Legislation Details (With Text)

File #:	15-14493	**Version:**	1	**Name:**	
Type:	Business Item			**Status:**	Agenda Ready
File created:	10/22/2020			**In control:**	City Council Business Meeting
On agenda:	10/26/2020			**Final action:**	
Title:	Naturally Occurring Affordable Housing Rental Subsidy Pilot Program				
Attachments:					

Date	Ver.	Action By	Action	Result
11/9/2020	1	City Council Business Meeting	Approve	Pass

Naturally Occurring Affordable Housing Rental Subsidy Pilot Program

Action:

A. Approve a Naturally Occurring Affordable Housing Rental Subsidy Pilot Program for Lake Mist Apartments, to allocate funds over a 20-year period for affordable rental units, and

B. Authorize the City Manager to negotiate, execute, amend, and renew contracts as needed and consistent with the purpose for which the program was approved, with
- **Socialserve; and**
- **Archdale NOAH, LLC (Lake Mist Apartments).**

Staff Resource(s):
Pamela Wideman, Housing and Neighborhood Services

Explanation
- On August 27, 2018, City Council adopted the Housing Charlotte Framework, which recommends partnering with developers to preserve high-quality rental Naturally Occurring Affordable Housing (NOAH) with city subsidies and aligning local resources with policies that support subsidy voucher use.
- This pilot NOAH Rental Subsidy Pilot Program (Program) at Lake Mist Apartments will create new long-term rental subsidies for 30 percent Area Median Income (AMI) households.
  - Lake Mist Apartments is a 144-unit existing multi-family affordable housing development located at 1100 Lake Mist Drive in Council District 3.
    - 44 units at or below 30 percent AMI
    - 72 units at or below 60 percent AMI
    - 28 units at or below 80 percent AMI
- Of the 44 units set aside for 30 percent AMI households, the owner has also agreed to specifically set aside 22 units for 30 percent AMI households who do not have existing vouchers or other forms of rental assistance.
- To create new, long-term rent subsidies for these 22 units, the city is being asked to commit to annual funding for the length of the property's 20-year deed restriction at an amount equivalent to the property's annual city property tax bill.
  - The property's 2020 city property tax bill was $53,685.
- Funds will be provided to Socialserve who will identify tenants and administer the rental subsidy program on behalf of the city.

Background
- On September 14, 2020, City Council approved a $2,425,000 Housing Trust Fund allocation for

Lake Mist Apartments.

- On October 21, 2020, the Great Neighborhoods Committee recommended approval of the Program at Lake Mist Apartments.
- The Program leverages the Lake Mist rent subsidy program approved by Mecklenburg County on October 6, 2020.
- As a follow-up to the October 21, 2020, Great Neighborhoods Committee meeting, staff will continue to develop a broader NOAH Rental Subsidy Program for Council consideration.

Fiscal Note

Funding: General Capital Investment Plan