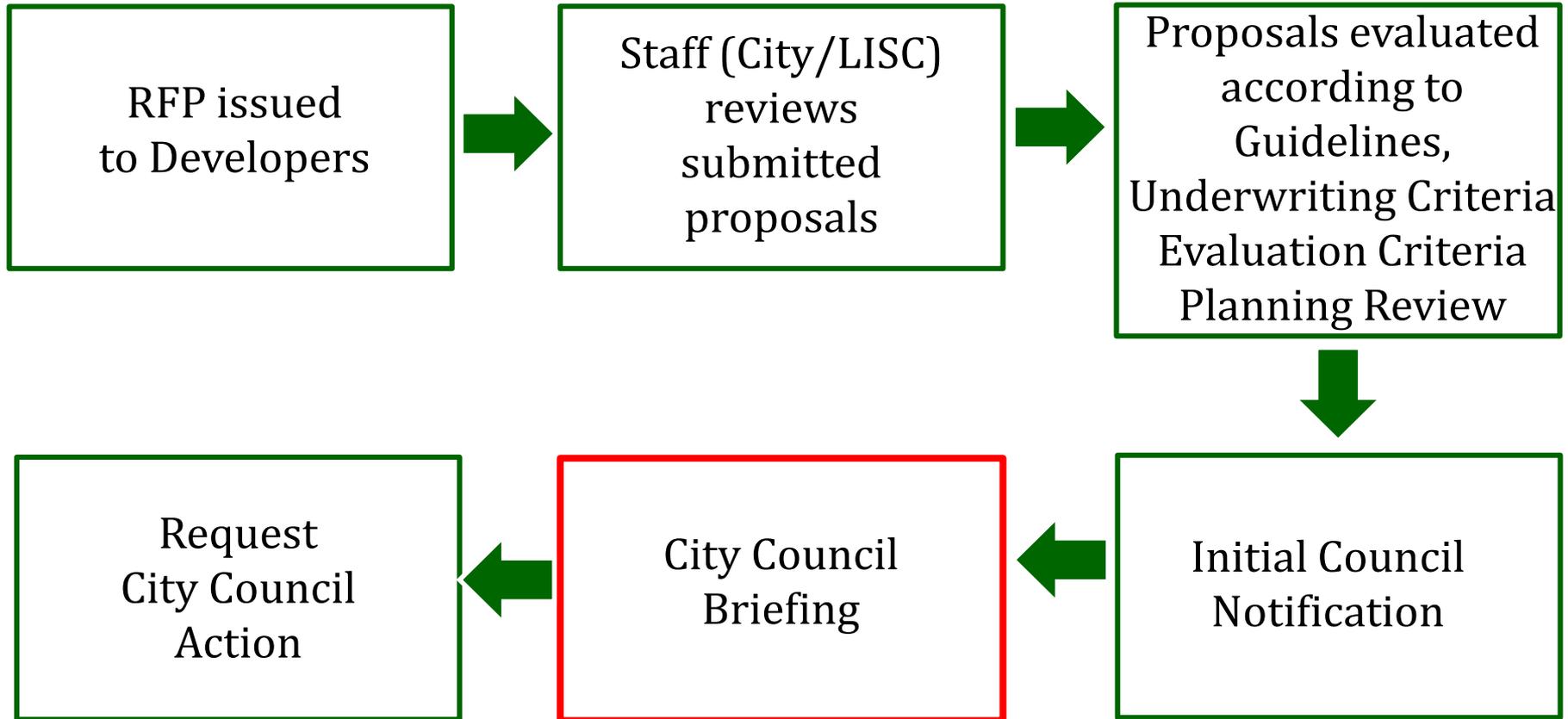
- Developer must convene at least one community meeting to address proposed development

- Zelleka Bierman: City of Charlotte Housing & Neighborhood Services (underwriter)
- Ralphine Caldwell: Charlotte LISC Executive Director
- Matthew Leber: LISC Community Development Officer (underwriter)
- Albert Rusty Mills: Charlotte LISC Senior Program Officer (underwriter)
- Monica Salguero: LISC Assistant Housing Analyst
- Miles Vaughn: City of Charlotte Housing & Neighborhood Services (underwriter)
- Pamela Wideman: City of Charlotte Housing & Neighborhood Services Director



Approach	<ul style="list-style-type: none">• Dual Review Process<ul style="list-style-type: none">• Housing & Neighborhood Services staff• LISC staff• Data Driven
Guiding Principals	<ul style="list-style-type: none">• Create mixed-income developments in areas of high opportunity• Achieve long-term affordability• Maximize leverage of available resources<ul style="list-style-type: none">• Housing Trust Fund• Charlotte Housing Opportunity Investment Fund• Public/Private Owned Land• Housing Locational Guidelines• Interest Free Debt• Project-Based Housing Vouchers

REQUEST FOR PROPOSAL REVIEW PROCESS



Housing Trust Fund Balance

Beginning Balance	\$50,000,000
Less 4% Tax Credit Projects	(\$9,524,000)
Less NOAH Project	(\$2,100,000)
Less Estimated 9% Tax Credit Projects <i>(Awards announced in August 2019)</i>	(\$8,000,000)
Remaining Balance	\$30,376,000

Housing Trust Fund	
2002	\$10,000,000
2003	\$20,000,000
2004	\$15,000,000
2006	\$10,000,000
2008	\$10,000,000
2010	\$15,000,000
2014	\$15,000,000
2016	\$15,000,000
2018	\$50,000,000
Total	\$160,000,000

Request for Proposal Summary

Total Requests/Developments	14
City Housing Trust Fund	12
City Land	3
Charlotte Housing Opportunity Investment Fund/Reduced Interest Rate	9
Leverage Ratio based on total development costs	1:11
Total Units	1,729

Four scoring criteria:

1. **Proximity** – Proximity of the site to transit options and amenities
2. **Income Diversity** – To what extent does the development contribute to creating vibrant mixed-income communities
3. **Access** – A measure of jobs easily accessed from the development site
4. **Neighborhood Change** – The level of displacement risk indicted by real estate market activity in historically lower income neighborhoods

HTF/CHOIF RECOMMENDATIONS

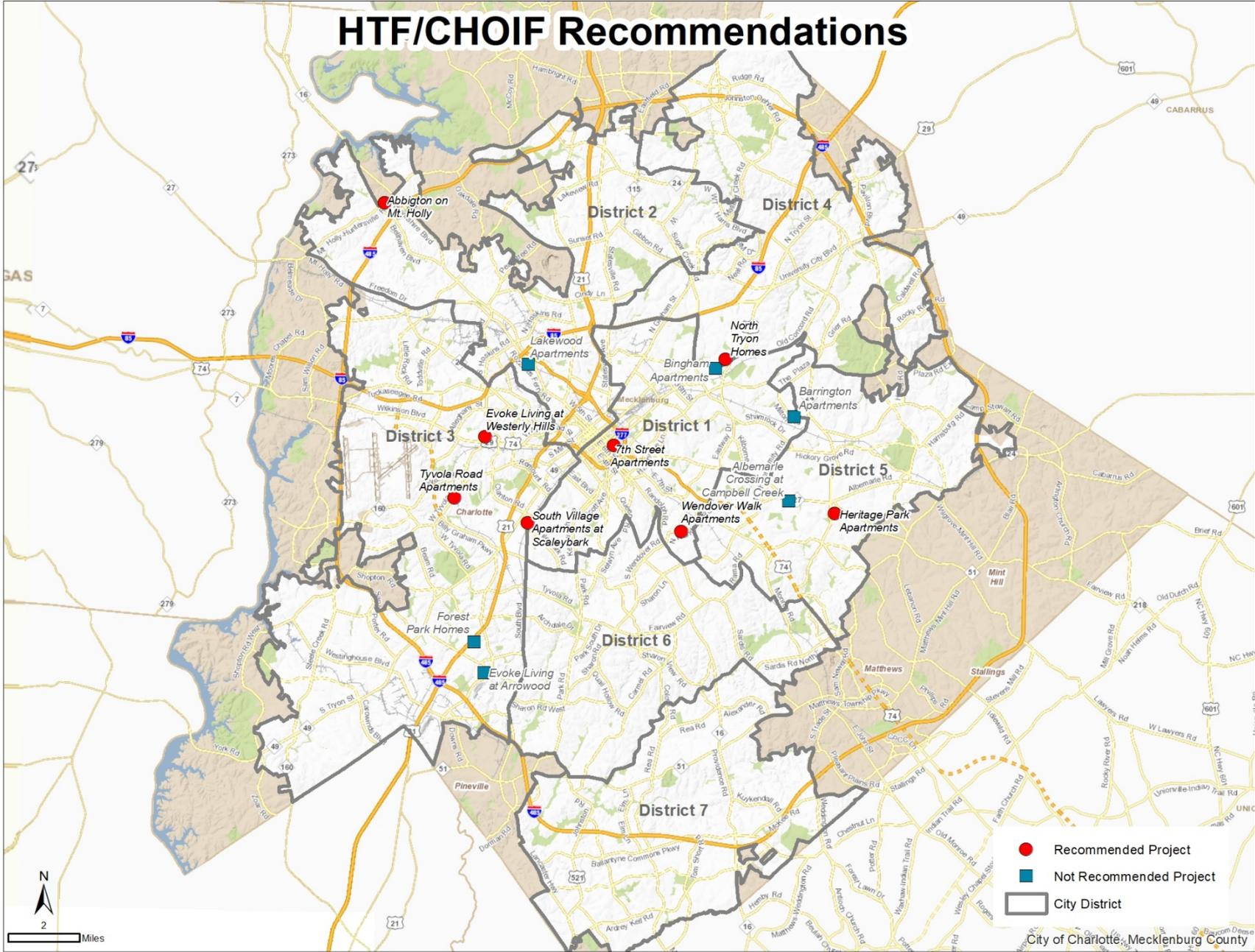
	Developments	Leverage Ratio	Units	HLG Score	HTF Request	CHOIF Request	Reduced Interest Request	City Land Request
1	7 th Street Apartments	1:9	100	29.1	\$1,500,000	\$3,187,000	-	\$1,320,000
2	Abbingdon on Mt. Holly	1:9	102	23.4	\$2,000,000	\$1,775,000	-	-
3	Evoke Living @ Westerly Hills	1:12	156	25.1	\$2,000,000	\$3,150,000	-	-
4	Heritage Park Apartments (existing NOAH)	1:41	151	24.5	\$600,000	-	-	-
5	North Tryon Homes	1:16	188	23.6	\$2,000,000	-	\$3,760,000	-
6	South Village Apts @ Scaleybark	1:4	82	29.8	\$3,000,000	\$1,000,000	\$1,206,000	\$2,570,000
7	Tyvola Road Apartments	N/A	80	27.0	-	-	-	\$980,000
8	Wendover Walk Apartments (existing NOAH)	1:5	91	30.1	\$1,700,000	\$1,330,000	-	-
	Total		950		\$12,800,000	\$10,442,000	\$4,966,000	\$4,870,000

	Development	Meeting date
1	7 th Street Apartments	6/4/19
2	Abbington on Mt. Holly	2/15/18
3	Evoke Living at Westerly Hills	6/6/19
4	Heritage Park Apartments (existing affordable)	n/a
5	North Tryon Homes	1/30/19
6	South Village Apartments @ Scaleybark	6/25/19
7	Tyvola Road Apartments	6/12/19
8	Wendover Walk Apartments (NOAH)	n/a

UNIT SUMMARY

AMI	# Units	%
30%	198	21%
50%	9	1%
60%	387	41%
80%	246	26%
Unrestricted and >80%	110	11%
Total Units	950	100%

HTF/CHOIF Recommendations



RECOMMENDED DEVELOPMENT SUMMARY

New Construction Transit Corridor | City-Owned Land



**7th Street Apartments
District 1
705 East 7th Street
Laurel Street Residential**

Proximity	Access	Change	Diversity	Total
9	9.9	2.7	7.5	29.1

Number of Units	100
HTF Request	\$1,500,000
CHOIF Request	\$3,187,000
City Land Request	\$1,320,000
Total Development Cost	\$17,781,661
Project Based Voucher	Yes
Affordability Period	35
Leverage Ratio	1:9
Rent Range	\$420 - \$2,225

AMI	# Units
< 30%	20
31-50%	-
51-60%	20
61-80%	10
81 -120%	50
Total Units	100

RECOMMENDED DEVELOPMENT SUMMARY

New Construction
4% LIHTC



Abbington on Mt. Holly
District 2
3230 Mt. Holly-Huntersville Road
Rea Ventures Group, LLC

Proximity	Access	Change	Diversity	Total
5	3.4	8	7	23.4

Number of Units	102
HTF Request	\$2,000,000
CHOIF Request	\$1,775,000
Total Development Cost	\$20,875,915
Affordability Period	30
Leverage Ratio	1:9
Rent Range	\$553 - \$1,459

AMI	# Units
< 30%	26
31-50%	-
51-60%	5
61-80%	71
Total Units	102

RECOMMENDED DEVELOPMENT SUMMARY

New Construction
4% LIHTC



Evoke Living at Westerly Hills
District 3
2503 Westerly Hills Drive
Horizon (CHA) & Crosland (CSE)

Proximity	Access	Change	Diversity	Total
5	7.3	8.8	4	25.1

Number of Units	156
HTF Request	\$2,000,000
CHOIF Request	\$3,150,000
Total Development Cost	\$28,761,997
Affordability Period	30
Leverage Ratio	1:12
Rent Range	\$377 - \$1,543

AMI	# Units
< 30%	31
31-50%	9
51-60%	71
61-80%	45
Total Units	156

RECOMMENDED DEVELOPMENT SUMMARY

Acquisition & Rehabilitation
4% LIHTC
Existing Affordable Housing



Heritage Park Apartments
District 5
7100 Snow Lane
Heritage Park Housing Partners, LP

Number of Units	151
HTF Request	\$600,000
CHOIF Request	\$0
Total Development Cost	\$25,009,487
Affordability Period	30
Leverage Ratio	1:41
Rent Range	\$826 - \$1,230

AMI	# Units
< 30%	50
31-50%	-
51-60%	101
61-80%	-
Total Units	151

Proximity	Access	Change	Diversity	Total
9.2	4.5	8.6	2.2	24.5

RECOMMENDED DEVELOPMENT SUMMARY

New Construction
4% LIHTC | Transit Corridor



North Tryon Homes
District 4
5301 N. Tryon Street
NRP Group, LLC

Proximity	Access	Change	Diversity	Total
8.7	6.4	4	4.5	23.6

Number of Units	188
HTF Request	\$2,000,000
CHOIF Request	-
Reduced Interest Request	\$3,760,000
Total Development Cost	\$37,568,954
Affordability Period	30
Leverage Ratio	1:16
Rent Range	\$427 - \$1,648

AMI	# Units
< 30%	38
31-50%	-
51-60%	103
61-80%	47
Total Units	188

RECOMMENDED DEVELOPMENT SUMMARY

**New Construction - 4% LIHTC
Transit Corridor | City-Owned Land**



**South Village Apartments @ Scaleybark
District 3
Dewitt Lane at Whitton Street
The Housing Partnership (CMHP)**

Proximity	Access	Change	Diversity	Total
8	8.6	7.2	5	28.8

Number of Units	82
HTF Request	\$3,000,000
CHOIF Request	\$1,000,000
Reduced Interest Request	\$1,206,000
City Land Request	\$2,570,000
Total Development Cost	\$18,434,707
Project Based Vouchers	Yes
Affordability Period	30
Leverage Ratio	1:4
Rent Range	\$350 - \$1,925

AMI	# Units
< 30%	16
31-50%	0
51-60%	49
61-80%	17
Total Units	82

RECOMMENDED DEVELOPMENT SUMMARY

New Construction City-Owned Land | Workforce Housing



**Tyvola Road Apartments
District 3
3902 West Tyvola Road
Laurel Street Residential**

Proximity	Access	Change	Diversity	Total
6.7	6.0	9.8	4.5	27.0

Number of Units	80
HTF Request	\$0
CHOIF Request	\$0
City Land Request	\$980,000
Total Development Cost	\$13,272,223
Affordability Period	20
Leverage Ratio	NA
Rent Range	\$897 - \$1,400

AMI	# Units
< 30%	8
31-50%	-
51-60%	-
61-80%	32
Mkt/unrestricted 80%	40
Total Units	80

NOAH Acquisition & Rehab



**Wendover Walk Apartments
District 1
724 N. Wendover Road
The Housing Partnership (CMHP)**

Proximity	Access	Change	Diversity	Total
10	6.6	4.2	9.3	30.1

Number of Units	91
HTF Request	\$1,700,000
CHOIF Request	\$1,330,000
Total Development Cost	\$10,950,015
Affordability Period	30
Leverage Ratio	1:5
Rent Range	\$785 - \$1,010

AMI	# Units
< 30%	9
31-50%	-
51-60%	38
61-80%	24
81%>	20
Total Units	91

4% DEVELOPMENTS - PER UNIT COMPARISON

4% Developments		
Year	Number of Units	Per Unit Costs
2017	470	\$30,106
2018	461	\$30,421
2019 (Proposed)	679	\$17,923

2019 Total Proposed (All)	
Number of Units	Per Unit Costs
950	\$18,600



Developments
Albemarle Crossing at Campbell Creek
Barrington Apartments
Bingham Apartments
Evoke Living at Arrowood
Forest Park Homes
Lakewood Apartments

NON-RECOMMENDED PROPOSALS

	Developments	Leverage Ratio	Units	HLG Score	HTF Request	CHOIF Request	Reduced Interest Request	City Land Request
9	Albemarle Crossing at Campbell Creek	1:8	147	16.2	\$3,000,000	\$0	-	-
10	Barrington Apartments	1:8	168	13.3	\$3,000,000	\$0	-	-
11	Bingham Apartments	N/A	60	22.2	-	\$450,000	-	-
12	Evoke Living at Arrowood	1:13	168	15	\$2,000,000	\$3,350,000	-	-
13	Forest Park Homes	1:17	200	10.1	\$2,000,000	-	\$2,750,000	-
14	Lakewood Apartments	1:3	36	20.5	\$1,356,975	\$0	-	-
	Total		779		\$11,356,975	\$3,800,000	\$2,750,000	

New Construction
4% LIHTC



Albemarle Crossing at Campbell Creek
District 5
5800 Albemarle Road
GCRE 19 Holding Company, LLC

Proximity	Access	Change	Diversity	Total
9	3.2	0	4.0	16.2

Number of Units	147
HTF Request	\$3,000,000
CHOIF Request	\$0
Total Development Cost	\$26,133,433
Affordability Period	30
Leverage Ratio	1:8
Rent Range	\$376 - \$1,538

AMI	# Units
< 30%	37
31-50%	-
51-60%	79
61-80%	31
Total Units	147

**New Construction
4% LIHTC**



**Barrington Apartments
District 1
7105 Village Green Drive
Winterwood Development, LLC**

Number of Units	168
HTF Request	\$3,000,000
CHOIF Request	\$0
Total Development Cost	\$27,268,282
Affordability Period	30
Leverage Ratio	1:8
Rent Range	\$360 - \$1,300

AMI	# Units
< 30%	34
31-50%	-
51-60%	104
61-80%	30
Total Units	168

Proximity	Access	Change	Diversity	Total
5	4.5	0	3.8	13.3

RECOMMENDED DEVELOPMENT SUMMARY

New Construction
9% LIHTC



Bingham Apartments
District 1
120 Bingham Drive
Mosaic Development Group, Inc.

**\$775,000 HTF support approved April 2018;
\$450,000 represents additional gap funding request*

Number of Units	60
City Request*	-
CHOIF Request	\$450,000
Total Development Cost	\$10,455,366
Affordability Period	30
Leverage Ratio	NA
Rent Range	\$329 - \$775

AMI	# Units
< 30%	15
31-50%	9
51-60%	36
61-80%	-
Total Units	60

Proximity	Access	Change	Diversity	Total
7.8	6.4	4.0	4.0	22.2

**New Construction
4% LIHTC**



**Evoke Living at Arrowood
District 3
Across 315 W. Hebron CPCC Campus
Horizon (CHA) & Crosland (SEC)**

Proximity	Access	Change	Diversity	Total
5	3.7	2.6	3.7	15

Number of Units	168
HTF Request	\$2,000,000
CHOIF Request	\$3,350,000
Total Development Cost	\$31,211,940
Affordability Period	30
Leverage Ratio	1:13
Rent Range	\$377 - \$1,543

AMI	# Units
< 30%	34
31-50%	9
51-60%	78
61-80%	47
Total Units	168

**New Construction
4% LIHTC**



**Forest Park Homes
District 3
7150 Forest Point Blvd.
NRP Group, LLC**

Proximity	Access	Change	Diversity	Total
.5	6.4	0	3.2	10.1

Number of Units	200
HTF Request	\$2,000,000
CHOIF Request	-
Reduced Interest Request	\$2,750,000
Total Development Cost	\$38,346,139
Affordability Period	30
Leverage Ratio	1:17
Rent Range	\$427 - \$1,648

AMI	# Units
< 30%	40
31-50%	-
51-60%	110
61-80%	50
Total Units	200

New Construction



**Lakewood Apartments
District 2
3317 Rozzelles Ferry Road
Lakewood Apartments, LLC**

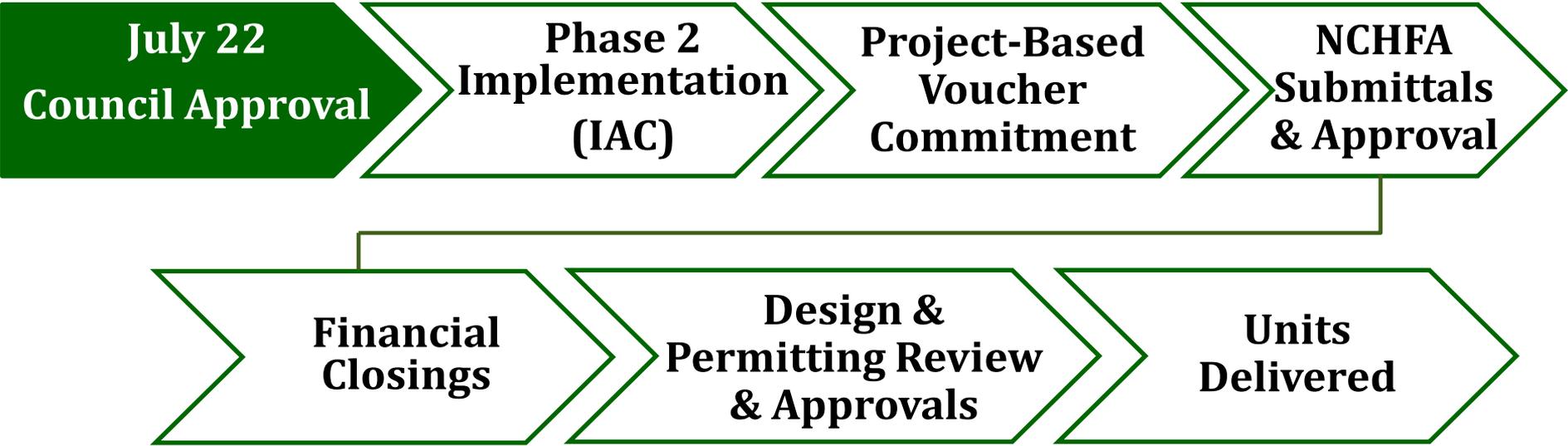
Proximity	Access	Change	Diversity	Total
1.5	7	9.2	2.8	20.5

Number of Units	36
HTF Request	\$1,356,975
CHOIF Request	\$0
Total Development Cost	\$5,610,345
Affordability Period	20
Leverage Ratio	1:3
Rent Range	\$993 - \$1,144

AMI	# Units
< 30%	4
31-50%	6
51-60%	17
61-80%	9
Total Units	36

Housing Trust Fund Balance	
Beginning Balance	\$50,000,000
Less 4% Tax Credit Projects	(\$9,524,000)
Less NOAH Project	(\$2,100,000)
Less Estimated 9% Tax Credit Projects (Awards announced in August)	(\$8,000,000)
Less Estimated RFP Requests	(\$12,800,000)
Remaining Balance	\$17,576,000
FY 2020 NOAH Allocation	\$4,200,000
Single-Family Acquisition/Rehab/Resale Program	\$2,100,000
TOTAL	\$23,876,000

NEXT STEPS





Questions